



# South Carolina

## DEPARTMENT OF CONSUMER AFFAIRS

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**PROTECTING CONSUMERS SINCE 1975**

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November 15, 2021

***Via Electronic Submission***

Federal Communications Commission  
Office of the Secretary  
WC Docket Nos. 21-341  
45 L Street NE  
Washington, DC 20554

**RE: SIM Swapping and Port-Out Fraud  
WC Docket Nos. 21-341**

Dear Secretary Dortch:

The South Carolina Department of Consumer Affairs (“SCDCA”/“Department”) is pleased to offer comments in response to the Federal Communications Commission’s (“FCC”/“Commission”) proposed rule updates regarding SIM Swapping and Port-Out Fraud, two methods used by bad actors to take control of consumers’ cell phone accounts. SCDCA supports the proposed rule updates and offers for the FCC’s consideration the following comments.

SCDCA is the state’s consumer protection agency. Established in 1974, SCDCA is responsible for the administration and enforcement of over 120 state and federal laws. A large part of our authority stems from Title 37 of the South Carolina Code of Laws, the Consumer Protection Code, of which the South Carolina Consumer Identity Theft Protection Act<sup>1</sup> is a part.

The Department’s Identity Theft Unit (“Unit”) was funded in 2012 by the South Carolina General Assembly. The Unit assists victims of identity theft and persons affected by security breaches and provides identity theft-related education and outreach to consumers in South Carolina. The Unit also processes scam reports, as the main goal of a scammer is often to separate consumers from their personal identifying information or financial resources.

<sup>1</sup> S.C. Code Ann. § 37-20-10 *et seq.*, the South Carolina Consumer Identity Theft Protection Act.



### Discussion

SCDCA is aware of how an unauthorized port-out request can cause significant financial harm to consumers. In one instance of port out fraud reported to the Department, the consumer could no longer use her phone to access her financial account. The scammer gained access to her financial account, and withdrew two thousand dollars. Had additional authentication and notification measures been required, this may have been prevented. Therefore, SCDCA supports the proposed rule updates as even one scam of this type could cause substantial financial harm to a consumer.

The Department agrees that by requiring secure methods of authentication and notifications after port requests, the FCC's proposed rule will reduce incidents of fraud and associated losses. Specifically, the Department supports the proposed safeguards regarding port-out fraud in the Local Number Portability rule. We recommend that customers be notified of any port requests via a method of their choosing. Carriers should also offer customers the option to lock port requests, similar to an account freeze, in order to prohibit unauthorized requests.

Similarly, the Department supports adding the four proposed methods of authenticating customers with regard to SIM changes in the Customer Proprietary Network Information (CPNI) Rule. The proposed methods could serve as standard guidelines for carriers while allowing them the flexibility to implement heightened authentication methods.

### Conclusion

The FCC's proposed rule updates offer enhanced consumer protection while posing little risk to the quality of service provided. SCDCA appreciates the opportunity to comment, and we commend the Commission for the work and effort put into this process. SCDCA hopes you find the information we provided beneficial as you decide a path forward for this proposed rule. Should you have any questions pertaining to our comments, please feel free to contact me at 803-734-4200.

Regards,

A handwritten signature in blue ink, appearing to read "Roger Hall".

Roger Hall, Esq.  
*Deputy Consumer Advocate*