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# ROGER ROTH

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STATE SENATOR • 19<sup>TH</sup> SENATE DISTRICT

Thank you Senator Jagler and members of the Committee on Housing, Commerce, and Trade for hearing SB 868.

Drones are becoming an integral part of local government, state agency, and law enforcement operation. Whether they are used for surveying land, investigating crimes, or conducting simple aerial photography these machines are quickly becoming a staple in the inventory of many government entities.

However, as far back as 2017<sup>1</sup> there have been concerns<sup>2</sup> raised that D.J.I., one of the most popular drone manufacturers in the world, is leaking critical data to the Chinese Government including through drones operated in the United States. Similar concerns have been raised by governments of other nations, including most recently in Italy where the nation's military had to divest itself of certain drones due to acquisition by PRC based firms.<sup>3</sup>

In 2020, the U.S. Commerce department barred U.S. Companies from exporting products to DJI, which the U.S. Department of Defense has deemed a national security threat.<sup>4</sup> And just two months ago, in December of 2021, the U.S. Treasury Department put DJI on an investment blacklist, barring US citizens from buying and selling shares of the company, in part, due to its involvement in the surveillance and imprisonment efforts of Uyghurs and other ethnic minorities in Xinjiang.

Despite DJI assurances that the company does not pose security risks and is not funded by the CCP, a Washington Post analysis released this past Monday demonstrated that DJI does in fact receive funding from the PRC including through “a state asset manager that has pledged to play a key role in promoting partnerships between private enterprises and the Chinese military.”<sup>5</sup>

DJI accounts for a disproportionately high percent of drones used in the US including estimates that the company provides roughly 90% of the drones used by public safety agencies in the U.S.<sup>6</sup>

In order to protect the privacy and core operational viability of state and local government functions in Wisconsin, as well as protect the privacy of residents who may be involved in footage obtained through these drones, I have introduced SB 868.

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<sup>1</sup> <https://info.publicintelligence.net/ICE-DJI-China.pdf>

<sup>2</sup> <https://www.cbs58.com/news/dhs-warns-of-strong-concerns-that-chinese-made-drones-are-stealing-data>

<sup>3</sup> <https://www.wsj.com/articles/china-bought-italian-military-drone-maker-without-authorities-knowledge-11636972513>

<sup>4</sup> <https://www.bbc.com/news/technology-59703521>

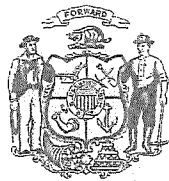
<sup>5</sup> [https://www.washingtonpost.com/national-security/2022/02/01/china-funding-drones-dji-us-regulators/?fbclid=IwAR2W13hUsNhnVCi3T9s1q-7qWf93FTTAhCivB2qD32dxPC\\_iA3flTwjPsUI](https://www.washingtonpost.com/national-security/2022/02/01/china-funding-drones-dji-us-regulators/?fbclid=IwAR2W13hUsNhnVCi3T9s1q-7qWf93FTTAhCivB2qD32dxPC_iA3flTwjPsUI)

<sup>6</sup> <https://dronecenter.bard.edu/files/2020/03/CSD-Public-Safety-Drones-3rd-Edition-Web.pdf>

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# ROGER ROTH

STATE SENATOR • 19<sup>TH</sup> SENATE DISTRICT

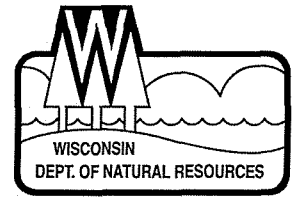
This bill prohibits, upon the date of enactment, any local or state government from acquiring DJI drones or other manufacturers, as determined by the U.S. Department of Justice that may be liable to leak critical security information.

This bill also requires local and state government entities to cease the operation of prohibited drones within one year of enactment, requiring DOJ to report on the status of divestment and disposal of these machines to each house of the legislature.

I also will be introducing an amendment to fully reimburse local governments for the costs associated with replacing these drones.

Let me be clear, our local governments, law enforcement, and fire departments have done nothing wrong. We are only now becoming aware of the security risks created by the CCP and DJI.

Furthermore, I will not allow this bill to advance without fully reimbursing local government entities for the procurement of replacement drones.



## Senate Committee on Housing, Commerce and Trade

### *2021 Senate Bill 868*

### *Restriction of State or Local Governmental Acquisition, Possession, and Use of Certain Drones*

*February 3, 2022*

The Wisconsin Department of Natural Resources (DNR) welcomes the opportunity to provide written testimony on Senate Bill 868 (SB 868), related to the restriction of state or local governmental acquisition, possession, and use of certain drones.

SB 868 would prohibit local governments and state agencies from possessing or using drones that were manufactured or distributed by SZ DJI Technology Co, or their subsidiaries. The bill would also require local governments and state agencies to report, to the Wisconsin Department of Justice, on their possession, use, and disposal plans for these drones.

The DNR Divisions of Forestry and Public Safety and Resource Protection both utilize drones to perform their core duties. The Division of Forestry has ten drones in service, all of which were manufactured by DJI Technology. The Division of Public Safety and Resource Protection operates nine drones, of which seven are from DJI Technology. The department's communications team also uses a DJI drone. DJI drones are generally regarded as superior to all comparable drones when it comes to cost, functionality, dependability, ease of use, and built in safety systems. For these reasons, they are used by the majority of public safety agencies that operate drones.

Requiring the DNR to discontinue the use of all DJI drones would severely hinder the department's ability to complete search and rescue missions, vehicle crash reconstructions, natural disaster assessments, wildlife and forest assessments, and more. To continue these critical operations, the department would need to replace all DJI drones. In past research the department determined that similar drones were inferior in functionality and ease of use, while also being more expensive. In order to afford the replacement of the drones, the department would need to cut back on forestry and public safety and resource protection operations. This is not a preferred option.

The department recognizes the importance of data protection and preventing information from leaking to foreign governments. There are ways to accomplish this goal that do not involve disposing of all DJI manufactured drones. For example, the department is able to utilize a "local data mode" which eliminates internet connections to protect drone flight data. The drone operators are then able to transfer the data at their discretion, ensuring that the information remains secure.

In summary, drones have become a valuable resource for the department. Requiring the DNR to dispose of the majority of its drone fleet would severely hinder the completion of essential operations. Furthermore, replacing these drones would be incredibly expensive, and lead to the usage of inferior products.

Thank you for the opportunity to provide this written testimony. If you have questions or if there is any further information the department can provide, please feel free to contact Sean Kennedy, DNR Legislative Director, at [Sean.Kennedy@Wisconsin.gov](mailto:Sean.Kennedy@Wisconsin.gov).



# STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor  
Kathy Blumenfeld, Secretary-designee  
February 3, 2022

**TO:** Members of the Committee on Housing, Commerce and Trade  
**FROM:** Carly Michiels, Legislative Advisor at the Department of Administration  
**RE:** Senate Bill 868 Relating to the restriction of state or local governmental acquisitions, possession, and use of certain drones.  
**DATE:** February 3, 2022

*Electronically submitted*

Thank for you for the opportunity to submit testimony on Senate Bill 868 that would prohibit local governmental units and state agencies from acquiring, possessing, or using drones manufactured or distributed by SZ DJI Technology Co., Ltd (DJI). The bill also requires local governmental units and state agencies to report to the Wisconsin Department of Justice (DOJ) their possession, use, and plan for disposal of these drones which DOJ must report to the legislature.

This bill would ban the use of all aircraft manufactured by DJI in Wisconsin and would severely impact public safety efforts. These drones are a critical tool used on hundreds of missions each year from searching for an elderly dementia patient or a lost child, emergency management, bridge and infrastructure inspections, natural disaster assessments, and fire abatement techniques. In addition to its utilization in public safety, this ban would have incredible financial implications for the Wisconsin Department of Administration (DOA) and Capitol Police to dispose of and buy new or go without this important tool. A [U.S. Department of Interior Report](#) found that other unmanned aircraft systems “were up to 10X less capable for the same price, or up to 10X more costly than similarly capable DJI aircraft.”

We understand that SB 868 is intended to address security concerns and to prevent data leaks. With DJI drones, however, this concern was addressed in September 2020 through the implementation of the Local Data Mode ([Release here](#)). The 2020 Local Data Mode update was released following both a federal cybersecurity audit conducted by the U.S. Department of Interior as well as an independent audit conducted by FTI Consulting.

Put plainly, Local Data Mode is similar to airplane mode on your cell phone. It blocks certain access to the internet. Specifically, for DJI drones, once Local Data Mode is enabled, no data generated by the application is sent externally – not to DJI or any third party. Local Data Mode was expanded and implemented, verified by a third party, and is now used to ensure no data is shared externally beyond the operator and the drone application.

On the drones we operate, we utilize Local Data Mode, and it is considered a best management practice. Local Data Mode eliminates internet connection and prevents transmission of drone flight data. All DJI drones provide data security protections for their users by empowering them to decide whether and when their drone data is shared externally.



# STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor  
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A ban of these drones would impact hundreds of local units of government including Fire Services, Emergency Management, Public Works, local community-run cable stations, bridge and infrastructure inspectors, wildlife management, and many others that all count on the reliability and ease of use from DJI drone. An accumulation of tens of thousands of hours of pilot training would be lost, shuttering many of these *valuable programs*.

For example, the Wisconsin State Capitol Police Department is a leader in its administration of a statewide public safety drone network with over 200 pilots from more than 100 different local, state, and tribal first responder agencies. By dialing a single 1-800 number, any public safety agency in need of air support can be connected to trained local pilots who are willing to assist. The most common request for drones is to help search for missing persons; a lost child, a senior who wandered away from a memory care facility, a hunter, or a kayaker who did not return home. A ban on DJI equipment will bring this type of life-saving response to an immediate halt.

DJI is the market leader in producing easy to use, high-quality, reasonably priced, and data-safe small, unmanned aircraft. Without funding to support the ban on these important public safety tools this could be an immeasurable loss for state agencies, local units of government, and the Wisconsin residents who rely on these public safety tools to work when needed most. SB 868 would impact current and ongoing contracts and jeopardize our ability to conduct public safety measures. Because there is no comparable alternative product, a ban of this size would force institutions to choose between going without this important tool or fronting the bill for mediocre replacements.