

November 3, 2011

The Honorable Greg Walden
Chairman, Subcommittee on
Communications and Technology
House Committee on Energy and Commerce
2125 Rayburn House Office Bldg.
Washington, DC 20515

The Honorable Anna G. Eshoo
Ranking Member, Subcommittee on
Communications and Technology
House Committee on Energy and Commerce
2322A Rayburn House Office Bldg.
Washington, DC 20515

Re: H.R. 3035, the Mobile Informational Call Act of 2011

Dear Chairman Walden and Ranking Member Eshoo:

On behalf of the American Bankers Association (ABA), I am writing to express our support for H.R. 3035, the Mobile Informational Call Act of 2011. The legislation would modernize the Telephone Consumer Protection Act (TCPA) by making limited, commonsense amendments to the TCPA to facilitate the delivery of time-sensitive consumer information to mobile devices. Importantly, the bill would continue the prohibition against the use of assistive technologies to call wireless numbers for telemarketing purposes without the consumer's consent.

In 1991, when the TCPA was enacted, the predominant mode of telephone communications was via wire-line phones. Today, almost a third of American households (29.7 percent) subscribe only to wireless telephone service, with that number increasing to 53.5 percent for younger households of adults aged 25-29. H.R. 3035 simply recognizes the changing use of telephone communications from wired to wireless while ensuring consumer protections for wireless users.

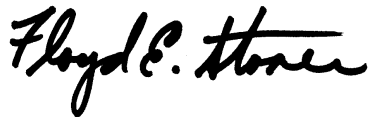
The legislation would continue to prevent autodialed calls to consumers absent reasonable prior consent, while permitting businesses such as financial institutions to make informational calls to their customers. Autodialed, prerecorded messages, and text alerts are the most efficient means by which financial institutions can inform their customers of potential security breaches or fraud. Immediate action following an incident, by the bank and the consumer, is essential to limiting consumer loss and protecting the customer's identity. Financial institutions initiate an estimated 189 million fraud-alert calls and texts each month using predictive dialers and prerecorded messages. A 2010 survey conducted by Harris Interactive reported that 89 percent of consumers prefer to receive alerts about suspicious activity through multiple channels, including text, phone calls to mobile and residential lines, and emails.

Additionally, predictive dialers and prerecorded calls or text alerts are used to help customers avoid the assessment of fees. Customers may be alerted by phone or text about low account balances, overdrafts, over-limit transactions, or past due accounts in time for them to take action to avoid the fee. In addition, these reminder calls and texts may help consumers avoid late payments, the accrual of additional interest, and negative reports to credit bureaus.

Also, financial institutions rely on the efficiencies provided by autodialed and prerecorded calls to reach out to, and service, the millions of consumers having trouble paying their mortgage. Autodialers and prerecorded messages are used to initiate contact with homeowners, to remind them to return the necessary paperwork to qualify for a mortgage modification, to initiate follow-up calls required to complete the modification, and finally to notify borrowers that a modification offer is being delivered so that the homeowner will accept the package.

H.R. 3035 correctly responds to America's reliance on wireless communications versus wire-line telephones. The legislation would place in statute existing regulatory practices, ensuring that consumers continue to receive time sensitive information protecting them from fraud and identity theft. Consumers would also be able to receive important communications to assist them in managing their finances during difficult economic periods.

Sincerely,

A handwritten signature in black ink that reads "Floyd E. Stoner". The signature is written in a cursive, flowing style.

Floyd E. Stoner

Cc: Members of the Subcommittee on Communications and Technology