

118TH CONGRESS
2D SESSION

H. R. 8416

To amend the Harmonized Tariff Schedule of the United States to increase the rate of duty on unmanned aircraft, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2024

Ms. STEFANIK (for herself, Mr. MOOLENAAR, Mr. WITTMAN, Mrs. HINSON, and Mr. BANKS) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Harmonized Tariff Schedule of the United States to increase the rate of duty on unmanned aircraft, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Drones for First Re-
5 sponders Act”.

1 **SEC. 2. FINDINGS AND SENSE OF CONGRESS.**

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

4 (1) Unmanned aircraft that are made in the
5 People’s Republic of China dominate the current
6 market in the United States for unmanned aircraft
7 and present an unacceptable national security risk.

8 (2) Through direct subsidization and targeted
9 investment by the Chinese Communist Party, un-
10 manned aircraft suppliers in the People’s Republic
11 of China are undercutting the domestic and
12 partnered unmanned aircraft markets and under-
13 mining ad valorem tariffs.

14 (3) Over 90 percent of unmanned aircraft oper-
15 ated by America’s first responders are made in the
16 People’s Republic of China.

17 (4) It is strategically critical for first respond-
18 ers, critical infrastructure providers, and farmers
19 and ranchers to have access to secure unmanned air-
20 craft that are manufactured in the United States or
21 by our partners and allies.

22 (5) The United States cannot rely on the Peo-
23 ple’s Republic of China to supply unmanned aircraft
24 that are critical to first responder operations.

25 (6) It is vital to the national security of the
26 United States that unmanned aircraft manufactur-

(8) Implementing tariffs on unmanned aircraft from the People's Republic of China has the effect of incentivizing sourcing domestically and in allied and partnered countries, which in turn has the effect of promoting resilient supply chains.

(b) SENSE OF CONGRESS.—It is the sense of Congress that phasing-in a protective specific duty for unmanned aircraft is prudent and necessary to safeguard this critical industry and increase the competitiveness of the unmanned aircraft industry outside of the People’s Republic of China.

21 (a) IN GENERAL.—Subchapter III of chapter 99 of
22 the HTS is amended—

(1) by inserting the following new subheadings 9903.87.01 and 9903.87.02, and the superior heading to subheading 9903.87.01, with the article de-

1 description for subheading 9903.87.01 having the
 2 same degree of indentation as the article description
 3 for subheading 9903.85.11:

“Heading/ Sub- heading	Article Descrip- tion	Rates of Duty		
		1		2
		General	Special	
9903.87.01	Articles the product of China: Unmanned aircraft, as provided for in note 31 to subchapter III of chapter 99 (provided for in subheadings 8806.10.00, 8806.21.00, 8806.22.00, 8806.23.00, 8806.24.00, 8806.29.00, 8806.91.00, 8806.92.00, 8806.93.00, 8806.94.00, or 8806.99.00)	The rates of duty provided in note 31 to this subchapter	No change	No change ”.

4 (2) by inserting the following new U.S. note to
 5 subchapter III of chapter 99 in numerical sequence:
 6 “31.(a) For the purposes of subheading
 7 9903.87.01, certain products of China shall be sub-
 8 ject to additional ad valorem rates of duty, as pro-
 9 vided for in this note. The products of China that
 10 are subject to additional ad valorem rates of duty
 11 under subheading 9903.87.01 and in accordance
 12 with the provisions of this note are products of
 13 China that are classified in the following sub-
 14 headings: 8806.10.00, 8806.21.00, 8806.22.00,
 15 8806.23.00, 8806.24.00, 8806.29.00, 8806.91.00,

1 8806.92.00, 8806.93.00, 8806.94.00, or 8806.99.00.
2 All products of China that are classified in the sub-
3 headings enumerated in this U.S. note are subject to
4 the additional ad valorem rates of duty imposed by
5 subheading 9903.87.01, in accordance with the pro-
6 visions of this note.

7 “(b) The duty rate in the Rates of Duty 1-Gen-
8 eral column for goods entered under subheading
9 9903.87.01 shall be as follows:

10 “(1) Effective with respect to goods en-
11 tered for consumption, or withdrawn from
12 warehouse for consumption, on or after 12:01
13 a.m. eastern daylight time on the day that is 30
14 days after the date of enactment of the Drones
15 for First Responders Act through the close of
16 the day that is one year after the date of enact-
17 ment: 30%.

18 “(2) Effective with respect to goods en-
19 tered for consumption, or withdrawn from
20 warehouse for consumption, on or after 12:01
21 a.m. eastern daylight time on the day after the
22 day that is one year after the date of enactment
23 through the close of the day that is two years
24 after the date of enactment: 35%.

1 “(3) Effective with respect to goods en-
2 tered for consumption, or withdrawn from
3 warehouse for consumption, on or after 12:01
4 a.m. eastern daylight time on the day after the
5 day that is two years after the date of enact-
6 ment through the close of the day that is three
7 years after the date of enactment: 40%.

8 “(4) Effective with respect to goods en-
9 tered for consumption, or withdrawn from
10 warehouse for consumption, on or after 12:01
11 a.m. eastern daylight time on the day after the
12 day that is three years after the date of enact-
13 ment through the close of the day that is four
14 years after the date of enactment: 45%.

15 “(5) Effective with respect to goods en-
16 tered for consumption, or withdrawn from
17 warehouse for consumption, on or after 12:01
18 a.m. eastern daylight time on the day after the
19 day that is four years after the date of enact-
20 ment: \$100 each + 50%.

21 “(c) Notwithstanding U.S. note 1 to this sub-
22 chapter, all products of China that are subject to the
23 additional ad valorem rates of duty imposed by sub-
24 heading 9903.87.01, and provided for in this note,
25 shall also be subject to the additional rates of duty

1 imposed by any other headings or subheadings in
2 subchapter III of chapter 99 of the HTS and to the
3 general rates of duty imposed on products of China
4 classified in the subheadings enumerated in this
5 note.

6 “(d) Products of China that are classified in
7 the subheadings enumerated in this note that are el-
8 igible for temporary duty exemptions or reductions
9 under subchapter II to chapter 99, shall be subject
10 to the additional ad valorem rates of duty imposed
11 by subheading 9903.87.01.

12 “(e) Products of China that are provided for in
13 subheading 9903.87.01 and classified in one of the
14 subheadings enumerated in this note shall continue
15 to be subject to antidumping, countervailing, or
16 other duties, fees, exactions, and charges that apply
17 to such products.”.

18 (b) EFFECTIVE DATE.—Subheading 9903.87.01, the
19 superior heading to subheading 9903.87.01, and U.S. note
20 31 to subchapter III of chapter 99 of the HTS, as added
21 by subsection (a), shall be effective with respect to goods
22 entered for consumption, or withdrawn from warehouse
23 for consumption, on or after 12:01 a.m. eastern daylight
24 time 30 days after the date of enactment of this Act.

1 **SEC. 4. STRENGTHENED RULES OF ORIGIN FOR ENTRIES**
2 **OF UNMANNED AIRCRAFT UNDER HEADING**
3 **8806 OF THE HTS.**

4 (a) IN GENERAL.—Notwithstanding any provisions of
5 the general notes to the HTS, beginning on January 1,
6 2030, unmanned aircraft classified under heading 8806
7 of the HTS may not enter the customs territory of the
8 United States unless—

9 (1) the entry of the unmanned aircraft is ac-
10 companied by a certificate or other documentation
11 required by U.S. Customs and Border Protection es-
12 tablishing the unmanned aircraft does not contain a
13 flight controller, radio, data transmission device,
14 camera, gimbal, ground control system, operating
15 software, network connectivity hardware, or data
16 storage manufactured in the People’s Republic of
17 China; and

18 (2) U.S. Customs and Border Protection con-
19 firms the veracity of the certificate or other docu-
20 mentation required by paragraph (1).

21 (b) EXEMPTION.—

22 (1) IN GENERAL.—Subsection (a) shall not
23 apply with respect to unmanned aircraft classified
24 under heading 8806 of the HTS that—

25 (A) the Federal Aviation Administration
26 has, before January 1, 2025—

1 (i) authorized for operations under
2 the provisions of title 14 of part 135 of the
3 Code of Federal Regulations; or

4 (ii) included in an air carrier's exemp-
5 tion under section 44807 of title 49,
6 United States Code; and

7 (B) are not manufactured in whole by a
8 covered foreign entity or in a foreign adversary
9 country.

10 (2) LIST.—Not later than January 1, 2025, the
11 Administrator of the Federal Aviation Administra-
12 tion shall—

13 (A) provide the Commissioner for U.S.
14 Customs and Border Protection with a list of
15 unmanned aircraft that qualify for the exemp-
16 tion under this subsection; and

17 (B) certify that the list required by sub-
18 paragraph (A) contains only unmanned aircraft
19 that are not manufactured in whole by a cov-
20 ered foreign entity or in a foreign adversary
21 country.

22 (c) DEFINITIONS.—In this section—

23 (1) the term “air carrier” has the meaning
24 given that term in section 40102 of title 49, United
25 States Code; and

1 (2) the term “customs territory of the United
2 States” has the meaning given that term in general
3 note 2 of the HTS.

4 **SEC. 5. SECURE UNMANNED AIRCRAFT SYSTEMS FOR**
5 **FIRST RESPONDERS FUND AND GRANT PRO-**
6 **GRAM.**

7 (a) SECURE UNMANNED AIRCRAFT SYSTEMS FOR
8 FIRST RESPONDERS FUND.—

9 (1) ESTABLISHMENT.—There is established in
10 the Treasury of the United States a fund, to be
11 known as the “Secure Unmanned Aircraft Systems
12 for First Responders Fund” (in this section referred
13 to as the “Fund”).

14 (2) DEPOSIT OF AMOUNTS.—There shall be de-
15 posited in the Fund all duties imposed and collected
16 by the United States under subheading 9903.87.01
17 of the HTS, and as further provided for under U.S.
18 note 31 to subchapter III of chapter 99 of the HTS,
19 as added by section 3(a).

20 (3) USE OF AMOUNTS.—

21 (A) IN GENERAL.—The Secretary is au-
22 thorized to use the amounts in the Fund for a
23 fiscal year for purposes of carrying out the
24 grant program established under subsection (b)
25 for the next fiscal year.

1 (B) UNOBLIGATED AND UNEXPENDED
2 FUNDS.—The Secretary is authorized to make
3 amounts in the Fund that are not obligated or
4 expended in accordance with subparagraph (A)
5 available for the purposes described in subpara-
6 graph (A) for the next available fiscal year.

7 (b) GRANT PROGRAM.—

8 (1) IN GENERAL.—Beginning not later than
9 one year after the date of the enactment of this Act,
10 the Secretary shall establish and carry out a pro-
11 gram to provide grants on a fiscal year basis to first
12 responders, farmers and ranchers, and providers of
13 critical infrastructure to—

14 (A) purchase or lease secure unmanned
15 aircraft systems;

16 (B) support operational capabilities of such
17 systems by the grant recipient; and

18 (C) support the program management ca-
19 pability of the grant recipient to use such sys-
20 tems.

21 (2) CONSULTATION.—In carrying out the pro-
22 gram, the Secretary shall—

23 (A) consult with the Secretary of Agri-
24 culture with respect to developing criteria for

1 reviewing applications for grants submitted on
2 behalf of farmers and ranchers; and

3 (B) consult with the Secretary of Trans-
4 portation with respect to providing grants to
5 providers of critical infrastructure.

6 (3) PRIORITY FOR GRANTS.—Of the amounts
7 made available for purposes of carrying out the pro-
8 gram—

9 (A) 60 percent of such amounts in the
10 Fund shall be made available for grants that
11 benefit first responders;

12 (B) 20 percent of such amounts in the
13 Fund shall be made available for grants that
14 benefit farmers and ranchers; and

15 (C) 20 percent of such amounts in the
16 Fund shall be made available for grants that
17 benefit providers of critical infrastructure.

18 (4) REVIEW OF APPLICATIONS.—

19 (A) DEADLINE.—

20 (i) IN GENERAL.—Except as provided
21 in clause (iii), the Secretary shall approve
22 or deny an application for a grant under
23 the program not later than 90 days after
24 the date of the submission of the applica-
25 tion.

1 (ii) ALLOCATION TIMING.—Amounts
2 under a grant shall be allocated in a man-
3 ner that prioritizes the funding to recipi-
4 ents in States or localities that have estab-
5 lished bans on the purchase, lease, or oper-
6 ation of unmanned aircraft based on their
7 country of origin or on their manufacturer.

8 (iii) ADDITIONAL TIME NEEDED FOR
9 REVIEW.—If the Secretary determines
10 that, because an excessive number of appli-
11 cations have been filed at one time, the
12 Secretary needs additional time for the
13 Secretary to process the applications, the
14 Secretary may extend the deadline de-
15 scribed in clause (i) for not more than 45
16 days.

17 (B) EFFECT OF DENIAL.—Denial of an
18 application for a grant under the program shall
19 not preclude the applicant from resubmitting
20 the application with additional documentation
21 or submitting a new application at a later date.

22 (5) REPORT.—Not later than 1 year after the
23 date on which the program is established, and annu-
24 ally thereafter, the Secretary shall submit to Con-
25 gress a report on the implementation of the program

1 in the prior year, including a description of all
2 grants provided under the program and the amounts
3 of such grants.

4 **SEC. 6. DEFINITIONS.**

5 In this Act:

6 (1) COVERED FOREIGN ENTITY.—The term
7 “covered foreign entity” means a foreign entity that
8 is—

9 (A) an entity on the Federal Government’s
10 Consolidated Screening List;

11 (B) an entity on the Department of De-
12 fense’s Chinese Military Company List as es-
13 tablished by section 1260H of William M.
14 (Mac) Thornberry National Defense Authoriza-
15 tion Act for Fiscal Year 2021 (10 U.S.C. 113
16 note);

17 (C) an entity on the Department of Treas-
18 ury’s Non-SDN Chinese Military Industrial
19 Complex Companies List;

20 (D) an entity on the Department of Home-
21 land Security’s Uyghur Forced Labor Preven-
22 tion Act Entity List; or

23 (E) an entity identified as a covered for-
24 eign entity, as such term is defined in section
25 1822(1) of the American Security Drone Act of

1 2023 (41 U.S.C. note prec. 3901), for purposes
2 of such Act.

3 (2) CRITICAL INFRASTRUCTURE.—The term
4 “critical infrastructure” has the meaning given that
5 term in the Critical Infrastructures Protection Act
6 of 2001 (42 U.S.C. 5195c).

7 (3) FIRST RESPONDER.—The term “first re-
8 sponder” has the meaning given that term in section
9 3025 of the Omnibus Crime Control and Safe
10 Streets Act of 1968 (34 U.S.C. 10705).

11 (4) FOREIGN ADVERSARY COUNTRY.—The term
12 “foreign adversary country” means a covered nation,
13 as such term is defined in section 4872(d)(2) of title
14 10, United States Code.

15 (5) HTS.—The term “HTS” means the Har-
16 monized Tariff Schedule of the United States.

17 (6) FUND.—The term “Fund” means the Se-
18 cure Unmanned Aircraft Systems for First Respond-
19 ers Fund established by section 5.

20 (7) SCHEDULE OF CONCESSIONS.—

21 (A) IN GENERAL.—The term “Schedule of
22 Concessions” means Schedule XX of the WTO.

23 (B) TERMS FROM URUGUAY ROUND
24 AGREEMENTS ACT.—In this paragraph, the
25 terms “Schedule XX” and “WTO” have the

1 meanings given such terms in section 2 of the
2 Uruguay Round Agreements Act (19 U.S.C.
3 3501).

4 (8) SECRETARY.—Except as otherwise provided,
5 the term “Secretary” means—

6 (A) the Secretary of Homeland Security;
7 or

8 (B) the Secretary’s designee.

9 (9) SECURE UNMANNED AIRCRAFT SYSTEM.—
10 The term “secure unmanned aircraft system” means
11 an unmanned aircraft system, as such term is de-
12 fined in section 44801 of title 49, United States
13 Code, that is not manufactured or assembled by a
14 covered foreign entity or in a foreign adversary
15 country.

○