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RPTR MELHORN

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MARKUP OF:

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

AND

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

TUESDAY, SEPTEMBER 13, 2016

House of Representatives,

Subcommittee on Communications

and Technology,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to notice, at 10:19 a.m., in Room 2322, Rayburn House Office Building, Hon. Greg Walden [chairman of the subcommittee] presiding.

Present: Representatives Walden, Latta, Barton, Shimkus,

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Blackburn, Lance, Olson, Bilirakis, Johnson, Long, Ellmers, Eshoo, Welch, Loeb sack, Matsui, McNerney, and Pallone (ex officio).

Staff Present: Gary Andres, Staff Director; Rebecca Card, Assistant Press Secretary; Paige Decker, Executive Assistant; Gene Fullano, Detailee, Telecom; Giulia Giannangeli, Legislative Clerk, Commerce, Manufacturing, and Trade, Energy and Environment; Jay Gulshen, Legislative Clerk; Kelsey Guyselman, Counsel, Telecom; Peter Kielty, Deputy General Counsel; Grace Koh, Counsel, Telecom; Charlotte Savercool, Professional Staff, Communications and Technology; Dan Schneider, Press Secretary; Gregory Watson, Legislative Clerk, Communications and Technology; Jen Berenholz, Minority Chief Clerk; Jeff Carroll, Minority Staff Clerk; Elizabeth Ertel, Minority Deputy Clerk; David Goldman, Minority Chief Counsel, Communications and Technology; Jerry Leverich, Minority Counsel; Lori Maarbjerg, Minority FCC Detailee; Ryan Skukowski, Minority Senior Policy Analyst; and Andrew Souvall, Minority Director of Communications, Outreach and Member Services.

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Mr. Walden. We will call to order the subcommittee on Communications and Technology. And at the conclusion of openings statements yesterday, the chair called up H.R. 2566. The bill was open for amendment at any point.

The chair recognizes himself for the purpose of offering an amendment in the nature of a substitute, and the clerk will report the amendment.

The Clerk. Amendment in the nature of a substitute to H.R. 2566 offered by Mr. Walden.

[The amendment by Mr. Walden follows:]

***** INSERT 1-1 *****

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Mr. Walden. Without objection, the reading of the amendment is suspended. The chair recognizes himself for 5 minutes in support of the amendment.

Today I offer an amendment in the nature of a substitute that will strengthen this important legislation. It makes three changes to H.R. 2566, all of which improve the final product.

The amendment gives the FCC sufficient time to craft appropriate minimum service standards for these least cost routers that we have heard about. It also provides a safe harbor for providers that are acting in good faith and delivering phone traffic in an efficient and controlled way. And finally, it tailors the definition of intermediate provider to ensure that while the true bad actors are weeded out, that we don't inadvertently capture innocent parties who successfully are delivering the traffic that is routed over their networks.

In addition to improving the substance of this bill, this amendment will also bring our legislation in line with the language of the bill currently making its way through the Senate. And I know that was an issue my colleague from California and I discussed.

As many of my colleagues, including the ranking member, pointed out last week, it has to be priority, it is a priority that we get this legislation passed into law and by mirroring the text of the Senate that they have adopted coming out of committee, we very much increase our odds that this will happen.

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I have said time and again that rural consumers like those in my district and so many of my colleagues deserve high quality reliable phone service. This amendment is a good policy and it will help get the bill signed by the President much faster. For those reasons, I urge my colleagues to support the amendment.

Are there bipartisan amendments to the amendment?

Are there any other amendments?

If there are no further discussions, the vote occurs on the amendment in the nature of a substitute. All those in favor will say aye.

All those opposed, no.

The ayes have it and the amendment in the nature of a substitute is agreed to.

The question now occurs on forwarding H.R. 2566 as amended to the full committee. All those in favor say aye.

All those opposed nay.

The ayes appear to have it. The ayes have it, and the bill is favorably reported.

And I again want to thank everybody on the subcommittee. You all played a very important role in crafting this legislation, getting it to this point. We have clearly listened to our constituents who have been adversely affected, and we are going to do something to fix the problem. So thank you all.

The chair now calls up H.R. 2669 and asks the clerk to report.

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The Clerk. H.R. 2669, to amend the Communications Act of 1934 to expand and clarify the prohibition of provisions of inaccurate caller identification information and for other purposes.

Mr. Walden. Without objection, first reading of the bill is dispensed with.

[The bill follows:]

***** INSERT 1-2 *****

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Mr. Walden. The bill will be open for amendment at any point.

So ordered.

Are there any bipartisan amendments?

Mr. Barton. Mr. Chairman.

Mr. Walden. The chair recognizes the gentleman from Texas.

Mr. Barton. I don't have a bipartisan amendment. I would like to strike the last word.

Mr. Walden. The gentlemen is recognized to strike the last word. And we appreciate your leadership and help on that.

Mr. Barton. I was not here for opening statements yesterday, Mr. Chairman. I was still in Texas. I didn't arrive until about midnight last night. So I appreciate the markup being at 10:15 instead of 10:00. I was struck in traffic at 10:00 on the 395/14th Street bridge.

This bill that we are about to mark up hopefully successfully passed the subcommittee, passed the full committee, passed the House last session, but did not pass the Senate. We have learned our lesson, Mr. Chairman. So we are working hand in glove with the colleagues in the Senate. And we think that we have a bill that is going to make it all the way through the subcommittee, full committee, floor, through the Senate. I don't think there will be a conference. And I think the President will sign this bill.

It is not identical to last year's bill. We have added a section on text messaging. And there still is some uncertainty about a legal definition of a text message which we hope to work out before we move

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this bill to full committee. So in any event, we have a bill that Mr. Lance has worked on very hard from the Garden State of New Jersey and Mrs. Meng has worked on. And I have put my name on it. I made them do the work, but we are hopefully on the verge of success.

And I want to thank you and the ranking member's support for this bill. And with that I yield back.

Mr. Walden. The gentleman yields back. Any other member seeking recognition?

The chair recognizes the ranking member of the subcommittee, Ms. Eshoo.

Ms. Eshoo. Thank you, Mr. Chairman. I just want to quickly say that our colleague Congresswoman Grace Meng has worked very hard on this. And we all salute her.

It is bipartisan legislation, and I know that it enjoys the full support here. If there is an issue that I think we are all asked about on a consistent basis when we go home are just the nasty interruptions of life relative to what is coming in on people's phones. So whatever we can do to take steps to alleviate that, I think the American people are really going to be grateful.

The Do Not Call Registry was just wildly popular. But now it got some bad characters that have figured out how to go around all of that. And so people are not saluting us for what we did years ago because it is not working for them now, most frankly.

And so I just want to say thank you to everyone. First Grace,

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all the bipartisan co-sponsors, and you, Mr. Chairman, for recognizing the importance of the bill and bringing it up. I yield back.

Mr. Walden. Well, thank you. The gentlelady yields back.

The chair recognizes the gentleman from New Jersey, Mr. Lance.

Mr. Lance. Thank you, Mr. Chairman. I apologize for being late. I have been at the continuing legal education seminars, and I note that Congressman Latta was also there keeping our law licenses in working order.

I certainly speak in strong support of this bill. I am the principal Republican sponsor. And it has been a joy working with Grace Meng of the City of New York who is deeply involved in this issue, as is Chairman Emeritus Barton and others.

The Anti-Spoofing Act of 2015 and now it is 2016 of course, is important legislation that aims to crack down on the national problem of caller ID spoofing. ID spoofing occurs when a scammer calls and attempts to disguise his identity by manipulating the recipient caller's ID display. The criminal then attempts to entice the other person on the line into giving up personal information. To date millions have been defrauded, including veterans, immigrants, and senior citizens.

In Somerset County, New Jersey, which I represent here, scammers cloned the phone number of the sheriff's office and impersonated the sheriff's staff in an effort to steal residents' personal information. The audacity of these criminals is eclipsed only by their ability to

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adapt to changing technologies. Unfortunately, since Congress passed the Truth in Caller ID Act in 2009, new technologies have enabled these criminals to scam consumers with increased ease and efficiency.

This legislation is one step forward to ensure that governmental policies keep up with these criminals. In the last 2 years since this legislation passed the House unanimously, it appears the problem has gone from one of a simple nuisance to a borderline epidemic. It is time to stop this disgraceful practice, and this legislation would go a long way toward accomplishing that goal.

And incidentally, I point out to my distinguished colleagues on the subcommittee that my wife and I have received calls from those claiming to represent the IRS saying that we are being sued by the IRS. Now, as anybody in Washington knows, that is not possible. That you receive written correspondence from the IRS if there is some problem with the IRS. It is never something that occurs on the telephone.

I repeat this time and time again in the district I serve that even my wife and I have been involved in spoofing attempts by those who would suggest over the telephone that somehow there is a problem with the IRS. This is an epidemic in this country, and I am so pleased in a bipartisan basis we are addressing it here in Congress.

Thank you, Mr. Chairman.

Mr. Walden. Thank you, Mr. Lance, for your leadership on this.

The chair recognizes the other gentleman, or another gentlemen, from New Jersey, Mr. Pallone.

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Mr. Pallone. Thank you, Mr. Chairman. Just to strike the last word briefly in support of the legislation, consumers deserve to know that when they look at their caller ID information for an incoming call that the person on the line is who they say they are. And the good news is we have already made it illegal to use misleading caller ID information when making regular voice calls. And this commonsense bill we are considering today seeks to extend that prohibition to text messages as well.

That said, we still have some kinks to work out, and I appreciate the commitment we are receiving from the majority to work together to iron out the final details on the way to full committee. And I yield back.

Mr. Walden. The gentleman yields back. And I thank the gentleman for his comments.

Any other member seeking to strike the last word? If not, are there any amendments to this legislation?

As the ranking member said, the staffs are working out some very technical language fixes that should be resolved before we get to full committee to make this bill perfect, as we are wont to try to do.

The question now occurs, then, on forwarding H.R. 2669 to the full committee. All those in favor say aye.

All those opposed, nay.

The ayes appear to have it. The ayes have it. The bill is favorably reported.

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Without objection, staff is authorized to make technical and conforming changes to the legislation approved by the subcommittee today. So ordered, without objection.

I want to make one final comment to thank the subcommittee. This may be our last markup before the elections. And it has been a delight and privilege to work with all of you in this role of subcommittee chair.

And I think we should be proud of the work we have done together. The task forces have worked admirably well to allow members of both sides and their staffs to dig down deep on these very technical issues. And I thank you for participating in those.

And to our staff on both sides of the aisle, thanks for your great leadership and counsel. We couldn't do it without all of you. And so I know we have more work to do, and we have great opportunity between now and the end of the calendar year. We may be back after the election. I assume we probably will be, but we know we are here today. We know this is the last markup we have technically scheduled. We will have other hearings. But I just want to say thanks to everybody for their participation.

And with that we are adjourned.

[Whereupon, at 10:31 a.m., the subcommittee was adjourned.]