

HOUSE BILL No. 2293

By Committee on Commerce, Labor and Economic Development

Requested by Representative Croft

2-5

1 AN ACT concerning infrastructure; relating to drone technology;
2 prohibiting the acquisition of critical components of drone technology
3 from countries of concern; relating to state contracts; prohibiting state
4 agencies from procuring final or finished goods or services from a
5 foreign principal.
6

7 *Be it enacted by the Legislature of the State of Kansas:*

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

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

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

15 (b) Any critical components for drones or any related services or
16 equipment that were acquired prior to July 1, 2025, and that are not in
17 compliance with subsection (a) may continue to be used by the
18 governmental agency that acquired such critical components. When a
19 governmental agency determines that a critical component must be
20 replaced, the governmental agency may use any replacement component
21 acquired prior to July 1, 2025, but no new replacement component shall be
22 acquired from any foreign principal.

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

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

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

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

34 (d) The provisions of this section shall not apply to any contract or
35 agreement entered into prior to July 1, 2025.

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

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

7 (A) Previously received a determination that there are no unresolved
8 national security concerns and action under 50 U.S.C. § 4565, as in effect
9 on July 1, 2025, that has concluded with respect to a covered transaction,
10 if such foreign principal has not undergone a change in control constituting
11 a covered control transaction since such determination to conclude action
12 was made; or

13 (B) has a national security agreement in effect on July 1, 2025, with
14 the committee on foreign investment in the United States, or the United
15 States department of defense, under 50 U.S.C. § 4565, as in effect on July
16 1, 2025, and maintains such national security agreement.

17 (b) The provisions of this section shall not apply to any contract or
18 agreement entered into prior to July 1, 2025.

19 Sec. 3. As used in sections 1 and 2, and amendments thereto:

20 (a) "Company" means any:

21 (1) For-profit corporation, partnership, limited partnership, limited
22 liability partnership, limited liability company, joint venture, trust,
23 association, sole proprietorship or other organization, including any:

24 (A) Subsidiary of such company, a majority ownership interest of
25 which is held by such company;

26 (B) parent company that holds a majority ownership interest of such
27 company; and

28 (C) other affiliate or business association of such company whose
29 primary purpose is to make a profit; or

30 (2) nonprofit organization.

31 (b) (1) "Country of concern" means the following:

32 (A) People's republic of China, including the Hong Kong special
33 administrative region;

34 (B) republic of Cuba;

35 (C) islamic republic of Iran;

36 (D) democratic people's republic of Korea;

37 (E) Russian federation; and

38 (F) Bolivarian republic of Venezuela.

39 (2) "Country of concern" does not include the republic of China
40 (Taiwan).

41 (c) (1) "Critical component" means those components or
42 subcomponents that are:

43 (A) Distinct and serviceable articles; and

1 (B) the primary component or subcomponent of an identifiable
2 process or subprocess necessary to the recording, storing or transmitting of
3 data or any other form of information.

4 (2) "Critical component" includes any software installed in a drone.

5 (d) "Domicile" means the country where a:

6 (1) Company is organized;

7 (2) company completes a substantial portion of its business; or

8 (3) majority of a company's ownership interest is held.

9 (e) "Drone" means an unmanned aircraft that is controlled remotely
10 by a human operator or operates autonomously through computer software
11 or other programming.

12 (f) "Foreign principal" means:

13 (1) The government or any official of the government of a country of
14 concern;

15 (2) any political party, subdivision thereof or any member of a
16 political party of a country of concern;

17 (3) any corporation, partnership, association, organization or other
18 combination of persons organized under the laws of or having its principal
19 place of business in a country of concern. "Foreign principal" includes any
20 subsidiary owned or wholly controlled by any such entity;

21 (4) any agent of or any entity otherwise under the control of a country
22 of concern;

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

25 (6) any individual, entity or combination thereof described in
26 paragraphs (1) through (5) that has a controlling interest in any company
27 formed for the purpose of manufacturing, distributing, transporting or
28 selling critical components for drones and related services and equipment.

29 (g) "Governmental agency" means the state or any political or taxing
30 subdivision of the state or any office, agency or instrumentality thereof.

31 (h) "State agency" means any department, authority, bureau, division,
32 office or other governmental agency of this state.

33 Sec. 4. This act shall take effect and be in force from and after its
34 publication in the statute book.