

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of
Protecting Against National Security Threats in
Domestic Telecommunications Service
WC Docket No. 26-82

NOTICE OF PROPOSED RULEMAKING

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By the Commission: Chairman Carr and Commissioner Trusty issuing separate statements.

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I. INTRODUCTION

1. The Commission has long recognized the importance of protecting our communications networks against foreign threats. Promotion of national security is an integral part of the Commission's public interest responsibility, including its administration of section 214 of the Communications Act of

1934, as amended (the Act), and is one of the core purposes for which Congress created the Commission.<sup>1</sup> The Secure and Trusted Communications Networks Act of 2019 (Secure Networks Act) mandates that the Commission publish and maintain a list of communications equipment and services (i.e., the Covered List)<sup>2</sup> 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.<sup>3</sup> In this Notice of Proposed Rulemaking, we continue our efforts to protect the nation's telecommunications networks against foreign adversary threats by proposing to exclude entities identified on that "Covered List" from providing domestic interstate telecommunications services pursuant to blanket authority under section 214.<sup>4</sup> We also seek comment on other potential exclusions from blanket authority under section 214 and other related measures. Through these proposals, we seek to ensure that the Commission is exercising appropriate oversight over blanket domestic section 214 authorization holders to safeguard U.S. telecommunications networks. We believe that the actions we propose below are critical next steps in protecting our nation's telecommunications networks from evolving national security threats.

## II. BACKGROUND

2. *Section 214.* Section 214(a) of the Act requires carriers to obtain from the Commission a certificate of present or future public convenience and necessity before undertaking the construction of a new interstate line, acquiring, or operating any interstate line, or engaging in transmission over such an interstate line.<sup>5</sup> Section 214(c) of the Act grants the Commission the power to issue or refuse to issue such certificate, and "may attach to the issuance of the certificate such terms and conditions as in its judgment the public convenience and necessity may require."<sup>6</sup>

3. In the 1999 *Domestic 214 Blanket Authority Order*, the Commission granted "blanket" entry certification to all domestic carriers seeking to construct, operate, or engage in transmission over domestic lines of communication, to the extent such authority is required under the statute.<sup>7</sup> Section 63.01 of the Commission's rules provides that "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."<sup>8</sup> The Commission also granted blanket

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<sup>1</sup> See 47 U.S.C. §§ 151, 214.

<sup>2</sup> See Federal Communications Commission, *List of Equipment and Services Covered by Section 2 of the Secure Networks Act*, <https://www.fcc.gov/supplychain/coveredlist> (last updated Jan. 7, 2026) (*FCC List of Covered Equipment and Services*).

<sup>3</sup> Secure and Trusted Communications Networks Act of 2019, Pub. L. No. 116-124, 134 Stat. 158 (2020) (codified as amended at 47 U.S.C. §§ 1601–1609) (Secure Networks Act).

<sup>4</sup> 47 U.S.C. § 214; 47 CFR § 63.01(a).

<sup>5</sup> See 47 U.S.C. § 214(a). As used in section 214, "the term 'line' means any channel of communication established by the use of appropriate equipment, other than a channel of communication established by the interconnection of two or more existing channels." *Id.* The term "carrier" is defined by the Act as synonymous with "common carrier" and to mean "any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or interstate or foreign radio transmission . . ." 47 U.S.C. § 153(11).

<sup>6</sup> See 47 U.S.C. § 214(c).

<sup>7</sup> *Implementation of Section 402(b)(2)(A) of the Telecommunications Act of 1996; Petition for Forbearance of the Independent Telephone & Telecommunications Alliance*, CC Docket No. 97-11, AAD File No. 98-43, Report and Order and Second Memorandum Opinion and Order, 14 FCC Rcd 11364, 11365, para. 2 (1999) (*Domestic 214 Blanket Authority Order*).

<sup>8</sup> 47 CFR § 63.01(a).

authority for carriers' acquisitions of domestic lines, such as by purchase or lease, although acquisitions of corporate control still require approval by the Commission.<sup>9</sup> The Commission concluded that granting blanket authority would "promote competition by deregulating domestic entry, allowing carriers to construct, operate, or engage in transmission over lines of communications without filing an application with the Commission," while allowing the Commission to "retain the ability to stop extremely abusive practices against consumers by withdrawing the blanket section 214 authorization that allows the abusive carrier to operate."<sup>10</sup> The Commission found that the "present and future public convenience and necessity require the construction and operation of all domestic new lines pursuant to blanket authority," subject to the Commission's ability to revoke a carrier's section 214 authority when warranted to protect the public interest.<sup>11</sup> Under this authority and consistent with our duty to promote and protect national security, the Commission has revoked, and in certain cases terminated for failure to satisfy conditions, the domestic and international section 214 authority of certain carriers ultimately majority-owned and controlled by the Chinese government.<sup>12</sup> In those actions, the Commission found that these entities were subject to exploitation, influence, and control by the Chinese government, and that mitigation measures would not sufficiently address the national security and law enforcement concerns.<sup>13</sup>

4. *Covered List.* Section 2 of the Secure Networks Act requires the Commission to publish and maintain a list of communications equipment and services (the Covered List) that pose "an unacceptable risk to the national security of the United States or the security and safety of United States persons" based solely on specific determinations made by certain enumerated national security

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<sup>9</sup> See *Domestic 214 Blanket Authority Order*, 14 FCC Rcd at 11365, para. 2.

<sup>10</sup> *Domestic 214 Blanket Authority Order*, 14 FCC Rcd at 11372, para. 12.

<sup>11</sup> *Domestic 214 Blanket Authority Order*, 14 FCC Rcd at 11374, para. 16.

<sup>12</sup> See *China Telecom (Americas) Corporation*, GN Docket No. 20-109, File Nos. ITC-214-20010613-00346, ITC-214-20020716-00371, ITC-T/C-20070725-00285, Order on Revocation and Termination, 36 FCC Rcd 15966, 15966-68, 15974, 15992-16030, paras. 1-3, 9, 44-99 (2021) (*China Telecom Americas Revocation and Termination Order*), *aff'd*, *China Telecom (Ams.) Corp. v. FCC*, 57 F.4th 256 (D.C. Cir. 2022); *China Unicom (Americas) Operations Limited*, GN Docket No. 20-110, File Nos. ITC-214-20020728-00361, ITC-214-20020724-00427, Order on Revocation, 37 FCC Rcd 1480, 1480-81, 1489-90, 1508-55, paras. 1-3, 16, 49-110 (2022) (*China Unicom Americas Revocation Order*), *aff'd*, *China Unicom (Ams.) Operations Ltd. v. FCC*, 124 F.4th 1128 (9th Cir. 2024); *Pacific Networks Corp. and ComNet (USA) LLC*, GN Docket No. 20-111, File Nos. ITC-214-20090105-00006, ITC-214-20090424-00199, Order on Revocation and Termination, 37 FCC Rcd 4220, 4220-22, 4232-33, 4251-4314, paras. 1-3, 14, 44-113 (2022) (*Pacific Networks/ComNet Revocation and Termination Order*), *aff'd*, *Pacific Networks Corp. v. FCC*, 77 F.4th 1160 (D.C. Cir. 2023).

<sup>13</sup> See *China Telecom Americas Revocation Order*, 36 FCC Rcd at 15967, 15992, paras. 2, 44; *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1481, 1508, paras. 2, 49; *Pacific Networks/ComNet Revocation and Termination Order*, 37 FCC Rcd at 4221, 4251-52, paras. 2, 44. In the *China Telecom Americas Revocation and Termination Order*, *China Unicom Americas Revocation Order*, and *Pacific Networks/ComNet Revocation and Termination Order*, the Commission also found that the significant national security and law enforcement risks associated with those entities' retention of their section 214 authority "pose a clear and imminent threat to the security of the United States," including "numerous opportunities to access, monitor, store, disrupt, and/or misroute U.S. communications in ways that are not authorized and that can facilitate espionage and other activities harmful to the national security and law enforcement interests of the United States." *China Telecom Americas Revocation Order*, 36 FCC Rcd at 16008, para. 65; see also *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1530, para. 74; *Pacific Networks/ComNet Revocation Order*, 37 FCC Rcd at 4287, para. 74. The Commission found, among other things, that "the record raises serious and unacceptable concerns that the Chinese government can, for example, influence or direct" those entities "to act on any of these opportunities presented by [their] access to U.S. telecommunications infrastructure and U.S. customer information." *Pacific Networks/ComNet Revocation Order*, 37 FCC Rcd at 4287, para. 74; see *China Telecom Americas Revocation Order*, 36 FCC Rcd at 16008, para. 65; see also *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1530, para. 74.

determinations.<sup>14</sup> The Public Safety and Homeland Security Bureau (PSHSB), on delegated authority from the Commission, monitors these sources and adds equipment or services to the Covered List when a specific determination has been made.<sup>15</sup>

5. *Recent Commission Actions to Protect Against National Security Threats to U.S. Communications Services.* As part of the Commission’s continuing efforts to promote national security and support law enforcement, the Commission has taken action to address the present and persistent threats that “foreign adversaries” pose from within the nation’s communications networks.<sup>16</sup> For example, the Commission has prohibited FCC recognition of any telecommunication certification body (TCB), measurement facility (test lab), or laboratory accreditation body that is identified on the Covered List or owned by, controlled by, or subject to the direction of a “foreign adversary,” among other prohibited entities.<sup>17</sup> The Commission also updated its submarine cable licensing process to protect critical U.S. communications infrastructure against foreign adversary threats by adopting reporting and certification requirements, routine conditions, and a presumption that an entity identified on the Covered List or “owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary,”<sup>18</sup> as defined in section 1.70001(g),<sup>19</sup> is not qualified to hold a cable landing license unless the applicant overcomes the adverse presumption. Most recently, we adopted a requirement that entities holding a

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<sup>14</sup> Secure Networks Act, § 2(b)-(c). *See also* 47 CFR §§ 1.50002, 1.50003; *FCC List of Covered Equipment and Services*. The Secure Networks Act lists four sources for such determinations: (1) “A specific determination made by any executive branch interagency body with appropriate national security expertise, including the Federal Acquisition Security Council”; (2) “A specific determination made by the Department of Commerce pursuant to Executive Order No. 13873 . . . relating to securing the information and communications technology and services supply chain”; (3) “The communications equipment or service being covered telecommunications equipment or services, as defined in section 889(f)(3) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019”; or (4) “A specific determination made by an appropriate national security agency.” Secure Networks Act, § 2(c) (codified at 47 U.S.C. § 1601(c)). The Secure Networks Act defines “appropriate national security agency” to mean the Department of Homeland Security, the Department of Defense, the Office of the Director of National Intelligence, the National Security Agency, and the Federal Bureau of Investigation. *Id.* § 9(2) (codified at 47 U.S.C. § 1608(2)); *see also* *Protecting Against National Security Threats to the Communications Supply Chain through the Equipment Authorization Program et al.*, Report and Order, Order, and Further Notice of Proposed Rulemaking, ET Docket No. 21-232 et al., 37 FCC Rcd 13493, 13519, para. 58 (2022) (*Equipment Authorization Security Order* or *Equipment Authorization Security FNPRM*) (establishing the Covered List).

<sup>15</sup> *See generally* Secure Networks Act, § 2(d) (codified as amended at 47 U.S.C. § 1601(d)); 47 CFR § 1.50003.

<sup>16</sup> *See generally* *Protecting our Communications Networks by Promoting Transparency Regarding Foreign Adversary Control*, GN Docket No. 25-166, Report and Order, FCC 26-2, at \*5-9, paras. 8-13 (2026) (*Foreign Adversary Control Report and Order*) (describing recent actions by the Commission). As explained in more detail below, *see infra* para. 11, the Commission has defined “foreign adversary” and other related terms based on definitions already in use by other federal agencies.

<sup>17</sup> *See* *Promoting the Integrity and Security of Telecommunications Certification Bodies, Measurement Facilities, and the Equipment Authorization Program*, ET Docket No. 24-136, Report and Order and Further Notice of Proposed Rulemaking, 40 FCC Rcd 3616, 3617-19, paras. 2-3 (2025) (*TCB and Measurement Facilities Report and Order and FNPRM*).

<sup>18</sup> *See generally* *Review of Submarine Cable Landing License Rules and Procedures to Assess Evolving National Security, Law Enforcement, Foreign Policy, and Trade Policy Risks; Amendment of the Schedule of Application Fees Set Forth in Sections 1.1102 through 1.1109 of the Commission’s Rules*, OI Docket No. 24-523, MD Docket No. 24-524, Report and Order and Further Notice of Proposed Rulemaking, 40 FCC Rcd 6481 (2025) (*Submarine Cable Report and Order*); *corrected by* Erratum, <https://docs.fcc.gov/public/attachments/DOC-414544A1.pdf> (OIA and OMD, rel. Sept. 16, 2025); *corrected by* Second Erratum, <https://docs.fcc.gov/public/attachments/DOC-415107A1.pdf> (OIA and OMD, rel. Oct. 24, 2025).

<sup>19</sup> 47 CFR § 1.70001(g).

broad range of Commission-granted licenses, leases, authorizations, permits, grants, and other approvals must attest as to whether they are owned by, controlled by, or subject to the jurisdiction or direction of a “foreign adversary,” and if so, to file additional disclosures about such foreign adversary control.<sup>20</sup> In addition, the Commission established a Council on National Security to bring together the Commission’s regulatory, investigatory, and enforcement authorities to counter the threats posed by foreign adversaries.<sup>21</sup>

### III. DISCUSSION

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

6. We propose to amend section 63.01 of the Commission’s rules<sup>22</sup> to exclude, on a prospective basis, any entities identified on the Covered List (that is, named entities and their current and future affiliates<sup>23</sup> and subsidiaries and any entity included by reference therein) from being authorized to provide interstate telecommunications services pursuant to blanket domestic section 214 authority.<sup>24</sup> 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. As discussed above, sections 214(a) and (c) of the Act

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<sup>20</sup> See *Foreign Adversary Control Report and Order*, FCC 26-2.

<sup>21</sup> Press Release, FCC, Chairman Carr Establishes New Council on National Security Within Agency (Mar. 13, 2025), <https://www.fcc.gov/document/chairman-carr-establishes-new-council-national-security>. The Council on National Security was established with a three-part goal: “(1) Reduce the American technology and telecommunications sectors’ trade and supply chain dependencies on foreign adversaries; (2) Mitigate America’s vulnerabilities to cyberattacks, espionage, and surveillance by foreign adversaries; and (3) Ensure the U.S. wins the strategic competition with China over critical technologies, such as 5G and 6G, AI, satellites and space, quantum computing, robotics and autonomous systems, and the Internet of Things.” *Id.*

<sup>22</sup> See 47 CFR § 63.01(a).

<sup>23</sup> The Commission generally considers entities to be affiliated for purposes of Covered List designations by applying the Communications Act’s definition of “affiliate,” codified in its equipment authorization rules as “an entity that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another entity; for purposes of this definition, the term ‘own’ means to have, possess, or otherwise control an equity interest (or the equivalent thereof) of 10 percent or more.” 47 CFR § 2.903(c); *Protecting Against National Security Threats to the Communications Supply Chain through the Equipment Authorization Program Protecting Against National Security Threats to the Communications Supply Chain through the Competitive Bidding Program*, Report and Order, Order, and Further Notice of Proposed Rulemaking, 37 FCC Rcd 13493, 13565, para. 183 (2022) (“We note that the definition of affiliate in the Communications Act further states that ‘[f]or purposes of this paragraph, the term ‘own’ means to own an equity interest (or the equivalent thereof) of more than 10 percent,’ and we adopt such further clarification here.”); 47 U.S.C. § 153(2).

<sup>24</sup> As discussed above, the Commission revoked the domestic and international section 214 authority of China Telecom Americas, China Unicom Americas, Pacific Networks, and ComNet, which are identified on the Covered List. See generally *China Telecom Americas Revocation and Termination Order*; *China Unicom Americas Revocation Order*; *Pacific Networks/ComNet Revocation and Termination Order*; *FCC List of Covered Equipment and Services*; *Public Safety and Homeland Security Bureau Announces Additions to the List of Equipment and Services Covered by Section 2 of the Secure Networks Act*, Public Notice, 37 FCC Rcd 4078 (PSHSB 2022); *Public Safety and Homeland Security Bureau Announces Additions to the List of Equipment and Services Covered by Section 2 of the Secure Networks Act*, Public Notice, 37 FCC Rcd 10735 (PSHSB 2022). Those Orders did not revoke the blanket domestic section 214 authority of the affiliates and subsidiaries of these entities to provide domestic interstate services and to construct or operate any domestic transmission line.

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.<sup>25</sup> The Commission has long recognized that promotion of national security is an integral part of the Commission’s public interest responsibility.<sup>26</sup> 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,”<sup>27</sup> 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;<sup>28</sup> 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

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<sup>25</sup> 47 U.S.C. §§ 214(a), (c); *see, e.g., China Mobile International (USA) Inc.; Application for Global Facilities-Based and Global Resale International Telecommunications Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended*, Memorandum Opinion and Order, 34 FCC Rcd 3361, 3361-62, 3365-66, 3376-77, 3380, paras. 1, 6, 8, 31-33, 38 (2019) (denying China Mobile USA’s international section 214 application upon a finding that a grant would not serve the public interest, in light of the Chinese government’s likely intention and ability to use the international section 214 authorization to cause substantial harm to U.S. critical infrastructure, national security, and law enforcement activities and would raise substantial and serious national security and law enforcement risks that could not be addressed through a mitigation agreement).

<sup>26</sup> *See, e.g., China Telecom Americas Revocation and Termination Order*, 36 FCC Rcd at 15968, para. 3; *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1481, para. 3; *Pacific Networks/ComNet Revocation and Termination Order*, 37 FCC Rcd at 4222, para. 3; *Equipment Authorization Security Order*, 37 FCC Rcd at 13512, para. 40 (“It is well-established that the promotion of national security is consistent with the public interest and part of the purpose for which the Commission was created.”). The Supreme Court has determined that the Commission has considerable discretion in deciding how to make its section 214 public interest findings. *FCC v. RCA Communications, Inc.*, 346 U.S. 86, 90 (1953); *see Policy and Rules Concerning Rates for Competitive Common Carrier Services and Facilities Authorizations Therefor*, CC Docket No. 79-252, First Report and Order, 85 FCC 2d 1, 40-44, paras. 117-29 (1980) (discussing the Commission’s authority under section 214(a) of the Act); *Streamlining the International Section 214 Authorization Process and Tariff Requirements*, IB Docket No. 95-118, Notice of Proposed Rulemaking, 10 FCC Rcd 13477, 13480, para. 6 (1995) (*1995 Streamlining NPRM*); *Streamlining the International Section 214 Authorization Process and Tariff Requirements*, IB Docket No. 95-118, Report and Order, 11 FCC Rcd 12884, 12903, para. 44, n.63 (1996) (*1996 Streamlining Order*); Telecommunications Act of 1996, Pub. L. 104-104, § 402(b)(2)(A) (1996), codified at 47 U.S.C. § 214 nt. (“The Commission shall permit any common carrier—(A) to be exempt from the requirements of section 214 of the Communications Act of 1934 for the extension of any line; . . .”).

<sup>27</sup> 47 U.S.C. § 1601(c); *see also FCC List of Covered Equipment and Services* <https://www.fcc.gov/supplychain/coveredlist> (providing the list of entities and the executive branch agencies’ determinations).

<sup>28</sup> *See* 47 U.S.C. § 214(a). Under the Act, telecommunications carriers shall only be treated as common carriers to the extent that the carrier is engaged in providing telecommunications service. *See* 47 U.S.C. § 153(51). As such, Internet Protocol-based services and facilities (including services and facilities of Voice over Internet Protocol (VoIP) providers) are not covered by section 214(a) as currently interpreted, except as specifically extended by the Commission through additional authority.

authorization to provide interstate telecommunications services because such blanket authorization would not be in the “public convenience and necessity”?

7. 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*, 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.”<sup>29</sup> 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.

8. 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<sup>30</sup> 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 section 63.18 of our rules,<sup>31</sup> 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.<sup>32</sup> Pursuant to Commission practice, foreign ownership determinations for applications for international section 214 authority are based on the requirements in section 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).”<sup>33</sup> 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

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<sup>29</sup> See *Submarine Cable Report and Order*, 40 FCC Rcd at 6497-99, paras. 30-32; 47 CFR § 1.70004(a).

<sup>30</sup> 47 CFR §§ 63.03-04.

<sup>31</sup> 47 CFR § 63.18.

<sup>32</sup> See 47 CFR §§ 1.40002, 63.18(p). See also *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket No. 16-155, Report and Order, 35 FCC Rcd 10927, 10935-36, para. 24 (2020) (asserting that the Commission will continue to refer applications for international section 214 authorizations); *id.* at 10935, para. 25 (asserting that the Commission will generally not refer applications to transfer control of domestic section 214 authority, but noting that “[t]he Commission also retains the discretion to refer a domestic-only section 214 transaction should we find that a particular application may raise national security, law enforcement, foreign policy, and trade policy concerns for which we would benefit from the advice of the Executive Branch.”).

<sup>33</sup> 47 CFR § 63.18(h). Section 63.18 also explains how equity and voting interests are calculated and requires an ownership diagram.

applicant.<sup>34</sup> Among other things, the applicant must submit responses to standard questions directly to Team Telecom.<sup>35</sup> Further, each applicant must attest that they will comply with specific laws pertaining to law enforcement.<sup>36</sup> 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.<sup>37</sup>

9. 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.<sup>38</sup> 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*.<sup>39</sup> With the substantial growth in competition throughout nearly three decades and variety of services available to customers,<sup>40</sup> 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.<sup>41</sup> While we recognize the continuing importance of robust market

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<sup>34</sup> See *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927, 10935-36, para. 24 (2020).

<sup>35</sup> 47 CFR § 63.18(p).

<sup>36</sup> 47 CFR § 63.18(q). 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. *Id.* § 63.18(q)(1)(iv). Each applicant is also subject to revocation of its authorization. *Id.* § 63.18(q)(1)(v).

<sup>37</sup> *Submarine Cable Report and Order*, 40 FCC Rcd at 6497, 6501, paras. 30, 36. Any such applicant that is subject to the foreign adversary presumptive disqualifying condition under section 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. 47 CFR § 1.70004(a)(3); *Submarine Cable Report and Order*, 40 FCC Rcd at 6498-99, para. 32. Any such applicant that is subject to the character presumptive disqualifying condition under section 1.70004(b) can overcome this adverse presumption only by establishing that the applicant has the requisite character, despite its past conduct. 47 CFR § 1.70002(c)(3); *Submarine Cable Report and Order*, 40 FCC Rcd at 6503, para. 40.

<sup>38</sup> *Domestic 214 Blanket Authority Order*, 14 FCC Rcd at 11372-74, paras. 12-16 (explaining that the Commission did not forbear from the application of section 214(a) and retained authority to stop abusive practices by carriers operating in the U.S. and protect the public interest).

<sup>39</sup> See *Reducing Barriers to Network Improvements and Service Changes*, WC Docket Nos. 25-209, 25-208, Report and Order, FCC 26-19, para. 9 (rel. Mar. 27, 2026).

<sup>40</sup> See, e.g., *id.*; *Advancing IP Interconnection et al.*, WC Docket Nos. 25-304 et al., Notice of Proposed Rulemaking, FCC 25-73, \*5-6, para. 9 (rel. Oct. 29, 2025) (*IP Interconnection NPRM*) (explaining that when Congress passed the Telecommunications Act of 1996, incumbent local exchange carriers (LEC) controlled 99.7% of the local telephone service market, while today, incumbent LEC switched access lines encompass only 3.1% of the voice telephony market).

<sup>41</sup> See *supra* paras. 4-5.

entry, we must also consider Congress's directive that the Commission promote "the national defense."<sup>42</sup> 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.<sup>43</sup> 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,<sup>44</sup> and is one of the core purposes for which Congress created the Commission.<sup>45</sup> 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.<sup>46</sup> We seek comment on this proposed analysis.

10. 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 section 1.70001(g)?<sup>47</sup> If we adopted such exclusion, should we adopt the definition we used in several recent proceedings<sup>48</sup> for consistency<sup>49</sup> or use a different definition? Is the

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<sup>42</sup> See 47 U.S.C. § 151.

<sup>43</sup> *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market et al.*, IB Docket Nos. 97-142 et al., Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-21, paras. 61-66 (1997) (*Foreign Participation Order*) (opening the United States telecommunications market to foreign participation in the late 1990s, while continuing to find national security, law enforcement, foreign policy, and trade policy concerns relevant to the Commission's decision to grant or deny section 214 applications).

<sup>44</sup> See *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1494, para. 24 & n.92. See also *id.* paras. 3-5 (explaining that as part of the "public interest analysis" that the FCC undertakes to ensure that section 214 certificates comport with "the present or future public convenience and necessity," the FCC has long considered "national security"); *China Telecom Americas Revocation and Termination Order*, 36 FCC Rcd at 15968, para. 3; *Pacific Networks/ComNet Revocation and Termination Order*, 37 FCC Rcd at 4222, para. 3.

<sup>45</sup> See 47 U.S.C. § 151.

<sup>46</sup> See 47 CFR §§ 1.40002, 63.18(p).

<sup>47</sup> 47 CFR § 1.70001(g).

<sup>48</sup> 47 CFR § 1.70001(g); *Submarine Cable Report and Order*, 40 FCC Rcd at 6492-97, paras. 23-29; 47 CFR § 1.70001(g); see 15 CFR § 791.2; *Foreign Adversary Control Report and Order*, FCC 26-2, at \*6, paras. 15-16. Specifically, pursuant to section 1.70001(g) of our rules, the term "owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary" applies to: (1) Any individual or entity, wherever located, who acts as an agent, representative, or employee, or any person who acts in any other capacity at the order, request, or under the direction or control, of a foreign adversary or of an individual or entity whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in majority part by a foreign adversary; (2) Any individual, wherever located, who is a citizen of a foreign adversary or a country controlled by a foreign adversary, and is not a United States citizen or permanent resident of the United States; (3) Any entity, including a corporation, partnership, association, or other organization, that has a principal place of business in, or is headquartered in, incorporated in, or otherwise organized under the laws of a foreign adversary or a country controlled by a foreign adversary; or (4) Any entity, including a corporation, partnership, association, or other organization, wherever organized or doing business, that is owned or controlled by a foreign adversary, to include circumstances in which any person identified in paragraphs (g)(1) through (3) of this section possesses the power, direct or indirect, whether or not exercised, through the ownership of a majority or a dominant minority (10% or greater) of the total outstanding voting interest and/or equity interest, or through a controlling interest, in an entity, board representation,

(continued....)

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?<sup>50</sup> 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,<sup>51</sup> 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 section 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**

11. 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.<sup>52</sup> We

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proxy voting, a special share, contractual arrangements, formal or informal arrangements to act in concert, or other means, to determine, direct, or decide important matters affecting an entity. 47 CFR § 1.70001(g).

<sup>49</sup> As we previously found, we believe that applying definitions that are already in use across Federal agencies and previously adopted by this agency promotes regulatory consistency and efficiency, and aligns with the policy goals of Executive Order 13873. See *Foreign Adversary Control Report and Order*, FCC 26-2, at \*10, para. 22; 15 CFR § 791.4(b); 47 CFR § 1.70001(e)-(g); Security the Information and Communications Technology and Services Supply Chain, Exec. Order No. 13,873, 84 Fed. Reg. 22689 (May 15, 2019) (declaring a national emergency in response to the "unusual and extraordinary" threat posed by our foreign adversaries exploiting vulnerabilities in the information and communications technology and services supply chain).

<sup>50</sup> See *Foreign Adversary Control Report and Order*, FCC 26-2, at \*2-3, para. 3 (explaining that foreign adversaries and entities with ties to foreign adversaries "have engaged in widespread and coordinated efforts to exploit, attack, and otherwise compromise the integrity of communications networks").

<sup>51</sup> See generally *Foreign Adversary Control Report and Order*, FCC 26-2; see *id.* at \*39, para. 97 (adopting the proposal to make the attestations and additional disclosures available to the public).

<sup>52</sup> See *Foreign Adversary Control Report and Order*, FCC 26-2, at \*44, Appx. A (§ 1.80001) ("The term *Covered Authorization* means a license, lease, authorization, permit, grant, or other approval granted by the Commission that appears on a Schedule as described in § 1.80002."); *id.* at \*21, para. 47 (adopting the proposal to include authorizations to provide domestic interstate telecommunications service pursuant to section 214 of the Act within the scope of the attestation and disclosure rules, and place them in Schedule A); *id.* at \*52-53, paras. 88-89 (adopting a streamlined revocation procedure consisting of three steps: (1) Notice of Deficiency and Opportunity to Respond

(continued....)

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?

12. 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

13. 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.<sup>53</sup> 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.

14. 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 section 63.01 blanket operating authority, unless such entities have applied for and received authorization from the Commission. We also seek

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(except in the case of willfulness or those in which public health, interest, or safety requires otherwise, in which case we may proceed directly to step two); (2) Order to Show Cause; and (3) Order of Revocation).

<sup>53</sup> See, e.g., *China Telecom Americas Order on Revocation and Termination*, 36 FCC Rcd at 16024, 16027, paras. 88, 91 (noting that CTA's network misrouted large amounts of information and communications traffic over long periods, often several months, sometimes involving U.S. government traffic) (footnotes omitted); *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1533-36, paras. 77-79 (“[W]e find that the variety of services offered by CUA pursuant to its section 214 authority, as well as those not authorized pursuant to section 214 authority, provide CUA with access to U.S. telecommunications infrastructure and U.S. customer records. This access presents CUA, its controlling parent entities, and therefore, the Chinese government, with opportunities to access, monitor, store, disrupt, and/or misroute U.S. communications, and the opportunity to facilitate espionage and other activities harmful to the interests of the United States.”); *Pacific Networks/ComNet Revocation and Termination Order*, 37 FCC Rcd at 4291-92, para. 80 (explaining that “the opportunities for harmful conduct exist in two categories. First, as a provider of Retail Calling Card service, ComNet has the opportunity to access Personally Identifiable Information (PII), Customer Proprietary Network Information (CPNI), Call Detail Records (CDRs) and/or metadata from traffic transiting ComNet's service. Second, as a provider of Wholesale IDD service and MPLS VPN service, ComNet and Pacific Networks, respectively, have the opportunity to access, monitor, store, and in some cases disrupt and/or misroute U.S. communications”).

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?

15. 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.<sup>54</sup> 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.”<sup>55</sup> 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.<sup>56</sup> 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.<sup>57</sup> 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”<sup>58</sup> 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

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<sup>54</sup> Section 201(b) requires that all “charges, practices, classifications, and regulations for or in connection with [interstate or foreign communication by wire or radio] shall be just and reasonable, and any such charge, practice, classification, or regulation that is unjust or unreasonable is hereby declared unlawful.” 47 U.S.C. § 201(b).

<sup>55</sup> 47 U.S.C. § 251(a).

<sup>56</sup> *Id.*

<sup>57</sup> 47 CFR § 64.6305(g)(1); *Call Authentication Trust Anchor*, WC Docket No. 17-97, Second Report and Order, 36 FCC Rcd 1859, 1904, para. 86 (2020).

<sup>58</sup> 47 CFR § 1.70001(g).

customers and telecommunications carriers, more appropriately addressed in a revocation proceeding?

16. 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),<sup>59</sup> 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,<sup>60</sup> 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 prohibitions 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.

17. 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.<sup>61</sup> These RF devices can be used to provide communications services to customers or other third parties.<sup>62</sup> 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.

18. 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,

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<sup>59</sup> See *Foreign Adversary Control Report and Order*, FCC 26-2, at Appx. A (47 CFR §§ 1.80001(a), 1.80002).

<sup>60</sup> See generally *Foreign Adversary Control Report and Order*, FCC 26-2, at Appx. A (47 CFR §§ 1.80001(a), 1.80002).

<sup>61</sup> See *Revision of Part 15 of the Rules Regarding the Operation of Radio Frequency Devices Without an Individual License*, GN Docket No. 87-389, First Report and Order, 4 FCC Rcd 3493 (1989).

<sup>62</sup> See, e.g., *Updating the Commission's Rule for Over-the-Air Reception Devices*, WT Docket No. 19-71, Report and Order, 36 FCC Rcd 537, 538-39, para. 3 (2021) (describing certain fixed wireless services provided to customers).

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

19. 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”<sup>63</sup> 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 . . . .”<sup>64</sup> 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.<sup>65</sup> 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.<sup>66</sup> 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,<sup>67</sup> 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”<sup>68</sup> and thus prohibit them from providing domestic interstate telecommunications services under section 214 of the Act. We seek comment on this proposed analysis.

20. 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

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<sup>63</sup> 47 CFR § 1.70001(g).

<sup>64</sup> 47 U.S.C. § 214(a).

<sup>65</sup> 47 U.S.C. § 214(c).

<sup>66</sup> Section 1 of the Act provides that Congress created the Commission, among other reasons, “for the purpose of the national defense [and] for the purpose of promoting safety of life and property through the use of wire and radio communications . . . .” 47 U.S.C. § 151; *see also, e.g., China Telecom Americas Revocation Order*, 36 FCC Rcd at 15968, para. 3, *aff’d*, *China Telecom (Ams.) Corp. v. FCC*; *China Unicom Americas Revocation Order*, 37 FCC Rcd at 1481, para. 3, *aff’d*, *China Unicom (Ams.) Operations Ltd. v. FCC*; *Pacific Networks/ComNet Revocation Order*, 37 FCC Rcd at 4222, para. 3, *aff’d*, *Pacific Networks Corp. v. FCC*; *Protecting Against National Security Threats Order*, 34 FCC Rcd 11423, *aff’d*, *Huawei Technologies USA, Inc. v. FCC*, 2 F.4th 421, 439 (D.C. Cir. 2021).

<sup>67</sup> *China Telecom Americas Revocation Order*; *China Unicom Americas Revocation Order*; *Pacific Networks/ComNet Revocation Order*.

<sup>68</sup> 47 CFR § 1.70001(g).

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.*<sup>69</sup> 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.<sup>70</sup> 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.”<sup>71</sup>

21. 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.”<sup>72</sup> The Commission further possesses authority to regulate wireless equipment with interference potential under section 302(a) of the Act.<sup>73</sup> 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?<sup>74</sup>

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<sup>69</sup> 47 U.S.C. § 201(b) (emphasis added).

<sup>70</sup> 47 U.S.C. § 251(a); *see also* 47 U.S.C. § 251(c)(2) (requiring incumbent local exchange carriers to “provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier network”).

<sup>71</sup> 47 U.S.C. § 251(i).

<sup>72</sup> *ARRL v. FCC*, 524 F.3d 227, 234 (D.C. Cir. 2008) (quoting *Revision of Part 15 of the Commission's Rules Regarding Ultra-Wideband Transmission Systems*, ET Docket No. 98-153, Second Report and Order and Second Memorandum Opinion and Order, 19 FCC Rcd 24558, 24589-90, para. 68 (2004) (*UltraWideband Order*)).

<sup>73</sup> 47 U.S.C. § 302(a); *see also, e.g., UltraWideband Order*, 19 FCC Rcd at 24590-94, paras. 69-77 (discussing the interplay of Title III provisions including 301, 302, and 303); *Amendment of Part 15 of the Commission's Rules To Allow Certification of Equipment In the 24.05 - 24.25 GHz Band At Field Strengths Up To 2500 mV/m*, ET Docket No. 98-156, Memorandum Opinion and Order, 18 FCC Rcd 15944, 15948-49, para. (2003) (discussing regulation of unlicensed operation of devices pursuant to section 302 authority).

<sup>74</sup> *See, e.g., Promoting the Integrity and Security of Telecommunications Certification Bodies, Measurement Facilities, and the Equipment Authorization Program*, ET Docket No. 24-136, Report and Order and Further Notice of Proposed Rulemaking, 40 FCC Rcd 3616, 3643, para. 53 (2025) (discussing the risk of compromised entities engaging in conduct that poses interference risks); *Promoting the Development of Positioning, Navigation, and Timing Technologies and Solutions*, WT Docket No. 25-110, Notice of Inquiry, 40 FCC Rcd 2641, 2645-46, para. 11 (2025) (discussing the risk of malicious interference by foreign adversaries); *cf. Cybersecurity Labeling for Internet of Things*, PS Docket No. 23-239, Report and Order and Further Notice of Proposed Rulemaking, 39 FCC Rcd 2497, 2508, 2576-77, paras. 20, 160 (2024) (discussing FCC regulation of security risks to guard against interference) (*Cyber Trust Mark Order*).

22. 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?<sup>75</sup> 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?<sup>76</sup> Are there any other possible sources of authority for any of the rules contemplated in this Notice?

#### **E. Cost-Benefit Analysis**

23. 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.

### **IV. PROCEDURAL MATTERS**

#### **A. Ex Parte Rules**

24. The proceeding this Notice initiates shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules.<sup>77</sup> 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

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<sup>75</sup> 47 U.S.C. §§ 151, 301.

<sup>76</sup> See, e.g., *Cyber Trust Mark Order*, 39 FCC Rcd at 2575-76, para. 158 (in interpreting what constitutes “reasonable” regulations authorized by section 302 of the Act, looking for guidance to objectives specified elsewhere in the Act); *Protecting Against National Security Threats to the Communications Supply Chain through the Equipment Authorization Program*; *Protecting Against National Security Threats to the Communications Supply Chain through the Competitive Bidding Program*, ET Docket Nos. 21-232,21-233, Report and Order and Further Notice of Proposed Rulemaking, 37 FCC Rcd 13493, 13511-12, para. 40 (2022) (noting that section 302 provides authority to make reasonable regulations governing RF devices, “consistent with the public interest, convenience, and necessity,” thus enabling the FCC to also account for other statutory responsibilities, including consideration of the national defense and the promotion of safety of life and property).

<sup>77</sup> 47 CFR § 1.1206.

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.<sup>78</sup>

### **B. Paperwork Reduction Act Analysis**

25. This Notice may contain proposed new and 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.

### **C. Providing Accountability Through Transparency Act**

26. Consistent with the Providing Accountability Through Transparency Act, Public Law 118-9, a summary of this document will be available on <https://www.fcc.gov/proposed-rulemakings>.

### **D. Regulatory Flexibility Act**

27. The Regulatory Flexibility Act of 1980, as amended (RFA),<sup>79</sup> 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.”<sup>80</sup> 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 in Appendix B. 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 also have a separate and distinct heading designating them as responses to the IRFA.

### **E. Filing of Comments and Reply Comments**

28. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).

- *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

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<sup>78</sup> *Id.* §§ 1.1200-1216.

<sup>79</sup> 5 U.S.C. §§ 601 *et seq.*, as amended by the Small Business Regulatory Enforcement and Fairness Act (SBREFA), Pub. L. No. 104-121, 110 Stat. 847 (1996).

<sup>80</sup> *Id.* § 605(b).

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.

29. *People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202-418-0530.

#### F. Contact Person

30. 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](mailto:melissa.kirkel@fcc.gov).

#### V. ORDERING CLAUSES

31. 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.<sup>81</sup>

32. IT IS FURTHER ORDERED that, pursuant to applicable procedures set forth in sections 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.

33. 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.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch  
Secretary

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<sup>81</sup> Pursuant to Executive Order 14215, 90 Fed. Reg. 10447 (Feb. 20, 2025), this regulatory action has been determined to be significant under Executive Order 12866, 58 Fed. Reg. 68708 (Dec. 28, 1993).

**APPENDIX A****Proposed Rules**

For the reasons set forth above, the Federal Communications Commission proposes to amend 47 CFR part 63 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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## APPENDIX B

## Initial Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA)<sup>1</sup> 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 (Notice)* 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.<sup>2</sup> In addition, the *Notice* and IRFA (or summaries thereof) will be published in the Federal Register.<sup>3</sup>

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

2. In the *Notice*, 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).<sup>4</sup> Specifically, we propose to exclude entities identified on the "Covered List" from blanket Commission authorization to provide domestic interstate telecommunications services under section 214.<sup>5</sup> 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.<sup>6</sup> 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.<sup>7</sup> The *Notice* 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 section 63.01 exclusion or have had their blanket operating authority revoked.<sup>8</sup> Finally, the *Notice* 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 *Notice* seeks comment on whether the Commission should prohibit any holder of a Covered Authorization, as defined in 1.80001(a),<sup>9</sup> 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.

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<sup>1</sup> 5 U.S.C. §§ 601 *et seq.*, as amended by the Small Business Regulatory Enforcement and Fairness Act (SBREFA), Pub. L. No. 104-121, 110 Stat. 847 (1996).

<sup>2</sup> *Id.* § 603(a).

<sup>3</sup> *Id.*

<sup>4</sup> 47 U.S.C. § 214.

<sup>5</sup> *Notice* Section III. A.

<sup>6</sup> *Notice* Section III. A.

<sup>7</sup> *Notice* Section III. B.

<sup>8</sup> *Notice* Section IV. C.

<sup>9</sup> See *Foreign Adversary Control Report and Order*, FCC 26-2, at Appx. A (47 CFR §§ 1.80001(a), 1.80002).

**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.<sup>10</sup> The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.”<sup>11</sup> In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act.<sup>12</sup> 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.<sup>13</sup> 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.<sup>14</sup>

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.<sup>15</sup> In general, a small business is an independent business having fewer than 500 employees.<sup>16</sup> These types of small businesses represent 99.9% of all businesses in the United States, which translates to 34.75 million businesses.<sup>17</sup> Next, “small organizations” are not-for-profit enterprises that are independently owned and operated and not dominant in their field.<sup>18</sup> 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.<sup>19</sup> Finally, “small governmental jurisdictions” are defined as cities, counties, towns, townships, villages, school districts, or special districts with populations of less than fifty thousand.<sup>20</sup> 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.

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<sup>10</sup> 5 U.S.C. § 603(b)(3).

<sup>11</sup> *Id.* § 601(6).

<sup>12</sup> *Id.* § 601(3) (incorporating by reference the definition of “small-business concern” in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies “unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register.”

<sup>13</sup> 15 U.S.C. § 632.

<sup>14</sup> 13 CFR § 121.903.

<sup>15</sup> 5 U.S.C. § 601(3)-(6).

<sup>16</sup> See SBA, Office of Advocacy, *Frequently Asked Questions About Small Business* (July 23, 2024), [https://advocacy.sba.gov/wp-content/uploads/2024/12/Frequently-Asked-Questions-About-Small-Business\\_2024-508.pdf](https://advocacy.sba.gov/wp-content/uploads/2024/12/Frequently-Asked-Questions-About-Small-Business_2024-508.pdf).

<sup>17</sup> *Id.*

<sup>18</sup> 5 U.S.C. § 601(4).

<sup>19</sup> See SBA, Office of Advocacy, *Small Business Facts, Spotlight on Nonprofits* (July 2019), <https://advocacy.sba.gov/2019/07/25/small-business-facts-spotlight-on-nonprofits/>.

<sup>20</sup> 5 U.S.C. § 601(5).

6. The rules proposed in the *Notice* will apply to small entities in the industries identified in the chart below by their six-digit North American Industry Classification System (NAICS)<sup>21</sup> codes and corresponding SBA size standard.<sup>22</sup> 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**

<b>Regulated Industry (Footnotes specify potentially affected entities within a regulated industry where applicable)</b>	<b>NAICS Code</b>	<b>SBA Size Standard</b>	<b>Total Firms<sup>23</sup></b>	<b>Total Small Firms<sup>24</sup></b>	<b>% Small Firms</b>
Other Communications Equipment Manufacturing	334290	800 employees	310	294	94.84%
Wired Telecommunications Carriers <sup>25</sup>	517111	1,500 employees	3,403	3,027	88.95%
Wireless Telecommunications Carriers (except Satellite) <sup>26</sup>	517112	1,500 employees	1,184	1,081	91.30%
Telecommunications Resellers <sup>27</sup>	517121	1,500 employees	955	847	88.69%
Satellite Telecommunications	517410	\$44 million	332	195	58.73%
All Other Telecommunications <sup>28</sup>	517810	\$40 million	1,673	1,007	60.19%

<sup>21</sup> The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. See [www.census.gov/NAICS](http://www.census.gov/NAICS) for further details regarding the NAICS codes identified in this chart.

<sup>22</sup> The size standards in this chart are set forth in 13 CFR § 121.201, by six digit NAICS code.

<sup>23</sup> U.S. Census Bureau, “Selected Sectors: Employment Size of Firms for the U.S.: 2022.” Economic Census, ECN Core Statistics Economic Census: Establishment and Firm Size Statistics for the U.S., Table EC2200SIZEEMP FIRM, 2025, and “Selected Sectors: Sales, Value of Shipments, or Revenue Size of Firms for the U.S.: 2022.” Economic Census, ECN Core Statistics Economic Census: Establishment and Firm Size Statistics for the U.S., Table EC2200SIZEREV FIRM, 2025.

<sup>24</sup> *Id.*

<sup>25</sup> Affected Entities in this industry include Competitive Local Exchange Carriers (CLECs), Competitive Local Service Providers, Incumbent Local Exchange Carriers (Incumbent LECs), Interexchange Carriers (IXCs), Local Exchange Carriers (LECs), Other Toll Carriers, and Wired Broadband Internet Access Service Providers.

<sup>26</sup> Affected Entities in this industry include Wireless Carriers and Service Providers, Wireless Communications Services, and Wireless Telephony.

<sup>27</sup> Affected Entities in this industry include Toll Resellers, and Wireless Resellers.

<sup>28</sup> Affected Entities in this industry include Telecommunications Relay Service (TRS) Providers.

**Table 2. Telecommunications Service Provider Data**

2024 Universal Service Monitoring Report Telecommunications Service Provider Data <sup>29</sup> (Data as of December 2023)	SBA Size Standard (1500 Employees)		
	Affected Entity	Total # FCC Form 499A Filers	Small Firms
Competitive Local Exchange Carriers (CLECs) <sup>30</sup>	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) <sup>31</sup>	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 <sup>32</sup>	4,682	4,276	91.33
Wireless Telecommunications Carriers (except Satellite) <sup>33</sup>	585	498	85.13
Wireless Telephony <sup>34</sup>	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.<sup>35</sup>

8. The *Notice* 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

<sup>29</sup> Federal-State Joint Board on Universal Service, Universal Service Monitoring Report at 26, Table 1.12 (2024), <https://docs.fcc.gov/public/attachments/DOC-408848A1.pdf>.

<sup>30</sup> Affected Entities in this industry include all reporting local competitive service providers.

<sup>31</sup> Affected Entities in this industry include all reporting fixed local service providers (CLECs & ILECs).

<sup>32</sup> Local Resellers fall into another U.S. Census Bureau industry (Telecommunications Resellers) and therefore data for these providers is not included in this industry.

<sup>33</sup> Affected Entities in this industry include all reporting wireless carriers and service providers.

<sup>34</sup> Affected Entities in this industry include Cellular/PCS/SMR - Specialized Mobile Radio Licensees and SMR (Dispatch).

<sup>35</sup> 5 U.S.C. § 603(b)(4).

interstate telecommunications services. Specifically, in the *Notice*, 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 section 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 *Notice* 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 *Notice* 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 *Notice* 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 *Notice*.

**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.<sup>36</sup> 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.”<sup>37</sup>

10. In the *Notice*, 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 *Notice* 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.<sup>38</sup> 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 *Notice*, 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.

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<sup>36</sup> 5 U.S.C. § 603(c).

<sup>37</sup> *Id.* § 603(c)(1)-(4).

<sup>38</sup> *Notice* Section III. A.

**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.

**STATEMENT OF  
CHAIRMAN BRENDAN CARR**

Re: *Protecting Against National Security Threats in Domestic Telecommunications Service*, WC Docket No. 26-82, Notice of Proposed Rulemaking (Apr. 30, 2026).

Under multiple presidents and multiple FCC Chairs, the FCC has worked to counter the threats that foreign adversaries pose to our networks. From 2019 to 2023, the FCC denied or revoked the international telecommunications authority of 5 separate entities—all controlled by foreign adversaries—and added these services to the Covered List. These actions followed findings that their services posed unacceptable national security risks.

Nonetheless, many of these entities—and others identified on the FCC’s Covered List—continue to operate or potentially operate in the United States by providing services that do not fall under the legal definition of international telecommunications authority. For years, I have referred to this evasion as an “End Run” around our Covered List rules. The very first action the FCC’s Council on National Security took was to launch an investigation into Covered List entities’ continued operation in the U.S.

Today’s NPRM opens a comment period on a range of different measures we can take to close these loopholes. Starting from the least controversial, we have proposed that Covered List entities no longer be granted blanket authority to provide *domestic* telecommunications services; at the very least they should have to apply to provide such services. We also seek comment on a range of other potential measures the Commission can take to secure our networks from these bad actors, including limiting their interconnection ability.

I would like to especially thank Commissioner Trusty for her continued leadership on national security matters and her great edits to seek comment on potentially limiting Covered List entities’ ability to operate RF device to provide communications services under our unlicensed wireless rules.

For their work on this item, I want to thank Joseph Calascione, Jodie Griffin, Jodie May, Melissa Kirkel, Robert Martin, Doug Klein, and Deborah Broderson.

**STATEMENT OF  
COMMISSIONER OLIVIA TRUSTY**

Re: *Protecting Against National Security Threats in Domestic Telecommunications Service*, WC Docket No. 26-82, Notice of Proposed Rulemaking (Apr. 30, 2026).

The nature and scope of physical and cybersecurity threats facing our communications networks today exceed those of any recent era. In response to these growing hostilities, it is imperative that we reexamine policies that permit access to U.S. networks to ensure that frameworks originally designed to promote economic growth are not exploited in ways that jeopardize our national and economic security.

Striking the right balance requires the Commission to focus its oversight where risks are greatest. This Notice of Proposed Rulemaking advances that objective by exploring how the Commission can build on national security determinations made by our federal partners and incorporate them into a more tailored, risk-based approach to upfront review. I appreciate the Chairman working with me to ensure the Notice considers these issues not only in the case of entry authority for common carriers but also in the case of companies seeking to provide unlicensed wireless service. In doing so, we continue recent efforts to direct heightened regulatory attention to entities with ownership or control ties to foreign adversaries.

At the same time, we recognize the substantial benefits of a regulatory framework that fosters competition and innovation in the U.S. communications marketplace. The record developed in this proceeding will help ensure that we preserve those benefits to the fullest extent possible while taking prudent, targeted steps to safeguard public safety and national security.

I thank the Wireline Competition Bureau for their excellent work on this item.