

Calendar No. 369

119TH CONGRESS }
2d Session }

SENATE

{ REPORT
119-117 }

SPACE EXPLORATION RESEARCH ACT

R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

ON

S. 2351



APRIL 13, 2026.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINETEENTH CONGRESS

SECOND SESSION

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Mr. CRUZ, from the Committee on Commerce, Science, and
Transportation, submitted the following

R E P O R T

[To accompany S. 2351]

[Including cost estimate of the Congressional Budget Office]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 2351) to supplement existing lease authorities available to the Administrator of the National Aeronautics and Space Administration to support research, education, and training, and for other purposes, having considered the same, reports favorably thereon with an amendment (in the nature of a substitute) and recommends that the bill (as amended) do pass.

PURPOSE OF THE BILL

The purpose of S. 2351 is to expand the leasing authority of the National Aeronautics and Space Administration (NASA) Administrator to enter leases for real property at NASA centers to develop facilities for space-related activities.

BACKGROUND AND NEEDS

In June 2023, as part of NASA's broader long-term strategy to establish regional hubs of human spaceflight expertise and expand civil and commercial access to space, the agency issued an announcement for proposals for the use of underdeveloped NASA center property.¹ The request sought to lease all or part of the property to qualified entities for development. The objectives were to:

¹NASA, "Lease for Non-Excess Undeveloped Land at Johnson Space Center (Houston, TX)," notice ID AFP-JSC-EXP-2023, June 9, 2023, <https://sam.gov/opp/3fd780607c64f24ad1668e983674fdb/view>.

- Identify specific industry and non-Federal public entities interested in leasing NASA non-excess undeveloped land.
- Increase commercial access to space.
- Enhance U.S. commercial competitiveness in the space and aerospace industries.
- Develop and expand the U.S. civil and commercial workforce.
- Attract a wider user base and increase operational activity at NASA centers.
- Promote partnerships that will build, expand, modernize, or operate aerospace-related capabilities on or near NASA property.

Precedence for these types of agreements was established in 1988 when NASA was authorized to lease property at the Lewis Research Center for an Ohio Aerospace Center.² In 2003, NASA was authorized to enter into enhanced use leases (EUL) agreements that enabled centers to lease underutilized or real property at the Kennedy Space Center and Ames Research Center to private entities for cash or in-kind consideration and retain the proceeds, rather than return the proceeds to the Department of the Treasury.³

In 2023, Texas A&M submitted a proposal to Johnson Space Center (JSC) to conduct mission training, research, and curation of astronautical materials. The Texas State Legislature passed House Bill 1, which appropriated funding for the Texas Space Commission and Texas A&M University for the construction of facilities adjacent to JSC.⁴ Representatives from JSC and Texas A&M broke ground on the Texas A&M Space Institute at Exploration Park in November 2024. JSC has expressed interest in leveraging the capabilities of the Space Institute to supplement its existing facilities. However, Congress must first authorize NASA to lease back the developed leased land. The Space Exploration Research Act would expand this allowable use to all NASA centers, which will further encourage NASA, academia, and other partners to collaborate on underutilized center property that outside entities develop.

SUMMARY OF PROVISIONS

S. 2351 would do the following:

- Enable the Administrator of NASA to enter into leases for real property or facility construction at NASA centers with the State or its agent; a nonprofit corporation or foundation organized exclusively for education or scientific purposes; or an institution of higher education. The facilities can be used:
 - to conduct aeronautical and space research;
 - to educate and train individuals for careers in the space industry;
 - to carry out the transfer of aeronautical and space technology between the U.S. public and domestic private sectors;
 - to conduct aeronautics and space-related scientific, engineering, medical, or academic activities; and

²National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989, Public Law 100–865, 211, 102 Stat. 4083, 4093 (1988).

³Consolidated Appropriations Resolution, 2003, Public Law 108–7, 117 Stat. 11 (2003).

⁴Brandon Lingle, “Texas Space Commission Offers \$150M in Its First-Ever Grants,” *Government Technology*, September 17, 2024, <https://www.govtech.com/products/texas-space-commission-offers-150m-in-its-first-ever-grants>.

- to conduct any other space-related activity relevant to NASA’s mission.
- Enable the Administrator of NASA to lease back those facilities to utilize their capabilities.
- Require the delivery of a report that would document the number of leases, how the leases apply to NASA’s mission, and its value to the Agency.

LEGISLATIVE HISTORY

S. 2351 was introduced on July 17, 2025, by Senator Cruz (for himself and Senators Padilla, Britt, Luján, Schiff, and Wicker) and was referred to the Committee on Commerce, Science, and Transportation of the Senate. On July 30, 2025, the Committee met in open Executive Session and, by voice vote, ordered S. 2351 reported favorably with an amendment (in the nature of a substitute).

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

At a Glance			
S. 2351, Space Exploration Research Act			
As ordered reported by the Senate Committee on Commerce, Science, and Transportation on July 30, 2025			
By Fiscal Year, Millions of Dollars	2026	2026-2031	2026-2036
Direct Spending (Outlays)	0	19	62**
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	19	62
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2037?	< \$2.5 billion	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2037?	< \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			
** On April 13, 2026, CBO reposted this estimate to correct the amount shown for direct spending (outlays).			

The bill would:

- Authorize the National Aeronautics and Space Administration (NASA) to lease back certain properties used to support the agency’s mission
- Require NASA to report annually to the Congress concerning the properties it leases back from third parties

Estimated budgetary effects would mainly stem from:

- Increasing direct spending from leased-back properties

Areas of significant uncertainty include:

- Anticipating the number and type of properties that NASA would lease back under the bill’s authority

Bill summary: S. 2351 would expand the authority of the National Aeronautics and Space Administration (NASA) to enter into leases with other entities (including other federal agencies or state and local governments) by allowing the agency to lease back properties that are used to support its mission. Under current law, NASA has broad authority to enter into leases, including enhanced-use leases and leases under the National Historic Preservation Act (NHPA). NASA's enhanced-use lease authority expires on December 31, 2032; however, its authority under NHPA is permanent. The bill also would require NASA to report annually to the Congress on those leases.

Estimated Federal cost: The estimated budgetary effects of S. 2351 are shown in Table 1. The costs of the legislation fall within budget function 250 (general science, space, and technology).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF S. 2351

	By fiscal year, millions of dollars—												
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2026– 2031	2026– 2036
INCREASES IN DIRECT SPENDING													
Estimated Budget													
Authority	0	10	10	10	10	10	10	8	8	8	8	50	92
Estimated Outlays	0	*	1	3	6	9	9	9	9	8	8	19	62

* = between zero and \$500,000.

CBO estimates that implementing the bill would increase spending subject to appropriation by less than \$500,000 in every year and over the 2026–2031 period.

Basis of estimate: NASA currently enters into lease agreements that contain terms for third parties to construct or renovate facilities on federal land for energy production, launches, and research, among other specialized uses. CBO considers the ability for third parties to finance projects on behalf of the government under those agreements to be similar to using federal borrowing authority for infrastructure construction or improvements; CBO treats the cost of those transactions as direct spending.

Under the bill, NASA's authority to lease back a given property mostly or entirely for governmental use would increase the likelihood that third-party investments would be used for governmental purposes and would thus increase direct spending.

Direct Spending: By allowing NASA to lease back property for up to 50 years, S. 2351 would increase the likelihood that third-party investments would be used for governmental purposes and would thus increase direct spending relative to current law. Using information from NASA on current leasing and expected lease payments, and based on historical spending patterns for similar activities, CBO estimates that enacting the bill would increase commitments for the construction or improvement of NASA property by about \$10 million annually, resulting in an increase in direct spending of \$62 million over the 2026–2036 period. That estimate incorporates the expectation that annual leasing activity under the bill would decline starting in 2033 when NASA's enhanced-use lease authority is scheduled to expire.

Spending subject to appropriation: S. 2351 would require NASA to report to the Congress each year on its enhanced-use leases. Based on the costs of similar activities, CBO estimates that implementing that provision would cost NASA less than \$500,000 over

the 2026–2031 period. Any related spending would be subject to the availability of appropriated funds.

Uncertainty: CBO’s estimate of direct spending under S. 2351 is subject to significant uncertainty. We cannot anticipate the number or type of properties that NASA would lease back under the different authorities available. The costs could be higher or lower than CBO estimates and would depend on how NASA uses the authority in the bill and on the terms of individual leases.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1.

Increase in long-term net direct spending and deficits: CBO estimates that enacting S. 2351 would increase net direct spending by less than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2037.

CBO estimates that enacting S. 2351 would increase on-budget deficits by less than \$5 billion in any of the four consecutive 10-year periods beginning in 2037.

Mandates: The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Estimate prepared by: Federal Costs: Katherine Chou; Mandates: Brandon Lever.

Estimate reviewed by: Ann E. Futrell, Chief, Natural and Physical Resources Cost Estimates Unit; Kathleen FitzGerald, Chief, Public and Private Mandates Unit; H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Estimate approved by: Phillip L. Swagel, Director, Congressional Budget Office.

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

Number of Persons Covered

S. 2351 would not create any new programs or impose any new regulatory requirements and would not subject any individuals or businesses to new regulations.

Economic Impact

S. 2351 is not expected to have an adverse impact on the Nation’s economy. The intent of the expanded lease authority would be to develop long lasting partnerships that will build, expand, modernize, or operate aerospace-related capabilities on or near NASA property, providing the opportunity for job growth and innovation thereby providing economic benefits for the Nation.

Privacy

S. 2351 would not impact the personal privacy of individuals.

Paperwork

The Committee anticipates a negligible increase in paperwork burdens. The bill would levy a report, submitted annually by the

Administrator, that describes the number of leases, their relevance to NASA's mission, and their value, monetary or otherwise, to the center and agency.

CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

