

116<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 4998

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## AN ACT

To prohibit certain Federal subsidies from being used to purchase communications equipment or services posing national security risks, to provide for the establishment of a reimbursement program for the replacement of communications equipment or services posing such risks, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Secure and Trusted  
5 Communications Networks Act of 2019”.

6 **SEC. 2. DETERMINATION OF COMMUNICATIONS EQUIP-**  
7 **MENT OR SERVICES POSING NATIONAL SECU-**  
8 **RITY RISKS.**

9        (a) PUBLICATION OF COVERED COMMUNICATIONS  
10 EQUIPMENT OR SERVICES LIST.—Not later than 1 year  
11 after the date of the enactment of this Act, the Commis-  
12 sion shall publish on its website a list of covered commu-  
13 nications equipment or services.

14        (b) PUBLICATION BY COMMISSION.—The Commis-  
15 sion shall place on the list published under subsection (a)  
16 any communications equipment or service, if and only if  
17 such equipment or service—

18            (1) is produced or provided by any entity, if,  
19            based exclusively on the determinations described in  
20            paragraphs (1) through (4) of subsection (c), such  
21            equipment or service produced or provided by such  
22            entity poses an unacceptable risk to the national se-  
23            curity of the United States or the security and safe-  
24            ty of United States persons; and

25            (2) is capable of—

1 (A) routing or redirecting user data traffic  
2 or permitting visibility into any user data or  
3 packets that such equipment or service trans-  
4 mits or otherwise handles;

5 (B) causing the network of a provider of  
6 advanced communications service to be dis-  
7 rupted remotely; or

8 (C) otherwise posing an unacceptable risk  
9 to the national security of the United States or  
10 the security and safety of United States per-  
11 sons.

12 (c) RELIANCE ON CERTAIN DETERMINATIONS.—In  
13 taking action under subsection (b)(1), the Commission  
14 shall place on the list any communications equipment or  
15 service that poses an unacceptable risk to the national se-  
16 curity of the United States or the security and safety of  
17 United States persons based solely on one or more of the  
18 following determinations:

19 (1) A specific determination made by any exec-  
20 utive branch interagency body with appropriate na-  
21 tional security expertise, including the Federal Ac-  
22 quisition Security Council established under section  
23 1322(a) of title 41, United States Code.

24 (2) A specific determination made by the De-  
25 partment of Commerce pursuant to Executive Order

1 No. 13873 (84 Fed. Reg. 22689; relating to secur-  
2 ing the information and communications technology  
3 and services supply chain).

4 (3) The communications equipment or service  
5 being covered telecommunications equipment or serv-  
6 ices, as defined in section 889(f)(3) of the John S.  
7 McCain National Defense Authorization Act for Fis-  
8 cal Year 2019 (Public Law 115–232; 132 Stat.  
9 1918).

10 (4) A specific determination made by an appro-  
11 priate national security agency.

12 (d) UPDATING OF LIST.—

13 (1) IN GENERAL.—The Commission shall peri-  
14 odically update the list published under subsection  
15 (a) to address changes in the determinations de-  
16 scribed in paragraphs (1) through (4) of subsection  
17 (c).

18 (2) MONITORING OF DETERMINATIONS.—The  
19 Commission shall monitor the making or reversing  
20 of the determinations described in paragraphs (1)  
21 through (4) of subsection (c) in order to place addi-  
22 tional communications equipment or services on the  
23 list published under subsection (a) or to remove  
24 communications equipment or services from such  
25 list. If a determination described in any such para-

1 graph that provided the basis for a determination by  
2 the Commission under subsection (b)(1) with respect  
3 to any communications equipment or service is re-  
4 versed, the Commission shall remove such equipment  
5 or service from such list, except that the Commission  
6 may not remove such equipment or service from  
7 such list if any other determination described in any  
8 such paragraph provides a basis for inclusion on  
9 such list by the Commission under subsection (b)(1)  
10 with respect to such equipment or service.

11 (3) PUBLIC NOTIFICATION.—For each 12-  
12 month period during which the list published under  
13 subsection (a) is not updated, the Commission shall  
14 notify the public that no updates were necessary  
15 during such period to protect national security or to  
16 address changes in the determinations described in  
17 paragraphs (1) through (4) of subsection (c).

18 **SEC. 3. PROHIBITION ON USE OF CERTAIN FEDERAL SUB-**  
19 **SIDIES.**

20 (a) IN GENERAL.—

21 (1) PROHIBITION.—A Federal subsidy that is  
22 made available through a program administered by  
23 the Commission and that provides funds to be used  
24 for the capital expenditures necessary for the provi-

1 sion of advanced communications service may not be  
2 used to—

3 (A) purchase, rent, lease, or otherwise ob-  
4 tain any covered communications equipment or  
5 service; or

6 (B) maintain any covered communications  
7 equipment or service previously purchased,  
8 rented, leased, or otherwise obtained.

9 (2) TIMING.—Paragraph (1) shall apply with  
10 respect to any covered communications equipment or  
11 service beginning on the date that is 60 days after  
12 the date on which the Commission places such  
13 equipment or service on the list required by section  
14 2(a). In the case of any covered communications  
15 equipment or service that is on the initial list pub-  
16 lished under such section, such equipment or service  
17 shall be treated as being placed on the list on the  
18 date on which such list is published.

19 (b) COMPLETION OF PROCEEDING.—Not later than  
20 180 days after the date of the enactment of this Act, the  
21 Commission shall adopt a Report and Order to implement  
22 subsection (a). If the Commission has, before the date of  
23 the enactment of this Act, taken action that in whole or  
24 in part implements subsection (a), the Commission is not

1 required to revisit such action, but only to the extent such  
2 action is consistent with this section.

3 **SEC. 4. SECURE AND TRUSTED COMMUNICATIONS NET-**  
4 **WORKS REIMBURSEMENT PROGRAM.**

5 (a) IN GENERAL.—The Commission shall establish a  
6 reimbursement program, to be known as the “Secure and  
7 Trusted Communications Networks Reimbursement Pro-  
8 gram”, to make reimbursements to providers of advanced  
9 communications service to replace covered communica-  
10 tions equipment or services.

11 (b) ELIGIBILITY.—The Commission may not make a  
12 reimbursement under the Program to a provider of ad-  
13 vanced communications service unless the provider—

14 (1) has 2,000,000 or fewer customers; and

15 (2) makes all of the certifications required by  
16 subsection (d)(4).

17 (c) USE OF FUNDS.—

18 (1) IN GENERAL.—A recipient of a reimburse-  
19 ment under the Program shall use reimbursement  
20 funds solely for the purposes of—

21 (A) permanently removing covered commu-  
22 nications equipment or services purchased,  
23 rented, leased, or otherwise obtained before—

24 (i) in the case of any covered commu-  
25 nications equipment or services that are on

1 the initial list published under section 2(a),  
2 August 14, 2018; or

3 (ii) in the case of any covered commu-  
4 nications equipment or services that are  
5 not on the initial list published under sec-  
6 tion 2(a), the date that is 60 days after  
7 the date on which the Commission places  
8 such equipment or services on the list re-  
9 quired by such section;

10 (B) replacing the covered communications  
11 equipment or services removed as described in  
12 subparagraph (A) with communications equip-  
13 ment or services that are not covered commu-  
14 nications equipment or services; and

15 (C) disposing of the covered communica-  
16 tions equipment or services removed as de-  
17 scribed in subparagraph (A) in accordance with  
18 the requirements under subsection (d)(7).

19 (2) LIMITATIONS.—A recipient of a reimburse-  
20 ment under the Program may not—

21 (A) use reimbursement funds to remove,  
22 replace, or dispose of any covered communica-  
23 tions equipment or service purchased, rented,  
24 leased, or otherwise obtained on or after—



1 (i) in the case of any covered commu-  
2 nications equipment or service that is on  
3 the initial list published under section 2(a),  
4 August 14, 2018; or

5 (ii) in the case of any covered commu-  
6 nications equipment or service that is not  
7 on the initial list published under section  
8 2(a), the date that is 60 days after the  
9 date on which the Commission places such  
10 equipment or service on the list required  
11 by such section; or

12 (B) purchase, rent, lease, or otherwise ob-  
13 tain any covered communications equipment or  
14 service, using reimbursement funds or any  
15 other funds (including funds derived from pri-  
16 vate sources).

17 (d) IMPLEMENTATION.—

18 (1) SUGGESTED REPLACEMENTS.—

19 (A) DEVELOPMENT OF LIST.—The Com-  
20 mission shall develop a list of suggested replace-  
21 ments of both physical and virtual communica-  
22 tions equipment, application and management  
23 software, and services or categories of replace-  
24 ments of both physical and virtual communica-

1           tions equipment, application and management  
2           software and services.

3           (B) NEUTRALITY.—The list developed  
4           under subparagraph (A) shall be technology  
5           neutral and may not advantage the use of reim-  
6           bursement funds for capital expenditures over  
7           operational expenditures, to the extent that the  
8           Commission determines that communications  
9           services can serve as an adequate substitute for  
10          the installation of communications equipment.

11         (2) APPLICATION PROCESS.—

12           (A) IN GENERAL.—The Commission shall  
13           develop an application process and related  
14           forms and materials for the Program.

15           (B) COST ESTIMATE.—

16           (i) INITIAL ESTIMATE.—The Commis-  
17           sion shall require an applicant to provide  
18           an initial reimbursement cost estimate at  
19           the time of application, with supporting  
20           materials substantiating the costs.

21           (ii) UPDATES.—During and after the  
22           application review process, the Commission  
23           may require an applicant to—

1 (I) update the initial reimburse-  
2 ment cost estimate submitted under  
3 clause (i); and

4 (II) submit additional supporting  
5 materials substantiating an updated  
6 cost estimate submitted under sub-  
7 clause (I).

8 (C) MITIGATION OF BURDEN.—In devel-  
9 oping the application process under this para-  
10 graph, the Commission shall take reasonable  
11 steps to mitigate the administrative burdens  
12 and costs associated with the application proc-  
13 ess, while taking into account the need to avoid  
14 waste, fraud, and abuse in the Program.

15 (3) APPLICATION REVIEW PROCESS.—

16 (A) DEADLINE.—

17 (i) IN GENERAL.—Except as provided  
18 in clause (ii) and subparagraph (B), the  
19 Commission shall approve or deny an ap-  
20 plication for a reimbursement under the  
21 Program not later than 90 days after the  
22 date of the submission of the application.

23 (ii) ADDITIONAL TIME NEEDED BY  
24 COMMISSION.—If the Commission deter-  
25 mines that, because an excessive number of

1 applications have been filed at one time,  
2 the Commission needs additional time for  
3 employees of the Commission to process  
4 the applications, the Commission may ex-  
5 tend the deadline described in clause (i) for  
6 not more than 45 days.

7 (B) OPPORTUNITY FOR APPLICANT TO  
8 CURE DEFICIENCY.—If the Commission deter-  
9 mines that an application is materially deficient  
10 (including by lacking an adequate cost estimate  
11 or adequate supporting materials), the Commis-  
12 sion shall provide the applicant a 15-day period  
13 to cure the defect before denying the applica-  
14 tion. If such period would extend beyond the  
15 deadline under subparagraph (A) for approving  
16 or denying the application, such deadline shall  
17 be extended through the end of such period.

18 (C) EFFECT OF DENIAL.—Denial of an ap-  
19 plication for a reimbursement under the Pro-  
20 gram shall not preclude the applicant from re-  
21 submitting the application or submitting a new  
22 application for a reimbursement under the Pro-  
23 gram at a later date.

24 (4) CERTIFICATIONS.—An applicant for a reim-  
25 bursement under the Program shall, in the applica-

1       tion of the applicant, certify to the Commission  
2       that—

3               (A) as of the date of the submission of the  
4       application, the applicant—

5               (i) has developed a plan for—

6                       (I) the permanent removal and  
7                       replacement of any covered commu-  
8                       nications equipment or services that  
9                       are in the communications network of  
10                      the applicant as of such date; and

11                     (II) the disposal of the equip-  
12                     ment or services removed as described  
13                     in subclause (I) in accordance with  
14                     the requirements under paragraph  
15                     (7); and

16               (ii) has developed a specific timeline  
17               (subject to paragraph (6)) for the perma-  
18               nent removal, replacement, and disposal of  
19               the covered communications equipment or  
20               services identified under clause (i), which  
21               timeline shall be submitted to the Commis-  
22               sion as part of the application; and

23               (B) beginning on the date of the approval  
24       of the application, the applicant—

1 (i) will not purchase, rent, lease, or  
2 otherwise obtain covered communications  
3 equipment or services, using reimburse-  
4 ment funds or any other funds (including  
5 funds derived from private sources); and

6 (ii) in developing and tailoring the  
7 risk management practices of the appli-  
8 cant, will consult and consider the stand-  
9 ards, guidelines, and best practices set  
10 forth in the cybersecurity framework devel-  
11 oped by the National Institute of Stand-  
12 ards and Technology.

13 (5) DISTRIBUTION OF REIMBURSEMENT  
14 FUNDS.—

15 (A) IN GENERAL.—The Commission shall  
16 make reasonable efforts to ensure that reim-  
17 bursement funds are distributed equitably  
18 among all applicants for reimbursements under  
19 the Program according to the needs of the ap-  
20 plicants, as identified by the applications of the  
21 applicants.

22 (B) NOTIFICATION.—If, at any time dur-  
23 ing the implementation of the Program, the  
24 Commission determines that \$1,000,000,000  
25 will not be sufficient to fully fund all approved

1 applications for reimbursements under the Pro-  
2 gram, the Commission shall immediately no-  
3 tify—

4 (i) the Committee on Energy and  
5 Commerce and the Committee on Appro-  
6 priations of the House of Representatives;  
7 and

8 (ii) the Committee on Commerce,  
9 Science, and Transportation and the Com-  
10 mittee on Appropriations of the Senate.

11 (6) REMOVAL, REPLACEMENT, AND DISPOSAL  
12 TERM.—

13 (A) DEADLINE.—Except as provided in  
14 subparagraphs (B) and (C), the permanent re-  
15 moval, replacement, and disposal of any covered  
16 communications equipment or services identified  
17 under paragraph (4)(A)(i) shall be completed  
18 not later than 1 year after the date on which  
19 the Commission distributes reimbursement  
20 funds to the recipient.

21 (B) GENERAL EXTENSION.—The Commis-  
22 sion may grant an extension of the deadline de-  
23 scribed in subparagraph (A) for 6 months to all  
24 recipients of reimbursements under the Pro-  
25 gram if the Commission—

1 (i) finds that the supply of replace-  
2 ment communications equipment or serv-  
3 ices needed by the recipients to achieve the  
4 purposes of the Program is inadequate to  
5 meet the needs of the recipients; and

6 (ii) provides notice and a detailed jus-  
7 tification for granting the extension to—

8 (I) the Committee on Energy and  
9 Commerce of the House of Represent-  
10 atives; and

11 (II) the Committee on Com-  
12 merce, Science, and Transportation of  
13 the Senate.

14 (C) INDIVIDUAL EXTENSION.—

15 (i) PETITION.—A recipient of a reim-  
16 bursement under the Program may peti-  
17 tion the Commission for an extension for  
18 such recipient of the deadline described in  
19 subparagraph (A) or, if the Commission  
20 has granted an extension of such deadline  
21 under subparagraph (B), such deadline as  
22 so extended.

23 (ii) GRANT.—The Commission may  
24 grant a petition filed under clause (i) by  
25 extending, for the recipient that filed the



1           petition, the deadline described in subpara-  
2           graph (A) or, if the Commission has grant-  
3           ed an extension of such deadline under  
4           subparagraph (B), such deadline as so ex-  
5           tended, for a period of not more than 6  
6           months if the Commission finds that, due  
7           to no fault of such recipient, such recipient  
8           is unable to complete the permanent re-  
9           moval, replacement, and disposal described  
10          in subparagraph (A).

11           (7) DISPOSAL OF COVERED COMMUNICATIONS  
12          EQUIPMENT OR SERVICES.—The Commission shall  
13          include in the regulations promulgated under sub-  
14          section (g) requirements for the disposal by a recipi-  
15          ent of a reimbursement under the Program of cov-  
16          ered communications equipment or services identi-  
17          fied under paragraph (4)(A)(i) and removed from  
18          the network of the recipient in order to prevent such  
19          equipment or services from being used in the net-  
20          works of providers of advanced communications serv-  
21          ice.

22           (8) STATUS UPDATES.—

23           (A) IN GENERAL.—Not less frequently  
24           than once every 90 days beginning on the date  
25           on which the Commission approves an applica-

1           tion for a reimbursement under the Program,  
2           the recipient of the reimbursement shall submit  
3           to the Commission a status update on the work  
4           of the recipient to permanently remove, replace,  
5           and dispose of the covered communications  
6           equipment or services identified under para-  
7           graph (4)(A)(i).

8           (B) PUBLIC POSTING.—Not earlier than  
9           30 days after the date on which the Commis-  
10          sion receives a status update under subpara-  
11          graph (A), the Commission shall make such sta-  
12          tus update public on the website of the Com-  
13          mission.

14          (C) REPORTS TO CONGRESS.—Not less fre-  
15          quently than once every 180 days beginning on  
16          the date on which the Commission first makes  
17          funds available to a recipient of a reimburse-  
18          ment under the Program, the Commission shall  
19          prepare and submit to the Committee on En-  
20          ergy and Commerce of the House of Represent-  
21          atives and the Committee on Commerce,  
22          Science, and Transportation of the Senate a re-  
23          port on—

24                           (i) the implementation of the Program  
25                           by the Commission; and

1                   (ii) the work by recipients of reim-  
2                   bursements under the Program to perma-  
3                   nently remove, replace, and dispose of cov-  
4                   ered communications equipment or services  
5                   identified under paragraph (4)(A)(i).

6           (e) MEASURES TO AVOID WASTE, FRAUD, AND  
7 ABUSE.—

8           (1) IN GENERAL.—The Commission shall take  
9           all necessary steps to avoid waste, fraud, and abuse  
10           with respect to the Program.

11           (2) SPENDING REPORTS.—The Commission  
12           shall require recipients of reimbursements under the  
13           Program to submit to the Commission on a regular  
14           basis reports regarding how reimbursement funds  
15           have been spent, including detailed accounting of the  
16           covered communications equipment or services per-  
17           manently removed and disposed of, and the replace-  
18           ment equipment or services purchased, rented,  
19           leased, or otherwise obtained, using reimbursement  
20           funds.

21           (3) AUDITS, REVIEWS, AND FIELD INVESTIGA-  
22           TIONS.—The Commission shall conduct—

23                   (A) regular audits and reviews of reim-  
24                   bursements under the Program to confirm that

1 recipients of such reimbursements are com-  
2 plying with this Act; and

3 (B) random field investigations to ensure  
4 that recipients of reimbursements under the  
5 Program are performing the work such recipi-  
6 ents are required to perform under the commit-  
7 ments made in the applications of such recipi-  
8 ents for reimbursements under the Program, in-  
9 cluding the permanent removal, replacement,  
10 and disposal of the covered communications  
11 equipment or services identified under sub-  
12 section (d)(4)(A)(i).

13 (4) FINAL CERTIFICATION.—

14 (A) IN GENERAL.—The Commission shall  
15 require a recipient of a reimbursement under  
16 the Program to submit to the Commission, in  
17 a form and at an appropriate time to be deter-  
18 mined by the Commission, a certification stat-  
19 ing that the recipient—

20 (i) has fully complied with (or is in  
21 the process of complying with) all terms  
22 and conditions of the Program;

23 (ii) has fully complied with (or is in  
24 the process of complying with) the commit-

1                   ments made in the application of the re-  
2                   cipient for the reimbursement;

3                   (iii) has permanently removed from  
4                   the communications network of the recipi-  
5                   ent, replaced, and disposed of (or is in the  
6                   process of permanently removing, replac-  
7                   ing, and disposing of) all covered commu-  
8                   nications equipment or services that were  
9                   in the network of the recipient as of the  
10                  date of the submission of the application of  
11                  the recipient for the reimbursement; and

12                  (iv) has fully complied with (or is in  
13                  the process of complying with) the timeline  
14                  submitted by the recipient under subpara-  
15                  graph (A)(ii) of paragraph (4) of sub-  
16                  section (d) and the other requirements of  
17                  such paragraph.

18                  (B) UPDATED CERTIFICATION.—If, at the  
19                  time when a recipient of a reimbursement under  
20                  the Program submits a certification under sub-  
21                  paragraph (A), the recipient has not fully com-  
22                  plied as described in clause (i), (ii), or (iv) of  
23                  such subparagraph or has not completed the  
24                  permanent removal, replacement, and disposal  
25                  described in clause (iii) of such subparagraph,

1 the Commission shall require the recipient to  
2 file an updated certification when the recipient  
3 has fully complied as described in such clause  
4 (i), (ii), or (iv) or completed such permanent re-  
5 moval, replacement, and disposal.

6 (f) EFFECT OF REMOVAL OF EQUIPMENT OR SERV-  
7 ICE FROM LIST.—

8 (1) IN GENERAL.—If, after the date on which  
9 a recipient of a reimbursement under the Program  
10 submits the application for the reimbursement, any  
11 covered communications equipment or service that is  
12 in the network of the recipient as of such date is re-  
13 moved from the list published under section 2(a),  
14 the recipient may—

15 (A) return to the Commission any reim-  
16 bursement funds received for the removal, re-  
17 placement, and disposal of such equipment or  
18 service and be released from any requirement  
19 under this section to remove, replace, or dispose  
20 of such equipment or service; or

21 (B) retain any reimbursement funds re-  
22 ceived for the removal, replacement, and dis-  
23 posal of such equipment or service and remain  
24 subject to the requirements of this section to  
25 remove, replace, and dispose of such equipment

1 or service as if such equipment or service con-  
2 tinued to be on the list published under section  
3 2(a).

4 (2) ASSURANCES.—In the case of an assurance  
5 relating to the removal, replacement, or disposal of  
6 any equipment or service with respect to which the  
7 recipient returns to the Commission reimbursement  
8 funds under paragraph (1)(A), such assurance may  
9 be satisfied by making an assurance that such funds  
10 have been returned.

11 (g) RULEMAKING.—

12 (1) COMMENCEMENT.—Not later than 90 days  
13 after the date of the enactment of this Act, the  
14 Commission shall commence a rulemaking to imple-  
15 ment this section.

16 (2) COMPLETION.—The Commission shall com-  
17 plete the rulemaking under paragraph (1) not later  
18 than 1 year after the date of the enactment of this  
19 Act.

20 (h) RULE OF CONSTRUCTION REGARDING TIMING OF  
21 REIMBURSEMENT.—Nothing in this section shall be con-  
22 strued to prohibit the Commission from making a reim-  
23 bursement under the Program to a provider of advanced  
24 communications service before the provider incurs the cost  
25 of the permanent removal, replacement, and disposal of

1 the covered communications equipment or service for  
2 which the application of the provider has been approved  
3 under this section.

4 (i) EDUCATION EFFORTS.—The Commission shall  
5 engage in education efforts with providers of advanced  
6 communications service to—

7 (1) encourage such providers to participate in  
8 the Program; and

9 (2) assist such providers in submitting applica-  
10 tions for the Program.

11 (j) SEPARATE FROM FEDERAL UNIVERSAL SERVICE  
12 PROGRAMS.—The Program shall be separate from any  
13 Federal universal service program established under sec-  
14 tion 254 of the Communications Act of 1934 (47 U.S.C.  
15 254).

16 **SEC. 5. REPORTS ON COVERED COMMUNICATIONS EQUIP-**  
17 **MENT OR SERVICES.**

18 (a) IN GENERAL.—Each provider of advanced com-  
19 munications service shall submit an annual report to the  
20 Commission, in a form to be determined by the Commis-  
21 sion, regarding whether such provider has purchased,  
22 rented, leased, or otherwise obtained any covered commu-  
23 nications equipment or service on or after—



1           (1) in the case of any covered communications  
2           equipment or service that is on the initial list pub-  
3           lished under section 2(a), August 14, 2018; or

4           (2) in the case of any covered communications  
5           equipment or service that is not on the initial list  
6           published under section 2(a), the date that is 60  
7           days after the date on which the Commission places  
8           such equipment or service on the list required by  
9           such section.

10          (b) RULE OF CONSTRUCTION.—If a provider of ad-  
11          vanced communications service certifies to the Commis-  
12          sion that such provider does not have any covered commu-  
13          nications equipment or service in the network of such pro-  
14          vider, such provider is not required to submit a report  
15          under subsection (a) after making such certification, un-  
16          less such provider later purchases, rents, leases, or other-  
17          wise obtains any covered communications equipment or  
18          service.

19          (c) JUSTIFICATION.—If a provider of advanced com-  
20          munications service indicates in a report under subsection  
21          (a) that such provider has purchased, rented, leased, or  
22          otherwise obtained any covered communications equip-  
23          ment or service as described in such subsection, such pro-  
24          vider shall include in such report—

25                 (1) a detailed justification for such action;

1           (2) information about whether such covered  
2           communications equipment or service has subse-  
3           quently been removed and replaced pursuant to sec-  
4           tion 4; and

5           (3) information about whether such provider  
6           plans to continue to purchase, rent, lease, or other-  
7           wise obtain, or install or use, such covered commu-  
8           nications equipment or service and, if so, why.

9           (d) PROCEEDING.—The Commission shall implement  
10          this section as part of the rulemaking required by section  
11          4(g).

12          **SEC. 6. HOLD HARMLESS.**

13          In the case of a person who is a winner of the Con-  
14          nect America Fund Phase II auction, has not yet been  
15          authorized to receive Connect America Fund Phase II sup-  
16          port, and demonstrates an inability to reasonably meet the  
17          build-out and service obligations of such person under  
18          Connect America Fund Phase II without using equipment  
19          or services prohibited under this Act, such person may  
20          withdraw the application of such person for Connect  
21          America Fund Phase II support without being found in  
22          default or subject to forfeiture. The Commission may set  
23          a deadline to make such a withdrawal that is not earlier  
24          than the date that is 60 days after the date of the enact-  
25          ment of this Act.

1 **SEC. 7. ENFORCEMENT.**

2 (a) VIOLATIONS.—A violation of this Act or a regula-  
3 tion promulgated under this Act shall be treated as a vio-  
4 lation of the Communications Act of 1934 (47 U.S.C. 151  
5 et seq.) or a regulation promulgated under such Act, re-  
6 spectively. The Commission shall enforce this Act and the  
7 regulations promulgated under this Act in the same man-  
8 ner, by the same means, and with the same jurisdiction,  
9 powers, and duties as though all applicable terms and pro-  
10 visions of the Communications Act of 1934 were incor-  
11 porated into and made a part of this Act.

12 (b) ADDITIONAL PENALTIES.—

13 (1) IN GENERAL.—Except as provided in para-  
14 graph (2), in addition to penalties under the Com-  
15 munications Act of 1934, a recipient of a reimburse-  
16 ment under the Program found to have violated sec-  
17 tion 4, the regulations promulgated under such sec-  
18 tion, or the commitments made by the recipient in  
19 the application for the reimbursement—

20 (A) shall repay to the Commission all reim-  
21 bursement funds provided to the recipient  
22 under the Program;

23 (B) shall be barred from further participa-  
24 tion in the Program;

25 (C) shall be referred to all appropriate law  
26 enforcement agencies or officials for further ac-

1           tion under applicable criminal and civil laws;  
2           and

3           (D) may be barred by the Commission  
4           from participation in other programs of the  
5           Commission, including the Federal universal  
6           service support programs established under sec-  
7           tion 254 of the Communications Act of 1934  
8           (47 U.S.C. 254).

9           (2) NOTICE AND OPPORTUNITY TO CURE.—The  
10          penalties described in paragraph (1) shall not apply  
11          to a recipient of a reimbursement under the Pro-  
12          gram unless—

13                 (A) the Commission provides the recipient  
14                 with notice of the violation; and

15                 (B) the recipient fails to cure the violation  
16                 within 180 days after the Commission provides  
17                 such notice.

18          (c) RECOVERY OF FUNDS.—The Commission shall  
19          immediately take action to recover all reimbursement  
20          funds awarded to a recipient of a reimbursement under  
21          the Program in any case in which such recipient is re-  
22          quired to repay reimbursement funds under subsection  
23          (b)(1)(A).

1 **SEC. 8. NTIA PROGRAM FOR PREVENTING FUTURE**  
2 **VULNERABILITIES.**

3 (a) **FUTURE VULNERABILITY PROGRAM.**—

4 (1) **ESTABLISHMENT.**—Not later than 120 days  
5 after the date of the enactment of this Act, including  
6 an opportunity for notice and comment, the Assist-  
7 ant Secretary, in cooperation with the Director of  
8 National Intelligence, the Director of the Federal  
9 Bureau of Investigation, the Secretary of Homeland  
10 Security, and the Commission, shall establish a pro-  
11 gram to share information regarding supply chain  
12 security risks with trusted providers of advanced  
13 communications service and trusted suppliers of  
14 communications equipment or services.

15 (2) **ACTIVITIES.**—In carrying out the program  
16 established under paragraph (1), the Assistant Sec-  
17 retary shall—

18 (A) conduct regular briefings and other  
19 events to share information with trusted pro-  
20 viders of advanced communications service and  
21 trusted suppliers of communications equipment  
22 or services;

23 (B) engage with trusted providers of ad-  
24 vanced communications service and trusted sup-  
25 pliers of communications equipment or services,

1 in particular such providers and suppliers  
2 that—

3 (i) are small businesses; or

4 (ii) primarily serve rural areas;

5 (C) not later than 180 days after the date  
6 of the enactment of this Act, submit to the  
7 Committee on Energy and Commerce of the  
8 House of Representatives and the Committee  
9 on Commerce, Science, and Transportation of  
10 the Senate a plan for—

11 (i) declassifying material, when fea-  
12 sible, to help share information regarding  
13 supply chain security risks with trusted  
14 providers of advanced communications  
15 service and trusted suppliers of commu-  
16 nications equipment or services; and

17 (ii) expediting and expanding the pro-  
18 vision of security clearances to facilitate in-  
19 formation sharing regarding supply chain  
20 security risks with trusted providers of ad-  
21 vanced communications service and trusted  
22 suppliers of communications equipment or  
23 services; and

24 (D) ensure that the activities carried out  
25 through the program are consistent with and,

1 to the extent practicable, integrated with, ongoing  
2 activities of the Department of Homeland  
3 Security and the Department of Commerce.

4 (3) SCOPE OF PROGRAM.—The program established  
5 under paragraph (1) shall involve only the  
6 sharing of information regarding supply chain security  
7 risks by the Federal Government to trusted providers  
8 of advanced communications service and  
9 trusted suppliers of communications equipment or  
10 services, and not the sharing of such information by  
11 such providers and suppliers to the Federal Government.  
12

13 (b) REPRESENTATION ON CSRIC OF INTERESTS OF  
14 PUBLIC AND CONSUMERS.—

15 (1) IN GENERAL.—The Commission shall appoint  
16 to the Communications Security, Reliability,  
17 and Interoperability Council (or any successor thereof),  
18 and to each subcommittee, workgroup, or other  
19 subdivision of the Council (or any such successor),  
20 at least one member to represent the interests of the  
21 public and consumers.

22 (2) INITIAL APPOINTMENTS.—The Commission  
23 shall make the initial appointments required by  
24 paragraph (1) not later than 180 days after the date  
25 of the enactment of this Act. Any member so ap-

1 pointed shall be in addition to the members of the  
2 Council, or the members of the subdivision of the  
3 Council to which the appointment is being made, as  
4 the case may be, as of the date of the enactment of  
5 this Act.

6 (c) DEFINITIONS.—In this section:

7 (1) ASSISTANT SECRETARY.—The term “Assist-  
8 ant Secretary” means the Assistant Secretary of  
9 Commerce for Communications and Information.

10 (2) FOREIGN ADVERSARY.—The term “foreign  
11 adversary” means any foreign government or foreign  
12 nongovernment person engaged in a long-term pat-  
13 tern or serious instances of conduct significantly ad-  
14 verse to the national security of the United States  
15 or security and safety of United States persons.

16 (3) SUPPLY CHAIN SECURITY RISK.—The term  
17 “supply chain security risk” includes specific risk  
18 and vulnerability information related to equipment  
19 and software.

20 (4) TRUSTED.—The term “trusted” means,  
21 with respect to a provider of advanced communica-  
22 tions service or a supplier of communications equip-  
23 ment or service, that the Assistant Secretary has de-  
24 termined that such provider or supplier is not owned



1 by, controlled by, or subject to the influence of a for-  
2 eign adversary.

3 **SEC. 9. DEFINITIONS.**

4 In this Act:

5 (1) **ADVANCED COMMUNICATIONS SERVICE.**—

6 The term “advanced communications service” has  
7 the meaning given the term “advanced telecommuni-  
8 cations capability” in section 706 of the Tele-  
9 communications Act of 1996 (47 U.S.C. 1302).

10 (2) **APPROPRIATE NATIONAL SECURITY AGEN-**  
11 **CY.**—The term “appropriate national security agen-  
12 cy” means—

13 (A) the Department of Homeland Security;

14 (B) the Department of Defense;

15 (C) the Office of the Director of National  
16 Intelligence;

17 (D) the National Security Agency; and

18 (E) the Federal Bureau of Investigation.

19 (3) **COMMISSION.**—The term “Commission”  
20 means the Federal Communications Commission.

21 (4) **COMMUNICATIONS EQUIPMENT OR SERV-**  
22 **ICE.**—The term “communications equipment or serv-  
23 ice” means any equipment or service that is essential  
24 to the provision of advanced communications service.

1           (5) COVERED COMMUNICATIONS EQUIPMENT OR  
2 SERVICE.—The term “covered communications  
3 equipment or service” means any communications  
4 equipment or service that is on the list published by  
5 the Commission under section 2(a).

6           (6) CUSTOMERS.—The term “customers”  
7 means, with respect to a provider of advanced com-  
8 munications service—

9                   (A) the customers of such provider; and

10                   (B) the customers of any affiliate (as de-  
11 fined in section 3 of the Communications Act of  
12 1934 (47 U.S.C. 153)) of such provider.

13           (7) EXECUTIVE BRANCH INTERAGENCY  
14 BODY.—The term “executive branch interagency  
15 body” means an interagency body established in the  
16 executive branch.

17           (8) PERSON.—The term “person” means an in-  
18 dividual or entity.

19           (9) PROGRAM.—The term “Program” means  
20 the Secure and Trusted Communications Networks  
21 Reimbursement Program established under section  
22 4(a).

23           (10) PROVIDER OF ADVANCED COMMUNICA-  
24 TIONS SERVICE.—The term “provider of advanced  
25 communications service” means a person who pro-

1       vides advanced communications service to United  
2       States customers.

3           (11) RECIPIENT.—The term “recipient” means  
4       any provider of advanced communications service the  
5       application of which for a reimbursement under the  
6       Program has been approved by the Commission, re-  
7       gardless of whether the provider has received reim-  
8       bursement funds.

9           (12) REIMBURSEMENT FUNDS.—The term “re-  
10       imbursement funds” means any reimbursement re-  
11       ceived under the Program.

12 **SEC. 10. SEVERABILITY.**

13       If any provision of this Act, or the application of such  
14       a provision to any person or circumstance, is held to be  
15       unconstitutional, the remaining provisions of this Act, and  
16       the application of such provisions to any person or cir-  
17       cumstance, shall not be affected thereby.

18 **SEC. 11. DETERMINATION OF BUDGETARY EFFECTS.**

19       The budgetary effects of this Act, for the purpose of  
20       complying with the Statutory Pay-As-You-Go Act of 2010,  
21       shall be determined by reference to the latest statement  
22       titled “Budgetary Effects of PAYGO Legislation” for this  
23       Act, submitted for printing in the Congressional Record  
24       by the Chairman of the House Budget Committee, pro-

- 1 vided that such statement has been submitted prior to the
- 2 vote on passage.

Passed the House of Representatives December 16,  
2019.

Attest:

*Clerk.*



116<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

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**H. R. 4998**

**AN ACT**

To prohibit certain Federal subsidies from being used to purchase communications equipment or services posing national security risks, to provide for the establishment of a reimbursement program for the replacement of communications equipment or services posing such risks, and for other purposes.