

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
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MEMORANDUM

September 11, 2016

To: Subcommittee on Communications and Technology Democratic Members and Staff

Fr: Committee on Energy and Commerce Democratic Staff

Re: Subcommittee Markup of H.R. 2566 and H.R. 2669

On **Monday, September 12, 2016, at 5:00 p.m. in room 2322 of the Rayburn House Office Building**, the Subcommittee on Communications and Technology will meet in open markup session for opening statements on H.R. 2566, the Improving Rural Call Quality and Reliability Act of 2015 and H.R. 2669, the Anti-Spoofing Act of 2015. The subcommittee will reconvene on Tuesday, September 13, 2016, at 10:00 a.m. in 2322 Rayburn House Office Building, to complete consideration of the bills.

I. H.R. 2566, IMPROVING RURAL CALL QUALITY AND RELIABILITY ACT OF 2015

Several years ago, the Federal Communications Commission (FCC) recognized that customers were having significant problems with telephone calls not going through to rural areas. Customers reported false busy signals, calls not arriving at their destination, or long periods of dead air on the calling party's end after dialing a number.¹ Because consumers do not know how the calls they make and receive are handled and carried over these networks, they are often inclined to blame their local telephone company for dropped calls and call quality problems.

Long distance and wireless carriers typically pay local phone companies when they need to connect a call to the local company's customers. To minimize how much they have to pay to connect these calls, long distance and wireless carriers can contract with a third party provider to

¹ Federal Communications Commission, *Rural Call Completion*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 13-139 (Rel. Nov. 8, 2013) (apps.fcc.gov/edocs_public/attachmatch/FCC-13-135A1.pdf).

handle the call.² This is called “least cost routing.”³ The companies that facilitate least cost routing are called “intermediate providers.”⁴ Intermediate providers often use complicated routes that minimize their own expenses.⁵ Unfortunately, these complicated routes can result in dropped or poor quality calls as they are passed around from one carrier to another.

H.R. 2566, the Improving Rural Quality and Reliability Act of 2015, is a bipartisan bill that would require intermediate providers to register their companies with the FCC and to comply with service quality standards to be set by the FCC. The bill is supported by the National Association of Regulatory Utility Commissioners, NTCA-The Rural Broadband Association, and WTA-Advocates for Rural Broadband. The majority noticed an AINS to H.R. 2566 that would:

- (1) extend the deadline for the FCC to set service quality standards for intermediate providers from 180 days to one year;
- (2) exempt intermediate providers that have been certified as a safe harbor provider under the FCC’s rules; and,
- (3) amend the definition of intermediate provider to ensure non-intermediate providers don’t fall under the scope of the bill.

II. H.R. 2669, THE ANTI-SPOOFING ACT OF 2015

Caller ID is a service used by many Americans to identify telephone callers. Using a practice known as “caller ID spoofing,” callers can deliberately falsify the telephone number and name relayed as the Caller ID information to disguise their identity.⁶ Through spoofing, data and identity thieves can extract sensitive and personal information from called parties by making it appear that a call is originating from a person’s bank, credit card company, local police station, or other trusted source. Spoofers and thieves can then use, sell, or share this information with third parties, which could cause harm to the finances or reputation of individuals or organizations.

In December 2010, President Obama signed into law the Truth in Caller ID Act, which gave the FCC the authority to prohibit any person or entity from transmitting misleading or inaccurate caller ID information with the intent to defraud, cause harm, or wrongfully obtain

² Federal Communications Commission, *Rural Call Completion: Problems with Long distance or Wireless Calling to Rural Area* (fcc.gov/general/rural-call-completion-problems-long-distance-or-wireless-calling-rural-areas) (accessed Aug. 30, 2016).

³ Ohio Public Utilities Commission, *Rural Call Completion Issues* (www.puco.ohio.gov/puco/index.cfm/be-informed/consumer-topics/rural-call-completion-issues/#sthash.mmZGKOHQ.dpbs) (accessed Aug. 30, 2016).

⁴ 47 C.F.R. § 64.1600(f).

⁵ See Note 3.

⁶ Federal Communications Commission, *Caller ID and Spoofing* (fcc.gov/guides/caller-id-and-spoofing) (accessed Jan. 6, 2016).

anything of value.⁷ In June 2011, pursuant to a requirement in the Truth in Caller ID Act, the FCC issued a report to Congress with recommendations on how to improve the law. That report included recommendations to broaden the scope of the law to include a prohibition on caller ID spoofing directed at people in the United States by persons outside the United States, and a recommendation to provide further guidance on interconnected Voice over Internet Protocol (VoIP) services. The report also recommended adding text messaging to the list of services covered by the law and requiring legitimate third-party spoofing providers to take steps to verify that their users, such as law enforcement or women's shelters, are informed of applicable federal or state laws.⁸

H.R. 2669 would (1) prohibit spoofing by callers outside the United States and (2) expand the scope of existing anti-spoofing law to cover new forms of VoIP, as well as text messaging services. The bill is identical to the language that passed the House under suspension in the 113th Congress.

⁷ *Id.*

⁸ Federal Communications Commission, *Caller Identification Information in Successor or Replacement Technologies* (June 22, 2011) (fcc.gov/document/caller-id-information-successor-or-replacement-technologies) (accessed Jan. 6, 2016).