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April 3, 2019

The Honorable Mike Quigley
Chairman
Committee on Appropriations
Subcommittee on Financial Services and
General Government
United States House of Representatives
Washington, DC 20515

The Honorable Tom Graves
Ranking Member
Committee on Appropriations
Subcommittee on Financial Services and
General Government
United States House of Representatives
Washington, DC 20515

Dear Chairman Quigley and Ranking Member Graves:

On behalf of the Credit Union National Association (CUNA), I am writing to commend you for holding this hearing on the budget for the Federal Communications Commission (FCC). I respectfully request that this letter be made part of the record for this hearing. The Credit Union National Association represents America's credit unions and their 115 million members.

As you consider the FCC's fiscal budget for the upcoming year, it is imperative that Congress encourage the FCC to modernize its implementing regulations for the Telephone Consumer Protection Act ("TCPA"). Credit unions are not-for-profit, financial cooperatives that have a unique relationship with their members, who are also owners of the enterprise. This special relationship spawns a variety of communications between the credit union and its member-owners, ranging from timely and critical financial information to messages regarding governance issues and financial education. Members welcome and expect this information.

When a credit union conveys information to a member at home over a landline connection, the call does not require the member's prior consent. If the member, however, takes that same call at home on a cell phone, the rules are completely different. The Federal Communications Commission's implementing rules require prior express consent to make informational calls to cell phones using an automatic telephone dialing system or an artificial or prerecorded voice, and credit union risks potentially ruinous class-action litigation if for some reason consent has not been obtained or documented. The different treatment of informational calls to cell phones and landlines is antiquated and unfair and fails to reflect how the vast majority of consumers communicate today.

In today's communications environment, it is far more likely that a credit union member will be reached on a cell phone than a landline phone. Most consumers no longer even own a landline phone. A recent Centers for Disease Control ("CDC") study found that the majority (50.8%) of Americans only use a cell phone. This trend will only continue.

While consumers are abandoning landline phones, cell phone use is becoming less and less expensive. In fact, voice calls and texts are almost always free under today's wireless plans, which have evolved from per minute or per text charges, to limited buckets of minutes and texts, to unlimited minutes and

texts. A 2015 study estimated, for example, that nearly 90% of Americans have unlimited texting, meaning that if a company sends a text, it is highly likely that the recipient will not incur a charge. The percentage of unlimited voice and texts is likely higher today than when this study was conducted several years ago. It is increasingly difficult to even find a wireless plan today that places any limits or charges for calls or texts. This is true for many Lifeline plans as well. Offering unlimited minutes and texts is a rational pricing policy for today's high-capacity broadband wireless networks, where revenue is pegged primarily to high bandwidth data consumption rather than voice and text messages that barely register on the network.

These trends suggest that the rationale for the FCC's existing interpretation of the TCPA and implementing regulations are not only outdated, but also harmful to both consumers and the credit unions that serve them. Accordingly, we urge Congress to hold the FCC accountable for its failure to modernize the TCPA and reiterate the need for the Commission to undertake rulemaking efforts that are line with modern technological practices.

On behalf of America's credit unions and their 115 million members, thank you for recognizing the importance of this issue and holding this important hearing.

Sincerely,



Jim Nussle
President & CEO