

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 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 “Secure and Trusted
5 Communications Networks Act of 2019”.

1 **SEC. 2. DETERMINATION OF COMMUNICATIONS EQUIP-**
2 **MENT OR SERVICES POSING NATIONAL SECU-**
3 **RITY RISKS.**

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

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

14 (1) is produced or provided by—

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

19 (B) any successor to any entity described
20 in subparagraph (A); or

21 (C) any other entity, if the Commission de-
22 termines, based exclusively on the determina-
23 tions described in paragraphs (1) through (3)
24 of subsection (c), that such equipment or serv-
25 ice produced or provided by such entity poses
26 an unacceptable risk to the national security of

1 the United States or the security and safety of
2 United States persons; and

3 (2) is capable of—

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

8 (B) causing the network of a provider of
9 advanced communications service to be dis-
10 rupted remotely.

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

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

20 (2) A specific determination made by the De-
21 partment of Commerce pursuant to Executive Order
22 13873 (84 Fed. Reg. 22689; relating to securing the
23 information and communications technology and
24 services supply chain).

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

7 (d) UPDATING OF LIST.—

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

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

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

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

13 **SEC. 3. PROHIBITION ON USE OF CERTAIN FEDERAL**
14 **LOANS, GRANTS, AND SUBSIDIES.**

15 (a) IN GENERAL.—

16 (1) PROHIBITION.—A Federal loan, grant, or
17 subsidy that is made available through a program
18 administered by the Commission and that provides
19 funds to be used for the capital expenditures nec-
20 essary for the provision of advanced communications
21 service may not be used to—

22 (A) purchase, rent, lease, or otherwise ob-
23 tain any covered communications equipment or
24 service; or

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

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

14 (b) COMPLETION OF PROCEEDING.—Not later than
15 90 days after the date of the enactment of this Act, the
16 Commission shall adopt a Report and Order in the matter
17 of Protecting Against National Security Threats to the
18 Communications Supply Chain Through FCC Programs
19 (WC Docket No. 18–89) that implements subsection (a).

20 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
21 tion may be construed to limit a Federal agency from pro-
22 curing goods or services.

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 approves the application.

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

23 (i) finds that the supply of replace-
24 ment communications equipment or serv-
25 ices needed by the recipients to achieve the

1 purposes of the Program is inadequate to
2 meet the needs of the recipients; and

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

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

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

11 (C) INDIVIDUAL EXTENSION.—

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

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

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

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

19 (9) STATUS UPDATES.—

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

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

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

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

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

23 (ii) the work by recipients of reim-
24 bursements under the Program to perma-
25 nently remove, replace, and dispose of cov-

1 ered communications equipment or services
2 identified under paragraph (5)(A)(i).

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

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

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

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

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

24 (B) random field investigations to ensure
25 that recipients of reimbursements under the

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

9 (4) FINAL CERTIFICATION.—

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

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

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

23 (iii) has permanently removed from
24 the communications network of the recipi-
25 ent, replaced, and disposed of (or is in the

1 process of permanently removing, replac-
2 ing, and disposing of) all covered commu-
3 nications equipment or services that were
4 in the network of the recipient as of the
5 date of the submission of the application of
6 the recipient for the reimbursement; and

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

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

1 (f) EFFECT OF REMOVAL OF EQUIPMENT OR SERV-
2 ICE FROM LIST.—

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

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

16 (B) retain any reimbursement funds re-
17 ceived for the removal, replacement, and dis-
18 posal of such equipment or service and remain
19 subject to the requirements of this section to
20 remove, replace, and dispose of such equipment
21 or service as if such equipment or service con-
22 tinued to be on the list published under section
23 2(a).

24 (2) ASSURANCES.—In the case of an assurance
25 relating to the removal, replacement, or disposal of

1 any equipment or service with respect to which the
2 recipient returns to the Commission reimbursement
3 funds under paragraph (1)(A), such assurance may
4 be satisfied by making an assurance that such funds
5 have been returned.

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

15 (h) EDUCATION EFFORTS.—The Commission shall
16 engage in education efforts with providers of advanced
17 communications service to—

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

20 (2) assist such providers in submitting applica-
21 tions for the Program.

22 (i) SEPARATE FROM FEDERAL UNIVERSAL SERVICE
23 PROGRAMS.—The Program shall be separate from any
24 Federal universal service program established under sec-

tion 254 of the Communications Act of 1934 (47 U.S.C. 254).

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Commission \$1,000,000,000 for fiscal year 2020 to carry out the Program. Such amount is authorized to remain available through fiscal year 2029.

SEC. 5. 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.

SEC. 6. 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, respectively. The Commission shall enforce this Act and the regulations promulgated under this Act in the same man-

1 ner, by the same means, and with the same jurisdiction,
2 powers, and duties as though all applicable terms and pro-
3 visions of the Communications Act of 1934 were incor-
4 porated into and made a part of this Act.

5 (b) ADDITIONAL PENALTIES.—

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

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

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

18 (C) shall be referred to all appropriate law
19 enforcement agencies or officials for further ac-
20 tion under applicable criminal and civil laws;
21 and

22 (D) may be barred by the Commission
23 from participation in other programs of the
24 Commission, including the Federal universal
25 service support programs established under sec-

1 tion 254 of the Communications Act of 1934
2 (47 U.S.C. 254).

3 (2) NOTICE AND OPPORTUNITY TO CURE.—The
4 penalties described in paragraph (1) shall not apply
5 to a recipient of a reimbursement under the Pro-
6 gram unless—

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

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

12 (c) RECOVERY OF FUNDS.—The Commission shall
13 immediately take action to recover all reimbursement
14 funds awarded to a recipient of a reimbursement under
15 the Program in any case in which such recipient is re-
16 quired to repay reimbursement funds under subsection
17 (b)(1)(A).

18 **SEC. 7. DEFINITIONS.**

19 In this Act:

20 (1) ADVANCED COMMUNICATIONS SERVICE.—

21 The term “advanced communications service” has
22 the meaning given the term “advanced telecommuni-
23 cations capability” in section 706 of the Tele-
24 communications Act of 1996 (47 U.S.C. 1302).

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

3 (3) COVERED COMMUNICATIONS EQUIPMENT OR
4 SERVICE.—The term “covered communications
5 equipment or service” means any communications
6 equipment or service that is on the list published by
7 the Commission under section 2(a).

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

11 (A) the customers of such provider; and

12 (B) the customers of any affiliate (as de-
13 fined in section 3 of the Communications Act of
14 1934 (47 U.S.C. 153)) of such provider.

15 (5) EXECUTIVE BRANCH INTERAGENCY
16 BODY.—The term “executive branch interagency
17 body” means an interagency body established in the
18 executive branch.

19 (6) FEDERAL AGENCY.—The term “Federal
20 agency” has the meaning given the term “agency”
21 in section 551 of title 5, United States Code.

22 (7) PERSON.—The term “person” means an in-
23 dividual or entity.

24 (8) PROGRAM.—The term “Program” means
25 the Secure and Trusted Communications Networks

1 Reimbursement Program established under section
2 4(a).

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

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

14 (11) REIMBURSEMENT FUNDS.—The term “re-
15 imbursement funds” means any reimbursement re-
16 ceived under the Program.

○