

Trump signs bill to help telecoms replace Huawei equipment

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President Donald Trump speaks during a meeting with Irish Prime Minister Leo Varadkar in the Oval Office of the White House, Thursday, March 12, 2020, in Washington. (AP Photo/Evan Vucci)

President Donald Trump on Thursday signed into law a bill that provides

\$1 billion to help small telecom providers replace equipment made by China's Huawei and ZTE.

The U.S. government considers the Chinese companies a [security risk](#) and has pushed its allies not to use Huawei equipment in next-generation cellular networks, known as 5G. Both companies have denied that China uses their products for spying.

The Federal Communications Commission has already voted to bar U.S. phone companies from using government subsidies for equipment from the two Chinese companies. This bill affects mostly small, rural companies, because the major U.S. network providers don't use the Chinese equipment.

The White House said that using untrustworthy vendors to build [communications infrastructure](#) threatens national security by exposing networks to actors who are potentially influenced by foreign entities.

The legislation creates a reimbursement program that small telecom providers can use when removing and replacing equipment manufactured by entities deemed to pose unacceptable national security risks. The bill is aimed at telecom providers with fewer than 2 million customers.

"The administration will not risk subjecting America's critical telecommunications infrastructure to companies that are controlled by authoritarian governments or foreign adversaries," the White House said in a statement.

Donald Morrissey, a Huawei spokesman, said the bill was an "unrealistic attempt to fix what isn't broken" and will hurt local consumers.

"This legislation remains considerably underfunded, will take longer than

anticipated to fulfill and will put at risk some of Huawei's customers, who operate in the most under-served areas," Morrissey said.

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