May 30, 2019

Federal Communications Commission
Commission's Secretary, Office of the Secretary
445 12th Street, SW
Washington, DC 20554

RE: Draft Declaratory Ruling

Dear Ladies and Gentlemen of the FCC,

I am writing on behalf of LA Financial FCU, which serves LA County employees and consumers. We have 29,000 members and $402.6 million in assets. LA Financial FCU respectfully submits the following comments to the Federal Communications Commission (FCC) on its draft Declaratory Ruling (Ruling) and Third Further Notice of Proposed Rulemaking (FNPRM) regarding "Advanced Methods to Target and Eliminate Unlawful Robocalls" (CG Docket No. 17-59, WC Docket No. 17-97). Our credit union has serious concerns regarding the impact the FCC's draft Ruling could have on our ability to communicate critical information to our member-owners.

We are concerned the FCC's draft Ruling conflicts with the encouragement the Consumer Financial Protection Bureau (CFPB), National Credit Union Administration (NCUA) and other financial regulators have given financial institutions to use modern communication methods to provide time-sensitive account information to members.

The draft Ruling will further erode our credit union's ability to relay information to our members regarding fraud, privacy, and account activity.

As a result, the draft 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 text messages from the credit union. These communications contain critical information, such as fraud alerts, account alerts, and collection information.

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 the ability of credit unions and other financial service providers to communicate with their members and customers.

Further, neither the credit union nor credit union members will know when calls are blocked. As a result, credit union members 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 thereafter; $50 for each instance of credit-card fraud; and 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.

Today, 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 expect 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 Ruling would become effective upon adoption. Given these significant concerns, we strongly urge the FCC take more time to consider stakeholder comments and potential unintended consequences. One such consequence affects the member's ability to react quickly to time sensitive information regarding their accounts.

Thank you for the opportunity to comment on the draft Ruling and for considering our views.

Sincerely,

Carol Galizia
President & CEO
L.A. Financial FCU

cc: CCUL