

TECHNICAL INFORMATION PAPER SERIES: DRONE LIABILITY AND SAFETY TIPS



BEFORE USING A DRONE IN YOUR BUSINESS, UNDERSTAND FAA REGULATION TO AVOID LIABILITY AND SAFETY ISSUES.

The use of Unmanned Aircraft Systems (UAS), also referred to as Unmanned Aerial Vehicles (UAV), and more commonly referred to as drones, has become a popular topic for the news, media and general industry. Companies across the United States are currently investigating how the use of drones can improve their bottom lines. Today, drones are being utilized by real estate owners to take pictures of their properties; architects and contractors to inspect sites; farmers for crop surveys; and many other companies for various purposes. The use of drones is predicted to increase significantly over the next several years for numerous industries and occupations.

Although the FAA released proposed rules on February 16, 2015 that would allow the commercial use of drones in the future, it is important to note that those are only proposed rules. Until such time, as they are formally adopted, the commercial use of drones remains prohibited by the FAA. However, the FAA has

granted a handful of companies an exception provided they met certain interim regulatory requirements. As of June 2015, a little over 500 exemptions have been granted, but many companies commercially operating drones today are doing so in violation of FAA regulations due to a lack of understanding of the current regulatory landscape.

As the commercial use of drones increases, so does the potential exposure to property damage, bodily injury and other liability losses. Drones can crash into structures, vehicles and people resulting in damage to property and/or injury to a person. Additionally, drones equipped with video or photography equipment can raise privacy concerns. Liability exposure can potentially increase significantly where a drone is being operated in violation of FAA regulations.

The following will provide you with an overview of the current regulatory landscape pertaining to the commercial use of drones.



CURRENT REGULATORY LANDSCAPE

The FAA is the federal regulatory body that oversees the regulation of airspace within the NAS (National Airspace System) which is comprised of all of the airspace within the United States.

In the FAA Modernization and Reform Act of 2012, Congress mandated that the FAA develop guidelines for the safe integration of drones into the NAS.

It's possible that the FAA will issue guidance on the use of "micro" drones less than 4.4lbs sometime in 2015 with the broader overall regulations pertaining to all drones under 55lbs coming out further into the future. In the meantime, companies that wish to utilize drones have the option to apply for a Section 333 exemption and a civil Certificate of Waiver of Authorization (COA). See the FAA website address below for additional information.

VISIT THE FAA.

Go to FAA.GOV/UAS to obtain current FAA regulations and apply for an exception.

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