

HOUSE BILL No. 2820

By Committee on Appropriations

Requested by Representative Croft

3-7

1 AN ACT concerning infrastructure; relating to drone technology;
2 prohibiting the acquisition of critical components of drone technology
3 from countries of concern; requiring the divesture of such technology.
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) In addition to the provisions of K.S.A. 75-3739, and
7 amendments thereto, and any other applicable statutes concerning
8 purchases, a governmental agency shall not purchase, acquire or otherwise
9 use any drone or any related services or equipment, the critical
10 components of which were:

11 (1) Produced in any country of concern; or

12 (2) produced or owned by any foreign principal.

13 (b) Prior to July 1, 2029, any critical components for drones or any
14 related services or equipment that were acquired prior to July 1, 2024, and
15 that are not in compliance with subsection (a) may continue to be used by
16 the governmental agency that acquired such critical component. When
17 such governmental agency determines that such critical component must
18 be replaced, the governmental agency may use any replacement
19 component acquired prior to July 1, 2024, but no new replacement
20 component shall be acquired from any foreign principal.

21 (c) Any acquisition that is otherwise prohibited under subsection (a)
22 or (b) may be completed by a governmental agency if:

23 (1) There is no other reasonable means to acquire such critical
24 components or of addressing the needs of the governmental agency
25 necessitating such acquisition;

26 (2) the agreement for such acquisition is approved by the secretary of
27 administration after consultation with the adjutant general; and

28 (3) failure to acquire such critical components or otherwise address
29 the needs of the governmental agency would pose a greater threat to the
30 safety and security of this state than that posed by entering into such
31 acquisition agreement.

32 (d) As used in this section:

33 (1) "Company" means any:

34 (A) For-profit corporation, partnership, limited partnership, limited
35 liability partnership, limited liability company, joint venture, trust,

- 1 association, sole proprietorship or other organization, including any:
- 2 (i) Subsidiary of such company, a majority ownership interest of
3 which is held by such company;
- 4 (ii) parent company that holds a majority ownership interest of such
5 company; and
- 6 (iii) other affiliate or business association of such company whose
7 primary purpose is to make a profit; or
- 8 (B) nonprofit organization.
- 9 (2) (A) "Country of concern" means the following:
- 10 (i) People's republic of China, including the Hong Kong special
11 administrative region;
- 12 (ii) republic of Cuba;
- 13 (iii) islamic republic of Iran;
- 14 (iv) democratic people's republic of Korea;
- 15 (v) Russian federation; and
- 16 (vi) Bolivarian republic of Venezuela.
- 17 (B) "Country of concern" does not include the republic of China
18 (Taiwan).
- 19 (3) "Critical component" means those components or subcomponents
20 that are:
- 21 (A) Distinct and serviceable articles; and
- 22 (B) the primary component or subcomponent of an identifiable
23 process or subprocess necessary to the recording, storing or transmitting of
24 data or any other form of information.
- 25 (4) "Domicile" means the country where a:
- 26 (A) Company is organized;
- 27 (B) company completes a substantial portion of its business; or
- 28 (C) majority of a company's ownership interest is held.
- 29 (5) "Drone" means an unmanned aircraft, watercraft or ground
30 vehicle or a robotic device that is controlled remotely by a human operator
31 or operates autonomously through computer software or other
32 programming.
- 33 (6) "Foreign principal" means:
- 34 (A) The government or any official of the government of a country of
35 concern;
- 36 (B) any political party, subdivision thereof or any member of a
37 political party of a country of concern;
- 38 (C) any corporation, partnership, association, organization or other
39 combination of persons organized under the laws of or having its principal
40 place of business in a country of concern. "Foreign principal" includes any
41 subsidiary owned or wholly controlled by any such entity;
- 42 (D) any agent of or any entity otherwise under the control of a
43 country of concern;

1 (E) any individual whose residence is in a country of concern and
2 who is not a citizen or lawful permanent resident of the United States; or

3 (F) any individual, entity or combination thereof described in
4 paragraphs (A) through (E) that has a controlling interest in any company
5 formed for the purpose of manufacturing, distributing, transporting or
6 selling critical components for drones and related services and equipment.

7 (7) "Governmental agency" means the state or any political or taxing
8 subdivision of the state or any office, agency or instrumentality thereof.

9 Sec. 2. This act shall take effect and be in force from and after its
10 publication in the statute book.