STATEMENT OF COMMISSIONER MIGNON L. CLYBURN

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

Just like transport, energy, and water, communications networks are an integral part of our daily lives. These networks are now – in most quarters – considered critical infrastructure, which is why protecting them from national security threats is such a top priority.

Communications networks not only support a wide variety of services that underpin the social and economic dynamics of our country, next generation networks, such as 5G and the Internet of Things, promise to rapidly transform industries such as healthcare, education, public safety, transportation and manufacturing.

While we must take the responsibility of securing this critical infrastructure seriously, we have the added challenge of doing so in a way that is cost effective. Getting it wrong will not only do little to safeguard national security, but hamper our efforts to close the digital divide and not serve the public interest.

Our dual responsibilities, enshrined in statute, are clear: to protect both the integrity of our nation's communications networks and ensure that all Americans have access to communications services. But we can ill-afford to slow down the progress of innovation and investment when it comes to these communications networks or to raise the cost of deployment or adoption of services for those who need connectivity the most.

In this Notice of Proposed Rulemaking, we seek comment on whether we should prohibit Universal Service Funds (USF) from being used to purchase any equipment or services by any company posing national security threat to the integrity of communications networks. In being good stewards, we must carefully assess <u>all</u> costs and benefits of any proposed approach, and evaluate <u>all</u> viable alternatives to determine the best next step.

We must minimize national security threats, while avoiding putting undue burdens on small and rural communications service providers, and those living in high-cost areas where connectivity is either lacking or needs improvement. More pointedly, we must consider whether this proposal could ultimately increase equipment or service costs for consumers and providers benefiting from USF funds.

As we identify and eliminate possible security vulnerabilities, we need the participation of stakeholders so that we may strike the proper marketplace balance. Quantitative and qualitative data would be especially helpful to demonstrate the potential impact of any proposal on national security and the goals of USF, to include network deployment and services offered by small and rural businesses that receive USF support.

I would like to thank my colleagues for agreeing to my request to seek additional comment on these issues and on the costs and benefits of any proposed actions. This Notice is a combined effort so I thank the team from various Bureaus for briefing me and for their dedicated work on this item.