

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Protecting Consumers from One-Ring Scams) CG Docket No. 20-93

NOTICE OF PROPOSED RULEMAKING

Adopted: April 24, 2020

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Comment Date: [30 days after Federal Register publication]

Reply Date: [45 days after Federal Register publication]

By the Commission: Commissioners Rosenworcel and Starks issuing separate statements.

I. INTRODUCTION

1. The recently passed Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act (TRACED Act), in relevant part, directs the Commission to consider taking additional steps to protect called parties from a new and pernicious type of illegal call known as the one-ring scam.¹ In this scam, consumers in the United States receive a call from a foreign country. After one ring, the scammer hangs up, causing the consumer to call back and incur significant phone charges (of which the scammer gets a share). Another version of the one-ring scam can involve a voice mail message asking the consumer to call a certain international number to schedule a delivery or providing some other pretext for the consumer to make a call.

2. The Commission's top consumer protection priority is stopping illegal calls. The Commission has been active in combatting illegal calls, taking enforcement action against robocallers for violations of the Truth in Caller ID Act,² authorizing voice service providers to block certain calls that are likely to be unlawful,³ and mandating that voice service providers implement the STIR/SHAKEN call authentication framework.⁴ In this Notice of Proposed Rulemaking, we seek comment on how we can implement the TRACED Act and build upon our efforts to combat the one-ring scam by promoting consumer education and outreach, coordinating with our regulatory partners, and working more closely

¹ Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. No. 116-105, 133 Stat. 3274 (2019) (TRACED Act); TRACED Act § 12.

² See, e.g., *Best Insurance Contract, Inc. and Philip Roesel dba Wilmington Insurance Quotes*, Forfeiture Order, 33 FCC Rcd 9204 (2018) (*Roesel Forfeiture Order*); *Adrian Abramovich, Marketing Strategy Leaders, Inc., and Marketing Leaders, Inc.*, Forfeiture Order, 33 FCC 4663 (2018) (*Abramovich Forfeiture Order*).

³ *Advanced Methods to Target and Eliminate Unlawful Robocalls, Call Authentication Trust Anchor*, CG Docket No. 17-599 & WC Docket No. 17-97, Declaratory Ruling and Third Further Notice of Proposed Rulemaking, 34 FCC Rcd 4876, 4886-88, paras. 33-34 (2019) (*2019 Call Blocking Declaratory Ruling*) (clarifying call blocking options); *Advanced Methods to Target and Eliminate Unlawful Robocalls*, CG Docket No. 17-59, Report and Order and Further Notice of Proposed Rulemaking, 32 FCC Rcd 9706 (2017) (adopting call blocking rules) (*2017 Call Blocking Report and Order*).

⁴ *Call Authentication Trust Anchor, Implementation of TRACED Act Section 6(a)—Knowledge of Customers by Entities with Access to Numbering Resources*, WC Docket Nos. 17-97 & 20-67, Report and Order and Further Notice of Proposed Rulemaking, FCC 20-42 (rel. Mar. 31, 2020) (*STIR/SHAKEN Report and Order*).

with industry to protect all Americans. We also seek comment on a proposed rule allowing voice service providers to block a voice call when such call purports to originate from a number that is highly likely to be associated with a one-ring scam.

II. BACKGROUND

3. One-ring scammers call consumers in the United States from a foreign country. The calls often appear to be from a domestic caller either because the originating number has a three-digit code resembling a United States area code, or because the caller ID spoofs a well-known United States business name. For example, the scammers have used international numbers from regions that also have three-digit codes such as 649, the area code for the Turks and Caicos, and 809, the area code for the Dominican Republic.⁵ The scammer may even spoof the caller ID to appear as a well-known local business.⁶ The caller hangs up after one ring (sometimes repeatedly), hoping the consumer will call the number back to see who called and what the call was about, resulting in high international toll charges to the consumer. When they call back, the consumer hears a recorded message intended to keep the consumer on the phone and increase the toll charges or to convince the consumer to call back a second time.⁷ These international tolls are largely paid to the scammer.⁸

4. In 2019, the Commission received approximately 2,600 consumer complaints about one-ring scams.⁹ The Commission has published a consumer guide describing the scam and advising consumers on how to avoid the scam.¹⁰ Among other things, the Commission tells consumers to not answer or return any calls from numbers they do not recognize, to check whether an unfamiliar number has an international area code before returning the call, and to ask their phone company to block outgoing international calls if they do not make such calls. The Commission has made this outreach part of our consumer education work, including on our recent Rural Tours.¹¹ We have also briefed local elected and appointed officials, national and local advocacy entities, and grassroots organizations on the scam.

5. One-ring scams that include caller ID spoofing likely violate Truth in Caller ID Act and anti-robocall protections. Section 227(e) of the Communications Act of 1934, as amended, codifies the Truth in Caller ID Act (as amended by the TRACED Act) and prohibits unlawful spoofing, which is the transmission of misleading or inaccurate caller ID information with the intent to defraud, cause harm, or wrongfully obtain anything of value.¹² The Commission recently revised the Truth in Caller ID rules,

⁵ See *2019 Call Blocking Declaratory Ruling*, 34 FCC Rcd at 4880-81, para. 14.

⁶ Spoofing is when a caller deliberately falsifies the information transmitted to the caller ID display to disguise their identity. More information about spoofing can be found at *Caller ID Spoofing*, <https://www.fcc.gov/consumers/guides/spoofing-and-caller-id> (last visited Feb. 26, 2020).

⁷ See FCC Consumer Guide, “*One Ring*” Phone Scam (May 15, 2019), <https://www.fcc.gov/consumers/guides/one-ring-phone-scam>.

⁸ See FCC Consumer Alert, “Scammers Looking to Defraud Consumers by Prompting Expensive Call Back,” <https://docs.fcc.gov/public/attachments/DOC-357304A1.pdf> (last visited Feb. 26, 2020).

⁹ FCC, Consumer Complaint Data Center, <https://www.fcc.gov/consumer-help-center-data>.

¹⁰ For more information about the one-ring scam, see “*One Ring*” Phone Scam, <https://www.fcc.gov/consumers/guides/one-ring-phone-scam> (last visited Feb. 18, 2020); FCC Consumer Alert, “Scammers Looking to Defraud Consumers by Prompting Expensive Call Back,” <https://docs.fcc.gov/public/attachments/DOC-357304A1.pdf> (last visited Feb. 26, 2020).

¹¹ See, e.g., “Arizona and New Mexico Rural Tour,” <https://www.fcc.gov/news-events/events/2020/01/arizona-and-new-mexico-rural-tour> (last visited Feb. 26, 2020).

¹² 47 U.S.C. § 227(e).

consistent with amended section 227(e), to cover communications originating outside the United States when the recipient is in the United States.¹³

6. The TRACED Act, among other things, directs the Commission to initiate a proceeding to protect called parties from one-ring scams.¹⁴ The TRACED Act defines “one-ring scam” as “a scam in which a caller makes a call and allows the call to ring the called party for a short duration, in order to prompt the called party to return the call, thereby subjecting the called party to charges.”¹⁵ Section 12 of the TRACED Act requires the Commission to initiate a proceeding to protect called parties from one-ring scams.¹⁶ The Act states that the Commission shall consider how it can: work with federal and state law enforcement agencies;¹⁷ work with the governments of foreign countries to address one-ring scams;¹⁸ in consultation with the Federal Trade Commission (FTC), better educate consumers about how to avoid one-ring scams;¹⁹ encourage voice service providers to stop calls made to perpetrate one-ring scams from being received by called parties, including consideration of adding identified one-ring scam-type numbers to the Commission’s existing list of permissible categories for carrier-initiated blocking;²⁰ work with entities that provide call-blocking services to address one-ring scams;²¹ and establish obligations on international gateway providers that are the first point of entry for these calls into the United States, including potential requirements that such providers verify with the foreign originator the nature or purpose of calls before initiating service.²²

III. DISCUSSION

7. In this NPRM, we initiate a proceeding to protect called parties from one-ring scams. Specifically, we seek comment on how we should implement the above TRACED Act provision to address one-ring scams. Additionally, we look at how we can work effectively with federal, state, and foreign law enforcement and other government agencies to combat one-ring scams. Further, we seek comment on how to build on our existing education efforts to help consumers know how to avoid one-ring scams.²³ We also seek comment on how best to encourage voice service providers to block one-ring scam calls, how to enhance our work with entities that provide call-blocking services, and what obligations international gateway providers should have in the efforts to stop these scams. And we ask commenters to consider the cost-effectiveness of any suggestions.

8. *Working with Federal and State Law Enforcement Agencies.* Section 12(b)(1) requires the Commission to consider how to work with federal and state law enforcement agencies to protect

¹³ *Implementing Section 503 of RAY BAUM’S Act, Rules and Regulations Implementing the Truth in Caller ID Act of 2009*, WC Docket Nos. 18-335 & 11-39, Second Report and Order, 34 FCC Rcd 7303, 7306-07, paras. 10-11 (2019) (*Second Report and Order*).

¹⁴ TRACED Act § 12(a).

¹⁵ *Id.* § 12(d)(1).

¹⁶ The Commission is required to initiate this proceeding not later than 120 days after enactment of the TRACED Act; i.e., 120 days after December 30, 2019, which is April 28, 2020.

¹⁷ TRACED Act § 12(b)(1).

¹⁸ *Id.* § 12(b)(2).

¹⁹ *Id.* § 12(b)(3).

²⁰ *Id.* § 12(b)(4).

²¹ *Id.* § 12(b)(5).

²² *Id.* § 12(b)(6).

²³ *Id.* § 12(d)(1).

consumers from one-ring scams.²⁴ Our Enforcement Bureau coordinates every month with the FTC on robocall enforcement. The Commission also has a monthly State National Action Plan telephone conference with staff from state commissions and the National Association of Regulatory Utility Commissioners. The Commission's Office of Intergovernmental Affairs coordinates on agenda topics with the State National Action Plan call chair and works with the Bureaus to coordinate FCC speakers to make presentations on key FCC policies, consumer education, and enforcement actions.

9. How can we further enhance our coordination efforts with federal, Tribal, state, and local partners on one-ring scams more specifically? Which agencies should we work with? What information should the Commission and these agencies share to protect consumers and what is the best way to do so? How can we assist each other in investigations? Are there ways we can coordinate or assist each other in consumer education? What types of information do these law enforcement agencies collect and maintain that could assist the Commission in its work to protect consumers from one-ring scams? Are there other ways we might work better with these partners?

10. *Working with the Governments of Foreign Countries.* Section 12(b)(2) requires the Commission to consider how to work with governments of foreign countries to address one-ring scams as the scams originate in other countries.²⁵ We recognize that the best way to prevent one-ring scam calls from reaching American consumers is to eliminate them at their source, which is overseas. We seek comment on which foreign governments we should work with, i.e., countries where the scams originate, and countries affected by the scams. How can we best work with these governments to protect consumers from one-ring scams? Which previous coordination efforts, which have yielded successful results, can we emulate here? For example, might the FTC's work on robocall enforcement with India prove instructive?²⁶ How can we work with both the enforcement and policy arms of these foreign governments to achieve our goals? Are there tools or programs the Commission could use as incentives to encourage positive responses from foreign governments?

11. *Better Educating Consumers in Consultation with the FTC.* Section 12(b)(3) requires the Commission to consider how, in consultation with the FTC, to better educate consumers about how to avoid one-ring scams.²⁷ We seek comment on how to do so. How can we build upon our current consumer education materials and efforts?²⁸ Are there ways we can enhance our messaging to give consumers more effective information and advice? Are there ways we can better track the evolution of this and other call scams? The Commission has closely collaborated with the FTC on education and outreach efforts focused spoofing and illegal robocalls.²⁹ How can we further collaborate with our partners at the FTC?

12. *Incentivizing Voice Service Providers to Stop One-Ring Scams.* Section 12(b)(4) requires the Commission to consider ways to incentivize voice service providers to stop calls that perpetrate one-ring scams from being received by called parties, including consideration of adding identified one-ring scam-

²⁴ *Id.* § 12(b)(1).

²⁵ *Id.* § 12(b)(2).

²⁶ See, e.g., Federal Trade Commission Consumer Information, "At work on India-based imposter scams," July 28, 2017, <https://www.consumer.ftc.gov/blog/2017/07/work-india-based-imposter-scams>.

²⁷ TRACED Act § 12(b)(3).

²⁸ 'One Ring' Phone Scam, <https://www.fcc.gov/consumers/guides/one-ring-phone-scam> (last visited Feb. 18, 2020).

²⁹ Fake Caller ID Schemes: Information on Federal Agencies' Efforts to Enforce Laws, Educate the Public, and Support Technical Initiatives, <https://www.gao.gov/assets/710/703362.pdf> (last visited Mar. 11, 2020).

type numbers to the Commission's existing list of permissible categories for carrier-initiated blocking.³⁰

13. The Commission has taken several actions to protect consumers from illegal and unwanted robocalls by clarifying when voice service providers block calls. The Commission defines call blocking as “stopping calls outright so that they do not ring a phone, routing the calls directly to voicemail without ringing the phone, or some other treatment, such as interactive voice response session or voice call screening.”³¹ The Commission has permitted voice service providers to block certain obviously spoofed calls, authorized the creation of a reassigned numbers database so consumers do not get calls intended for others, and pushed the industry to implement caller ID authentication.³² The Commission has clarified that voice service providers may offer consumers call blocking based on reasonable analytics, on an opt-out basis.³³ And the Commission has authorized voice service providers to offer, on an opt-in basis, white-list blocking services, which block calls from numbers not in a consumer's contact list or other specified list of approved numbers.³⁴ More recently, the Commission mandated that all voice service providers implement the STIR/SHAKEN caller ID authentication framework in the Internet Protocol (IP) portions of their networks by June 30, 2021.³⁵ As of the end of 2019, AT&T, Bandwidth, Charter, Comcast, Cox, T-Mobile, and Verizon announced that they had upgraded their networks to support STIR/SHAKEN.³⁶

14. Consistent with our previous efforts, we now propose to allow voice service providers to block all calls from phone numbers associated with one-ring scams (or purporting to be from such numbers). We believe allowing blocking one-ring scam calls is an effective and logical extension of the Commission's existing permissible blocking rules and will accomplish our goal of eliminating or reducing the number of one-ring scam calls that reach consumers. We seek comment on this proposal. We also seek comment on how well providers can identify phone numbers associated with one-ring scams, how likely they are to do such blocking, and how the Commission can encourage voice service

³⁰ TRACED Act § 12(b)(4).

³¹ *Id.* at 4884, n.47.

³² *2017 Call Blocking Report and Order*, 32 FCC Rcd at 9710-21, paras. 10-40 (allowing voice service providers to block calls from DNO list and calls that appear to be from invalid, unallocated, or unused numbers); *Advanced Methods to Target and Eliminate Unlawful Robocalls*, CG Docket No. 17-59, Second Report and Order, 33 FCC Rcd 12024 (2018) (*Reassigned Numbers Database Report and Order*); Press Release, FCC, Chairman Pai Calls on Industry to Adopt Anti-Spoofing Protocols to Help Consumers Combat Scam Robocalls (Nov. 5, 2018), <https://docs.fcc.gov/public/attachments/DOC-354933A1.pdf>.

³³ *2019 Call Blocking Declaratory Ruling*, 34 FCC Rcd at 4884-90, paras. 26-42.

³⁴ *Id.* at 4890-91, paras. 43-46.

³⁵ *STIR/SHAKEN Report and Order*, FCC 20-42, at para. 24.

³⁶ See Letter from Linda S. Vandeloop, Assistant Vice President, Regulatory Affairs, AT&T Services, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-97, at 1 (filed Feb. 5, 2020) (*AT&T Ex Parte*); Letter from Greg Rogers, Head of Global Policy and Regulatory Affairs, Bandwidth, to Marlene H. Dortch, Secretary, FCC, CG Docket No. 17-59, WC Docket No. 17-97, at 1-2 (Jan. 31, 2020) (*Bandwidth Ex Parte*); Letter from Audrey Connors, Senior Director, Government Affairs, Charter Communications, to Hon. Ajit V. Pai, Chairman, FCC, WC Docket No. 17-97, at 1 (filed Dec. 13, 2019) (*Charter Ex Parte*); Letter from Beth Choroser, Vice President, Regulatory Affairs, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-97, CG Docket No. 17-59, at 2 (filed Jan. 31, 2020) (*Comcast Ex Parte*); *Cox Ex Parte* at 1; Letter from Cathleen A. Massey, Vice President, Federal Regulatory Affairs, T-Mobile, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-97, at 1 (filed Jan. 30, 2020) (*T-Mobile Ex Parte*); Letter from Joe Russo, Senior Vice President, Network Operations, Verizon, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-97, at 1 (filed Feb. 7, 2020) (*Verizon Ex Parte*).

providers to block one-ring scam calls.

15. We seek comment on additional measures we could adopt to facilitate blocking of one-ring scam calls. Can voice service providers reliably identify one-ring scam type numbers? If so, how? Is there a method, other than reasonable analytics, by which voice service providers can identify one-ring scam calls? We seek comment on whether the one-ring scam has a different calling pattern, identifier, or another distinguishing feature from other robocalls.

16. We seek comment on additional steps we can take in this regard. Can one-ring scams involve toll-generating numbers such as 900 numbers? For example, do one-ring scam callers place a 900 number in the caller ID so as to entice U.S. consumers to call back that 900 number and therefore incur charges? If so, should we consider steps to better protect consumers from one-ring scams involving these numbers and what would such steps include? For example, should we require voice service providers to notify consumers dialing international toll-generating numbers of the cost of the call before connecting the outbound call?

17. We also seek comment on how we can encourage voice service providers to block one-ring scam calls. We have adopted or proposed safe harbors to encourage other aspects of robocall prevention efforts.³⁷ A safe harbor could, for example, provide protection from liability under the Communications Act to voice service providers that in good faith block a call from a number (incorrectly) thought to perpetuate a one-ring scam.³⁸ Should we consider a one-ring-specific safe harbor? How would any such safe harbor relate to any broader robocall-blocking safe harbor we might also adopt?

18. *Working with Other Entities that Provide Call Blocking Services.* Section 12(b)(5) of the TRACED Act requires the Commission to consider how it can work with entities that provide call blocking services to address one-ring scams.³⁹ We seek comment on how the Commission can accomplish this most effectively. Analytics companies, such as Nomorobo, TNS, First Orion, YouMail, Hiya, RoboKiller (TelTech), and others, offer different types of call blocking services to voice service providers and directly to consumers. How should the Commission work with analytics companies to address one-ring scams? Some voice service providers, such as AT&T, Verizon, CenturyLink, Comcast, and others, currently offer call blocking to their customers.⁴⁰

19. We recently adopted a rule requiring voice service providers to implement STIR/SHAKEN technology, which allows voice service providers to verify that the caller ID information transmitted with

³⁷ See, e.g., *Reassigned Numbers Database Report and Order*, 33 FCC Rcd 12024 (establishing a safe harbor for calls to reassigned numbers when using the reassigned numbers database); see also 47 CFR 64.1200(c)(2); *Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991*, CG Docket No. 02-278, Report and Order, 18 FCC Rcd 14014, 14040, para. 38 (2003) (safe harbor for use of best practices when checking the National Do Not Call Registry).

³⁸ The Commission is considering a safe harbor for blocking certain robocalls more generally in CG Docket No. 17-59 and WC Docket No. 17-97. *2019 Call Blocking Declaratory Ruling*, 34 FCC Rcd at 4892-96, paras. 49-62.

³⁹ TRACED Act § 12(b)(5).

⁴⁰ *Block Robocalls and Other Unwanted Calls*, <https://www.att.com/help/robocalling.html> (last visited Feb. 18, 2020); *How to Block Numbers, Calls, Ads, Text Messages & Emails*, <https://www.verizonwireless.com/support/block-numbers/> (last visited Feb. 18, 2020); *How to Block Unwanted Calls on Your Landline*, <https://www.centurylink.com/home/help/home-phone/calling-features/block-unwanted-calls-from-your-home-phone.html> (last visited Feb. 18, 2020); *Call Types that can be Blocked with Xfinity Voice*, <https://www.xfinity.com/support/articles/restricting-calls> (last visited Feb. 18, 2020); *How to Stop Unsolicited Robocalls to Your Home*, <https://www.xfinity.com/support/articles/nomorobo> (last visited Feb. 18, 2020); *2019 Call Blocking Declaratory Ruling*, 34 FCC Rcd at 4884, para. 26 (describing various call blocking offerings).

a call matches that of the caller.⁴¹ When paired with call analytics services, might STIR/SHAKEN offer enhanced protection against one-ring scams by making call blocking solutions more effective? Now that our rules encompass spoofing activities directed at consumers in the United States from parties in foreign countries, how should the Commission work with analytics companies and voice service providers that offer blocking services to stop one-ring scam calls?⁴²

20. *Establishing Obligations on International Gateway Providers.* Section 12(b)(6) of the TRACED Act requires the Commission to consider how it can establish obligations on international gateway providers that are the first point of entry for these calls into the United States, including potential requirements that such providers “verify with the foreign originator the nature or purpose of calls before initiating service.”⁴³ We recognize that the one-ring scam by its nature originates outside the United States, as the purpose of the scam is to get the called party to return an international call.

21. We seek comment on ways gateway providers could “verify with the foreign originator the nature or purpose of calls before initiating service.” Would this necessitate a new rule? What technical and procedural processes do gateway providers have in place to detect or identify traffic that is likely to be illegal, particularly for calls with foreign origination (e.g., detecting unusual call patterns or large call volumes)? How might gateway providers go about determining “the nature and purpose” of calls, and would certain steps taken by gateway providers to that end raise legal or policy concerns? Could such a verification process result in blocking lawful robocalls from foreign countries to American consumers? Are there means other than blocking that the Commission should consider? What procedures do gateway providers employ to ensure that the caller ID information associated with foreign call traffic has not been unlawfully spoofed.

22. We seek comment on how our recent work might inform our efforts on the one-ring scam. The Commission’s Enforcement Bureau and the Federal Trade Commission (FTC) recently wrote three gateway providers that have facilitated COVID-19-related scam robocalls according to the Industry Traceback Group, a consortium of phone companies that help officials track down the originator of suspect calls.⁴⁴ The letters warned these companies that if they did not stop such traffic, the Commission

⁴¹ See *STIR/SHAKEN Report and Order*, FCC 20-42, para. 24; see also *2019 Call Blocking Declaratory Ruling*, 34 FCC Rcd at 4883, para. 21. SHAKEN, or Signature-based Handling of Asserted information using toKENS, and STIR, or Secure Telephony Identity Revisited, is a system developed for Internet Protocol (IP) networks by the industry to ensure that the caller ID information conveyed with a telephone call is not illegally spoofed by confirming that a call actually comes from the number indicated in the caller ID, or at least that the call entered the United States network through a particular voice service provider or gateway. See generally *Call Authentication Trust Anchor*, WC Docket No. 17-97, Notice of Inquiry, 32 FCC Rcd 5988 (2017). This system is referred to as either SHAKEN/STIR or STIR/SHAKEN.

⁴² *Second Report and Order*, 34 FCC Rcd at 7306-07, paras. 10-11.

⁴³ TRACED Act § 12(b)(6). In a separate proceeding, we have proposed an obligation that gateway providers implement SHAKEN/STIR and sought comment on other obligations on gateway providers to use caller ID authentication to combat illegally spoofed calls originating abroad. See *STIR/SHAKEN Report and Order*, FCC 20-42, para. 64.

⁴⁴ See FCC, FTC Demand Gateway Providers Cut Off Robocallers Perpetrating Coronavirus-Related Scams from United States Telephone Network, Press Release, Apr. 3, 2020, <https://www.fcc.gov/document/fcc-ftc-demand-gateway-providers-cut-covid-19-robocall-scammers>. See also Letter from Rosemary C. Harold, Chief, Enforcement Bureau, Federal Communications Commission, Lois C. Greisman, Associate Director, Division of Marketing Practices, Federal Trade Commission, to Chris Cordero and Scott Kettle, Conexum, Apr. 3, 2020, <https://www.fcc.gov/document/fcc-ftc-demand-gateway-providers-cut-covid-19-robocall-scammers>; Letter from Rosemary C. Harold, Chief, Enforcement Bureau, Federal Communications Commission, Lois C. Greisman, Associate Director, Division of Marketing Practices, Federal Trade Commission, to Barry Augustinsky, SIPJoin Holdings Corp., Apr. 3, 2020, <https://www.fcc.gov/document/fcc-ftc-demand-gateway-providers-cut-covid-19-robocall-scammers>.

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would authorize other U.S. voice service providers to block all calls entering the U.S. via these gateway providers. The Commission also wrote to USTelecom to ask its members to begin blocking calls from these providers if the flood of such scam robocalls was not cut off within 48 hours.⁴⁵ All three companies receiving the letters responded, informing the Commission that each of them had cut off the call traffic from the malicious actors generating COVID-19-related scam robocalls and we have no evidence as of this date that they have failed to act accordingly. Is such collaboration between the Commission, the FTC, and the Industry Traceback Group a model that we can learn from and/or extend to combatting one-ring scam phone calls?

23. Can these COVID-19-related actions serve as a model for similar blocking of gateway providers that allow one-ring scam calls to enter American networks? Should we codify a rule that enables voice service providers to block traffic from an international gateway provider that fails to block calls from numbers known to be used in one-ring scams, if the international gateway provider does not terminate such calls within 48 hours of being notified that such calls are entering the domestic network? If we codified such a rule, how might we minimize the blocking of legitimate calls? Would the benefit of such a rule outweigh the costs?

24. Would labeling calls with caller ID information such as “scam likely” or “fraud likely” be a useful alternative to blocking? If so, how could we ensure that the label was transmitted to the terminating voice service provider? Alternatively, we note the questions we asked in our March 2020 *STIR/SHAKEN Report and Order* regarding imposing STIR/SHAKEN requirements on gateway providers as a way to identify robocalls that originate abroad as a means of identifying which provider served as the entry point for these calls to U.S. networks.⁴⁶ If the Commission were to adopt rules along these lines, might this be an effective way to use STIR/SHAKEN to combat illegal calls originating outside the United States?

IV. PROCEDURAL MATTERS

25. *Initial Paperwork Reduction Act of 1995 Analysis.* This Notice of Proposed Rulemaking may contain new or modified information collection(s) subject to the Paperwork Reduction Act of 1995.⁴⁷ If the Commission adopts any new or modified information collection requirements, it will be submitted to the Office of Management and Budget (OMB) for review under section 3507(d) of the PRA. OMB, the general public, and other federal agencies are invited to comment on the new or modified information collection requirements contained in this proceeding. In addition, pursuant to the Small Business Paperwork Relief Act of 2002,⁴⁸ we seek specific comment on how we might “further reduce the

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[robocall-scammers](#); Letter from Rosemary C. Harold, Chief, Enforcement Bureau, Federal Communications Commission, Lois C. Greisman, Associate Director, Division of Marketing Practices, Federal Trade Commission, to Muhammad U. Khan, VoIP Terminator dba BLMarketing, Apr. 3, 2020, <https://www.fcc.gov/document/fcc-ftc-demand-gateway-providers-cut-covid-19-robocall-scammers>; Letter from Rosemary C. Harold, Chief, Enforcement Bureau, Federal Communications Commission, Lois C. Greisman, Associate Director, Division of Marketing Practices, Federal Trade Commission, to Jonathan Spalter, President & CEO, USTelecom, Apr. 3, 2020, <https://www.fcc.gov/document/fcc-ftc-demand-gateway-providers-cut-covid-19-robocall-scammers>.

⁴⁵ See Letter from Rosemary C. Harold, Chief, Enforcement Bureau, Federal Communications Commission, Lois C. Greisman, Associate Director, Division of Marketing Practices, Federal Trade Commission, to Jonathan Spalter, President & CEO, USTelecom, Apr. 3, 2020, at 2, <https://www.fcc.gov/document/fcc-ftc-demand-gateway-providers-cut-covid-19-robocall-scammers>.

⁴⁶ See *STIR/SHAKEN Report and Order*, FCC 20-42, para. 64.

⁴⁷ Public Law 104-13.

⁴⁸ Public Law 107-198.

information collection burden for small business concerns with fewer than 25 employees.”⁴⁹

26. *Initial Regulatory Flexibility Certification.* As required by the Regulatory Flexibility Act of 1980 (RFA),⁵⁰ the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) relating to this Notice of Proposed Rulemaking. The IRFA is contained in Appendix B.

27. *Ex Parte Presentations—Permit-But-Disclose.* This proceeding shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules.⁵¹ Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda, or other filing in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meeting are deemed to written *ex parte* presentations and must be filed consistent with section 1.1206(b) of the Commission’s rules. In proceeding governed by section 1.49(f) of the Commission’s rules or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable.pdf). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

28. *Comment Filing Instructions.* Pursuant to sections 1.415 and 1.419 of the Commission’s rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments on or before the dates indicated on the first page of this document in CG Docket No. 20-93. Comments may be filed using the Commission’s Electronic Comment Filing System (ECFS).⁵²

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <http://apps.fcc.gov/ecfs/>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.
 - Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

⁴⁹ 44 U.S.C. § 3506(c)(4).

⁵⁰ 5 U.S.C. § 603.

⁵¹ 47 CFR §§ 1.1200 *et seq.*

⁵² *Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.
- Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, DA 20-304 (March 19, 2020), <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.

29. *People with Disabilities.* To request material in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

30. *Availability of Documents.* Comments, reply comments, and *ex parte* submissions will be available for public inspection during regular business hours in the FCC Reference Center, Federal Communications Commission, 445 12th Street, SW, CY-A257, Washington, D.C., 20554. These documents will also be available via ECFS. Documents will be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat.

31. *Additional Information.* For additional information on this proceeding, contact Mika Savir, Mika.Savir@fcc.gov or (202) 418-0384, of the Consumer and Governmental Affairs Bureau, Consumer Policy Division.

V. ORDERING CLAUSES

32. Accordingly, IT IS ORDERED, pursuant to sections 4(i) and 4(j) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), and section 12 of the Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. 116-105, 133 Stat. 3274, that this *Notice of Proposed Rulemaking* is hereby ADOPTED.

33. IT IS FURTHER ORDERED that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this *Notice of Proposed Rulemaking*, including the Initial Regulatory Flexibility Certification to the Chief Counsel for Advocacy of the Small Business Administration.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

APPENDIX A

Proposed Rule

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR part 64 as follows:

PART 64 – MISCELLANEOUS RULES RELATING TO COMMON CARRIERS

1. The authority citation for part 64 continues to read as follows:

Authority: 47 U.S.C. 154, 201, 202, 217, 218, 220, 222, 225, 226, 227, 228, 251(a), 251(e), 254(k), 262, 403(b)(2)(B), (c), 616, 620, and 1401-1473, unless otherwise noted.

§ 64.1200 [Amended]

2. Amend § 64.1200 by revising paragraph k to read as follows:

§ 64.1200 Delivery Restrictions

* * * * *

(k) * * *

(2) * * *

(iv) A telephone number that is highly likely to be associated with the “one-ring scam,” which is defined as “a scam in which a caller makes a call and allows the call to ring the called party for a short duration, in order to prompt the called party to return the call, thereby subjecting the called party to charges.”

* * * * *

APPENDIX B

Initial Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended, (RFA)

2. ¹ the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on a substantial number of small entities by the policies and rules proposed in this *Notice of Proposed Rulemaking* (NPRM). Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the NPRM provided on the first page of this document. The Commission will send a copy of the NPRM, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.² In addition, the NPRM and IRFA (or summaries thereof) will be published in the Federal Register.³

A. Need for, and Objectives of, the Proposed Rules

3. The NPRM seeks comment on ways to implement section 12 of the TRACED Act, to prevent consumers from a type of scam called the one-ring scam.⁴ The TRACED Act defines “one-ring scam” as “a scam in which a caller makes a call and allows the call to ring the called party for a short duration, in order to prompt the called party to return the call, thereby subjecting the called party to charges.”⁵

4. Section 12 of the TRACED Act requires the Commission to initiate a proceeding to protect called parties from one-ring scams.⁶ The Act states that the Commission shall consider how it can: work with federal and state law enforcement agencies;⁷ work with the governments of foreign countries to address one-ring scams;⁸ in consultation with the Federal Trade Commission (FTC), better educate consumers about how to avoid one-ring scams;⁹ encourage voice service providers to stop calls made to perpetrate one-ring scams from being received by called parties, including consideration of adding identified one-ring scam-type numbers to the Commission’s existing list of permissible categories for carrier-initiated blocking;¹⁰ work with entities that provide call-blocking services to address one-ring scams;¹¹ and establish obligations on international gateway providers that are the first point of entry for these calls into the United States, including potential requirements that such providers verify with the

¹ 5 U.S.C. § 603. The RFA, *see* 5 U.S.C. § 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 857 (1996).

² 5 U.S.C. § 603(a).

³ *Id.*

⁴ Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. No. 116-105, 133 Stat. 3274 (2019) (TRACED Act); TRACED Act § 12.

⁵ *Id.* § 12(d)(1).

⁶ The Commission is required to initiate this proceeding not later than 120 days after enactment of the TRACED Act; i.e., 120 days after December 30, 2019, which is April 28, 2020.

⁷ TRACED Act § 12(b)(1).

⁸ *Id.* § 12(b)(2).

⁹ *Id.* § 12(b)(3).

¹⁰ *Id.* § 12(b)(4).

¹¹ *Id.* § 12(b)(5).

foreign originator the nature or purpose of calls before initiating service.¹²

5. The NPRM seeks comment on how to implement these provisions of section 12 of the TRACED Act and proposes rules to permit voice service providers to block calls made from numbers associated with the one-ring scam.

B. Legal Basis

6. The proposed rules are authorized under the TRACED Act, 154(i), 201, 202, 227, 251(e), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 201, 202, 227, 251(e), 403.

C. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply

7. The RFA directs agencies to provide a description of, and where feasible, an estimate of the number of small entities that may be affected by the rules adopted herein.¹³ The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.”¹⁴ In addition, the term “small business” has the same meaning as the term “small-business concern” under the Small Business Act.¹⁵ A “small-business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.¹⁶

1. Wireline Carriers

8. *Wired Telecommunications Carriers.* The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”¹⁷ The SBA has developed a small business size standard for Wired Telecommunications Carriers, which consists of all such companies having 1,500 or fewer employees.¹⁸ Census data for 2012 shows that there were 3,117 firms that operated

¹² *Id.* § 12(b)(6).

¹³ *See* 5 U.S.C. § 603(b)(3).

¹⁴ *See* 5 U.S.C. § 601(6).

¹⁵ *See* 5 U.S.C. § 601(3) (incorporating by reference the definition of “small-business concern” in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies “unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register.”

¹⁶ *See* 15 U.S.C. § 632.

¹⁷ U.S. Census Bureau, 2017 NAICS Definitions, “517311 Wired Telecommunications Carriers”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

¹⁸ 13 CFR § 121.201, NAICS code 517311.

that year. Of this total, 3,083 operated with fewer than 1,000 employees.¹⁹ Thus, under this size standard, the majority of firms in this industry can be considered small.

9. *Local Exchange Carriers (LECs)*. Neither the Commission nor the SBA has developed a small business size standard specifically for Local Exchange Carriers. The closest applicable size standard under SBA rules is for the category Wired Telecommunications Carriers. The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”²⁰ Under that size standard, such a business is small if it has 1,500 or fewer employees.²¹ Census data for 2012 show that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.²² Consequently, the Commission estimates that most providers of local exchange service are small businesses.

10. *Incumbent Local Exchange Carriers (Incumbent LECs)*. Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange services. The closest applicable size standard under SBA rules is for the category Wired Telecommunications Carriers. The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”²³ Under that size standard, such a business is small if it has 1,500 or fewer employees.²⁴ Census data for 2012 show that there were 3,117 firms that operated that year. Of this total,

¹⁹ 2012 U.S. Economic Census, NAICs Code 517311, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Establishments%20for%20the%20U.S&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&mode=&n=517311>.

²⁰ U.S. Census Bureau, 2017 NAICS Definitions, “517311 Wired Telecommunications Carriers”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

²¹ 13 CFR § 121.201, NAICS code 517311.

²² 2012 U.S. Economic Census, NAICs Code 517311, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Establishments%20for%20the%20U.S&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&mode=&n=517311>.

²³ U.S. Census Bureau, 2017 NAICS Definitions, “517311 Wired Telecommunications Carriers”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

²⁴ 13 CFR § 121.201, NAICS code 517311.

3,083 operated with fewer than 1,000 employees.²⁵ Consequently, the Commission estimates that most providers of incumbent local exchange service are small businesses.

11. Competitive Local Exchange Carriers (Competitive LECs), Competitive Access Providers (CAPs), Shared-Tenant Service Providers, and Other Local Service Providers. Neither the Commission nor the SBA has developed a small business size standard specifically for these service providers. The appropriate size standard under SBA rules is for the category Wired Telecommunications Carriers. The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”²⁶ Under that size standard, such a business is small if it has 1,500 or fewer employees.²⁷ Census data for 2012 show that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.²⁸ Consequently, the Commission estimates that most providers of competitive local exchange service, competitive access providers, shared-tenant service providers, and other local service providers are small entities.

12. We have included small incumbent LECs in this present RFA analysis. As noted above, a “small business” under the RFA is one that, *inter alia*, meets the pertinent small business size standard (e.g., a telephone communications business having 1,500 or fewer employees), and “is not dominant in its field of operation.”²⁹ The SBA’s Office of Advocacy contends that, for RFA purposes, small incumbent LECs are not dominant in their field of operation because any such dominance is not “national” in scope.³⁰ We have therefore included small incumbent LECs in this RFA analysis, although we emphasize that this RFA action has no effect on Commission analyses and determinations in other, non-RFA contexts.

13. *Interexchange Carriers*. Neither the Commission nor the SBA has developed a small business size standard specifically for providers of interexchange services. The appropriate size standard

²⁵ 2012 U.S. Economic Census, NAICs Code 517311, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Establishments%20for%20the%20U.S&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&mode=&n=517311>.

²⁶ U.S. Census Bureau, 2017 NAICS Definitions, “517311 Wired Telecommunications Carriers”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

²⁷ 13 CFR § 121.201, NAICS code 517311.

²⁸ 2012 U.S. Economic Census, NAICs Code 517311, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Establishments%20for%20the%20U.S&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&mode=&n=517311>.

²⁹ 5 U.S.C. § 601(3).

³⁰ Letter from Jere W. Glover, Chief Counsel for Advocacy, SBA, to William E. Kennard, Chairman, Federal Communications Commission (May 27, 1999). The Small Business Act contains a definition of “small business concern,” which the RFA incorporates into its own definition of “small business.” 15 U.S.C. § 632(a); 5 U.S.C. § 601(3). SBA regulations interpret “small business concern” to include the concept of dominance on a national basis. 13 CFR § 121.102(b).

under SBA rules is for the category Wired Telecommunications Carriers. The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”³¹ Under that size standard, such a business is small if it has 1,500 or fewer employees.³² Census data for 2012 show that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.³³ Consequently, the Commission estimates that the majority of interexchange carriers are small entities.

14. *Cable System Operators (Telecom Act Standard)*. The Communications Act of 1934, as amended, also contains a size standard for small cable system operators, which is “a cable operator that, directly or through an affiliate, serves in the aggregate fewer than one percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed \$250,000,000.”³⁴ As of 2018, there were approximately 50,504,624 cable video subscribers in the United States.³⁵ Accordingly, an operator serving fewer than 505,046 subscribers shall be deemed a small operator if its annual revenues, when combined with the total annual revenues of all its affiliates, do not exceed \$250 million in the aggregate.³⁶ Based on available data, we find that all but six incumbent cable operators are small entities under this size standard.³⁷ We note that the Commission neither requests nor collects information on whether cable system operators are affiliated with entities whose gross annual revenues exceed \$250 million.³⁸ Therefore we are unable at this time to estimate with greater precision the number of cable system operators that would qualify as small cable operators under the definition in the Communications Act.

15. *Other Toll Carriers*. Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to Other Toll Carriers. This category includes toll carriers

³¹ U.S. Census Bureau, 2017 NAICS Definitions, “517311 Wired Telecommunications Carriers”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

³² 13 CFR § 121.201, NAICS code 517311.

³³ 2012 U.S. Economic Census, NAICS Code 517311, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Establishments%20for%20the%20U.S.&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&mode=&n=517311>.

³⁴ 47 U.S.C. § 543(m)(2); see 47 CFR § 76.901(f) & nn.1–3.

³⁵ S&P Global Market Intelligence, *U.S. Cable Subscriber Highlights, Basic Subscribers(actual) 2018, U.S. Cable MSO Industry Total*, <https://platform.marketintelligence.spglobal.com/>.

³⁶ 47 CFR § 76.901(f) and notes ff. 1, 2, and 3.

³⁷ S&P Global Market Intelligence, *Top Cable MSOs as of 12/2018*, <https://platform.marketintelligence.spglobal.com/>. The six cable operators all had more than 505,046 basic cable subscribers.

³⁸ The Commission does receive such information on a case-by-case basis if a cable operator appeals a local franchise authority’s finding that the operator does not qualify as a small cable operator pursuant to § 76.901(f) of the Commission’s rules. See 47 CFR § 76.909(b).

that do not fall within the categories of interexchange carriers, operator service providers, prepaid calling card providers, satellite service carriers, or toll resellers. The closest applicable size standard under SBA rules is for Wired Telecommunications Carriers. The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”³⁹ Under that size standard, such a business is small if it has 1,500 or fewer employees.⁴⁰ Census data for 2012 show that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.⁴¹ Thus, under this category and the associated small business size standard, the majority of other toll carriers can be considered small.

2. Wireless Carriers

16. *Wireless Telecommunications Carriers (except Satellite)*. Since 2007, the Census Bureau has placed wireless firms within this new, broad, economic census category.⁴² Under the present and prior categories, the SBA has deemed a wireless business to be small if it has 1,500 or fewer employees.⁴³ For the category of Wireless Telecommunications Carriers (except Satellite), Census data for 2012 show that there were 967 firms that operated for the entire year. Of this total, 955 firms had fewer than 1,000 employees.⁴⁴ Thus, under this category and the associated size standard, the Commission estimates that the majority of wireless telecommunications carriers (except satellite) are small entities. Similarly, according to internally developed Commission data, 413 carriers reported that they were engaged in the provision of wireless telephony, including cellular service, Personal Communications Service (PCS), and Specialized Mobile Radio (SMR) services.⁴⁵ Of this total, an estimated 261 have 1,500 or fewer employees.⁴⁶ Thus, using available data, we estimate that the majority of wireless firms can be

³⁹ U.S. Census Bureau, 2017 NAICS Definitions, “517311 Wired Telecommunications Carriers”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

⁴⁰ 13 CFR § 121.201, NAICS code 517311.

⁴¹ 2012 U.S. Economic Census, NAICS Code 517311, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Establishments%20for%20the%20U.S&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&mode=&n=517311>.

⁴² U.S. Census Bureau, 2017 NAICS Definitions, “517312 Wireless Telecommunications Carriers (Except Satellite)”; <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

⁴³ 13 CFR § 121.201, NAICS code 517312 (2017 NAICS). The now-superseded CFR citation was 13 CFR § 121.201, NAICS code 517312 (referring to the 2012 NAICS).

⁴⁴ 2012 U.S. Economic Census, NAICS Code 517210, at <https://data.census.gov/cedsci/table?q=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Firms%20for%20the%20U.S&g=&table=EC1251SSSZ5&tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&lastDisplayedRow=11&vintage=2012&n=517210>.

⁴⁵ *Trends in Telephone Service*, Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*).

⁴⁶ *Id.*

considered small.

17. *Satellite Telecommunications Providers.* The category of Satellite Telecommunications Providers “comprises establishments primarily engaged in providing telecommunications services to other establishments in the telecommunications and broadcasting industries by forwarding and receiving communications signals via a system of satellites or reselling satellite telecommunications.”⁴⁷ This category has a small business size standard of \$35.0 million or less in average annual receipts, under SBA rules.⁴⁸ For this category, Census Bureau data for 2012 show that there were a total of 333 firms that operated for the entire year.⁴⁹ Of this total, 299 firms had annual receipts of under \$25 million.⁵⁰ Consequently, we estimate that the majority of satellite telecommunications firms are small entities.

18. *All Other Telecommunications.* All Other Telecommunications comprises, *inter alia*, “establishments primarily engaged in providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation. This industry also includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems. Establishments providing Internet services or VoIP services via client-supplied telecommunications connections are also included in this industry.”⁵¹ The SBA has developed a small business size standard for the category of All Other Telecommunications.⁵² Under that size standard, such a business is small if it has \$35.0 million in annual receipts.⁵³ For this category, Census Bureau data for 2012 show that there were a total of 1,442 firms that operated for the entire year.⁵⁴ Of this total, 1,400 had annual receipts below \$25 million per year.⁵⁵ Consequently, we estimate that the majority of All Other Telecommunications firms are small entities.

3. Resellers

19. *Toll Resellers.* The Commission has not developed a definition for toll resellers. The closest NAICS Code Category is Telecommunications Resellers. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual

⁴⁷ U.S. Census Bureau, 2012 NAICS Definitions, “517410 Satellite Telecommunications,” <http://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517410&search=2012>.

⁴⁸ 13 CFR § 121.201, NAICS Code 517410.

⁴⁹ U.S. Census Bureau, 2012 Economic Census, Subject Series: Information, “Establishment and Firm Size,” NAICS code 517410.

⁵⁰ *Id.*

⁵¹ U.S. Census Bureau, 2012 NAICS Definitions, “517919 All Other Telecommunications,” <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

⁵² 13 CFR § 121.201, NAICS code 517919.

⁵³ *Id.*

⁵⁴ 2012 U.S. Economic Census, NAICS Code 517919 at <https://data.census.gov/cedsci/table?tid=ECNSIZE2012.EC1251SSSZ5&t=Employment%20Size&text=Estab%20%26%20Firm%20Size%3A%20Employment%20Size%20of%20Firms%20for%20the%20U.S.&n=517919&hidePrevious=false&vintage=2012>.

⁵⁵ *Id.*

network operators (MVNOs) are included in this industry.⁵⁶ The SBA has developed a small business size standard for the category of Telecommunications Resellers.⁵⁷ Under that size standard, such a business is small if it has 1,500 or fewer employees.⁵⁸ Census data for 2012 show that 1,341 firms provided resale services during that year. Of that number, 1,341 operated with fewer than 1,000 employees.⁵⁹ Thus, under this category and the associated small business size standard, the majority of these resellers can be considered small entities. According to Commission data, 881 carriers have reported that they are engaged in the provision of toll resale services.⁶⁰ Of this total, an estimated 857 have 1,500 or fewer employees.⁶¹ Consequently, the Commission estimates that the majority of toll resellers are small entities.

20. *Local Resellers.* The Commission has not developed a definition for Local Resellers. The closest NAICS Code Category is Telecommunications Resellers and therefore the associated definition and data for Telecommunications Resellers has been used for Local Resellers. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. MVNOs are included in this industry.⁶² Under that size standard, such a business is small if it has 1,500 or fewer employees.⁶³ Census data for 2012 show that 1,341 firms provided resale services during that year. Of that number, all operated with fewer than 1,000 employees.⁶⁴ Thus, under this category and the associated small business size standard, the majority of these local resellers can be considered small entities.

21. *Prepaid Calling Card Providers.* The Commission has not developed a definition for Prepaid Calling Card Providers. The closest NAICS Code Category is Telecommunications Resellers and therefore the associated definition and data for Telecommunications Resellers has been used for Prepaid Calling Card Providers. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. MVNOs are included in this industry.⁶⁵ Under that size standard, such a business is small if it has 1,500 or fewer employees.⁶⁶ Census data for 2012 show that 1,341 firms

⁵⁶ <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=517911&search=2012+NAICS+Search&search=2012>.

⁵⁷ 13 CFR § 121.201, NAICS code 517911.

⁵⁸ *Id.*

⁵⁹ 2012 U.S. Economic Census, NAICS Code 517911, at <https://data.census.gov/cedsci/table?tid=ECNSIZE2012.EC1251SSSZ5&hidePreview=false&vintage=2012&text=Employment%20size&n=517911&cid=EMP>.

⁶⁰ *Trends in Telephone Service*, at tbl. 5.3.

⁶¹ *Id.*

⁶² <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=517911&search=2012+NAICS+Search&search=2012>.

⁶³ 13 CFR § 121.201, NAICS code 517911.

⁶⁴ U.S. Census Bureau, 2012 Economic Census, Subject Series: Information, “Establishment and Firm Size,” NAICS code 517911.

⁶⁵ <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=517911&search=2012+NAICS+Search&search=2012>.

⁶⁶ 13 CFR § 121.201, NAICS code 517911.

provided resale services during that year. Of that number, all operated with fewer than 1,000 employees.⁶⁷ Thus, under this category and the associated small business size standard, the majority of these prepaid calling card providers can be considered small entities.

D. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

22. As indicated above, the NPRM seeks comment on proposed rules to implement the TRACED Act in order to protect consumers from one-ring scams. The NPRM also seeks comment on ways the Commission can further educate consumers, coordinate with other agencies and governments, and work with industry to better protect consumers from one-ring scams. In the NPRM, does not propose specific reporting or recordkeeping requirements. The NPRM does propose to allow voice service providers to block calls from phone numbers associated with one-ring scams. Voice service providers may implement reporting or recordkeeping in order to accomplish such blocking, but it is not specifically required in the proposed rules.

E. Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

23. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities.⁶⁸

24. The Commission's proposed rules allow voice service providers to block calls from numbers associated with one-ring scams. The proposed rules would allow all voice service providers, including small businesses, to block such calls. The Commission expects to consider the economic impact on small entities, as identified in comments filed in response to the NPRM and this IRFA, in reaching its final conclusions and taking action in this proceeding.

F. Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules

25. None.

⁶⁷ U.S. Census Bureau, 2012 Economic Census, Subject Series: Information, "Establishment and Firm Size," NAICS code 517911.

⁶⁸ 5 U.S.C. § 603(c).

**STATEMENT OF
COMMISSIONER JESSICA ROSENWORCEL**

Re: *Protecting Consumers from One-Ring Scams*, CG Docket No. 20-93.

It's hard to keep track of robocalls scams. That's because in the last several years they have multiplied. One especially pernicious variation is the one-ring call. A scammer dials a consumer's number and has it ring just one time. The goal is to have the consumer dash to pick up the call, just miss it, and dial the number back. These numbers are usually from international locations, so that effort to reach back out comes at a cost, leading to surprise fees on their monthly bill.

In the TRACED Act, Congress directed the Federal Communications Commission to put a stop to this fraud. We need to do so with real speed. But when this effort was first proposed to my office, it was merely a Notice of Inquiry. That's hardly moving with the urgency that a growing scam like this requires. So I am pleased that my colleagues agreed to my request to fast track this effort and turn it into a Notice of Proposed Rulemaking. I look forward to the record that develops and more importantly, getting rid of these nuisance calls for good.

**STATEMENT OF
COMMISSIONER GEOFFREY STARKS**

Re: *Protecting Consumers from One-Ring Scams*, CG Docket No. 20-93.

Stopping illegal robocalls and related telephone scams is the Commission's top consumer protection priority. To that end, we have recently taken actions to implement several requirements in the TRACED Act, passed just four months ago, that will enhance our ability to identify the sources of and stop these annoying and sometimes costly calls. We have also stepped up our enforcement game, recently partnering with the Federal Trade Commission (FTC) to warn certain providers that we know are enabling COVID-19-related scam robocalls that if they persist, we will authorize other providers to block such calls from entering the U.S. It is unconscionable that scammers would prey on vulnerable Americans during such a disorienting pandemic.

The one-ring scam, which often involves robocalls using caller ID spoofing, is especially harmful because it can result in surprise telephone bill charges and other costs for unsuspecting consumers. We must stay nimble, vigilant and aggressive. By focusing on how to promote consumer education about one-ring call scams, and how to identify (and stop) these calls as they happen, we can empower U.S. voice service providers to help us protect all Americans consumers from them. Accordingly, I approve.