

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89

There is little doubt that several foreign nations present geopolitical problems for the United States. From state sponsored terrorism and military aggression outside their borders to economic espionage and market manipulation, we certainly have our fair share of international challenges. Certain nations do everything possible to evade accepted processes for purposes of improving their economic position, harming American companies, and/or helping spread their morally bankrupt view of acceptable government. Their deceit does not go unnoticed and their desire to artificially prop-up their “companies” should not be allowed to stand.

In the communications arena, our concerns are many. It’s why I have called for greater U.S. leadership and engagement to prevent harmful outcomes in international organizations, such as the International Telecommunication Union (ITU), the Internet Cooperation for Assigned Names and Numbers (ICANN), and the various multi-stakeholder standard setting bodies. Moreover, we rightly should be concerned and act against efforts by foreign governments to capture dominant positions and global market share in the communications equipment sector using illegal and underhanded practices. At the same time, we need to be concerned about the infiltration of potentially nefarious equipment within our networks.

That gets us to today’s item. I appreciate the Chairman bringing it forward for our consideration. Substantively, while I firmly believe that there are significant potential threats to our nation’s communications networks from foreign suppliers, I do have some concerns regarding the proposed solution to cut off USF support under select circumstances. However, it is my opinion that this NPRM process is the correct vehicle for discussing and resolving such debates. Commenters can highlight what exact benefits this decision could bring, whether money is, of course, completely fungible, and whether other actions should be taken instead. The accumulated record should help frame views on any final action in this matter. I realize that this may create uncertainty for USF recipients, but we are discussing issues and actions affecting national security, and that must be given due consideration.

Along those lines, it is critical that the FCC revise our dealings with what is known as “Team Telecom.” The item raises a host of issues in which the Commission will need to work with those in the Executive Branch on matters involving what equipment poses national security risks, potential waivers and other critical decisions. That means we are going to need to have a better process than the opaque and unnecessarily lengthy one that exists under the current Team Telecom structure. I am pleased that the Chairman agrees with me on this point, and I look forward to moving a related Team Telecom order in the very near future.