

## [Committee Print]

[SHOWING THE TEXT AND TITLE OF H.R. 4998 AS FORWARDED BY THE  
SUBCOMMITTEE ON COMMUNICATIONS AND TECHNOLOGY ON NOVEMBER  
14, 2019]

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.

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### IN THE HOUSE OF REPRESENTATIVES

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

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## 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 Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

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

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

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

12 (b) DETERMINATION BY COMMISSION.—The Com-  
13 mission shall place on the list published under subsection  
14 (a) any communications equipment or service, if and only  
15 if the Commission determines that such equipment or  
16 service—

17 (1) is produced or provided by—

18 (A) Huawei Technologies Co. Limited,  
19 Zhongxing Telecommunications Equipment  
20 Corporation, or any subsidiary or affiliate of ei-  
21 ther such entity;

22 (B) any successor to any entity described  
23 in subparagraph (A); or

24 (C) any other entity, if the Commission de-  
25 termines, based exclusively on the determina-  
26 tions described in paragraphs (1) through (3)

1 of subsection (c), that such equipment or serv-  
2 ice produced or provided by such entity poses  
3 an unacceptable risk to the national security of  
4 the United States or the security and safety of  
5 United States persons; and

6 (2) is capable of—

7 (A) routing or redirecting user data traffic  
8 or permitting visibility into any user data or  
9 packets that such equipment or service trans-  
10 mits or otherwise handles; or

11 (B) causing the network of a provider of  
12 advanced communications service to be dis-  
13 rupted remotely.

14 (c) RELIANCE ON CERTAIN OTHER DETERMINA-  
15 TIONS.—In making a determination under subsection  
16 (b)(1)(C), the Commission shall rely solely on one or more  
17 of the following determinations:

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

23 (2) A specific determination made by the De-  
24 partment of Commerce pursuant to Executive Order  
25 13873 (84 Fed. Reg. 22689; relating to securing the

1 information and communications technology and  
2 services supply chain).

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

9 (d) UPDATING OF LIST.—

10 (1) IN GENERAL.—The Commission shall peri-  
11 odically update the list published under subsection  
12 (a), as necessary to protect national security and to  
13 address changes in the determinations described in  
14 paragraphs (1) through (3) of subsection (c).

15 (2) MONITORING OF DETERMINATIONS.—The  
16 Commission shall monitor the making or reversing  
17 of the determinations described in paragraphs (1)  
18 through (3) of subsection (c) in order to determine  
19 whether to place communications equipment or serv-  
20 ices on the list published under subsection (a) or to  
21 remove communications equipment or services from  
22 such list. If a determination described in any such  
23 paragraph that provided the basis for a determina-  
24 tion by the Commission under subsection (b)(1)(C)  
25 with respect to any communications equipment or

1 service is reversed, the Commission shall remove  
2 such equipment or service from such list, except that  
3 the Commission may not remove such equipment or  
4 service from such list if any other determination de-  
5 scribed in any such paragraph provides a basis for  
6 a determination by the Commission under subsection  
7 (b)(1)(C) with respect to such equipment or service.

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

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

17 (a) IN GENERAL.—

18 (1) PROHIBITION.—A Federal subsidy that is  
19 made available through a program administered by  
20 the Commission and that provides funds to be used  
21 for the capital expenditures necessary for the provi-  
22 sion of advanced communications service may not be  
23 used to—

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

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

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

17 (b) COMPLETION OF PROCEEDING.—Not later than  
18 90 days after the date of the enactment of this Act, the  
19 Commission shall adopt a Report and Order in the matter  
20 of Protecting Against National Security Threats to the  
21 Communications Supply Chain Through FCC Programs  
22 (WC Docket No. 18–89) that implements subsection (a).

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

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

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

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

13 (2) makes all of the certifications required by  
14 subsection (d)(5).

15 (c) **USE OF FUNDS.**—

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

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

22 (i) in the case of any covered commu-  
23 nications equipment or services that are on  
24 the initial list published under section 2(a),  
25 August 14, 2018; or

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

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

13 (C) disposing of the covered communica-  
14 tions equipment or services removed as de-  
15 scribed in subparagraph (A) in accordance with  
16 the requirements under subsection (d)(8).

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

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

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

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

15 (d) IMPLEMENTATION.—

16 (1) REGULATIONS.—Not later than 270 days  
17 after the date of the enactment of this Act, the  
18 Commission shall promulgate regulations to imple-  
19 ment the Program.

20 (2) SUGGESTED REPLACEMENTS.—

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

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

9 (3) APPLICATION PROCESS.—

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

13 (B) COST ESTIMATE.—

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

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

22 (I) update the initial reimburse-  
23 ment cost estimate submitted under  
24 clause (i); and

1 (II) submit additional supporting  
2 materials substantiating an updated  
3 cost estimate submitted under sub-  
4 clause (I).

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

12 (4) APPLICATION REVIEW PROCESS.—

13 (A) DEADLINE.—

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

20 (ii) ADDITIONAL TIME NEEDED BY  
21 COMMISSION.—If the Commission deter-  
22 mines that, because an excessive number of  
23 applications have been filed at one time,  
24 the Commission needs additional time for  
25 employees of the Commission to process

1           the applications, the Commission may ex-  
2           tend the deadline described in clause (i) for  
3           not more than 45 days.

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

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

21          (5) CERTIFICATIONS.—An applicant for a reim-  
22          bursement under the Program shall, in the applica-  
23          tion of the applicant, certify to the Commission  
24          that—

1 (A) as of the date of the submission of the  
2 application, the applicant—

3 (i) has developed a plan for—

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

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

14 (ii) has developed a specific timeline  
15 (subject to paragraph (7)) for the perma-  
16 nent removal, replacement, and disposal of  
17 the covered communications equipment or  
18 services identified under clause (i), which  
19 timeline shall be submitted to the Commis-  
20 sion as part of the application; and

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

23 (i) will not purchase, rent, lease, or  
24 otherwise obtain covered communications  
25 equipment or services, using reimburse-

1                   ment funds or any other funds (including  
2                   funds derived from private sources); and

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

10                   (6)    DISTRIBUTION    OF    REIMBURSEMENT  
11                   FUNDS.—

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

19                   (B) NOTIFICATION.—If, at any time dur-  
20                   ing the implementation of the Program, the  
21                   Commission determines that the funds made  
22                   available to the Commission to carry out the  
23                   Program will not be sufficient to fully fund all  
24                   approved applications for reimbursements under

1 the Program, the Commission shall immediately  
2 notify—

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

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

10 (7) REMOVAL, REPLACEMENT, AND DISPOSAL  
11 TERM.—

12 (A) DEADLINE.—The permanent removal,  
13 replacement, and disposal of any covered com-  
14 munications equipment or services identified  
15 under paragraph (5)(A)(i) shall be completed  
16 not later than 1 year after the date on which  
17 the Commission distributes reimbursement  
18 funds to the recipient.

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

24 (i) finds that the supply of replace-  
25 ment communications equipment or serv-

1 ices needed by the recipients to achieve the  
2 purposes of the Program is inadequate to  
3 meet the needs of the recipients; and

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

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

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

12 (C) INDIVIDUAL EXTENSION.—

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

21 (ii) GRANT.—The Commission may  
22 grant a petition filed under clause (i) by  
23 extending, for the recipient that filed the  
24 petition, the deadline described in subpara-  
25 graph (A) or, if the Commission has grant-

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

9           (8) DISPOSAL OF COVERED COMMUNICATIONS  
10          EQUIPMENT OR SERVICES.—The Commission shall  
11          include in the regulations promulgated under para-  
12          graph (1) requirements for the disposal by a recipi-  
13          ent of a reimbursement under the Program of cov-  
14          ered communications equipment or services identi-  
15          fied under paragraph (5)(A)(i) and removed from  
16          the network of the recipient in order to prevent such  
17          equipment or services from being used in the net-  
18          works of providers of advanced communications serv-  
19          ice.

20          (9) STATUS UPDATES.—

21               (A) IN GENERAL.—Not less frequently  
22               than once every 90 days beginning on the date  
23               on which the Commission approves an applica-  
24               tion for a reimbursement under the Program,  
25               the recipient of the reimbursement shall submit

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

6 (B) PUBLIC POSTING.—Not earlier than  
7 30 days after the date on which the Commis-  
8 sion receives a status update under subpara-  
9 graph (A), the Commission shall make such sta-  
10 tus update public on the website of the Com-  
11 mission.

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

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

24 (ii) the work by recipients of reim-  
25 bursements under the Program to perma-

1                   nently remove, replace, and dispose of cov-  
2                   ered communications equipment or services  
3                   identified under paragraph (5)(A)(i).

4           (e) MEASURES TO AVOID WASTE, FRAUD, AND  
5 ABUSE.—

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

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

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

21                (A) regular audits and reviews of reim-  
22                bursements under the Program to confirm that  
23                recipients of such reimbursements are com-  
24                plying with this Act; and

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

11 (4) FINAL CERTIFICATION.—

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

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

21 (ii) has fully complied with (or is in  
22 the process of complying with) the commit-  
23 ments made in the application of the re-  
24 cipient for the reimbursement;

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

10 (iv) has fully complied with (or is in  
11 the process of complying with) the timeline  
12 submitted by the recipient under subpara-  
13 graph (A)(ii) of paragraph (5) of sub-  
14 section (d) and the other requirements of  
15 such paragraph.

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

1           has fully complied as described in such clause  
2           (i), (ii), or (iv) or completed such permanent re-  
3           moval, replacement, and disposal.

4           (f) EFFECT OF REMOVAL OF EQUIPMENT OR SERV-  
5   ICE FROM LIST.—

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

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

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

1           tinued to be on the list published under section  
2           2(a).

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

10          (g) RULE OF CONSTRUCTION REGARDING TIMING OF  
11 REIMBURSEMENT.—Nothing in this section shall be con-  
12 strued to prohibit the Commission from making a reim-  
13 bursement under the Program to a provider of advanced  
14 communications service before the provider incurs the cost  
15 of the permanent removal, replacement, and disposal of  
16 the covered communications equipment or service for  
17 which the application of the provider has been approved  
18 under this section.

19          (h) EDUCATION EFFORTS.—The Commission shall  
20 engage in education efforts with providers of advanced  
21 communications service to—

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

24           (2) assist such providers in submitting applica-  
25           tions for the Program.

1 (i) SEPARATE FROM FEDERAL UNIVERSAL SERVICE  
2 PROGRAMS.—The Program shall be separate from any  
3 Federal universal service program established under sec-  
4 tion 254 of the Communications Act of 1934 (47 U.S.C.  
5 254).

6 (j) AUTHORIZATION OF APPROPRIATIONS.—There is  
7 authorized to be appropriated to the Commission  
8 \$1,000,000,000 for fiscal year 2020 to carry out the Pro-  
9 gram. Such amount is authorized to remain available  
10 through fiscal year 2029.

11 **SEC. 5. HOLD HARMLESS.**

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

1 **SEC. 6. 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).

24          **SEC. 7. DEFINITIONS.**

25          In this Act:

1 (1) ADVANCED COMMUNICATIONS SERVICE.—

2 The term “advanced communications service” has  
3 the meaning given the term “advanced telecommuni-  
4 cations capability” in section 706 of the Tele-  
5 communications Act of 1996 (47 U.S.C. 1302).

6 (2) COMMISSION.—The term “Commission”  
7 means the Federal Communications Commission.

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

13 (4) CUSTOMERS.—The term “customers”  
14 means, with respect to a provider of advanced com-  
15 munications service—

16 (A) the customers of such provider; and

17 (B) the customers of any affiliate (as de-  
18 fined in section 3 of the Communications Act of  
19 1934 (47 U.S.C. 153)) of such provider.

20 (5) EXECUTIVE BRANCH INTERAGENCY  
21 BODY.—The term “executive branch interagency  
22 body” means an interagency body established in the  
23 executive branch.

24 (6) PERSON.—The term “person” means an in-  
25 dividual or entity.

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

5           (8) PROVIDER OF ADVANCED COMMUNICATIONS  
6           SERVICE.—The term “provider of advanced commu-  
7           nications service” means a person who provides ad-  
8           vanced communications service to United States cus-  
9           tomers.

10          (9) RECIPIENT.—The term “recipient” means  
11          any provider of advanced communications service the  
12          application of which for a reimbursement under the  
13          Program has been approved by the Commission, re-  
14          gardless of whether the provider has received reim-  
15          bursement funds.

16          (10) REIMBURSEMENT FUNDS.—The term “re-  
17          imbursement funds” means any reimbursement re-  
18          ceived under the Program.

Amend the title so as to read: “A bill to prohibit cer-  
tain Federal subsidies from being used to purchase com-  
munications equipment or services posing national secu-  
rity risks, to provide for the establishment of a reim-  
bursement program for the replacement of communica-  
tions equipment or services posing such risks, and for  
other purposes.”.