




FEMA

August 3, 2020

MEMORANDUM FOR: All FEMA Regional Administrators  
All FEMA Deputy Regional Administrators  
All FEMA Regional Grant Division Directors  
All FEMA Grant Programs Directorate Points of Contact  
All FEMA Office of Response and Recovery Points of Contact  
All Federal Insurance and Mitigation Administration Points of Contact  
All National Preparedness Directorate Points of Contact  
All Tribal Nation Points of Contact

FROM: Christopher Logan  
Assistant Administrator (Acting)   
Grant Programs Directorate

SUBJECT: Prohibitions on Expending FEMA Award Funds for Covered  
Telecommunications Equipment or Services (Interim)

The purpose of this memorandum is to inform recipients and subrecipients of U.S. Department of Homeland Security (DHS)/ Federal Emergency Management Agency (FEMA) federal financial assistance of the prohibitions described in section 889(b)(1) of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\)](#), Pub. L. No. 115-232 (2018). Beginning August 13, 2020, the statute—as it applies to FEMA recipients, subrecipients, and their contractors and subcontractors—prohibits obligating or expending federal award funds on certain telecommunications products and contracting with certain entities for national security reasons. FEMA will issue additional guidance in a forthcoming Interim Policy.

**Effective August 13, 2020**, FEMA recipients and subrecipients **may not** use any FEMA funds under open or new awards to:

- i. Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
- ii. Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; or

Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services (Interim)

- iii. Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

**Replacement Equipment and Services**

FEMA grant funding may be permitted to procure replacement equipment and services impacted by this prohibition. Recipients and subrecipients should refer to applicable program guidance or contact the applicable program office to determine if replacement equipment or services is eligible under that program.

**Definitions**

Per section 889(f)(2)-(3) of the FY 2019 NDAA, covered telecommunications equipment or services means:

- i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);
- ii. For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- iii. Telecommunications or video surveillance services provided by such entities or using such equipment; or
- iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China