### 115TH CONGRESS 1ST SESSION S.631

AUTHENTICATED U.S. GOVERNMENT INFORMATION

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To amend the FAA Modernization and Reform Act of 2012 to provide guidance and limitations regarding the integration of unmanned aircraft systems into United States airspace, and for other purposes.

### IN THE SENATE OF THE UNITED STATES

March 15, 2017

Mr. MARKEY introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

## A BILL

- To amend the FAA Modernization and Reform Act of 2012 to provide guidance and limitations regarding the integration of unmanned aircraft systems into United States airspace, 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 "Drone Aircraft Privacy
- 5 and Transparency Act of 2017".
- 6 SEC. 2. FINDINGS.
- 7 Congress finds the following:

(1) On February 14, 2012, President Obama 1 2 signed the FAA Modernization and Reform Act of 3 2012 (Public Law 112–95; 49 U.S.C. 40101 note) 4 into law, and sections 331 through 336 of such Act 5 require the Federal Aviation Administration to fully 6 integrate government, commercial, and recreational 7 unmanned aircraft systems, commonly known as 8 "drones", into United States airspace by October 9 2015.

(2) As the technology advances and the cost decreases—unmanned aircraft systems are already orders of magnitude less expensive to purchase and operate than piloted aircraft—the market for Federal,
State, and local government and commercial unmanned aircraft systems is rapidly growing.

16 (3) It has been estimated there could be as
17 many as 2,700,000 commercial unmanned aircraft
18 systems sold annually in the United States by 2020.

(4) There will no doubt be many beneficial applications for unmanned aircraft systems, including
delivering goods, serving as early warning systems,
performing search and rescue missions, and providing critical aid to those in need.

24 (5) However, there also is the potential for un-25 manned aircraft system technology to enable

1 invasive and pervasive surveillance without adequate 2 privacy protections, and currently, no explicit pri-3 vacy protections or public transparency measures 4 with respect to such system technology are built into the law. 5 6 (6) Federal standards for informing the public 7 and protecting individual privacy with respect to un-8 manned aircraft systems are needed. 9 SEC. 3. GUIDANCE AND LIMITATIONS REGARDING UN-10 MANNED AIRCRAFT SYSTEMS. 11 (a) IN GENERAL.—Subtitle B of title III of the FAA 12 Modernization and Reform Act of 2012 (Public Law 112– 13 95; 49 U.S.C. 40101 note) is amended by adding at the end the following new sections: 14 15 "SEC. 337. RULEMAKING. "(a) IN GENERAL.—The Secretary of Transportation 16 17 shall establish procedures to ensure that the integration 18 of unmanned aircraft systems into the national airspace 19 system is done in compliance with the privacy principles. 20 "(b) EXCEPTION.—The procedures established under 21 subsection (a) shall not apply with respect to unmanned

aircraft systems operated for news-gathering activities protected by the First Amendment to the Constitution of

24 the United States.

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# 1 "SEC. 338. DATA COLLECTION STATEMENTS AND DATA2MINIMIZATION STATEMENTS.

"(a) IN GENERAL.—Beginning on the date of the enactment of this section, the Secretary of Transportation
may not approve, issue, or award any certificate, license,
or other grant of authority to operate an unmanned aircraft system in the national airspace system unless the
application for such certificate, license, or other grant of
authority includes—

"(1) a data collection statement in accordance
with the requirements of subsection (b) that provides
reasonable assurance that the applicant will operate
the unmanned aircraft system in accordance with
the privacy principles; and

15 "(2) in the case of such an unmanned aircraft 16 system that is to be operated by a law enforcement 17 agency or a law enforcement agency contractor or 18 subcontractor, a data minimization statement in ac-19 cordance with the requirements of subsection (c) 20 that provides reasonable assurance that the appli-21 cant will operate the unmanned aircraft system in 22 accordance with the privacy principles.

23 "(b) DATA COLLECTION STATEMENT.—A data col24 lection statement under subsection (a), with respect to an
25 unmanned aircraft system, shall include information iden26 tifying—

1	"(1) the individuals or entities that will have
2	the power to use the unmanned aircraft system;
3	((2)) the specific locations in which the un-
4	manned aircraft system will operate;
5	"(3) the maximum period for which the un-
6	manned aircraft system will operate in each flight;
7	"(4) whether the unmanned aircraft system will
8	collect information or data about individuals or
9	groups of individuals, and if so—
10	"(A) the circumstances under which the
11	system will be used; and
12	"(B) the specific kinds of information or
13	data the system will collect about individuals or
14	groups of individuals and how such information
15	or data, as well as conclusions drawn from such
16	information or data, will be used, disclosed, and
17	otherwise handled, including—
18	"(i) how the collection or retention of
19	such information or data that is unrelated
20	to the specified use will be minimized;
21	"(ii) whether such information or data
22	might be sold, leased, or otherwise pro-
23	vided to third parties, and if so, under
24	what circumstances it might be so sold or
25	leased;

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1	"(iii) the period for which such infor-
2	mation or data will be retained; and
3	"(iv) when and how such information
4	or data, including information or data no
5	longer relevant to the specified use, will be
6	destroyed;
7	((5) the possible impact the operation of the
8	unmanned aircraft system may have upon the pri-
9	vacy of individuals;
10	"(6) the specific steps that will be taken to
11	mitigate any possible impact identified under para-
12	graph (5), including steps to protect against unau-
13	thorized disclosure of any information or data de-
14	scribed in paragraph (4), such as the use of
15	encryption methods and other security features that
16	will be used;
17	"(7) a telephone number or electronic mail ad-
18	dress that an individual with complaints about the
19	operation of the unmanned aircraft system may use
20	to report such complaints and to request confirma-

to report such complaints and to request confirmation that personally identifiable data relating to such
individual has been collected;

23 "(8) in a case in which personally identifiable
24 data relating to an individual has been collected, a
25 reasonable process for the individual to request to

obtain such data in a timely and an intelligible man-2 ner;

3 "(9) in a case in which a request described in paragraph (8) is denied, a process by which the indi-4 5 vidual may obtain the reasons for the denial and 6 challenge the denial; and

"(10) in a case in which personally identifiable 7 8 data relating to an individual has been collected, a 9 process by which the individual may challenge the 10 accuracy of such data and, if the challenge is suc-11 cessful, have such data erased or amended.

"(c) DATA MINIMIZATION STATEMENT.---A data 12 minimization statement described in this subsection, with 13 respect to an unmanned aircraft system operated by a law 14 15 enforcement agency, contractor, or subcontractor described in subsection (a)(2), shall detail the applicable— 16 17 "(1) policies adopted by the agency, contractor, 18 or subcontractor, as the case may be, that—

"(A) minimize the collection by the un-19 20 manned aircraft system of information and data 21 unrelated to the investigation of a crime under 22 a warrant;

"(B) require the destruction of such infor-23 24 mation and data, as well as of information and 25 data collected by the unmanned aircraft system

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1	that is no longer relevant to the investigation of
2	a crime under a warrant or to an ongoing
3	criminal proceeding; and
4	"(C) establish procedures for the method
5	of such destruction; and
6	"(2) audit and oversight procedures adopted by
7	the agency, contractor, or subcontractor, as the case
8	may be, that will ensure that the agency, contractor,
9	or subcontractor, as the case may be, uses the un-
10	manned aircraft system in accordance with the pa-
11	rameters outlined in the data collection statement
12	and the statement required by this subsection.
13	"(d) EXCEPTION.—The procedures established under
14	subsections (a), (b), and (c) shall not apply with respect
15	to unmanned aircraft systems operated for news-gathering
16	activities protected by the First Amendment to the Con-
17	stitution of the United States.
18	"SEC. 339. DISCLOSURE OF APPROVED CERTIFICATES, LI-
19	CENSES, AND OTHER GRANTS OF AUTHORITY.
20	"(a) IN GENERAL.—The Administrator of the Fed-
21	eral Aviation Administration shall make available on the
22	public Internet website of the Federal Aviation Adminis-
23	tration in a searchable format—

1 "(1) the name of each person or agency author-2 ized to conduct civil or public unmanned aircraft 3 system operations; "(2) the name of the owner of each unmanned 4 5 aircraft system described in paragraph (1); 6 "(3) the expiration date of the authorization de-7 scribed in paragraph (1); "(4) the contact information for each person 8 9 identified under paragraph (1) or (2), including a 10 telephone number and electronic mail address, sub-11 ject to applicable privacy laws; "(5) the tail number or other specific identifica-12 13 tion number of each unmanned aircraft system au-14 thorized to conduct operations, with a link to the 15 owner of the unmanned aircraft system; "(6) the approved certificate, license, or other 16 17 grant of authority for each unmanned aircraft sys-18 tem awarded a certificate, license, or other grant of 19 authority to operate in the national airspace system, 20 including any such certificate, license, or other grant 21 of authority awarded prior to the date of the enact-22 ment of this section; 23 "(7) information detailing where, when, and for 24 what purpose each unmanned aircraft system will be 25 operated;

"(8) information detailing any data security
 breach that occurs with regard to information col lected by an unmanned aircraft system;

4 "(9) a description of the technical capability of
5 each unmanned aircraft system, including whether
6 the system has cameras, thermal imaging capabili7 ties, mobile phone interception capabilities, facial
8 recognition capabilities, and license plate readers;
9 and

"(10) in the case of a certificate, license, or 10 11 other grant of authority awarded on or after the 12 date of the enactment of this section to operate an 13 unmanned aircraft system in the national airspace 14 system, the data collection statement described in 15 section 339(b) and, if applicable, the data minimiza-16 tion statement described in section 339(c) required 17 with respect to such unmanned aircraft system.

18 "(b) DEADLINE.—The Administrator shall complete
19 the requirements under subsection (a) with regard to each
20 unmanned aircraft system—

"(1) in the case of a certificate, license, or
other grant of authority awarded before the date of
the enactment of this section, not later than 90 days
after such date of enactment; and

"(2) in the case of a certificate, license, or
 other grant of authority awarded on or after the
 date of the enactment of this section, as soon as is
 practicable after the date of approval of such certifi cate, license, or other grant of authority.

# 6 "SEC. 340. WARRANTS REQUIRED FOR GENERALIZED SUR7 VEILLANCE.

8 "(a) IN GENERAL.—A governmental entity (as de-9 fined in section 2711 of title 18, United States Code) may 10 not use an unmanned aircraft system or request information or data collected by another person using an un-11 12 manned aircraft system for protective activities, or for law 13 enforcement or intelligence purposes, except pursuant to a warrant issued using the procedures described in the 14 15 Federal Rules of Criminal Procedure (or, in the case of a State court, issued using State warrant procedures) by 16 17 a court of competent jurisdiction, or as permitted under 18 the Foreign Intelligence Surveillance Act of 1978 (50 19 U.S.C. 1801 et seq.).

20 "(b) EXCEPTIONS.—

"(1) IN GENERAL.—Subsection (a) shall not
apply in a case in which a governmental entity is
using an unmanned aircraft system in exigent circumstances (as defined in paragraph (2)).

1	"(2) EXIGENT CIRCUMSTANCES DEFINED.—Ex-
2	igent circumstances exist when—
3	"(A) a law enforcement entity reasonably
4	believes there is an imminent danger of death
5	or serious physical injury; or
6	"(B) a law enforcement entity reasonably
7	believes there is a high risk of an imminent ter-
8	rorist attack by a specific individual or organi-
9	zation and the Secretary of Homeland Security
10	has determined that credible intelligence indi-
11	cates there is such a risk.
12	"(3) Required documentation.—In the case
13	of a person operating an unmanned aircraft system
14	under an exception under paragraph (1), documenta-
15	tion justifying the exception shall be submitted to
16	the Secretary of Transportation not later than 7
17	days after the date of the relevant unmanned air-
18	craft system flight.
19	"(4) INFORMATION OR DATA UNRELATED TO
20	EXIGENT CIRCUMSTANCES.—A person operating an
21	unmanned aircraft system under an exception under
22	paragraph (1) shall minimize the collection by the
23	unmanned aircraft system of information and data
24	unrelated to the reason for the exception. If the un-
25	manned aircraft system incidentally collects any

such information or data while being operated under
 that exception, the person operating the unmanned
 aircraft system shall destroy the information and
 data.

5 "(c) PROHIBITION ON INFORMATION SHARING.—A
6 person may not intentionally divulge information collected
7 in accordance with this section with any other person, ex8 cept as authorized by law.

"(d) PROHIBITION ON USE AS EVIDENCE.-If infor-9 mation has been collected by means of use of an un-10 manned aircraft system, no part of the contents of that 11 12 information and no evidence derived from that information may be received in evidence in any trial, hearing, or other 13 proceeding in or before any court, grand jury, department, 14 15 officer, agency, regulatory body, legislative committee, or other authority of the United States, a State, or a political 16 17 subdivision thereof unless that information is collected in accordance with this section. 18

"(e) INJUNCTION.—A person injured by an act in violation of this section may bring in an appropriate State
court or an appropriate district court of the United States
an action to enjoin such violation.".

(b) DEFINITIONS.—Section 331 of the FAA Modernization and Reform Act of 2012 (Public Law 112–95;
49 U.S.C. 40101 note) is amended—

1	(1) by redesignating paragraphs $(4)$ through
2	(9) as paragraphs $(7)$ through $(13)$ ;
3	(2) by redesignating paragraph $(3)$ as para-
4	graph $(4);$
5	(3) by inserting after paragraph $(2)$ the fol-
6	lowing:
7	"(3) LAW ENFORCEMENT.—The term 'law en-
8	forcement' means—
9	"(A) any entity of the United States or of
10	a State, or political subdivision thereof, that is
11	empowered by law to conduct investigations of
12	or to make arrests for offenses; and
13	"(B) any entity or individual authorized by
14	law to prosecute or participate in the prosecu-
15	tion of such offenses."; and
16	(4) by inserting after paragraph (4), as redesig-
17	nated by paragraph (2), the following:
18	"(5) PRIVACY PRINCIPLES.—The term 'privacy
19	principles' means the principles described in Part
20	Two of the Organization for Economic Co-operation
21	and Development guidelines titled 'Annex to the
22	Recommendation of the Council of 23rd September
23	1980: Guidelines Governing The Protection Of Pri-
24	vacy And Transborder Flows Of Personal Data',

1	adopted by the Organization for Economic Co-oper-
2	ation and Development on September 23, 1980.
3	"(6) PRIVACY PROTECTIONS.—The term 'pri-
4	vacy protections' means protections that relate to
5	the use, collection, and disclosure of information and
6	data about individuals and groups of individuals.".
7	SEC. 4. ENFORCEMENT.
8	(a) Prohibited Conduct.—
9	(1) IN GENERAL.—It shall be unlawful for a
10	person to operate an unmanned aircraft system in a
11	manner that is not in accordance with the terms of
12	a data collection statement submitted under section
13	338(a)(1) of the FAA Modernization and Reform
14	Act of 2012, as added by section 3, or in a manner
15	that violates any portion of the final rule required
16	under section $332(b)(1)$ of such Act insofar as such
17	portion relates to the procedures described in section
18	337 of such Act.
19	(2) Regulations.—The Commission may pro-
20	mulgate regulations in accordance with section 553
21	of title 5, United States Code, to carry out para-
22	graph (1) with respect to persons, partnerships, and

24 (b) ENFORCEMENT BY FEDERAL TRADE COMMIS-25 SION.—

corporations described in subsection (b)(3).

15

(1) UNFAIR OR DECEPTIVE ACTS OR PRAC TICES.—A violation of subsection (a) or the regula tions promulgated under such subsection shall be
 treated as a violation of a regulation under section
 18(a)(1)(B) of the Federal Trade Commission Act
 (15 U.S.C. 57a(a)(1)(B)) regarding unfair or decep tive acts or practices.

8 (2) POWERS OF COMMISSION.—The Commis-9 sion shall enforce subsection (a) and the regulations 10 promulgated under such subsection in the same 11 manner, by the same means, and with the same 12 powers and duties as though all applicable terms 13 and provisions of the Federal Trade Commission Act 14 (15 U.S.C. 41 et seq.) were incorporated into and 15 made a part of this Act, and any violator shall be 16 subject to the penalties and entitled to the privileges 17 and immunities provided in the Federal Trade Com-18 mission Act.

19 (3) APPLICABILITY.—Paragraphs (1) and (2)20 shall apply—

(A) with respect to persons, partnerships,
and corporations over which the Commission
has jurisdiction under section 5(a)(2) of the
Federal Trade Commission Act (15 U.S.C.
45(a)(2)) (except to the extent such person,

1	partnership, or corporation is a law enforce-
2	ment contractor or subcontractor); and
3	(B) notwithstanding such section, with re-
4	spect to air carriers and foreign air carriers.
5	(c) Actions by States.—
6	(1) CIVIL ACTIONS.—In any case in which the
7	attorney general of a State, or an official or agency
8	of a State, has reason to believe that an interest of
9	the residents of that State has been or is threatened
10	or adversely affected by an act or practice in viola-
11	tion of subsection (a) or a regulation promulgated
12	under such subsection, or by the operation of an un-
13	manned aircraft system in violation of the terms of
14	a data minimization statement submitted under sec-
15	tion 338(a)(2) of the FAA Modernization and Re-
16	form Act of 2012, as added by section 3, the State
17	may bring a civil action on behalf of the residents
18	of the State in an appropriate State court or an ap-
19	propriate district court of the United States to—
20	(A) enjoin the violation;
21	(B) enforce compliance with such sub-
22	section, regulation, or statement;
23	(C) obtain damages, restitution, or other
24	compensation on behalf of residents of the
25	State; or

1 (D) obtain such other legal and equitable 2 relief as the court may consider to be appro-3 priate.

4 (2) NOTICE.—Before filing an action under this 5 subsection against a person, partnership, or corpora-6 tion over which the Commission has jurisdiction 7 under section 5(a)(2) of the Federal Trade Commis-8 sion Act (15 U.S.C. 45(a)(2)) (except to the extent 9 such person, partnership, or corporation is a law en-10 forcement contractor or subcontractor) or an air car-11 rier or foreign air carrier, the attorney general, offi-12 cial, or agency of the State involved shall provide to 13 the Commission a written notice of that action and 14 a copy of the complaint for that action. If the attor-15 ney general, official, or agency determines that it is 16 not feasible to provide the notice described in this 17 paragraph before the filing of the action, the attor-18 ney general, official, or agency shall provide written 19 notice of the action and a copy of the complaint to 20 the Commission immediately upon the filing of the 21 action.

(3) AUTHORITY OF THE COMMISSION.—

23 (A) IN GENERAL.—On receiving notice
24 under paragraph (2) of an action under this

1	subsection, the Commission shall have the
2	right—
3	(i) to intervene in the action;
4	(ii) upon so intervening, to be heard
5	on all matters arising therein; and
6	(iii) to file petitions for appeal.
7	(B) LIMITATION ON STATE ACTION WHILE
8	FEDERAL ACTION IS PENDING.—If the Commis-
9	sion or the Attorney General of the United
10	States has instituted a civil action for violation
11	of subsection (a) or a regulation promulgated
12	under such subsection (referred to in this sub-
13	paragraph as the "Federal action"), no State
14	attorney general, official, or agency may bring
15	an action under this subsection during the
16	pendency of the Federal action against any de-
17	fendant named in the complaint in the Federal
18	action for any violation as alleged in that com-
19	plaint.

(4) RULE OF CONSTRUCTION.—For purposes of
bringing a civil action under this subsection, nothing
in this Act or any amendment made by this Act
shall be construed to prevent an attorney general,
official, or agency of a State from exercising the
powers conferred on the attorney general, official, or

1	agency by the laws of that State to conduct inves-
2	tigations, administer oaths and affirmations, or com-
3	pel the attendance of witnesses or the production of
4	documentary and other evidence.
5	(d) PRIVATE RIGHT OF ACTION.—
6	(1) IN GENERAL.—A person injured by an act
7	in violation of subsection (a) or the regulations pro-
8	mulgated under such subsection, or by the operation
9	of an unmanned aircraft system in violation of the
10	terms of a data minimization statement submitted
11	under section $338(a)(2)$ of the FAA Modernization
12	and Reform Act of 2012, as added by section 3, may
13	bring in an appropriate State court or an appro-
14	priate district court of the United States—
15	(A) an action to enjoin such violation;
16	(B) an action to recover damages for ac-
17	tual monetary loss from such violation, or to re-
18	ceive up to $$1,000$ in damages for each such
19	violation, whichever is greater; or
20	(C) both such actions.
21	(2) INTENTIONAL VIOLATIONS.—If the defend-
22	ant committed a violation described in paragraph
23	(1), and intended to do so, the court may increase
24	the amount of the award to an amount equal to not

1	more than 3 times the amount available under para-
2	graph (1)(B).
3	(3) Costs.—The court shall award to a pre-
4	vailing plaintiff in an action under this subsection
5	the costs of such action and reasonable attorney's
6	fees, as determined by the court.
7	(4) LIMITATION.—An action may be com-
8	menced under this subsection not later than 2 years
9	after the date on which the person first discovered
10	or had a reasonable opportunity to discover the vio-
11	lation.
12	(5) NONEXCLUSIVE REMEDY.—The remedy pro-
13	vided by this subsection shall be in addition to any
14	other remedies available to the person.
15	(e) Suits Against Governmental Entities.—
16	Notwithstanding the Federal Trade Commission Act (15
17	U.S.C. 41 et seq.), a suit under subsection (c) or (d) may
18	be maintained against a governmental entity.
19	(f) LICENSE REVOCATION.—The Federal Aviation
20	Administration shall revoke the certificate, license, or
21	other grant of authority to operate an unmanned aircraft
22	system if such system is operated in a manner that—
23	(1) is not in accordance with the terms of—
24	(A) a data collection statement submitted
25	under subsection $(a)(1)$ of section 338 of the

1	FAA Modernization and Reform Act of 2012,
2	as added by section 3; or
3	(B) a data minimization statement sub-
4	mitted under subsection $(a)(2)$ of such section;
5	or
6	(2) violates any portion of the final rule re-
7	quired under section $332(b)(1)$ of such Act insofar
8	as such portion relates to the procedures described
9	in section 337 of such Act, as added by section 3.
10	(g) VIOLATIONS.—Each day on which each un-
11	manned aircraft system is operated in violation of sub-
12	section (a), or the regulations promulgated under such
13	subsection, or the terms of a data minimization statement
14	submitted under section 338(a)(2) of the FAA Moderniza-
15	tion and Reform Act of 2012, as added by section 3, shall
16	be treated as a separate violation.
17	(h) DEFINITIONS.—In this section:
18	(1) AIR CARRIER; FOREIGN AIR CARRIER.—The
19	terms "air carrier" and "foreign air carrier" have
20	the meanings given those terms in section $40102$ of
21	title 49, United States Code.
22	(2) COMMISSION.—The term "Commission"
23	means the Federal Trade Commission.
24	(3) LAW ENFORCEMENT.—The term "law en-
25	forcement" has the meaning given such term in sec-

1	tion 331 of the FAA Modernization and Reform Act
2	of 2012, as amended by section 3.
3	(4) STATE.—The term "State" means each of
4	the several States, the District of Columbia, each
5	commonwealth, territory, or possession of the United
6	States, and each federally recognized Indian tribe.
7	(5) UNMANNED AIRCRAFT SYSTEM.—The term
8	"unmanned aircraft system" has the meaning given
9	such term in section 331 of the FAA Modernization
10	and Reform Act of 2012 (49 U.S.C. 40101 note).
11	SEC. 5. MODEL AIRCRAFT PROVISION.
12	Nothing in this Act may be construed to apply to
12	model simplet (as defined in section $22c(a)$ of the $\mathbf{T}\mathbf{A}\mathbf{A}$

12 Froming in this fact may be construct to apply to
13 model aircraft (as defined in section 336(c) of the FAA
14 Modernization and Reform Act of 2012 (Public Law 112–
15 95; 49 U.S.C. 40101 note)).