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National Association of Federally-Insured Credit Unions

June 13, 2017

The Honorable Steve King
Chairman
Judiciary Committee
Subcommittee on the Constitution
and Civil Justice
United States House of Representatives
Washington, D.C. 20510

The Honorable Steve Cohen
Ranking Member
Judiciary Committee
Subcommittee on the Constitution
and Civil Justice
United States House of Representatives
Washington, D.C. 20510

Re: Credit Union Issues with Telephone Consumer Protection Act Lawsuit Abuse

Dear Chairman King and Ranking Member Cohen:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write in conjunction with today's hearing on lawsuit abuse and the *Telephone Consumer Protection Act* (TCPA).

In a world of ever-evolving communication methods, the TCPA presents an antiquated approach to communications regulations and has turned into a vehicle for lawsuit abuse. While once intended to protect consumers from persistent telemarketers, the Act now prevents consumers from receiving the valuable information they need because of frivolous lawsuits. After 25 years it has become clear that it is time for Congress to enact legislation to update the TCPA and prevent lawsuit abuse.

Specifically, the TCPA did not take into account not-for-profit membership based cooperative businesses, such as credit unions, and the compliance burden placed on these small businesses by the antiquated regulations. While the intent of TCPA was to capture every egregious offender, it has also inadvertently included good actors as well. We applaud Chairman King and Chairman Walden for their efforts to take a more nuanced approach to update TCPA and to take into account the needs of membership based businesses and the growing costs of frivolous lawsuits and lawsuit abuse.

NAFCU appreciates the FCC's effort to clarify and modernize its regulations to help prevent unnecessary lawsuits. However, we believe that the FCC has hindered the ability of consumers to receive important notifications and timely updates about financial developments that will impact their existing accounts, on both mobile and residential phone lines. The time has come to rewrite the provisions of TCPA to account for the modern era of telecommunications. Unfortunately, the FCC's updated TCPA Order does not go far enough to modernize TCPA and will make it more difficult for credit unions and other financial institutions to contact their members about identity theft or data breaches.

On behalf of our nation's credit unions and their nearly 108 million members, we thank you for holding this important hearing. If my staff or I can be of assistance to you, or if you have any questions regarding this issue, please feel free to contact myself, or NAFCU's Associate Director of Legislative Affairs, Gaurav Parikh, at (703) 842-2261.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Thaler", with a long horizontal flourish extending to the right.

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the House Subcommittee on the Constitution and Civil Justice