

**HOUSE BILL NO. 1038  
with Senate Amendments**

**HOUSE BILL NO. 1038**

Introduced by

Representatives Nathe, Bosch, Hagert, Lefor, Mitskog, O'Brien, Schreiber-Beck, Stemen,  
Vigesaa

Senators Axtman, Bekkedahl, Hogue

1 A BILL for an Act to provide an appropriation to the department of commerce for an uncrewed  
2 aerial vehicle replacement program and a state radar data pathfinder program; to provide for a  
3 report; and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. APPROPRIATION - DEPARTMENT OF COMMERCE - STRATEGIC**  
6 **INVESTMENT AND IMPROVEMENTS FUND - UNCREWED AERIAL VEHICLE**  
7 **REPLACEMENT PROGRAM - LEGISLATIVE MANAGEMENT REPORT - ONE-TIME**

8 **FUNDING.** There is appropriated out of any moneys in the strategic investment and  
9 improvements fund in the state treasury, not otherwise appropriated, the sum of \$15,000,000, or  
10 so much of the sum as may be necessary, to the department of commerce for the purpose of  
11 administering an uncrewed aerial vehicle replacement program, for the period beginning with  
12 the effective date of this Act, and ending June 30, 2027. This funding is considered a one-time  
13 funding item.

14 1. The department of commerce shall collaborate with the uncrewed aircraft systems test  
15 site established in section 54-60-28 and state agencies, including institutions under  
16 the control of the state board of higher education, to replace uncrewed aerial vehicles  
17 owned by the state which do not comply with requirements of the federal National  
18 Defense Authorization Act and the American Security Drone Act of 2023. The  
19 department and test site shall implement an enterprise uncrewed aerial vehicle data  
20 management solution. An enterprise uncrewed aerial vehicle data management  
21 solution implemented under this section must ensure all data collected, transmitted,

1 stored, and consumed by an uncrewed aerial vehicle remain under the control of the  
2 state. A state agency owning an uncrewed aerial vehicle before January 1, 2025, is  
3 eligible to receive a new uncrewed aerial vehicle that is in compliance with federal  
4 requirements and is of equivalent capability to the agency's existing uncrewed aerial  
5 vehicle. The department of commerce shall purchase each uncrewed aerial vehicle  
6 based on the needs of the agency and a recommendation from the uncrewed aircraft  
7 systems test site and provide the uncrewed aerial vehicle to the agency. The  
8 department of commerce shall use a portion of the funding provided in this section to  
9 pay for training needed for agency staff to operate the new uncrewed aerial vehicle.  
10 The department of commerce and uncrewed aircraft systems test site shall give  
11 priority to state agencies willing to share uncrewed aerial vehicles rather than  
12 purchasing multiple uncrewed aerial vehicles.

13 2. Any uncrewed aerial vehicle replaced under this section must be remitted to the  
14 uncrewed aircraft systems test site for proper decommissioning and disposal pursuant  
15 to federal and state regulations, which may include the sale of uncrewed aerial  
16 vehicles to the United States department of homeland security at market rates for use  
17 in the counter unmanned aircraft system program. The department of commerce shall  
18 remit any funding received under this section to the state treasurer for deposit in the  
19 general fund.

20 3. The department of commerce shall maintain an inventory of uncrewed aerial vehicles  
21 purchased for state agencies under this section and encourage state agencies to use  
22 the state beyond visual line of sight program. The uncrewed aircraft systems test site  
23 shall provide guidance to state agencies regarding the integration of uncrewed aerial  
24 vehicles into the beyond visual line of sight system and proper maintenance schedules  
25 for uncrewed aerial vehicles. The uncrewed aircraft systems test site shall establish a  
26 centralized system for state agencies to register uncrewed aerial vehicles and  
27 authorized operators for accessing the beyond visual line of sight system and shall  
28 provide operational support when state agencies use uncrewed aircraft systems test  
29 site integrated platforms.

30 4. During the 2025-26 interim, the department of commerce shall compile information  
31 from state agencies and provide a report to the legislative management by June 30,

1           2026, regarding the status of the program, funding spent on uncrewed aerial vehicle  
2           replacements and training costs, the number of uncrewed aerial vehicles replaced in  
3           each state agency, the number of uncrewed aerial vehicles sold or disposed, and any  
4           future needs for each state agency to be compliant with the federal National Defense  
5           Authorization Act and the American Security Drone Act of 2023.

6           5. As used in this section "enterprise uncrewed aerial vehicle data management  
7           solution" means a system for secure, end-to-end data collection, transportation,  
8           storage, processing, and consumption through enterprise software.

9           **SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - STRATEGIC**  
10          **INVESTMENT AND IMPROVEMENTS FUND - STATE RADAR DATA PATHFINDER**

11          **PROGRAM - LEGISLATIVE MANAGEMENT REPORT - ONE-TIME FUNDING.** There is  
12          appropriated out of any moneys in the strategic investment and improvements fund in the state  
13          treasury, not otherwise appropriated, the sum of \$11,000,000, or so much of the sum as may be  
14          necessary, to the department of commerce for the purpose of administering a state radar data  
15          pathfinder program, for the period beginning with the effective date of this Act, and ending  
16          June 30, 2027. This funding is considered a one-time funding item.

17          1. The department of commerce shall collaborate with the uncrewed aircraft systems test  
18          site established in section 54-60-28 in administering the state radar data pathfinder  
19          program and participating in the federal radar data pathfinder program administered by  
20          the federal aviation administration. The department of commerce shall use funding  
21          appropriated in this section to:

- 22          a. Support the integration of federal radar data with state uncrewed aircraft systems  
23          and the beyond visual line of sight program.
- 24          b. Develop and implement security control protocols that meet federal aviation  
25          administration radar data requirements to ensure compliance with national  
26          security standards.
- 27          c. Enhance uncrewed aircraft systems and radar data infrastructure in the state.
- 28          d. Increase the safety and effectiveness of the operations of the uncrewed aircraft  
29          systems test site.
- 30          e. Provide state agencies with training and technical resources to use federal radar  
31          data securely while using the beyond visual line of sight program.

- 1           2.    During the 2025-26 interim, the department of commerce shall provide a report to the
- 2                   legislative management and the governor by June 30, 2026, regarding the status of
- 3                   the state radar data pathfinder program, integration of the state program with the
- 4                   federal aviation administration radar data pathfinder program, expenditures to date,
- 5                   and the effect of the program on uncrewed aircraft system operations, safety, and data
- 6                   security in the state.

7           **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.