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Marlene H. Dortch, Esq.  
Secretary  
Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

**Re: *Improving Customer Service and Protecting Consumers through Onshoring, CG Docket Nos. 26-52, 17-59, 02-278, & 22-2***

Dear Ms. Dortch:

Consumer Technology Association® (CTA)<sup>1</sup> values the Federal Communications Commission's (Commission's or FCC's) efforts to spotlight the importance of customer service and the opportunity to comment on this proceeding.<sup>2</sup> CTA and its members share the Commission's goals of serving consumers effectively, efficiently and securely. Unlike the regulatory proposals in the NPRM, which risk raising costs and stifling innovation, market-based competition is the best way to achieve the FCC's goals.

### **CTA Members Compete on Service**

CTA members compete vigorously on the quality of customer experience, and effective customer support is a core component of that competition. Companies invest heavily in training, quality assurance, security (including data and cyber security), accessibility and continuous improvement to resolve issues quickly and to retain customer trust. High-quality service is integral to product and service value, brand reputation and long-term customer relationships.

As the Commission evaluates this proceeding, it should be mindful of this robust competitive landscape and the importance of allowing the free market to operate. CTA

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<sup>1</sup> As North America's largest technology trade association, CTA® is the tech sector. Our members are the world's largest innovators—from startups to global brands—helping support more than 17 million American jobs. CTA owns and produces CES®—the most powerful tech event in the world.

<sup>2</sup> *Improving Customer Service and Protecting Consumers through Onshoring et al.*, Notice of Proposed Rulemaking in CG Docket No. 26-52; Tenth Further Notice of Proposed Rulemaking in CG Docket No. 17-59; Further Notice of Proposed Rulemaking in CG Docket No. 02-278; Third Further Notice of Proposed Rulemaking in CG Docket No. 22-2, FCC 26-16 (rel. Mar. 27, 2026) (NPRM).

urges the Commission to avoid unintended consequences for American businesses through heavy-handed call center rules.

### **Companies Have Strong Incentives to Provide Quality Customer Service**

Companies strive to provide superior customer support. Poor service drives churn, negative reviews, higher acquisition costs, and reputational harm. By contrast, fast, accurate and knowledgeable support increases retention, reduces repeat contacts and generates business. These powerful incentives align provider and consumer interests without the need for prescriptive mandates about where customer service agents are located and burdensome disclosure rules.

Customer support systems meet consumers where they are with their preferred means of contact. Consumers reach companies not only by phone but also via text, in-app messaging, live chat, social media, website portals and artificial intelligence (AI)-assisted tools. These options: (a) allow consumers to choose the channel that best fits their needs and context; (b) reduce wait times and speed resolution; and (c) enhance accessibility for consumers with disabilities or language preferences. As the Commission evaluates these different communication channels,<sup>3</sup> it should make sure that its policies preserve flexibility so providers can continue innovating to deliver faster, more reliable outcomes for their consumers.

### **The FCC's Proposals Would Harm Consumers**

Customer service quality today is driven primarily by system design, backend tools, workforce training and increasingly AI-enabled support systems—not the physical location of individual agents. Modern customer service environments are multi-modal and globally distributed, enabling providers to deliver faster, more consistent, cost-effective and higher-quality outcomes.

The proposals to limit foreign call centers and require front-end disclosure of foreign call center use could frustrate consumers with higher prices and introduce new friction in the customer service process.<sup>4</sup> Studies have shown that it is not the location of a call center that matters, but instead how quickly and adequately the consumer's issue is addressed.<sup>5</sup> Yet rigid rules on call center support locations and disclosures risk diverting resources from improving service delivery to compliance overhead and restructuring—

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<sup>3</sup> See *id.* ¶ 62.

<sup>4</sup> See *id.* ¶¶ 31-35, 38-40.

<sup>5</sup> Richard Feinberg et al., *Consumer Response to Outsourced 1-800 Calls: It's the Solution Not the Country.*, 3 J. OF APPLIED MKTG. THEORY, 52, 59 (Dec. 2012), <https://digitalcommons.georgiasouthern.edu/jamt/vol3/iss2/4> (“[W]hen outsourcing is combined with operation issues we know to be important to customer satisfaction (speed of answer and resolution) outsourcing simply is not a determinant factor in caller satisfaction.”). Without evidence, the NPRM appears to risk treating geography as a proxy for quality, security, or compliance.

costs that do not themselves resolve customer issues faster or better. U.S.-based support resources may also not always be available at sufficient scale or across all hours of operation, particularly for providers offering 24/7 services.

The proposal to limit the percentage of customer service calls that can be handled at call center locations outside of the United States needs scrutiny. Such a requirement would be time-consuming and resource-intensive – resulting in higher costs for companies and the consumers they serve.<sup>6</sup> It would also overlook the benefits that offshoring brings, including increased staffing that supports customer service at more hours of the day and in more languages.

An onshoring rule would require providers and vendors to overhaul systems, renegotiate contracts, and build or retrofit infrastructure. Providers would face the logistical realities of identifying, interviewing, hiring, background screening, training, and placing large numbers of specialized agents. These logistics are further complicated by the potential need to locate new brick-and-mortar facilities and the associated costs that would entail. To accomplish these tasks, onshoring at this scale could take years and potentially deprive customers from interacting with highly accomplished representatives who already are skilled at first-contact resolution. The costs of onshoring will be significant and likely to translate into a reduction in service availability for consumers.

The proposals to require an initial disclosure that an agent is offshore and offer to transfer to a U.S.-based agent upon request could introduce friction at precisely the wrong moment: the beginning of a support interaction.<sup>7</sup> First impressions are critical to customer engagement, and yet forced disclosures of agent location would introduce a new and unnecessary step in the call handling process. Introducing this inefficiency at the start of a customer service interaction would likely frustrate consumers. Such a requirement could also trigger unnecessary transfers that would raise a host of potential issues, ultimately reducing overall system efficiency, including: (a) interrupted troubleshooting; (b) increased handle times and call queues; and (c) risk for context loss during call handoffs. And, any rule compelling disclosure or transfer is likely to result in higher costs due to changes in business practices and personnel. The Commission should reject any disclosure or transfer requirement, taken together or apart, because it could lead to inefficient transfers resulting in worse, less efficient service while raising costs.

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<sup>6</sup> See NPRM ¶¶ 31-35.

<sup>7</sup> See *id.* ¶¶ 38, 41.

## **The Proposed Rules Are Too Broad**

Even if the proposed rules were to apply to FCC-regulated entities – which it should not – the extension of any requirements to non-telecommunications businesses is not justified.<sup>8</sup> For CTA members, foreign call centers are needed to enable expanded service coverage across time zones, access to multilingual support staff and cost-efficient handling of high call volumes. Mandating domestic-only handling would force such companies to dramatically drive-up costs to consumers and would represent a significant departure from the FCC’s authority and purview.

If the Commission adopts any requirements, such rules should be narrowly targeted to avoid stifling innovation and unsettling privately negotiated practices, include a reasonable transition period, and limit red tape. Likewise, any rules should regulate problematic activities and “bad actors, not the tools they use.”<sup>9</sup> While the NPRM expressly disclaims regulating the use of AI,<sup>10</sup> the Commission should be wary of adopting any requirements that could stifle AI innovation by regulating or eliminating its use. The President’s AI Action Plan is clear: “AI is far too important to smother in bureaucracy at this [ ] stage.”<sup>11</sup>

Any potential onshoring requirement should include an exemption for enterprise-level services that are already governed by contractual relationships. There is no justification or need for the Commission to interject its policies into these privately negotiated relationships. Any new rule must also incorporate a reasonable transition plan that accounts for extensive time (years, not months) required by industry to adapt and the costs of doing so. The Commission should strive to minimize any compliance regime, including its proposed reporting requirements.<sup>12</sup> The agency has made great strides in eliminating red tape,<sup>13</sup> and should not take a step backwards by instituting a new complex and onerous reporting scheme.

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<sup>8</sup> See *id.* ¶ 101.

<sup>9</sup> Gary Shapiro, *Gary Shapiro: The War on Platforms is a War on Innovation*, BROADBAND BREAKFAST: EXPERT OPINION (Apr. 16, 2026), <https://broadbandbreakfast.com/gary-shapiro-the-war-on-platforms-is-a-war-on-innovation> (explaining that “our country [is] the best place in the world to build and grow a business” due to our tradition of permission-free innovation).

<sup>10</sup> See NPRM ¶¶ 64 n.77, 67.

<sup>11</sup> *Winning the Race: America’s AI Action Plan*, The White House, at 3 (July 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf>.

<sup>12</sup> See NPRM ¶¶ 46-50.

<sup>13</sup> See, e.g., *Chairman Carr Highlights Wins Delivered in 2025*, FCC (Dec. 23, 2025) <https://www.fcc.gov/chairman-carr-highlights-wins-delivered-2025> (highlighting that the FCC “[e]liminated or proposed elimination of 1,108 rules and regulations, 134,928 words, and 312 pages of the Code of Federal Regulations in 2025.”).

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CTA urges caution on the NPRM's proposed onshoring and related requirements. The proposals have the potential to harm the very consumers they aim to protect by increasing costs, decreasing efficiency and slowing innovation. The Commission should instead allow providers to retain flexibility to continue leveraging global expertise and modern tools to deliver fast and accessible support.

Respectfully submitted,

*/s/ Rachel Nemeth*

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*/s/ J. David Grossman*

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