

117TH CONGRESS
2D SESSION

H. R. 8520

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 21, 2022

Received; read twice and referred to the Committee on Foreign Relations

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

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

4 **SEC. 2. SENSE OF CONGRESS.**

5 It is the sense of Congress that—

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

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

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

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

1 **SEC. 3. REPORT ON UNTRUSTED TELECOMMUNICATIONS**
2 **EQUIPMENT OR SERVICES IN COUNTRIES**
3 **WITH COLLECTIVE DEFENSE AGREEMENT**
4 **WITH UNITED STATES.**

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

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

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

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

1 (A) an enumeration of any mobile carriers
2 that are using the untrusted telecommuni-
3 cations equipment or service present, and any
4 mobile carriers that are not;

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

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

14 (3) A description of any plans by network oper-
15 ators to use untrusted communications equipment or
16 services in the deployment of Open Radio Access
17 Network (Open RAN) technology, or any successor
18 to such technology, or in future 6G networks.

19 **SEC. 4. REPORT ON COVERED TELECOMMUNICATIONS**
20 **EQUIPMENT OR SERVICES IN UNITED STATES**
21 **EMBASSIES.**

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

23 (1) The Comptroller General of the United
24 States has reported that 23 percent of all tele-
25 communications device manufacturers of the Depart-

1 ment of State have at least one supplier reported to
2 be headquartered in the People’s Republic of China
3 or the Russian Federation.

4 (2) The Comptroller General has reported that
5 four percent of all telecommunications contractors of
6 the Department of State have at least one supplier
7 reported to be headquartered in the People’s Repub-
8 lic of China.

9 (b) REPORT.—

10 (1) IN GENERAL.—Not later than 180 days
11 after the date of the enactment of this Act, the Sec-
12 retary of State, in consultation with the heads of
13 such other departments and agencies as the Sec-
14 retary determines necessary, shall submit to the
15 Committee on Foreign Affairs of the House of Rep-
16 resentatives and the Committee on Foreign Rela-
17 tions of the Senate a report containing an assess-
18 ment of the use of covered telecommunications
19 equipment or services in United States embassies
20 and by United States embassy staff and personnel.

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

23 (A) The status of the implementation by
24 the Secretary of State of the prohibition under
25 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 re-
spect 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 prohibi-
tion, and an identification of those with re-
spect to which the Secretary has not imple-
mented such prohibition, if any;

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

(iii) information on any waivers that
have been granted to an entity under sub-
section (d) of such section 889 for equip-
ment, systems, or services used at United
States embassies, including a justification
of why each waiver was granted and any

1 other information required pursuant to
2 paragraph (1)(B) of such subsection; and

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

8 (B) Information regarding the extent to
9 which the digital devices of United States em-
10 bassy staff and personnel are serviced by
11 Huawei Technologies Company or ZTE Cor-
12 poration (or any subsidiary or affiliate of either
13 such entity), or any other entity headquartered
14 in the People's Republic of China, and an as-
15 sessment of the likelihood of the intelligence
16 services of the People's Republic of China gain-
17 ing access to the contents and data of the dig-
18 ital devices used by United States embassy per-
19 sonnel as a result of any such servicing.

20 (C) Any other information regarding ongo-
21 ing efforts to safeguard the communications se-
22 curity of United States embassies.

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

1 **SEC. 5. SUPPORTING TRUSTED TELECOMMUNICATIONS.**

2 (a) IN GENERAL.—The Secretary of State, in con-
3 sultation with the Assistant Secretary of Commerce for
4 Communications and Information, shall select for the pro-
5 vision of support under this section telecommunications in-
6 frastructure projects that have the potential, as deter-
7 mined by the Secretary, to promote the national security
8 of the United States and meet such other requirements
9 as the Secretary may prescribe.

10 (b) DIPLOMATIC AND POLITICAL SUPPORT.—The
11 Secretary of State shall provide to each project selected
12 under subsection (a), as appropriate, diplomatic and polit-
13 ical support, including by using the diplomatic and polit-
14 ical influence and expertise of the Department of State
15 to build the capacity of countries to resolve any impedi-
16 ments to the development of the project.

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

21 **SEC. 6. DISCLOSURE AND TRANSPARENCY OF UNTRUSTED**
22 **COMMUNICATIONS EQUIPMENT.**

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

1 “(s) DISCLOSURE OF CERTAIN ACTIVITIES RELATED
2 TO UNTRUSTED TELECOMMUNICATIONS EQUIPMENT.—

3 “(1) IN GENERAL.—Each issuer required to file
4 an annual or quarterly report under subsection (a)
5 shall disclose in that report the information required
6 in paragraph (2) if, during the period covered by the
7 report, the issuer or any affiliate of the issuer used
8 or contracted to use covered telecommunications
9 equipment or services.

10 “(2) INFORMATION REQUIRED.—If an issuer or
11 affiliate of the issuer has engaged in an activity de-
12 scribed in paragraph (1), the issuer shall disclose
13 such activity, including a detailed description of—

14 “(A) whether the covered telecommuni-
15 cations equipment or services are being used in
16 a mobile network run by the issuer, and wheth-
17 er those equipment or services were used in the
18 core or periphery of the network;

19 “(B) whether the covered telecommuni-
20 cations equipment or services were used for
21 cloud computing or data storage;

22 “(C) whether any covered telecommuni-
23 cations equipment or services were replaced
24 with other vendors; and

1 “(D) whether the issuer is currently engag-
2 ing in negotiations or planning to contract to
3 use additional covered telecommunications
4 equipment or services.

5 “(3) NOTICE OF DISCLOSURES.—If an issuer
6 reports under paragraph (1) that the issuer or an
7 affiliate of the issuer has knowingly engaged in any
8 activity described in that paragraph, the issuer shall
9 separately file with the Commission, concurrently
10 with the annual or quarterly report under subsection
11 (a), a notice that the disclosure of that activity has
12 been included in that annual or quarterly report that
13 identifies the issuer and contains the information re-
14 quired by paragraph (2).

15 “(4) PUBLIC DISCLOSURE OF INFORMATION.—
16 Upon receiving a notice under paragraph (3) that an
17 annual or quarterly report includes a disclosure of
18 an activity described in paragraph (1), the Commis-
19 sion shall promptly—

20 “(A) transmit the report to—

21 “(i) the President;

22 “(ii) the Committees on Foreign Af-
23 fairs, Energy and Commerce, and Finan-
24 cial Services of the House of Representa-
25 tives; and

1 “(iii) the Committees on Foreign Re-
2 lations, Commerce, Science, and Transpor-
3 tation, and Banking, Housing, and Urban
4 Affairs of the Senate; and

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

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

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

21 **SEC. 7. DEFINITIONS.**

22 In this Act:

23 (1) COVERED TELECOMMUNICATIONS EQUIP-
24 MENT OR SERVICE; UNTRUSTED TELECOMMUNI-
25 CATIONS EQUIPMENT OR SERVICE.—The terms “cov-

Passed the House of Representatives September 20,
2022.

By KEVIN F. McCUMBER,
Deputy Clerk.