Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of		
Implementing Section 503 of RAY BAUM'S Act	)	WC Docket No. 18-335
Rules and Regulation Implementing the Truth in Caller ID Act of 2009	)	WC Docket No. 11-39

REPLY COMMENTS OF FORTY-TWO (42) STATE ATTORNEYS GENERAL

The undersigned State Attorneys General submit these Reply Comments in response to the public notice issued by the Wireline Competition Bureau ("Bureau"), seeking comment on the proposed changes to the Federal Communication Commission's ("Commission") *Truth in Caller ID Act*[1] rules, which would enable enforcement of the *RAY BAUM'S Act*[2] enacted by Congress in 2018. The new rules will enable the Commission's Enforcement Bureau to combat caller ID spoofing activities originating outside the United States to recipients within the United States, as well as caller ID spoofing using alternative voice and text messaging services. The State Attorneys General have reviewed the comments of those submitted by interested parties to these proceedings, a number of which have expressed support for the rules.[3]

[1] *See generally* Truth in Caller ID Act of 2009, Pub. L. 111-331, 124 Stat. 3572 (2010).

[2] *See* Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, Div. P, Title V, § 503, 132 Stat. 348 ("RAY BAUM's Act"). The RAY BAUM'S Act amended Section 227 of the *Communications Act*. 47 U.S.C. § 227.

[3] *See, e.g.*, Comments submitted by State of Wisconsin Department of Agriculture Trade and Consumer Protection, WC Docket Nos. 18-335, 11-39, filed April 3, 2019.

In reply, the State Attorneys General encourage the Commission to adopt the rules, and also offer our continued[4] support of a proactive, multi-pronged approach to battle the noxious intrusion of illegal robocalls, as well as malicious caller ID spoofing in voice, alternative voice, and text message services.

It is evident that the explosive growth of caller ID spoofing and robocalls is being driven primarily by scams. Experts in the industry estimated that, by the end of 2018, U.S. consumers would receive a total of 40 billion robocalls, eclipsing the 2017 estimate of 30.5 billion robocalls.[5] Unfortunately, the problem appears to have been even worse than predicted. The industry estimates that 47.8 billion robocalls were made in the U.S. in 2018, a 56.8% increase over 2017.[6] Of these 47.8 billion total estimated robocalls, 37 percent were scams related to health insurance, student loans, easy money scams, tax scams, travel scams, business scams, and warranty scams.[7]

[4] *See Advanced Methods to Target and Eliminate Unlawful Robocalls*, CG Docket No. 17-59, Comment of 30 State Attorneys General, filed July 6, 2017; Reply Comments of Thirty-Five (35) State Attorneys General, filed October 8, 2018 ("October 2018 Reply Comments"). *See also Advanced Methods to Target and Eliminate Unlawful Robocalls*, Report and Order and Further Notice of Proposed Rulemaking, CG Docket No. 17-59, filed November 17, 2017 ("2017 Call Blocking Order") (FCC adopted rules allowing providers to block calls from phone numbers on a do-not-originate ("DNO") list and calls from invalid, unallocated, or unused numbers).

[5] *See Advanced Methods to Target and Eliminate Unlawful Robocalls*, CG Docket No. 17-59, Reply Comments of Thirty-Five (35) State Attorneys General, filed October 8, 2018, pgs. 2 – 3.

[6] *See* Liam Tung, *Plagued by robocalls? 26 billion spam calls in 2018, quarter from scammers*, Jan. 31, 2019, ZDNET, https://www.zdnet.com/article/plagued-by-robocalls-26-billion-spam-calls-in-2018-quarter-from-scammers.

[7] *Id.*

The Federal Trade Commission similarly reports that imposter scams – including bad actors falsely representing that they are with the government, romance scams, and technical support scams – were the most common consumer complaint in 2018, resulting in $488 million in consumer losses, a 48.7% increase over 2017. Many of these scams were perpetrated through unlawful robocalls.[8]

Although not all robocalls are illegal (*e.g.*, school and doctor notifications), it is no coincidence that the number of robocalls is exploding at the same time there is a similar explosion in scams perpetrated via telephone. The exponential growth in unlawful scam robocalls is putting more and more of our vulnerable populations at risk. The Commission's new rules cannot come soon enough.

The proposed rule changes would broaden the authority of the Commission to hold these criminals accountable for the significant harm they inflict on U.S. consumers.[9] As State Attorneys General on the front lines fighting these scammers, we are acutely aware that many of these calls are coming from criminals, located overseas, utilizing caller ID spoofing, and we are also seeing more scams being perpetrated via text message, as contemplated in the RAY BAUM'S Act.

The bipartisan coalition of State Attorneys General agrees with the Commission members who have called for "robust caller ID authentication"[10] by voice providers. Chairman Ajit Pai has stated that:

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[8] Fed. Trade Comm'n, Consumer Sentinel Network Data Book 2018, at 4, 5 (Feb. 2019); Fed. Trade Comm'n, Consumer Sentinel Network Data Book 2017, at 4 (Mar. 2018) (reporting that imposter scams resulted in $328 million in consumer losses in 2017).

[9] *See Implementing Section 503 of RAY BAUM'S Act*, WC Docket No. 18-335, Notice of Proposed Rule Making, released February 15, 2019, page 5, ("Incorporating this statutory change into our Truth in Caller ID rules will allow us to bring enforcement actions that allege both statutory and rule violations against bad actors who seek out victims in this country, regardless of where the communications originate").

[10] *See* Commission Press Release, released February 13, 2019, "Chairman Pai: Caller ID Authentication Is Necessary for American Consumers in 2019" (recognizing the SHAKEN/STIR framework as real caller ID authentication and that its implementation by all major carriers by the end of 2019 is a priority).

> Uniform adoption will help improve authentication throughout the network and make sure no consumer gets left behind. I applaud those companies that have committed to deploy the SHAKEN/STIR framework in 2019. This goal should be achievable for every major wireless provider, interconnected VoIP operator, and telephone company - and I expect those lagging behind to make every effort to catch up. If it appears major carriers won't meet the deadline to get this done this year, the FCC will have to consider regulatory intervention.[11]

On the same note, and as set forth in the October 2018 Reply Comments filed at CG Docket No. 17-59, the State Attorneys General continue to encourage the Commission to adopt new rules authorizing voice service providers, who can accurately identify illegally spoofed calls, to block illegally spoofed calls beyond what is authorized in the 2017 Call Blocking Order.[12] To aid the Commission's enforcement powers, we encourage all voice providers to work together in tracing illegal calls ("traceback") that originate or pass through their networks,[13] so that these malicious actors can be more easily identified and effectively prosecuted and/or shut down.

[11] *Id*.; *see also id*. (noting that "[u]nder the SHAKEN/STIR framework—a set of protocols and a multi-phase framework developed with the input of many stakeholders—calls traveling through interconnected phone networks would have their caller ID 'signed' as legitimate by originating carriers and validated by other carriers before reaching consumers and "[t]he framework digitally validates the handoff of phone calls passing through the complex web of networks, allowing the phone company of the consumer receiving the call to verify that a call is from the person making it").

[12] The State Attorneys General also recognize and support the recently introduced Senate bill for the *Telephone Robocall Abuse Criminal Enforcement and Deterrence* ("TRACED") *Act*. *TRACED Act*, S. 151, 116th Congr. (1st Sess. 2019). The *TRACED Act*, if passed, will require voice service providers to implement a call authentication framework within a prescribed period of time and affirms the authority for a voice service provider to block calls that cannot be authenticated – such as calls that are illegally spoofed.

[13] *See* Commission Press Release, released November 6, 2018, "FCC Calls on Network Voice Providers to Join Effort to Combat Illegal Spoofed Scam Robocalls" (informing the public that the Commission "sent letters to voice providers, calling on them to assist industry efforts to trace scam robocalls that originate on or pass through their networks"; noting that "these letters, written by FCC Enforcement Bureau Chief Rosemary Harold and Chief Technology Officer Eric Burger, were sent to voice providers that are not participating in . . 'traceback' efforts, including those the FCC has encouraged to do more to guard against illegal traffic"; and confirming that "these traceback efforts assist the FCC in identifying the source of illegal calls").

CONCLUSION

Although the scourge of robocalls and illegal spoofing only seems to get worse year-by-year, the State Attorneys General are encouraged that the Commission and the telecommunications industry are taking meaningful steps to stem the tide of this serious consumer problem. The State Attorneys General reaffirm our commitment to work with our federal partners and the industry in stemming that tide. We must work together[14] to effectively bring the sword down upon all scammers, as well as shield U.S. consumers from these thieves.

BY FORTY-TWO (42) STATE ATTORNEYS GENERAL:

MARK BRNOVICH
Attorney General of Arizona

LESLIE RUTLEDGE
Attorney General of Arkansas

XAVIER BECERRA
Attorney General of California

PHIL WEISER
Attorney General of Colorado

WILLIAM TONG
Attorney General of Connecticut

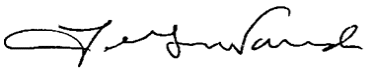
KATHLEEN JENNINGS
Attorney General of Delaware

[14] *See* Letter of Rosemary C. Harold, Chief of FCC Enforcement Bureau, to Jonathan Spalter, President and CEO of USTelecom, submitted November 6, 2018 (recognizing that the "[e]nding the twin abuses of illegal robocalls and illegal spoofed calls is the top consumer protection priority of the Commission" and that "neither government nor industry, without the active assistance of the other, can hope to stem the flood of scam calls plaguing consumers across the country"); *see also* Commission Press Release, released December 12, 2018, "Commissioner Jessica Rosenworcel Calls on Industry to Provide Consumers with Free Robocall Blocking Tools" (FCC Commissioner Rosenworcel sent letters to major phone companies and called on carriers "to offer free robocall blocking solutions to consumers across the country").

KARL A. RACINE
Attorney General of the District of Columbia

ASHLEY MOODY
Attorney General of Florida

CHRIS CARR
Attorney General of Georgia



LAWRENCE WASDEN
Attorney General of Idaho

KWAME RAOUL
Attorney General of Illinois

CURTIS HILL
Attorney General of Indiana

TOM MILLER
Attorney General of Iowa

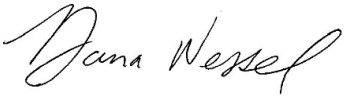
DEREK SCHMIDT
Attorney General of Kansas

ANDY BESHEAR
Attorney General of Kentucky

JEFF LANDRY
Attorney General of Louisiana

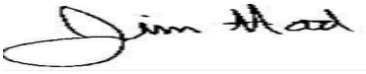
AARON M. FREY
Attorney General of Maine

MAURA HEALEY
Attorney General of Massachusetts



DANA NESSEL
Attorney General of Michigan

KEITH ELLISON
Attorney General of Minnesota



JIM HOOD
Attorney General of Mississippi

TIM FOX
Attorney General of Montana

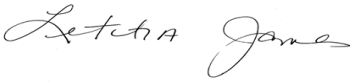
DOUG PETERSON
Attorney General of Nebraska

AARON D. FORD
Attorney General of Nevada

GORDON MACDONALD
Attorney General of New Hampshire

GURBIR S. GREWAL
Attorney General of New Jersey

HECTOR BALDERAS
Attorney General of New Mexico



LETITIA JAMES
Attorney General of New York

JOSH STEIN
Attorney General of North Carolina

WAYNE STENEHJEM
Attorney General of North Dakota

DAVE YOST
Attorney General of Ohio

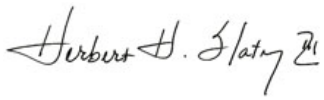
MIKE HUNTER
Attorney General of Oklahoma

ELLEN F. ROSENBLUM
Attorney General of Oregon

JOSH SHAPIRO
Attorney General of Pennsylvania

PETER F. NERONHA
Attorney General of Rhode Island

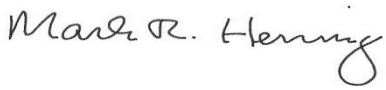
ALAN WILSON
Attorney General of South Carolina



HERBERT H. SLATERY III
Attorney General of Tennessee

SEAN D. REYES
Attorney General of Utah
Counsel for the State of Utah and
Utah Division of Consumer Protection

T.J. DONOVAN
Attorney General of Vermont



MARK R. HERRING
Attorney General of Virginia

BOB FERGUSON
Attorney General of Washington

PATRICK MORRISEY
Attorney General of West Virginia