

WASHINGTON, DC 20510

April 29, 2022

The Honorable Jessica Rosenworcel Chairwoman Federal Communications Commission 45 L Street NE Washington, DC 20554

Dear Chairwoman Rosenworcel,

We respectfully request that the Federal Communications Commission (FCC) provide us with information regarding the reimbursement requests the agency received through the Secure and Trusted Communications Reimbursement Program (Reimbursement Program). This program is essential to protecting our national security and ensuring the stability of our networks that receive universal service support. The information we request will aid our efforts to ensure that companies are able to achieve their universal service goals while maintaining our national security.

Over the past decade, Congress, the FCC, and the U.S. Intelligence Community have identified telecommunications equipment produced by vendors such as China's Huawei and ZTE as a security vulnerability to our nation's telecommunications networks. In March 2020, Congress unanimously passed the Secure and Trusted Communications Networks Act, which created the Reimbursement Program to assist eligible small and rural telecommunications providers with removing and replacing this equipment from their networks. Later that year, based on estimates that the FCC had received from providers, Congress appropriated \$1.9 billion for this effort and also expanded eligibility for the Reimbursement Program. In February, the FCC announced that providers had requested close to \$5.6 billion to remove and replace equipment in their networks —nearly three times more than what was originally projected.

Congress provided support for the Reimbursement Program because it recognized that some telecommunications providers could not afford to undertake this network security work on their own while continuing to offer service. Thus, this unforeseen demand for funding not only jeopardizes national security, but may also make providing broadband, voice, and public safety services more difficult, especially in hard-to-reach areas. As the pandemic has underscored, internet access is not a luxury. It is essential for participation in today's modern economy.

Accordingly, we seek information to understand providers' Reimbursement Program requests and develop ways to ensure that there is enough funding to support the providers participating in the program. We ask that you provide us with the following information by May 20, 2022:

- 1. The number of applicants in each of the three prioritization groups established under Section 4(d) of the Secure and Trusted Communications Networks Act, as amended;
- 2. The aggregate amount of funding requested by each prioritization group;
- 3. The aggregate amount of funding requested by category established under the cost catalog for the Reimbursement Program;

- 4. An initial analysis of why the reimbursement requests received exceeded the Commission's original estimates;
- 5. When the FCC will be able to determine the final amount eligible for reimbursement;
- 6. How the Commission will meet the needs of eligible providers seeking funds through the Reimbursement Program if demand outstrips available support; and
- 7. The status of the Office of the Managing Director's work to audit and ensure adequate internal controls for the Reimbursement Program, as required under the FCC's Third Report and Order (FCC 21-86).

We also ask that you keep us informed as the FCC reviews the eligibility of reimbursement requests, which may impact the size of the funding shortfall.

Thank you for your attention to this request. We look forward to working with you to address this important issue.

Sincerely,

Gary C.Peters United States Senator

John Hickenlooper United States Senator

Roger Wicker United States Senator

John Thune United States Senator