Suspend the Rules and Pass the Bill, H.R. 8520, With an Amendment
(The amendment strikes all after the enacting clause and inserts a
new text)

117TH CONGRESS
2D SESSION
H. R. 8520

To establish certain reporting and other requirements relating to telecommunications equipment and services produced or provided by certain entities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES
JULY 26, 2022

Ms. Wild (for herself, Mrs. Wagner, and Mr. Meeks) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL
To establish certain reporting and other requirements relating to telecommunications equipment and services produced or provided by certain entities, 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,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Countering Untrusted Telecommunications Abroad Act”.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the national security of the United States is affected by the telecommunications security of United States allies, partners, and other countries around the globe;

(2) the importance of mobile and internet services makes such services tempting and effective tools for malign influence and economic coercion;

(3) Huawei Technologies Company and ZTE Corporation (and any subsidiary or affiliate of either such entity) should not serve as a vendor of telecommunications equipment or services given the close ties to, and control over, such entities by the People’s Republic of China; and

(4) it is in the economic and national security interests of the United States to ensure that countries around the globe use trusted telecommunications equipment or services.
SEC. 3. REPORT ON UNTRUSTED TELECOMMUNICATIONS
   EQUIPMENT OR SERVICES IN COUNTRIES
   WITH COLLECTIVE DEFENSE AGREEMENT
   WITH UNITED STATES.

   (a) REPORT.—Not later than 180 days after the date
   of the enactment of this Act, and annually thereafter for
   two years, the Secretary of State, in consultation with the
   Assistant Secretary of Commerce for Communications and
   Information, shall submit to the Committees on Foreign
   Affairs and Energy and Commerce of the House of Rep-
   resentatives and the Committees on Foreign Relations and
   Commerce, Science, and Transportation of the Senate a
   report on the prevalence of untrusted telecommunications
   equipment or services in the networks of United States
   allies and partners.

   (b) MATTERS.—The report under subsection (a) shall
   enumerate each United States ally or partner with respect
   to which the United States has entered into a collective
   defense agreement and include, for each such country, the
   following:

   (1) A description of the presence, or lack there-
   of, of untrusted telecommunications equipment or
   services in any 5G network of the country.

   (2) If any untrusted telecommunications equip-
   ment or service is present in such a network—
(A) an enumeration of any mobile carriers that are using the untrusted telecommunications equipment or service present, and any mobile carriers that are not;

(B) a determination of whether the untrusted telecommunications equipment or service present is in the core or periphery of the network; and

(C) any plans by the United States ally or partner, or the individual mobile carrier, to rip and replace the untrusted telecommunications equipment or service present with a trusted telecommunications equipment or service.

(3) A description of any plans by network operators to use untrusted communications equipment or services in the deployment of Open Radio Access Network (Open RAN) technology, or any successor to such technology, or in future 6G networks.

SEC. 4. REPORT ON COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICES IN UNITED STATES EMBASSIES.

(a) FINDINGS.—Congress finds the following:

(1) The Comptroller General of the United States has reported that 23 percent of all telecommunications device manufacturers of the Depart-
ment of State have at least one supplier reported to be headquartered in the People’s Republic of China or the Russian Federation.

(2) The Comptroller General has reported that four percent of all telecommunications contractors of the Department of State have at least one supplier reported to be headquartered in the People’s Republic of China.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State, in consultation with the heads of such other departments and agencies as the Secretary determines necessary, shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report containing an assessment of the use of covered telecommunications equipment or services in United States embassies and by United States embassy staff and personnel.

(2) MATTERS.—The report under paragraph (1) shall include information on the following:

(A) The status of the implementation by the Secretary of State of the prohibition under subsection (a)(1) of section 889 of the John S.
McCain National Defense Authorization Act for Fiscal Year 2019 (Public Law 115–232; 132 Stat. 1917; 41 U.S.C. 3901 note prec.) with respect to equipment, systems, and services used at United States embassies, including—

(i) an identification of the United States embassies with respect to which the Secretary has implemented such prohibition, and an identification of those with respect to which the Secretary has not implemented such prohibition, if any;

(ii) an identification of any difficulties that have delayed the implementation of such prohibition by the Secretary with respect to United States embassies, such as visibility into supply chains, costs of equipment replacement, and plans for timely remediation;

(iii) information on any waivers that have been granted to an entity under subsection (d) of such section 889 for equipment, systems, or services used at United States embassies, including a justification of why each waiver was granted and any
other information required pursuant to paragraph (1)(B) of such subsection; and

(iv) for any entity that has sought a waiver specified in clause (iii), the implementation status of the phase-out plan of the entity submitted by the entity pursuant to subsection (d) of such section 889.

(B) Information regarding the extent to which the digital devices of United States embassy staff and personnel are serviced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of either such entity), or any other entity headquartered in the People’s Republic of China, and an assessment of the likelihood of the intelligence services of the People’s Republic of China gaining access to the contents and data of the digital devices used by United States embassy personnel as a result of any such servicing.

(C) Any other information regarding ongoing efforts to safeguard the communications security of United States embassies.

(3) FORM.—The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.
SEC. 5. SUPPORTING TRUSTED TELECOMMUNICATIONS.

(a) In General.—The Secretary of State, in consultation with the Assistant Secretary of Commerce for Communications and Information, shall select for the provision of support under this section telecommunications infrastructure projects that have the potential, as determined by the Secretary, to promote the national security of the United States and meet such other requirements as the Secretary may prescribe.

(b) Diplomatic and Political Support.—The Secretary of State shall provide to each project selected under subsection (a), as appropriate, diplomatic and political support, including by using the diplomatic and political influence and expertise of the Department of State to build the capacity of countries to resolve any impediments to the development of the project.

(c) Early Stage Project Support.—The Director of the United States Trade and Development Agency should provide, as appropriate, early-stage project support with respect to projects selected under subsection (a).

SEC. 6. DISCLOSURE AND TRANSPARENCY OF UNTRUSTED COMMUNICATIONS EQUIPMENT.

(a) In General.—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following new subsection:
“(s) Disclosure of Certain Activities Related to Untrusted Telecommunications Equipment.—

“(1) In general.—Each issuer required to file an annual or quarterly report under subsection (a) shall disclose in that report the information required in paragraph (2) if, during the period covered by the report, the issuer or any affiliate of the issuer used or contracted to use covered telecommunications equipment or services.

“(2) Information required.—If an issuer or affiliate of the issuer has engaged in an activity described in paragraph (1), the issuer shall disclose such activity, including a detailed description of—

“A) whether the covered telecommunications equipment or services are being used in a mobile network run by the issuer, and whether those equipment or services were used in the core or periphery of the network;

“(B) whether the covered telecommunications equipment or services were used for cloud computing or data storage;

“(C) whether any covered telecommunications equipment or services were replaced with other vendors; and
“(D) whether the issuer is currently engaging in negotiations or planning to contract to use additional covered telecommunications equipment or services.

“(3) NOTICE OF DISCLOSURES.—If an issuer reports under paragraph (1) that the issuer or an affiliate of the issuer has knowingly engaged in any activity described in that paragraph, the issuer shall separately file with the Commission, concurrently with the annual or quarterly report under subsection (a), a notice that the disclosure of that activity has been included in that annual or quarterly report that identifies the issuer and contains the information required by paragraph (2).

“(4) PUBLIC DISCLOSURE OF INFORMATION.—Upon receiving a notice under paragraph (3) that an annual or quarterly report includes a disclosure of an activity described in paragraph (1), the Commission shall promptly—

“(A) transmit the report to—

“(i) the President;

“(ii) the Committees on Foreign Affairs, Energy and Commerce, and Financial Services of the House of Representatives; and
“(iii) the Committees on Foreign Relations, Commerce, Science, and Transportation, and Banking, Housing, and Urban Affairs of the Senate; and

“(B) make the information provided in the disclosure and the notice available to the public by posting the information on the Internet website of the Commission.

“(5) COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICE DEFINED.—In this subsection, the term ‘covered telecommunications equipment or service’ has the meaning given to the term ‘covered communications equipment or service’ in section 9 of the Secure and Trusted Communications Network Act of 2019 (47 U.S.C. 1608).”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to reports required to be filed with the Securities and Exchange Commission after the date that is 180 days after the date of the enactment of this Act.

SEC. 7. DEFINITIONS.

In this Act:

(1) COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICE; UNTRUSTED TELECOMMUNICATIONS EQUIPMENT OR SERVICE.—The terms “cov-
“untrusted telecommunications equipment or service” have the meaning given to the term “covered communications equipment or service” in section 9 of the Secure and Trusted Communications Network Act of 2019 (47 U.S.C. 1608).

(2) Trusted telecommunications equipment or service.—The term “trusted telecommunications equipment or service” means any telecommunications equipment or service that is not a covered telecommunications equipment or service.