

April 11, 2019

The Honorable John Thune
Chairman, Subcommittee on Communications,
Technology, Innovation, and the Internet
Committee on Commerce, Science,
and Transportation
United States Senate
Washington, DC 20515

The Honorable Brian Schatz
Ranking Member, Subcommittee on Communications,
Technology, Innovation, and the Internet
Committee on Commerce, Science,
and Transportation
United States Senate
Washington, DC 20515

Dear Chairman Thune and Ranking Member Schatz:

The Electronic Transactions Association (ETA) submits these comments ahead of the Senate Commerce's subcommittee on Communications, Technology, Innovation, and the Internet hearing on April 11, 2019, titled *Illegal Robocalls: Calling All to Stop the Scourge*.

ETA is the leading trade association for the payments industry, representing over 500 companies that offer electronic transaction processing products and services; its membership spans the breadth of the payments industry to include independent sales organizations, payments networks, financial institutions, transaction processors, mobile payments products and services, payments technologies, equipment suppliers, and online small business lenders.

ETA applauds and supports Congress' efforts to combat illegal robocalls but notes that it is important that as lawmakers continue to pursue consumer protections, they must recognize the difference between actual unwanted telemarketing calls, where an unknown merchant is attempting to sell to a consumer, and purely informational calls involving communication between businesses and their existing customers.

This distinction is important because ETA companies are not telemarketers; they are financial services companies who have (or service) a business relationship with a customer. ETA companies either have a direct relationship with an individual consumer or communicate with existing customers on behalf of financial institutions with which they are associated.

Protecting their customers' personal data and financial information is paramount. In the payments industry in particular, the lack of modernization of the Telephone Consumer Protection Act (TCPA) is unfortunately resulting in significant harm to consumers by hampering legitimate businesses from contacting their customers using the most efficient technology to provide them with information that consumers deserve to know and know promptly; information about the security of their accounts, including fraud alerts, and updates about their accounts. Increasing use of number portability by customers and issues surrounding the scope of revocation of consent are only exacerbating this harm.

ETA member companies seek to communicate with consumers to prevent fraudulent use of their accounts by criminals. Specifically, ETA members have developed real-time communications tools that empower consumers to instantly identify fraudulent transactions via mobile device, an important step in curtailing multi-billion-dollar annual fraud activity in the U.S. When an ETA member company identifies suspicious activity on a customer's account, a text message or mobile call to the account holder to verify activity allows the consumer to quickly freeze an account and stop further fraudulent activity. Because the consumer has zero liability for such fraud, quick communication is crucial to stopping criminal activity that could impose significant costs on

merchants. It is important as new technologies develop, financial institutions have the flexibility to contact their customers quickly to alert them to potential fraud.

Efforts should be focused on preventing bad actors who intentionally break or ignore the law and help protect law-abiding businesses who are communicating with their existing customers. Technology is dynamic and changing rapidly, and we recognize that tools are available for both telephone network providers and individual consumers to filter what calls are received.

In order to facilitate consumer protection and protect legitimate business-customer communication, the TCPA should be clarified and strengthened so that businesses and their customers can feel confident that important, time-sensitive communication will be permissible and not in violation of the TCPA.

ETA supports many of the efforts to target and eliminate unlawful calls in order to distill these communication channels so that customers can trust and receive the calls about their personal financial information. We look forward to working with lawmakers, regulators, and key stakeholders to further strengthen the TCPA so that consumers get the information they want and deserve from the companies with which they do business.

We appreciate your leadership on this important issue. If you have any questions, please feel free to contact me directly at stalbott@electran.org.

Sincerely,



Scott Talbott
Senior Vice President of Government Affairs
Electronic Transactions Association