THE FUTURE OF POSSIBLE

SB 992

Michigan Senate Transportation Committee

SB 992 Hearing

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Testimony of

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Dear Mister Chairman and Committee Members,

My name is Brendan Schulman. I am the Vice President of Policy & Legal Affairs for DJI Technology, the world's largest manufacturer of consumer and commercial unmanned aircraft systems, also known as drones. Thank you for the opportunity to discuss an issue that is critical to Michigan and a paramount priority to our company.

Prior to taking this position in July 2015, I spent my entire career practicing law. Most recently, at a firm where I founded the nation's very first drone legal practice group. Questions on how to balance public safety and privacy concerns with the enormous benefits of UAVs have been the focus of my work for the past four years.

And now, a few things about DJI. We are the market leader, with an estimated 70% market share, not just because our technology is smart and easy to use – but because consumer and public safety are very important to us. We were the first manufacturer to incorporate a GPS-based geofencing system, which automatically prevents our drones from inadvertently taking off within, or flying into, sensitive areas such as airports and prisons. Our products include many safety features, like an altitude limitation feature, on-screen information about flight altitude, distance, and speed, and a live map showing the drone's location during flight. When the drone's battery is running low, it automatically returns to the launch point and lands itself – it doesn't just fall out of the sky. These features are all included in a drone that weighs about the same as a seagull. This is our Phantom 3 model, the most popular drone in the world. We are continually developing new safety features. Our latest drone, the Phantom 4, uses computer vision to automatically avoid collisions during flight.

DJI partners with other innovative companies to develop the latest technology applications. For example, we just partnered with the Ford Motor Company to host a Developer's Challenge. The challenge offered a $100,000 prize to the team that could program one of our drones to autonomously fly off the back of a moving Ford F-150 pickup truck, scout out a disaster scene for survivors, and then return and land itself on the pickup truck while the truck is still moving.

We also are proud to work together in collaboration with legislators and regulatory agencies around the world to help develop reasonable policies concerning the use of this new technology. I served in the FAA's drone Registration Task Force, and was recent appointed to the FAA's Drone Advisory Committee. On Capitol Hill in the recent FAA legislation, we worked with Senate staff and airport executives to propose safety zones around airports in locations that raise the highest safety concerns. We do not oppose reasonable regulation – rather, we support innovative solutions that are thoughtfully designed to address actual problems while supporting the innovation that will bring commercial, educational, artistic, and public safety benefits to millions of citizens.

As part of our safety initiatives we educate our users about safe operations including our in-person New Pilot Experience courses, our video tutorials, our built-in flight simulator, and our in-box safety inserts from the FAA-endorsed "Know Before You Fly" campaign. It is clear to us that in order to educate our customers, the rules must be reasonable and they must be clear. A patchwork of rules and regulations at the federal, state, county and city level will make it *impossible* for us to tell our users what the rules are.

This technology is portable – this drone I have here today fits in a backpack. If the rules change from city to city, the result will be chaos and an airspace that is *less* safe. Senate Bill 992 recognizes that the best approach to drone regulation is a harmonized one, recognizing the jurisdiction of the federal government in matters relating to aircraft and airspace regulation, and consolidating any other legislative efforts in one place: the state capitol. While we are supportive of working together to make sure issues of local concern are addressed, uniformity in the regulatory approach is key to a successful outcome for everyone.

DJI supports legislation that addresses *misconduct* rather than discriminating against a new technology. Senate Bill 992 clarifies and confirms that existing legal standards concerning harassment, stalking, and invasion of privacy apply to misconduct using a drone as well. This is the right approach, and ensures that public concerns are addressed while innovation is not held back by misconceptions about how technology is being used.

Thank you. I would be very happy to answer any questions you may have.