

# [FCC Proposes to Protect Student Loan Borrowers and Other Consumers from a Tidal Wave of Robocalls and Texts from Collectors of Federal Debts](#)

FOR IMMEDIATE RELEASE: MAY 10, 2016 || CONTACTS: National Consumer Law Center: Margot Saunders, [msaunders@nclc.org](mailto:msaunders@nclc.org) or 202.452.6252, ext.104; Jan Kruse, [jkruse@nclc.org](mailto:jkruse@nclc.org) or 617.542.8010 || Consumers Union: Michael McCauley, [mmccauley@consumer.org](mailto:mmccauley@consumer.org), 415-431-6747 x7606

(WASHINGTON) On May 6, 2016, the Federal Communications Commission (FCC) issued a [Notice of Proposed Rulemaking \(NPRM\)](#) to implement a provision allowing robocalls and texts to be made to a cell phone without the consumer's consent "to collect a debt owed to or guaranteed by the United States." This statutory exception to the Telephone Consumer Protection Act was proposed by the Obama Administration and jammed through Congress as part of the [Bipartisan Budget Act of 2015](#) (Section 301, signed 10/2/15). The exemption would permit these robocalls and texts by debt collectors of federal debt—primarily student loan borrowers that are delinquent on federal student loans, as well as taxpayers pursued by private collectors—subject to the regulations implemented by the FCC.

Consumer advocates at the National Consumer Law Center (NCLC), Consumers Union, Consumer Federation of America, Consumer Action, Americans for Financial Reform, the National Association of Consumer Advocates, Young Invincibles, and Student Loan Borrower Assistance Project applauded the FCC's proposal to apply robust consumer protections. The Congressional action followed the issuance of the FCC's Omnibus order in July 2015, expanding consumer protections for robocalls and texts to cellphones from debt collectors. More than 1.7 million complaints are made to the Federal Trade Commission every year regarding unwanted robocalls.

"The FCC's proposal to limit the number of robocalls and texts made without consent to three a month is a very strong consumer protection," said National Consumer Law Center attorney Margot Saunders. "We are also glad to see that the proposal will count each initiated call as one call." Consumers Union's advocate Maureen Mahoney noted, "One of the most important proposed protections requires that callers obey consumers' request to stop calling. Indeed, the proposal would require that debt collection callers notify consumers of this right to request that calls stop." Alexis Goldstein, a Senior Policy Analyst with Americans for Financial Reform, applauded the FCC "for proposing to limit the rule to debts that are delinquent, which will prevent unwanted robocalls calls for accounts which are in good standing."

These important consumer protections are currently included only in the FCC's narrative order, not in the proposed rule itself. Consumer advocates plan to urge the FCC to incorporate all of the relevant language in the final rule.

"With this proposal, it appears that the FCC will continue to ensure that all consumers have the right to control the calls and texts they receive," said Linda Sherry of Consumer Action. Young Invincibles' Policy and Legislative Affairs Analyst Reid Setzer also noted, "This is a positive step for millions of student borrowers affected by excessive, unwanted calls from loan servicers." "We

commend the FCC for proposing to hold the line to keep the plague of unwanted robocalls from becoming even worse,” added Susan Grant, director of Consumer Protection and Privacy at Consumer Federation of America.

*The FCC is accepting comments on the [proposed rule](#) until June 6, 2016, and reply comments through June 21, 2016. Consumers and others can file comments with the FCC electronically by going to the [FCC website](#). The Proceeding Number is 02-278.*

Related links

- [Advocacy group letter to the FCC regarding essential principles of consumer protection that the FCC should adopt for calls to collect government debt](#), March 23, 2016;
- [Congress set to allow robocalls to cellphones](#), Oct. 27, 2015;
- [FCC protects consumers from unsolicited robocalls and texts to cell phone and moves to modernize Lifeline program](#), June 18, 2015.

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[Americans for Financial Reform](#) is an unprecedented coalition of over 250 national, state and local groups who have come together to reform the financial industry. Members of our coalition include consumer, civil rights, investor, retiree, community, labor, faith based and business groups.

Through multilingual consumer education materials, community outreach and issue-focused advocacy, [Consumer Action](#) empowers underrepresented consumers nationwide to assert their rights in the marketplace and financially prosper.

The [Consumer Federation of America](#) is an association of nearly 300 nonprofit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy and education.

[Consumers Union](#) is the public policy and advocacy division of Consumer Reports. Consumers Union works for health reform, food and product safety, financial reform, and other consumer issues in Washington, D.C., the states, and in the marketplace.

Since 1969, the nonprofit National Consumer Law Center® (NCLC®) has worked for consumer justice and economic security for low-income and other disadvantaged people, including older adults, in the U.S. through its expertise in policy analysis and advocacy, publications, litigation, expert witness services, and training. NCLC’s [Student Loan Borrower Assistance Project](#) provides information about student loan rights and responsibilities for borrowers and advocates. We also seek to increase public understanding of student lending issues and to identify policy solutions to promote access to education, lessen student debt burdens, and make loan repayment more manageable.

The [National Association of Consumer Advocates \(NACA\)](#) is a nonprofit association of more than 1,500 consumer advocates and attorney members who represent hundreds of thousands of consumers victimized by fraudulent, abusive and predatory business practices. As an organization fully committed to promoting justice for consumers, NACA’s members and their clients are actively engaged in promoting a fair and open marketplace that forcefully protects the rights of consumers, particularly those of modest means.

[Young Invincibles](#) is a policy and advocacy organization committed to amplifying the voices of Millennials, ages 18 to 34, and expanding economic opportunity for our generation. Young Invincibles ensures that young adults are represented in today’s most pressing societal debates through cutting-edge research and analysis, and innovative campaigns designed to educate, inform

and mobilize our generation to change the status quo.