ONE HUNDRED NINETEENTH CONGRESS

Congress of the United States

House of Representatives COMMITTEE ON ENERGY AND COMMERCE

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August 08, 2025

The Honorable Howard Lutnick Secretary of Commerce U.S. Department of Commerce 1401 Constitution Avenue NW Washington, D.C. 20230

Secretary Lutnick:

We write to express our concern regarding recent decisions made by the Spanish government that have significant implications for U.S. digital trade, data security, and telecommunications interests. According to revelations made public in early July, Spain's Ministry of the Interior contracted with Huawei to manage and store sensitive data related to the country's wiretapping services, building on existing Huawei technology used by Spanish intelligence services.¹

It is deeply troubling when a treaty ally uses telecommunications equipment and services from an entity aligned with the Chinese Communist Party (CCP).² As you are aware, Huawei and other Chinese firms maintain documented CCP ties, posing profound risks to national and economic security. In 2019, the Trump Administration recognized that these risks were unacceptable and wisely prohibited Huawei and ZTE from participating in U.S.

¹ Víctor Recacha, *El Gobierno paga 12 millones a la china Huawei por custodiar las escuchas policiales*, THE OBJECTIVE (Jul. 7, 2025), https://theobjective.com/economia/2025-07-07/gobierno-huawei-escuchas/ (last visited Aug. 4, 2025).

² See Letter from Sen. Tom Cotton, Chairman, S. SELECT COMM. ON INTEL., & Rep. Rick Crawford, Chairman, H. PERMANENT SELECT COMM. ON INTEL., to Hon. Tulsi Gabbard, Dir. of Nat'l Intel, Office of the Dir. Of Nat'l Intel. (Jul. 16, 2025), https://www.cotton.senate.gov/imo/media/doc/gabbard_cottoncrawford_17jul25.pdf (last visited Aug. 4, 2025).

telecommunications networks.³ Congress then passed the *Secure and Trusted Communications Networks Act* to prohibit federal funds from being used to purchase untrustworthy equipment and help small providers remove and replace such equipment. President Trump signed it into law in March 2020.⁴

Spain's decision underscores a regrettable trend in the European Union (EU): governments tacitly embrace Chinese technology and hold American digital trade exports to double standards. As Spanish law enforcement and intelligence services grant Huawei access to highly sensitive data, the U.S.-EU Data Privacy Framework (DPF) faces yet another legal challenge, ostensibly on privacy grounds.⁵ Since 2015, the EU has twice invalidated agreements on cross-border transfers of personal information with the U.S., creating significant uncertainty for American companies in every sector that engages in transatlantic commerce.⁶ The EU claimed that these agreements were invalidated because of privacy concerns with U.S. intelligence gathering practices—practices that keep Europeans safe. Yet cross-border data transfers from the EU to the People's Republic of China remain unimpeded, despite the serious risks that CCP access to personal information creates for data security and fundamental rights.

The EU is the largest destination for American digital trade exports, and digital trade supports more than 3 million American jobs. The DPF provides American exporters and workers with vital access to the European market, which is why we strongly support the agreement and the free flow of data across the Atlantic. The Spanish government's actions, however, illustrate that double standards persist in the EU, with Chinese flows of technology and data receiving far less scrutiny than American ones.

In February, President Trump stated in a historic memorandum that he will not allow "American economic and national security interests to be compromised by one-sided, anti-competitive policies and practices of foreign governments." We strongly agree with the President. We encourage the Department of Commerce to investigate the Spanish government's decision, and similar actions by EU governments, that negatively impact U.S. digital trade, data security, and telecommunications interests, as well as the interests of American workers.

³ Eric Geller, *Trump signs order setting stage to ban Huawei from U.S.*, POLITICO (May 15, 2019), https://www.politico.com/story/2019/05/15/trump-ban-huawei-us-1042046 (last visited Aug. 4, 2025).

⁴ Secure and Trusted Communications Networks Act of 2019, Pub. L. No. 116-124, 134 Stat. 158 (2020).

⁵ Case T-553/23, Latombe v. Commission (Action brought on 6 Sept 2023), 2023 O.J. (C 348).

⁶ See Case C-362/14, Schrems v. Data Prot. Comm'r (Made on 25 Jul. 2014), 2014 O.J. (C 351); See also Case C-311/18, Data Prot. Comm'r v. Facebook Ir. Ltd., Schrems (Made on 9 May 2018), 2018 O.J. (C 249).

⁷ U.S. CHAMBER OF COM., *The Digital Trade Revolution: How U.S. Workers and Companies Benefit from Digital Trade*, 10 (2024), https://www.uschamber.com/international/trade-agreements/how-digital-trade-benefits-the-american-economy (last visited Aug. 4, 2025).

⁸ Memorandum on Defending American Companies and Innovators From Overseas Extortion and Unfair Fines and Penalties, 90 Fed. Reg. 10685 (Feb. 21, 2025).

Sincerely,

Gus M. Bilirakis Chairman

Subcommittee on Commerce, Manufacturing, and Trade

Committee on Energy and Commerce

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Chairman

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