

108TH CONGRESS  
1ST SESSION

# H. R. 3245

To promote the development of the commercial space transportation industry, to authorize appropriations for the Office of the Associate Administrator for Commercial Space Transportation, to authorize appropriations for the Office of Space Commerce, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2003

Mr. ROHRBACHER (for himself, Mr. GORDON, and Mr. HALL) introduced the following bill; which was referred to the Committee on Science

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## A BILL

To promote the development of the commercial space transportation industry, to authorize appropriations for the Office of the Associate Administrator for Commercial Space Transportation, to authorize appropriations for the Office of Space Commerce, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Commercial Space Act  
5        of 2003”.

6        **SEC. 2. FINDINGS.**

7        The Congress finds that—

1           (1) a prolonged and severe downturn in the  
2 market for commercial space launches has resulted  
3 in—

4                   (A) a significant reduction in the United  
5 States global market share in orbital space  
6 launches;

7                   (B) a severe decrease in the number of  
8 Government-licensed orbital launches; and

9                   (C) a commercial space transportation in-  
10 dustry dependent upon Government business  
11 opportunities;

12           (2) the continuous reduction of cost and im-  
13 provement in safety and reliability of commercial  
14 space transportation capabilities is a necessary in-  
15 gredient to achieving most United States space  
16 goals;

17           (3) the opening of outer space to the American  
18 people and their economic, scientific, and cultural  
19 enterprises is a priority goal which should guide  
20 Federal space investments, policy development, and  
21 regulatory action;

22           (4) despite a weak United States launch indus-  
23 try, recent industrial and technical developments in-  
24 dicate that commercial suborbital human spaceflight  
25 vehicles are under active development in both the

1 United States and other nations, and greater private  
2 investment in these development efforts will promote  
3 greater innovation and competitiveness for the  
4 United States commercial space transportation in-  
5 dustry as a whole;

6 (5) space transportation is not without risks;

7 (6) a critical area of responsibility for the Of-  
8 fice of the Associate Administrator for Commercial  
9 Space Transportation is to ensure that the Federal  
10 regulation of this new commercial suborbital human  
11 spaceflight industry should focus on protecting the  
12 safety of the general, uninvolved public, while allow-  
13 ing involved persons to assume risks which are in-  
14 herent to human spaceflight activities;

15 (7) enactment of a 3-year extension of the ex-  
16 cess third party claims payment provision of chapter  
17 701 of title 49, United States Code (Commercial  
18 Space Launch Activities) is necessary to provide an  
19 appropriate period to evaluate recommended changes  
20 to the Government's commercial space launch in-  
21 demnification regime;

22 (8) the Secretary of Transportation should es-  
23 tablish regulatory guidelines that foster an efficient  
24 and cost-effective process for ensuring safe commer-

1 cial space launch operations at the Nation’s launch  
2 ranges and bases; and

3 (9) the public interest is served by creating a  
4 clear legal and regulatory regime for commercial  
5 space transportation, including an unambiguous de-  
6 lineation of regulatory roles and responsibilities.

7 **SEC. 3. AMENDMENTS.**

8 (a) **AUTHORIZATION OF APPROPRIATIONS FOR OF-**  
9 **FICE OF COMMERCIAL SPACE TRANSPORTATION.**—Sec-  
10 tion 70119 of title 49, United States Code, is amended  
11 by striking paragraphs (1) and (2) and inserting the fol-  
12 lowing:

13 “(1) \$11,523,000 for fiscal year 2004; and

14 “(2) \$11,000,000 for fiscal year 2005.”.

15 (b) **FINDINGS.**—Section 70101(a) of title 49, United  
16 States Code, is amended—

17 (1) in paragraph (3), by inserting “human  
18 spaceflight,” after “research,”; and

19 (2) in paragraph (4), by striking “satellite” and  
20 inserting “space”, and by striking “services now  
21 available from” and inserting “capabilities of”.

22 (c) **DEFINITIONS.**—Section 70102 of title 49, United  
23 States Code, is amended—

24 (1) by redesignating paragraphs (2) through  
25 (16) as paragraphs (3), (4), (5), (6), (7), (8), (9),

1 (10), (11), (12), (13), (14), (16), (19), and (20), re-  
2 spectively;

3 (2) by inserting after paragraph (1) the fol-  
4 lowing new paragraph:

5 “(2) ‘crew’ means an individual or individuals  
6 carried within a launch or reentry vehicle who per-  
7 forms a function necessary for the protection of pub-  
8 lic safety. ”;

9 (3) in paragraph (9), as so redesignated by  
10 paragraph (1) of this subsection—

11 (A) by inserting “an individual or” after  
12 “means”;

13 (B) by inserting “or return from” after “to  
14 place in”; and

15 (C) by striking “that object” and inserting  
16 “that individual or object”;

17 (4) by inserting after paragraph (14), as so re-  
18 designated by paragraph (1) of this subsection, the  
19 following new paragraph:

20 “(15) ‘spaceflight participant’ means an indi-  
21 vidual who is not crew carried within a launch or re-  
22 entry vehicle during a launch or reentry.”;

23 (5) by inserting after paragraph (16), as so re-  
24 designated by paragraph (1) of this subsection, the  
25 following new paragraphs:

1           “(17) ‘suborbital rocket’ means a rocket-pro-  
2           pelled vehicle intended for flight on a suborbital tra-  
3           jectory whose thrust is greater than its lift for the  
4           majority of the powered portion of its flight.

5           “(18) ‘suborbital trajectory’ means the inten-  
6           tional flight path of a launch vehicle, reentry vehicle,  
7           or any portion thereof, whose vacuum instantaneous  
8           impact point does not leave the surface of the  
9           Earth.”; and

10           (6) in paragraph (19), as so redesignated by  
11           paragraph (1) of this subsection—

12                   (A) by striking “or” at the end of subpara-  
13                   graph (C);

14                   (B) by striking the period at the end of  
15                   subparagraph (D) and inserting “; and”; and

16                   (C) by adding at the end the following new  
17                   subparagraph:

18                           “(E) crew or spaceflight participants.”.

19           (d) COMMERCIAL HUMAN SPACEFLIGHT.—(1) Sec-  
20           tion 70104 of title 49, United States Code, is amended—

21                   (A) by redesignating subsection (c) as sub-  
22                   section (d); and

23                   (B) by inserting after subsection (b) the fol-  
24                   lowing new subsection:

1           “(c) COMPLIANCE WITH SPACEFLIGHT PARTICIPANT  
2 REQUIREMENTS.—The holder of a license under this  
3 chapter may launch or reenter a spaceflight participant  
4 only if—

5           “(1) the spaceflight participant has received  
6 training and met medical or other standards speci-  
7 fied in the license;

8           “(2) the spaceflight participant is informed of  
9 the safety record of the launch or reentry vehicle  
10 type; and

11           “(3) the launch or reentry vehicle is marked in  
12 a manner specified by the Secretary of Transpor-  
13 tation which identifies it as a launch or reentry vehi-  
14 cle rather than an aircraft.”.

15           (2) Section 70112(b)(1) of title 49, United States  
16 Code, is amended by striking “property damage or loss  
17 it sustains, or for personal injury to, death of, or property  
18 damage or loss sustained by its own employees” and in-  
19 serting “personal injury, death, property damage, or loss  
20 it sustains, and for personal injury to, death of, or prop-  
21 erty damage or loss sustained by its own employees,”.

22 **SEC. 4. REGULATORY FRAMEWORK.**

23           The Secretary of Transportation shall take appro-  
24 priate efforts, including realignment of personnel and re-  
25 sources, to create a streamlined, cost-effective, and ena-

1 bling regulatory framework for the United States commer-  
2 cial human spaceflight industry. The Secretary of Trans-  
3 portation shall clearly distinguish the Department’s regu-  
4 lation of air commerce from its regulation of commercial  
5 human spaceflight, and focus the Department’s regulation  
6 of commercial human spaceflight activities on protecting  
7 the safety of the general public, while allowing spaceflight  
8 participants who have been trained and meet license-spe-  
9 cific standards to assume an informed level of risk. Not  
10 later than 6 months after the date of enactment of this  
11 Act, the Secretary of Transportation shall transmit to the  
12 Congress a report on the progress made in implementing  
13 this section.

14 **SEC. 5. COMMERCIAL SPACE TRANSPORTATION INDEM-**  
15 **NIFICATION EXTENSION.**

16 Section 70113(f) of title 49, United States Code, is  
17 amended by striking “December 31, 2004” and inserting  
18 “December 31, 2007”.

19 **SEC. 6. LIABILITY REGIME FOR COMMERCIAL SPACE**  
20 **TRANSPORTATION.**

21 (a) APPLICATIONS.—Not later than 60 days after the  
22 date of the enactment of this Act, the Secretary of Trans-  
23 portation shall enter into an appropriate arrangement  
24 with the National Academy of Public Administration to  
25 conduct a study on the liability risk-sharing regime in the

1 United States for commercial space transportation. The  
2 study shall recommend modifications to the liability re-  
3 gime and characterization of actions required to imple-  
4 ment those modifications. The study shall analyze the ade-  
5 quacy, propriety, and effectiveness of, and the need for,  
6 the current liability risk-sharing regime. The study shall  
7 specifically consider—

- 8 (1) other countries’ regimes;
- 9 (2) the use of the designation of “ultra haz-  
10 arduous” for space transportation activities;
- 11 (3) relevant international treaties;
- 12 (4) impacts of reusable launch vehicles and  
13 spaceports; and
- 14 (5) the feasibility of airline-like liability re-  
15 gimes.

16 The study shall use a clearly described, analytical method-  
17 ology to specify the factors used in evaluating the current  
18 regime and alternative approaches to the current regime.  
19 Estimates of impacts shall be quantified where possible.

20 (b) COMPLETION DATE.—The results of the study  
21 described in subsection (a) shall be transmitted to the  
22 Congress not later than 18 months after the date of the  
23 enactment of this Act.

1 **SEC. 7. OFFICE OF SPACE COMMERCE.**

2 (a) REDESIGNATION.—The Office of Space Commer-  
3 cialization established under section 8 of the Technology  
4 Administration Act of 1998 (15 U.S.C. 1511e) is redesi-  
5 gnated as the Office of Space Commerce.

6 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
7 are authorized to be appropriated to the Secretary of Com-  
8 merce for the Office of Space Commerce—

9 (1) \$1,800,000 for fiscal year 2004; and

10 (2) \$2,000,000 for fiscal year 2005.

11 **SEC. 8. DELEGATION OF LICENSING AUTHORITY.**

12 (a) DELEGATION.—The Secretary of Commerce shall  
13 delegate the authority provided to the Secretary under  
14 title II of the Land Remote Sensing Policy Act of 1992  
15 (15 U.S.C. 5621 et seq.) to the Director of the Office of  
16 Space Commerce.

17 (b) AMENDMENT.—Section 8(c) of the Technology  
18 Administration Act of 1998 (15 U.S.C. 1511e(c)) is  
19 amended—

20 (1) by striking “and” at the end of paragraph

21 (6);

22 (2) by striking the period at the end of para-  
23 graph (7) and inserting a semicolon; and

24 (3) by adding at the end the following:

25 “(8) licensing private sector parties to operate  
26 private remote sensing space systems; and

1           “(9) serving as the Executive Secretary for the  
2           Interagency Global Positioning System Executive  
3           Board.”.

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