

May 2, 2022

310

The Honorable Jessica Rosenworcel
Chairwoman
Federal Communications Commission
45 L Street NE
Washington, D.C. 20554

Dear Chairwoman Rosenworcel:

I write to request that the Federal Communications Commission (FCC) take all appropriate actions to ensure the compliance of malign Chinese telecommunication companies operating in the United States. In the wake of the FCC's recent, commendable actions to block or otherwise restrict such firms from United States infrastructure, now is the time to take immediate action. Specifically, I ask the FCC to initiate audits, formal review processes, and other disciplinary actions against Chinese telecommunications companies present in the U.S. given concerning reports that some may be noncompliant, or are otherwise attempting to evade critical restrictions placed on them.

As you are well aware, the presence of Chinese Communist Party (CCP)-owned, -operated, or -directed administered companies in our technological infrastructure and, in particular, telecommunication systems represents a profound threat to our national and cybersecurity. All Chinese firms are subject to Beijing's Data Security Law, meaning that any American's data or personal information in the hands of a Chinese telecom company – including firms that portray themselves as independent of the central government – is fully accessible by the CCP. The FCC's recent actions against Beijing's state-owned and -controlled China Unicom,¹ China Telecom,² China Mobile, Pacific Networks, and ComNet³ provide strong examples of the Commission's instrumental role in mitigating this danger to the U.S. Government and consumer base alike.

However, Chinese state telecommunication firms are notorious for the degree to which they will work to avoid compliance and evade restrictions to their access to U.S. markets. Facing such limits from the Trump Administration's Department of Commerce in 2017, ZTE Corporation refused to adhere to the U.S. Government's orders and lied about the extent of its compliance, resulting in further penalties and an extension of its probation period that only

¹ <https://www.fcc.gov/document/fcc-revokes-china-unicom-americas-telecom-services-authority>

² <https://www.fcc.gov/consumers/guides/information-and-resources-china-telecom-americas-can-no-longer-provide-mobile>

³ <https://www.reuters.com/business/media-telecom/us-fcc-adds-ao-kaspersky-lab-china-telecom-firms-national-security-threat-list-2022-03-25/>

concluded⁴ this March. In 2019, after the Commerce Department placed Huawei on its Entity List, Huawei responded by spinning off its mid-range smartphone line, Honor, by selling it to a different Chinese-state controlled company – in doing so guaranteeing uninterrupted CCP access to critical American technology and markets. Thus far, the Biden Administration has not responded to this blatant circumvention of U.S. export controls.⁵

Unfortunately, this kind of evasive behavior is already evident on the part of several of the firms facing new revocations of their Section 214 licenses and other restrictions from the FCC. In December 2021, China Telecom made clear its intent to continue offering U.S. services even after the FCC’s October vote to revoke its authorization, with a spokesperson for its U.S. unit declaring that the company would “continue to operate its private carrier business in the U.S. after the January 3rd deadline.”⁶ In response to the FCC’s most recent round of additions to its blacklists, the Embassy of the People’s Republic of China in Washington threatened, “China will take necessary measures to resolutely safeguard the legitimate rights and interests of Chinese companies.”⁷

In light of this threat, as well as Chinese telecommunication companies’ history of noncompliance with U.S. Government regulations and penalties, I request that the FCC take measures to follow through on its recently announced actions. Specifically, I ask the Commission to ensure that all recently indicted Chinese firms totally discontinue U.S. services within the required time period; confirm that all Chinese telecommunication companies on the FCC’s “Covered List” – including subsidiaries or reconstituted entities intended to evade U.S. regulations – remain fully blacklisted; and conduct audits or other formal reviews of additional Chinese telecommunications companies that may pose a risk to Americans.

Thank you for your attention to this vitally important subject. I look forward to your response.

Sincerely,



Marco Rubio
U.S. Senator

⁴ <https://www.rubio.senate.gov/public/index.cfm/2022/3/rubio-pushes-for-action-against-china-s-zte-after-probation-ends>

⁵ <https://www.rubio.senate.gov/public/index.cfm/2021/10/rubio-scott-cornyn-urge-biden-administration-to-add-huawei-spin-off-honor-to-entity-list>

⁶ <https://www.reuters.com/business/media-telecom/china-telecom-plans-continue-some-us-services-after-fcc-revokes-authorization-2021-12-22/>

⁷ <https://www.reuters.com/article/usa-fcc-security-idCNL2N2VS1UO>