



**Testimony of Michael Bagley
Director of Public Policy, Verizon
February 21, 2019**

Representative Roy M. Takumi, Chair
Representative Linda Ichiyama, Vice Chair
Members of the Committee on Consumer
Protection and Commerce

Representative Chris Lee, Chair
Representative Joy San Buenaventura, Vice Chair
Members of the Committee on Judiciary
Thirtieth Legislature
Regular Session, 2019

**Re: HB 797 -- Relating to Telecommunications Carriers
Hearing Date: February 21, 2019 at 2:15 pm**

Dear Chairs Takumi and Lee, Vice Chairs Ichiyama and San Buenaventura, and Members of the Committees on Consumer Protection and Commerce and Judiciary:

On behalf of Verizon, I would like to express our strong opposition to HB 797, which would impose mandatory, automatic carrier-initiated call blocking and require a white list or another similar mechanism for call completion. The bill's requirements are not feasible to implement, and would therefore not be possible to comply with. It would also have negative consequences for consumers, in part because there are on-going innovations in call blocking and call authentication being developed that would be put at risk by the requirements of this legislation.

HB 797 does not solve a problem that is not already being effectively addressed. Wireless carriers and other technology companies are aggressively addressing illegal robocalling, caller ID spoofing, and other nuisance issues, creating authentication regimes that will help the entire industry work to combat bad actors. The Federal Government is taking the lead role to regulate common carriers and the interstate (and international) telecommunications network, and so the bill risks putting the state in conflict with Federal authorities. The FCC, for example, has adopted regulations related to common carrier obligations, call placement and completion, numbering, caller ID, and other issues, at the direction of Congress to manage the nation telecommunications system.

Furthermore, HB 797 proposes mandatory and automatic blocking by carriers and essentially would require a white list for call completion in light of the requirement that all calls must be

Representative Roy M. Takumi, Chair
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February 21, 2019
Page Two

blocked unless they come from certain numbers. Both of these requirements would be adverse for consumers and telecommunications providers, are inconsistent with FCC policy.

Mandatory call blocking is in direct opposition to strong federal policy in favor of call completion. Because call blocking poses a threat to the ubiquity and seamlessness of the network, the FCC has long had a strong policy against allowing voice service providers to block calls. As a result, the Commission has allowed call blocking only in ‘rare and limited circumstances.’”

In 2017, the Commission authorized limited and voluntary carrier-initiated call blocking, following a notice-and-comment rulemaking process. Specifically, it identified “specific, well-defined circumstances in which voice service providers may block calls that are highly likely to be illegitimate because there is no lawful reason to spoof certain kinds of numbers,” and authorized this limited blocking activity on a voluntary—not a mandatory—basis. HB 797 does not recognize the FCC’s leadership and firm policies against call blocking.

Additionally, mandatory and automatic call blocking—as applied to all calls except those coming from certain numbers—is not feasible. Individual telecommunications carriers in Hawaii may not have the infrastructure and back-office capabilities to facilitate this widespread blocking.

Furthermore, HB 797 is highly impractical and would be almost impossible to comply with. Carriers will have no way to know if an assigned telephone number, which assignment to a calling party is out of their control, was made to an approved caller – such as a business registered with the state of Hawaii to do business.

Lastly, the framework laid out by the bill is potentially discriminatory. It targets carriers, but does nothing to deal with the non-carrier entities who are involved in the origination and termination of voice and other communications. The bill cannot address bad actors who are often overseas. It discriminates against out of state businesses, because its exceptions to the call blocking mandate for businesses require some presence or license in the State of Hawaii.

Therefore, if HB 797 were enacted, the result would be an unreliable telecommunications network for Hawaii consumers and people and entities attempting to place calls to Hawaii, which is not possible to implement, and which conflicts with Federal authority.

We therefore urge the Joint Committee to vote no on HB 797. Thank You.



February 20, 2019

The Honorable Roy Takumi
Hawaii House of Representatives
Chair, House Committee on Consumer Protection
Hawaii State Capitol, Room 320
415 South Beretania St.
Honolulu, HI 96813

The Honorable Chris Lee
Hawaii House of Representatives
Chair, House Committee on Judiciary
Hawaii State Capitol, Room 302
415 South Beretania St.
Honolulu, HI 96813

RE: Opposition to House Bill 797

Dear Chairs Takumi and Lee:

On behalf of CTIA, the trade association for the wireless communications industry, I write in opposition to Hawaii House Bill 797, which would impose mandatory, automatic carrier-initiated call blocking and require an "approved list" or another similar mechanism for call completion. This bill misunderstands the nature of interstate calling, would be virtually impossible to comply with, is bad for consumers, and will deprive Hawaiian consumers of ongoing innovation in call blocking and call authentication.

HB797 would interfere with important work that is occurring nationally. Carriers and others in the communications ecosystem are aggressively addressing illegal robocalling, caller ID spoofing, and other issues, creating call authentication regimes that will help the entire industry work to combat bad actors. The Federal Communications Commission (FCC) has adopted numerous regulations related to common carrier obligations, call placement and completion, numbering, caller ID, and other issues, at the direction of Congress to manage the nation's telecommunications system.

In addition, HB797 proposes mandatory and automatic blocking by carriers and essentially would require an "approved list" for call completion in light of the requirement that all calls must be blocked unless they come from certain numbers. Both of these mandates would be detrimental to consumers and the telecommunications network as a whole, and both are inconsistent with FCC policy. Mandatory call blocking is in direct opposition to strong federal policy in favor of call completion.



- “Because call blocking poses a threat to the ubiquity and seamlessness of the network, the Commission has long had a strong policy against allowing voice service providers to block calls. As a result, the Commission has allowed call blocking only in ‘rare and limited circumstances.’” (Call Blocking NPRM, ¶ 9, March 23, 2017).
- In 2017, the Commission authorized limited and voluntary carrier-initiated call blocking, following a notice-and-comment rulemaking process. Specifically, it identified “specific, well-defined circumstances in which voice service providers may block calls that are highly likely to be illegitimate because there is no lawful reason to spoof certain kinds of numbers,” and authorized this limited blocking activity on a voluntary—not a mandatory—basis. (Call Blocking Order, ¶¶ 9, 39, November 17, 2017). The 2017 Call Blocking reaffirmed the FCC’s “commitment to protect the reliability of the nation’s communications network and ensure that provider-initiated blocking helps, rather than harms, consumers.” (2017 Call Blocking Order, ¶ 9, November 17, 2017).

Additionally, mandatory and automatic call blocking—as applied to all calls except those coming from certain numbers—is not feasible. For example, individual telecommunications carriers in Hawaii may not have the infrastructure and back-office capabilities to facilitate this widespread blocking. The mandate in this proposal could require carriers to violate federal law and undermine our nationally unified system of telecommunications.

Moreover, this proposal creates a permission-based calling regime and would require the creation of lists of permissible call originators or “allowed lists.” This is inconsistent with the direction of federal policy. “Allowed lists” are difficult to update, present a target for hackers and security vulnerabilities, and are fundamentally antithetical to federal telecommunications policy of open and seamless call completion. These arguments hold even more under HB797, which would essentially require an “allowed list” to complete any call. The “allowed list” would also be exceedingly difficult—if not impossible—to establish.

HB797 would be impractical and almost impossible to comply with. Carriers will have no way to know if an assigned telephone number, which assignment to a calling party is out of their control, was made to an approved caller – such as a business registered with the state of Hawaii to do business. The assignment of telephone numbers is dynamic and fast-paced, conducted by carriers and third parties around the world and involving frequent reassignment. The bill is underinclusive and discriminatory. It targets carriers but does nothing to deal with the non-carrier entities who are involved in the origination and termination of voice and other communications, from Google to VoIP providers. It also



has no reach to the real bad actors who are often overseas and discriminates against out-of-state businesses, because its exceptions to the call blocking mandate for businesses require some presence or license in Hawaii.

In closing, HB797, if enacted, would result in an unreliable telecommunications network for Hawaii consumers and people and entities attempting to place calls to Hawaii. Finally, it would result in inconsistent and unworkable obligations for telecommunications carriers providing service to consumers in Hawaii and would contradict federal telecommunications policy, including a strong policy favoring call competition. For these reasons, we respectfully request that you not move this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerard Keegan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gerard Keegan
Vice President
State Legislative Affairs

Written Statement of
Ani Menon
Director of Government & Community Affairs

**HOUSE COMMITTEES ON CONSUMER PROTECTION & COMMERCE
AND JUDICIARY**

February 21, 2019 2:15PM
State Capitol, Conference Room 329

COMMENTS FOR:

H.B. 797 RELATING TO TELECOMMUNICATIONS CARRIERS

To: Chairs Takumi and Lee, Vice-Chairs Ichiyama and San Buenaventura, and Members of the Committees

Re: **Testimony providing comments on HB 797**

Aloha Honorable Chairs, Vice-Chairs, and Committee Members:

Thank you for this opportunity to submit comments on HB 797 requiring telecommunications carriers to block certain calls.

The Federal Communications Commission (FCC) has made the issue of unwanted calls a top priority for the telecommunications industry this year. On February 13, FCC Chairman Ajit Pai reiterated his demand for carriers to adopt a robust caller authentication system to combat illegal caller ID spoofing.

The FCC is currently working with voice providers on the uniform adoption of a framework that would digitally validate the handoff of phone calls. This digital validation would allow the carrier of the consumer receiving a call to verify that the call is in fact from the person supposedly making it. As the FCC is currently in the process of providing guidance to the industry in this area, a state law on this topic is premature.

Hawaiian Telcom is committed to protecting our customers from unwanted calls, including spoofed calls and robocalls, and looks forward to working with the FCC and other stakeholders to address this issue.



Charter Communications
Testimony of Myoung Oh, Director of Government Affairs

COMMITTEE ON CONSUMER PROTECTION & COMMERCE
COMMITTEE ON JUDICIARY

Hawai'i State Capitol, Conference Room 329
Thursday, February 21, 2019
2:15 PM

Comment on H.B. 797, Relating to Telecommunications Carriers

Chair Takumi, Chair Lee, and Members of the Committees.

House Bill 797 (H.B. 797) requires telecommunications carriers to automatically block any calls that do not belong to statutory identified exceptions such as government agencies and non-profits.

Consumers frequently associate robocalls with unwanted calls and until recently, there were limited effective ways to stem the tide of unwanted robocalls. As of today, government, industry, and consumers have been working together to make progress in several areas such as caller ID authentication and widespread use of Do Not Originate (DNO) blocking.

It is important to note that simply blocking any calls not identified by statutory exceptions will cover a wide array of calls, many of which are legal, such as school closing announcements and prescription or medical appointment reminders. The broad language in this measure could blur the lines between legal calls, both welcome and unwelcome, and illegal calls.

Charter encourages all of our voice subscribers to use our free call-blocking tools in our platform called Nomorobo. Nomorobo automatically blocks unwanted phone calls from telemarketers and robocallers using a list of known unwanted phone numbers including those on the “Do Not Call” Registry. If Nomorobo recognizes the call is from an unwanted number, it will be blocked. Subscribers have the ability to tailor their needs and controls by activating enhanced call block features or block anonymous calls altogether.

Charter partnered with Nomorobo to bring the call-blocking technology to customers in its efforts to reduce the growing concern over robocalls. The company is part of the Federal Communications Commission’s Robocall Strike Force, an industry-led group focused on accelerating the development and adoption of new tools and solutions to prevent robocalls.

Mahalo for the opportunity to testify.

HB-797

Submitted on: 2/16/2019 2:16:43 PM

Testimony for CPC on 2/21/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gerard Silva	Individual	Support	No

Comments:

HB-797

Submitted on: 2/16/2019 9:28:50 PM

Testimony for CPC on 2/21/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Matson	Individual	Support	No

Comments:

HB-797

Submitted on: 2/19/2019 1:06:29 AM

Testimony for CPC on 2/21/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Quartero	Individual	Support	No

Comments:

Aloha Kakou,

I support HB797 for increased consumer protection and privacy to combat the increase in consumer fraud.

Regards,

Robert Quartero