Suspending the Rules And Pass the Bill, H.R. 4998, with Amendments

(The amendments strike all after the enacting clause and insert a new text and a new title)

116TH CONGRESS
1ST SESSION

H. R. 4998

To prohibit certain Federal loans, grants, and 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.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 8, 2019

Mr. PALLONE (for himself, Mr. WALDEN, Ms. MATSUI, and Mr. GUTHRIE) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To prohibit certain Federal loans, grants, and 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 Representatives of the United States of America in Congress assembled,
SECTION 1. SHORT TITLE.

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

SEC. 2. DETERMINATION OF COMMUNICATIONS EQUIPMENT OR SERVICES POSING NATIONAL SECURITY RISKS.

(a) PUBLICATION OF COVERED COMMUNICATIONS EQUIPMENT OR SERVICES LIST.—Not later than 1 year after the date of the enactment of this Act, the Commission shall publish on its website a list of covered communications equipment or services.

(b) PUBLICATION BY COMMISSION.—The Commission shall place on the list published under subsection (a) any communications equipment or service, if and only if such equipment or service—

(1) is produced or provided by any entity, if, based exclusively on the determinations described in paragraphs (1) through (4) of subsection (c), such equipment or service produced or provided by such entity poses an unacceptable risk to the national security of the United States or the security and safety of United States persons; and

(2) is capable of—

(A) routing or redirecting user data traffic or permitting visibility into any user data or
packets that such equipment or service trans-

mits or otherwise handles;

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

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

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

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

(2) A specific determination made by the De-
partment of Commerce pursuant to Executive Order
13873 (84 Fed. Reg. 22689; 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 (Public Law 115–232; 132 Stat. 1918).

(4) A specific determination made by an appropriate national security agency.

(d) UPDATING OF LIST.—

(1) IN GENERAL.—The Commission shall periodically update the list published under subsection (a) to address changes in the determinations described in paragraphs (1) through (4) of subsection (e).

(2) MONITORING OF DETERMINATIONS.—The Commission shall monitor the making or reversing of the determinations described in paragraphs (1) through (4) of subsection (e) in order to place additional communications equipment or services on the list published under subsection (a) or to remove communications equipment or services from such list. If a determination described in any such paragraph that provided the basis for a determination by
the Commission under subsection (b)(1) with respect
to any communications equipment or service is re-
versed, the Commission shall remove such equipment
or service from such list, except that the Commission
may not remove such equipment or service from
such list if any other determination described in any
such paragraph provides a basis for inclusion on
such list by the Commission under subsection (b)(1)
with respect to such equipment or service.

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

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

(a) In General.—

(1) Prohibition.—A Federal subsidy that is
made available through a program administered by
the Commission and that provides funds to be used
for the capital expenditures necessary for the provi-
sion of advanced communications service may not be
used to—
(A) purchase, rent, lease, or otherwise obtain any covered communications equipment or service; or

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

(2) TIMING.—Paragraph (1) shall apply with respect to any covered communications equipment or service beginning on the date that is 60 days after the date on which the Commission places such equipment or service on the list required by section 2(a). In the case of any covered communications equipment or service that is on the initial list published under such section, such equipment or service shall be treated as being placed on the list on the date on which such list is published.

(b) COMPLETION OF PROCEEDING.—Not later than 180 days after the date of the enactment of this Act, the Commission shall adopt a Report and Order to implement subsection (a). If the Commission has, before the date of the enactment of this Act, taken action that in whole or in part implements subsection (a), the Commission is not required to revisit such action, but only to the extent such action is consistent with this section.
SEC. 4. SECURE AND TRUSTED COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM.

(a) IN GENERAL.—The Commission shall establish a reimbursement program, to be known as the “Secure and Trusted Communications Networks Reimbursement Program”, to make reimbursements to providers of advanced communications service to replace covered communications equipment or services.

(b) ELIGIBILITY.—The Commission may not make a reimbursement under the Program to a provider of advanced communications service unless the provider—

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

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

(c) USE OF FUNDS.—

(1) IN GENERAL.—A recipient of a reimbursement under the Program shall use reimbursement funds solely for the purposes of—

(A) permanently removing covered communications equipment or services purchased, rented, leased, or otherwise obtained before—

(i) in the case of any covered communications equipment or services that are on the initial list published under section 2(a), August 14, 2018; or
(ii) in the case of any covered communications equipment or services that are not on the initial list published under section 2(a), the date that is 60 days after the date on which the Commission places such equipment or services on the list required by such section;

(B) replacing the covered communications equipment or services removed as described in subparagraph (A) with communications equipment or services that are not covered communications equipment or services; and

(C) disposing of the covered communications equipment or services removed as described in subparagraph (A) in accordance with the requirements under subsection (d)(7).

(2) LIMITATIONS.—A recipient of a reimbursement under the Program may not—

(A) use reimbursement funds to remove, replace, or dispose of any covered communications equipment or service purchased, rented, leased, or otherwise obtained on or after—

(i) in the case of any covered communications equipment or service that is on
the initial list published under section 2(a),
August 14, 2018; or

(ii) in the case of any covered communications equipment or service that is not
on the initial list published under section 2(a), the date that is 60 days after the
date on which the Commission places such
equipment or service on the list required
by such section; or

(B) purchase, rent, lease, or otherwise obtain any covered communications equipment or
service, using reimbursement funds or any other funds (including funds derived from private sources).

(d) IMPLEMENTATION.—

(1) SUGGESTED REPLACEMENTS.—

(A) DEVELOPMENT OF LIST.—The Commission shall develop a list of suggested replacements of both physical and virtual communications equipment, application and management software, and services or categories of replacements of both physical and virtual communications equipment, application and management software and services.
(B) NEUTRALITY.—The list developed under subparagraph (A) shall be technology neutral and may not advantage the use of reimbursement funds for capital expenditures over operational expenditures, to the extent that the Commission determines that communications services can serve as an adequate substitute for the installation of communications equipment.

(2) APPLICATION PROCESS.—

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

(B) COST ESTIMATE.—

(i) INITIAL ESTIMATE.—The Commission shall require an applicant to provide an initial reimbursement cost estimate at the time of application, with supporting materials substantiating the costs.

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

(I) update the initial reimbursement cost estimate submitted under clause (i); and
(II) submit additional supporting materials substantiating an updated cost estimate submitted under subclause (I).

(C) MITIGATION OF BURDEN.—In developing the application process under this paragraph, the Commission shall take reasonable steps to mitigate the administrative burdens and costs associated with the application process, while taking into account the need to avoid waste, fraud, and abuse in the Program.

(3) APPLICATION REVIEW PROCESS.—

(A) DEADLINE.—

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

(ii) ADDITIONAL TIME NEEDED BY COMMISSION.—If the Commission determines that, because an excessive number of applications have been filed at one time, the Commission needs additional time for employees of the Commission to process
the applications, the Commission may extend the deadline described in clause (i) for not more than 45 days.

(B) OPPORTUNITY FOR APPLICANT TO CURE DEFICIENCY.—If the Commission determines that an application is materially deficient (including by lacking an adequate cost estimate or adequate supporting materials), the Commission shall provide the applicant a 15-day period to cure the defect before denying the application. If such period would extend beyond the deadline under subparagraph (A) for approving or denying the application, such deadline shall be extended through the end of such period.

(C) EFFECT OF DENIAL.—Denial of an application for a reimbursement under the Program shall not preclude the applicant from re-submitting the application or submitting a new application for a reimbursement under the Program at a later date.

(4) CERTIFICATIONS.—An applicant for a reimbursement under the Program shall, in the application of the applicant, certify to the Commission that—
(A) as of the date of the submission of the application, the applicant—

(i) has developed a plan for—

(I) the permanent removal and replacement of any covered communications equipment or services that are in the communications network of the applicant as of such date; and

(II) the disposal of the equipment or services removed as described in subclause (I) in accordance with the requirements under paragraph (7); and

(ii) has developed a specific timeline (subject to paragraph (6)) for the permanent removal, replacement, and disposal of the covered communications equipment or services identified under clause (i), which timeline shall be submitted to the Commission as part of the application; and

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

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

(ii) in developing and tailoring the risk management practices of the applicant, will consult and consider the standards, guidelines, and best practices set forth in the cybersecurity framework developed by the National Institute of Standards and Technology.

(5) DISTRIBUTION OF REIMBURSEMENT FUNDS.—

(A) IN GENERAL.—The Commission shall make reasonable efforts to ensure that reimbursement funds are distributed equitably among all applicants for reimbursements under the Program according to the needs of the applicants, as identified by the applications of the applicants.

(B) NOTIFICATION.—If, at any time during the implementation of the Program, the Commission determines that $1,000,000,000 will not be sufficient to fully fund all approved applications for reimbursements under the Program, the Commission shall immediately notify—
(i) the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives; and

(ii) the Committee on Commerce, Science, and Transportation and the Committee on Appropriations of the Senate.

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

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

(B) GENERAL EXTENSION.—The Commission may grant an extension of the deadline described in subparagraph (A) for 6 months to all recipients of reimbursements under the Program if the Commission—

(i) finds that the supply of replacement communications equipment or services needed by the recipients to achieve the
purposes of the Program is inadequate to meet the needs of the recipients; and
(ii) provides notice and a detailed justification for granting the extension to—

(I) the Committee on Energy and Commerce of the House of Representatives; and

(II) the Committee on Commerce, Science, and Transportation of the Senate.

(C) INDIVIDUAL EXTENSION.—

(i) PETITION.—A recipient of a reimbursement under the Program may petition the Commission for an extension for such recipient of the deadline described in subparagraph (A) or, if the Commission has granted an extension of such deadline under subparagraph (B), such deadline as so extended.

(ii) GRANT.—The Commission may grant a petition filed under clause (i) by extending, for the recipient that filed the petition, the deadline described in subparagraph (A) or, if the Commission has granted an extension of such deadline under
subparagraph (B), such deadline as so extended, for a period of not more than 6 months if the Commission finds that, due to no fault of such recipient, such recipient is unable to complete the permanent removal, replacement, and disposal described in subparagraph (A).

(7) **Disposal of covered communications equipment or services.**—The Commission shall include in the regulations promulgated under subsection (g) requirements for the disposal by a recipient of a reimbursement under the Program of covered communications equipment or services identified under paragraph (4)(A)(i) and removed from the network of the recipient in order to prevent such equipment or services from being used in the networks of providers of advanced communications service.

(8) **Status updates.**—

(A) **In general.**—Not less frequently than once every 90 days beginning on the date on which the Commission approves an application for a reimbursement under the Program, the recipient of the reimbursement shall submit to the Commission a status update on the work
of the recipient to permanently remove, replace, 
and dispose of the covered communications 
equipment or services identified under para-
graph (4)(A)(i).

(B) PUBLIC POSTING.—Not earlier than 
30 days after the date on which the Commiss-
ion receives a status update under subpara-
graph (A), the Commission shall make such sta-
tus update public on the website of the Com-
mission.

(C) REPORTS TO CONGRESS.—Not less fre-
quently than once every 180 days beginning on 
the date on which the Commission first makes 
funds available to a recipient of a reimburse-
ment under the Program, the Commission shall 
prepare and submit to the Committee on En-
ergy and Commerce of the House of Repre-
sentatives and the Committee on Commerce, 
Science, and Transportation of the Senate a re-
port on—

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

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

(c) Measures to Avoid Waste, Fraud, and Abuse.—

(1) In General.—The Commission shall take all necessary steps to avoid waste, fraud, and abuse with respect to the Program.

(2) Spending Reports.—The Commission shall require recipients of reimbursements under the Program to submit to the Commission on a regular basis reports regarding how reimbursement funds have been spent, including detailed accounting of the covered communications equipment or services permanently removed and disposed of, and the replacement equipment or services purchased, rented, leased, or otherwise obtained, using reimbursement funds.

(3) Audits, Reviews, and Field Investigations.—The Commission shall conduct—

(A) regular audits and reviews of reimbursements under the Program to confirm that recipients of such reimbursements are complying with this Act; and

(B) random field investigations to ensure that recipients of reimbursements under the
Program are performing the work such recipients are required to perform under the commitments made in the applications of such recipients for reimbursements under the Program, including the permanent removal, replacement, and disposal of the covered communications equipment or services identified under subsection (d)(4)(A)(i).

(4) FINAL CERTIFICATION.—

(A) IN GENERAL.—The Commission shall require a recipient of a reimbursement under the Program to submit to the Commission, in a form and at an appropriate time to be determined by the Commission, a certification stating that the recipient—

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

(ii) has fully complied with (or is in the process of complying with) the commitments made in the application of the recipient for the reimbursement;

(iii) has permanently removed from the communications network of the recipient, replaced, and disposed of (or is in the
process of permanently removing, replacing, and disposing of) all covered communications equipment or services that were in the network of the recipient as of the date of the submission of the application of the recipient for the reimbursement; and

(iv) has fully complied with (or is in the process of complying with) the timeline submitted by the recipient under subparagraph (A)(ii) of paragraph (4) of subsection (d) and the other requirements of such paragraph.

(B) UPDATED CERTIFICATION.—If, at the time when a recipient of a reimbursement under the Program submits a certification under subparagraph (A), the recipient has not fully complied as described in clause (i), (ii), or (iv) of such subparagraph or has not completed the permanent removal, replacement, and disposal described in clause (iii) of such subparagraph, the Commission shall require the recipient to file an updated certification when the recipient has fully complied as described in such clause (i), (ii), or (iv) or completed such permanent removal, replacement, and disposal.
(f) Effect of Removal of Equipment or Service From List.—

(1) In general.—If, after the date on which a recipient of a reimbursement under the Program submits the application for the reimbursement, any covered communications equipment or service that is in the network of the recipient as of such date is removed from the list published under section 2(a), the recipient may—

(A) return to the Commission any reimbursement funds received for the removal, replacement, and disposal of such equipment or service and be released from any requirement under this section to remove, replace, or dispose of such equipment or service; or

(B) retain any reimbursement funds received for the removal, replacement, and disposal of such equipment or service and remain subject to the requirements of this section to remove, replace, and dispose of such equipment or service as if such equipment or service continued to be on the list published under section 2(a).

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

(g) Rulemaking.—

(1) Commencement.—Not later than 90 days after the date of the enactment of this Act, the Commission shall commence a rulemaking to implement this section.

(2) Completion.—The Commission shall complete the rulemaking under paragraph (1) not later than 1 year after the date of the enactment of this Act.

(h) Rule of Construction Regarding Timing of Reimbursement.—Nothing in this section shall be construed to prohibit the Commission from making a reimbursement under the Program to a provider of advanced communications service before the provider incurs the cost of the permanent removal, replacement, and disposal of the covered communications equipment or service for which the application of the provider has been approved under this section.
(i) **EDUCATION EFFORTS.**—The Commission shall engage in education efforts with providers of advanced communications service to—

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

(2) assist such providers in submitting applications for the Program.

(j) **SEPARATE FROM FEDERAL UNIVERSAL SERVICE PROGRAMS.**—The Program shall be separate from any Federal universal service program established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).

**SEC. 5. REPORTS ON COVERED COMMUNICATIONS EQUIPMENT OR SERVICES.**

(a) **IN GENERAL.**—Each provider of advanced communications service shall submit an annual report to the Commission, in a form to be determined by the Commission, regarding whether such provider has purchased, rented, leased, or otherwise obtained any covered communications equipment or service on or after—

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

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

(b) Rule of Construction.—If a provider of ad-
vanced communications service certifies to the Commis-
sion that such provider does not have any covered com-
 munications equipment or service in the network of such pro-
vider, such provider is not required to submit a report
under subsection (a) after making such certification, un-
less such provider later purchases, rents, leases, or other-
wise obtains any covered communications equipment or
service.

(e) Justification.—If a provider of advanced com-
munications service indicates in a report under subsection
(a) that such provider has purchased, rented, leased, or
otherwise obtained any covered communications equip-
ment or service as described in such subsection, such pro-
vider shall include in such report—

(1) a detailed justification for such action;

(2) information about whether such covered
communications equipment or service has subse-
quently been removed and replaced pursuant to sec-
tion 4; and
(3) information about whether such provider plans to continue to purchase, rent, lease, or otherwise obtain, or install or use, such covered communications equipment or service and, if so, why.

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

SEC. 6. HOLD HARMLESS.

In the case of a person who is a winner of the Connect America Fund Phase II auction, has not yet been authorized to receive Connect America Fund Phase II support, and demonstrates an inability to reasonably meet the build-out and service obligations of such person under Connect America Fund Phase II without using equipment or services prohibited under this Act, such person may withdraw the application of such person for Connect America Fund Phase II support without being found in default or subject to forfeiture. The Commission may set a deadline to make such a withdrawal that is not earlier than the date that is 60 days after the date of the enactment of this Act.

SEC. 7. ENFORCEMENT.

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

(b) ADDITIONAL PENALTIES.—

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

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

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

(C) shall be referred to all appropriate law
enforcement agencies or officials for further ac-
tion under applicable criminal and civil laws; and
(D) may be barred by the Commission from participation in other programs of the Commission, including the Federal universal service support programs established under section 254 of the Communications Act of 1934 (47 U.S.C. 254).

(2) NOTICE AND OPPORTUNITY TO CURE.—The penalties described in paragraph (1) shall not apply to a recipient of a reimbursement under the Program unless—

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

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

(e) RECOVERY OF FUNDS.—The Commission shall immediately take action to recover all reimbursement funds awarded to a recipient of a reimbursement under the Program in any case in which such recipient is required to repay reimbursement funds under subsection (b)(1)(A).

SEC. 8. NTIA PROGRAM FOR PREVENTING FUTURE VULNERABILITIES.

(a) FUTURE VULNERABILITY PROGRAM.—
(1) ESTABLISHMENT.—Not later than 120 days after the date of the enactment of this Act, including an opportunity for notice and comment, the Assistant Secretary, in cooperation with the Director of National Intelligence, the Director of the Federal Bureau of Investigation, the Secretary of Homeland Security, and the Commission, shall establish a program to share information regarding supply chain security risks with trusted providers of advanced communications service and trusted suppliers of communications equipment or services.

(2) ACTIVITIES.—In carrying out the program established under paragraph (1), the Assistant Secretary shall—

(A) conduct regular briefings and other events to share information with trusted providers of advanced communications service and trusted suppliers of communications equipment or services;

(B) engage with trusted providers of advanced communications service and trusted suppliers of communications equipment or services, in particular such providers and suppliers that—

(i) are small businesses; or
(ii) primarily serve rural areas;

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

(i) declassifying material, when feasible, to help share information regarding supply chain security risks with trusted providers of advanced communications service and trusted suppliers of communications equipment or services; and

(ii) expediting and expanding the provision of security clearances to facilitate information sharing regarding supply chain security risks with trusted providers of advanced communications service and trusted suppliers of communications equipment or services; and

(D) ensure that the activities carried out through the program are consistent with and, to the extent practicable, integrated with, ongoing activities of the Department of Homeland Security and the Department of Commerce.
(3) Scope of program.—The program established under paragraph (1) shall involve only the sharing of information regarding supply chain security risks by the Federal Government to trusted providers of advanced communications service and trusted suppliers of communications equipment or services, and not the sharing of such information by such providers and suppliers to the Federal Government.

(b) Representation on CSRIC of interests of public and consumers.—

   (1) In general.—The Commission shall appoint to the Communications Security, Reliability, and Interoperability Council (or any successor thereof), and to each subcommittee, workgroup, or other subdivision of the Council (or any such successor), at least one member to represent the interests of the public and consumers.

   (2) Initial appointments.—The Commission shall make the initial appointments required by paragraph (1) not later than 180 days after the date of the enactment of this Act. Any member so appointed shall be in addition to the members of the Council, or the members of the subdivision of the Council to which the appointment is being made, as
the case may be, as of the date of the enactment of
this Act.

(c) DEFINITIONS.—In this section:

(1) ASSISTANT SECRETARY.—The term “Assistant
Secretary” means the Assistant Secretary of
Commerce for Communications and Information.

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

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

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

die adversary.

SEC. 9. DEFINITIONS.

In this Act:
(1) **ADVANCED COMMUNICATIONS SERVICE.**—The term “advanced communications service” has the meaning given the term “advanced telecommunications capability” in section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302).

(2) **APPROPRIATE NATIONAL SECURITY AGENCY.**—The term “appropriate national security agency” means—

(A) the Department of Homeland Security;

(B) the Department of Defense;

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

(D) the National Security Agency; and

(E) the Federal Bureau of Investigation.

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

(4) **COMMUNICATIONS EQUIPMENT OR SERVICE.**—The term “communications equipment or service” means any equipment or service that is essential to the provision of advanced communications service.

(5) **COVERED COMMUNICATIONS EQUIPMENT OR SERVICE.**—The term “covered communications equipment or service” means any communications equipment or service that is on the list published by the Commission under section 2(a).
(6) CUSTOMERS.—The term “customers” means, with respect to a provider of advanced communications service—

(A) the customers of such provider; and

(B) the customers of any affiliate (as defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153)) of such provider.

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

(8) PERSON.—The term “person” means an individual or entity.

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

(10) PROVIDER OF ADVANCED COMMUNICATIONS SERVICE.—The term “provider of advanced communications service” means a person who provides advanced communications service to United States customers.

(11) RECIPIENT.—The term “recipient” means any provider of advanced communications service the application of which for a reimbursement under the
Program has been approved by the Commission, regardless of whether the provider has received reimbursement funds.

(12) REIMBURSEMENT FUNDS.—The term “reimbursement funds” means any reimbursement received under the Program.

SEC. 10. SEVERABILITY.

If any provision of this Act, or the application of such a provision to any person or circumstance, is held to be unconstitutional, the remaining provisions of this Act, and the application of such provisions to any person or circumstance, shall not be affected thereby.

SEC. 11. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

Amend the title so as to read: “A bill 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 national security risks, and for other purposes.”
tions equipment or services posing such risks, and for other purposes.”.