Prepared by the Office of Revisor of Statutes House Committee on Commerce, Labor and Economic Development Proposed Amendment

Session of 2025

HOUSE BILL No. 2293

By Committee on Commerce, Labor and Economic Development

Requested by Representative Croft

AN ACT concerning infrastructure; relating to agencies from procuring final or finished goods or services from a prohibiting the acquisition of critical components of drone technology from countries of concern; relating to state contracts; prohibiting state toreign principal. drone technology;

Be it enacted by the Legislature of the State of Kansas.

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

- Produced in any country of concern; or
- produced or owned by any foreign principal.
- acquired from any foreign principal. acquired prior to July 1, 2025, but no new replacement component shall be replaced, the governmental agency may use any replacement component governmental agency determines that a critical component must be governmental agency that acquired such critical components. When a compliance with subsection (a) may continue to be used by the equipment that were acquired prior to July 1, 2025, and that are not in Any critical components for drones or any related services or
- or (b) may be completed by a governmental agency if: (c) Any acquisition that is otherwise prohibited under subsection (a)
- necessitating such acquisition; components or of addressing the needs of the governmental agency There is no other reasonable means to acquire such critical
- administration after consultation with the adjutant general; and the agreement for such acquisition is approved by the secretary of
- 11 12 13 14 15 16 17 17 18 19 20 20 20 21 21 22 22 23 23 23 23 23 33 33 33 33 acquisition agreement. safety and security of this state than that posed by entering into such the needs of the governmental agency would pose a greater threat to the failure to acquire such critical components or otherwise address
- agreement entered into prior to July 1, 2025. (d) The provisions of this section shall not apply to any contract or

This proposed amendment:

finished goods or services from a foreign principal, and associated references Removes section 2, pertaining to prohibiting state agencies from procuring final or

Adds "representative agent of such company" to the definition of "company"

of "state agency" as no longer necessary Internal reference changes and conforming changes to title and to remove definition

Strike in lines 3 to 5

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

- principal: final or finished goods or services from a foreign principal if such foreign (2) A state agency may enter into a contract or agreement to procure
- was made; or a covered control transaction since such determination to conclude action if such foreign principal has not undergone a change in control constituting on July 1, 2025, that has concluded with respect to a covered transaction, national security concerns and action under 50 U.S.C. § 4565, as in effect (A) Previously received a determination that there are no unresolved
- States department of defense, under 50 U.S.C. § 4565, as in effect on July 1, 2025, and maintains such national security agreement. the committee on foreign investment in the United States, or the United (B) has a national security agreement in effect on July 1, 2025, with
- agreement entered into prior to July 1, 2025. (b) The provisions of this section shall not apply to any contract or

Sec. 2.

- Sec. 3. As used in sections 1 and 2, and amendments thereto:
- (a) "Company" means any:

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- association, sole proprietorship or other organization, including any: liability partnership, limited liability company, joint venture, For-profit corporation, partnership, limited partnership, limited trust,
- which is held by such company; (A) Subsidiary of such company, a majority ownership interest of
- company; and (B) parent company that holds a majority ownership interest of such

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- primary purpose is to make a profit; or (C) other affiliate or business association of such company whose
- (2) nonprofit organization.

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- (b) (1) "Country of concern" means the following:
- 31 32 33 34 35 36 administrative region; People's republic of China, including the Hong Kong special
 - (\mathbb{B}) republic of Cuba;
 - 0 islamic republic of Iran
 - Θ democratic people's republic of Korea;
- Russian federation; and
- Bolivarian republic of Venezuela.
- (Taiwan). "Country of concern" does not include the republic of China

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(A) Distinct and serviceable articles; and

subcomponents that are:

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(1) "Critical component"

means

those

components

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Strike section 2

Renumber

section 1

and (D) representative agent of such company;

- process or subprocess necessary to the recording, storing or transmitting of data or any other form of information. the primary component or subcomponent of an identifiable
- "Critical component" includes any software installed in a drone.
- "Domicile" means the country where a:
- Company is organized;
- company completes a substantial portion of its business; or
- (3)majority of a company's ownership interest is held.
- or other programming. by a human operator or operates autonomously through computer software "Drone" means an unmanned aircraft that is controlled remotely
- "Foreign principal" means:
- concern; The government or any official of the government of a country of
- political party of a country of concern; (2) any political party, subdivision thereof or any member of a
 - subsidiary owned or wholly controlled by any such entity; place of business in a country of concern. "Foreign principal" includes any combination of persons organized under the laws of or having its principal (3) any corporation, partnership, association, organization or other
 - of concern; (4) any agent of or any entity otherwise under the control of a country
 - who is not a citizen or lawful permanent resident of the United States; or (5) any individual whose residence is in a country of concern and
 - selling critical components for drones and related services and equipment. formed for the purpose of manufacturing, distributing, transporting or paragraphs (1) through (5) that has a controlling interest in any company (6) any individual, entity or combination thereof described in
 - subdivision of the state or any office, agency or instrumentality thereof. "Governmental agency" means the state or any political or taxing
 - office or other governmental agency of this state. (h) "State agency" means any department, authority, bureau, division,
- publication in the statute book Sec. 4. This act shall take effect and be in force from and after its

Strike subsection (h)