Drone Bill Summary of Conference Committee Bill Passed by the Legislature and Sent to the Governor, Pending Action by the Governor.

The drone bill, H Sub SB271, was heavily amended in conference committee and passed the House 90-30 and passed the Senate 21-12. It has now gone to the Governor for consideration.

Note: The full bill as amended by the conference committee will not be available until it is presented to the Governor. That will likely be some time during the next 10 days. I have copied and pasted the section of the conference committee report dealing with the drones below. This should be the full content of the drone provisions of the bill.

Key points in the bill

- Drones manufactured in, or by companies associated with, a "country of concern" cannot be purchased by any state or local government agency on or after July 1, 2024.
- Country of concern includes: People's Republic of China, including the Hong Kong Special Administrative Region; Republic of Cuba; Islamic Republic of Iran; Democratic People's Republic of Korea; Russian Federation; and Bolivarian Republic of Venezuela. I does not include the Republic of China (Taiwan).
- After July 1, 2024, if no other drone is available for purchase that will meet the needs
 of the mission you are purchasing the drone for, you may seek authorization from
 the Kansas Department of Administration to purchase a drone from a "country of
 concern." (Process yet to be determined.)
- Any drone from a "county of concern" that you acquired prior to July 1, 2024, may continue to be used for the life of the device. The revised bill has no deadline for when the drones can no longer be used.
- You may purchase parts until July 1, 2027, from the manufacturers of the drones if there is no other source for the parts. Such a purchase requires approval from the Kansas Department of Administration. (Process yet to be determined.)
- Any contract, including a service agreement, you obtained prior to July 1, 2024, may be used for the duration of the agreement.
- There is no longer any reimbursement for replacing the drones. This is because they can now be used until they are no longer serviceable.
- There is no longer any provision about transferring them to a university.

The entire contents of the portions of the amended bill concerning local government agencies and drones follows:

Section 1.

(a) In addition to the provisions of K.S.A. 75-3739, and amendments thereto, and any other applicable statutes concerning purchases, a governmental agency shall not purchase or acquire any drone or any related services, maintenance agreements or equipment, the critical components of which were:

- (1) Produced in any country of concern; or
- (2) produced or owned by any foreign principal.
- (b) When a governmental agency determines that a critical component must be replaced, the governmental agency may use any replacement component acquired prior to July 1, 2027, but no new replacement component shall be acquired from any foreign principal, unless such component cannot be procured from another source.
- (c) Any acquisition that is otherwise prohibited under subsection (a) or (b) may be completed by a governmental agency if:
 - (1) There is no other reasonable means to acquire such critical components or of addressing the needs of the governmental agency necessitating such acquisition;
 - (2) the agreement for such acquisition is approved by the secretary of administration after consultation with the adjutant general; and
 - (3) failure to acquire such critical components or otherwise address the needs of the governmental agency would pose a greater threat to the safety and security of this state than that posed by entering into such acquisition agreement.
- (d) The provisions of this section shall not apply to any contract or agreement entered into prior to July 1, 2024.
- (e) As used in sections 1 and 2, and amendments thereto:
 - (1) "Company" means any:
 - (A) For-profit corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, trust, association, sole proprietorship or other organization, including any:
 - (i) Subsidiary of such company, a majority ownership interest of which is held by such company;
 - (ii) parent company that holds a majority ownership interest of such company; and
 - (iii) other affiliate or business association of such company whose primary purpose is to make a profit; or
 - (B) nonprofit organization.
 - (2) (A) "Country of concern" means the following:
 - (i) People's republic of China, including the Hong Kong special administrative region;
 - (ii) republic of Cuba;
 - (iii) islamic republic of Iran;
 - (iv) democratic people's republic of Korea;
 - (v) Russian federation; and
 - (vi) Bolivarian republic of Venezuela.
 - (B) "Country of concern" does not include the republic of China (Taiwan).
 - (3) "Critical component" means those components or subcomponents that are:
 - (A) Distinct and serviceable articles; and
 - (B) the primary component or subcomponent of an identifiable process or subprocess necessary to the recording, storing or transmitting of data or any other form of information.

- (4) "Domicile" means the country where a:
 - (A) Company is organized;
 - (B) company completes a substantial portion of its business; or
 - (C) majority of a company's ownership interest is held.
- (5) "Drone" means an unmanned aircraft that is controlled remotely by a human operator or operates autonomously through computer software or other programming.
- (6) "Foreign principal" means:
 - (A) The government or any official of the government of a country of concern;
 - (B) any political party, subdivision thereof or any member of a political party of a country of concern;
 - (C) any corporation, partnership, association, organization or other combination of persons organized under the laws of or having its principal place of business in a country of concern. "Foreign principal" includes any subsidiary owned or wholly controlled by any such entity;
 - (D) any agent of or any entity otherwise under the control of a country of concern;
 - (E) any individual whose residence is in a country of concern and who is not a citizen or lawful permanent resident of the United States; or
 - (F) any individual, entity or combination thereof described in paragraphs (A) through
 - (E) that has a controlling interest in any company formed for the purpose of manufacturing, distributing, transporting or selling critical components for drones and related services and equipment.
- (7) "Governmental agency" means the state or any political or taxing subdivision of the state or any office, agency or instrumentality thereof.
- (8) "State-level agency" means any department, authority, bureau, division, office or other governmental agency of this state.

Ed Klumpp, Legislative Liaison Kansas Association of Chiefs of Police Kansas Sheriffs Association Kansas Peace Officers Association eklumpp@cox.net