

June 3, 2019

The Honorable Ajit Pai  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

RE: Declaratory Ruling and Third Further Notice of Proposed Rulemaking, Advanced Methods to Target and Eliminate Unlawful Robocalls, CG Docket No. 17-59, WC Docket No. 17-97 (Draft released on May 16, 2019)

Dear Chairman Pai:

The National Council of Higher Education Resources (“NCHER”) would like to comment on the Declaratory Ruling and Third Further Notice of Proposed Rulemaking on Advanced Methods to Target and Eliminate Unlawful Robocalls (“Declaratory Ruling”), which will be considered by the Federal Communications Commission (the “Commission”) during the June 6, 2019 Open Committee Meeting. The Declaratory Ruling would clarify that voice service providers may, as a default, block calls based on call analytics. NCHER strongly supports the Commission’s efforts to crack down on illegal automated, robocalls calls, including the previous initiative to establish a database of reassigned numbers. However, we have concerns that the Declaratory Ruling might prevent lawful calls and texts from reaching student and parent borrowers, including communications from federal loan servicers and collectors initiated to help them avoid delinquency and stay out of default. We request that the Commission seek public comment on the draft Declaratory Ruling to ensure that the anticipated call blocking is targeted at bad actors and will not have the unintended consequence of blocking helpful calls.

NCHER is a national, nonprofit trade association representing state, nonprofit, and private higher education organizations that administer education programs that make grant and loan assistance available to students and parents to pay for the costs of postsecondary education. Our membership includes organizations under contract with the U.S. Department of Education (the “Department”) to service and recover outstanding loans made under the William D. Ford Federal Direct Loan Program and organizations that service and recover outstanding loans made under the Federal Family Education Loan Program and private education loan programs.

As NCHER has informed the Commission in the past, student and parent borrowers benefit from live contact with the servicers and collectors of their loans. Over 90 percent of all student loans are made under the federal student loan programs, which are unique in the consumer credit world because they allow students and parents to borrow large sums of money without showing credit-worthiness or an ability to repay their financial obligations. The federal programs are also unique in that include many features designed to address individual circumstances and help distressed borrowers faced with loan collection. For example, federal student loan payments can be deferred for those borrowers who return to school, are unemployed, or are otherwise experiencing a financial hardship. Once in repayment,

borrowers have a large number of options to repay their loans, including fixed payments based on a 10- to 30-year repayment period, graduated payments that increase over time, and different plans that base payments on a borrower's current income. While eligibility requirements differ for each income-driven repayment plan, a borrower's monthly payment can be as low as zero and the borrower can have his or her balances that remain after a period (varying from 10 to 25 years) forgiven. Unfortunately, many borrowers fall into delinquency and default without accessing these important, but increasingly complex, options.

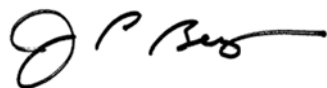
Also, if a borrower defaults on his/her federal loan, the federal loan rehabilitation program allows he/she to make nine voluntary "reasonable and affordable" monthly payments over a 10-month period, where payments can be as low as \$5 per month. Successful rehabilitation removes a loan from "default" status and erases the record of default from the borrower's credit report. Individuals who rehabilitate their loans also regain all of their rights under the federal financial assistance programs, including eligibility for new loans and grants if they go back to school.

Many of the borrowers who are eligible for these programs are unaware of the important options available to them and successfully access these programs only if they can be reached by their loan servicer and collector and engage in two-way conversations. This is where phone conversations are extremely critical. Effective communication between borrowers and servicers is essential to preventing delinquency and default. The Declaratory Ruling under consideration by the Commission could inadvertently result in the blocking of these important calls and texts before they reach struggling borrowers, resulting in unnecessary barriers to communication that will lead to millions of unnecessary student loan defaults over the next decade. Ultimately, it will harm student and parents who will continue to fall behind on their postsecondary education obligations. Student loan servicers and collectors do not make telemarketing calls as part of their activities; all of their telephone contacts are of an informational, non-marketing nature.

NCHER appreciates the Commission's interest in blocking unwanted, annoying, and illegal robocalls. Our overall concern is that struggling borrowers want - and need - timely and accurate information to better manage their student loan debt and avoid delinquency and default, and to rehabilitate those loans that have defaulted. We encourage the Commission to seek public comment on the provisions in the Declaratory Ruling prior to final approval. This approach would invite public comment on approaches that the Commission should take to block illegal automated calls, while minimizing the risk that student and parent borrowers would suffer if they miss important repayment reminders or calls aimed at counseling them on how best to repay their student loans.

Thank you for your consideration of these comments. If I can be of further assistance, please do not hesitate to contact me at (202) 822-2106 or [jbergeron@ncher.us](mailto:jbergeron@ncher.us).

Sincerely,



James P. Bergeron  
President