

Congress of the United States

House of Representatives

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

2321 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6301

(202) 225-6371

www.science.house.gov

May 16, 2024

Elizabeth Rogan
Chief Executive Officer
Optica
2010 Massachusetts Ave. NW
Washington, DC 20036 USA

Dear Elizabeth Rogan:

On May 2, 2024, Bloomberg reported that the Optica Foundation has accepted millions of dollars from Huawei and distributed that money through grant competitions.¹ We are extremely concerned about Optica's decision to accept money from a China-based company. This relationship is particularly concerning considering that Huawei's United States operations are duly restricted by the federal government.^{2,3,4} The Committee on Science, Space, and Technology has a years-long history of engaging with stakeholders in the law enforcement, academic, and intelligence communities to develop common-sense disclosure requirements and limitations on relationships with entities affiliated with foreign countries of concern. Optica's decision to accept Huawei money and distribute it to unknowing recipients flies in the face of the increased risk awareness and transparency we are all working toward in the research security space.

As the leader of the premiere scientific society promoting optics research in the United States, you know the sensitive nature of much of the research in the field. In fact, the importance of optics research may well be the reason Huawei has invested so much in its relationship with the

¹ Kate O'Keeffe, *Huawei Secretly Backs U.S. Research, Awarding Millions in Prizes*, Bloomberg, May 2, 2024, accessed here: <https://www.bloomberg.com/news/articles/2024-05-02/huawei-secretly-backs-us-based-research-with-millions-in-prizes-through-dc-group>

² U.S. Department of Commerce, "Commerce Department Further Restricts Huawei Access to U.S. Technology and Adds Another 38 Affiliates to the Entity List," August 17, 2020, accessed here: <https://2017-2021.commerce.gov/news/press-releases/2020/08/commerce-department-further-restricts-huawei-access-us-technology-and.html>

³ Diane Bartz and Alexandra Alper, *U.S. bans new Huawei, ZTE equipment sales, citing national security risk*, Reuters, November 30, 2022, accessed here: <https://www.reuters.com/business/media-telecom/us-fcc-bans-equipment-sales-imports-zte-huawei-over-national-security-risk-2022-11-25/>

⁴ Karen Freifeld, Alexandra Alper, and Stephen Nellis, *U.S. stops granting export licenses for China's Huawei*, January 31, 2023, accessed here: <https://www.reuters.com/technology/us-stops-provision-licences-export-chinas-huawei-ft-2023-01-30/>

Optica Foundation – it is one of only five “Lifetime Donors” that, as of 2023, donated over \$1 million to the Foundation,⁵ and it funded 10 grants totaling \$1 million in 2023.⁶ In your statement to Bloomberg, you said “there is nothing unusual” about donors who “prefer to remain anonymous, including U.S. donors.” This ignores the circumstances that make the Optica Foundation’s decision deeply unusual in the context of our heightened national awareness of research security concerns. Three of the Huawei-funded Optica Foundation Challenge 2023 recipients, and three of the 2022 recipients, were affiliated with U.S. institutions.

In recent years, Congress has mandated disclosure of foreign support by institutions receiving federal funding.⁷ By masking the source of the Optica Foundation Challenge funding, your organization has compromised the ability of U.S. research institutions to comply with the law. Cloaking the Huawei funding in a confidentiality document, as reported by Bloomberg, betrays – at best – a deep ignorance of the years of discourse and policymaking on the issue of research security. At worst, it is a willful strategy to launder funds from Huawei to anonymously bolster the Optica Foundation’s reputation and finances.

In order to assess Optica’s decision to accept funding from Huawei and its impact on the ability of institutions to comply with the law, we ask that you respond to the following questions and provide the following documents by May 30, 2024.

1. What funds, grants, donations, or any other outlays has Optica received from Huawei in 2022, 2023, and 2024? What percentage of the overall Optica Foundation budget in 2022, 2023, and 2024 consists of donations from Huawei?
 - a. When did the Optica Foundation first receive funds from Huawei?
2. According to the Bloomberg article, Huawei was the sole funder of the Optica Foundation Challenge in 2022 and 2023. Can you confirm whether this is true?
3. Are the prizes funded by Huawei limited to the 2022 and 2023 Optica Foundation Challenge winners listed publicly on your website? If not, please provide a list of other recipients of Huawei funding.
 - a. Did the Optica Foundation disclose to recipients of Huawei money that all or a portion of the funds, grant, or award received was supported by funds from Huawei? If so, please provide copies of this communication.

⁵ NOTE: One of the five lifetime donors is Optica itself.

Optica Foundation 2023 Annual Report, accessed here: https://www.optica.org/foundation/about/annual_report/

⁶ Optica Foundation Challenge, accessed here: https://www.optica.org/foundation/opportunities/competitions_prizes/challenge/

⁷ Section 223, National Defense Authorization Act for Fiscal Year 2021 (P.L. 116-283); 42 U.S.C. §6605; Section 10339B, CHIPS and Science Act of 2022 (P.L. 117-167).

4. Has the Optica Foundation accepted funding from any other entities based in China, or entities based in any other foreign country of concern, as defined in the CHIPS & Science Act?⁸
5. What percentage of the overall Optica Foundation budget in 2022, 2023, and 2024 consists of donations from any other entities based in China, or entities based in any other foreign country of concern?
6. Has the Optica Foundation accepted funding from any other entity whose business operations have been restricted by the United States government?
7. Has the Optica Foundation granted anonymity to any other entities based in China, or entities based in any other foreign country of concern?
8. Please produce the document reviewed by Bloomberg, quoted as saying the foundation “shall not be required to designate Huawei as the funding source or program sponsor” of the Optica Foundation Challenge.
 - a. Were any other terms placed upon Optica as a condition of accepting the Huawei donations?
 - b. Did Huawei mandate that the Optica Foundation place any conditions on recipients of Huawei funding?
 - c. Please provide any other documentation of the terms to which the Optica Foundation agreed in accepting Huawei funds.
9. Please provide documentation of any donation and grant funding provided by Huawei in 2022, 2023, and 2024.

⁸ Section 10638, CHIPS and Science Act of 2022 (P.L. 117-167)

Pursuant to Rule X of the U.S. House of Representatives, the Committee on Science, Space, and Technology is delegated oversight jurisdiction over all laws, programs, and Government activities relating to nonmilitary research and development.⁹ Please contact Daniel Boatright with the Majority staff at (202)225-0222 or Sara Palasits with the Minority staff at (202) 225-6375 with any questions regarding this request. Thank you for your attention to this important matter.

Sincerely,



Frank Lucas
Chairman
House Committee on Science,
Space, and Technology



Zoe Lofgren
Ranking Member
House Committee on Science,
Space, and Technology

⁹ Rule X, Organization of Committees, U.S. House of Representatives