

AMENDMENT TO RULES COMMITTEE PRINT
118–11
OFFERED BY MR. GALLAGHER OF WISCONSIN

At the end of title VIII, add the following:

1 **SEC. 8 ____ . AMERICAN SECURITY DRONE ACT.**

2 (a) DEFINITIONS.—In this section:

3 (1) COVERED FOREIGN ENTITY.—The term
4 “covered foreign entity” means an entity included on
5 a list developed and maintained by the Federal Ac-
6 quisition Security Council and published in the Sys-
7 tem for Award Management (SAM). This list will in-
8 clude entities in the following categories:

9 (A) An entity included on the Consolidated
10 Screening List.

11 (B) Any entity that is subject to
12 extrajudicial direction from a foreign govern-
13 ment, as determined by the Secretary of Home-
14 land Security.

15 (C) Any entity the Secretary of Homeland
16 Security, in coordination with the Attorney
17 General, Director of National Intelligence, and
18 the Secretary of Defense, determines poses a
19 national security risk.

1 (D) Any entity domiciled in the People’s
2 Republic of China or subject to influence or
3 control by the Government of the People’s Re-
4 public of China or the Communist Party of the
5 People’s Republic of China, as determined by
6 the Secretary of Homeland Security.

7 (E) Any subsidiary or affiliate of an entity
8 described in subparagraphs (A) through (D).

9 (2) COVERED UNMANNED AIRCRAFT SYSTEM.—
10 The term “covered unmanned aircraft system” has
11 the meaning given the term “unmanned aircraft sys-
12 tem” in section 44801 of title 49, United States
13 Code.

14 (3) EXECUTIVE AGENCY.—The term “executive
15 agency” has the meaning given the term “Executive
16 agency” in section 105 of title 5, United States
17 Code.

18 (4) INTELLIGENCE; INTELLIGENCE COMMU-
19 NITY.—The terms “intelligence” and “intelligence
20 community” have the meanings given those terms in
21 section 3 of the National Security Act of 1947 (50
22 U.S.C. 3003).

23 (b) PROHIBITION ON PROCUREMENT OF COVERED
24 UNMANNED AIRCRAFT SYSTEMS FROM COVERED FOR-
25 EIGN ENTITIES.—

1 (1) IN GENERAL.—Except as provided under
2 paragraph (2) through (6), the head of an executive
3 agency may not procure any covered unmanned air-
4 craft system that is manufactured or assembled by
5 a covered foreign entity, which includes associated
6 elements related to the collection and transmission
7 of sensitive information (consisting of communica-
8 tion links and the components that control the un-
9 manned aircraft) that enable the operator to operate
10 the aircraft in the National Airspace System. The
11 Federal Acquisition Security Council, in coordination
12 with the Secretary of Transportation, shall develop
13 and update a list of associated elements.

14 (2) EXEMPTION.—The Secretary of Homeland
15 Security, the Secretary of Defense, and the Attorney
16 General are exempt from the prohibition under para-
17 graph (1) if the procurement is required in the na-
18 tional interest of the United States and—

19 (A) is for the sole purposes of research,
20 evaluation, training, testing, or analysis for
21 electronic warfare, information warfare oper-
22 ations, cybersecurity, or development of un-
23 manned aircraft system or counter-unmanned
24 aircraft system technology;

1 (B) is for the sole purposes of conducting
2 counterterrorism or counterintelligence activi-
3 ties, protective missions, or Federal criminal or
4 national security investigations, including foren-
5 sic examinations, or for electronic warfare, in-
6 formation warfare operations, cybersecurity, or
7 development of an unmanned aircraft system or
8 counter-unmanned aircraft system technology;
9 or

10 (C) is an unmanned aircraft system that,
11 as procured or as modified after procurement
12 but before operational use, can no longer trans-
13 fer to, or download data from, a covered foreign
14 entity and otherwise poses no national security
15 cybersecurity risks as determined by the ex-
16 empting official.

17 (3) DEPARTMENT OF TRANSPORTATION AND
18 FEDERAL AVIATION ADMINISTRATION EXEMPTION.—
19 The Secretary of Transportation is exempt from the
20 prohibition under paragraph (1) if the operation or
21 procurement is deemed to support the safe, secure,
22 or efficient operation of the National Airspace Sys-
23 tem or maintenance of public safety, including ac-
24 tivities carried out under the Federal Aviation Ad-
25 ministration's Alliance for System Safety of UAS

1 through Research Excellence (ASSURE) Center of
2 Excellence (COE) and any other activity deemed to
3 support the safe, secure, or efficient operation of the
4 National Airspace System or maintenance of public
5 safety, as determined by the Secretary or the Sec-
6 retary's designee.

7 (4) NATIONAL TRANSPORTATION SAFETY
8 BOARD EXEMPTION.—The National Transportation
9 Safety Board, in consultation with the Secretary of
10 Homeland Security, is exempt from the prohibition
11 under subsection (a) if the operation or procurement
12 is necessary for the sole purpose of conducting safe-
13 ty investigations.

14 (5) NATIONAL OCEANIC AND ATMOSPHERIC AD-
15 MINISTRATION EXEMPTION.—The Administrator of
16 the National Oceanic and Atmospheric Administra-
17 tion (NOAA), in consultation with the Secretary of
18 Homeland Security, is exempt from the prohibition
19 under paragraph (1) if the procurement is necessary
20 for the purpose of meeting NOAA's science, manage-
21 ment, or operational mission.

22 (6) WAIVER.—The head of an executive agency
23 may waive the prohibition under paragraph (1) on a
24 case-by-case basis—

1 (A) with the approval of the Director of
2 the Office of Management and Budget, after
3 consultation with the Federal Acquisition Security
4 Council; and

5 (B) upon notification to—

6 (i) the Committee on Homeland Security and Governmental Affairs of the Senate;
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9 (ii) the Committee on Oversight and Accountability in the House of Representatives; and
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12 (iii) other appropriate congressional committees of jurisdiction.
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14 (7) INTELLIGENCE COMMUNITY EXEMPTION.—

15 Nothing in this section shall apply to any element of
16 the intelligence community.

17 (c) PROHIBITION ON OPERATION OF COVERED UN-
18 MANNED AIRCRAFT SYSTEMS FROM COVERED FOREIGN
19 ENTITIES.—

20 (1) PROHIBITION.—

21 (A) IN GENERAL.—Beginning on the date
22 that is two years after the date of the enactment
23 of this Act, no head of an executive agency
24 may operate a covered unmanned aircraft

1 system manufactured or assembled by a covered
2 foreign entity.

3 (B) APPLICABILITY TO CONTRACTED
4 SERVICES.—The prohibition under subpara-
5 graph (A) applies to any covered unmanned air-
6 craft systems that are being used by the head
7 of the executive agency through the method of
8 contracting for the services of covered un-
9 manned aircraft systems.

10 (2) EXEMPTION.—The Secretary of Homeland
11 Security, the Secretary of Defense, and the Attorney
12 General are exempt from the prohibition under para-
13 graph (1) if the operation is required in the national
14 interest of the United States and—

15 (A) is for the sole purposes of research,
16 evaluation, training, testing, or analysis for
17 electronic warfare, information warfare oper-
18 ations, cybersecurity, or development of un-
19 manned aircraft system or counter-unmanned
20 aircraft system technology;

21 (B) is for the sole purposes of conducting
22 counterterrorism or counterintelligence activi-
23 ties, protective missions, or Federal criminal or
24 national security investigations, including foren-
25 sic examinations, or for electronic warfare, in-

1 formation warfare operations, cybersecurity, or
2 development of an unmanned aircraft system or
3 counter-unmanned aircraft system technology;
4 or

5 (C) is an unmanned aircraft system that,
6 as procured or as modified after procurement
7 but before operational use, can no longer trans-
8 fer to, or download data from, a covered foreign
9 entity and otherwise poses no national security
10 cybersecurity risks as determined by the ex-
11 empting official.

12 (3) DEPARTMENT OF TRANSPORTATION AND
13 FEDERAL AVIATION ADMINISTRATION EXEMPTION.—
14 The Secretary of Transportation is exempt from the
15 prohibition under paragraph (1) if the operation is
16 deemed to support the safe, secure, or efficient oper-
17 ation of the National Airspace System or mainte-
18 nance of public safety, including activities carried
19 out under the Federal Aviation Administration’s Al-
20 liance for System Safety of UAS through Research
21 Excellence (ASSURE) Center of Excellence (COE)
22 and any other activity deemed to support the safe,
23 secure, or efficient operation of the National Air-
24 space System or maintenance of public safety, as de-

1 terminated by the Secretary or the Secretary's des-
2 ignee.

3 (4) NATIONAL TRANSPORTATION SAFETY
4 BOARD EXEMPTION.—The National Transportation
5 Safety Board, in consultation with the Secretary of
6 Homeland Security, is exempt from the prohibition
7 under subsection (a) if the operation is necessary for
8 the sole purpose of conducting safety investigations.

9 (5) NATIONAL OCEANIC AND ATMOSPHERIC AD-
10 MINISTRATION EXEMPTION.—The Administrator of
11 the National Oceanic and Atmospheric Administra-
12 tion (NOAA), in consultation with the Secretary of
13 Homeland Security, is exempt from the prohibition
14 under paragraph (1) if the procurement is necessary
15 for the purpose of meeting NOAA's science, manage-
16 ment, or operational mission.

17 (6) WAIVER.—The head of an executive agency
18 may waive the prohibition under paragraph (1) on a
19 case-by-case basis—

20 (A) with the approval of the Director of
21 the Office of Management and Budget, after
22 consultation with the Federal Acquisition Secu-
23 rity Council; and

24 (B) upon notification to—

1 (i) the Committee on Homeland Secu-
2 rity and Governmental Affairs of the Sen-
3 ate;

4 (ii) the Committee on Oversight and
5 Accountability in the House of Representa-
6 tives; and

7 (iii) other appropriate congressional
8 committees of jurisdiction.

9 (7) REGULATIONS AND GUIDANCE.—Not later
10 than 180 days after the date of the enactment of
11 this Act, the Secretary of Homeland Security, in
12 consultation with the Attorney General and the Sec-
13 retary of Transportation, shall prescribe regulations
14 or guidance to implement this section.

15 (8) INTELLIGENCE COMMUNITY EXEMPTION.—
16 Nothing in this section shall apply to any element of
17 the intelligence community.

18 (d) PROHIBITION ON USE OF FEDERAL FUNDS FOR
19 PROCUREMENT AND OPERATION OF COVERED UN-
20 MANNED AIRCRAFT SYSTEMS FROM COVERED FOREIGN
21 ENTITIES.—

22 (1) IN GENERAL.—Beginning on the date that
23 is two years after the date of the enactment of this
24 Act, except as provided in paragraph (2), no funds
25 awarded by the head of an executive agency, through

1 a contract, grant, or cooperative agreement, or oth-
2 erwise made available by the head of the executive
3 agency, may be used—

4 (A) to procure a covered unmanned air-
5 craft system that is manufactured or assembled
6 by a covered foreign entity; or

7 (B) in connection with the operation of
8 such a drone or unmanned aircraft system.

9 (2) EXEMPTION.—The Secretary of Homeland
10 Security, the Secretary of Defense, and the Attorney
11 General are exempt from the prohibition under para-
12 graph (1) if the procurement or operation is re-
13 quired in the national interest of the United States
14 and—

15 (A) is for the sole purposes of research,
16 evaluation, training, testing, or analysis for
17 electronic warfare, information warfare oper-
18 ations, cybersecurity, or development of un-
19 manned aircraft system or counter-unmanned
20 aircraft system technology;

21 (B) is for the sole purposes of conducting
22 counterterrorism or counterintelligence activi-
23 ties, protective missions, or Federal criminal or
24 national security investigations, including foren-
25 sic examinations, or for electronic warfare, in-

1 formation warfare operations, cybersecurity, or
2 development of an unmanned aircraft system or
3 counter-unmanned aircraft system technology;
4 or

5 (C) is an unmanned aircraft system that,
6 as procured or as modified after procurement
7 but before operational use, can no longer trans-
8 fer to, or download data from, a covered foreign
9 entity and otherwise poses no national security
10 cybersecurity risks as determined by the ex-
11 empting official.

12 (3) DEPARTMENT OF TRANSPORTATION AND
13 FEDERAL AVIATION ADMINISTRATION EXEMPTION.—
14 The Secretary of Transportation is exempt from the
15 prohibition under paragraph (1) if the operation or
16 procurement is deemed to support the safe, secure,
17 or efficient operation of the National Airspace Sys-
18 tem or maintenance of public safety, including ac-
19 tivities carried out under the Federal Aviation Ad-
20 ministration’s Alliance for System Safety of UAS
21 through Research Excellence (ASSURE) Center of
22 Excellence (COE) and any other activity deemed to
23 support the safe, secure, or efficient operation of the
24 National Airspace System or maintenance of public

1 safety, as determined by the Secretary or the Sec-
2 retary's designee.

3 (4) NATIONAL OCEANIC AND ATMOSPHERIC AD-
4 MINISTRATION EXEMPTION.—The Administrator of
5 the National Oceanic and Atmospheric Administra-
6 tion (NOAA), in consultation with the Secretary of
7 Homeland Security, is exempt from the prohibition
8 under paragraph (1) if the operation or procurement
9 is necessary for the purpose of meeting NOAA's
10 science, management, or operational mission.

11 (5) WAIVER.—The head of an executive agency
12 may waive the prohibition under paragraph (1) on a
13 case-by-case basis—

14 (A) with the approval of the Director of
15 the Office of Management and Budget, after
16 consultation with the Federal Acquisition Secu-
17 rity Council; and

18 (B) upon notification to—

19 (i) the Committee on Homeland Secu-
20 rity and Governmental Affairs of the Sen-
21 ate;

22 (ii) the Committee on Oversight and
23 Accountability in the House of Representa-
24 tives; and

1 (iii) other appropriate congressional
2 committees of jurisdiction.

3 (6) REGULATIONS.—Not later than 180 days
4 after the date of the enactment of this Act, the Fed-
5 eral Acquisition Regulatory Council shall prescribe
6 regulations or guidance, as necessary, to implement
7 the requirements of this section pertaining to Fed-
8 eral contracts.

9 (7) INTELLIGENCE COMMUNITY EXEMPTION.—
10 Nothing in this section shall apply to any element of
11 the intelligence community.

12 (e) PROHIBITION ON USE OF GOVERNMENT-ISSUED
13 PURCHASE CARDS TO PURCHASE COVERED UNMANNED
14 AIRCRAFT SYSTEMS FROM COVERED FOREIGN ENTI-
15 TIES.—Government-issued Purchase Cards may not be
16 used to procure any covered unmanned aircraft system
17 from a covered foreign entity.

18 (f) MANAGEMENT OF EXISTING INVENTORIES OF
19 COVERED UNMANNED AIRCRAFT SYSTEMS FROM COV-
20 ERED FOREIGN ENTITIES.—

21 (1) IN GENERAL.—The head of each executive
22 agency shall account for existing inventories of cov-
23 ered unmanned aircraft systems manufactured or as-
24 sembled by a covered foreign entity in their personal
25 property accounting systems, within one year of the

1 date of enactment of this Act, regardless of the
2 original procurement cost, or the purpose of procure-
3 ment due to the special monitoring and accounting
4 measures necessary to track the items' capabilities.

5 (2) CLASSIFIED TRACKING.—Due to the sen-
6 sitive nature of missions and operations conducted
7 by the United States Government, inventory data re-
8 lated to covered unmanned aircraft systems manu-
9 factured or assembled by a covered foreign entity
10 may be tracked at a classified level, as determined
11 by the Secretary of Homeland Security, or the Sec-
12 retary's designee.

13 (3) EXCEPTIONS.—The Secretary of Defense,
14 Secretary of Homeland Security, Attorney General,
15 Secretary of Transportation, and the Administrator
16 of the National Oceanic and Atmospheric Adminis-
17 tration may exclude from the full inventory process,
18 covered unmanned aircraft systems that are deemed
19 expendable due to mission risk such as recovery
20 issues, or that are one-time-use covered unmanned
21 aircraft due to requirements and low cost.

22 (4) INTELLIGENCE COMMUNITY EXEMPTION.—
23 Nothing in this section shall apply to any element of
24 the intelligence community.

1 (g) COMPTROLLER GENERAL REPORT.—Not later
2 than 275 days after the date of the enactment of this Act,
3 the Comptroller General of the United States shall submit
4 to Congress a report on the amount of commercial off-
5 the-shelf drones and covered unmanned aircraft systems
6 procured by executive agencies, not including elements of
7 the intelligence community, from covered foreign entities.

8 (h) GOVERNMENT-WIDE POLICY FOR PROCUREMENT
9 OF UNMANNED AIRCRAFT SYSTEMS.—

10 (1) IN GENERAL.—Not later than 180 days
11 after the date of the enactment of this Act, the Di-
12 rector of the Office of Management and Budget, in
13 coordination with the Secretary of Homeland Secu-
14 rity, Secretary of Transportation, the Attorney Gen-
15 eral, and other heads of executive agencies as deter-
16 mined by the Director of the Office of Management
17 and Budget, and in consultation with the Director of
18 the National Institute of Standards and Technology,
19 shall establish a government-wide policy for the pro-
20 curement of an unmanned aircraft system—

21 (A) for non-Department of Defense and
22 non-intelligence community operations; and

23 (B) through grants and cooperative agree-
24 ments entered into with non-Federal entities.

1 (2) INFORMATION SECURITY.—The policy devel-
2 oped under paragraph (1) shall include the following
3 specifications, which to the extent practicable, shall
4 be based on industry standards and technical guid-
5 ance from the Director of the National Institute of
6 Standards and Technology, to address the risks as-
7 sociated with processing, storing, and transmitting
8 Federal information in an unmanned aircraft sys-
9 tem:

10 (A) Protections to ensure controlled access
11 to an unmanned aircraft system.

12 (B) Protecting software, firmware, and
13 hardware by ensuring changes to an unmanned
14 aircraft system are properly managed, including
15 by ensuring an unmanned aircraft system can
16 be updated using a secure, controlled, and
17 configurable mechanism.

18 (C) Cryptographically securing sensitive
19 collected, stored, and transmitted data, includ-
20 ing proper handling of privacy data and other
21 controlled unclassified information.

22 (D) Appropriate safeguards necessary to
23 protect sensitive information, including during
24 and after use of an unmanned aircraft system.

1 (E) Appropriate data security to ensure
2 that data is not transmitted to or stored in non-
3 approved locations.

4 (F) The ability to opt out of the uploading,
5 downloading, or transmitting of data that is not
6 required by law or regulation and an ability to
7 choose with whom and where information is
8 shared when it is required.

9 (3) REQUIREMENT.—The policy developed
10 under paragraph (1) shall reflect an appropriate
11 risk-based approach to information security related
12 to use of an unmanned aircraft system.

13 (4) REVISION OF ACQUISITION REGULATIONS.—
14 Not later than 180 days after the date on which the
15 policy required under paragraph (1) is issued—

16 (A) the Federal Acquisition Regulatory
17 Council shall revise the Federal Acquisition
18 Regulation, as necessary, to implement the pol-
19 icy; and

20 (B) the head of any executive agency not
21 subject to, or not subject solely to, the Federal
22 Acquisition Regulation shall revise applicable
23 policy, guidance, or regulations, as necessary, to
24 implement the policy.

1 (5) EXEMPTION.—In developing the policy re-
2 quired under paragraph (1), the Director of the Of-
3 fice of Management and Budget shall—

4 (A) incorporate policies to implement the
5 exemptions contained in this section; and

6 (B) incorporate an exemption to the policy
7 in the case of a head of the procuring agency
8 determining, in writing, that no product that
9 complies with the information security require-
10 ments described in paragraph (2) is capable of
11 fulfilling mission critical performance require-
12 ments, and such determination—

13 (i) may not be delegated below the
14 level of the Deputy Secretary, or Adminis-
15 trator, of the procuring agency;

16 (ii) shall specify—

17 (I) the quantity of end items to
18 which the waiver applies and the pro-
19 curement value of those items; and

20 (II) the time period over which
21 the waiver applies, which shall not ex-
22 ceed three years;

23 (iii) shall be reported to the Director
24 of the Office of Management and Budget

1 following issuance of such a determination;
2 and

3 (iv) not later than 30 days after the
4 date on which the determination is made,
5 shall be provided to the Committee on
6 Homeland Security and Governmental Af-
7 fairs of the Senate and the Committee on
8 Oversight and Accountability of the House
9 of Representatives.

10 (6) INTELLIGENCE COMMUNITY EXEMPTION.—

11 Nothing in this section shall apply to any element of
12 the intelligence community.

13 (i) STATE, LOCAL, AND TERRITORIAL LAW EN-
14 FORCEMENT AND EMERGENCY SERVICE EXEMPTION.—

15 (1) RULE OF CONSTRUCTION.—Nothing in this
16 section shall prevent a State, local, or territorial law
17 enforcement or emergency service agency from pro-
18 curing or operating a covered unmanned aircraft
19 system purchased with non-Federal dollars.

20 (2) CONTINUITY OF ARRANGEMENTS.—The
21 head of an executive agency may continue entering
22 into contracts, grants, and cooperative agreements
23 or other Federal funding instruments with State,
24 local, or territorial law enforcement or emergency
25 service agencies under which a covered unmanned

1 aircraft system will be purchased or operated if the
2 head of the agency has received approval or waiver
3 to purchase or operate a covered unmanned aircraft
4 system pursuant to subsection (d).

5 (j) STUDY ON THE SUPPLY CHAIN FOR UNMANNED
6 AIRCRAFT SYSTEMS AND COMPONENTS.—

7 (1) REPORT REQUIRED.—Not later than one
8 year after the date of the enactment of this Act, the
9 Under Secretary of Defense for Acquisition and
10 Sustainment shall provide to the appropriate con-
11 gressional committees a report on the supply chain
12 for covered unmanned aircraft systems, including a
13 discussion of current and projected future demand
14 for covered unmanned aircraft systems.

15 (2) ELEMENTS.—The report under paragraph
16 (1) shall include the following:

17 (A) A description of the current and future
18 global and domestic market for covered un-
19 manned aircraft systems that are not widely
20 commercially available except from a covered
21 foreign entity.

22 (B) A description of the sustainability,
23 availability, cost, and quality of secure sources
24 of covered unmanned aircraft systems domesti-

1 cally and from sources in allied and partner
2 countries.

3 (C) The plan of the Secretary of Defense
4 to address any gaps or deficiencies identified in
5 subparagraph (B), including through the use of
6 funds available under the Defense Production
7 Act of 1950 (50 U.S.C. 4501 et seq.) and part-
8 nerships with the National Aeronautics and
9 Space Administration and other interested per-
10 sons.

11 (D) Such other information as the Under
12 Secretary of Defense for Acquisition and
13 Sustainment determines to be appropriate.

14 (3) APPROPRIATE CONGRESSIONAL COMMIT-
15 TEES.—In this section, the term “appropriate con-
16 gressional committees” means:

17 (A) The Committees on Armed Services of
18 the Senate and the House of Representatives.

19 (B) The Committee on Homeland Security
20 and Governmental Affairs of the Senate and the
21 Committee on Oversight and Accountability of
22 the House of Representatives.

23 (C) The Committee on Commerce, Science,
24 and Transportation of the Senate and the Com-

1 committee on Science, Space, and Technology of
2 the House of Representatives.

3 (D) The Select Committee on Intelligence
4 of the Senate, and the Permanent Select Com-
5 mittee on Intelligence of the House of Rep-
6 resentatives.

7 (E) The Committee on Transportation and
8 Infrastructure of the House of Representatives.

9 (F) The Committee on Homeland Security
10 of the House of Representatives.

11 (k) EXCEPTIONS.—

12 (1) EXCEPTION FOR WILDFIRE MANAGEMENT
13 OPERATIONS AND SEARCH AND RESCUE OPER-
14 ATIONS.—The appropriate executive agencies, in
15 consultation with the Secretary of Homeland Secu-
16 rity, are exempt from the procurement and operation
17 prohibitions under subsections (b), (c), and (d) to
18 the extent the procurement or operation is necessary
19 for the purpose of supporting the full range of wild-
20 fire management operations or search and rescue op-
21 erations.

22 (2) EXCEPTION FOR TRIBAL LAW ENFORCE-
23 MENT OR EMERGENCY SERVICE AGENCY.—Tribal
24 law enforcement or Tribal emergency service agen-
25 cies, in consultation with the Secretary of Homeland

1 Security, are exempt from the procurement, oper-
2 ation, and purchase prohibitions under subsections
3 (b), (c), and (d) to the extent the procurement or
4 operation is necessary for the purpose of supporting
5 the full range of law enforcement operations or
6 search and rescue operations on Indian lands.

7 (l) SUNSET.—Subsections (b), (c), and (d) shall cease
8 to have effect on the date that is five years after the date
9 of the enactment of this Act.

