



FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 8, 25, 64 and 76

[CG Docket Nos. 26-52, 17-59, 02-278, and 22-2; FCC 26-16; FR ID 341337]

Improving Customer Service and Protecting Consumers through Onshoring

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Federal Communications Commission (Commission) proposes actions that would encourage and facilitate the onshoring of foreign call centers. Specifically, the Commission proposes rules and otherwise explore ways to improve customer service communications and better protect consumers' sensitive personal information by limiting use of foreign call centers and by improving standards applicable to a company's remaining foreign call center operations. It also seeks comment on extending these protections to modes of customer service communications other than calls, such as emails, texts, and on-line chats, and on ideas to deter scam and other unlawful calls made to the United States from foreign countries. Finally, it explore steps we can take to financially deter unlawful foreign-originated calls, such as bond requirements. The Commission proposes to apply these requirements to providers of telecommunications services, CMRS, interconnected VoIP service, cable television service, and DBS services, or affiliates of such providers. It also proposes to apply these requirements to the use of foreign call centers for consumer communications relating to Internet access service offered by any of the foregoing providers or their affiliates and seeks comment on whether it should extend some or all of the proposed rules to providers of other types of services.

DATES: Comments are due on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** and reply comments are due on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments identified by CG Docket Nos. 26-52, 17-59, 02-278, and 22-2 by any of the following methods:

- *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the Electronic Comment Filing System (ECFS): <https://www.fcc.gov/ecfs>. See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).
- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.
 - Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. **All filings must be addressed to the Secretary, Federal Communications Commission.**
 - Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.
- *Accessible formats.* To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format) or to request reasonable accommodations (e.g. accessible format documents, sign language interpreters, CART), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice).

FOR FURTHER INFORMATION CONTACT: For further information about the Notice of

Proposed Rulemaking (*NPRM*), contact John B. Adams of the Consumer and Governmental Affairs Bureau at (202) 418-2854 or JohnB.Adams@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission’s Notice of Proposed Rulemaking in CG Docket No. 26-52, Tenth Further Notice of Proposed Rulemaking in CG Docket No. 17-59; Further Notice of Proposed Rulemaking in CG Docket No. 02-278; and Third Further Notice of Proposed Rulemaking in CG Docket No. 22-2 (*NPRM*); FCC 26-16, adopted on March 26, 2026 and released on March 27, 2026. The full text of this document is available online at <https://docs.fcc.gov/public/attachments/FCC-26-16A1.pdf>.

Paperwork Reduction Act Analysis: The *NPRM* may contain proposed new and revised information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collection requirements described in this document, as required by the Paperwork Reduction Act of 1995, Public Law 104–13. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, see 44 U.S.C. 3506(c)(4), we seek specific comment on how we might further reduce the information collection burden for small business concerns with fewer than 25 employees.

Providing Accountability Through Transparency Act: Consistent with the Providing Accountability Through Transparency Act, Public Law 118–9, a summary of this document will be available on <https://www.fcc.gov/proposed-rulemakings>.

Ex Parte Rules: The proceeding the *NPRM* initiates shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. 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* presentation 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 filings 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* meetings are deemed to be written *ex parte* presentations and must be filed consistent with § 1.1206(b) of the Commission's rules. In proceedings governed by § 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, when feasible, 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.

SYNOPSIS

I. DISCUSSION

We seek comment on actions that would encourage and facilitate the onshoring of foreign call centers. Specifically, we propose rules and otherwise explore ways to improve customer service communications and better protect consumers' sensitive personal information by limiting use of foreign call centers and by improving standards applicable to a company's remaining foreign call center operations. We also seek comment on extending these protections to modes of customer service communications other than calls, such as emails, texts, and on-line chats, and on ideas to deter scam and other unlawful calls made to the United States from foreign countries. Finally, we explore steps we can take to financially deter unlawful foreign-originated calls, such as bond requirements, building on our recent *Call Branding NPRM*, which sought comment on other ways to identify and stop such calls.

We propose to apply these requirements to providers of telecommunications services, CMRS, interconnected VoIP service, cable television service, and DBS services, or affiliates of such providers. Where we seek comment on applying the proposed rules to providers of other services, the term “providers” includes providers of those services as well. We also propose to apply these requirements to the use of foreign call centers for consumer communications relating to Internet access service offered by any of the foregoing providers or their affiliates. We seek comment on this proposal and whether we should extend some or all of the proposed rules to providers of other types of services.

A. Protecting American Consumers

1. Ensuring Quality Customer Service

Consumers often are not satisfied with the customer service they receive from providers that have moved their customer service operations to offshore call centers. We seek comment on measures to address problems with foreign call centers that would apply to inbound calls in addition to outbound calls where we traditionally have focused our consumer protection efforts. Inbound calls easily can become outbound calls, such as when a consumer’s call is answered initially by an Interactive Voice Response (IVR) system that allows the consumer to choose to have the IVR system hold the consumer’s place in line and call the consumer back. And problems, such as communication barriers and protection of sensitive consumer information, exist regardless of whether a consumer calls the provider or the provider calls a consumer.

Establishing English Proficiency Standards. We propose to require providers that use offshore call centers to ensure that all calling staff at those call centers are proficient in both written and spoken American Standard English. We believe that clear communication and mutual understanding is critical to the customer service experience. The ability of both the consumer and the customer service agent to understand one another while discussing consumer concerns is vital to providing meaningful customer service. Consumers often have complex problems that require American Standard English proficiency to understand and resolve. And

technical understanding of English often is not enough—so much of communication is tone, idioms, and appreciation of the speaker’s culture. The Commission receives numerous consumer complaints that cite a lack of clear and productive communication with foreign call center staff as a reason why their concern was not resolved.

A number of federal regulations contain English proficiency requirements. To implement the Telecommunications Relay Services (TRS) program, the Commission itself has adopted operational standards that require language skills. Communications Assistants (CAs) who handle TRS calls must have specific competencies in communicating with people with and without such disabilities. Specifically, CAs must have competent skills in typing, grammar, spelling, American Sign Language (ASL), and familiarity with hearing and speech disability cultures, languages, and etiquette, and must possess clear and articulate voice communications. In short, Communications Assistants must understand the culture and etiquette of consumers and must be proficient in reading, writing, speaking, listening, and signing the languages necessary to do their jobs effectively. While maintaining these standards for Communications Assistants, the Commission has gone further, promoting the use of direct video connections to enhance communication between ASL-using consumers with speech and hearing disabilities and customer service call centers. The regulations governing the direct video and TRS programs reflect the Commission’s recognition that communication is clearest when it occurs directly between people with a shared language and common regional and cultural background, and that, absent such direct communication between individuals with a shared language and culture, standards and required competencies are essential to ensure effective communication.

We seek comment on our proposal. Would American Standard English proficiency requirements, including requirements to understand tone, idioms, and culture, promote better customer satisfaction and problem resolution? What steps do providers currently take to ensure the proficiency of their representatives? How do providers currently monitor for both efficient communication during customer service interactions and customer satisfaction? Beyond

language proficiency, are there other barriers that providers can mitigate to ensure higher quality customer service and consumer satisfaction?

If we were to adopt such requirements, what criteria should we use to assess compliance, and should the criteria apply to each individual call center employee, or to, e.g., the average test score for a call center? For example, should we require providers to ensure that call center staff pass a test? If so, what type of test? We note that a range of tests is available. Some appear to be targeted at specific areas. For example, and as mentioned above, the OET is tailored for the medical field, the TOEFL is widely used in higher education, and the TOEIC is business- and workplace-oriented. Many of the available tests appear to evaluate listening, speaking, reading, and writing. Are these good tests for our purposes? Do they go beyond just words to test an understanding of culture, for example? Do they include tests of listening, speaking, reading, and writing, or just of some of these facets of English proficiency? Do any of these tests focus on the cultural and idiomatic nuances of American Standard English? Are there other tests that providers currently are using to assess representatives' proficiency in American Standard English? Do representatives need to write in English in order to document a summary of the call in a consumer's account records or for other purposes?

Do providers already test the English proficiency of foreign call center staff? If so, how? Do providers rely on the foreign call centers with which they contract to test or otherwise evaluate the English proficiency of call center staff rather than performing the evaluation themselves? What recourse is available to a provider if a provider receives consumer complaints or otherwise learns that particular staff in a foreign call center are not communicating well with consumers?

Finally, we seek comment on how to address foreign call centers used for communication with non-English speaking U.S. customers. For example, a business might contract with a foreign call center to communicate with its U.S.-based, Spanish-speaking customer base. What American Standard English or other language proficiency standards, if any, should we require

for such call centers? Are staff at these call centers required to be bilingual and do they typically take calls in English as well as non-English languages? Do providers have dedicated call centers where representatives only communicate with non-English-speaking customers? Even where call center staff speak with consumers in a language other than English, we believe that staff will need to be proficient in English. For example, we believe that customer account records generally are maintained in English and that scripts and other materials used by call center staff could be written in English. We seek comment on this belief.

Promoting U.S.-Based Customer Service. We propose to limit the percentage of customer service calls that providers may make from or answer at foreign call centers to a specified percentage (excluding any calls that would be subject to any rule we adopt requiring certain types of calls to be handled only at call centers located within the United States). We seek comment on this proposal. Would such a limit effectively address at least some of the concerns associated with foreign call centers, such as customer satisfaction? We believe that such a cap would encourage movement of call center operations back to the U.S. and thus best address our communication and data privacy concerns. We recognize, though, that those changes could come with costs to communications service providers and thus believe this type of cap would help strike a balance between achieving our goals while not imposing undue costs on these companies. Accordingly, we also seek comment on whether we should phase in such a cap over time in recognition of the costs to providers to relocate call centers to the United States, and the capacity, such as availability of staff and facilities, of the domestic marketplace to immediately support call center functions that are relocated to the United States. Are there other concerns that we should consider or other reasons to adopt such an approach? For example, are there other benefits, including to U.S. jobs and the economy, from limiting the percentage of calls to or from their service providers that are handled by foreign call centers?

We seek comment on the total volume of calls providers currently handle (i.e., make from and receive at) in their call centers globally, including both in-house call centers, i.e., those

they operate themselves, and those with which they contract. What percentage of a provider's total volume of calls is handled at call centers located within the U.S. and what percentage is handled in foreign countries? What percentage of total calls is transferred from a foreign call center to a call center located within the U.S. and vice versa? What percentage of total calls is transferred from a foreign call center to a call center located within the U.S. at the request of the customer? In answering these questions regarding percentages of calls, providers are encouraged also to provide quantities of calls. Which providers have a policy of transferring calls from a foreign call center to a call center in the U.S.? If a provider has such a policy, does it disclose the policy at the beginning of each call so that the consumer can request to have the call transferred before discussing the issue that prompted the call?

What percentage would best advance the goal of improving customer satisfaction? For example, would a 30% limit be appropriate? And how should we apply such a metric? For example, if we were to set the limit at 30%, should we allow only 30% of outbound calls to be made from a foreign call center and allow only 30% of inbound calls to be answered at a foreign call center? Or should we assess the percentage across both inbound and outbound calls, as long as the combined percentage for all calls is no greater than 30%? Over what period of time should compliance be measured? For example, should the percentage limit apply annually, quarterly, monthly, or daily?

How should calls subject to the percentage limitation be defined? Should only calls to or from existing customers who already purchase service from the provider be counted? Should the limitation apply, for example, to all calls made to the provider's customer service number or other contact numbers? If a provider has multiple numbers, such as one for general customer service calls, one for sales, and one for customer billing issues, should the limitation apply to all calls made to any of its consumer-facing numbers, or should it apply separately to each of these types of call? Are there particular types of consumer calls where a representative's level of American Standard English proficiency might have a greater impact on ensuring resolution of

the issue or customer satisfaction? If so, which types of calls and how should this be factored into establishing a metric?

Finally, do we need to take steps to ensure that providers have sufficient capacity in call centers in the United States to handle the required volume of calls? What should those steps be? Should we phase in this requirement in order to give providers time to transition their call center operations? If so, over what period of time should we require providers to transition their operations? What obstacles will providers face in transitioning their call center operations to comply with this limitation? What costs will providers incur to transition their call center operations? Are there any considerations that uniquely affect smaller providers or those serving rural areas? If so, how should our rules take those considerations into account?

Scope of Covered Calls. In the preceding paragraphs, we seek comment on how to identify and count calls for our proposal to limit the percentage of calls that may be made from or answered at a foreign call center. We now seek comment on how we should define the calls subject to these proposals in general. Should we include only calls to and from a provider's existing customers, such as those regarding service, billing, or account management? Should we include calls related to debt collection, win-back campaigns, or other retention efforts?

Are there categories of calls that should be excluded from these requirements? Should we include calls to or from prospective customers, such as sales or marketing calls? Should the proposals apply to all calls made to consumer-facing numbers a provider uses, such as those for general customer service, billing, or sales? Commenters should address the implications of including or excluding these types of calls, including how it would affect consumer privacy and data security, and how providers could identify and distinguish covered calls from non-covered calls for purposes of complying with the rules.

2. Safeguarding Consumer Choice

Requiring Disclosure of Foreign Call Center Use. We propose to require providers, when making or receiving calls involving a foreign call center, to inform customers at the

beginning of each call that it is being handled outside of the United States. We seek comment on this proposal.

We believe it is essential for consumers to know when calls from a provider originate overseas and when calls they make to a provider are answered at a foreign call center. If consumers know they are speaking with a foreign call center, they can take any precautions they believe necessary to address privacy risks—e.g., by refusing to disclose sensitive personal information, demanding satisfactory assurance that such information will be protected effectively, or requesting that the call be transferred to the United States, as discussed below. This also might help consumers identify companies that support American jobs. We seek comment on these beliefs.

If we adopt such a proposal, should we adopt specific text that providers must use in the disclosure? If so, what should that be? Should it differ for calls made from a foreign call center and those answered at or transferred to a foreign call center? Should the disclosure include the name of the country where the call center is located, or additional information? For example, the text of a disclosure might be “This call is being [answered in or made from] [insert name of country]. You have the right to have this call transferred to a representative located in the United States. Do you want to have the call transferred to a U.S.-based representative?” We seek comment on whether providers should be required to make this or an alternative disclosure. Should disclosure be required before an in-progress call is transferred from a domestic call center to a foreign call center? We also seek comment on any First Amendment considerations relevant to our disclosure proposals, consistent with past practice for disclosure requirements.

Establishing a Consumer Right to Transfer to Call Centers in the United States. We propose to require providers, upon consumer request, to transfer calls to a call center located within the United States. This would apply both to calls made from a foreign call center and to calls answered at a foreign call center. We further propose to require providers to ensure that consumers are transferred promptly following a transfer request and to ensure that wait times for

transferred calls are no longer than those for calls that in the first instance are routed to a call center located within the United States. We seek comment on this proposal.

We believe our proposal will empower consumers who wish to transact business or otherwise communicate with a provider via representatives located within the United States to do so. Consumers might wish to communicate with provider representatives located within the United States for a variety of reasons, each of which improves customer service and satisfaction. These include reduced language barriers, better legal protections for and security of their sensitive personal information, and support for American jobs, among other things. We seek comment on this belief. Are there other benefits, whether consumer, general societal, or economic, that are likely to result from this proposal?

Should we establish standards for how quickly a foreign call center must complete transfer of a call to a call center in the United States? If so, what standards should we adopt? For example, should we require that providers transfer the consumer to a call center in the United States within a certain number of seconds following the transfer request? How should we determine when a transfer is complete? For example, would transferring the call so that it rings to a call center in the United States be sufficient or only when a representative answers? What if the call drops during transfer?

Finally, we believe providers should inform customers about such a right and thus propose to require it as part of the same disclosure we propose above. We seek comment on that proposal. If we were to adopt it, should we require that the disclosure include information about wait times following transfer, a number to call a U.S.-based call center directly in the event the call gets dropped during transfer, or any other information?

We seek comment on any other factors that we should consider regarding the required disclosures when a call is handled at a foreign call center, the required response to requests that calls be transferred to a call center in the United States, and ensuring that wait times for transferred calls do not unduly burden a consumer's exercise of the right to transfer.

3. Ensuring Compliance

We propose to require providers to track and report to the Commission their compliance with any rules we adopt as a result of our proposals. Providers would report on the American Standard English proficiency of their foreign call center workers; the number or percentage of calls they first route to foreign call centers and U.S. call centers; the number or percentage of calls they transfer to a call center in the United States; associated wait times; and dropped calls, along with any other requirements we adopt in response to this NPRM. We seek comment on this proposal.

If we adopt our proposal, should we require monthly, quarterly, or annual reporting? Why? Should we make such information public? If not, what factors would justify keeping the information from consumers and the public at large? How do those factors compare with the potential benefits of consumers having greater information, including information that enables comparisons, about providers' use of foreign call centers and other customer service metrics? Is there other information associated with these data that we should require providers to report? Should providers separate data by individual foreign call center or foreign country, or aggregate it for all foreign call centers? Is there any reason to separate information by individual call center in the United States? If we require reporting on American Standard English proficiency, what information should providers report? Should we require providers to report other information associated with English proficiency, e.g., complaints or transfer rates for individual foreign call centers or foreign call center staff members, or other metrics?

In what format should reports be made? Should electronic filing be required? If so, is there a particular format, such as an Excel spreadsheet, that should be used for the reports? Are there existing reports or forms that could be modified to include this information and that are sufficiently relevant to the subject matter that it makes sense to use them?

We seek comment on whether cable television providers should file their reports with their local franchising authorities as well as with the Commission and what roles the

Commission and local franchising authorities should play in enforcing any rules we adopt as a result of this NPRM. Commenters should address how to achieve consistent enforcement across all providers that would be subject to these rules if the rules are enforced as to cable television providers by local franchising authorities.

We also seek comment on any other reporting, filing, or certification mechanisms for ensuring compliance with any rules we adopt as a result of this NPRM. In particular, we seek comment on whether providers who obtain numbering resources from the North American Plan Numbering Administrator (NANPA) should be required to certify their compliance as a condition of obtaining numbering resources. The Commission's rules already require interconnected VoIP providers, for example, to make certain certifications as a condition of obtaining numbering resources from NANPA.

4. Protecting Consumer Information and National Security

Heightened Consumer Protection for Sensitive Transactions. We propose to require that providers handle certain consumer transactions, such as those involving passwords, multi-factor authentication information, social security numbers, and bank or credit card information, or any combination of this information, only at call centers located within the United States, regardless of the type of communications channel used to initiate the transaction. We propose that this requirement would apply to such transactions regardless of any rule we adopt that would allow a certain percentage of calls to be handled by foreign call centers, such that calls that must be handled at call centers located within the United States would not be included in the percentage calculation. Criminal actors, as well as foreign adversaries, might find particular consumer information, e.g., passwords, multi-factor authentication information, and bank account or credit card information, uniquely useful for exploitation or attack. We thus believe that we should require providers to handle such sensitive customer data solely in U.S.-based call centers and seek comment on this proposal.

Are there other specific types of transactions that providers should handle only at call

centers located within the United States? Do providers use different tools to protect sensitive customer information shared over non-call communications, such as on-line chat, texts, and/or electronic mail messages? Do providers send multi-factor security codes, account access codes, or password resets from foreign call centers? And do providers send them via humans or automated systems? Do providers communicate with consumers about other sensitive personal information via these methods? If so, what kinds? Are there other steps providers take to mitigate security risks when offshore representatives are supporting customer service interactions that require personal, financial, or account information? We seek comment on any other factors that we should consider regarding the required handling of certain types of transactions only at call centers in the United States.

We also seek comment on whether we should prohibit providers from making available for access at foreign call centers consumer information, e.g., passwords, multi-factor authentication information, and bank account or credit card information, that might be uniquely useful to bad actors. It is documented that foreign call center staff have accessed consumer information and sold it to criminals. If we were to adopt such a prohibition, what information should be subject to it?

Other Measures to Protect Privacy and Safeguard National Security. Above we describe privacy and data protection concerns arising from the use of foreign call centers, including examples of Commission regulatees failing to prevent abuse of consumer data by employees of foreign call centers, and DOJ's findings that poor control of that data is a national security concern.

We propose to prohibit providers from using call centers located in "foreign adversary" nations. Foreign adversaries pose a present and persistent threat to national security. We believe that entities under the jurisdiction of foreign adversaries are subject to exploitation, influence, or control by foreign adversary governments and that a foreign adversary's ability to exploit, influence, or control the operation of a customer service call center would pose a threat to the

privacy of U.S. customers as well as to the ability of the United States to protect its national security. We seek comment on this proposal. To more fully protect U.S. customers and national security, should we, for example, prohibit providers from using any call center, wherever located, that employs citizens or residents of a “foreign adversary” nation?

In addition to our proposals above to require a cap on the fraction of calls providers may handle via foreign call centers, limit certain transactions to domestic call centers, and prohibit providers from using call centers in “foreign adversary” nations, we seek comment on other steps we can take to address our concerns. For example, should we prescribe data protection standards for any country in which a provider wishes to operate a call center? If so, what type of standards should we adopt? Would a general standard such as “data security laws and practices at least as strong as the United States” suffice, or is that too vague? If too vague, what would be a more specific standard consistent with our goals? What types of data protection do providers currently use and could they provide a model for a required standard? In that vein, could we look to recent enforcement consent decrees as a model? Are there other steps we should take?

5. Enhancing Transparency

Broadband Label. We propose to amend our broadband label rule to require providers subject to our broadband label requirements to display in the labels the percentage of customer service calls handled by a call representative located within the United States. The label is a point-of-sale disclosure and thus a natural vehicle to bring transparency to the foreign call center issues we address above.

Would our proposal help consumers of broadband service make informed choices about their providers? If we adopt this proposal, for what time period should we require that the percentage be computed, and how often should providers update the label based on this proposal? What level of precision should we require (e.g., to the nearest percentage point)? Should providers disclose the actual percentage, or would a minimum percentage suffice? Should providers state a single percentage that includes both inbound and outbound calls, or

should they specify separate percentages for inbound and outbound calls? Should the calls counted for purposes of the label be defined differently, in any respect, from how they are defined for purposes of our other proposed rules? For example, for purposes of the label, would it be preferable to limit the calls covered to those placed to or from existing customers?

We propose that this information be added to the existing Customer Support section of the label and placed below the phone number and website information. Would this placement on the label help consumers to better understand this entry and how it might relate to their experience with the provider's customer support services? Should this information be placed in a different location on the label? If so, why?

Transparency for Other Services. Should we require providers of non-broadband services that would be covered by our proposed rules to make available on their websites the same information regarding the percentage of customer service calls handled in foreign call centers?

Consistent with past practice for disclosure requirements, we seek comment on any First Amendment considerations relevant to our transparency proposals. We also seek comment on whether there are other potential transparency requirements that could inform consumers and empower marketplace forces to improve customer satisfaction with providers' call centers. What are the relative advantages or disadvantages of such approaches in this context, where current business practices might reflect the legacy of decisions originally made during times when competition was less prevalent?

6. Potential Further Steps

Other Communications Channels. Should we apply all of our proposed rules (i.e., not just those related to sensitive transactions, as discussed above) to non-voice communications such as on-line chat, texts, and/or electronic mail messages? Consumers regularly use on-line chat, texts, and email to communicate with providers. Do our concerns about American Standard English proficiency and data security apply to these forms of communication as well as

calls? How frequently do providers communicate with consumers via text messages, electronic mail messages, or on-line chat using staff in foreign countries? How does that compare to similar communications sent from, read at, or responded to from locations within the United States? Are there other types of communications, such as video conferencing, to which we should consider applying the proposed rules?

Other Communications Providers. We seek comment on whether we should apply our proposals to “stand-alone” providers of non-interconnected VoIP and other Internet-only providers, including providers that provide only stand-alone Internet access service, to the extent that we have legal authority to do so. Are there any relevant differences between interconnected and non-interconnected VoIP regarding consumer experience with the use of foreign call centers for customer service and other communications, such that we should *not* apply the same rules to interconnected and non-interconnected VoIP, to the extent that we have legal authority to do so? Are there any such relevant differences between Internet access service provided by stand-alone providers versus Internet access provided by other entities offering Internet access alongside other services, such as telecommunications service providers and cable television service providers? If so, what are they? Are there any other providers or services to which these proposals or other requirements upon which we seek comment should apply?

Establishing Standards and Procedures for Other Calls Originating From Outside of the United States. We seek comment on whether and to what extent we should establish standards and/or procedures regulating certain foreign-originated calls and texts subject to the TCPA. Section 227(c) of the Act requires the Commission to prescribe methods and procedures for protecting residential telephone subscribers’ privacy rights to avoid receiving telephone solicitations to which they object. Further, Section 227(d) requires the Commission to establish technical and procedural standards for systems that transmit artificial or prerecorded voice messages via telephone.

Should we extend some or all of our proposals to all calls covered by sections 227(c) and

(d) of the Act that originate outside the United States, not just calls on behalf of the types of providers already discussed? We seek comment on whether section 227(c)'s aim to protect residential subscribers supports applying our above proposals to calls from foreign call centers. And does section 227(d)'s authority to establish technical standards for covered calls also give us such authority? For instance, should we require that foreign callers making telephone solicitations disclose that such calls and/or messages originate from outside of the United States? Should we establish American Standard English proficiency standards for telephone solicitations made by foreign callers? Should we require that foreign callers transmitting artificial or prerecorded voice messages disclose that such calls originate from outside of the United States and offer to transfer the call—then do so upon request—to a domestic call center? We seek comment on these questions, as well as any other proposals for protecting consumers from telephone solicitations and/or artificial- and prerecorded- voice messages made from outside of the United States.

Tracking Consumer Complaints. As an aid to enforcement, and to enable the Commission to better assess the types of issues consumers are encountering with respect to customer service and call centers, we further propose to direct the Consumer and Governmental Affairs Bureau, and other staff as necessary, to establish mechanisms within our informal complaints system that allow efficient tracking of consumer complaints related to call centers and customer service. We invite comment on this proposal and how it can be most effectively and efficiently implemented.

7. Alternative Approaches

We seek comment on alternative approaches to our proposals above. Commenters should explain the alternative approach, how it addresses the problems we have described, and how it would be less burdensome, less costly, or more effective than our main proposals. Commenters should explain how the alternative improves customer service and better protects sensitive consumer data, and to whether it does so for all or just some providers or services. Commenters

should provide real-world examples demonstrating the alternative's value and discuss how any current or new technologies, including AI, are used in the alternative approach or could affect it. Are there other pro-competitive incentives that can be implemented to improve customer service?

B. Increasing the Cost of Unlawful Calls Originating from Outside of the United States

Foreign scammers and their co-conspirators in the United States rob consumers of hundreds of millions of dollars each year, costing some their life savings. There is an obvious need to take the profit out of these calls and we seek comment on how to do so. Specifically, we seek comment on using government-imposed fees on illegal traffic or bond requirements as a way to make illegal calls expensive enough to deter them in the first place. Commenters should address policy considerations, international agreements, legal authority, the logistics of how a fee or bond requirement could be structured, applied, and collected, and any other factors we should consider.

Under a fee-based approach, how would unlawful calls subject to a fee be identified, and how would the fee be collected? How should fees be calculated, and what amount would be effective at reducing the quantity of unlawful calls entering the United States from foreign countries?

If the Commission were to adopt a bond-based approach, how should a requirement to post a bond apply here? For instance, the House version of the Foreign Robocall Elimination Act bill would require providers to post a bond to file in the RMD. Should we adopt the same or similar approach here? Alternatively, should we require providers that are the subject of one or more traceback requests or whose filings were removed from the RMD as part of an enforcement action to post a bond? Should we instead require providers that accept "mass" voice and/or text traffic from international sources to post a bond? If so, how should we define "mass" voice or text traffic? Are there circumstances under which an existing filer should be required to post a bond in order for its certification to remain in the RMD? Providers that are required to post a

bond might pass the cost of such a bond onto its foreign customers, thus potentially reducing the number of such calls.

How and under what circumstances would the bond be drawn upon? For example, could the bond be used to satisfy any future Commission enforcement action related to unlawful calls, other types of government enforcement actions, or civil liabilities? Further, for example, if the Commission were to issue a forfeiture order against a provider, should the bond be used to satisfy the forfeiture amount after a successful recovery action under 47 U.S.C. 504(a) such that the provider then would have to pay the balance, if any, through other means?

Alternatively, would it technically be feasible to establish a mechanism whereby some portion of the bond is drawn each time that a consumer reports receiving an unlawful robocall? How can we ensure that the bond draw-down is consistent with constitutional due process and the requirements of the Act? How would it work and who would manage the bond draw-down process? Which reports of unlawful robocalls would trigger a draw: those filed with the Commission, those filed with the Federal Trade Commission, those filed with state Attorney General offices? Should consumers instead be able to report unlawful calls directly from their device during the call and could those reports be used to trigger a bond draw down? Can device-based reporting be shared with the terminating provider? If so, would terminating providers seek the bond draw from the ultimate gateway provider or intermediate providers directly, or would terminating providers file reports with the entity administering the bonds on a periodic cadence?

Which provider's bond would be drawn upon and how could that particular provider be identified, especially if a provider other than the terminating provider were deemed the one to pay? Should the entity administering the bond draws distinguish between unlawful and simply unwanted calls that are reported, and how would it do so? Such a system might be prone to overuse, such as by aggrieved consumers who abuse the system by making numerous fraudulent reports in order to cause financial harm to their provider. Are safeguards from overuse needed? If so, what should the safeguards entail? Should providers be permitted to dispute draws? Who

would hear those disputes and what evidence would be required? Who bears the burden of proof in such disputes? Should there be a threshold of reported unlawful robocalls at which a gateway provider would surrender the entire bond automatically? If so, what should the threshold be?

We seek comment on these possible approaches and on alternatives. Could they be effective at stopping harmful calls? Should we apply a bond requirement to all foreign providers, to international gateway providers, or any other providers that transmit calls from foreign countries to the United States? How much should such a bond be? Should it vary by type or size of provider? Should a provider be required to deposit the full amount of the bond or be permitted to purchase a surety bond? If we were to permit surety bonds, should we require them to comply with requirements similar to those in § 25.165(a) and (b) of our rules? What should happen if a bond were drawn upon? For example, how long should the provider have to replenish the bond or should the provider be prohibited from providing service until the bond is replenished? Who would administer a bond program and who would be the beneficiary? We seek comment on whether there are any statutory or other barriers to adopting and implementing a bond requirement. For example, should bonds be viewed as a type of “forfeiture penalty” or “forfeiture” under the Communications Act, and if so, do sections 503 or 504 of the Act mandate certain procedural requirements prior to the Commission collecting on a bond in certain circumstances?

We seek comment on alternative approaches to a bond requirement. Commenters should explain the alternative approach, including how it addresses the problems we have described, and how it would be more effective than the alternatives discussed herein. Are other countries successfully using bonds or shared liability models to reduce robocalls? If so, how are those regimes working?

C. Legal Authority

We seek comment on our authority to adopt these proposals and on our authority regarding other actions on which we seek comment above.

1. Authority to Adopt Regulations Concerning the Use of Foreign Customer Service Operations

We seek comment on our authority to adopt rules, such as those proposed above, governing the use of foreign customer service operations by providers of telecommunications service, CMRS, interconnected VoIP service, cable television service, and DBS, or affiliates of such providers, and Internet access services each provides, including pursuant to sections 4(i), 201, 202, 217, 222, 227, 251, 301, 303, 316, 332, 335, 631, and 632 of the Act. We also seek comment on our authority to include in the broadband label disclosures regarding the percentage of customer service calls a broadband provider handles abroad.

Telecommunications Carriers. We seek comment on the extent to which section 201(b) of the Act provides authority for application of our proposed rules to telecommunications carriers' communications with current or prospective customers. Section 201(b) provides that *all* practices of common carriers in connection with interstate or foreign communication service shall be just and reasonable, and provides broad authority to the Commission to "prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of this chapter." The Commission and the courts have broadly construed the term "practice" and the phrase "in connection with . . . communication service" to include a wide range of practices that directly implicate a carrier's furnishing of communication services, including payment or non-payment of compensation to payphone owners, failure to follow Commission-ordered settlement practices, deceptive marketing, and the formation of exclusive contracts with commercial building owners.

Do a carrier's practices in communicating with its own customers and prospective customers on the matters commonly handled by consumer call centers—such as billing, service outages, service quality, account management, and marketing, including answering customers' calls in a timely fashion, communicating effectively in American Standard English, ensuring customer service representatives are equipped to resolve service issues, and safeguarding

customers' personal information—likewise bear directly on the provision of service to customers and fall within our section 201(b) authority? In addition, does the widespread perception that the customer service practices of foreign call centers are frequently unreasonable in these respects provide a basis under section 201(b) to require disclosure of foreign call handling and the transfer of calls to the United States upon request, as well as the other proposed requirements discussed above? Does our authority under section 201(b) include the authority to protect customer privacy regarding sensitive customer data that may not fall within the specific definition of CPNI under section 222 of the Act—e.g., by handling such phone transactions only at call centers located within the United States?

Section 222 grants the Commission specific authority to adopt regulations to ensure that carriers “protect the confidentiality of proprietary information of, and relating to . . . customers,” including customer proprietary network information (CPNI), which is defined as:

- (A) information that relates to the quantity, technical configuration, type, destination, location, and amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier, and that is made available to the carrier by the customer solely by virtue of the carrier-customer relationship; and
- (B) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer of a carrier; except that such term does not include subscriber list information.

Does section 222 provide authority for our proposals to promote U.S.-based customer service, to require heightened protection of sensitive transactions, to allow customers to request U.S.-based customer-support representatives, to prohibit providers from using call centers in “foreign adversary” nations, and to adopt other regulations discussed above to help protect sensitive customer information, including CPNI of telecommunications carriers' customers?

Does section 251(e) of the Act provide additional authority to adopt the rules proposed herein? Section 251(e) grants the Commission exclusive jurisdiction over those portions of the

North American Numbering Plan that pertain to the United States and directs the Commission to create or designate an impartial entity to administer telecommunications numbering and to make such numbers available on an equitable basis.

CMRS Providers. Pursuant to section 332 of the Act, our Title II authority applies to providers of CMRS as well as to wireline telecommunications carriers providing interstate and foreign communications. Does our Title II authority, as discussed above with regard to telecommunications carriers, extend to applying our proposals to CMRS providers?

Furthermore, does our “broad authority” under Title III, particularly the authority of the Commission to “[p]rescribe the nature of the service to be rendered by each class of licensed stations and each station within any class,” provide authority for our proposals regulating the customer-service practices of CMRS providers? We seek comment on the applicability of particular provisions of Title III, including but not limited to sections 301 and 316, to authorize the Commission to impose such requirements.

Interconnected VoIP Service Providers. The Commission has previously found that it has authority to apply CPNI protections to interconnected VoIP service providers pursuant to section 222 of the Act and the Commission’s Title I ancillary jurisdiction. The Commission found that interconnected VoIP services fall within the Commission’s subject matter jurisdiction under the Act. The Commission also found that the application of CPNI rules to interconnected VoIP service is reasonably ancillary to the effective performance of the Commission’s Title II responsibilities, because: (1) interconnected VoIP service “is increasingly used to replace analog voice service” (a trend that continues to be the case); (2) it seems reasonable for American consumers to expect that their telephone calls are private irrespective of whether the calls are handled by a carrier or an interconnected VoIP provider; and (3) the CPNI of interconnected VoIP customers includes call detail information concerning all calling and called parties, including customers of telecommunications carriers and CMRS providers, so that by protecting the CPNI of interconnected VoIP customers, the Commission will more effectively protect the

privacy of carrier customers.

Do these considerations equally support the exercise of ancillary jurisdiction in this rulemaking to protect the privacy of interconnected VoIP service customers and telecommunications service customers by including interconnected VOIP service providers within the scope of the rules proposed above to increase the use of U.S.-based call centers, to require that sensitive transactions be handled in such call centers, to require disclosure when foreign call centers are used, and to allow customers to request the transfer of calls to U.S.-based call centers? Are such requirements necessary to ensure compliance with the requirements of section 222 and the Commission's implementing rules to protect the CPNI of customers of telecommunications and interconnected VoIP services, and thus "necessary in the public interest to carry out" section 222 of the Act?

Does section 251(e) give the Commission authority to condition interconnected VoIP service providers' access to telephone numbers on those providers' compliance with the requirements proposed above? The Commission previously exercised its authority under section 251(e) to ensure, for example, that an interconnected VoIP provider receiving direct access to numbers "possesses the financial, managerial, and technical expertise to provide reliable service." Will ensuring that interconnected VoIP providers, as well as telecommunications carriers, protect sensitive consumer data when conducting customer service calls from foreign call centers help to maintain competitive neutrality and ensure that consumers' expectations are met regarding the privacy of their information when using the telephone network?

PII Protection. Do we have authority, pursuant to the statutory provisions discussed above, to adopt rules to prevent foreign call centers operated by or on behalf of telecommunications carriers, CMRS providers, or VoIP service providers, from misusing customers' personally identifiable information (PII) when handling customer service calls relating to internet access service provided by such carriers, CMRS providers, or VoIP service providers or their affiliates? We also seek comment on the merits and applicability of the Sixth

Circuit's recent holding that section 201(b) of the Act, which requires that carrier practices "in connection with" a communication service shall be just and reasonable, independently authorizes the Commission to adopt data protection rules that may go beyond the specific requirements and scope of section 222 of the Act.

Cable Television Operators. Section 632(b) of the Act expressly grants the Commission authority to "establish standards by which cable operators may fulfill their customer service requirements," and provides further that "such standards shall include, at a minimum, requirements governing . . . service calls" and "communications between the cable operator and the subscriber." In 1993, the Commission adopted customer service requirements for cable operators regarding matters specified by Congress. The Commission declined to adopt broader standards at that time, but reserved the right to revise and supplement the standards to ensure that customer service satisfaction is achieved nationwide. Do the regulations proposed herein to safeguard customers' personal information and to ensure customer service representatives are equipped to resolve service issues fall within the Commission's authority to adopt "requirements governing . . . service calls" or "communications between the cable operator and the subscriber"?

In addition, section 631(c) expressly provides that "a cable operator shall not disclose personally identifiable information concerning any subscriber" without prior consent and "shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator." We seek comment on whether this provision also supports rules addressing foreign call center use and related data protection measures in order to enhance the existing customer service protections. Does this legal authority extend to personally identifiable information regarding subscribers to internet access service offered by a cable operator? Section 631(a)(2)(c) defines "cable operator," for purposes of section 631 (other than subsection (h)), to include "any person who (i) is owned or controlled by, or under common ownership or control with, a cable operator, and (ii) provides any wire or radio communications service." Accordingly, a "cable operator" for purposes of Section 631 is not

limited to an entity that provides “cable service”; rather, it includes “any person” owned by a cable operator that provides “any wire or radio communications service.” We therefore seek comment on the extent to which a cable operator or its affiliate that provides Internet access is providing a “wire or radio communications service” and would qualify as a “cable operator” as defined in section 631(a)(2)(C). Section 631(c)(1) states that “a cable operator shall not disclose personally identifiable information concerning *any subscriber . . .*” Does this mean that a cable operator for purposes of section 631(c) is an entity that provides “any wire or radio communications service” (not just cable) and, as such, cannot disclose the personally identifiable information of “any subscriber” (not just cable)? Do other provisions of section 631 further support such an interpretation?

Does the Commission have authority to take direct enforcement action, should it choose to do so, to ensure that cable television operators comply with the proposed rules? Although enforcement of the Act’s cable television provisions generally is handled by local franchising authorities, the Commission has broad enforcement authority under the Act. Is there anything in section 632 of the Act or its legislative history that precludes the Commission from enforcing its own standards?

DBS Providers. Section 303(v) of the Act grants the Commission “exclusive jurisdiction to regulate the provision of direct-to-home satellite services,” and section 335(a) authorizes the Commission to impose “public interest or other requirements” for providing video programming. Does this authority encompass customer service standards and related privacy practices? Would the regulations proposed herein serve the public interest by requiring DBS providers in “providing video programming” to safeguard customers’ personal information and to ensure customer service representatives are equipped to resolve service issues? Do we also have authority under other provisions of Title III to adopt these rules for DBS providers, including sections 301, 303(b), 307, and 316? Further, we seek comment on whether we have—and should exercise—ancillary authority under section 4(i) of the Act to extend our customer service

requirements to DBS providers. We also seek comment on whether there are alternative or additional statutes or arguments that provide a legal basis for our authority for the proposed requirements for DBS providers.

Broadband Label. Section 60504 of the Infrastructure Investment and Jobs Act directed the Commission to adopt regulations requiring “the display of broadband consumer labels, as described in the Public Notice of the Commission issued on April 4, 2016 (DA 16–357), to disclose to consumers information regarding broadband internet access service plans.” The referenced public notice had approved, with modifications, the consumer broadband labels proposed by the Commission’s Consumer Advisory Committee (CAC), which, according to the public notice, provide “a simple-to-understand format describing the key factors consumers need to know when considering broadband service.” including information or links to information on prices and fees, performance, network management practices, privacy policy, and a customer service phone number and web page.

We seek comment on whether section 60504 authorizes our proposed inclusion of information about a provider’s use of foreign customer service call centers in the required label content. Would sections 13 and 257 of the Act, section 254 of the Act (in the case of services provided pursuant to the Commission’s universal service programs), and the Commission’s Title III licensing authority (in the case of mobile broadband providers) provide additional authority for this proposed rule? If, in addition, we were to require providers of other (non-broadband) services covered by our proposed rules to disclose on their websites the same information regarding their use of foreign customer service call centers, would the various statutory provisions discussed in the previous paragraphs (with respect to telecommunications service, CMRS, interconnected VoIP service, cable television service, and DBS) provide authority?

Actions of Agents. Do we have legal authority to hold covered service providers responsible for the actions of companies or organizations that operate foreign call centers on their behalf? We note that for common carriers and users of carrier services, section 217 of the

Act expressly states:

In construing and enforcing the provisions of this chapter, the act, omission, or failure of any officer, agent, or other person acting for or employed by any common carrier or user, acting within the scope of his employment, shall in every case be also deemed to be the act, omission, or failure of such carrier or user as well as that of the person.

The Commission has observed that “Congress’s clear intent in enacting section 217 was to ensure that common carriers not flout their statutory duties by delegating them to third parties.” The Commission has stated further that a carrier’s liability for the conduct of agents or contractors extends to actions within the scope of their employment that are contrary to the carrier’s policies, for “[t]o hold that [s]ection 217 does not extend to independent contractors acting inconsistently with the carrier’s policy would create a loophole in the requirements of the Act and frustrate clear legislative intent.” We seek comment on how these precedents inform the scope of our authority under section 217.

Further, the Commission has stated that “under long established principles of common law, statutory duties are nondelegable and that employers are routinely held liable for breach of statutory duties by their independent contractors.” Thus, the Commission has consistently found that “[l]icensees and other Commission regulatees are responsible for the acts and omissions of their employees and independent contractors.” Do these precedents provide authority for our proposals, independently of our authority under section 217?

National Security. Do the national security risks raised by foreign call centers’ access to personal data of U.S. citizens provide a basis to adopt the rules proposed above, including, for example, our proposal to prohibit covered service providers from using call centers or customer service representatives located in “foreign adversary” nations? We note that a principal purpose of the Act is to provide for national defense. In exercising its Title II and III authority to

authorize the construction and transfer of telecommunications facilities and radio stations, the Commission exercises special vigilance to prevent risks to national security, including risks arising from a company's access to sensitive data. Moreover, with respect to international telecommunications services, we have the right under the General Agreement on Trade in Services to enforce "the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts" and protect our citizens from "deceptive and fraudulent practices." We also note that, under the Protecting Americans' Data from Foreign Adversaries Act of 2024, disclosure of "personally identifiable sensitive data" of a U.S. individual to any entity controlled by a foreign adversary is treated as an unfair or deceptive act or practice under the Federal Trade Commission Act. Analogously, would the Commission have authority to prohibit, as an unreasonable practice in connection with communication service, the use by a carrier, CMRS provider, or interconnected VoIP service provider of a call center located in a foreign adversary country?

We seek comment on these potential sources of authority and on any additional sources of authority supporting the application of our proposed rules to the types of service providers described above. We also seek comment on our statutory authority to apply the proposed foreign call center customer service and information protection rules to other communications services offered to consumers, including non-interconnected VoIP, internet access services, and data services offered in conjunction with both CMRS and direct broadcast satellite services. Further, we seek comment on how our rights under other trade agreements, including free trade agreements, might serve as authority for our proposed rules.

Authority Under the TCPA. We also seek comment on our authority under the TCPA to adopt the proposed rules. For example, section 227(c) expressly authorizes the Commission to adopt rules that "implement methods and procedures" to "protect residential telephone subscribers' privacy rights to avoid receiving telephone solicitations to which they object." The Commission has adopted implementing rules, including the establishment of a database of

residential subscribers objecting to telephone solicitations. Would this provision authorize the Commission to adopt a rule that requires foreign callers making telephone solicitations to disclose and provide to the consumer an opportunity to specifically object to receiving such solicitations and messages from outside of the United States? Would it authorize the Commission to adopt American Standard English proficiency standards for telephone solicitations made from foreign call centers to residential telephone subscribers in the United States?

As another example, section 227(d) directs the Commission to “prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone,” including a requirement that artificial or prerecorded messages state certain information about the caller. Would this provision support a requirement that an artificial or prerecorded message specify, at the beginning of the message, that the call center is foreign? Would this provision also support a requirement to offer to transfer a call—then do so upon request—to a domestic call center?

To the extent that the TCPA confers independent authority on the Commission to prohibit or regulate certain practices of foreign call centers, may the Commission impose liability for such practices on the service provider or other entity that authorizes a foreign call center to engage in such practices? The Commission has specifically ruled that a seller may be held vicariously liable under federal common law principles of agency for violations of sections 227(b) and 227(c) of the Act committed by third-party telemarketers that are authorized to market the seller’s goods or services. By the same reasoning, may the Commission hold a seller vicariously liable under federal common law principles of agency for violations of the Commission’s rules implementing sections 227(c) and 227(d) of the Act committed by authorized third-party telemarketers?

Requirements Applicable to Entities Providing NANP Numbers to Businesses. We also seek comment on whether we have authority to make our proposed rules applicable more

broadly, e.g., to “stand-alone” providers of non-interconnected VoIP, Internet access, and other Internet-only services, or even to providers of non-communications products and services, pursuant to our authority to ensure the efficient and appropriate use of telephone numbers, pursuant to section 251(e) of the Act. For example, could we adopt a requirement applicable to telecommunications carriers and VoIP service providers, providing that, prior to providing U.S. telephone numbers to businesses that operate call centers abroad, or prior to allowing the routing abroad of calls placed to such U.S. numbers, a telecommunications carrier or VoIP service providers must obtain a certification in writing that the assignee of such telephone number shall ensure that any foreign call center using such number shall comply with the requirements of the rules proposed herein? We also seek comment generally on any other bases of authority for our proposals regarding the use of foreign customer service operations by providers.

Could we similarly rely on section 251(e) to extend some or all of our proposed requirements regarding the use of foreign customer service operations for calls other than those made on behalf of providers? Are there other sources of authority that we could rely on to extend some or all of our proposed requirements to such calls?

2. Authority for Fee or Bond Solutions

We also seek comment on whether the Commission has authority under the Act to impose a fee or bond on service providers that transmit calls from foreign countries to the United States, which fee or bond would be subject, in whole or in part, to forfeiture if the service provider allows unlawful calls. For example, in 2023, the Commission adopted expanded caller ID authentication and robocall mitigation requirements, relying on sections 201(b), 202(a), and 251(e) of the Communications Act, the Truth in Caller ID Act, and its ancillary authority. Would these provisions also authorize a requirement for service providers to post a bond as a condition of participation in the Robocall Mitigation Database, which would be subject to forfeiture if the service provider allows unlawful calls? Would these or other statutory provisions provide the Commission with authority to implement bond requirements generally, or

to impose specific fees for unlawful traffic, including those specifically discussed above?

D. Costs and Benefits

This NPRM proposes to require providers to ensure that foreign call center staff are proficient in American Standard English, to ensure that U.S.-based customer service representatives handle all customer calls involving sensitive customer information, to limit the volume of customer calls handled by foreign call centers, to notify customers when they are speaking to a foreign call center, to transfer calls to a U.S.-based call center upon request, and to report on associated customer service metrics. These policies are expected to improve the quality of customer service and reduce financial losses stemming from scams connected to foreign call centers. Providers, however, may incur costs to shift call center operations to the United States.

Costs. To understand the effect of these policies on providers' costs, we need to understand how providers are currently providing call-based customer service. First, do providers operate call centers, either domestically or overseas, in house or under contract with other companies? How does this structure affect the costs of operating call centers, and the decision to host customer service domestically or overseas? How does it affect the share of calls handled domestically and overseas?

With respect to individual providers, how many customer calls are handled in foreign call centers and what share of calls does this represent? How many customer service representatives do providers employ, either directly or through a contractor, in foreign call centers? Where are foreign call centers used by providers located? How many representatives do providers employ, either directly or through a contractor, in the United States? Do U.S.-based representatives work remotely or at call centers? What impact might the proposed requirements have on the cost of services for consumers?

Next, we focus on the difference between the cost of hiring customer service representatives in the United States and in other countries. Indeed is a private company that

collects data on workers’ salaries around the world. Table 1 below shows Indeed’s estimates of the average annual salaries of customer service representatives in India, the Philippines, and Mexico as of February 2026. In addition, based on Indeed and the U.S. Bureau of Labor Statistics (BLS) data, Table 1 below also shows estimates of average annual salary for customer service representatives in the United States. We seek comment on which other countries host provider call centers and whether any of the countries should be removed from the list.

Table 1: Average Customer Service Representative Salaries 2026

Country	Annual salary (USD)
India	\$2,904
Philippines	\$5,115
Mexico	\$16,252
United States (Indeed)	\$66,809
United States (BLS)	\$46,372

We seek comment on the salaries in Table 1. Are they reasonably accurate? The data suggest that customer service representatives are paid significantly more in the United States compared to India, the Philippines, and Mexico. To understand how provider costs would change if the proposed policies were adopted, we seek comment on how providers would change their customer service practices to respond to the proposed policies. Would any provider need to set up a call center in the United States or hire a contractor for call center services in the United States? How many U.S.-based representatives would providers need to hire? If a provider needs to set up a call center in the United States, what additional costs, besides hiring representatives, would it face? How much, if at all, would providers reduce the number of foreign

representatives? Would call wait times for customers increase? Would providers be able to save some personnel costs by deploying AI or automated systems to work with representatives to handle calls more efficiently while maintaining high quality customer service? How costly would these solutions be? We ask commenters to describe how providers would respond to various thresholds for the share of calls answered by a U.S.-based representative. For example, how would providers respond if the threshold were 30%, 50%, and 75%? How would providers respond if there was no threshold but providers were required to transfer calls to U.S.-based representatives upon customer request?

Benefits. If the proposed policies are adopted, consumers might receive better customer service, potentially saving consumers time and money. Are there ways to measure the benefit to consumers of improved satisfaction with customer service?

In addition, the proposed policies may reduce financial losses stemming from scams connected to foreign call centers by requiring that only U.S.-based representatives handle calls that involve sensitive customer information and reducing the number of calls that are handled by foreign call centers. The FBI reports that consumers lost at least \$1.3 billion to call center fraud in 2023. We expect that a very large share of this amount is attributable to scam call centers. Such centers are operated for the sole purpose of conducting scams and are unlikely to be answering or making calls for legitimate American businesses. We seek comment on how much of the above total is connected to foreign call centers employed by legitimate American businesses. However, even if a very large share of call center fraud is attributable to scam call centers, reducing the volume of calls that is handled by legitimate foreign call centers may reduce financial losses stemming from scam call centers. This could happen if American callers become more suspicious and cautious in interactions with foreign call center staff as such interactions become more rare. We seek comment on this.

Based on an assessment of the costs and benefits of the Commission's proposals, are there other approaches to achieving the Commission's goals?

II. INITIAL REGULATORY FLEXIBILITY ANALYSIS

As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Federal Communications Commission (Commission) has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the policies and rules proposed in the Notice of Proposed Rulemaking (*NPRM*) assessing the possible significant economic impact on a substantial number of small entities. The Commission requests written public comments on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments specified on the first page of the *NPRM*. The Commission will send a copy of the *NPRM* including this IRFA, to the Chief Counsel for the SBA Office of Advocacy. In addition, the *NPRM* and IRFA (or summaries thereof) will be published in the *Federal Register*.

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

America's communication service providers conduct sales and customer service interactions through a variety of channels, including phone calls, online chat, email, and text messages. Increasingly these entry points connect consumers with foreign call centers. Foreign call centers may employ individuals who, even if trained to speak English, might not pick up on other cues that are critical to understanding a consumer, e.g., idioms, intonation, and other speech characteristics that are just as important as words. Foreign call centers might also be located in a country without the same guarantees that consumer information will be safeguarded in ways required by American laws or in a foreign adversary nation. The Commission expects the measures proposed in the *NPRM* will improve U.S. customer service and better protect U.S. consumers' sensitive personal information by limiting foreign access to that information, regardless of whether a foreign call center makes a call to a consumer or answers a call from a consumer.

B. Legal Basis

The proposed *NPRM* is authorized pursuant to sections 1-4, 201(b), 202(a), 217, 222, 227, 251(e), 301, 303, 316, 332, 631, 632 of the Communications Act of 1934, as amended, 47 U.S.C 151-154, 201(b), 202(a), 217, 222, 227, 251(e), 301, 303, 332, 631, 632, Section 60504 of the Infrastructure Investment and Jobs Act, 47 U.S.C. 1753, and §§ 1.411 – 1.413, and 1.421 of

the Commission's rules, 47 CFR 1.411-1.413, 1.421.

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

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 proposed rules, if adopted. 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 (SBA). 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. The SBA establishes small business size standards that agencies are required to use when promulgating regulations relating to small businesses; agencies may establish alternative size standards for use in such programs, but must consult and obtain approval from SBA before doing so.

Our actions, over time, may affect small entities that are not easily categorized at present. We therefore describe three broad groups of small entities that could be directly affected by our actions. 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 34.75 million businesses. Next, “small organizations” are not-for-profit enterprises that are independently owned and operated and not dominant their field. While we do not have data regarding the number of non-profits that meet that criteria, over 99 percent of nonprofits have fewer than 500 employees. Finally, “small governmental jurisdictions” are defined as cities, counties, towns, townships, villages, school districts, or special districts with populations of less than fifty thousand. Based on the 2022 U.S. Census of Governments data, we estimate that at least 48,724 out of 90,835 local government jurisdictions have a population of less than 50,000.

The rules proposed in the *NPRM* will apply to small entities in the industries identified in the chart below by their six-digit North American Industry Classification System (NAICS) codes and corresponding SBA size standard. Based on currently available U.S. Census data regarding the estimated number of small firms in each identified industry, we conclude that the proposed rules will impact a substantial number of small entities. Where available, we also provide additional information regarding the number of potentially affected entities in the above identified industries.

Table 1. Census Bureau Data by NAICS Code Table

Regulated Industry (NAICS Classification)	NAICS Code	SBA Size Standard	Total Firms	Small Firms	% Small Firms in Industry
Wired Telecommunications Carriers	517111	1,500 employees	3,403	3,027	88.95
Wireless Telecommunications Carriers (except Satellite)	517112	1,500 employees	1,184	1,081	91.3
Telecommunications Resellers	517121	1,500 employees	955	847	88.69
All Other Telecommunications	517810	\$40 million	1,673	1,007	60.19
Satellite Telecommunications	517410	\$44 million	332	195	58.73
Telemarketing Bureaus and Other Contact Centers	561422	\$25.5 million	2,380	1,798	75.55

Table 2. Telecommunications Service Provider Data

2024 Universal Service Monitoring Report Telecommunications Service Provider Data (Data as of December 2023)	SBA Size Standard (1500 Employees)		
	Total # FCC Form 499A Filers	Small Firms	% Small Entities
Local Exchange Carriers (LECs)	4,904	4,493	91.62

2024 Universal Service Monitoring Report Telecommunications Service Provider Data (Data as of December 2023)	SBA Size Standard (1500 Employees)		
Affected Entity	Total # FCC Form 499A Filers	Small Firms	% Small Entities
Local Resellers	222	217	97.75
Toll Resellers	411	398	91.33
Telecommunications Resellers	633	615	97.16
Wired Telecommunications Carriers	4,682	4,276	91.33
Wireless Telecommunications Carriers (except Satellite)	585	498	85.13
Wireless Telephony	326	247	75.77

D. Description of Economic Impact and Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities

The RFA directs agencies to describe the economic impact of proposed rules on small entities, as well as projected reporting, recordkeeping and other compliance requirements, including an estimate of the classes of small entities which will be subject to the requirements and the type of professional skills necessary for preparation of the report or record.

The changes proposed in the *NPRM*, if adopted, may impose new or modified reporting, recordkeeping, and or other compliance obligations on certain small entities. In the *NPRM*, the Commission proposes requirements that United States (U.S.) authorized service providers ensure that foreign call center staff are proficient in American Standard English, in order to limit the volume of U.S. customer calls handled by foreign call centers. The Commission also proposes a requirement to notify customers when they are speaking to a foreign call center, allowing a U.S. consumer to transfer calls to a U.S.-based call center upon request. In addition, this *NPRM* proposes that U.S. call centers should handle certain transactions involving sensitive consumer

information only via call centers located in the United States, and proposes to prohibit providers from using call centers in “foreign adversary” nations. The Commission also proposes to require U.S. providers to disclose in consumer disclosure labels or websites the percentage of calls handled in U.S. call centers, and to track and report their compliance with these proposed rules, and seeks comment about the appropriate frequency for making such reports. The Commission further proposes to direct the Consumer and Governmental Affairs Bureau, and other staff as necessary, to establish mechanisms within the Commission’s informal complaints system that allow efficient tracking of consumer complaints related to call centers and customer service. Additionally, in the *NPRM*, the Commission seeks comment on whether and how fees, or a requirement to post a bond, could be used to increase the costs associated with making fraudulent or other unlawful calls to the U.S. from foreign countries.

The Commission seeks comment on how provider operating costs would change, and how providers might adjust their customer service practices, if the proposed policies were adopted. The information we receive in comments will help the Commission identify and evaluate relevant compliance matters, costs, and other possible burdens for small entities that may result from the proposals and inquiries made in the *NPRM*. The Commission will consider the economic impact on small entities, as identified in comments filed in response to the *NPRM*, in reaching its final conclusions and taking action in this proceeding.

E. Discussion of Significant Alternatives Considered That Minimize the Significant Economic Impact on Small Entities

The RFA directs agencies to provide a description of any significant alternatives to the proposed rules that would accomplish the stated objectives of applicable statutes, and minimize any significant economic impact on small entities. The discussion is required to include alternatives such as: “(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 and reporting requirements under the rule for such

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 such small entities.”

In the *NPRM*, the Commission seeks comment regarding several alternative proposals and possible approaches it may take to meet its consumer protection and national security objectives. Small entities are encouraged to bring to the Commission’s attention any specific concerns they may have with the proposals outlined in the *NPRM* and outline any additional alternatives, especially alternatives that are less burdensome, less costly, or more effective.

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

None.

List of Subjects

47 CFR Part 8

Cable television, Common carriers, Communications, Consumer protection, Internet, Radio, Reporting and recordkeeping requirements, Security measures, Telecommunications, Telephone.

47 CFR Part 25

Administrative practice and procedure.

47 CFR Part 64

Carrier equipment, Customer premises equipment, Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

47 CFR Part 76

Television.

Federal Communications Commission.

Marlene Dortch,
Secretary.

Proposed Rules

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR parts 8, 25, 64, and 76 as follows:

PART 8 – Internet Transparency for Consumers

1. The authority citation for part 8 continues to read as follows:

Authority: 47 U.S.C. 151, 152, 154, 201(b), 257, 302a, 303(r), 312, 333, 503, and 1753.

Subpart A – Broadband Transparency

2. Amend § 8.1 by revising the introductory text of paragraph (a) to read as follows:

§ 8.1 Transparency.

(a) Any person providing broadband internet access service shall publicly disclose accurate information regarding the network management practices, performance characteristics, and commercial terms of its broadband internet access services, and the percentage of calls to or from customers that are handled by a customer representative located within the United States, sufficient to enable consumers to make informed choices regarding the purchase and use of such services and entrepreneurs and other small businesses to develop, market, and maintain internet offerings. Such disclosure shall be made via a publicly available, easily accessible website or through transmittal to the Commission.

* * * * *

PART 25 – Satellite Communications

3. The authority citation for part 25 continues to read as follows:

Authority: 47 U.S.C. 154, 301, 302, 303, 307, 309, 310, 319, 332, 605, and 721, unless otherwise noted.

Subpart J – Public Interest Obligations

4. Amend § 25.701 by revising the introductory text of paragraph (a) and by adding paragraphs (g) and (h) to read as follows:

§25.701 Other DBS Public Interest Obligations

(a) DBS providers are subject to the public interest obligations set forth in paragraphs (b) through (g) of this section. As used in this section, DBS providers are any of the following:

* * * * *

(g) A DBS provider or its affiliate that utilizes customer representatives located outside of the United States to engage in customer service communications, must:

(1) Ensure that its customer representatives located outside of the United States are proficient in spoken and written American Standard English.

(2) Ensure that no more than [XX] percent of calls are handled by customer representatives located outside of the United States.

(3) Inform customers at the beginning of each call that the call is being handled by a customer representative located outside of the United States and that the customer has the right to have the call transferred to a customer representative located within the United States.

(4) Upon request, transfer the call to a customer representative located within the United States.

Wait times for transferred calls must be no longer than those for calls routed directly to a customer representative located within the United States.

(5) Ensure that calls or other communications, such as by electronic mail, text messages, or online chat, that involve access to or transmission of sensitive consumer information, account information, or financial information, such as passwords, password resets, multi-factor authentication codes, social security numbers, bank account numbers, or credit card numbers, are handled by a customer representative located within the United States.

(6) Not utilize any customer representative located in a foreign adversary nation as defined in 15 CFR 791.2 and identified in 15 CFR 791.4.

(7) Track and report its compliance with paragraphs (g)(1) – (g)(5) of this section.

(h) The term “affiliate” in paragraph (g) of this section means any “affiliate” of a DBS provider, as defined by 47 U.S.C. 153(2), that provides Internet access service.

PART 64 – Miscellaneous Rules Relating to Common Carriers

5. 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 U – Privacy of Customer Information

6. Amend § 64.2009 by adding paragraphs (g) and (h) to read as follows:

§ 64.2009 Safeguards required for use of customer proprietary network information

* * * * *

(g) A telecommunications carrier or its affiliate that utilizes customer representatives located outside of the United States to engage in customer service communications or otherwise uses customer proprietary network information outside of the United States or makes customer proprietary network information available to any customer representative located outside of the United States, must:

(1) Ensure that its customer representatives located outside of the United States are proficient in spoken and written American Standard English.

(2) Ensure that no more than [XX] percent of calls to or from customers are handled by a customer representative located outside of the United States.

(3) Inform customers at the beginning of each call that the call is being handled by a customer representative located outside of the United States and that the customer has the right to have the call transferred to a customer representative located within the United States.

(4) Upon request, transfer the call to a customer representative located within the United States. Wait times for transferred calls must be no longer than those for calls routed directly to a customer representative located within the United States.

(5) Ensure that calls or other communications, such as by electronic mail, text messages, or

online chat, that involve access to or transmission of sensitive consumer information, account information, or financial information, such as passwords, password resets, multi-factor authentication codes, social security numbers, bank account numbers, or credit card numbers, are handled by a customer representative located within the United States.

(6) Not utilize any customer representative located in a foreign adversary nation as defined in 15 CFR 791.2 and identified in 15 CFR 791.4.

(7) Track and report its compliance with paragraphs (g)(1) – (g)(5) of this section.

(h) The term “affiliate” in paragraph (g) of this section means any “affiliate” of a telecommunications carrier, as defined by 47 U.S.C. 153(2), that provides Internet access service.

PART 76 – Multichannel Video and Cable Television Service

7. The authority citation for part 76 continues to read as follows:

Authority: 47 U.S.C. 151, 152, 153, 154, 301, 302, 302a, 303, 303a, 307, 308, 309, 312, 315, 317, 325, 335, 338, 339, 340, 341, 503, 521, 522, 531, 532, 534, 535, 536, 537, 543, 544, 544a, 545, 548, 549, 552, 554, 556, 558, 560, 561, 562, 571, 572, 573.

Subpart H – General Operating Requirements

8. Amend § 76.309 by adding paragraphs (c)(1)(vi) and (vii) to read as follows:

§ 76.309 Customer service obligations.

* * * * *

(c) * * *

(1) * * *

(vi) A cable operator or its affiliate that utilizes customer representatives located outside of the United States to engage in customer communications, including answering calls to the access line or making calls to subscribers, must:

(A) Ensure that its customer representatives located outside of the United States are proficient in spoken and written American Standard English.

(B) Ensure that no more than [XX] percent of calls are handled by customer representatives located outside of the United States.

(C) Inform customers at the beginning of each call that the call is being handled by a customer representative located outside of the United States and that the customer has the right to have the call transferred to a customer representative located within the United States.

(D) Upon request, transfer the call to a customer representative located within the United States. Wait times for transferred calls must be no longer than those for calls routed directly to a customer representative located within the United States.

(E) Ensure that calls or other communications, such as by electronic mail, text message, or online chat that involve access to or transmission of sensitive consumer information, account information, or financial information, such as passwords, password resets, multi-factor authentication codes, social security numbers, bank account numbers, or credit card numbers, are handled by a customer representative located within the United States.

(F) Not utilize any customer representative located in a foreign adversary nation as defined in 15 CFR 791.2 and identified in 15 CFR 791.4.

(G) Notwithstanding subparagraph (C)(1)(iii) of this subsection, track and report its compliance with subparagraphs (c)(1)(vi)(A) through (E) of this section.

(vii) The term “affiliate” in paragraph (c)(1)(vi) of this section means any “affiliate” of a cable operator, as defined by 47 U.S.C. 153(2), that provides Internet access service.

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