



## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 64

[CG Docket No. 17-59; FCC 25-15; FR ID 285031]

### Advanced Methods to Target and Eliminate Unlawful Robocalls

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** In this document, the Federal Communications Commission (Commission) modifies its existing call blocking rules. Specifically, the Commission requires all domestic voice service providers to block based on a reasonable do-not-originate (DNO) list. Second, it requires voice service providers to return Session Initiation Protocol (SIP) code 603+ when calls are blocked based on reasonable analytics.

**DATES:** Effective [INSERT DATE 12 MONTHS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER], except for the amendment to 47 CFR 64.1200(o) which are delayed indefinitely. The amendments to 47 CFR 64.1200(o) will become effective following publication of a document in the Federal Register announcing approval of the information collection and the relevant effective date.

**FOR FURTHER INFORMATION CONTACT:** Jerusha Burnett, Consumer Policy Division, Consumer and Governmental Affairs Bureau, email at [jerusha.burnett@fcc.gov](mailto:jerusha.burnett@fcc.gov) or by phone at (202) 418-0526. For information regarding the Paperwork Reduction Act (PRA) information collection requirements contained in the PRA, contact Cathy Williams, Office of Managing Director, at (202) 418-2918, or [Cathy.Williams@fcc.gov](mailto:Cathy.Williams@fcc.gov).

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's *Report and Order*, in CG Docket No. 17-59, FCC 25-15, adopted on February 27, 2025, and released on February 28, 2025. The full text of this document is available online at <https://docs.fcc.gov/public/attachments/FCC-25-15A1.pdf>.

To request this document in accessible formats for people with disabilities (e.g., Braille, large print, electronic files, audio format) or to request reasonable accommodations (e.g., accessible format documents, sign language interpreters, CART), send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the FCC's Consumer and Governmental Affairs Bureau at (202) 418-0530.

## **FINAL PAPERWORK REDUCTION ACT OF 1995 ANALYSIS**

This document contains new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13. This document 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 will be invited to comment on the new or modified information collection requirements contained in this proceeding.

## **CONGRESSIONAL REVIEW ACT**

The Commission sent a copy of the *Report and Order* to Congress and the Government Accountability Office pursuant to the Congressional Review Act, *see* 5 U.S.C. 801(a)(1)(A).

## **SYNOPSIS**

1. In this Report and Order, the Commission strengthens its call blocking and robocall mitigation rules in key areas. First, the Commission expands its requirement to block calls based on a reasonable do-not-originate (DNO) list to include all U.S.-based providers in the call path. The Commission next establishes Session Initiation Protocol (SIP) code 603+ as the exclusive code to notify callers when calls on Internet Protocol (IP) networks are blocked based on reasonable analytics to better correct erroneous blocking.

### **Requiring All Providers to Block Using a Reasonable Do-Not-Originate List**

2. The Commission adopts its proposal to require all providers in the call

path to block calls that are highly likely to be illegal based on a reasonable DNO list. Requiring all providers to block using a reasonable DNO list ensures that this type of blocking protects all voice customers. Even if some providers use more limited lists that are nonetheless reasonable, either out of concern that lawful calls may be blocked or because of technical limitations, consumers will be better protected because other providers in the call path may use more extensive lists, or even slightly different lists. The Commission therefore agrees with commenters that broadly support extension of the DNO blocking requirement to all voice service providers. The Commission makes this requirement effective 90 days after publication of a notice of Office of Management and Budget approval in the Federal Register.

3. While the Commission agrees with USTelecom that many providers already block based on such lists, it disagrees with it that this makes a mandate unnecessary. Requiring more providers to block based on a DNO list will ensure that more consumers are protected from illegal calls. Further, the Commission is unpersuaded that any potential inefficiencies that stem from requiring all providers to block based on a reasonable DNO list outweigh the potential benefits. A provider may implement this requirement in whatever method makes sense for its network, so long as the list is applied to all calls that transit the provider's network. The Commission also declines to adopt a safe harbor for blocking based on a reasonable DNO list, as Cloud Communications Alliance suggests, because it is unclear what liability a provider would face for blocking based on a such a list and the Commission is unaware of any provider facing such liability since the Commission first authorized this blocking in 2017.

4. *Scope of the List.* Consistent with the Commission's rule for gateway providers and messaging providers, the Commission does not mandate the use of a specific list, but allows providers to use any DNO list so long as the list is reasonable. The Commission similarly does not change the scope of numbers that may be included on

a reasonable DNO list. This ensures that its rule for gateway providers is consistent with the Commission's rule for all other providers and ensures that the categories of numbers from which there is no valid reason for calls to originate can be included on the list. Such a list may include only invalid, unallocated, and unused numbers, as well as numbers for which the subscriber has requested blocking. The Commission clarifies that, to be considered reasonable, a list may include only the above-referenced categories of numbers and need not include all possible covered numbers. This is particularly true for unused numbers, which may be difficult for some providers to identify in some cases. The Commission may, however, deem unreasonable a list so limited in scope that it leaves out obvious numbers that could be included with little effort. The Commission finds that the current categories of numbers appropriately balance the certainty that calls are highly likely to be illegal with the need to protect consumers from those calls. The Commission therefore agrees with commenters that ask it not to change the scope of numbers that may be included on a reasonable DNO list.

5. Consistent with the Commission's rule, it does not adopt a single uniform list or establish a minimum list. Providers must constantly update DNO lists, especially if they include unused numbers that could go into use at any time, and there is not currently a standardized way to ensure that these updates would happen in real time for all providers. While this is true of either a centralized list or a provider-maintained list, a provider-maintained list may, for example, include only unused numbers assigned to that provider and automate number drop-off upon putting the number into use—or simply leave off these numbers if they cannot reasonably do so. Additionally, as Neustar notes, some voice service providers may have “limitations in the number of DNO numbers that they can use” due to “older or less capable networking equipment.” A provider-selected list better accounts for this issue than a uniform list, and technical limitations provide a valid reason for some numbers to be excluded. The Commission also recognizes that

providers know their own networks and may be better positioned to determine what types of numbers should be prioritized. By contrast, a central list would need to include rules prioritizing particular numbers across the U.S. network, which may not be the best approach in all cases. The Commission therefore agrees with Neustar that granting flexibility to providers allows them “to adapt or customize their DNO list based on their customer base, traffic profile, and other reasonable considerations. This will help those voice service providers maximize protections for their customers.”

6. The Commission therefore disagrees with commenters who argue that it should adopt a uniform list or establish a minimum list, require a more comprehensive list, or “set the criteria for inbound-only numbers to be the same as for government inbound-only numbers.” Because of the potential technological limitations discussed above, the Commission declines to mandate a more extensive list at this time. The Commission also maintains its previous approach, which allows providers to exercise discretion as to what numbers they include on their lists, so long as the list includes, at a minimum: 1) “any inbound-only government numbers where the government entity has requested the number be included;” and 2) “private inbound-only numbers that have been used in imposter scams, when a request is made by the private entity assigned such a number.” Providers may, of course, include inbound-only numbers that have not been used in imposter scams if they are capable of doing so.

7. Moreover, while Somos correctly notes that “the more comprehensive the DNO list . . . the more spoofed calls that will be blocked before reaching the intended victim,” the Commission finds that the burden of requiring all providers, including smaller providers, to use an expansive DNO list is unnecessary at this time. This is particularly true when all other providers in the call path must block. Some providers will use or already use these more expansive lists, and a single call will often pass through several networks on its path to the recipient. As a result, many consumers will

be protected by these more comprehensive lists even when one provider in the call path uses a more restricted list. The Commission recommends that providers, when technically feasible, use a more comprehensive list to safeguard even more consumers.

### **SIP Code for Immediate Notification of Analytics-Based Blocking**

8. The Commission modifies its requirement for terminating providers to provide immediate notification to callers when calls are blocked based on reasonable analytics. The Commission now requires the exclusive use of SIP code 603+ for this purpose on IP networks. The Commission directs providers that block based on reasonable analytics to return SIP code 603+. This will ensure that callers learn when and why their calls are blocked based on reasonable analytics, which in turn will allow these callers to access redress when blocking errors occur. The Commission clarifies that this requirement only applies when providers block calls based on analytics; the Commission does not require providers to provide immediate notification when blocking based on a DNO list, pursuant to Commission notification if not based on analytics, or at the request of a customer without the use of analytics. As required by the Commission's rules, the Commission directs all providers to perform necessary software upgrades to ensure the codes it requires for such notification are appropriately mapped. Providers must ensure that calls that transit over Time Division Multiplexing (TDM) and IP networks return an appropriate code when calls are blocked based on an analytics program, and the correct ISUP code for this purpose remains 21. The Commission further directs voice service providers to cease using the standard version of SIP code 603, or SIP codes 607 or 608, for this purpose.

9. *Adopting 603+ for Immediate Notification on IP Networks.* The Commission previously indicated that the existing rule allowing providers to use one of several codes for immediate notification of blocking based on an analytics program—*i.e.*,

SIP code 603, 607, or 608— was a temporary measure. The TRACED Act requires the Commission to ensure that callers receive “transparency and effective redress” when their calls are blocked by analytics, and a single uniform code is the best way to achieve this transparency. The Commission therefore agrees with commenters such as INCOMPAS and Cloud Communications Alliance that urge it to adopt a single, uniform code. The Commission similarly agrees that providers should adopt and implement a code quickly. The implementation of a single code has already been delayed and should not be delayed for longer than is absolutely necessary for implementation.

10. The record demonstrates that SIP code 603+ will provide more information to providers more quickly than SIP code 608, and likely at lower cost to providers. While both SIP codes 603+ and 608 could ultimately provide the information callers need, commenters disagree as to whether SIP code 603+ or 608 is the best code for this purpose. Despite the contention by some commenters that some providers currently use SIP code 608, it appears a limited number of providers use it for a limited number of calls and without the jCard. In the SIP code 608 specification, the jCard is an optional feature but it is necessary to provide information such as the identity of the blocking provider and redress information. As a result, current uses of SIP code 608 tell a caller that a call was blocked based on analytics but not which provider blocked the call or how to file a dispute. Therefore, while SIP code 608 provides callers with the basic information that a call is blocked, it provides minimal actionable information. USTelecom notes that currently very few providers have implemented SIP code 608, which means that, when a caller receives a 608, there is a limited list of providers that may have blocked the call; it further notes that broader deployment will make identifying the blocking provider significantly more difficult, especially in cases where SIP Code 608 may be used by non-terminating providers. Some commenters argue that implementing the jCard would take a significant amount of time—even years. By

contrast, SIP code 603+ is not currently in use, but can provide the same information without the complexity of the jCard; furthermore, since it builds on an existing code, it appears to be substantially less technically complex to implement.

11. SIP code 603+ builds on SIP code 603, which is already in use in the network and is different from it in a few key ways. First, instead of the status line reading “Decline” as in the standard SIP code 603, 603+ will read “Network Blocked.” This provides immediate, standardized information to originating providers and callers that the code is being used to indicate analytics-based blocking. Additionally, ATIS has standardized the reason header to define and require text fields that indicate blocking is based on analytics, as well as contact information for redress. This contains significantly more information than that provided by SIP code 608 without the use of the optional jCard, and at least comparable to what that code would provide if fully implemented with the jCard.

12. Commenters are correct that SIP code 603 was not originally intended for use as a notification for blocking. Indeed, when it was originally established, analytics-based blocking as we currently know it did not exist. And the Commission agrees with commenters that it has characterized the use of SIP code 603 as a temporary measure to satisfy the TRACED Act requirement to provide transparency and effective redress for erroneous analytics-based blocking. However, except where ISUP code 21 is translated into a standard SIP code 603 and therefore cannot be distinguished as a 603+, SIP code 603+ is substantially different both in the status line and in mandatory text fields. These significant modifications, which make SIP code 603+ distinct from a standard SIP code 603, ensure that 603+ is appropriate for this use, even though the standard SIP code 603 would be inappropriate for long term use to indicate analytics-based blocking.

13. The Commission disagrees with commenters who argue that SIP code 608

is the more appropriate code because it is more readily accessible and easier for callers to analyze. The Commission understands that caller equipment may need to be modified to look for the text in the status line, rather than simply the number of the code, and that system changes may need to be done to read the text fields that include redress information. The Commission is not convinced that this is a particularly challenging hurdle for callers to overcome, however. The status line that includes the numerical code, whether 603 or 608, also includes the reason phrase (in the case of 603+, “Network Blocked”). While software may not currently be configured to read this reason phrase, commenters do not make a clear case that this software cannot be reconfigured. Indeed, at least one group of caller commenters appears to believe that such reconfiguration is possible and specifically supports the use of SIP code 603+, citing the “Network Blocked” portion of the status line, among other factors, as evidence it will work for their needs. Additionally, implementation of SIP code 603+ will make specific redress information available to callers, which should significantly reduce, if not eliminate, the current need for callers to invest significant time into investigation and outreach in order to initiate redress with the correct provider. Moreover, if SIP code 608 were implemented with the jCard to provide this information, callers would presumably also need to make modifications to read the information provided by the jCard. Therefore, use of either code would appear to require some investment by callers. The Commission therefore expects that most high-volume callers will choose to modify their equipment to recognize SIP code 603+ and have sufficient incentive to do so.

14. As part of the Commission’s requirement for voice service providers to return SIP code 603+, the Commission clarifies that all providers in the call path must transmit the appropriate code to the origination point of the call, including ensuring that SIP code 603+ maps appropriately to ISUP code 21. Similarly, any IP provider that receives SIP code 603+ must ensure it transmits the full header, including all mandatory

text fields established in the standard.

15. *Implementation Deadline and Sunsetting SIP codes 603, 607, and 608.*

The Commission requires providers to implement SIP code 603+ no later than 12 months from publication of this Order in the Federal Register. The Commission finds that a one-year implementation period appropriately balances the need for callers to receive greater transparency and the need for interoperability testing and other finalizing work by providers. Providers should have long been aware that the Commission would want them to quickly implement such a change, as the TRACED Act requires transparency and effective redress and the Commission has described the current option to use the standard version of SIP code 603 as a temporary measure.

16. The Commission also directs providers to cease using SIP codes 603, 607, and 608 when calls are blocked using analytics once they have implemented 603+ and in no instance later than 12 months from publication of this Order in the Federal Register. The Commission therefore disagrees with Cloud Communications Alliance and INCOMPAS, which urge us to continue to allow the use of 608 and to require implementation of the requirements in six months. First, continuing to allow SIP code 608 would cause further confusion and uncertainty by reducing incentives for both providers and callers to update their systems appropriately which undermines the Commission's goal of mandating a single code. Second, while AT&T may already have effectively implemented 603+ in much of its network, AT&T is a single large provider and other providers, such as those with different network architecture, may need additional time. Similarly, AT&T's ability to implement 608 without the jCard within 12 months does not indicate that other providers will not reasonably require additional time. Additionally, SIP code 608 without the jCard offers much less information compared to SIP code 603+. However, when SIP code 608 includes the jCard, it provides benefits similar to 603+, though it takes more time to implement. Therefore, it is more

appropriate to use SIP code 608 with the jCard for comparison. While the Commission agrees that quicker implementation would be ideal and provide benefit to callers, it is concerned that doing so will be technically infeasible for quite a few providers, and therefore continue the cycle of delays and uncertainty.

17. Providers may continue to use SIP code 603 where otherwise appropriate, but not for analytics-based blocking except when an intermediate or terminating providers receive ISUP code 21 and cannot reasonably determine whether SIP code 603 or 603+ is appropriate. SIP code 607 may be used for its intended purpose: to indicate that a call was blocked at the subscriber's direction without the use of analytics. Because the Commission requires immediate notification only when providers block based on reasonable analytics, it declines to mandate the use of SIP code 607. The Commission therefore disagrees with the commenter that urges it to require use of SIP code 607. While this information may be valuable to some callers, comments in previous proceedings indicate that there may be privacy concerns with its use. At this time, the Commission finds that these concerns outweigh the potential benefits and therefore decline to mandate the use of SIP code 607.

18. *Additional Protections for Lawful Callers.* Because the Commission does not adopt any requirements for blocking based on reasonable analytics and the blocking notification rules it adopts today are expansions of its existing rules, rather than wholly new requirements, it declines to adopt any additional protections for lawful callers at this time. The record does not suggest that the Commission's current protections will be insufficient to protect lawful callers after these particular incremental expansions take effect. Moreover, and as discussed previously, the Commission believes that the deployment of SIP code 603+ will provide significant benefit to callers that, when paired with the Commission's existing protections, are sufficient to protect the interests of callers.

## **Status of Rich Call Data or Other Caller Name Tools**

19. The Commission declines to require the display of caller name information when a provider chooses to display an indication that caller ID has been authenticated. Although the Commission does not adopt such a mandate, it urges providers to continue to develop next-generation tools, such as Rich Call Data (RCD) and branded calling solutions, to ensure that consumers receive this information and welcome any updates industry has on its progress. The Commission notes that it may consider a mandate in the future, particularly if the timely deployment of such valuable tools does not occur without Commission intervention. The record indicates both that CNAM databases are insufficient to provide a consumer with reliable information, and that a mandate requiring the use of other, newer, technologies is premature. Furthermore, the Commission agrees with consumer groups that the “use of rented [Direct Inward Dialing numbers] just for the purpose of allowing callers to pretend to be someone other than themselves for the express purpose of evading blocking and labeling efforts” is a concern that merits caution. Solutions that can provide secure end-to-end authentication and verification information can help restore trust in the ecosystem and enhance consumer welfare.

20. Though the Commission declines to adopt a mandate at this time, it nonetheless believes that displaying caller name or other enhanced call information, once a reliable solution is available, will provide significant benefit to consumers, particularly when combined with an indication that caller ID has been authenticated. The Commission therefore strongly encourages industry to develop and standardize tools to ensure that this information is provided to consumers without additional charge to the call recipient. The Commission is concerned that, absent this information, an indication that caller ID has been authenticated provides little actionable information to consumers and may provide consumers with a false sense of security. The Commission intends to

continue monitoring developments in this area in order to take action as appropriate in the future.

### **Legal Authority**

21. The Commission's legal authority for the rules it adopts today stems from sections 201(b), 202(a), and 251(e) of the Communications Act of 1934, as amended (the Act), as well as from the Truth in Caller ID Act, and the TRACED Act. These sections have formed the basis for much of the Commission's work to combat illegal calls. In particular, sections 201(b) and 202(a) grant the Commission broad authority to adopt rules governing just and reasonable practices of common carriers.

22. The Commission's authority under section 251(e)(1) provides independent jurisdiction to prevent abuse of U.S. North American Numbering Plan (NANP) resources. This is particularly relevant to the rules the Commission adopts today that require blocking based on a reasonable DNO list, where there is no legitimate reason for the caller to use the number. Similarly, the Truth in Caller ID Act grants the Commission authority to prescribe rules to make unlawful the spoofing of caller ID information with the intent to defraud, cause harm, or wrongfully obtain something of value, and provides us authority to require blocking based on a reasonable DNO list where the number has clearly been spoofed.

23. Section 10(b) of the TRACED Act directs the Commission to ensure that providers are transparent about blocking and give both consumers and callers effective redress for erroneous blocking. It provides authority for the Commission's designation of SIP code 603+ as the appropriate code for immediate notification of callers when calls are blocked based on reasonable analytics. The Commission adopted its original immediate notification requirement based on the authority of that section. The Commission now simply modify that requirement to ensure that callers receive greater

transparency.

### **Cost-Benefit Analysis**

24. The record supports the Commission’s conclusion that the actions it takes now to strengthen its rules will yield benefits to consumers that exceed the costs of their implementation. The Commission previously estimated that illegal and unwanted calls cost consumers \$13.5 billion annually. Even if the actions the Commission takes now to strengthen its rules eliminate only a small fraction of these unwanted and fraudulent calls, the benefits will be substantial and will outweigh the costs.

25. *Benefits.* Extending blocking to all voice service providers in the call path based on a reasonable DNO list will increase the proportion of unwanted and illegal calls that are successfully blocked. The collective effect of each provider in the call path using its own risk-based DNO list will be to better filter illegal and unwanted calls by blocking illegal calls that elude one provider’s different DNO list. If the effect is to eliminate a small share of unwanted and illegal calls, consumers would save millions annually in avoided fraud, aggravation, inconvenience, and mistrust.

26. *Costs.* While the record lacks specific cost data and related analysis, the Commission believes that the increase in providers’ costs to avoid the risk of originating illegal calls will be modest. First, the DNO list blocking requirement of this Report and Order merely extends the existing requirement of previous orders. In the *May 2023 Call Blocking Order and Further Notice*, the Commission reaffirmed that “voice service providers are responsible for the calls they originate, carry, or transmit.” In this Report and Order, the Commission requires all voice service providers to block calls based upon a reasonable DNO list which is a modest extension of the responsibility for all calls on a network.

27. Additionally, requiring providers to use SIP code 603+ for immediate

notification to callers of analytics-based blocking is less technically complex than other potential solutions, and thus likely minimizes the costs of implementation for providers. SIP code 603+ builds on an existing code and thus requires less development than adoption of a new release code. In addition, voice service providers have 12 months after the publication of this Report and Order in the Federal Register to implement this change. Further, implementation of SIP code 603+ will make specific redress information available to callers, which should significantly reduce, if not eliminate, the current need for callers to invest significant time into investigation and outreach to initiate redress with the correct provider.

28. Although the record is sparse, the new requirements in this Report and Order to reduce illegal calls can likely be implemented at a relatively modest cost. Given that unwanted and illegal calls reduce public welfare by billions of dollars annually, even a small percentage reduction in those will generate benefits that exceed the costs of the new rules.

### **Final Regulatory Flexibility Analysis**

29. As required by the Regulatory Flexibility Act of 1980 (RFA), as amended, an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the *Advanced Methods to Target and Eliminate Unlawful Robocalls, Call Authentication Trust Anchor, Eighth Further Notice (Call Blocking FNPRM)* released in May 2023. The Federal Communications Commission (Commission) sought written public comment on the proposals in the *Call Blocking FNPRM*, including comment on the IRFA. No comments were filed addressing the IRFA. This Final Regulatory Flexibility Analysis (FRFA) conforms to the RFA..

### **Need for, and Objectives of, the Order**

30. The *Report and Order* continues the Commission's ongoing efforts to stop

the growing tide of illegal calls by building on its existing rules. The Commission has taken significant action to combat this problem, and this *Report and Order* adopts several rules to continue this work. First, the *Report and Order* expands the existing requirements to block calls based on a reasonable do-not-originate (DNO) list. Additionally, it increases transparency for callers by mandating a single Session Initiation Protocol (SIP) code be used when calls are blocked based on reasonable analytic. The Commission's adoption of these requirements in the *Report and Order* strengthens its call blocking and robocall mitigation rules to provide enhanced protection for consumers.

### **Summary of Significant Issues Raised by Public Comments in Response to the IRFA**

31. Although the Commission did not receive comments specifically addressing the IRFA in the *Call Blocking FNPRM*, the Commission did receive comments addressing the burdens on small providers. Commenters expressed concerns regarding burdens associated with additional blocking requirements. With regard to the Commission's proposed requirement for all providers in the call path to block calls that are highly likely to be illegal based on a reasonable DNO list, commenters advocated for call blocking on a reasonable DNO list, no change to the scope of numbers included on a reasonable DNO list, a safe harbor from liability for providers based on the use of a reasonable DNO list. Further, commenters opined on the appropriate SIP code for immediate notification requirements and mandatory call-blocking based on reasonable analytics. Additionally, commenters raised concerns about short implementation times, and asked for additional time for smaller providers. The Commission carefully considered these concerns, and discusses steps taken to address them in section F of this FRFA. The Commission further considered the potential impact of the rules proposed in the IRFA on small entities, and took steps where appropriate and feasible, to reduce the compliance and economic burden for small entities.

## **Response to Comments by the Chief Counsel for Advocacy of the Small Business**

### **Administration**

32. Pursuant to the Small Business Jobs Act of 2010, which amended the RFA, the Commission is required to respond to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration (SBA), and to provide a detailed statement of any change made to the proposed rules as a result of those comments. The Chief Counsel did not file any comments in response to the proposed rules in this proceeding.

### **Description and Estimate of the Number of Small Entities to Which Rules Will**

#### **Apply**

33. 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 and policies adopted herein. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act. 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.

34. *Small Businesses, Small Organizations, Small Governmental Jurisdictions.* The Commission’s actions, over time, may affect small entities that are not easily categorized at present. The Commission therefore describes, at the outset, three broad groups of small entities that could be directly affected herein. First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the Small Business Administration’s (SBA)

Office of Advocacy, in general a small business is an independent business having fewer than 500 employees. These types of small businesses represent 99.9% of all businesses in the United States, which translates to 33.2 million businesses.

35. Next, the type of small entity described as a “small organization” is generally “any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.” The Internal Revenue Service (IRS) uses a revenue benchmark of \$50,000 or less to delineate its annual electronic filing requirements for small exempt organizations. Nationwide, for tax year 2022, there were approximately 530,109 small exempt organizations in the U.S. reporting revenues of \$50,000 or less according to the registration and tax data for exempt organizations available from the IRS.

36. Finally, the small entity described as a “small governmental jurisdiction” is defined generally as “governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.” U.S. Census Bureau data from the 2022 Census of Governments indicate there were 90,837 local governmental jurisdictions consisting of general purpose governments and special purpose governments in the United States. Of this number, there were 36,845 general purpose governments (county, municipal, and town or township ) with populations of less than 50,000 and 11,879 special purpose governments (independent school districts) with enrollment populations of less than 50,000. Accordingly, based on the 2022 U.S. Census of Governments data, the Commission estimates that at least 48,724 entities fall into the category of “small governmental jurisdictions.”

### **Wireline Carriers**

37. *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. Wired Telecommunications Carriers are also referred to as wireline carriers or fixed local service providers.

38. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 4,590 providers that reported they were engaged in the provision of fixed local services. Of these providers, the Commission estimates that 4,146 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

39. *Local Exchange Carriers (LECs)*. Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to LECs. Providers of these services include both incumbent and competitive local exchange service providers. Wired Telecommunications Carriers is the closest industry with an SBA small business size standard. Wired Telecommunications Carriers are also referred to as wireline carriers or fixed local service providers. The SBA small business size

standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 4,590 providers that reported they were fixed local exchange service providers. Of these providers, the Commission estimates that 4,146 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

40. *Incumbent Local Exchange Carriers (Incumbent LECs)*. Neither the Commission nor the SBA have developed a small business size standard specifically for incumbent local exchange carriers. Wired Telecommunications Carriers is the closest industry with an SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms in this industry that operated for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 1,212 providers that reported they were incumbent local exchange service providers. Of these providers, the Commission estimates that 916 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, the Commission estimates that the majority of incumbent local exchange carriers can be considered small entities.

41. *Competitive Local Exchange Carriers (LECs)*. Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to competitive LECs. Providers of these services include several types of competitive local exchange service providers. Wired Telecommunications Carriers is the closest industry

with a SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 3,378 providers that reported they were competitive local service providers. Of these providers, the Commission estimates that 3,230 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

42. *Interexchange Carriers (IXCs)*. Neither the Commission nor the SBA have developed a small business size standard specifically for IXCs. Wired Telecommunications Carriers is the closest industry with a SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 127 providers that reported they were engaged in the provision of interexchange services. Of these providers, the Commission estimates that 109 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, the Commission estimates that the majority of providers in this industry can be considered small entities.

43. *Cable System Operators (Telecom Act Standard)*. The Communications Act of 1934, as amended, contains a size standard for a "small cable operator," 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.” For purposes of the Telecom Act Standard, the Commission determined that a cable system operator that serves fewer than 498,000 subscribers, either directly or through affiliates, will meet the definition of a small cable operator. Based on industry data, only six cable system operators have more than 498,000 subscribers. Accordingly, the Commission estimates that the majority of cable system operators are small under this size standard. The Commission notes however, that the Commission neither requests nor collects information on whether cable system operators are affiliated with entities whose gross annual revenues exceed \$250 million. Therefore, the Commission is 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.

44. *Other Toll Carriers.* Neither the Commission nor the SBA has developed a definition for small businesses specifically applicable to Other Toll Carriers. This category includes toll carriers that do not fall within the categories of interexchange carriers, operator service providers, prepaid calling card providers, satellite service carriers, or toll resellers. Wired Telecommunications Carriers is the closest industry with a SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms in this industry that operated for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 90 providers that reported they were engaged in the provision of other toll services. Of these providers, the Commission estimates that 87 providers have 1,500 or fewer employees. Consequently, using the SBA’s small business size standard, most of these providers can

be considered small entities.

### **Wireless Carriers**

45. *Wireless Telecommunications Carriers (except Satellite)*. This industry comprises establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular services, paging services, wireless Internet access, and wireless video services. The SBA size standard for this industry classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that there were 2,893 firms in this industry that operated for the entire year. Of that number, 2,837 firms employed fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 594 providers that reported they were engaged in the provision of wireless services. Of these providers, the Commission estimates that 511 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

46. *Satellite Telecommunications*. This industry comprises firms "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." Satellite telecommunications service providers include satellite and earth station operators. The SBA small business size standard for this industry classifies a business with \$44 million or less in annual receipts as small. U.S. Census Bureau data for 2017 show that 275 firms in this industry operated for the entire year. Of this number, 242 firms had revenue of less than \$25 million. Additionally, based on

Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 65 providers that reported they were engaged in the provision of satellite telecommunications services. Of these providers, the Commission estimates that approximately 42 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, a little more than half of these providers can be considered small entities.

## **Resellers**

47. *Local Resellers.* Neither the Commission nor the SBA have developed a small business size standard specifically for Local Resellers. Telecommunications Resellers is the closest industry with a SBA small business size standard. 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 network operators (MVNOs) are included in this industry. The SBA small business size standard for Telecommunications Resellers classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that 1,386 firms in this industry provided resale services for the entire year. Of that number, 1,375 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 207 providers that reported they were engaged in the provision of local resale services. Of these providers, the Commission estimates that 202 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

48. *Toll Resellers.* Neither the Commission nor the SBA have developed a small business size standard specifically for Toll Resellers. Telecommunications Resellers is the closest industry with a SBA small business size standard. 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 network operators (MVNOs) are included in this industry. The SBA small business size standard for Telecommunications Resellers classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that 1,386 firms in this industry provided resale services for the entire year. Of that number, 1,375 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 457 providers that reported they were engaged in the provision of toll services. Of these providers, the Commission estimates that 438 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

49. *Prepaid Calling Card Providers.* Neither the Commission nor the SBA has developed a small business size standard specifically for prepaid calling card providers. Telecommunications Resellers is the closest industry with a SBA small business size standard. 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 network operators (MVNOs) are included in this industry. The SBA small business size standard for Telecommunications Resellers classifies a business as small if it has 1,500 or fewer employees. U.S. Census Bureau data for 2017 show that 1,386 firms in this industry provided resale services for the entire year. Of that number, 1,375 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 62 providers that reported they were engaged in the provision of prepaid card services. Of these providers, the Commission estimates that 61 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

### **Other Entities**

50. *All Other Telecommunications.* This industry is comprised of 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. Providers of Internet services (e.g. dial-up ISPs) or Voice over Internet Protocol (VoIP) services, via client-supplied telecommunications connections are also included in this industry. The SBA small business size standard for this industry classifies firms with annual receipts of \$40 million or less as small. U.S. Census Bureau data for 2017 show that there were 1,079 firms in this industry that operated for the entire year. Of those firms, 1,039 had revenue of less than \$25 million. Based on this data, the Commission estimates that the majority of "All Other Telecommunications" firms can be considered small.

## Description of Projected Reporting, Recordkeeping, and Other Compliance

### Requirements for Small Entities

51. The *Report and Order* does not impose new or additional reporting or recordkeeping on small or other impacted entities. The *Report and Order* does require voice providers to meet certain obligations. These changes affect small and large companies, and apply to all the classes of regulated entities identified above in section D. The Commission allows providers 12 months after publication of the *Report and Order* in the Federal Register to comply with these requirements. First, all voice service providers, rather than only originating and gateway providers, must block calls purporting to originate from numbers on a reasonable DNO list. Voice service providers are granted flexibility to determine the appropriate list, based on the needs and capabilities of their networks. Additionally, voice service providers must use SIP code 603+ to provide immediate notification to callers when calls are blocked based on reasonable analytics.

52. The rules adopted in *the Report and Order* will result in compliance costs for small and other entities, and may require small entities to hire professionals to comply. While the record does not contain specific cost data estimates or analysis, the Commission believes that the burdens associated with the rules it adopts today will be modest. The requirement to block based on a reasonable DNO list is a modest extension of an existing rule. Similarly, implementation of SIP code 603+ is unlikely to impose significant new costs as it can be implemented as part of routine maintenance.

53. Although small and other entities will incur costs to implement the requirements of the *Report and Order*, based on the record the benefit of these requirements will exceed their costs. The Commission notes in the *Report and Order* that the industry estimates that consumers receive 13 spam or fraud calls a month, and on

average those scammed by phone lose \$865. Moreover, based on complaint data from the Federal Trade Commission (FTC) the median loss for fraud by phone was \$1480. Further, the FTC reports a total of \$850 million lost to fraud by phone call.

### **Steps Taken to Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered**

54. The RFA requires an agency to provide, “a description of the steps the agency has taken to minimize the significant economic impact on small entities . . . including a statement of the factual, policy, and legal reasons for selecting the alternative adopted in the final rule and why each one of the other significant alternatives to the rule considered by the agency which affect the impact on small entities was rejected.”

55. In the *Report and Order*, the Commission considered various alternatives and took the steps discussed below to minimize the economic impact for small entities, and address concerns small entities raised in comments. The Commission declined to adopt additional protections for lawful callers. The Commission extended the existing rule requiring blocking of calls based on a reasonable DNO list to all voice providers, rather than only originating and gateway providers, consistent with small and other providers that broadly support this proposed extension. The Commission declined to expand the scope of the list, or to mandate the use of a single uniform list, in part to ensure that providers with more limited resources and older equipment, which would include many smaller providers, are able to adopt lists that are appropriate for their networks and should address the concerns raised by some small entity commenters. The Commission also considered but declined to adopt a safe harbor from liability for providers based on use of a reasonable DNO list requested by small entity advocates since the Commission is not aware of what liability a provider would face for blocking based on a such a list, or of any provider encountering any such liability since the

Commission authorized this type of blocking in 2017. The Commission likewise declined to adopt a reasonable analytics-based blocking mandate, reducing the burden on smaller providers which was a concern raised in comments.

56. In addition to the blocking requirements, the *Report and Order* adopted a single SIP code for notification to callers when calls are blocked based on reasonable analytics, SIP code 603+. This modifies the Commission's existing rule allowing for use of one of a list of several codes, which has always been intended as a temporary measure. Support both for, and against the use of SIP code 603+ were in comments filed by small entities. Based on the record, SIP code 603+ which builds on the existing SIP code 603 will provide more information to providers more quickly than SIP code 608, builds on the existing SIP code 603, and appears to be substantially less technically complex to implement making it the more appropriate choice for the Commission. As the Commission discusses in the *Report and Order*, whether the Commission chose SIP code 603+ or 608, small and other callers would be required to make modifications to comply. To ensure that small and other providers have adequate time to implement the *Report and Order* requirements, the Commission modified and expanded the implementation deadline it proposed in the *Call Blocking NPRM*. All providers have 12 months from publication of the *Report and Order* in the Federal Register to make the transition, which addresses small provider concerns about the implementation timeframe and requests for additional time. The *Report and Order* also allows for use of an ISDN User Part (ISUP) code where the network is non-IP.

### **Report to Congress**

57. The Commission will send a copy of the *Report and Order*, including this FRFA, in a report to be sent to Congress pursuant to the Congressional Review Act. In addition, the Commission will send a copy of the *Report and Order*, including this

FRFA, to the Chief Counsel for Advocacy of the SBA. The *Report and Order* and FRFA (or summaries thereof) will also be published in the Federal Register.

### **Ordering Clauses**

58. It is ordered that, pursuant to sections 4(i), 4(j), 201, 202, 217, 227, 251(e), 301, 303, 307, 316, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 154(j), 201, 202, 217, 227, 251(e), 301, 303, 307, 316, and 403, this *Report and Order* is adopted.

59. It is further ordered that the revisions to § 64.1200(o) shall be effective 90 days after publication of a notice of Office of Management and Budget approval in the Federal Register of information collection requirements under the Paperwork Reduction Act, and the revisions to § 64.1200(k)(9) shall be effective 12 months after publication in the Federal Register.

### **List of Subjects**

#### **47 CFR Part 64**

Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

**Federal Communications Commission.**

**Marlene Dortch,**  
*Secretary,*  
*Office of the Secretary.*

## Final Rules

For the reasons discussed in the preamble, the Federal Communications Commission amends 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. 151, 152, 154, 201, 202, 217, 218, 220, 222, 225, 226, 227, 227b, 228, 251(a), 251(e), 254(k), 255, 262, 276, 403(b)(2)(B), (c), 616, 620, 716, 1401–1473, unless otherwise noted; Pub. L. 115–141, Div. P, sec. 503, 132 Stat. 348, 1091; Pub. L. 117-338, 136 Stat. 6156.

#### **Subpart L – Restrictions on Telemarketing, Telephone Solicitation, and Facsimile Advertising**

2. § 64.1200 is amended by revising paragraphs (k)(9) and (o) to read as follows:

#### **§ 64.1200 Delivery restrictions.**

\*\*\*\*\*

(k)(9) Any terminating provider that blocks calls based on any analytics program, either itself or through a third-party blocking service, must immediately return, and all voice service providers in the call path must transmit, an appropriate response code to the origination point of the call. For purposes of this rule, an appropriate response code is:

(i) In the case of a call terminating on an IP network, the use of Session Initiation Protocol (SIP) code 603+, as defined in ATIS-1000099, adopted August 16, 2022;

(ii) In the case of a call terminating on a non-IP network, the use of ISDN User Part (ISUP) code 21 with the cause location “user”;

(iii) In the case of a code transmitting from an IP network to a non-IP network, SIP code 603+ must map to ISUP code 21; and

(iv) In the case of a code transmitting from a non-IP network to an IP network, ISUP code 21 must map to SIP code 603 or 603+ where the cause location is “user.”

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(o) A voice service provider must block any calls purporting to originate from a number on a reasonable do-not-originate list. A list so limited in scope that it leaves out obvious numbers that could be included with little effort may be deemed unreasonable. The do-not-originate list may include only:

(1) Numbers for which the subscriber to the number has requested that calls purporting to originate from that number be blocked because the number is used for inbound calls only;

(2) North American Numbering Plan numbers that are not valid;

(3) Valid North American Numbering Plan Numbers that are not allocated to a provider by the North American Numbering Plan Administrator; and

(4) Valid North American Numbering Plan numbers that are allocated to a provider by the North American Numbering Plan Administrator, but are unused, so long as the provider blocking the calls is the allocatee of the number and confirms that the number is unused or has obtained verification from the allocatee that the number is unused at the time of blocking.

\* \* \* \* \*