



January 29, 2025

Testimony in Support of House Bill 1038

Chairman Barta and members of the Senate Industry and Business Committee,

My name is Mason Sisk, and I serve as Director of Government Affairs at the Association for Uncrewed Vehicle Systems International (AUVSI). AUVSI is the world's largest nonprofit organization dedicated to the advancement of uncrewed systems, autonomy, and robotics. Our association represents leaders from more than 60 countries across industry, government, and academia in the defense, civil and commercial sectors.

HB 1038, as introduced, represents a strong step in the right direction to further reduce the risk that drones from our adversaries pose. HB 1038 will again position North Dakota as a national leader on drone policy. AUVSI has determined this issue to be a high priority and formed nation-wide initiative. AUVSI's Partnership for Drone Competitiveness is a coalition of U.S. and Allied drone and drone component manufacturers and enterprise users who are committed to strengthening the U.S. drone industry. The Partnership is built on a simple premise: that stronger U.S. leadership in this industry is better for everyone. You can read more about the Partnership in [AUVSI's Whitepaper](#) published on our website.

We fully agree with the aim of the bill - that secure drones from American and allied manufacturers enable greater security for customers and end users. Further, they reduce dependence on foreign supply chains for components and rare earth materials and they allow the United States to reposition itself as the global leader in advanced aviation.

Concern over the security risks of operating foreign Uncrewed Aircraft Systems (UAS), specifically from adversarial nations, is not a new issue. It was in 2017 that the US military first began removing these systems from their Arsenal. Fast forward and in the past two years we have seen Congress enact the American Security Drone Act of 2023 and the Countering CCP Drones Act of 2024 as part of the FY25 nDAA. While the ASDA restricts federal agencies from operating certain foreign-made drones, the Countering CCP Drones Act will very likely prohibit the two largest Chinese drone manufacturers from selling new products in the United States within a year.

The U.S. Department of Commerce's Bureau of Industry and Security (BIS) also announced last week that they are seeking public input on how to safeguard the UAS supply chain, highlighting acute threats that may offer our adversaries the ability to remotely access and manipulate these drones to expose sensitive data.

As the Federal Government continues to enact policies prohibiting the use of certain foreign-made drones, states that fail to comply with these regulations may find themselves ineligible for federal grants and contracts related to drone operations. These risks are, of course, secondary to the threat of the state's data.

AUVSI applauds North Dakota's proactive efforts to divest from UAS owned by state agencies that pose security risks which will also help strengthen America's UAS supply chain. This is a crucial step in addressing a pressing national security issue.

However, AUVSI would like to suggest expanding the scope of the bill which we believe will improve the outcome and intent of the program. The problem that such drones present is not solely confined to state agencies. Many local agencies, especially law enforcement and first responders, operate the same insecure drones. To comprehensively eliminate this threat to North Dakota, AUVSI strongly recommends providing funding to local governments to transition their own fleets. One state that we would highlight as a national best practice is Florida. In 2024 Florida enacted its current Drone Replacement Program which provided local police and first responder agencies with up to \$25,000 per drone for every insecure drone they turned over to the state.

I would also like to voice our support for funding of the state radar data Pathfinder program. The Northern Plains UAS Test Site is at the forefront of this first-of-its-kind program that will further considerably efforts to integrate drones into the National Airspace System. This will significantly add value to the state's investments in Vantis and will be a milestone that benefits the entire industry.

I want to thank the bill sponsors for recognizing this issue and acting swiftly to correct it. With targeted investments and common-sense policies, we can level the playing field for UAS innovation. I respectfully urge a DO PASS recommendation from the committee.

Respectfully,

Mason Sisk

Director, Government Affairs

Association for Uncrewed Vehicle Systems International