

Notice to Lenders:

FCC Ruling on Cell Phone Numbers Affects Calls to Borrowers

The Federal Communications Commission (FCC) has issued a new Declaratory Ruling clarifying that, when a consumer provides a cell phone number to a creditor in relation to a particular debt, the consumer is giving that creditor permission to call his or her cell phone regarding that debt using an automated system (an autodialer) or prerecorded messages. Although a written permission statement is not required under the ruling, the creditor must be able to prove that the consumer provided the wireless number, by such means as documentation of the consumer's phone number on a purchase agreement, sales slip, or credit application, either on paper or through a secure online process.



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Prior express consent, as the permission is technically identified in the law and regulations, is not required if an agent dials a cell phone and talks directly to the subscriber without a prerecorded message, nor for a consumer's home number that is verifiable as a land line (not wireless), nor in case of an emergency.

College Assist uses an autodialer for Home Phone Numbers to contact a borrower for whom the lender (or servicer) has requested default aversion assistance. Any phone number the lender provides in the Home Phone Number field for a Default Aversion Assistance Request (DAAR) may be dialed by an autodialer. College Assist does not use autodialers for numbers in the borrower's Other Phone Number field, or for any numbers provided for references. In light of the FCC ruling, the lender's

entry in the Home Phone Number field either: 1) must be the borrower's verifiable home residential land-line number, or 2) if the borrower provided a cell number as his or her "home" phone, the lender must have obtained prior express consent and be able to prove that the borrower provided the number on a signed document or through verifiable electronic means, and did not rescind the permission to call using an autodialer or prerecorded message.

Unless a borrower indicates not to call a wireless number, a borrower's phone number entry on a loan application, promissory note, or other document, signed in ink or electronically, meets the requirement in the new FCC ruling. If a lender is not certain the borrower's number meets these conditions, then the number should be provided only in the Other Phone Number field for DAARs submitted to College Assist.

Currently, industry experts are considering modifications to the file layouts, directions, and forms for DAARs and other student loan formats because of the FCC ruling.

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For David, it all adds up to strong, lasting relationships with students, so they feel comfortable coming to him before, during and after repayment when they need advice on how best to deal with their student loans.

"We're invested in them, and they're invested in us," David observes. "Even though I'm in the financial aid office, I also get involved in other parts of their lives. It's all part of helping students who are going to benefit society. It's great to help them succeed."