

The Senate Committee on Rules offered the following substitute to SB 64:

MOOT

A BILL TO BE ENTITLED
AN ACT

1 To amend Titles 36 and 50 of the Official Code of Georgia Annotated, relating to local
2 government and state government, respectively, so as to prohibit certain transactions between
3 government entities and certain foreign persons; to prohibit government entities from
4 acquiring foreign unmanned aircraft systems; to prohibit the use of state funds in connection
5 with such unmanned aircraft systems; to prohibit government entities from operating such
6 unmanned aircraft systems; to prohibit companies owned or operated by a foreign adversary
7 from submitting a proposal for a contract with a state agency for goods or services; to revise
8 and provide for definitions; to provide for related matters; to repeal conflicting laws; and for
9 other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended
13 by adding a new Code section to read as follows:

14 "36-84-2.

15 (a) As used in this Code section, the term:

- 16 (1) 'Covered foreign entity' means an individual, business entity, or foreign government,
17 or any subsidiary or affiliate thereof, that is:
- 18 (A) Domiciled in the People's Republic of China or the Russian Federation; and
19 (B) Under the influence or control of the government of the People's Republic of China
20 or the Russian Federation.
- 21 (2) 'Local government entity' means any political subdivision of this state or any
22 department, agency, board, commission, or authority of any such political subdivision.
- 23 (3) 'Small unmanned aircraft system' means an unmanned, powered aircraft that:
- 24 (A) Is operated without the possibility of direct human intervention from within or on
25 the aircraft;
- 26 (B) Can be expendable or recoverable; and
27 (C) Weighs less than 55 pounds, including the weight of anything attached to or carried
28 by the aircraft.
- 29 (b) On or after January 1, 2028, no local government entity shall acquire or enter into a
30 contract for the acquisition of a small unmanned aircraft system that is manufactured or
31 assembled by a covered foreign entity.
- 32 (c) On or after January 1, 2028, no state funds made available to any local government
33 entity shall be used in connection with a small unmanned aircraft system that is
34 manufactured or assembled by a covered foreign entity.
- 35 (d) Any local government entity that has acquired or entered into a contract for the
36 acquisition of a small unmanned aircraft system that is manufactured or assembled by a
37 covered foreign entity may continue to operate such small unmanned aircraft system until
38 January 1, 2029; provided, however, that, after such date, no local government entity shall
39 operate such a small unmanned aircraft system."

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SECTION 2.

41 Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
42 by revising Code Section 50-5-84.2, relating to contracting with companies owned by China,
43 as follows:

44 "50-5-84.2.

45 (a) As used in this Code section, the term:

46 (1) 'Company' means any sole proprietorship, organization, association, corporation,
47 partnership, joint venture, limited partnership, limited liability partnership, limited
48 liability company, or other entity or business association, including all wholly owned
49 subsidiaries, majority owned subsidiaries, or parent companies,~~or affiliates~~ of such
50 entities or business associations, that exists for the purpose of making profit.

51 (2) 'Foreign country of concern' means a country whose government is designated as a
52 foreign adversary by the United States Secretary of Commerce pursuant to 15 C.F.R.
53 Section 7.4.

54 (3) 'Government of China' means the People's Republic of China led by the Chinese
55 Communist Party.

56 ~~(3)~~(4) 'Scrutinized company' means any company owned or operated by the government
57 of China or a foreign country of concern or any company in which the government of
58 China or a foreign country of concern has an ownership stake.

59 (b) A scrutinized company shall be ineligible to, and shall not, bid on or submit a proposal
60 for a contract, directly or through a third-party seller, with a state agency for goods or
61 services, including, but not limited to, a contract for the procurement or purchase of
62 computers, printers, connecting cables, or interoperable videoconferencing services used
63 in connection with an office environment.

64 (c) A state agency shall require a company that submits a bid or proposal with respect to
65 a contract for goods or services to certify that the company is not a scrutinized company.

66 (d) If the Department of Administrative Services determines that a company has submitted
67 a false certification under subsection (c) of this Code section:

68 (1) The company shall be liable for a civil penalty in an amount that is equal to the
69 greater of \$250,000.00 or twice the amount of the contract for which a bid or proposal
70 was submitted;

71 (2) The state agency or the Department of Administrative Services shall terminate the
72 contract with the company; and

73 (3) The company shall be ineligible to, and shall not, bid on a state contract."

74

SECTION 3.

75 Said title is further amended by adding new Code section to read as follows:

76 "50-5-84.3.

77 (a) As used in this Code section, the term:

78 (1) 'Covered foreign entity' means an individual, business entity, or foreign government,
79 or any subsidiary or affiliate thereof, that is:

80 (A) Domiciled in the People's Republic of China or the Russian Federation; and

81 (B) Under the influence or control of the government of the People's Republic of China
82 or the Russian Federation.

83 (2) 'Small unmanned aircraft system' means an unmanned, powered aircraft that:

84 (A) Is operated without the possibility of direct human intervention from within or on
85 the aircraft;

86 (B) Can be expendable or recoverable; and

87 (C) Weighs less than 55 pounds, including the weight of anything attached to or carried
88 by the aircraft.

89 (3) 'State agency' means a department, agency, board, commission, or authority of state
90 government.

91 (b) On or after January 1, 2028, no state agency shall acquire or enter into a contract for
92 the acquisition of a small unmanned aircraft system that is manufactured or assembled by
93 a covered foreign entity.

94 (c) On or after January 1, 2028, no state funds made available to any state agency shall be
95 used in connection with a small unmanned aircraft system that is manufactured or
96 assembled by a covered foreign entity.

97 (d) Any state agency that has acquired or entered into a contract for the acquisition of a
98 small unmanned aircraft system that is manufactured or assembled by a covered foreign
99 entity may continue to operate such small unmanned aircraft system until January 1, 2029;
100 provided, however, that, after such date, no state agency shall operate such a small
101 unmanned aircraft system."

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SECTION 4.

103 All laws and parts of laws in conflict with this Act are repealed.