The Association for Uncrewed Vehicle Systems International's (AUVSI) Air Advocacy Committee (AAC) sets the legislative and regulatory priorities in the air domain for the association via input and feedback from its membership. The AAC works intimately with federal regulators in the Executive Branch, lawmakers in the Legislative Branch, and their staffs, as well as state, local, and tribal officials, to help scale Unmanned/Uncrewed Aircraft Systems (UAS) and Advanced Air Mobility (AAM) integration in a meaningful way. Our goal is to ensure government keeps up with industry and that our regulatory framework fosters innovation rather than stifles it. We aim to spur U.S. competitiveness in this space.

The AAC is comprised of a diverse group of member companies, including UAS operators, UAS manufacturers, software companies, defense contractors, Counter-UAS companies, AAM companies, Drone as First Responder (DFR) companies, public safety experts, and much more. The AAC engages on both authorization and appropriations efforts each year and AUVSI leadership, in addition to several of our members, have testified before Congress. We pride ourselves in our ability to check our parochial interests at the door and come together to enable a unified voice for all stakeholders within the uncrewed systems ecosystem.

| c | h (| 0 mg r | witte | |
|----|-----|--------|-------|-----|
| Su | D-C | UIIII | nitte | :62 |

Advanced Air Mobility (AAM)

Counter-UAS

Defense

Committee Members

Actus Advanced SystemsFedExPrimordial LabsAECOMFerrovialProximavisionADS, Inc.Flex Force EnterprisesPteroDynamicsAerolaneFotokiteOinetiO

AerolaneFotokiteQinetiQAeroVironmentGecko RoboticsReal-Time InnovationsAirspace LinkGeneral AtomicsRed Cat HoldingsAmazonGuardian AgricultureReliable Robotics

Anduril Highpoint Aerotech RTX
Applied Intuition Honeywell Saab

Archer Inspired Flight Technologies Sagetech Avionics Inc.
Ascent Aerosystems Joby

Ascent Aerosystems

Aura Network Systems

AX Enterprize

KEF Robotics

SAIC

Scientific Systems Company

AX Enterprize KEF Robotics Secmation
BNSF Kelly Hills Unmanned Systems Sentrycs
BETA Technologies Kongsberg Geospatial Shield Al
Boeing Kratos

Boeing Skydio
Booz Allen Hamilton Leidos Skyfire Consulting
BRINC Drones Lilium Skyfire Consulting

Centrepolis Accelerator

| Control of the control o

Compound Eye MTSI Tulsa Innovation Labs
Crown Consulting Near Earth Autonomy United States

CubePilot Near Space Corporation Unither Bioelectronics

Darkhive NUAIR UPS

Dark Wolf Solutions

D-Fend Solutions

OKSI

Draganfly

OPT

UXV Technologies

Vantage Robotics

Varying Agreemans

Dragantly
Dragantly
DroneShield
Dverwatch Imaging
Dverwatch Imaging
Dverwatch Imaging
Viasat
Viasat
Ving
Echodyne
Padina Group
Wisk

Edge Autonomy Parallax Advanced Research WISPR Systems

Elbit Systems Parrot XTEND

Epirus Performance Drone Works Zipline
Eve Air Mobility Pierce Aerospace

Chairperson Benjamin Ivers, Boeing **Vice-Chairperson** Amanda Armistead, Amazon

AAC Policy Priorities

1. Establishing the AAC as the preeminent industry voice influencing UAS and AAM regulations and legislation and positioning the AAC, and AUVSI, positively during the 2023-2024 Federal Aviation Administration (FAA) Reauthorization bill (more on this below).

- 2. Establishing a clear pathway for advanced UAS operations Beyond Visual Line of Sight (BVLOS) and ensuring the rulemakings associated with the BVLOS Aviation Rulemaking Committee (ARC) recommendations are issued as quickly as possible.
- **3.** Ensuring domestic UAS and AAM companies have the resources they need to globally compete with companies that are heavily subsidized by their respective governments.
- **4.** Ensuring a favorable National Airspace System (NAS) for key UAS operations, including drone deliveries, routine public safety operations, critical infrastructure inspections, defense operations, counter-UAS operations, and other high-value, low-risk use cases.
- **5.** Fostering an inclusive airspace for AAM, Urban Air Mobility (UAM), and Regional Air Mobility (RAM) aircraft and operations.
- **6.** Creating a new regulatory framework that shifts away from the traditional aviation safety continuum, which does not work well for advanced aviation, and looks forward to establish rules that unlock the full potential of UAS and AAM technologies.
- **7.** Developing next steps for the integration of Unmanned Aircraft Systems Traffic Management (UTM) to work alongside the current air traffic management system.
- **8.** Ensuring that the FAA retains exclusive sovereignty of airspace of the United States in order to maintain safety and operational consistency across all users of the NAS.
- **9.** Providing law enforcement with the proper authority to mitigate errant or potentially malicious UAS and ensuring Preventing Emerging Threats Act compliance and consistent reauthorization.
- **10.** Developing strong public-private partnerships to foster voluntary, risk-based approaches to data security and operations management, the development of industry-driven initiatives on data management best practices and security standards that ensure critical mission information is accessed by authorized parties, and the development of industry-driven security standards.
- 11. Ensuring UAS and AAM have access to spectrum to conduct operations, including the use of command-and-control technologies at higher altitudes, use of detect-and-avoid systems, ability to transmit payload data, and to conduct operations that ultimately strengthen the operation of UAS in the NAS. AUVSI continues to look for regulatory efforts we can comment on, after filing comments to the FCC's recent C-Band Notice of Proposed Rulemaking.
- **12.** Opening markets, reducing barriers and regulations, and injecting more certainty and predictability into the marketplace, trade, and investment agreements, which are key catalysts for the innovation progress that drive our global economies and markets.
- **13.** Promoting technology transfer and international harmonization of standards to realize the full potential benefits of UAS.

About AUVSI

The Association for Uncrewed Vehicle Systems International (AUVSI) — the world's largest non-profit organization dedicated to the advancement of uncrewed systems and robotics — represents corporations and professionals from more than 60 countries involved in industry, government, and academia. AUVSI members work in the defense, civil and commercial markets. For more information, visit AUVSI.org. For more information, please contact Max Rosen at mrosen@auvsi.org.

Key Engagements

Membership

The AAC now has approximately 100 members across several different areas of the uncrewed systems industry.

Key Meetings

The AAC has met with many different leaders in the FAA, Department of Transportation (DOT), Department of Defense (DoD), Department of Homeland Security (DHS), National Aeronautics and Space Administration (NASA), including:

- Jay Merkle, Former Executive Director, UAS Integration Office (AUS), FAA
- Marc Nichols, Chief Counsel, FAA
- Billy Nolen, Acting Administrator, FAA
- Abigail Smith, Former Deputy Executive Director, AUS, FAA
- Laurence Wildgoose, Assistant Administrator for Policy, International Affairs, and Environment, FAA
- Paul Fontaine, Acting Assistant Administrator for NextGen
- Andrew Wishnia, Deputy Assistant Secretary for Climate Policy, Office of the Assistant Secretary for Transportation Policy, DOT
- Annie Petsonk, Principal Deputy Assistant Secretary for Aviation and International Affairs, Office of the Assistant Secretary for Aviation and International Affairs, DOT
- Brad Mims, Deputy Administrator, FAA
- Carlos Monje, Under Secretary of Transportation for Policy, Office of the Secretary, DOT
- John Putnam, Deputy General Counsel, DOT
- Peter Irvine, Deputy Director, Office of Aviation Analysis, and Executive Lead for Aviation Policy, DOT
- Robert Hampshire, Deputy Assistant Secretary for Research and Technology, DOT
- Vinn White, Senior Advisor for Innovation, DOT
- Robert A. Pearce, Associate Administrator, Aeronautics Research Mission Directorate, NASA
- Major General Sean A. Gainey, Director, Counter-Unmanned Aircraft Systems Office/Director of Fires, Office
 of the Deputy Chief of Staff, G-3/5/7, United States Army
- Jeffrey Vincent, Executive Director, UAS Integration Office, FAA

Hill Day

AUVSI held its annual Hill Day on June 4, 2024. We Had a fantastic day on the Hill with over 100 AUVSI members participating. In total, across all domains, we conducted close to 100 meetings. We had several meetings with actual Members of Congress and, collectively, all our talking points and FAA Reauthorization implementation priorities got the same amount of focus across all meetings. See our recent Hill Day talking points in Addendum A below.

2023-2024 FAA Reauthorization Efforts

Throughout each year, AUVSI and the AAC meets with Members of Congress and their staffs to brief them on ongoing developments in the industry, opportunities for Congressional support, and areas of concern within all applicable federal agencies. We have met with the leadership of key Congressional committees, Caucuses, and much more with an interest in the UAS and AAM spaces.

AUVSI and its AAC underwent a methodical and complex process to solicit FAA Reauthorization priorities from the membership, which informed a comprehensive priorities letter, inclusive of legislative text for Congressional

offices and staff to consider. That document, which included priorities across the entire UAS ecosystem, was circulated to all members and committee staff of the House Transportation and Infrastructure Committee, House Science, Space, and Technology Committee, and Senate Commerce, Science, and Transportation Committee, and several officials within the FAA and DOT. To date, we have met with several offices on our FAA Reauthorization priorities outside our annual Hill Day, now with a focus on implementation after the bill was enacted into law in May 2024. Those conversations have been very positive. AUVSI secured significant wins and legislative language in the House and Senate FAA Reauthorization bills related to UAS and AAM. Key language/wins included the following non-exhaustive list:

- BVLOS
- Operations Over the High Seas
- Unescorted UAS Operations
- Test Site extension and expansion
- Section 44807 and Part 107 improvements
- Section 2209
- UAS Traffic Mangement
- Acceptable Levels of Risk
- Environmental Reviews and NEPA
- Carriage of HazMat
- Drone Competitiveness
- Powered Lift SFAR and related issues
- Vertiports and supporting AAM infrastructure
- Grant/pilot programs supporting both the UAS and AAM industries

AUVSI was lauded by the industry, including by both UAS and AAM companies, for our real time information sharing during FAA Reauthorization markup proceedings. We shared a significant amount of information with our AAC members, and mobilized behind the scenes to support and oppose various amendments with great success in markup and on the House floor. We also engaged in the conference negotiation process and are now working with the Hill and the FAA to ensure swift implementation of the many mandates included in the legislation applicable to our industry.

FAA BVLOS Listening Sessions

AUVSI led the organization of and participated in an FAA listening session on the BVLOS rule, along with many industry companies. FAA held two formal listening sessions, and everything was captured in the docket, which may take a while to come out. The first listening session included just UAS industry companies, and the second one featured traditional aviation organizations.

Congressional Unmanned Systems Caucus Events

AUVSI has held several Unmanned Systems Caucus events over the years, with robust participation from several members of Congress, including Caucus Co-Chairs Dina Titus (D-NV) and Garret Graves (R-LA). We work closely with the Caucus on a routine basis.

Operations Over the High Seas

The AAC organized several meetings with the FAA and Capitol Hill to discuss ongoing issues related to approval for Operations Over the High Seas. AUVSI secured an FAA briefing for Capitol Hill staff on the issue, and the Hill sent a

letter to the FAA on the issue. AUVSI remains in dialogue with the FAA and the DOT about the issue, resulting in significant pressure on the FAA to change course away from policy that unduly limits AUVSI member operations. This led to robust language in the House FAA Reauthorization bill.

Federal Authority of the Airspace

AUVSI has engaged extensively to discuss issues related to federal authority of the airspace with the Executive and Legislative Branches. Amid the ongoing effort to deregulate the airspace, our position that the FAA must remain the sole regulator of the NAS is well known. We are currently engaged in efforts to enshrine that into law, which certain Members of Congress are focused on as an amendment to the Senate FAA Reauthorization bill. AUVSI also pushed for an update to the UAS Fact Sheet, which finally occurred in July 2023.

Chinese Drones

AUVSI and the AAC remained closely engaged and apprised of efforts related to Chinese drones, including the American Security Drone Act and other similar House and Senate efforts. We engaged on broader efforts to attach language barring Chinese drones and components in certain scenarios to the House and Senate Fiscal Year 2023 National Defense Authorization Act (NDAA) bills and the House and Senate's respective China competitiveness bills, the United States Innovation and Competition Act (USICA) and the America Creating Opportunities for Manufacturing, Pre-Eminence in Technology and Economic Strength (COMPETES) Act. AUVSI is supportive of the American Security Drone Act and continues to track its prospects of being enacted into law, which almost occurred at the end of 2022. The AAC has been working closely with AUVSI on the Partnership for Drone Competitiveness, which aims to level the playing field for domestic UAS manufacturers. We have also worked closely with Congress on the Drones for First Responders Act and have been keeping close tabs on the Countering CCP Drones Act. The Partnership for Drone Competitiveness formally launched in September and we held a successful launch event in November.

AAM

AUVSI has brought on several AAM companies as members in the least year and a half, and we have been industry leaders in fostering an equitable NAS for these companies. We spoke directly to the FAA and interested parties on the "powered-lift" decision and its impacts and implications. We were successful in securing several AAM-related provisions in the FAA Reauthorization Act of 2024. We have also filed several comments on airworthiness criteria for certain powered-lift aircraft.

Counter-UAS (C-UAS) and Defense

AUVSI, and specifically the AAC's C-UAS Subcommittee, has provided feedback to interested parties on a number of occasions on the Biden Administration's Domestic Counter-Unmanned Aircraft Systems National Action Plan. We've also involved our Defense Subcommittee in those conversations, and we are actively tracking Preventing Emerging Threats Act reauthorization, C-UAS hearings, and actions/discussions with the House Homeland and Senate Homeland Security and Governmental Affairs Committees. It remains a top priority of the AAC to ensure that current Preventing Emerging Threats Act authorities never lapse. Additionally, we are closely monitoring the House and Senate companion versions of the Safeguarding the Homeland from the Threats Posed by Unmanned Aircraft Systems Act. We continue to work closely with House Transportation and Infrastructure, House Homeland Security, and House Judiciary Committee leadership and staff on their recently introduced C-UAS legislation. We also remain closely engaged with Sen. Gary Peters (D-MI) and Sen. Ron Johnson (R-WI) on their Senate C-UAS legislation, the Safeguarding the Homeland from the Threats Posed by Unmanned Aircraft Systems, which legislates the aforementioned National Action Plan.

Low Altitude Airspace

In 2022, AUVSI defeated state-level attempts to privatize low altitude airspace in WV, OH, and TX and worked against a federal legislative proposal to give state governments authority to regulate drones under 200 feet.

Hill Day AAC 2024 Talking Points

AAM

AUVSI celebrates that the Federal Aviation Administration (FAA) Reauthorization Act of 2024 included an entire subtitle dedicated to Advanced Air Mobility (AAM). Below are some key priorities:

- We urge Congress to ensure the FAA issues the Powered-Lift Special Federal Aviation Regulation (SFAR) as soon as possible, which takes into consideration industry feedback on the initial approach the FAA took in the Notice of Proposed Rulemaking (NPRM). It is imperative that Congress maintain oversight of the SFAR's timeliness and content. We sincerely appreciate that the FAA already released the SFAR NPRM, and congratulate Congress on passing the FAA Reauthorization Act of 2024, which includes key language on this topic.
 - Section 955 of the FAA Reauthorization Act of 2024 requires the FAA to publish a special final rule for the operations of, and pilot requirements for, powered-lift aircraft within 7 months of enactment and applies specific requirements and considerations to such rulemaking. This section supports type-specific training and qualification for pilots – something we think is essential for the safety of early operations.
- We urge Congress to appropriate money to fully fund both the AAM Infrastructure Pilot/Grant Program and Electric Aircraft Infrastructure Pilot Program, as directed by the FAA Reauthorization Act of 2024.
 - Section 960 of the FAA Reauthorization Act of 2024 amends the AAM Infrastructure Pilot Program
 established in the Consolidated Appropriations Act of 2023 to conform the definitions to the bill and
 clarifies that the consideration of the use of existing infrastructure in concert with new infrastructure is
 eligible under the grant program. Lastly, this section expands the information collected by the Department
 of Transportation (DOT) under the pilot program and extends the program for two years, through 2026.
 - Section 742 of the FAA Reauthorization Act of 2024 permits present and future power demands for airside and landside operations to be included in airport energy assessments. This section also permits Airport Improvement Program funding for airside energy projects. Additionally, Section 745 establishes a five-year pilot program allowing up to 10 eligible airports to acquire, install, and operate charging equipment for electric aircraft and to construct or modify related infrastructure to support such equipment.
- We urge Congress to expeditiously implement Section 953, which states that the FAA shall apply applicable
 categorical exclusions in accordance with the National Environmental Policy Act (NEPA), or establish new
 categorical exclusions with the Council on Environmental Quality for use when considering the environmental
 impacts of proposed vertiport projects on airports.
 - Vertiport companies are currently facing full NEPA reviews, which is a four-year process, to get on-airport projects approved. This language will reduce the approval time significantly.
- We urge Congress to conduct robust oversight over the FAA and their implementation of other key AAM mandates in the FAA Reauthorization Act of 2024. Key sections for implementation are all included in Title IX New Entrants and Aerospace Innovation, Subtitle B Advanced Air Mobility.
 - Notably, the FAA Reauthorization Act of 2024 includes language that sunsets the FAA NextGen Office and requires that AAM regulatory functions be shifted to the Office of Aviation Safety (AVS).
 - We urge Congress to stay in lockstep with the FAA as key decisions are being made by FAA leadership on where in AVS these functions will be placed.
- We urge Congress to remain engaged with the Innovate 2028 initiative, and to conduct oversight of FAA timelines on commercialization of AAM aircraft to ensure they are keeping up with the pace of industry.
 - The FAA must look at enabling initial operations (piloted, VFR, etc.) but also work to ensure the industry
 has the ability to safely scale and work to enable advancements in technology, automation, air traffic
 management, airspace, and flight rules.
- We urge Congress to facilitate robust dialogues with states and localities around the country on AAM issues and

the necessary infrastructure to support AAM operations.

- Similarly, we urge Congress to work with the FAA to have similar dialogues with states and to contact AUVSI on our AAM Prepared initiative.
- The Air Force's AFWERX Prime has made critical investments in powered-lift aircraft. What started as white papers in 2020 has turned into delivery of aircraft just four years later. Although this program has received stable appropriations funding, this year's President's Budget cuts the program to an unsustainable level. To ensure U.S. industry's competitive edge against China, it is critical to continue supporting robust funding \$91M. AUVSI also submitted an appropriations request to fully fund the program.

Air

AUVSI celebrates that the Federal Aviation Administration (FAA) Reauthorization Act of 2024 included an entire title dedicated to new entrants and aerospace innovation, and an entire subtitle dedicated to Unmanned/Uncrewed Aircraft Systems (UAS). Below are some key priorities:

- We urge Congress to hold the FAA accountable to the key timelines on releasing the Beyond Visual Line of Sight
 (BVLOS) Notice of Proposed Rulemaking (NPRM) and final rule, as enacted as part of the FAA Reauthorization Act of
 2024. Rules around BVLOS will help the UAS industry scale to new heights.
 - This language in Section 930 directs the FAA to issue an NPRM within 4 months of enactment to establish a performance-based regulatory pathway for UAS to operate BVLOS. The language requires that the NPRM establish acceptable levels of risk for BVLOS operations and standards for remote pilots, provide a process for the approval of associated elements of UAS, and ensure the safety of manned aviation. Within 16 months of issuing the NPRM, the Administrator must issue a final rule pursuant to the language.
- Congress should appropriate sufficient money for the Drone Infrastructure Inspection Grant (DIIG) Act, which would
 create a grant program for local, state, and tribal governments to use U.S.-made drones for critical infrastructure
 inspection and construction projects. The DIIG Act was recently enacted as part of the FAA Reauthorization Act of
 2024. Full funding of the program as authorized under the FAA Reauthorization Act of 2024 (\$48M, or \$12M per
 year for four years) is necessary.
 - The DIIG Act also provides grant funding for workforce development programs, coupling with community colleges and four-year institutions, to enable the future workforce required for the U.S. to remain a global aviation leader.
- Congress should fully fund the Drone Education and Workforce Training Grant Program in the FAA Reauthorization
 Act of 2024, which directs the Department of Transportation (DOT) to establish a program to make grants available
 to educational institutions for small UAS workforce training. In addition, this section authorizes \$5M for each of the
 fiscal years 2025 through 2028 to be appropriated from the Operations account of the FAA. The language is included
 in Section 913.
- Congress must ensure that the Environmental Review and Noise Certification language in the FAA Reauthorization
 Act of 2024 is implemented as soon as possible. The provision directs the FAA to publish UAS-specific environmental
 review guidance and implementation procedures. This language is included in Section 909 of the FAA
 Reauthorization Act of 2024.
- Congress must ensure the FAA moves out on their key mandates to improve the Part 107 waiver process in Section 908 of the FAA Reauthorization Act of 2024.
 - The FAA Reauthorization Act of 2024 directs FAA to use a performance- and risk-based approach in reviewing waiver requests under Part 107 of title 14, Code of Federal Regulations. The FAA is also directed to improve the application and review process, including by no longer requiring the use of open-ended prompts where waiver request factors and variables can be standardized.
- Congress must ensure that Section 927 of the FAA Reauthorization Act of 2024 is implemented as soon as possible.
 - This section extends the authorities under Section 44807 of 49 U.S. Code that allow for special authorizations permitting the operations of UAS in the NAS until 2033 and transfers the authority to the FAA.
 - This section also authorizes FAA to waive regulations to enable low-risk BVLOS operations without initiating

a rulemaking process, enabling FAA to move quickly on integrating UAS.

- Congress must oversee the FAA to work with other civil aviation authorities to establish and implement operational approval processes to permit UAS to operate over the high seas within United States flight information regions, to the extent permitted by U.S. treaty obligations.
 - o This action is mandated in the Section 934 of the FAA Reauthorization Act of 2024.
- Congress must work to ensure the FAA expeditiously implements Section 816, which establishes the Unmanned and
 Autonomous Flight Advisory Committee. This section requires the Administrator to establish an Unmanned and
 Autonomous Flight Advisory Committee to advise the FAA on the technical challenges related to the certification
 and operational standards of highly automated aircraft. This new committee will be made up of representatives
 from the UAS industry, community advocates, and certified aviation labor unions. The Committee must submit an
 annual report to Congress on its activities.
 - This is critically important given that the Advanced Aviation Advisory Committee (AAAC) sunsets this month, as directed by the FAA Reauthorization Act of 2024.

Drone Competitiveness

We urge Congress to continue to address the Chinese drone threat, through multiple avenues:

- The American Security Drone Act (ASDA) is a critical piece of legislation that prohibits the federal government from procuring or using UAS that are manufactured or assembled by certain foreign entities, including entities subject to influence or control by the People's Republic of China (PRC). We applied Congress for enacting the ASDA as part of last year's NDAA. Section 9 of the ASDA directs the Office of Management and Budget (OMB), working with other federal agencies, to develop regulations to ensure federal government procured drones are ASDA compliant.
 - AUVSI encourages OMB to ensure the required "government-wide policy" be a true national compliance program, and not guidance to individual agencies on how they can meet compliance on their own terms. Like the Department of Defense's compliance program, Blue UAS, operated by the Defense Innovation Unit (DIU), and AUVSI's compliance program, Green UAS, OMB should include both hardware (platforms + critical components) and software as part of the compliance, with third-party validation required. AUVSI believes this would be most efficient and effective way of meeting the ASDA's goal of raising the security bar and ensuring Unmanned/Uncrewed Aircraft Systems (UAS), along with certain components and software, are free of PRC-influence.
- Congress should appropriate sufficient money for the Drone Infrastructure Inspection Grant (DIIG) Act, which would
 create a grant program for local, state, and tribal governments to use U.S.-made drones for critical infrastructure
 inspection and construction projects. The DIIG Act was recently enacted as part of the FAA Reauthorization Act of
 2024. Full funding of the program as authorized under the FAA Reauthorization Act of 2024 (\$48M, or \$12M per
 year for four years) is necessary.
 - The DIIG Act also provides grant funding for workforce development programs, coupling with community colleges and four-year institutions, to enable the future workforce required for the U.S. to remain a global aviation leader.
- Congress should enhance existing federal grant programs for first responders to ensure the use of federal funds for the procurement and operation of UAS.
 - At present, the Justice Department's Bureau of Justice Assistance, which includes the Edward Byrne Memorial Justice Assistance Grant (JAG) Program, flatly prohibits the use of grant funds to purchase UAS, as does the Federal Emergency Management Agency's (FEMA) Assistance to Firefighters Grants (AFG) Program. Enabling these programs to support the purchase of U.S.-made drones would significantly benefit first responders.
 - Furthermore, Congress should require that current federal grant programs, which do permit funds for drone
 use, prioritize secure UAS applicants. These programs/grants include, but are not limited to, the Department
 of Transportation's Strengthening Mobility and Revolutionizing Transportation (SMART) grants, the Federal
 Highway Administration's Advanced Digital Construction Management Systems (ADCMS) grants, the
 Department of Homeland Security's Urban Areas Security Initiative (UASI) Program, and FEMA's Homeland

Security Grant Program.

- Congress should appropriate sufficient money for the pilot program for UAS inspections of FAA infrastructure, included in Section 911 of the FAA Reauthorization Act of 2024. This would be a great way to spur DOT to use drones for more inspections. They are also required to issue a report at the end of the pilot program, which would provide valuable data on inspection methods.
- Congress should enact a new program designed to help public safety agencies transition from using Chinese drones to U.S.-made solutions. This is best exemplified by the Drones for First Responders (DFR) Act, H.R. 8416, which would do the following.
 - Establish a new grant program for first responders, critical infrastructure providers, and farmers and ranchers to purchase secure drones that are manufactured and assembled in the U.S. or allied countries;
 - o Impose new incrementally increasing tariffs on PRC drones to fund the revenue neutral grant program; and
 - Establish a strengthened rule of origin to require that all drones imported to the U.S. not contain critical components that are made in the PRC by 2030.
 - We urge your boss to support the DFR Act.
- Congress must ensure the FAA Reauthorization Act of 2024 Section 936 is implemented as soon as possible.
 - This section prohibits the Department of Transportation (DOT) from entering into, extending, or renewing a contract or awarding a grant for the operation, procurement, or contracting action of a UAS, associated elements, or detection or counter-UAS systems manufactured by a covered foreign entity to include the People's Republic of China (it also includes key exemptions). Critically, the language includes \$5M for DOT fleet replacement, which would significantly speed up the transition if fully funded.
- Manufacturing tax credits: To promote domestic drone manufacturing capacity on the supply side, Congress needs
 to develop a tax incentive program for drone manufacturing. This program can leverage the language from existing
 frameworks that have supported the semiconductor industry, the advanced battery industry, and the solar energy
 manufacturing industry.
- Loan guarantees: In addition to tax incentives, to promote competitiveness against subsidized Chinese competition, Congress should develop a program of loan guarantees to U.S. drone and component manufacturers modeled around language included in the Advanced Technology Vehicles Manufacturing Direct Loan Program.
- Ensuring critical mineral access: Access to rare earth driven components is a challenge to U.S. drone and component
 manufacturers. Congress should enact legislation like H.R. 8981, the Securing America's Mineral Supply Chains Act,
 from the 117th Congress. It would be highly beneficial to the American drone industry by helping ensure the
 domestic availability of critical materials that are required in the manufacturing of UAS and their components.

^{*}FAA Reauthorization section description citation: https://transportation.house.gov/uploadedfiles/faa_reauth_act_section_by_section.pdf?utm_campaign=197793-345