

**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.

It is not irrational to say that communications infrastructure is a bigger part of our daily lives than at any other point in our nation's history. As I stated in 2019, when we adopted the first order in this proceeding, Americans not only use these incredible networks to communicate with loved ones, but also to make financial transactions and engage in commerce. Little did we know that – just over a year later – these networks would be a standing foundation, allowing us to stay in touch during pandemic lockdowns, talk to our doctors, order groceries and take out, do our jobs, facilitate our children's education, and so much more. The need to keep these networks secure and operational, protected from those who would do us harm, has never been so apparent.

Over the years, I have been outspoken about the threat our networks face from foreign governments and their state-controlled businesses, which operate according to ideologies that are not consistent with capitalism or freedom. At the same time, I recognize the gravity of this undertaking, and I have tried to approach these difficult decisions with humility and caution, seeking to avoid boisterous commentary. The Commission, on the advice of the Administration's security experts, is effectively closing our market to certain companies and reimbursing providers that purchased certain equipment in the interests of preserving our nation's national security. It is a sobering action, and our rhetoric should match the gravity of the moment and its long-term importance. While we should be incredibly mindful our actions may have global repercussions, we must do so notwithstanding, because the record and evidence presented demonstrate that it is the right thing to do. In the end, I support this order setting forth the framework for recipients of reimbursement funds to remove covered equipment from certain networks, along with the two national security matters to be voted on subsequently.

It is my hope that, as these matters proceed, everyone acknowledges that many providers, especially small businesses and those in rural America, did not do anything wrong by incorporating the problematic equipment into their networks. Ultimately, the equipment allowed them to offer service to many Americans, and, in some areas, they may be the only broadband offering available. As we talk about "rip and replace" or "remove and destroy," we must be aware that, in large part, this will look more like "duplicate and dismantle." Americans that rely on these networks must continue to receive services during the time it takes to carry out what is effectively a mandated equipment replacement process, carried out via the cutoff of USF subsidies. While many want this equipment out of our networks tomorrow, and there will likely be pressure to make that a reality, as the regulator, the Commission also needs to make sure this is done correctly and in an orderly manner, without abruptly cutting off service to consumers. It may take time for all the necessary congressional, Commission, and federal agency components to be finalized.

Further, the Secure and Trusted Communications Networks Act of 2019 (Secure Networks Act) requires the Commission to develop a list of suggested replacements for equipment and services to be replaced. In doing so, the Commission must be careful not to tip the scales towards certain technologies or companies or take advantage of this serious matter to pick winners and losers. I am pleased that the order recognizes the need to tread carefully here. While some may turn to O-RAN, which I can see may have benefits, others are likely to turn to more traditional technologies. Each company should be allowed to select the system that works best for them, without being influenced, pressured, or required by the Commission or any other governmental entity to make certain technology choices.

Ultimately, today's item is a good faith effort to implement congressional intent as adopted in the Secure Networks Act and other national security laws. I approve.