

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 271** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 271, with House Committee of the Whole amendments, as follows:

On page 3, in line 2, by striking "and 2" and inserting ", 2 and 3";

On page 4, following line 18, by inserting:

"(8) "State-level agency" means any department, authority, bureau, division, office or other governmental agency of this state.";

On page 5, in line 11, after "(B)" by inserting "the original purchase price of such functional drone and the date the governmental agency took ownership of such drone;

(C)";

Also on page 5, following line 31, by inserting:

"(D) In no case shall such reimbursement exceed the depreciated value of the functional drone taken out of service. Such depreciated value shall be calculated by subtracting 1.25% of such drone's original purchase price each month such governmental agency has owned the drone.";

Any by redesignating subparagraphs accordingly;

On page 6, following line 24, by inserting:

"Sec. 3. (a) (1) Except as provided by paragraph (2), no state-level agency shall enter into a contract or agreement to procure final or finished goods or services from a foreign principal.

(2) A state-level agency may enter into a contract or agreement to procure final or finished goods or services from a foreign principal if such foreign principal:

(A) Previously received a determination that there are no unresolved national security concerns and action under 50 U.S.C. § 4565, as in effect on July 1, 2024, that has concluded with respect to a covered transaction, if such foreign principal has not undergone a change in control constituting a covered control transaction, since such determination to conclude action was made; or

(B) has a national security agreement in effect on July 1, 2024, with the committee on foreign investment in the United States, or the United States department of defense, under 50 U.S.C. § 4565, as in effect on July 1, 2024, and maintains such national security agreement.

(b) The provisions of this section shall not apply to any contract or agreement entered into prior to July 1, 2024.";

And by renumbering sections accordingly;

On page 1, in the title, in line 20, before the period, by inserting "; relating to state contracts; prohibiting state-level agencies from procuring final or finished goods or services from a foreign principal";

And your committee on conference recommends the adoption of this report.

Conferees on part of House

Conferees on part of Senate