FCC SEEKS TO REGULATE USE OF OFFSHORE CALL CENTERS BY COMMUNICATIONS SERVICE PROVIDERS – WHAT YOU NEED TO KNOW

Wednesday, May 20, 2026

EXECUTIVE SUMMARY

The Federal Communications Commission ("FCC") currently is seeking comment on the adoption of certain restrictions and disclosure requirements associated with the use of offshore call centers by communications service providers. The FCC finds that United States consumers regularly experience frustration and poor customer service when they connect with a call center operation located outside of the United States. In the FCC's view, call centers located abroad also raise concerns about privacy, data protection, and national security.

The FCC's proposed rules would apply to communications with consumers relating to the provision of services by providers of telecommunications service, wireless service, interconnected Voice over Internet Protocol ("VoIP") service, cable television service, and direct broadcast satellite ("DBS") service, including communications relating to Internet access service offered by any of the foregoing or their affiliates. The FCC also asks whether the proposed rules should apply to other types of providers and other types of communications, such as online chats, texts, and/or electronic mail messages used by consumers to communicate with providers.

Currently, comments on the FCC's proposals are due by **May 26, 2026** and reply comments are due by **June 22, 2026**. However, some parties have asked the FCC to extend those deadlines in light of the complexity and scope of the FCC's proposals.

1. WHAT IS BEING PROPOSED?

The FCC proposes the following new requirements to encourage and facilitate the onshoring of foreign call centers, improve customer service communications, and better protect consumers' sensitive personal information:

- English proficiency standards. The FCC proposes that providers using offshore call centers ensure that all calling staff at those call centers be proficient in both written and spoken American Standard English. The FCC asks numerous questions about how to implement this requirement, including what criteria should be used to assess compliance and whether such criteria should apply to each individual call center employee or to the call center overall.
- Limit on number of calls. The FCC proposes to limit the percentage of customer service calls that providers may make from or answer at foreign call centers to a specified percentage (excluding any calls that must be

handled in the United States as discussed below). The FCC seeks comment on how such a limit should be implemented and asks whether a 30% limit would be appropriate.

- Disclosure of foreign call center use. The FCC proposes to require providers, when making or receiving calls involving a foreign call center, to inform consumers at the beginning of each call that the call is being handled outside of the United States. The FCC asks whether it should develop specific language that must be used in such a disclosure.
- Consumer right to transfer call back to United States. The FCC proposes to require providers, upon a consumer's request, to transfer the call to a call center located within the United States (for both calls made from a foreign call center and calls answered at a foreign call center). The FCC's proposal also would place limits on "wait times" for any transferred call and require providers to inform consumers of the option to have the call transferred at the beginning of the call.
- Tracking and reporting compliance. The FCC proposes to require providers to track their compliance with the new rules and report to the FCC on a regular basis. The FCC asks how often such reporting should occur, the format for such reports, and whether the reported information should be open to the public.
- Protection of certain consumer information. The FCC proposes that providers always and only handle certain types of consumer transactions at call centers located in the United States, regardless of the type of communications channel used to initiate the transaction (phone call, electronic mail, text message, online chat, etc.). This would include consumer transactions involving passwords, multi-factor authentication, social security numbers, and/or bank or credit card information. The FCC asks whether there are other types of transactions that should only be handled by call centers in the United States.
- Call centers located in foreign adversary nations. The FCC proposes to prohibit providers from using call centers located in "foreign adversary" nations as that term is defined from time to time. At this time, those nations are: China, Cuba, Iran, North Korea, Russia, and the regime of Venezuelan politician Nicolas Maduro.
- Broadband label updates. The FCC proposes that providers of broadband Internet access services update their existing "broadband label" to display the percentage of customer service calls handled by a call representative located within the United States. The FCC asks a series of questions about how this requirement should be implemented and whether providers of non-broadband services should be required to update their websites with similar information.

2. OTHER AREAS FOR COMMENT

In addition to the proposals discussed above, the FCC also asks for comments on potential "further steps" the FCC can take to meet its goals:

- Other communications channels. The FCC asks whether it should apply the proposed rules to non-voice communications such as online chats, texts, and/or electronic mail messages between a consumer and a provider.

- Other communications providers. The FCC asks whether it should apply the proposed rules to a broader set of providers, such as "stand-alone" providers of VoIP services or other Internet-only providers.
- Other types of calls. The FCC asks whether it should apply the proposed rules to all calls otherwise covered by the Telephone Consumer Protection Act ("TCPA"), which could extend the proposed rules to calls beyond those associated with the provision of communications service.
- Alternative proposals. The FCC asks for comment on any other alternative approaches that might meet its goals.
- Fees or bond requirements for illegal calls. The FCC seeks comment on whether it should use government-imposed fees or bond requirements as an additional method to deter illegal calls, and its legal authority to adopt a fee and/or bond solution.
- Costs and benefits. The FCC seeks comment on the costs and benefits of its proposals.

3. LEGAL AUTHORITY TO IMPOSE REQUIREMENTS

The FCC asserts that it has the legal authority to adopt the proposed rules outlined above and asks commenters to discuss that legal authority. The FCC finds that numerous provisions of the federal Communications Act give it authority to adopt the proposed rules, including statutory provisions that require just and reasonable practices, protect use of consumer data, regulate unwanted communications, and grant the FCC authority over the use of telephone numbers and certain national security matters. In addition, the FCC asks whether it has the legal authority to hold providers responsible for the actions of their agents, such as companies or organizations that operate foreign call centers on their behalf.

CONTACT

If you have any questions about the issues addressed in this memorandum or if you would like a copy of any of the materials mentioned, please contact Angela F. Collins (Counsel) at acollins@cahill.com or 202.862.8930 or email publicationscommittee@cahill.com.