

OFFICE OF SPACE COMMERCE ACT

SEPTEMBER 28, 2016.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SMITH of Texas, from the Committee on Science, Space, and Technology, submitted the following

R E P O R T

[To accompany H.R. 2263]

[Including cost estimate of the Congressional Budget Office]

The Committee on Science, Space, and Technology, to whom was referred the bill (H.R. 2263) to rename the Office of Space Commerce and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

The purpose of H.R. 2263, the “Office of Space Commerce Act,” is to restore the Office of Space Commercialization’s name to the “Office of Space Commerce” to more accurately reflect its respon-

sibilities and to expand the Office’s responsibilities to include stewardship of the National Space-Based Position, Navigation, and Timing Coordination Office.

#### BACKGROUND AND NEED FOR LEGISLATION

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 Title of 1998, is the principal unit for commercial space policy activities. This legislation restores 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 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.

#### LEGISLATIVE HISTORY

During the 113th and 114th Congresses, the House Committee on Science, Space, and Technology held 14 hearings and five mark-ups relevant to commercial space initiatives. Four of those Committee proceedings were relevant to this legislation.

On November 20, 2013, the Subcommittee on Space held a hearing titled “Commercial Space.” The hearing examined ways in which companies are utilizing federal support and government policies to grow their commercial businesses in space launch, communications, GPS, remote sensing, weather monitoring, suborbital tourism and science experimentation, and human spaceflight. The witnesses addressed what government policies would be helpful to the U.S. commercial space industry. Witnesses also addressed the policies contained in H.R. 3038, the Suborbital and Orbital Advancement and Regulatory Streamlining (SOARS) Act. The first witness panel consisted of the Honorable Kevin McCarthy, Majority Whip of the U.S. House of Representatives. The second panel consisted of: Ms. Patricia Cooper, President of the Satellite Industry Association; Mr. Stuart Witt, CEO and General Manager of the Mojave Air and Space Port; and Dennis Tito, Chairman of the Inspiration Mars Foundation.

On February 4, 2014, the Subcommittee on Space held a hearing titled “Necessary Updates to the Commercial Space Launch Act.” The industry has grown since the passage of the Commercial Space Launch Act of 1984 (P.L. 98–575) thirty years ago, and this law has been amended several times since then. The Commercial Space Launch Act (CSLA) provides authority to the FAA to license launches and indemnify launch providers from third-party claims should an accident occur. The law also provides a framework for the FAA’s authority. This hearing examined the various changes in the industry and what, if any, accompanying changes to the Commercial Space Launch Act may be needed going forward. The Committee heard from three witnesses: Dr. George Nield, Associate Administrator for Commercial Space Transportation at the Federal Aviation Administration; Dr. Alicia Cackley, Director of Financial

Markets and Community Investment Team at the Government Accountability Office; and Dr. Henry Hertzfeld, Research Professor of Space Policy and International Affairs at the Elliot School of International Affairs at George Washington University.

On May 9, 2014, the Space Subcommittee held a hearing titled “Space Traffic Management: How to Prevent a Real Life ‘Gravity.’” There are currently three agencies that play a primary role in tracking and mitigation of orbital debris that may be hazardous to operational satellites or life and property on Earth, if the debris is large enough upon reentering the Earth’s atmosphere. The Joint Functional Component Command for Space (JFCC SPACE), part of the Department of Defense, is responsible for tracking orbital debris, the Federal Communications Commission (FCC) asserts jurisdiction for mitigating orbital debris from satellites, and the Federal Aviation Administration (FAA) regulates orbital debris from launch and reentry activities. This hearing explored the roles and responsibilities of the Department of Defense, FAA, and FCC in policing orbital debris, what authorities are currently granted by Congress to federal agencies, and how they coordinate these activities. The Subcommittee heard from five witnesses: Lt. Gen. John “Jay” Raymond—Commander, 14th Air Force, Air Force Space Command; and Commander, Joint Functional Component Command for Space, U.S. Strategic Command, Mr. George Zamka—Deputy Associate Administrator, Office of Commercial Space Transportation, Federal Aviation Administration, Mr. Robert Nelson—Chief Engineer, International Bureau, Federal Communications Commission, Mr. P.J. Blount—Adjunct Professor, Air and Space Law, University of Mississippi School of Law, and Mr. Brian Weeden—Technical Advisor, Secure World Foundation.

On September 10, 2014, the hearing titled “Exploring Our Solar System: The ASTEROIDS Act as a Key Step” gave the Committee an overview of the variety of issues facing the planetary science community, including challenges the community is facing due to the low inventories of Pu-238 for deep space missions, NASA’s proposed budget for planetary science, and potential commercial interests. Witnesses were also asked to comment on H.R. 5063, the American Space Technology for Exploring Resource Opportunities In Deep Space (ASTEROIDS) Act. The Subcommittee heard from five witnesses: Dr. Jim Green, NASA Planetary Science Division Director, Dr. Jim Bell, Professor of Earth and Space Science Exploration, Arizona State University, and President, Board of Directors, The Planetary Society, Dr. Mark Sykes, CEO and Director, Planetary Science Institute, Professor Joanne Gabrynowicz, Professor Emerita, Director Emerita, Journal of Space Law Editor-in-Chief Emerita, University of Mississippi, Dr. Philip Christensen, Co-Chair, NRC Committee on Astrobiology and Planetary Science (CAPS), Chair, Mars Panel, NRC Planetary Decadal Survey, Regents Professor, Arizona State University.

#### SECTION-BY-SECTION

##### *Sec. 1. Short title*

Titles the Act the “Office of Space Commerce Act.”

*Sec. 2. Renaming of Office of Space Commercialization*

This section modifies Section 8(a) of the *Technology Administration Act of 1998* (51 U.S.C. § 50702(a)), to restore the original name of the Office to the “Office of Space Commerce” (rather than the “Office of Space Commercialization”). The Office of Space Commercialization is the principal unit for space commerce policy activities within the Department of Commerce. The Office’s mission is to foster the conditions for the economic growth and the technological advancement of the U.S. commercial space industry. This name change more accurately reflects the Office’s core mission, which is to promote U.S. commerce (and not to commercialize space programs or projects).

*Sec. 3. Functions of the Office of Space Commerce*

This section modifies section 8(c) of the *Technology Administration Act of 1998* (51 U.S.C. § 50702(c)), to outline the functions of the Office of Space Commerce and reflect the current state of the U.S. space commerce industry. The functions are revised to include supporting the Administration’s Positioning, Navigation, and Timing (PNT) national policy, stewardship of the National Space-Based PNT Coordination Office, and expanding commercial remote sensing and geospatial technology activities in coordination with relevant interagency organizations, for example, the Federal Geographic Data Committee (FGDC), Senior Management Oversight Committee (SMOC), Remote Sensing Interagency Working Group (RSIWG), PNT Executive Steering Group (ESG), and GPS International Working Group (GIWG).

EXPLANATION OF AMENDMENTS

During the Science, Space, and Technology Committee’s markup of this legislation, no amendments to the bill were considered.

COMMITTEE CONSIDERATION

On May 13, 2015, the Committee met in open session and ordered reported favorably the bill, H.R. 2263, by voice vote, a quorum being present.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill restores the Office of Space Commercialization’s name to the “Office of Space Commerce.” As such this bill does not relate to employment or access to public services and accommodations.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in the descriptive portions of this report.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

H.R. 2263, the Office of Space Commerce Act, would restore the Office of Space Commercialization's name to the "Office of Space Commerce."

## DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 2263 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting H.R. 2263 does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

## FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

## UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

## EARMARK IDENTIFICATION

H.R. 2263 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

## COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 2263. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

## BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Represent-

atives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 2263 from the Director of Congressional Budget Office:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, May 18, 2015.*

Hon. LAMAR SMITH,  
*Chairman, Committee on Science, Space, and Technology,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2263, the Office of Space Commerce Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Marin Burnett.

Sincerely,

KEITH HALL,  
*Director.*

Enclosure.

*H.R. 2263—Office of Space Commerce Act*

H.R. 2263 would change the name of the Office of Space Commercialization in the Department of Commerce to the Office of Space Commerce and clarify the duties and responsibilities of the agency. CBO estimates that implementing H.R. 2263 would have no significant effect on the federal budget because it would not expand the duties of the existing office. Enacting H.R. 2263 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 2263 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Marin Burnett. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

**TITLE 51, UNITED STATES CODE**

Subtitle I—General

|       |                   |       |
|-------|-------------------|-------|
| Chap. |                   | Sec.  |
| 101.  | Definitions ..... | 10101 |
|       | * * * * *         |       |

Subtitle V—Programs Targeting Commercial Opportunities

|      |                 |                     |                 |       |       |   |
|------|-----------------|---------------------|-----------------|-------|-------|---|
| *    | *               | *                   | *               | *     | *     | * |
| 507. | Office of Space | 【Commercialization】 | <i>Commerce</i> | ..... | 50701 |   |
| *    | *               | *                   | *               | *     | *     | * |

**SUBTITLE V—PROGRAMS TARGETING  
COMMERCIAL OPPORTUNITIES**

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**CHAPTER 507—OFFICE OF SPACE  
【COMMERCIALIZATION】 *COMMERCE***

**§ 50701. Definition of Office**

In this chapter, the term “Office” means the Office of Space 【Commercialization】 *Commerce* established in section 50702 of this title.

**§ 50702. Establishment**

(a) IN GENERAL.—There is established within the Department of Commerce an Office of Space 【Commercialization】 *Commerce*.

(b) DIRECTOR.—The Office shall be headed by a Director, who shall be a senior executive and shall be compensated at a level in the Senior Executive Service under section 5382 of title 5 as determined by the Secretary of Commerce.

(c) FUNCTIONS OF OFFICE.—The Office shall be the principal unit for the coordination of space-related issues, programs, and initiatives within the Department of 【Commerce.】 *Commerce*, including to—

- (1) *foster the conditions for the economic growth and technological advancement of the United States space commerce industry;*
- (2) *coordinate space commerce policy issues and actions within the Department of Commerce;*
- (3) *represent the Department of Commerce in the development of United States policies and in negotiations with foreign countries to promote United States space commerce;*
- (4) *promote the advancement of United States geospatial technologies related to space commerce, in cooperation with relevant interagency working groups; and*
- (5) *provide support to Federal Government organizations working on Space-Based Positioning Navigation, and Timing policy, including the National Coordination Office for Space-Based Position, Navigation, and Timing.*

(d) DUTIES OF DIRECTOR.—The primary responsibilities of the Director in carrying out the functions of the Office shall include—

- (1) promoting commercial provider investment in space activities by collecting, analyzing, and disseminating information on space markets, and conducting workshops and seminars to increase awareness of commercial space opportunities;
- (2) assisting United States commercial providers in the efforts of those providers to conduct business with the United States Government;

(3) acting as an industry advocate within the executive branch of the Federal Government to ensure that the Federal Government meets the space-related requirements of the Federal Government, to the fullest extent feasible, using commercially available space goods and services;

(4) ensuring that the United States Government does not compete with United States commercial providers in the provision of space hardware and services otherwise available from United States commercial providers;

(5) promoting the export of space-related goods and services;

(6) representing the Department of Commerce in the development of United States policies and in negotiations with foreign countries to ensure free and fair trade internationally in the area of space commerce; and

(7) seeking the removal of legal, policy, and institutional impediments to space commerce.

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