

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,*

3 **SECTION 1. SHORT TITLE.**

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

1 **SEC. 2. SENSE OF CONGRESS.**

2 It is the sense of Congress that—

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

7 (2) the importance of mobile and internet serv-
8 ices makes such services tempting and effective tools
9 for malign influence and economic coercion;

10 (3) Huawei Technologies Company and ZTE
11 Corporation (and any subsidiary or affiliate of either
12 such entity) should not serve as a vendor of tele-
13 communications equipment or services given the
14 close ties to, and control over, such entities by the
15 People's Republic of China; and

16 (4) it is in the economic and national security
17 interests of the United States to ensure that coun-
18 tries around the globe use trusted telecommuni-
19 cations equipment or services.

20 **SEC. 3. REPORT ON UNTRUSTED TELECOMMUNICATIONS**
21 **EQUIPMENT OR SERVICES IN COUNTRIES**
22 **WITH COLLECTIVE DEFENSE AGREEMENT**
23 **WITH UNITED STATES.**

24 (a) REPORT.—Not later than 180 days after the date
25 of the enactment of this Act, and annually thereafter for
26 two years, the Secretary of State shall submit to the Com-

1 mittee on Foreign Affairs of the House of Representatives
2 and the Committee on Foreign Relations of the Senate
3 a report on the prevalence of untrusted telecommuni-
4 cations equipment or services in the networks of United
5 States allies and partners.

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

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

14 (2) If any untrusted telecommunications equip-
15 ment or service is present in such a network—

16 (A) an enumeration of any mobile carriers
17 that are using the untrusted telecommuni-
18 cations equipment or service present, and any
19 mobile carriers that are not;

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

24 (C) any plans to rip and replace the
25 untrusted telecommunications equipment or

1 service present with a trusted telecommuni-
2 cations equipment or service.

3 (3) A description of any plans by network oper-
4 ators to use untrusted telecommunications equip-
5 ment or services in the deployment of Open Radio
6 Access Network (Open RAN) technology, or any suc-
7 cessor to such technology, or in future 6G networks.

8 **SEC. 4. REPORT ON COVERED TELECOMMUNICATIONS**
9 **EQUIPMENT OR SERVICES IN UNITED STATES**
10 **EMBASSIES.**

11 (a) FINDINGS.—Congress finds the following:

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

18 (2) The Comptroller General has reported that
19 four percent of all telecommunications contractors of
20 the Department of State have at least one supplier
21 reported to be headquartered in the People’s Repub-
22 lic of China.

23 (b) REPORT.—

24 (1) IN GENERAL.—Not later than 180 days
25 after the date of the enactment of this Act, the Sec-

1 retary of State, in consultation with the heads of
2 such other departments and agencies as the Sec-
3 retary determines necessary, shall submit to the
4 Committee on Foreign Affairs of the House of Rep-
5 resentatives and the Committee on Foreign Rela-
6 tions of the Senate a report containing an assess-
7 ment of the use of covered telecommunications
8 equipment or services in United States embassies
9 and by United States embassy staff and personnel.

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

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

20 (i) an identification of the United
21 States embassies with respect to which the
22 Secretary has implemented such prohibi-
23 tion, and an identification of those with re-
24 spect to which the Secretary has not imple-
25 mented such prohibition, if any;

1 (ii) an identification of any difficulties
2 that have delayed the implementation of
3 such prohibition by the Secretary with re-
4 spect to United States embassies, such as
5 visibility into supply chains, costs of equip-
6 ment replacement, and plans for timely re-
7 mediation;

8 (iii) information on any waivers that
9 have been granted to an entity under sub-
10 section (d) of such section 889 for equip-
11 ment, systems, or services used at United
12 States embassies, including a justification
13 of why each waiver was granted and any
14 other information required pursuant to
15 paragraph (1)(B) of such subsection; and

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

21 (B) Information regarding the extent to
22 which the digital devices of United States em-
23 bassy staff and personnel are serviced by
24 Huawei Technologies Company or ZTE Cor-
25 poration (or any subsidiary or affiliate of either

1 such entity), or any other entity headquartered
2 in the People's Republic of China, and an as-
3 sessment of the likelihood of the intelligence
4 services of the People's Republic of China gain-
5 ing access to the contents and data of the dig-
6 ital devices used by United States embassy per-
7 sonnel as a result of any such servicing.

8 (C) Any other information regarding ongoing
9 efforts to safeguard the telecommunications
10 security of United States embassies.

11 (3) FORM.—The report under paragraph (1)
12 shall be submitted in unclassified form, but may in-
13 clude a classified annex.

14 **SEC. 5. SUPPORTING TRUSTED TELECOMMUNICATIONS.**

15 (a) IN GENERAL.—The Secretary of State shall select
16 for the provision of support under this section tele-
17 communications infrastructure projects that have the po-
18 tential, as determined by the Secretary, to promote the
19 national security of the United States and meet such other
20 requirements as the Secretary may prescribe.

21 (b) DIPLOMATIC AND POLITICAL SUPPORT.—The
22 Secretary of State shall provide to each project selected
23 under subsection (a), as appropriate, diplomatic and polit-
24 ical support, including by using the diplomatic and polit-
25 ical influence and expertise of the Department of State

1 to build the capacity of countries to resolve any impedi-
 2 ments to the development of the project.

3 (c) **EARLY STAGE PROJECT SUPPORT.**—The Director
 4 of the United States Trade and Development Agency
 5 should provide, as appropriate, early-stage project support
 6 with respect to projects selected under subsection (a).

7 **SEC. 6. DISCLOSURE AND TRANSPARENCY OF UNTRUSTED**
 8 **COMMUNICATIONS EQUIPMENT.**

9 (a) **IN GENERAL.**—Section 13 of the Securities Ex-
 10 change Act of 1934 (15 U.S.C. 78m) is amended by add-
 11 ing at the end the following new subsection:

12 “(s) **DISCLOSURE OF CERTAIN ACTIVITIES RELATED**
 13 **TO UNTRUSTED TELECOMMUNICATIONS EQUIPMENT.**—

14 “(1) **IN GENERAL.**—Each issuer required to file
 15 an annual or quarterly report under subsection (a)
 16 shall disclose in that report the information required
 17 in paragraph (2) if, during the period covered by the
 18 report, the issuer or any affiliate of the issuer used
 19 or contracted to use covered telecommunications
 20 equipment or services.

21 “(2) **INFORMATION REQUIRED.**—If an issuer or
 22 affiliate of the issuer has engaged in an activity de-
 23 scribed in paragraph (1), the issuer shall disclose
 24 such activity, including a detailed description of—

1 “(A) whether the covered telecommuni-
2 cations equipment or services are being used in
3 a mobile network run by the issuer, and wheth-
4 er those equipment or services were used in the
5 core or periphery of the network;

6 “(B) whether the covered telecommuni-
7 cations equipment or services were used for
8 cloud computing or data storage;

9 “(C) whether any covered telecommuni-
10 cations equipment or services were replaced
11 with other vendors; and

12 “(D) whether the issuer is currently engag-
13 ing in negotiations or planning to contract to
14 use additional covered telecommunications
15 equipment or services.

16 “(3) NOTICE OF DISCLOSURES.—If an issuer
17 reports under paragraph (1) that the issuer or an
18 affiliate of the issuer has knowingly engaged in any
19 activity described in that paragraph, the issuer shall
20 separately file with the Commission, concurrently
21 with the annual or quarterly report under subsection
22 (a), a notice that the disclosure of that activity has
23 been included in that annual or quarterly report that
24 identifies the issuer and contains the information re-
25 quired by paragraph (2).

1 “(4) PUBLIC DISCLOSURE OF INFORMATION.—

2 Upon receiving a notice under paragraph (3) that an
3 annual or quarterly report includes a disclosure of
4 an activity described in paragraph (1), the Commis-
5 sion shall promptly—

6 “(A) transmit the report to—

7 “(i) the President;

8 “(ii) the Committee on Foreign Af-
9 fairs and the Committee on Financial
10 Services of the House of Representatives;
11 and

12 “(iii) the Committee on Foreign Rela-
13 tions and the Committee on Banking,
14 Housing, and Urban Affairs of the Senate;
15 and

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

20 “(5) COVERED TELECOMMUNICATIONS EQUIP-
21 MENT OR SERVICE DEFINED.—In this subsection,
22 the term ‘covered telecommunications equipment or
23 service’ has the meaning given that term under sec-
24 tion 7 of the Countering Untrusted Telecommuni-
25 cations Abroad Act.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall take effect with respect to reports re-
3 quired to be filed with the Securities and Exchange Com-
4 mission after the date that is 180 days after the date of
5 the enactment of this Act.

6 **SEC. 7. DEFINITIONS.**

7 In this Act:

8 (1) COVERED TELECOMMUNICATIONS EQUIP-
9 MENT OR SERVICE; UNTRUSTED TELECOMMUNI-
10 CATIONS EQUIPMENT OR SERVICE.—The terms “cov-
11 ered telecommunications equipment or service” and
12 “untrusted telecommunications equipment or serv-
13 ice” mean any telecommunications equipment or
14 service produced or provided by any of the following:

15 (A) Huawei Technologies Company or
16 ZTE Corporation (or any subsidiary or affiliate
17 of either such entity).

18 (B) Any entity that the Secretary of State
19 reasonably believes to be an entity owned or
20 controlled by the People’s Republic of China or
21 the Russian Federation.

22 (2) TELECOMMUNICATIONS EQUIPMENT OR
23 SERVICE.—The term “telecommunications equip-
24 ment or service” means any of the following:

1 (A) Hardware or software used by a tele-
2 communications carrier or internet service pro-
3 vider.

4 (B) Data storage or cloud computing serv-
5 ices used by an issuer that is required to file an
6 annual or quarterly report under section 13(a)
7 of the Securities Exchange Act of 1934 (15
8 U.S.C. 78m(a)).

9 (3) TRUSTED TELECOMMUNICATIONS EQUIP-
10 MENT OR SERVICE.—The term “trusted tele-
11 communications equipment or service” means any
12 telecommunications equipment or service that is not
13 a covered telecommunications equipment or service.

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