

# United States Senate

WASHINGTON, DC 20510

February 24, 2022

Dear Secretary Buttigieg,

As the U.S. Department of Transportation (USDOT) works to implement the bipartisan Infrastructure Investment and Jobs Act (IIJA), we request that you to take action to protect U.S. taxpayer dollars and the security of U.S. infrastructure. Specifically, in implementing the Strengthening Mobility and Revolutionizing Transportation (SMART) grant program, we urge you to prohibit these grants from being used to fund uncrewed aircraft systems (“drones”) manufactured by companies that are subject to the influence or control of governments—including the People’s Republic of China (PRC)—that present a security risk to the United States and our critical infrastructure.

As you know, the IIJA created the SMART grant program to enable state, local and tribal governments to leverage innovative technology, such as drones, to support transportation safety and efficiency.<sup>1</sup> But the risks associated with drones made by companies subject to the laws of the PRC, for example, are clear. That is why Congress has acted to address them.

Section 848 of the National Defense Authorization Act (NDAA) for Fiscal Year 2020 prohibited the Department of Defense (DOD) from purchasing or operating drones made in the PRC.<sup>2</sup> More recently, the bipartisan, Senate-passed U.S. Innovation and Competition Act (USICA) included provisions based on the American Security Drone Act of 2021 extending that prohibition to all federal agencies, including USDOT.<sup>3</sup> USICA would also prohibit the use of federal grant money to purchase drones made by Chinese entities and other manufacturers that present a security risk, starting two years following enactment.<sup>4</sup> That timeline by no means limits USDOT’s inherent authority to impose reasonable constraints on federal taxpayer dollars in the interim.

The Administration has also highlighted these risks. In July, DOD issued a statement concluding that “systems produced by Da Jiang Innovations (DJI)”—the world’s largest drone manufacturer which has long dominated the U.S. and global markets—“pose potential threats to national security.”<sup>5</sup> We also understand that the Administration is in the process of implementing Executive Order 13981,<sup>6</sup> which makes it U.S. policy “to prevent the use of taxpayer dollars to procure UAS that present unacceptable risks and are manufactured by, or contain software or critical electronic components from, foreign adversaries, and to encourage the use of domestically produced UAS.” Numerous news reports have also highlighted related concerns, including a recent Washington Post article, which revealed that DJI has “obscured its Chinese government funding while claiming that Beijing had not invested in the firm.”<sup>7</sup>

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<sup>1</sup> Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, § 25005, 135 Stat. 840.

<sup>2</sup> National Defense Authorization Act for Fiscal Year 2020, Pub. L. No. 116-92, § 848, 133 Stat. 1508.

<sup>3</sup> United States Innovation and Competition Act of 2021, S. 1260, 117th Cong. §§ 4401-4411 (2021).

<sup>4</sup> *Id.* at § 4405.

<sup>5</sup> *Department Statement on DJI Systems*, U.S. DEP’T OF DEF. (July 23, 2021),

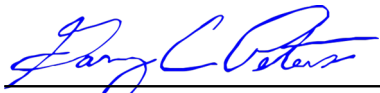
<https://www.defense.gov/News/Releases/Release/Article/2706082/departments-statement-on-dji-systems/>.

<sup>6</sup> Exec. Order No. 13,981, 86 Fed. Reg. 6,821 (Jan. 22, 2021).

We urge USDOT to take action. In implementing the SMART grant program, the Department should prevent funding from being used on drones manufactured by companies that pose a security risk. This is essential to advancing our national security objectives and protecting our country's infrastructure.

Thank you for considering our request.

Sincerely,



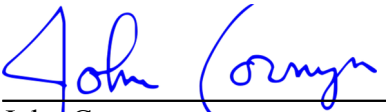
Gary C. Peters  
United States Senator



Catherine Cortez Masto  
United States Senator



Marsha Blackburn  
United States Senator



John Cornyn  
United States Senator



Marco Rubio  
U.S. Senator

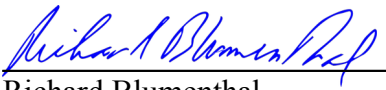


Christopher S. Murphy  
United States Senator

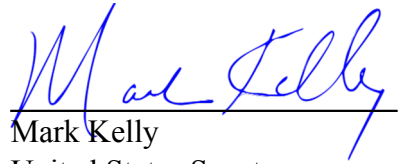


Rick Scott  
United States Senator

<sup>7</sup> E.g., Cate Cadell, *Drone Company DJI Obscured Ties to Chinese State Funding, Documents Show*, WASH. POST (Feb. 1, 2022), <https://www.washingtonpost.com/national-security/2022/02/01/china-funding-drones-dji-us-regulators/>.

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Richard Blumenthal  
United States Senator

Handwritten signature of Mark Kelly in blue ink, written over a horizontal line.

Mark Kelly  
United States Senator