

Department of the Interior Information Bulletin

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Subject: National Defense Authorization Act (NDAA) Compliance to Unmanned Aircraft System (UAS) in procurements and grants and cooperative agreements, commonly referred to Financial Assistance (FA).

Area of Concern: Implementation of the American Security Drone Act of 2023, enacted as Subtitle B of Title XVIII, Division A, of the National Defense Authorization Act for Fiscal Year 2024, Public Law 118–31, §§ 1821–1833 (Dec. 22, 2023)

Distribution: All DOI Aviation Operations and Acquisition and Financial Assistant Personnel

Discussion: This Information Bulletin (IB) provides guidance to DOI acquisition and FA personnel on the application of the FY2024 National Defense Authorization Act (NDAA) and the American Security Drone Act of 2023. These laws prohibit the use of federal funds for the procurement of contracts and FAs or operation of certain non-compliant UAS platforms and components. This guidance supports consistent interpretation across bureaus when UAS are involved in procurement and FA actions.

Background

In response to cybersecurity and national security concerns, the NDAA and related federal law prohibits the use of federal funds for UAS manufactured by, or incorporating components from, 'covered foreign entities' — including China, Russia, Iran, and North Korea. These restrictions apply to all contract and FA actions, where federal funding may be used to procure, lease, operate, or support UAS.

Key Guidance for DOI Acquisition and Financial Assistance Personnel Involved with DOI Contract and Financial Assistance Program

1. Prohibited Use of Federal Funds

DOI acquisitions and FA's may not be used to:

- Purchase, lease, or rent drones from covered foreign entities.
- Operate UAS using critical components (hardware/software) from covered foreign entities.
- Subcontract UAS services that use non-compliant drones.
- Upgrade, maintain, or repair non-compliant UAS using DOI funds.
- 2. Covered Foreign Entity Definition

A 'covered foreign entity' includes:

- UAS manufacturers based in, or substantially influenced by, China, Russia, Iran, or North Korea.
- Entities on the Federal Acquisition Security Council (FASC) exclusion list.

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- Companies flagged in the System for Award Management (SAM) as national security risks.

3. Allowable Use of Federal Funds

DOI Contracts and FAs funds may be used for:

- Procuring NDAA-compliant UAS from approved manufacturers.
- Contracting and funding through an FA, UAS services that utilize only compliant platforms.
- Supporting research and development activities that do not use restricted UAS systems.

4. Exemption for Wildland Fire and Search and Rescue (SAR)

The NDAA provides a narrow exemption permitting the use of non-compliant UAS in specific emergency situations. Under this provision:

- -Non-compliant UAS may be used for wildland fire or SAR missions only when no compliant alternative is available. Each bureau has the discretion to define these mission types.
 - -Use must be justified, documented, and reported to the appropriate bureau aviation manager.
 - -Cooperator/affiliate aircraft used for these missions must be approved by OAS.

Important: This exemption does not extend to general UAS usage or routine operations and should only be invoked in coordination with DOI aviation leadership.

Roles and Responsibilities

Contracting and Financial Assistance Personnel

- Review proposals and FA applications.
- Provide guidance to vendors and recipients about NDAA restrictions and approved platforms.
- Monitor awards to verify post-award UAS purchases are compliant.
- Coordinate with program offices and aviation personnel as needed to ensure no non-compliant UAS involvement unless exempted under fire or SAR operations

Aviation Management Personnel

- Advise program staff on compliant UAS platforms and alternatives.
- Support procurement reviews for UAS-related solicitations and Notices of Funding Opportunities (NOFO).
- Deliver training on UAS cybersecurity, operational risks, and compliance definitions.

Operational Control and Operational Procedures Memorandum (OPM)-11 Compliance

UAS operations under DOI's operational control must follow all applicable DOI aviation policies, including those in OPM-11:

- Ensure missions meet DOI aviation standards.
- Confirm UAS operators are authorized per DOI policy.
- Obtain approvals and implement risk mitigation strategies.

Non-Compliance Consequences

- Financial Recovery: Reimbursement of ineligible expenditures; funding holds.
- Award Actions: Suspension or termination of the contract or FA agreement.
- Legal Penalties: False certification consequences (18 U.S.C. § 1001); potential government-wide debarment (2 CFR Part 180); referral to the Office of Inspector General (OIG).

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Oversight and Monitoring

Bureaus, in collaboration with acquisition and FA staff, must:

- Confirm no non-compliant UAS are utilized through contracts and FA agreements. - Verify compliance through procurement and UAS use records.

- Take corrective actions when non-compliant use is identified.

Next Steps

- Acquisition personnel, FA personnel, and bureau aviation personnel distribute this bulletin to current and prospective vendors and recipients.
- Collaborate with bureau aviation offices prior to award issuance of contract and FA's.
- Review and, if needed, modify existing awards to ensure compliance.
- Report suspected violations to the OAS.

Compliance with the NDAA and the American Security Drone Act is mandatory for all DOI-funded UAS procurements and operations. Adhering to this guidance ensures the DOI continues to support secure and responsible use of aviation resources.

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