

Rep. Leonard Lance
Opening Statement
Telecommunications, Global Competitiveness and National Security

Thank you, Chairman Blackburn and welcome to our distinguished panel.

This is a particularly timely hearing on a very important topic. The security of our next generation networks is an issue that has come to the forefront recently. Earlier this year a leaked memo from the White House recommended we nationalize our 5G networks for national security reasons. While an extremely misguided and unrealistic approach, it *is* important we secure our networks. Just last month the FCC voted unanimously to move a proposal forward to ban federal funds from being used to purchase telecommunications equipment from companies deemed a security threat, such as Chinese manufacturers Huawei (wah-way) and ZTE. I commend Chairman Pai and the rest of the Commission for taking this important step.

ZTE has been deemed as a security threat by our intelligence agencies and has been punished by the Departments of Treasury and Commerce for doing business in Iran and North Korea. Just yesterday, the nominee to head the National Counterintelligence and Security Center testified that Chinese Intelligence uses Chinese firms such as ZTE as a resource and he would never use a ZTE phone.

I am concerned about the national security implications of lessening the punishments against ZTE in a trade deal with China. National security and the security of our networks is the primary concern here and the Administration must consider that above all else in their dealings with China.

I look forward to discussing this and other important issues surrounding the security of our telecommunications networks and the global supply chain with you today.