Federal Communications Commission

Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those With Swarming Capabilities

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Introduction

The Foundation for Defense of Democracies (FDD) supports the Federal Communications Commission's (FCC's) proposal to prohibit the continued importation and marketing of previously authorized foreign-produced uncrewed aircraft systems (UAS) and UAS critical components on the Covered List that meet the commission's proposed definition of "military-grade." In its Public Notice, the commission tentatively concluded that the proposed action would not have substantial economic or supply-chain effects and specifically sought evidence regarding the availability of domestically produced alternatives and the cost of obtaining trusted equipment.[1] The available evidence supports that conclusion.

The economic effects of the proposed action are limited by its scope and implementation. The proposal applies to a defined subset of foreign-produced equipment already on the Covered List. It would allow operators to continue using previously purchased equipment, preserve exemptions for separately vetted systems, and provide a 180-day transition before continued importation and marketing must cease.[2] These features substantially reduce near-term adjustment costs and avoid imposing a forced fleet-replacement expense on existing users. The commission has also observed that domestic production is more prevalent in the higher-end UAS subsectors implicated by the proposal.[3]

Current market conditions further strengthen the commission's economic assessment. U.S. manufacturers already offer commercially available systems for several of the principal applications implicated by the proceeding. Federal trade policy has also changed the relevant cost comparison. Effective September 3, 2026, the United States imposed new Section 232 tariffs on imported UAS and related equipment. Subject to specified exceptions, covered UAS weighing more than 25 kilograms, UAS incorporating thermal imagers, and UAS docking stations generally face a 100 percent tariff, while smaller covered UAS generally face a 25 percent tariff.[4] Historical price comparisons therefore provide an increasingly incomplete measure of the cost of future acquisitions.

Taken together, the availability of domestic alternatives, the continued use of existing fleets, the transition period, and the changing economics of imported systems support the commission's

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[1] Seeking Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those with Swarming Capabilities, U.S. Federal Communications Commission, 91 Federal Register 48870, August 3, 2026. (https://public-inspection.federalregister.gov/2026-15659.pdf)

[2] Seeking Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those with Swarming Capabilities, U.S. Federal Communications Commission, 91 Federal Register 48870, August 3, 2026. (https://public-inspection.federalregister.gov/2026-15659.pdf)

[3] Seeking Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those with Swarming Capabilities, U.S. Federal Communications Commission, 91 Federal Register 48870, August 3, 2026. (https://public-inspection.federalregister.gov/2026-15659.pdf)

[4] The White House, Presidential Proclimations, "Adjusting Imports of Unmanned Aircraft Systems and Unmanned Aircraft Systems Components into the United States," August 13, 2026. (https://www.whitehouse.gov/presidential-actions/2026/08/adjusting-imports-of-unmanned-aircraft-systems-and-unmanned-aircraft-systems-components-into-the-united-states)

tentative conclusion that the proposed action can be implemented without substantial economic or supply-chain disruption.

The Proposed Restriction Would Impose Limited Incremental Economic Costs

The commission's economic analysis should focus on the incremental effects of the proposed restriction. The proposal applies only to previously authorized foreign-produced UAS and UAS critical components that are already on the Covered List and meet one or more of the commission's proposed military-grade criteria.[5] It therefore addresses a defined segment of the U.S. drone market rather than foreign-produced UAS generally.

The treatment of equipment already in service further limits the proposal's economic effect. The commission has expressly stated that the proposed action would not revoke existing equipment authorizations and that UAS and critical components already in users' possession could continue to be used and operated.[6] Operators therefore would not be required to retire functioning fleets or incur an immediate replacement cost as a consequence of this proceeding. Economic estimates that assume wholesale replacement of the existing installed base would overstate the costs attributable to the commission's proposal.

The affected equipment also represents a limited portion of the broader U.S. UAS market. The commission found that military-grade UAS and critical components constitute a minority of the relevant non-government market and observed that domestic production is more prevalent in the higher-end subsectors covered by the proposal. Several covered categories are already subject to export controls or other regulatory restrictions and likely account for relatively small U.S. markets.[7] These characteristics reduce the likelihood that the proposed restriction would produce broad market disruption.

Finally, the commission has proposed a 180-day implementation period following publication of a final decision in the Federal Register. The commission designed that period to allow an orderly transition and minimize potential economic and supply-chain effects.[8] That transition gives

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[5] U.S. Federal Communications Commission, Public Safety and Homeland Security Bureau and Office of Engineering and Technology, "FCC Seeks Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those With Swarming Capabilities," Public Notice DA 26-758, PS Docket No. 26-189, July 21, 2026. (https://docs.fcc.gov/public/attachments/DA-26-758A1.pdf)

[6] U.S. Federal Communications Commission, Public Safety and Homeland Security Bureau and Office of Engineering and Technology, "FCC Seeks Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those With Swarming Capabilities," Public Notice DA 26-758, July 21, 2026, page 10. (https://docs.fcc.gov/public/attachments/DA-26-758A1.pdf)

[7] U.S. Federal Communications Commission, Public Safety and Homeland Security Bureau and Office of Engineering and Technology, "FCC Seeks Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S. Government, Including Those With Swarming Capabilities," Public Notice DA 26-758, July 21, 2026, pages 8-9. (https://docs.fcc.gov/public/attachments/DA-26-758A1.pdf)

[8] U.S. Federal Communications Commission, Public Safety and Homeland Security Bureau and Office of Engineering and Technology, "FCC Seeks Comment on Prohibiting the Importation and Marketing of Certain Foreign-Produced Military-Grade Uncrewed Aircraft Systems (UAS) and UAS Critical Components for Non-U.S.

manufacturers, distributors, and purchasers time to adjust future procurement decisions before the restriction on continued importation and marketing takes effect.

Taken together, the proposal's limited market scope, continued authorization of equipment already in use, and transition period substantially constrain its incremental economic impact. The remaining question is whether purchasers can obtain trusted alternatives for future acquisitions at reasonable cost. As discussed below, the U.S. market already provides such alternatives across several of the principal capabilities covered by the commission's proposal.

U.S. Alternatives Are Commercially Available Across Key Covered Capabilities

The commission asked whether domestic alternatives are available for the UAS and critical components covered by the proposal and whether purchasers can obtain those systems at reasonable cost. Current market evidence establishes that U.S. alternatives are available across several of the principal commercial applications implicated by the proceeding and provides concrete price points for assessing their cost. U.S. manufacturers currently offer systems for agricultural spraying and heavy-lift operations, thermal inspection and public safety, mapping and surveying, LiDAR collection, and autonomous operations. These systems are commercially marketed today, and public procurement records demonstrate purchases by federal and state customers.[9]

Agricultural UAS provide a particularly clear example. Texas-based Hylio manufactures the ARES HYL-150, an NDAA-compliant agricultural UAS with a 110-pound payload capacity, 13-gallon liquid tank, and the capacity to treat up to 70 acres per hour. Hylio's configurator currently lists an ARES bundle beginning at $45,999. Its larger ATLAS platform provides a 250-pound payload capacity, up to 30 gallons of liquid capacity, and productivity of up to 150 acres per hour, with the configurator listing bundles beginning at approximately $66,800.[10] Hylio's ground-control system can command up to three agricultural UAS from a single ground station, and the Federal Aviation Administration (FAA) has authorized certain Hylio multi-UAS agricultural operations with a single pilot.[11]

These systems directly address two capabilities identified by the commission, including aircraft above 55 pounds and liquid-dispensing systems. Federal procurement activity provides

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Government, Including Those With Swarming Capabilities," Public Notice DA 26-758, July 21, 2026, pages 10-11. (https://docs.fcc.gov/public/attachments/DA-26-758A1.pdf)

[9] "ARES HYL-150," *Hylio*, accessed October 22, 2026. (https://www.hyl.io/ares); "Astro Max Mapping Essentials (NDAA/Blue)," *Freefly*, accessed October 22, 2026. (https://store.freeflysystems.com/products/astro-max-mapping-essentials-blue); "Drone Bundles," *Inspired Flight Technologies*, accessed October 22, 2026. (https://shop.inspiredflight.com/collections/drone-bundles); "Skydio X10," *Skydio*, accessed October 22, 2026. (https://www.skydio.com/x10)

[10] Hylio lists the ARES bundle starting at $45,999, with a 110-pound lift capacity and 13/20-gallon tank capacity, and the ATLAS bundle starting at $66,798, with a 250-pound lift capacity and 30/45-gallon tank capacity. "Configurator," *Hylio*, accessed October 22, 2026. (https://configurator.hyl.io)

[11] The FAA states that in March 2024 it authorized Hylio to operate up to three AG-230 UAS weighing more than 55 pounds simultaneously with a single pilot in command under a Section 44807 blanket certificate of authorization. U.S. Federal Aviation Administration, "BEYOND," accessed October 22, 2026. (https://www.faa.gov/uas/programs_partnerships/beyond); "Frequently Asked Questions," *Hylio*, accessed October 22, 2026. (https://www.hyl.io/learn)

additional evidence that such U.S.-made systems are commercially viable for operational use. In 2026, the U.S. Department of Agriculture (USDA) solicited an American-made, NDAA-compliant agricultural UAS using the Hylio ATLAS as the reference platform, with requirements including at least 250 pounds of lift capacity and a 30-gallon liquid tank. USDA subsequently awarded a $63,526 purchase order for the agricultural drone system.[12]

Trusted alternatives are also available for thermal imaging, inspection, and mapping. Freefly Systems designs and assembles its Astro platform in the state of Washington. The company currently lists the NDAA/Blue version of the Astro Max at $28,995 and an NDAA/Blue mapping package at $43,725. The latter is listed as "in stock" and ships within five to seven business days. Freefly also offers a thermal module for the platform.[13] These are established commercial products rather than prospective systems dependent on future manufacturing capacity. In February 2026, for example, South Carolina's Department of Environmental Services selected an Astro Max system for disaster-debris management and hurricane-response operations.[14]

The domestic market also serves more specialized sensing applications. California-based Inspired Flight currently markets an NDAA-compliant IF800 thermal-inspection package for $54,650 and higher-end LiDAR configurations for specialized surveying missions.[15] Other domestic options include Freefly's NDAA-compliant Flux O1 LiDAR payload, which is listed at $32,995 and compatible with its Astro Max platform.[16] Those prices reflect the specialized sensors and associated equipment required for professional inspection and surveying missions. USDA has separately solicited an Inspired Flight IF800, or a comparable system, for agricultural research requiring simultaneous LiDAR, hyperspectral, and RGB data collection.[17] Skydio likewise offers its U.S.-designed and assembled X10 with radiometric thermal imaging and an autonomous docking system for remote operations.[18] Federal agencies also continue to

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[12] U.S. Department of Agriculture, Agricultural Research Service, "Sol_1232SA26Q1215.pdf," Solicitation No. 1232SA26Q1215, August 2026. (https://govtribe.com/file/government-file/sol-1232sa26q1215-dot-pdf); U.S. Department of Agriculture, Agricultural Research Service, "Hylio agriculture drone," Purchase Order No. 1232SA26P0628, accessed October 22, 2026. (https://govtribe.com/award/federal-contract-award/purchase-order-1232sa26p0628)

[13] "Astro," *Freefly*, accessed October 22, 2026. (https://store.freeflysystems.com/collections/astro); "Astro Max Mapping Essentials (NDAA/Blue)," *Freefly*, accessed October 22, 2026. (https://store.freeflysystems.com/products/astro-max-mapping-essentials-blue); "LR1 Thermal Upgrade," *Freefly*, accessed October 22, 2026. (https://store.freeflysystems.com/products/lr1-thermal-upgrade-boson)

[14] South Carolina Department of Environmental Services, "Solicitation: Freefly Astro Max Drone," Solicitation No. 5400029196, January 5, 2026. (https://apps.sceis.sc.gov/SCSolicitationWeb/contractSearch.do?solicitnumber=5400029196&); South Carolina Department of Environmental Services, "Intent to Award: Freefly Astro Max Drone," Solicitation No. 5400029196, February 12, 2026. (https://apps.sceis.sc.gov/SCSolicitationWeb/contractSearch.do?solicitnumber=5400029196&)

[15] "IF800 NDAA-Compliant Thermal Inspection Kit | GS-One + Gremsy VIO," *Inspired Flight Technologies*, accessed October 22, 2026. (https://shop.inspiredflight.com/products/if800-ndaa-compliant-thermal-inspection-kit); "IF800 NDAA-Compliant LiDAR Kit | GS-One + GeoCue TrueView 641," *Inspired Flight Technologies*, accessed October 22, 2026. (https://shop.inspiredflight.com/products/if800-ndaa-compliant-lidar-kit)

[16] "Flux," *Freefly*, accessed October 22, 2026. (https://freeflysystems.com/flux); "Freefly Pricelist," *Freefly*, accessed October 22, 2026. (https://portal.freeflysystems.com/pricelist?unit=imperial)

[17] U.S. Department of Agriculture, Agricultural Research Service, "Inspired Flight 800 Drone with GRYFN GOBI sensing Payload, or Comparable," Notice ID 1232SA26Q0477, accessed October 22, 2026. (https://sam.gov/opp/6482f89b30964a4dacc321f5de913423/view)

[18] "Skydio X10," *Skydio*, accessed October 22, 2026. (https://www.skydio.com/x10); "Skydio Dock for X10," *Skydio*, accessed October 22, 2026. (https://www.skydio.com/dock)

procure the X10. In September 2026, the Drug Enforcement Administration acquired the X10 systems and associated equipment.[19]

These price points should be considered in the context of the enterprise UAS market rather than compared with consumer-drone prices. Chinese-made systems serving comparable professional applications also routinely carry five-figure acquisition costs. Current U.S. dealer listings, for example, price a DJI Agras T50 ready-to-fly agricultural kit at approximately $24,700, a DJI Matrice 350 RTK with an H30T thermal payload at approximately $26,100, and a Matrice 350/L2 LiDAR starter package at approximately $44,300.[20] U.S.-made systems can carry a meaningful acquisition premium over these Chinese alternatives. That premium, however, varies by mission and equipment configuration, and these systems are not necessarily identical in capability. More importantly for the commission's forward-looking economic analysis, the relevant import-cost comparison has changed. As discussed below, imported UAS weighing more than 25 kilograms and UAS incorporating thermal imagers generally now face a 100 percent Section 232 tariff, subject to specified exceptions, while smaller covered UAS generally face a 25 percent tariff. Public procurement records also demonstrate that federal and state customers are purchasing trusted U.S. systems at these price points.

These examples establish a commercially relevant point for the commission's economic analysis. Trusted U.S. alternatives already exist across several important categories affected by the proposal. More specialized configurations, particularly high-end LiDAR systems, command higher prices because their payloads and mission requirements are themselves more specialized. A useful cost comparison should therefore examine mission-ready systems with comparable capabilities, including required sensors, controllers, batteries, software, and other equipment. On that basis, the current market does not indicate that the commission's proposal would leave users without commercially available alternatives for major covered applications.

Current Market Conditions Reduce the Relevance of Historical Chinese Price Comparisons

The commission should evaluate the cost of trusted alternatives against the market conditions that will govern future UAS purchases. Since the commission issued its Public Notice, the United States has imposed new Section 232 tariffs on imported UAS and related equipment. Subject to specified exceptions, covered UAS weighing more than 25 kilograms, UAS incorporating thermal imagers, and UAS docking stations generally face a 100 percent tariff, while smaller covered UAS generally face a 25 percent tariff.[21] These categories overlap directly

[19] U.S. Department of Justice, Drug Enforcement Administration, "Purchase of Skydio X10 and Accessories," Award No. 15DDHQ26P00000990, September 18, 2026. (https://sam.gov/opp/01093ff3ee214650a26d92139893fba0/view)
[20] "DJI Agras T50 Series," *Drone Nerds*, accessed October 22, 2026. (https://www.dronenerds.com/collections/dji-agras-t50-series); "DJI Matrice 300/350 RTK," *E38 Survey Solutions*, accessed October 22, 2026. (https://e38surveysolutions.com/collections/dji-matrice-300-350-rtk); "DJI Zenmuse L2 LiDAR Starter Bundle with M350," *E38 Survey Solutions*, accessed October 22, 2026. (https://e38surveysolutions.com/products/dji-zenmuse-l2-lidar-starter-bundle-with-m350)
[21] The proclamation imposed a 100 percent ad valorem duty on UAS with a maximum takeoff weight above 25 kilograms, UAS integrating thermal imagers, and UAS docking stations, and a 25 percent duty on smaller covered UAS, subject to specified exceptions, effective September 3, 2026. The White House, Presidential Proclamation, "Adjusting Imports of Unmanned Aircraft Systems and Unmanned Aircraft Systems Components Into the United

with several capabilities covered by this proceeding. Historical prices for foreign-produced systems therefore provide an increasingly incomplete benchmark for estimating the cost of future acquisitions.

The underlying price structure also reflects years of Chinese state support and industrial scale. The U.S.-China Economic and Security Review Commission found that DJI achieved its dominant position through subsidies and investments from Chinese central and local government entities, vertically integrated supply chains, automation, and aggressive pricing. The commission estimated that DJI accounts for more than 90 percent of the U.S. commercial drone market.[22] These advantages helped establish price levels that U.S. manufacturers operating at smaller scales have struggled to match. Historical Chinese prices should therefore be considered in the context of the market structure that produced them.

The Department of Commerce reached a related conclusion in its 2026 Section 232 investigation. The secretary found substantial import penetration, excessive U.S. reliance on foreign UAS and components, and unfair trade practices that weakened incentives for U.S. producers to expand manufacturing capacity and their workforce.[23] Those findings led directly to the new tariff regime and an incentive program intended to encourage additional domestic production. The economic baseline facing purchasers is therefore already changing independently of the commission's proposed action.

For purposes of this proceeding, "reasonable cost" should be assessed using current acquisition conditions and functionally comparable, mission-ready systems. That analysis should account for applicable tariffs, required sensors and payloads, controllers, batteries, software, and other equipment necessary to perform the relevant mission. The evidence discussed above shows that trusted U.S. systems are already available across several major covered applications. The current market therefore provides a stronger basis for the commission's tentative economic conclusion than comparisons based principally on historical Chinese list prices.

Domestic UAS Production Capacity Is Already Expanding

The domestic supply response relevant to the commission's economic analysis is already underway. Congress appropriated $1.4 billion in 2025 specifically for the expansion of the small

States," August 13, 2026. (https://www.whitehouse.gov/presidential-actions/2026/08/adjusting-imports-of-unmanned-aircraft-systems-and-unmanned-aircraft-systems-components-into-the-united-states)

[22] The commission found that DJI's market dominance was supported by central and local government subsidies and investment, vertical integration, production automation, and aggressive pricing, and estimated that DJI accounts for more than 90 percent of the U.S. commercial drone market. U.S.-China Economic and Security Review Commission, "Made in China 2025: Evaluating China's Performance," November 14, 2025. (https://www.uscc.gov/research/made-china-2025-evaluating-chinas-performance)

[23] The proclamation summarizes the secretary of commerce's Section 232 findings that foreign import penetration is substantial, U.S. reliance on foreign UAS and components creates strategic vulnerabilities, and foreign imports and unfair trade practices have weakened incentives for U.S. manufacturers to expand capacity, production, and employment. The White House, Presidential Proclamations, "Adjusting Imports of Unmanned Aircraft Systems and Unmanned Aircraft Systems Components into the United States," August 13, 2026. (https://www.whitehouse.gov/presidential-actions/2026/08/adjusting-imports-of-unmanned-aircraft-systems-and-unmanned-aircraft-systems-components-into-the-united-states)

UAS industrial base, with those funds available through September 2029.[24] Although that appropriation is defense-focused, it supports a broader U.S. production base in which many manufacturers and technologies serve both government and commercial customers.

Federal procurement policy also favors U.S.-manufactured systems. Executive Order 14307 directs all federal agencies to prioritize the integration of UAS manufactured in the United States to the maximum extent permitted by law. It separately directs the Department of Defense to prioritize procurement of compliant drones made by U.S. companies and to expand the Blue UAS List.[25] These policies provide domestic manufacturers with a larger and more predictable customer base as they invest in production capacity.

Evidence of that expansion is already visible among manufacturers serving the applications addressed in this proceeding. Hylio states that it has completed a 40,000-square-foot manufacturing facility in Richmond, Texas, designed to increase annual production from hundreds to thousands of agricultural UAS.[26] In April 2026, Skydio announced plans to invest $3.5 billion over five years in U.S. manufacturing, research and development, and supply chains, including a new domestic manufacturing facility five times larger than its existing space and more than $1 billion in planned spending with U.S. suppliers.[27] These investments provide additional evidence that domestic supply should not be treated as fixed at today's production levels.

The federal government has since reinforced these incentives. The August 2026 Section 232 action established an onshoring program for firms that commit to building, expanding, or refurbishing U.S. facilities producing UAS or critical components. Approved firms may receive tariff relief on inputs and production equipment while qualifying facilities are under construction.[28] Taken together, existing appropriations, federal purchasing policy, private

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[24] Congress appropriated $1.4 billion for expansion of the small unmanned aerial system industrial base, available through September 30, 2029. Pub. L. 119-21, § 20005(a)(2), July 4, 2025. (https://www.congress.gov/119/plaws/publ21/PLAW-119publ21.pdf)

[25] The order directs federal agencies to prioritize UAS manufactured in the United States and directs the Department of Defense to prioritize procurement of compliant drones made by U.S. companies. Executive Order 14307, "Unleashing American Drone Dominance," June 6, 2025, §§ 7 and 9. (https://www.whitehouse.gov/presidential-actions/2025/06/unleashing-american-drone-dominance)

[26] Hylio states that it completed a 40,000-square-foot drone manufacturing facility in Richmond, Texas, with capacity intended to increase production from hundreds to thousands of units annually. "About Us," *Hylio*, accessed October 22, 2026. (https://www.hyl.io/about-us)

[27] Skydio announced plans to invest $3.5 billion over five years, including a new U.S. manufacturing facility five times larger than its existing space and more than $1 billion directed to domestic suppliers. "Skydio Commits $3.5 Billion to Expand U.S. Drone Manufacturing and Secure American Drone Leadership," *Skydio*, April 24, 2026. (https://www.skydio.com/blog/skydio-commits-usd3-5-billion-to-expand-u-s-manufacturing-and-secure-american-drone-leadership)

[28] The proclamation authorizes an incentive program for companies investing in new U.S. production capacity for UAS and UAS components, including tariff treatment tied to approved onshoring plans. The White House, Presidential Proclamations, "Adjusting Imports of Unmanned Aircraft Systems and Unmanned Aircraft Systems Components Into the United States," August 13, 2026. (https://www.whitehouse.gov/presidential-actions/2026/08/adjusting-imports-of-unmanned-aircraft-systems-and-unmanned-aircraft-systems-components-into-the-united-states)

investment, and new onshoring incentives support the commission's expectation that trusted domestic capacity will continue to expand as demand shifts toward U.S.-produced systems.

Conclusion and Recommendations

The available evidence supports the commission's tentative conclusion that the proposed restrictions can be implemented without substantial economic or supply-chain disruption. The affected equipment represents a limited portion of the U.S. UAS market, existing equipment may remain in service, and the proposed transition period gives purchasers and suppliers time to adjust future acquisitions. U.S. manufacturers already offer commercially available systems across several of the principal applications implicated by the proceeding, while recent tariffs and ongoing domestic investment have further changed the economic conditions governing future purchases.

The commission should therefore:

- Proceed with the proposed restrictions on previously authorized foreign-produced UAS and critical components on the Covered List that meet the commission's military-grade criteria.
- Evaluate economic effects based on the incremental costs created by the proposal, rather than estimates that assume retirement or replacement of existing equipment.
- Assess the availability and cost of alternatives using current market conditions and mission-ready, functionally comparable systems, including applicable tariffs and the equipment necessary to perform the relevant task.
- Account for the continued expansion of domestic UAS production capacity when evaluating prospective supply-chain effects.

The current record provides a reasonable basis to conclude that trusted alternatives are available for major covered applications and that the U.S. market is positioned to absorb the proposed restrictions without broad economic disruption. The commission should proceed accordingly.