



Telecommunications Industry Association
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The Honorable Howard Lutnick
Secretary of Commerce
1401 Constitution Ave NW
Washington, DC 20230

February 18, 2025

Dear Secretary Lutnick,

On behalf of the Telecommunications Industry Association (“TIA”), we congratulate you on your confirmation to serve as the Secretary of Commerce. TIA is a U.S.-based trade association that represents more than 400 trusted, global manufacturers of telecommunications equipment and services. TIA members design, produce, market, and manage the information communications technology (“ICT”) equipment and services that connect Americans to high-speed broadband.

And TIA is unique as we manage the development of many critical infrastructure technical and process improvement standards for fiber, wireless and satellite networks. We advocate for the ICT industry and work to support government stakeholders’ efforts to increase connectivity with trusted networks. We look forward to working with you and the new administration on the Department of Commerce’s domestic broadband deployment programs and our ongoing work promoting supply chain resiliency and trusted vendors in networks worldwide.

As the Department of Commerce examines its stewardship of the Broadband Equity, Access, and Deployment (“BEAD”) program, it is important that these funds are used efficiently and that deployment begins expeditiously. We look forward to working with you to ensure that BEAD is successful in its intended goal: connecting all Americans with high-speed, resilient networks throughout the country. We agree with your comments at your nomination hearing that the new administration should review and streamline existing rules to ensure that taxpayer funds are utilized consistent with Congress's intent to connect Americans to broadband.

TIA and its members are proud of the work done by the ICT industry to bring manufacturing back to the United States. These investments were based on a limited waiver of domestic sourcing requirements that effectively balanced the government’s goals to support U.S. manufacturing for such requirements with a pragmatic approach to the realities of an intricate global ICT supply chain that allowed TIA members to bring back manufacturing to the United States where possible. As Commerce works to streamline BEAD requirements, we believe that NTIA should maintain this waiver to support the investments that TIA members have made in American manufacturing and innovation.

As the administration uses tariffs to make progress on key goals, we encourage the Department of Commerce to engage with industry to limit impacts on consumer prices and domestic manufacturing. ICT tariffs will increase prices for consumers and limit the positive



impact of NTIA's broadband investments. Even products manufactured in the U.S. rely on inputs sourced from abroad, and as a result broad-based tariffs may make America a less attractive destination for ICT manufacturing and innovation. By coordinating with industry through a tariff exemption process and using tariffs to achieve concrete commercial results for industry, Commerce has an opportunity to limit the negative impacts of duties and create new opportunities for U.S. leadership in the global economy.

To further ensure that BEAD funds are administered in a manner consistent with Congress's intent, it is essential for the administration to work with Congress on enacting legislation that prevents federal broadband grants from being considered taxable income. Congress never intended for BEAD grants to be subject to federal income tax, and treating these funds as taxable income could impede applicants' ability to apply and diminish the program's overall impact. By streamlining rules and maintaining beneficial policies, the administration can maximize the impact of the BEAD program and ensure that all Americans have access to high-speed broadband.

Given the increasing pace of high-profile cyber-attacks from state-sponsored actors, it is important to focus on resiliency for networks, including those deployed under the BEAD program. These high-profile incidents underscore the importance of prioritizing security in broadband deployment and existing networks. Incorporating security into networks by building it into the design ensures that infrastructure is resilient against existing and emerging threats. This approach protects sensitive data and communications while enhancing network reliability and trustworthiness. TIA strongly advocates integrating robust security measures in ICT network design and implementation.

These high-profile attacks also underscore the need to promote resiliency with our allies abroad. TIA has been working closely with the Department of Commerce's Commercial Law Development Program to assist friendly governments around the world in adding resiliency and security into their next generation network designs and operations, including the need to secure equipment from trusted suppliers. TIA looks forward to continuing this valuable work promoting the use of cyber and supply chain risk mitigation tools and plans, which are essential for maintaining the integrity of communications infrastructure, both domestically and abroad.

Again, congratulations on your confirmation, and thank you for your attention to these critical matters. We look forward to working with you and the Department of Commerce.

Sincerely,

David Stehlin
Chief Executive Officer
Telecommunication Industry Association