

May 30, 2019

Chairman Ajit Pai  
Federal Communications Commission  
Office of Chairman  
445 12th Street, SW  
Room TW-B204  
Washington, DC 20554

**Docket No. CG Docket No 17-59 and WC Docket No. 17-97**

Chairman Ajit Pai:

On behalf of the 2.2 million credit union members we represent, the Heartland Credit Union Association (HCUA) appreciates the opportunity to comment on the CG Docket No 17-59, WC Docket No. 17-97 where the Federal Communications Commission (FCC) Chairman Ajit Pai announced the FCC will consider its draft Declaratory Ruling (the Ruling) and Third Further Notice of Proposed Rulemaking (FNPRM) (CG Docket No 17-59, WC Docket No. 17-97) at its June 6, 2019, open meeting.

According to an FCC factsheet, the Ruling would immediately accomplish two things:

- allow voice service providers to, as a default, block calls using call analytics that target unwanted calls, as long as their customers are informed and have the opportunity to opt out of the blocking; and
- allow voice service providers to give customers the option to block calls from any number that does not appear on a customer's 'white list' or contact list, on an opt-in basis."

HCUA has serious concerns regarding the impact that each of FCC's proposed actions could have on their ability to communicate with their member-owners. Credit unions are concerned the FCC's ruling conflicts with the encouragement the Consumer Financial Protection Bureau, National Credit Union Administration and other financial regulators have given financial institutions to use modern communication methods to provide time-sensitive account information to members. The ruling will further erode credit unions' ability to relay information on and implement consumer protections regarding fraud, privacy, and account activity. As a result, the proposed declaratory ruling could not only potentially endanger consumers' financial well-being, but also safe and sound credit union practices.

Credit union members own their credit union. Therefore, they need and expect to receive calls and texts from their credit union. These communications contain critical information, including fraud alerts, account alerts, collection information among other things. While we support efforts to reduce illegal robocalls, we have significant concerns that the action the FCC intends to take is overly broad and could have a significant adverse impact on credit unions' and other financial service providers' ability to communicate with their members and customers.

Neither the credit union nor credit union members will know when calls are blocked. As a result they may face costly charges in the form of general liability for fraud charges ranging from \$0 to \$500 for debit account fraud identified within the first 60 days to the full amount of any fraud identified after, \$50 for each

instance of credit-card fraud, plus account overdraft fees or over-the-limit fees based on their credit limits. The FCC should do more to distinguish between illegal callers and calls from legitimate businesses with pre-existing relationships.

Currently, consumers can opt-in to call blocking services. The FCC intends to reverse this practice and allow consumers to opt-out. Part of the justification for the Ruling is consumers were not aware of their right to opt-in and so few did; however, if consumers did not have enough information to know their right to opt-in, it is unlikely they will have enough information to know their right to opt-out. We are concerned that consumers will have insufficient information regarding the consequences of blocking all calls except those on their personal white list or contacts list. For example, members who applied for loans and need to be called by loan officers may not have those loan officers' numbers stored in their phones. This would effectively block credit union calls from reaching members that have opted-in. It could also complicate credit unions' collection efforts, which could delay borrowers getting critical information and subjecting them to adverse credit reporting.

The FCC's order will become effective upon adoption but given these concerns, the FCC should take more time to consider stakeholder concerns.

As always, we appreciate the opportunity to review this issue. We will be happy to respond to any questions regarding these comments.

Sincerely,

A handwritten signature in black ink that reads "Bradley D. Douglas". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Brad Douglas  
President/CEO