on or before August 1 for the preceding reporting period ending on June 30.

* * * * *

(g) * * *

(2) *Initial numbering resources.* An applicant for initial numbering resources must include in its application:

(i) Evidence that the applicant is authorized to provide service in the area for which the numbering resources are requested;

(ii) Evidence that the applicant is or will be capable of providing service within sixty (60) days of the numbering resources activation date; and

(iii) A copy of its filing made pursuant to paragraph (l) of this section. A provider of VoIP Positioning Center (VPC) services that is unable to demonstrate authorization to provide service in a state may instead demonstrate that the state does not certify VPC service providers in order to request pseudo-Automatic Numbering Identification (p-ANI) codes directly from the Numbering Administrators for purposes of providing 911 and E–911 service.

(3) * * *

(N) A certification that the applicant has fully complied, as applicable, with its obligations under §§ 1.80003(a), (j) and (l), 22.5, and 24.404(b) (and if not applicable, explicitly state so);

(O) A declaration under penalty of perjury pursuant to § 1.16 of this chapter that all statements in the application and any appendices are true and accurate. This declaration shall be executed by an officer or other authorized representative of the applicant.

* * * * *

(h) *National utilization threshold.* All applicants for growth numbering resources shall achieve a 75% utilization threshold, calculated in accordance with paragraph (g)(4)(ii) of this section, for the rate center in which they are requesting growth numbering resources.

* * * * *

(k) * * *

(3) Requests for ''for cause'' audits shall be forwarded to the Chief of the Enforcement Bureau, with a copy to the Chief of the Wireline Competition Bureau. Requests must state the reason for which a ''for cause'' audit is being requested and include documentation of the alleged anomaly, inconsistency, or violation of the Commission rules or orders or applicable industry guidelines. The Chief of the Enforcement Bureau will provide carriers up to 30 days to provide a written response to a request for a ''for cause'' audit.

(l) *Certification obligations applicable to carriers other than those authorized pursuant to paragraph (g)(3) of this section, and to resellers.*

(1) This subparagraph applies to the following:

(A) Carriers, other than those authorized pursuant to paragraph (g)(3) of this section, holding or seeking to hold geographic numbering resources that were, or will be, obtained directly from the NANPA/PA other than p-ANI (for the purposes of this subparagraph, covered carriers);

(B) Telecommunications carriers seeking to resell services that include the provisioning of geographic numbering resources other than p-ANI (for the purposes of this subparagraph, resellers).

(2) Each covered carrier and reseller must file the following:

(A) A certification that the covered carrier or reseller will not use numbers that it obtains to knowingly transmit, encourage, assist, or facilitate illegal robocalls, illegal spoofing, or fraud, in violation of robocall, spoofing, and deceptive telemarketing obligations under §§ 64.1200, 64.1604, and 64.6300 through 64.6308 of this chapter and 16 CFR 310.3(b);

(B) A certification that the applicant has fully complied with all applicable STIR/SHAKEN caller ID authentication and robocall mitigation program requirements and filed a certification in the Robocall Mitigation Database as required by §§ 64.6301 through 64.6305 of this chapter;

(C) A certification that the applicant has fully complied with its obligations under §§ 1.80003(a), (j), and (l), 22.5, 24.404(b), 63.18(h) and (i), and 90.115 (as applicable to the applicant);

(D) A declaration under penalty of perjury pursuant to § 1.16 of this chapter that each certification is true and accurate. This declaration shall be executed by an officer or other authorized representative of the applicant.

(3) Covered carriers not yet holding geographic numbering resources obtained directly from the NANPA other than p-ANI must make the filings required by paragraph (l)(2) no fewer than 30 days prior to its first initial application for numbering resources pursuant to subparagraph (g)(2).

(4) Resellers that are not yet reselling services that include geographic numbering resources other than p-ANI must make the filings required by paragraph (l)(2) no fewer than 30 days prior to beginning to resell such service.

Subpart C—Number Portability

■ 3. Add § 52.38 to read as follows:

§ 52.38 Reporting of Resale Relationships in Number Portability Databases.

Telecommunications carriers creating or maintaining records in the regional SMS databases for the provision of long-term database methods for number portability described in § 52.25 shall populate all pertinent fields relating to resellers of their service.

[FR Doc. 2026–09134 Filed 5–7–26; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 63

[WC Docket No. 26–82; FCC 26–29; FR ID 345037]

Protecting Against National Security Threats in Domestic Telecommunications Service

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Secure and Trusted Communications Networks Act of 2019 (Pub. L. 116–124, 134 Stat. 158 (2020) (codified as amended at 47 U.S.C. 1601–1609)) mandates that the Federal Communications Commission (Commission) publish and maintain a list of communications equipment and services (*i.e.,* the Covered List) that have been determined by agencies with national security responsibilities to pose an unacceptable risk to the national security of the United States or the security and safety of U.S. persons. In this document, the Commission adopted a Notice of Proposed Rulemaking (NPRM) that proposes to exclude entities identified on the ''Covered List'' from providing domestic interstate telecommunications services pursuant to blanket authority under section 214 of the Communications Act of 1934, as amended (47 U.S.C. 214). The NPRM also seeks comment on other potential exclusions from blanket authority under section 214 and other related measures.

DATES: Comments are due on or before June 8, 2026; reply comments are due on or before July 7, 2026. Written comments on the Paperwork Reduction Act proposed information collection requirements must be submitted by the public, Office of Management and Budget (OMB), and other interested parties on or before July 7, 2026.

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. Comments may be filed using the Commission's Electronic Comment

Filing System (ECFS). You may submit comments, identified by WC Docket Nos. 26–82, by the following methods:

- *Electronic Filers:* Comments may be filed electronically using the internet by accessing the ECFS: *https://www.fcc.gov/ecfs.*
- *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.
- *People with Disabilities.* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530.

In addition to filing comments with the Secretary, a copy of any comments on the Paperwork Reduction Act proposed information collection requirements contained herein should be submitted to the Federal Communications Commission via email to *PRA@fcc.gov* and to Nicole Ongele, FCC, via email to *Nicole.Ongele@fcc.gov.*

FOR FURTHER INFORMATION CONTACT: For further information about this proceeding, please contact Melissa Kirkel, Competition Policy Division, Wireline Competition Bureau, at (202) 418–7958, or *melissa.kirkel@fcc.gov.* For additional information concerning the Paperwork Reduction Act proposed information collection requirements contained in this document, send an email to *PRA@fcc.gov* or contact Nicole Ongele at (202) 418–2991.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rulemaking (NPRM) in WC Docket No. 26–82; FCC 26–29, adopted on April 30, 2026, and released on May 1, 2026. The full text of this document is available for public inspection at the following internet address: *https://docs.fcc.gov/public/attachments/FCC-26-29A1.pdf.*

Paperwork Reduction Act: This document may contain proposed new or 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 contained 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, a summary of this Notice of Proposed Rulemaking is available at *https://www.fcc.gov/proposed-rulemakings.* To request materials in accessible formats for people with disabilities (*e.g.* Braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at (202) 418–0530.

Ex Parte Rules: The proceeding this document 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 rule 1.1206(b). In proceedings governed by rule 1.49(f) 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 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.

Regulatory Flexibility Act. The Regulatory Flexibility Act of 1980, as amended (RFA), requires that an agency prepare a regulatory flexibility analysis for notice-and-comment rulemaking proceedings, unless the agency certifies that ''the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.'' Accordingly, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) concerning potential rule and policy changes contained in this Notice. The IRFA is set forth below. The Commission invites the general public, in particular small businesses, to comment on the IRFA. Comments must be filed by the deadlines for comments on the Notice indicated on the first page of this document and must have a separate and distinct heading designating them as responses to the IRFA.

Synopsis

I. Discussion

A. Excluding Entities Identified on the Covered List From Blanket Authority To Provide Domestic Interstate Telecommunications Services Under Section 214 of the Act

1. We propose to amend § 63.01 of the Commission's rules (47 CFR 63.01(a)) to exclude, on a prospective basis, any entities identified on the Covered List (that is, named entities and their current and future affiliates and subsidiaries and any entity included by reference therein) from being authorized to provide interstate telecommunications services pursuant to blanket domestic section 214 authority. Under this proposed exclusion, such entities would be prohibited from constructing, acquiring, or operating any line, or engaging in transmission over any lines pursuant to blanket authority under section 214. The proposed exclusion

would also apply if an entity on the Covered List is a proposed transferee/assignee of an existing authorization. Sections 214(a) and (c) of the Act require carriers providing domestic interstate telecommunications service to first obtain a certificate from the Commission that ''the present or future public convenience and necessity require or will require'' such services, and confer the Commission with the power to refuse to issue such certificates. The Commission has long recognized that promotion of national security is an integral part of the Commission's public interest responsibility. We tentatively conclude that the present and future public interest, convenience, and necessity would no longer be served by the grant of the Covered List entities' blanket domestic section 214 authority. We also tentatively conclude that excluding these entities, and their current and future affiliates and subsidiaries, from the grant of blanket domestic section 214 authority to provide interstate telecommunications is necessary given prior determinations by the national security agencies that some of the equipment and/or services provided by the named entities pose ''an unacceptable risk to the national security of the United States or the security and safety of United States persons,'' and that similar national security concerns exist with regard to these entities providing interstate telecommunications services. We observe that section 214 generally addresses only common carrier telecommunications services; notwithstanding this limitation, however, we believe that continuing to confer blanket domestic 214 authority on the entities identified on the Covered List will pose a serious threat to the entirety of the nation's communications ecosystem. Do commenters agree with our assessments? In light of the national security agencies' determinations about the equipment and services produced or provided by entities identified on the Covered List, are any additional findings needed to conclude that such entities should be excluded from the grant of blanket domestic section 214 authorization to provide interstate telecommunications services because such blanket authorization would not be in the ''public convenience and necessity''?

2. As the Covered List specifies whether an entity's equipment or services pose a threat to national security, we also seek comment whether the exclusion should apply only to entities whose communications *services* have been identified on the Covered List, and not to service providers whose equipment has been identified on the Covered List. Should it depend on which of an entity's services have been so identified? We tentatively conclude that a broad exclusion of all entities identified on the Covered List is appropriate, and seek comment on that conclusion. In the *Submarine Cable Report and Order* (90 FR 48648, Oct. 27, 2025), the Commission adopted a ''presumptive disqualifying condition'' for Covered List entities applying for submarine cable landing licenses, and explained that an ''applicant can overcome this adverse presumption only by establishing through clear and convincing evidence that the applicant does not fall within the scope of the adverse presumption . . . or that grant of the application would not pose risks to national security or that the national security benefits of granting the application would substantially outweigh any risks.'' We believe a different approach is justified in this context because the Commission has granted blanket authority to telecommunications carriers—there is no application from a provider to the Commission for a section 214 authorization to provide domestic interstate telecommunications services. As such, in the blanket domestic section 214 authorization context, the Commission would not have an opportunity to make a determination regarding Covered List entities, and an exclusion from blanket authorization is warranted. We seek comment on our analysis.

3. We further propose that any entity so excluded should be able to submit an individual application seeking affirmative approval for domestic section 214 authority. Our domestic section 214 rules address transfer of control applications but do not contemplate the filing of initial applications for domestic authority. If we adopt this proposal, we seek comment on whether we should adopt application requirements similar to those required in applications for international section 214 authority pursuant to § 63.18 of our rules, and we would propose to refer any such applications to the Executive Branch agencies (*i.e.* the Committee for the Assessment of Foreign Participation in the U.S. Telecommunications Services Sector, known as Team Telecom) for their review and input. Pursuant to Commission practice, foreign ownership determinations for applications for international section 214 authority are based on the requirements in § 63.18(h), which requires disclosure of ''name, address, citizenship, and principal businesses of any individual or entity that directly or indirectly owns ten percent or more of the equity interests and/or voting interests, or a controlling interest, of the applicant, and the percentage of equity and/or voting interest owned by each of those entities (to the nearest one percent).'' Such applications are referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the proposed foreign ownership of the applicant. Among other things, the applicant must submit responses to standard questions directly to Team Telecom. Further, each applicant must attest that they will comply with specific laws pertaining to law enforcement. Among other requirements set out in the rule, each applicant is responsible for the continuing accuracy and completeness of all information submitted, and after the application is no longer pending, the applicant must notify the Commission and Team Telecom of any changes in the authorization holder or licensee information and/or contact information within 30 days. Each applicant is also subject to revocation of its authorization. Should the content of applications of any entity excluded from blanket section 214 domestic authority under our proposal differ from applications for international section 214 authorizations, and if so, in what way? We seek comment on whether we should adopt a presumption similar to the presumptive disqualifying condition adopted in the *Submarine Cable Report and Order,* so that denial of an application filed by an entity excluded from blanket section 214 operating authority is warranted unless they can overcome that presumption. Any such applicant that is subject to the foreign adversary presumptive disqualifying condition under § 1.70004(a) (47 CFR 1.70004(a)) can overcome this adverse presumption only by establishing through clear and convincing evidence that the applicant does not fall within the scope of the adverse presumption, or that grant of the application would not pose risks to national security or that the national security benefits of granting the application would substantially outweigh any risks. Any such applicant that is subject to the character presumptive disqualifying condition under § 1.70004(b) can overcome this adverse presumption only by establishing that the applicant has the requisite character, despite its past conduct.

4. In granting blanket domestic section 214 authority to all carriers, the Commission intended to promote competition by deregulating domestic entry, while at the same time retaining the ability to protect the public interest by withdrawing authority from carriers whose continued provision of telecommunications services was no longer in the public interest. The competitive landscape of the domestic telecommunications market has changed significantly in the more than 25 years since the adoption of the 1999 *Domestic 214 Blanket Authority Order.* With the substantial growth in competition throughout nearly three decades and variety of services available to customers, blanket authority has been effective in its stated purpose. At the same time, we are cognizant of changed circumstances in the national security environment, as demonstrated by the Commission's recent actions and establishment of the Covered List. While we recognize the continuing importance of robust market entry, we must also consider Congress's directive that the Commission promote ''the national defense.'' In the *Foreign Participation Order,* the Commission stated that it considers ''national security'' and ''foreign policy'' concerns when granting authorizations to provide international service under section 214 of the Act. Indeed, promotion of national security is an integral part of the Commission's public interest responsibility, including its administration of section 214 of the Act, and is one of the core purposes for which Congress created the Commission. We believe that where the Commission, Congress, or other U.S. government agencies previously determined that the equipment or services produced or provided by an entity pose an unacceptable risk to the national security of the United States and its citizens, the Commission's interests in protecting national security and public safety outweigh any of the potential benefits of unregulated entry into the market for the provision of domestic telecommunications services. Rather, as noted above, we propose that such entities should be required to affirmatively apply for and obtain domestic section 214 authority from the Commission before providing such services. As we do with international section 214 applications, we would expect to seek input from Executive Branch agencies on any such application. We seek comment on this proposed analysis.

5. Should we expand this exclusion to other entities? For example, should we expand the exclusion to entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary'' as defined in § 1.70001(g)? If we adopted such exclusion, should we adopt the definition we used in several recent proceedings for consistency or use a different definition? Is the exclusion of such entities from blanket domestic section 214 authority justified given the national security concerns presented by foreign adversaries to our nation's communications networks? What are the benefits or drawbacks of excluding such entities from blanket domestic section 214 authority? We expect that, once implemented, the Commission, as well as customers and other telecommunications carriers, will be able to rely on the recently adopted foreign adversary control attestation and disclosure requirements to identify such entities. Should the Commission require entities seeking to provide domestic interstate telecommunications services to submit a foreign adversary control attestation prior to providing service? Should the Commission also consider excluding from blanket domestic section 214 authority any entity that installs any covered communications equipment or service after the adoption of this rule? Would such an exclusion be justified on the basis that such equipment or service has been found to pose an unacceptable risk to the national security of the United States or the safety and security of United States persons? What about excluding any entity that installs communications equipment or services produced or provided by entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary'' as defined in § 1.70001(g)? What are the benefits or drawbacks of excluding such entities from blanket domestic section 214 authority? Should any exclusion encompass all equipment installed by the entity, or only equipment installed to provide domestic telecommunications service? If the Commission were to adopt a prohibition on the future installation of certain equipment, without requiring the removal of existing equipment, how should the Commission treat repairs of existing equipment or service contracts to maintain or repair that existing equipment?

B. Revocation of Existing Blanket Authority to Provide Domestic Interstate Telecommunications Services for Entities Identified on the Covered List

6. For entities on the Covered List that already currently provide domestic interstate telecommunications services subject to blanket section 214 authority as of the effective date of a rule mandating an exclusion, we seek comment on what the appropriate process would be for revoking their authorizations if we adopt our proposal to exclude Covered List entities from blanket domestic operating authority. We seek comment, for example, on whether we should follow the streamlined procedural framework adopted in the *Foreign Adversary Control Report and Order* that would apply in certain cases involving ''Covered Authorizations,'' as defined therein, deemed to pose national security risks. We believe that doing so would provide a consistent procedural approach to authorization holders that pose national security risks, and would ease administrability for the Commission. Should the affected entities provide notice and other transitional support within a certain timeframe following the date of any revocation action, and what should be the duration of any such notice period? What steps can and should the Commission take to ease the transition for customers of affected service providers if their domestic section 214 operating authority is revoked, and are such determinations best made in revocation proceedings rather than a general rulemaking?

7. In the alternative, we seek comment on whether we should declare that Covered List entities' blanket operating authority is deemed revoked as of a date certain, for example, as of six months after the effective date of adoption of the proposed rule. In other words, should the Commission instead adopt a transition period for Covered List entities to discontinue domestic telecommunications services that they are providing for any affected entity whose blanket domestic section 214 authority is in effect revoked by the adoption of the proposed rule that is currently providing service? If the Commission does declare blanket operating authority deemed revoked after a six-month transition period, should the Commission also allow entities added to the Covered List in the future to have six months prior to their operating authority being deemed revoked? If so, should the Commission require such affected entities to provide notice and other transitional support, such as number porting assistance, to customers of their domestic telecommunications services?

C. Interconnection With Excluded Entities and Other Measures

8. There are significant national security concerns involving telecommunications carriers interconnecting with entities identified

on the Covered List. The Commission has repeatedly found that certain entities identified on the Covered List have the ability to access and/or manipulate data through services provided pursuant to section 214 authority, including by misrouting information and communications traffic, which poses unacceptable national security and law enforcement risks. Based on these previous findings and determinations, we tentatively conclude that similar national security concerns exist with regard to telecommunications carriers interconnecting with entities identified on the Covered List. We seek comment on this tentative conclusion.

9. We seek comment on whether the Commission should address these national security risks by prohibiting telecommunications carriers from interconnecting with entities that we prohibit from providing interstate service under the proposed exclusion to § 63.01 blanket operating authority, unless such entities have applied for and received authorization from the Commission. We also seek comment on whether we should also apply this prohibition to entities that have had their blanket operating authority revoked. Should the Commission take additional actions to address the national security risks of interconnecting with equipment and services that have been added to the Covered List? For example, should the Commission prohibit telecommunications carriers from interconnecting with entities that installed equipment on the Covered List in their networks after such equipment was added to the Covered List? Should the Commission prohibit interconnection with any facilities—including Points of Presence (PoPs) and data centers—that are owned or operated by entities that are identified on the Covered List? What other actions should the Commission take to mitigate the risks posed by telecommunications carriers interconnecting with the entities, equipment, and services identified on the Covered List? If the Commission adopts one or more of the prohibitions proposed in this section, should the Commission simultaneously exempt or waive such prohibitions for specific PoPs to allow Covered List entities to have limited interconnection ability? Alternatively or additionally, should the Commission delegate to the Wireline Competition Bureau (WCB) the ability to waive such prohibitions with respect to certain PoPs?

10. We tentatively conclude that interconnection with an entity that does not have a domestic section 214 authorization due to national security reasons, or whose authorization was revoked, would be an unreasonable practice under section 201(b) of the Act. We further tentatively conclude that this analysis is consistent with section 251(a), which imposes a general duty on all telecommunications carriers ''to interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers.'' We would read the term ''other telecommunications carriers'' in the statute to not include entities that have been denied or excluded from blanket domestic 214(a) authority, or whose authority has been revoked, and thus for any such entity there would be no duty to interconnect with them under 251(a). We seek comment on this proposed analysis. Alternatively, is the interplay with section 251(a)(1) resolved by the section 201 savings clause in section 251(i)? Or should the Commission consider targeted forbearance from section 251(a)(1) in this context? We note as an analogy that the Commission's removal of a provider from the Robocall Mitigation Database for non-compliance with Commission regulations subsequently imposes a requirement on all intermediate providers and terminating voice service providers to cease accepting traffic from that entity. Do commenters agree that this approach should similarly be applied here? Do carriers' existing interconnection agreements already allow for termination if one party is no longer authorized by the Commission to provide service? If they do not, what would be the expected cost of renegotiating such agreements? How would a legal ban on such interconnection affect the enforceability of existing interconnection agreements? How many providers would be estimated to be impacted? Are there any network changes that carriers would need to make if the Commission adopted a rule prohibiting interconnection with entities on the Covered List and/or entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary'' whose blanket domestic section 214 authority was revoked? If so, what would be the costs of these network changes? Would a transition period be necessary for telecommunications carriers and customers to implement such a requirement, and if so, what would be a reasonable time period, given the pressing national security concerns? Are such matters, including any requirements to provide notice to customers and telecommunications carriers, more appropriately addressed in a revocation proceeding?

11. Would such measures be sufficient to protect U.S. telecommunications networks from the threat from Covered List entities that have had their international section 214 authorization revoked or denied on national security grounds? Should the Commission take additional measures regarding this narrower class of entities? For example, beyond interconnection in interstate telecommunications, should the Commission prohibit any holder of a Covered Authorization, as defined in § 1.80001(a), from engaging, in the United States, in any transaction or other dealings with such entities? How narrowly should we apply such a prohibition? For example, should these be limited to certain transactions, *i.e.* those transactions that would generally fall within Commission jurisdiction? Would such action effectively protect U.S. telecommunications networks from the threat these entities pose? What would be the costs of such a prohibition? What are the benefits? Should the Commission grant any exemptions? Does the Commission have legal authority for such a step with respect to some or all such Covered Authorizations? How do Covered Authorization holders contract and deal with any such entities? Since entities must file applications to receive international section 214 authorizations and numerous other Covered Authorizations, could the Commission, as a condition to any approval, prohibit applicants from engaging in such transactions on a going forward basis? How would such a prohibition be feasible for entities that have blanket domestic section 214 authority? Could we independently codify such a prohibition as a condition for obtaining blanket domestic section 214 authority? Should any such prohibition be phased in over time? Could any such prohibitions be applied retroactively? We seek comment on this and other ways the Commission can address the threat from continued operations of Covered List entities that have had their international section 214 authorization revoked or denied on national security grounds.

12. Might the Commission pursue other measures to secure U.S. telecommunications networks from such entities? For example, part 15 of the Commission's rules allows devices employing Radio Frequency (RF) signals to operate without individual licenses, provided that their operation causes no harmful interference to authorized services and the devices do not generate emissions greater than a specified limit.

These RF devices can be used to provide communications services to customers or other third parties. Parties operating under our unlicensed wireless rules—including Covered List entities–could operate in a manner analogous to blanket domestic section 214 authority by offering non-common carrier service without advance review by the Commission so long as they use equipment that meets the criteria in our rules. For example, Covered List entities could begin offering fixed wireless broadband internet access service by relying on equipment authorized by the FCC and that complies with the technical criteria of our part 15 rules. We therefore seek comment on whether we should modify our rules governing unlicensed wireless operation to accomplish the same objectives in our proposals to modify the rules governing any blanket domestic section 214 authority as discussed above.

13. Should we revise our unlicensed wireless rules to exclude Covered List entities from, by default, being able to offer service to the public or other third parties simply by using equipment that complies with the requirements of our unlicensed wireless rules? What would the appropriate scope of such a restriction be? Should it be limited to the provision of certain specified communications services, such as fixed wireless internet access to business customers, or should the restriction apply more broadly or narrowly? How would we incorporate use-based restrictions into the existing part 15 rule framework and what specific rule changes would best effectuate any such exclusion? Are there any additional actions the Commission should take to limit the use of RF devices operating under our part 15 rules to protect U.S. communications networks against national security threats?

D. Legal Authority

14. We tentatively conclude that the Commission has authority under section 214 to exclude Covered List entities or entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary'' from blanket authorization to provide interstate domestic telecommunications services under section 214. Section 214(a) prohibits any carrier from constructing, acquiring, or operating any line, and from engaging in transmission through any such line, without first obtaining a certificate from the Commission ''that the present or future public convenience and necessity require or will require the construction, or operation, or construction and operation, of such . . . line . . . .'' Thus, the Act requires the Commission to ensure that not only the ''construction'' of the line, but also its ''operation,'' further not only the present, but also the future public convenience and necessity. Section 214(c) of the Act affords the Commission discretion to grant the authority requested or ''refuse'' to do so. Promotion of national security is an integral part of the Commission's public interest responsibility, including its administration of section 214, and one of the core purposes for which Congress created the Commission. Importantly, in prior revocation actions, the Commission has revoked international and domestic section 214 authorization on national security grounds, and such decisions have been upheld. Therefore, we tentatively conclude that national security is a valid basis for the rules we propose, and tentatively find that section 214 gives the Commission authority to exclude from the issuance of blanket domestic section 214 authority those entities identified on the Covered List or entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary'' and thus prohibit them from providing domestic interstate telecommunications services under section 214 of the Act. We seek comment on this proposed analysis.

15. We also tentatively conclude that section 201(b) provides authority for the Commission to prohibit telecommunications carriers from interconnecting with Covered List entities or entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary'' that are excluded from blanket section 214 operating authority and/or have had their domestic section 214 operating authority revoked. Section 201(b) requires that all practices in connection with interstate communications services by wire or radio be just and reasonable, and that any such practices that are unjust or unreasonable are unlawful. That provision also states that nothing in the Act ''shall be construed to prevent a common carrier subject to this Act from entering into or operating under any contract with any common carrier not subject to this Act, for the exchange of their services, *if the Commission is of the opinion that such contract is not contrary to the public interest.*'' Where, as here, the Commission would tentatively conclude that interconnection with an entity that lacks operating authority as a result of national security concerns is contrary to the public interest, we tentatively conclude that it would also be an unreasonable practice. As such, we tentatively conclude that section 201(b) provides direct authority for the Commission to prohibit telecommunications carriers from interconnecting with entities on the Covered List or entities ''owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary,'' or that have otherwise had their section 214 operating authority revoked. We believe that the requirement in section 251(a) that telecommunications carriers ''interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers'' would not apply in cases where the provider lacks operating authority, and therefore would not be a telecommunications carrier. Further, section 251(i) specifically explains that nothing in section 251 ''shall be construed to limit or otherwise affect the Commission's authority under section 201.''

16. With respect to possible modifications to our unlicensed wireless rules, we seek comment on our authority under Title III or other provisions of the Act. We recognize that ''[t]he Commission has long interpreted section 301 of the Act to allow the unlicensed operation of a device that emits radio frequency energy as long as it does not 'transmit[ ] enough energy to have a significant potential for causing harmful interference' to licensed radio operators.'' The Commission further possesses authority to regulate wireless equipment with interference potential under section 302(a) of the Act. How does our Title III authority allow us to exclude certain entities from the default ability to offer unlicensed wireless service using equipment authorized pursuant to our existing rules, or to regulate interconnection by licensees with excluded entities? Are there particular risks presented by the entities potentially subject to exclusion that would give rise to concerns about interference caused by their operations that are not likely to arise in the case of operations by other entities under our part 15 rules?

17. Would the contemplated regulation be an action ''to maintain the control of the United States over all the channels of radio transmission'' under section 301 and promote the national defense and safety of life and property under section 1 of the Act? If so, in what ways should that inform how the Commission exercises authority such as sections 302, 303, or other provisions of the Communications Act? Are there any other possible sources of authority for any of the rules contemplated in this Notice?

E. Cost-Benefit Analysis

18. As discussed above, we believe the actions we propose today are necessary to protect the security of our nation's communications networks. By excluding entities that raise national security concerns from blanket authorization to provide domestic interstate telecommunications services, we would enable the Commission to appropriately evaluate whether provision of such services is in the public interest, and whether the benefits to competition are outweighed by national security concerns. We seek comment on the benefits of this proposal. We recognize that prospectively excluding certain entities that raise national security concerns from blanket authorization to provide domestic interstate telecommunications services (or revoking the domestic section 214 authority of such entities that currently provide such services) may affect the nation's communications markets on the whole, as well as affect current and prospective customers of such entities. What customers would be impacted and what costs would they incur in switching carriers? What would be the costs for excluded carriers to refile applications for domestic section 214 authority or to participate in revocation proceedings? Do other carriers currently interconnect with the carriers on the Covered List? If so, what costs would be incurred by carriers that currently interconnect with carriers that may be impacted by the proposed rules? What data sources may the Commission use that would help us understand the costs faced by impacted providers, interconnected carriers, and consumers? We seek comment on methods of quantifying such costs, as well as whether such costs are outweighed by the benefits to national security. We also seek comment on these considerations in the case of other potential actions contemplated by this notice, including the possible exclusion of entities from the default ability to offer unlicensed wireless service absent case-by-case Commission review.

II. Initial Regulatory Flexibility Analysis

1. 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 *Notice.* The Commission will send a copy of the *Notice,* including this IRFA, to the Chief Counsel for Small Business Administration (SBA) Office of Advocacy. In addition, the *Notice* and IRFA (or summaries thereof) will be published in the **Federal Register**.

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

2. In the *NPRM,* The Commission seeks to protect our Nation's communications networks against foreign threats and promote national security interests in the administration of section 214 of the Communications Act of 1934, as amended (the Act). Specifically, we propose to exclude entities identified on the ''Covered List'' from blanket Commission authorization to provide domestic interstate telecommunications services under section 214. We seek comment on whether to exclude entities owned by, controlled by, or subject to the jurisdiction or direction of a ''foreign adversary'' from providing domestic interstate telecommunications services pursuant to blanket domestic section 214 authority. Additionally, we seek comment on to the appropriate process to revoke operating authorization for entities identified on the Covered List that currently provide domestic interstate telecommunications services pursuant to blanket section 214 authority. The *NPRM* also seeks comment on whether the Commission should prohibit telecommunications carriers from interconnecting with entities on the Covered List (and/or entities owned by, controlled by, or subject to the jurisdiction or direction of a ''foreign adversary'') that have been prohibited from providing interstate service under the proposed § 63.01 exclusion or have had their blanket operating authority revoked. Finally, the *NPRM* seeks comment on other measures that Commission should take to protect our telecommunications networks from risks posed by entities on the Covered List. For example, the *NPRM* seeks comment on whether the Commission should prohibit any holder of a Covered Authorization, as defined in § 1.80001(a), from engaging, in the United States, in any transaction or other dealings with such entities, and whether it should modify the Commission's rules governing unlicensed wireless operation to accomplish the same objectives in the proposals to modify the rules governing any blanket domestic section 214 authority.

B. Legal Basis

3. The proposed action is authorized pursuant to sections 1–4, 201, 214, 251, and 301–303 of the Communications Act of 1934, as amended, 47 U.S.C. 151–54, 201, 214, 251, 301–303.

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

4. 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.'' 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.

5. 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 in 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.

6. 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 industries identified below.

TABLE 1—2022 U.S. CENSUS BUREAU DATA BY NAICS CODE

Regulated industry (Footnotes specify potentially affected entities within a regulated industry where applicable)	NAICS Code	SBA size standard	Total firms	Total small firms	% Small firms
Other Communications Equipment Manufacturing.	334290	800 employees	310	294	94.84
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	91.30
Telecommunications Resellers	517121	1,500 employees	955	847	88.69
Satellite Telecommunications	517410	$44 million	332	195	58.73
All Other Telecommunications	517810	$40 million	1,673	1,007	60.19

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)		
Affected entity	Total # FCC Form 499A filers	Small firms	% Small entities
Competitive Local Exchange Carriers (CLECs)	3,729	3,576	95.90
Incumbent Local Exchange Carriers (Incumbent LECs)	1,175	917	78.04
Interexchange Carriers (IXCs)	113	95	84.07
Local Exchange Carriers (LECs)	4,904	4,493	91.62
Other Toll Carriers	74	71	95.95
Toll Resellers	411	398	96.84
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

7. 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.

8. The *NPRM* seeks comment on proposals that, if adopted, could create new or additional reporting or recordkeeping and/or other compliance obligations on small entities providing domestic interstate telecommunications services. Specifically, in the *NPRM,* we seek comment on proposals to exclude entities on the Covered List and entities that are owned by, controlled by, or subject to the jurisdiction or direction of a ''foreign adversary'' from providing interstate telecommunications services pursuant to blanket domestic section 214 authority. Specifically, we propose to amend § 63.01 of the Commission's rules to exclude entities on the Covered List from being authorized to provide interstate telecommunications services pursuant to blanket domestic section 214 authority. The *NPRM* also seeks comment on the appropriate process to revoke operating authorizations for entities identified on the Covered List that currently provide domestic interstate telecommunications services pursuant to blanket section 214 authority. Additionally, the *NPRM* seeks comment on whether the Commission should prohibit telecommunications carriers from interconnecting with entities on the Covered List and/or those owned by, controlled by, or subject to the jurisdiction or direction of a ''foreign adversary.'' We expect that the proposals in the *NPRM* are necessary to protect the security of the nation's communications networks. We anticipate the information we receive in comments including, where requested, cost and benefit analyses, will help the Commission further identify and evaluate relevant compliance matters for small entities, including compliance costs such as whether small entities will have to hire professionals, and other burdens that may result from the inquiries we make in the *NPRM.*

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

9. 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.''

10. In the *NPRM,* the Commission seeks comment on proposals to strengthen and protect the nation's telecommunications networks against foreign threats. Through these proposals the Commission seeks to exercise appropriate oversight over domestic blanket section 214 authorization holders to safeguard U.S. telecommunications networks. The *NPRM* seeks comment on whether there are any other findings or determinations necessary in the ''public convenience and necessity'' to conclude that such entities should be excluded from blanket domestic section 214 authorizations to provide interstate telecommunications services. The Commission recognizes the potential impact excluding certain entities that raise national security concerns from blanket authorization to provide domestic interstate telecommunications services may have on competition and consumers and seeks comment on methods of quantifying such costs, as well as whether such costs are outweighed by the benefits to national security.

11. The Commission will fully consider the economic impact on small entities as it evaluates the comments filed in response to the *NPRM,* including comments related to costs and benefits. Alternative proposals and approaches from commenters will further develop the record and could help the Commission further minimize the economic impact on small entities. The Commission's evaluation of the comments filed in this proceeding will shape the final conclusions it reaches, the final alternatives it considers, and the actions it ultimately takes to minimize any significant economic impact that may occur on small entities from the final rules.

F. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules

12. The FCC has determined there are no rules that are duplicative, overlapping, or conflicting with this proposed rule.

III. Ordering Clauses

1. Accordingly, *it is ordered* that pursuant to sections 1–4, 201, 214, 251, 301, 302, and 303 of the Communications Act of 1934, as amended, 47 U.S.C. 151–54, 201, 214, 251, 301–303, the Notice of Proposed Rulemaking hereby *is adopted.*

2. *It is further ordered* that, pursuant to applicable procedures set forth in §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments on this Notice of Proposed Rulemaking on or before 30 days after publication in the **Federal Register**, and reply comments on or before 60 days after publication in the **Federal Register**.

3. *It is further ordered* that the Commission's Office of the Secretary, *shall send* a copy of this Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for the Small Business Administration (SBA) Office of Advocacy.

List of Subjects in 47 CFR Part 63

Communications, Communications common carriers, Radio, Telephone.

Federal Communications Commission.

Marlene Dortch,

Secretary.

Proposed Rules

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR part 63 of the Code of Federal Regulations as follows:

PART 63—EXTENSION OF LINES, NEW LINES, AND DISCONTINUANCE, REDUCTION, OUTAGE AND IMPAIRMENT OF SERVICE BY COMMON CARRIERS; AND GRANTS OF RECOGNIZED PRIVATE OPERATING AGENCY STATUS

■ 1. The authority for part 63 continues to read as follows:

Authority: 47 U.S.C. 151, 154(i), 154(j), 160, 201–205, 214, 218, 403, 571, unless otherwise noted.

■ 2. Amend § 63.01 by revising paragraph (a) to read as follows:

§ 63.01 Authority for all domestic common carriers.

(a) Any party that would be a domestic interstate communications common carrier is authorized to provide domestic, interstate services to any domestic point and to construct or operate any domestic transmission line as long as it obtains all necessary authorizations from the Commission for use of radio frequencies. This authorization does not apply to any entities identified on the Covered List (named entities and their affiliates and subsidiaries, as well as entities included by reference therein) published pursuant to § 1.50002 of this chapter available at *https://www.fcc.gov/supplychain/coveredlist.*

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