

I'd argue that if carriers are subsidizing phones and arguing that they must charge ETFs (early termination fees) to cover the cost of phones when customers cancel their service early, then they should reduce the cost of the service once the phone is paid off. And they should offer a discount on the service if you bring your own phone.

To the best of my knowledge, the FCC has not looked into this matter. The agency seemed to drop its inquiry into ETFs when wireless operators adopted new policies that reduced the cost of the ETF over the life of the wireless contract. But the FCC never addressed whether the cost of the service should be reduced to reflect the fact that the phone has been paid for.