

February 27, 2020

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

**Re: *Public Notice, Consumer and Governmental Affairs Bureau Seeks Input for Report on Call Blocking (CG Docket No. 17-59, WC Docket No. 17-97) 84 Fed. Reg. 71,888***

Dear Ms. Dortch:

The American Financial Services Association (AFSA)<sup>1</sup> appreciates the opportunity to submit reply comments to the Federal Communications Commission (FCC) for a report on call blocking. AFSA supports the FCC's goal of ending illegal robocalls. While scammers and fraudsters must be stopped, it is critical that calls from legitimate businesses to their customers not be blocked. To put it simply—please don't throw the baby out with the bathwater.

## **I. Introduction**

In June 2019, the FCC said that in an effort to protect consumers from illegal and unwanted robocalls, voice service providers could offer consumers call blocking based on reasonable analytics on an opt-out basis. The FCC clarified that voice service providers may offer “white-list” programs that block calls from numbers not in a consumer's contact list. In addition, the FCC proposed a safe harbor for voice service providers that offer call blocking that takes into account whether a call has been properly authenticated under the SHAKEN/STIR framework and may potentially be spoofed.<sup>2</sup>

The FCC directed its Consumer and Governmental Affairs Bureau, in consultation with the Wireline Competition Bureau and Public Safety and Homeland Security Bureau, to report on the implementation and effectiveness of these call blocking measures. To compile that report, the FCC has solicited input from stakeholders. The FCC received many comments in response to the solicitation.

AFSA agrees with the comments submitted by other financial services trade associations, *i.e.*, the American Bankers Association, the Credit Union National Association, the Consumer Bankers Association, and the National Association of Federally-Insured Credit Unions. We concur that legitimate calls are being blocked and that the FCC should take steps to ensure these calls go through to consumers.

---

<sup>1</sup> Founded in 1916, AFSA is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance.

<sup>2</sup> See *Advanced Methods to Target and Eliminate Unlawful Robocalls*, CG Docket No. 17-59, WC Docket No. 17-97, Declaratory Ruling and Third Further Notice of Proposed Rulemaking, 34 FCC Rcd 4876 (2019) (*Call Blocking Declaratory Ruling and Third Further Notice*).

## **II. The Problem – Legitimate Calls Are Being Blocked**

Voice service providers have been extremely aggressive in their efforts to prevent illegal and unwanted calls from reaching consumers. While this is somewhat of a positive development, the problem is that voice service providers have been overzealous in their call blocking. Regrettably, it seems as though voice service providers are using simple identifiers, such as call volume size, in determining which calls to block. Calls from legitimate financial institutions to their customers have been incorrectly flagged as suspicious or blocked outright. This means that customers are missing calls they need and expect from their creditors. Creditors have a very short window in which to reach their customers who have missed a payment to help them avoid damaging consequences such as increased repossessions and foreclosures, increased delinquencies, negative impacts on consumers' credit reports, increased late fees, additional interest, increased risk of litigation, and reduced access to future credit.

Moreover, financial institutions have no good way to know that their calls are being blocked. Voice service providers have no mechanisms in place by which they notify businesses regarding which calls are blocked. While this is a problem for financial institutions who need to reach their customers, it's even more of a problem for the customers who are missing calls reminding them to make payments, alerting them to fraud on their accounts, notifying them that their vehicle is at risk of repossession, *etc.*

Recently, AFSA conducted a study with the assistance of the Data Science practice at CenturyLink to estimate the potential negative consequences of financial institutions being unable to communicate effectively with their customers.

The results of the study suggest that among those customers entering collections (1-29 days past due), reducing the number of calls could increase the number of those customers who end up 90+ days past due by nearly 70% for installment loans and over 50% for vehicle finance contracts. Because creditors typically charge off and/or repossess at or around 90+ days past due, we expect the number of charge offs and repossessions to increase at similar rates. The negative impact of a charge off or repossession is obvious, but even in situations where customers fall further behind and then get caught up on their loans, they will pay more interest, potentially incur more late charges, and their credit reports will reflect a more serious delinquency, negatively affecting their credit scores.<sup>3</sup>

No one wants that situation and so we respectfully request that the FCC take steps to protect consumers.

## **III. The Solution – Notification and a Challenge Mechanism**

We appreciate that the FCC has directed voice service providers to provide a redress mechanism for legitimate callers whose calls are inadvertently blocked. Unfortunately, though, voice service providers have not offered sufficient avenues through which businesses, including financial institutions, can explain and justify the purpose of their calls in order to have flags removed and blocks lifted. While some financial institutions have been able to register some of their phone numbers with third-party entities, there is no guarantee that this will be effective in helping their calls reach their customers.

---

<sup>3</sup> CenturyLink and AFSA, *Impact of Call Restrictions on Consumer Delinquencies in Vehicle Finance and Installment Lending*. November 2019. Available at: <https://www.afsaonline.org/Portals/0/11AFSA%20-%20Impact%20of%20Collections%20Call%20Restrictions%20-%20Nov%202019%20FINAL.pdf>

To address the mis-flagging and blocking of calls from legitimate financial institutions, AFSA joins other trade associations in urging the FCC to *require*, as opposed to simply encourage, voice service providers to provide notice to callers when the provider has placed a flag or blocked an business's outbound calling number.

In addition, also as raised by other financial trade associations, the FCC should require voice service providers to make available a robust "challenge mechanism" that permits legitimate businesses whose calls are blocked to have that block repealed quickly and permanently.

\* \* \*

AFSA appreciates the FCC's attention to these issues. Please do not hesitate to contact me at 202-776-7300 or [cwinslow@afsamail.org](mailto:cwinslow@afsamail.org) with any questions.

Sincerely,



Celia Winslow  
Senior Vice President  
American Financial Services Association