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Congress of the United States
House of Representatives

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

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MEMORANDUM

TO: Committee on Science, Space, and Technology Members and Staff
FROM: Committee on Science, Space, and Technology Staff
DATE: May 8, 2015
RE: Full Committee Markup

The Committee on Science, Space, and Technology will meet on Wednesday, May 13, 2015 at 2:00 p.m., in Room 2318 of the Rayburn House Office Building to consider the following:

- **H.R. ____, the "Spurring Private Aerospace Competitiveness and Entrepreneurship Act of 2015;"**
- **H.R. 1508, the "Space Resource Exploration and Utilization Act of 2015;"**
- **H.R. ____, the "Commercial Remote Sensing Act of 2015;" and**
- **H.R. ____, the "Office of Space Commerce Act."**

H.R. ____, the Spurring Private Aerospace Competitiveness and Entrepreneurship Act of 2015 (The SPACE Act of 2015)

Sponsors: Majority Leader Kevin McCarthy, Chairman Lamar Smith, Rep. Steven Palazzo.

The SPACE Act facilitates a pro-growth environment for the developing commercial space industry by encouraging private sector investment, creating more stable and predictable regulatory conditions, and improving safety. The Act will ensure American leadership in space and foster the development of advanced space technologies.

Commercial Human Spaceflight Regulations: The Act preserves FAA's ability to regulate commercial human spaceflight in order to protect the uninvolved public, national security, public health and safety, safety of property, and foreign policy. Similarly, the Act preserves FAA's ability to regulate spaceflight participant and crew safety as a result of an accident or unplanned event.

The Act extends the learning period through 2023 to allow the FAA to gain data to inform possible future regulations or some other safety framework, and calls for a progress report on the status of the knowledge the industry and FAA have gained. The Act also allows for industry to develop consensus standards in the interim and coordinate those efforts with the FAA. This will allow the nascent industry to grow in a stable regulatory environment without the threat of arbitrary regulations impacting their ability to innovate.

International Launch Competitiveness: International law places liability for damages resulting from space accidents on the launching nation. All spacefaring nations require some form of third-party liability insurance and liability indemnification for commercial launch services. The current U.S. risk-sharing structure expires in 2016. This Act would extend indemnification through 2023 and require an update to how the FAA calculates the maximum probable loss associated with launches. Indemnification has never been utilized and is subject to future appropriations. This provision will prevent U.S. launches from going overseas where other nations have more favorable liability protection.

Launch License Flexibility: The Act closes a statutory loophole that negates an experimental permit once a launch license is issued for the same vehicle design. This provision will foster greater innovation by allowing an experimental permit holder to continue testing while a license holder conducts operations.

Government Astronauts: Current law only allows for two categories of individuals carried within a commercial spacecraft – crew and space flight participants. Now that NASA is procuring astronaut access to the ISS, a new category is necessary to outline the roles, responsibilities, and protections for astronauts on a commercial human spaceflight launch.

Indemnification for Spaceflight Participants: This provision includes spaceflight participants in indemnification coverage. By including them in the provision, spaceflight participants that may participate in a launch as a result of a contest or other means are not burdened with financial exposure above the limits.

Federal Jurisdiction: The Launch Liability Convention, to which the U.S. is a party, places international liability for space launch and reentry accidents on the federal government. This provision would ensure that the federal courts review lawsuits resulting from accidents since the federal government is ultimately the responsible party as a result of the treaty, not the states. This provision also prevents venue shopping to ensure that suits are treated fairly.

Cross Waivers: Current law requires that all parties involved in a launch waive claims against each other. This provision would include spaceflight participants in this cross waiver requirement to ensure consistency and reinforce informed consent requirements.

Orbital Traffic Management: The Act requires a report on the current roles and responsibilities within the federal government, private sector, and international community related to space situational awareness, orbital traffic management, and orbital debris mitigation measures.

State Commercial Launch Facilities: This provision finds that states and launch operators should seek to ensure that their activities and investments are properly protected in the event of an accident.

H.R. 1508, the Space Resource Exploration and Utilization Act

Sponsors: Rep. Bill Posey and Rep. Derek Kilmer

In the United States, a number of for-profit private companies are investing in and developing the technical capability to explore and utilize outer space resources. Stakeholders from this nascent industry are concerned that legal and regulatory uncertainty are impeding their development and threaten to disrupt the establishment of the industry. This Act addresses these concerns through the establishment of a legal framework to govern property rights of resources obtained from asteroids, enabling this new industry and providing guidance for future entrepreneurs. The Committee held a hearing on this topic on September 10, 2014.

Key Provisions

- Directs the President to facilitate commercial utilization, discourage government barriers, and promote the right of United States commercial entities to explore outer space and utilize space resources.
- Requires a Presidential report that contains recommendations on regulatory uncertainty and authorizations necessary to meet the international obligations of the United States.
- Establishes that any asteroid resources obtained in outer space are the property of the entity that obtained such resources, subject to Federal law.
- Requires operators avoid causing harmful interference in outer space, an international legal obligation of the United States under Article 9 of the 1967 Outer Space Treaty.
- Provides a civil action for relief from harmful interference to asteroid utilization operations subject to certain conditions.

H.R. _____, the Commercial Remote Sensing Act of 2015

Sponsor: Rep. Jim Bridenstine

The private space-based remote sensing industry is experiencing unprecedented growth. This Act will assist Congress in appropriately funding the Department of Commerce so as to meet this increasing demand while protecting national security and maintaining the United States' status as a leader in the development and operation of remote sensing technologies.

Key Provisions

- Provides metrics to inform the workload affecting the Department of Commerce.
- Informs Congress about the Department's ability to meet the statutory deadline for adjudicating license applications.
- Strengthens Congressional oversight to ensure the Department continues to monitor licensee operations to protect national security throughout the lifetime of the license.
- Requires Congressional notification of violations of license conditions.
- Aids Congress in updating the existing statute at a future point to reflect the current state of the art for remote sensing technologies.
- Reinforces Congress' expectation that the federal government balance national security with maintaining U.S. private sector leadership in the field.
- Seeks input from the Advisory Committee for Remote Sensing.

H.R. _____, the Office of Space Commerce Act of 2015

Sponsor: Rep. Dana Rohrabacher

The Office of Space Commercialization, currently funded within the National Oceanic and Atmospheric Administration (NOAA) and authorized within the Department of Commerce under the Technology Administration Act of 1998, is the principal unit for commercial space policy activities. This legislation proposes to restore the Office's original name, "Office of Space Commerce," to more accurately reflect its commercial space responsibilities. In addition, the legislation seeks to update the Office's functions to reflect the current state of the U.S. commercial space industry. The legislation streamlines the functions of the Office to preserve flexibility for the Department in executing the Office's responsibilities. The proposed legislation also expands the Office's responsibilities supporting the Positioning, Navigation, and Timing (PNT) policy to include its stewardship of the National Space-Based PNT Coordination Office.

In 2007, the Office drafted legislation that included these changes. In 2008, this language was introduced by Senator Salazar, Rep. Udall, and Rep. Feeney but was never taken up in Committee. The language of this Act reflects the intent of earlier legislative proposals submitted by the Office.

Key Provisions

- Renames the Office of Space Commercialization the Office of Space Commerce.
- Updates the functions of the Office so that the Office can more effectively pursue its mission of fostering the conditions of economic growth and technological advancement of the U.S. commercial space industry.