

Comments

The **National Consumer Law Center** (NCLC), on behalf of its low-income clients, and the **Electronic Privacy Information Center**, applaud the Federal Communication Commission (Commission or FCC) for its continuing attention to the persistent problem of illegal calls. We encourage the Commission to continue to develop systemic solutions, including many that are proposed in this docket.¹ In these comments, we focus on one particular systemic change the Commission should adopt: it should prohibit the temporary rental of telephone numbers, a tactic widely used by callers—particularly scam callers and fraudulent telemarketers—to render the displayed caller ID information meaningless. These callers rent numbers on a short-term basis specifically as a way of avoiding “scam likely” warnings and enabling neighborhood spoofing.

We recognize that numbering issues are more relevant to the docket on Numbering Policies for Modern Communications.² However, as the improper use of rented numbers is inextricably linked to the authentication of caller IDs, we write to encourage the Commission to address this issue on an expedited basis, as tighten the authentication requirements.

A primary goal of the TRACED Act³ was to facilitate the identification of callers so that illegal and unwanted calls can be blocked by either subscribers or downstream providers.⁴ However, the temporary rental of telephone numbers by bad actor voice service providers who advertise to callers the availability of Dynamic Caller ID, or Direct Inward Dialing numbers (DIDs), completely undermines the effectiveness of even the most robustly enforced caller ID authentication methodologies. The identity and the real telephone number of the caller is functionally obscured when a caller uses a disposable number that is local to the called party.

¹ See *In re* Call Authentication Trust Anchor, Sixth Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 17-97 (Rel. Mar. 17, 2023), available at <https://www.fcc.gov/document/fcc-closes-gap-caller-id-authentication-regime-0>. The Proposed Rule was published in the Federal Register at 88 Fed. Reg. 29,035 (May 5, 2023) and is available at <https://www.federalregister.gov/documents/2023/05/05/2023-09543/call-authentication-trust-anchor>.

² See, e.g., *In re* Numbering Policies for Modern Communications, Telephone Number Requirements for IP-Enabled Service Providers, Implementation of TRACED Act Section 6(a) — Knowledge of Customers by Entities with Access to Numbering Resources, Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership, Further Notice of Proposed Rulemaking, WC Docket Nos. 13-97, 07-243, 20-67, IB Docket No. 16-155 (Aug. 6, 2021), available at <https://www.fcc.gov/document/fcc-proposes-updating-numbering-rules-fight-robocalls>.

³ Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence (TRACED) Act, Pub. L. No. 116-105, § 4(b), 133 Stat. 3274 (2019) [hereinafter “TRACED Act”].

⁴ TRACED Act at § 7(b)(2).

Some telephone providers routinely rent telephone numbers or make “dynamic caller ID” available to callers to facilitate deliberate evasion of the FCC’s requirements for callers to identify themselves properly. For example, one telephone provider—CallHub—advertises that its service can be deliberately manipulated to make calls appear to be from local numbers⁵—which they are clearly not, or this service would not be necessary:

Dynamic Caller ID

Achieve higher answer rates and increase your engagement by 20% with local numbers. Call center automatically calls from a phone number to match the contact’s local area codes.

- Flick a button & dialer picks the right number automatically for every call made.
- No additional phone lines needed
- All area codes supported across major geographies

<https://callhub.io/dynamic-caller-id/>

Some VoIP providers openly advertise the use and the effectiveness of these services, emphasizing that even calls from international numbers will appear that they are from a local business:

Is it possible to change an outgoing caller ID? Yes, with the VoIP feature, dynamic caller ID, your business can display a local or toll free number instead of a long-distance or international number.⁶

The use of rented telephone numbers just for the purpose of matching the area code to which the calls are directed, rather than matching the actual geographic source of the call, conflicts with several specific requirements imposed by Congress and the Commission designed to give called parties reliable and truthful information about the identity of callers. A fraudulent or scam caller that rents telephone numbers on a temporary basis for the purpose of displaying a deceptive caller ID that is deliberately deceptive violates 47 U.S.C. § 227(e)(1)’s prohibition of misleading caller ID. When the calls are telemarketing calls, the use of rented numbers or dynamic caller ID also conflicts with 47 CFR § 64.1601(e), which requires telemarketers to transmit specific caller identification information regarding the seller or the telemarketer. This regulation serves no purpose if callers are

⁵ <https://callhub.io/dynamic-caller-id/> (emphasis added) (last visited June 5, 2023).

⁶ <https://www.unitedworldtelecom.com/learn/what-is-a-dynamic-caller-id-for-voip/> (emphasis added) (last visited June 5, 2023).

permitted to rent telephone numbers that provide no information about the caller or seller whose product is subject to the call. This is illustrated by the advertisement on another website.

Why Does Your Business Need a Dynamic Caller ID?

The main reason why businesses use or should consider using a dynamic caller ID is so they can increase the chances of calls being answered. Individuals are less likely to answer calls from “unknown” numbers or numbers they do not recognize as toll free or local.

With a customizable caller ID, you can choose which number to display. When calling specific local areas, you can display that area’s local number or toll free number. In fact, this even increases the chances of receiving a call back because callers will be dialing a local or toll free number which does not incur high calling rates.

Contact centers, customer service teams, as well as sales and marketing teams can use this feature to reach more customers locally and internationally. The logic here is the customer will assume your business is local and will feel more comfortable doing business with you due to your location.

The proliferation of misleading caller IDs accompanying scam and telemarketing calls demonstrates flagrant disregard for both the letter and the spirit of the Commission’s requirements for callers to identify themselves.⁷ As the Commission has recognized, fake caller IDs are routine.⁸ Scam and telemarketing callers deliberately use false caller IDs to make subscribers believe the calls are from local businesses or individuals, to encourage people to answer the calls.⁹ Simply applying a different caller ID to the calls—spoofing—is one way this is done.¹⁰ But applying meaningless caller IDs to telemarketing calls is also routinely done through the renting of telephone numbers and the use of “dynamic caller ID.” This enables callers to match their calls to numbers in the called party’s area code, making them appear to be local even for international callers, while these calls are considered in full compliance with the requirements of STIR/SHAKEN. Yet the actual number and locale of the caller have not been authenticated. Callers use bulk rented numbers is to deceive the

⁷ These include 47 CFR §§ 64.1200(b)(3) and (d)(4), and 47 CFR § 64.1601(e), requiring the identification of telemarketing callers to called parties, during the telephone call, and in the caller-ID.

⁸ See, e.g., Fed. Comm’n’s Comm’n, Robocall Response Team: Combating Scam Robocalls & Robotexts, <https://www.fcc.gov/spoofed-robocalls> (“Unfortunately, advancements in technology make it cheap and easy to make massive numbers of robocalls and to “spooof” caller ID information to hide a caller’s true identity.”).

⁹ See, e.g., Be Alert for “Spoofed” Local Phone Numbers, Office of Minnesota Attorney General Keith Ellison, <https://www.ag.state.mn.us/consumer/publications/SpoofingLocalNumbers.asp>.

¹⁰ See Robocall Response Team: Combating Scam Robocalls & Robotexts.

called party into believing the caller is local, to mask the caller’s actual identity, and to avoid the “scam likely” analytics of terminating providers.

Applying the STIR/SHAKEN authentication closes one door to falsifying caller-IDs, while leaving another one wide open. While considerable progress on the spoofing front has been made,¹¹ the problem continues. Quoting from previous findings, the Commission has recently noted that it has received—“hundreds of comments from consumers...stating that they no longer answer their phone when it rings,” and has concluded that “[i]t is obvious that the volume of unwanted calls is reducing the value of telephony to anyone who makes or receives calls. . . . Unwanted robocalls, for example, often are either delivered with inaccurate caller ID information or are delivered with caller ID information that is not familiar to a consumer, and thus are highly likely to be viewed by called parties with suspicion.”¹²

Even the most perfect and robust use of STIR/SHAKEN will not stop callers from hiding their real name, location, and telephone number unless the use of rented DIDs is also eliminated. Failing to eliminate the use of rented numbers while requiring strict compliance STIR/SHAKEN requirements is like adding a deadbolt to a closed door to keep the flies out, while leaving a window wide open.

As the Commission considers methods to strengthen caller ID authentication, we urge the Commission to prohibit voice service providers from renting numbers, with specific exceptions permitted for appropriate business reasons. We will file more specific suggestions as an *ex parte* in the Numbering Policies docket. Our primary message in these brief comments is to urge the Commission to address the problems of number rentals expeditiously as it moves forward with locking down authentication requirements.

¹¹ See e.g. FCC Closes Gap in Caller ID Authentication Regime (Mar. 17, 2023), <https://www.fcc.gov/document/fcc-closes-gap-caller-id-authentication-regime-0>.

¹² *In re* Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, ACA International, the Edison Electric Institute, the Cargo Airline Association, and the American Association of Healthcare Administrative Management Petition for Partial Reconsideration, Enterprise Communications Advocacy Coalition Petition for Reconsideration, Order on Reconsideration and Declaratory Ruling, CG Docket No. 02-278 at ¶ 33 (Dec. 22, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/12271082616240>.

Respectfully submitted, June 5, 2023.

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