

The Daily Dish

Danger Zone: DJI's Dominance and a Dearth of Domestic Drones

JOSHUA LEVINE | DECEMBER 15, 2022

The United States has long needed regulatory clarity for rules governing Unmanned Aircraft Systems (UAS), or drones, for federal, state, local, and tribal governments to give drone manufacturers and operators the certainty they need to sell and use this technology.

The need for clarity became more pressing when a recent *Wall Street Journal* article revealed how federal agencies, as well as state and local law enforcement, purchased and used drones made by DJI, a Chinese company with connections to the Chinese Communist Party (CCP). The U.S. Army and the Department of the Interior grounded all DJI drones, citing cybersecurity concerns in 2017 and 2020, respectively. In 2021, DJI was added to the Treasury Department's Office of Foreign Assets Control list of companies in the Chinese military-industrial complex. Documents obtained through a Freedom of Information Act request show that DJI drones have been purchased and used by the Agriculture Research Service the Secret Service as recently as 2021. The threat of Chinese interference could pose risks to military technology and logistics, critical infrastructure, and national security.

Congress will ultimately need to take steps to protect U.S. national security and craft a regulatory environment that allows a domestic drone industry to thrive.

There are enough connections between DJI and the CCP to warrant a freeze on the use of DJI equipment by government entities. Much like concerns with Huawei and ZTE, there is a legitimate risk that information gathered by these drones could be accessed by the Chinese government. DJI is the global leader in UAS, but there are U.S. companies competing to provide alternatives.

Conversely, to promote domestic innovation, Congress could consider directing federal agencies such as the Federal Aviation Administration, the National Aeronautics and Space Administration, and the Federal Communications Commission to streamline regulations for beyond visual line of sight flights, as well as making spectrum available for field disturbance sensors (radar) and promoting investments in drone infrastructure. As I wrote earlier this year, clarifying regulations and addressing agency shortcomings are critical to creating a thriving commercial drone industry in the United States.

To protect national security and drive innovation, providing some regulatory certainty for domestic firms and restricting foreign technology may be on the table for the 118th Congress.