

Subsec. (d). Pub. L. 105-303, §102(a)(11)(H), (I), substituted “or reentry vehicle, or the payload of either, for launch or reentry” for “or its payload for launch” and inserted “, reentry vehicle,” after “manufacturer of the launch vehicle”.

**§ 50914. Liability insurance and financial responsibility requirements**

(a) GENERAL REQUIREMENTS.—(1) When a launch or reentry license is issued or transferred under this chapter, the licensee or transferee shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

(A) a third party for death, bodily injury, or property damage or loss resulting from an activity carried out under the license; and

(B) the United States Government against a person for damage or loss to Government property resulting from an activity carried out under the license.

(2) The Secretary of Transportation shall determine the amounts required under paragraph (1)(A) and (B) of this subsection, after consulting with the Administrator of the National Aeronautics and Space Administration, the Secretary of the Air Force, and the heads of other appropriate executive agencies.

(3) For the total claims related to one launch or reentry, a licensee or transferee is not required to obtain insurance or demonstrate financial responsibility of more than—

(A)(i) \$500,000,000 under paragraph (1)(A) of this subsection; or

(ii) \$100,000,000 under paragraph (1)(B) of this subsection; or

(B) the maximum liability insurance available on the world market at reasonable cost if the amount is less than the applicable amount in clause (A)(i) or (ii) of this paragraph.

(4) An insurance policy or demonstration of financial responsibility under this subsection shall protect the following, to the extent of their potential liability for involvement in launch services or reentry services, at no cost to the Government:

(A) the Government.

(B) executive agencies and personnel, contractors, and subcontractors of the Government.

(C) contractors, subcontractors, and customers of the licensee or transferee.

(D) contractors and subcontractors of the customer.

(E) space flight participants.

(5) Subparagraph (E) of paragraph (4) ceases to be effective September 30, 2028.

(b) RECIPROCAL WAIVER OF CLAIMS.—(1)(A) A launch or reentry license issued or transferred under this chapter shall contain a provision requiring the licensee or transferee to make a reciprocal waiver of claims with applicable parties involved in launch services or reentry services under which each party to the waiver agrees to be responsible for personal injury to, death of, or property damage or loss sustained by it or its own employees resulting from an activity carried out under the applicable license.

(B) In this paragraph, the term “applicable parties” means—

(i) contractors, subcontractors, and customers of the licensee or transferee;

(ii) contractors and subcontractors of the customers; and

(iii) space flight participants.

(C) Clause (iii) of subparagraph (B) ceases to be effective September 30, 2028.

(2) The Secretary of Transportation shall make, for the Government, executive agencies of the Government involved in launch services or reentry services, and contractors and subcontractors involved in launch services or reentry services, a reciprocal waiver of claims with the licensee or transferee, contractors, subcontractors, crew, space flight participants, and customers of the licensee or transferee, and contractors and subcontractors of the customers, involved in launch services or reentry services under which each party to the waiver agrees to be responsible for property damage or loss it sustains, or for personal injury to, death of, or property damage or loss sustained by its own employees or by space flight participants, resulting from an activity carried out under the applicable license. The waiver applies only to the extent that claims are more than the amount of insurance or demonstration of financial responsibility required under subsection (a)(1)(B) of this section. After consulting with the Administrator and the Secretary of the Air Force, the Secretary of Transportation may waive, for the Government and a department, agency, and instrumentality of the Government, the right to recover damages for damage or loss to Government property to the extent insurance is not available because of a policy exclusion the Secretary of Transportation decides is usual for the type of insurance involved.

(c) DETERMINATION OF MAXIMUM PROBABLE LOSSES.—The Secretary of Transportation shall determine the maximum probable losses under subsection (a)(1)(A) and (B) of this section associated with an activity under a license not later than 90 days after a licensee or transferee requires a determination and submits all information the Secretary requires. The Secretary shall amend the determination as warranted by new information.

(d) ANNUAL REPORT.—(1) Not later than November 15 of each year, the Secretary of Transportation shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a report on current determinations made under subsection (c) of this section related to all issued licenses and the reasons for the determinations.

(2) Not later than May 15 of each year, the Secretary of Transportation shall review the amounts specified in subsection (a)(3)(A) of this section and submit a report to Congress that contains proposed adjustments in the amounts to conform with changed liability expectations and availability of insurance on the world market. The proposed adjustment takes effect 30 days after a report is submitted.

(e) LAUNCHES OR REENTRIES INVOLVING GOVERNMENT FACILITIES AND PERSONNEL.—The Secretary of Transportation shall establish requirements consistent with this chapter for proof of financial responsibility and other assurances

necessary to protect the Government and its executive agencies and personnel from liability, death, bodily injury, or property damage or loss as a result of a launch or operation of a launch site or reentry site or a reentry involving a facility or personnel of the Government. The Secretary may not relieve the Government of liability under this subsection for death, bodily injury, or property damage or loss resulting from the willful misconduct of the Government or its agents.

(f) COLLECTION AND CREDITING PAYMENTS.—The head of a department, agency, or instrumentality of the Government shall collect a payment owed for damage or loss to Government property under its jurisdiction or control resulting from an activity carried out under a launch or reentry license issued or transferred under this chapter. The payment shall be credited to the current applicable appropriation, fund, or account of the department, agency, or instrumentality.

(g) FEDERAL JURISDICTION.—Any claim by a third party or space flight participant for death, bodily injury, or property damage or loss resulting from an activity carried out under the license shall be the exclusive jurisdiction of the Federal courts.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 1336, §70112 of title 49; Pub. L. 104–287, §5(74), (93), Oct. 11, 1996, 110 Stat. 3396, 3398; Pub. L. 105–303, title I, §102(a)(12), Oct. 28, 1998, 112 Stat. 2850; Pub. L. 108–492, §2(c)(21), Dec. 23, 2004, 118 Stat. 3981; renumbered §70112 then §50914 of title 51, Pub. L. 111–314, §4(d)(2), (3)(N), Dec. 18, 2010, 124 Stat. 3440, 3441; Pub. L. 114–90, title I, §§103(a)(1), 106, 107, Nov. 25, 2015, 129 Stat. 706, 707; Pub. L. 118–159, div. E, title LVII, §5702(2), Dec. 23, 2024, 138 Stat. 2461.)

HISTORICAL AND REVISION NOTES  
PUB. L. 103–272

| Revised Section   | Source (U.S. Code)  | Source (Statutes at Large)   |
|-------------------|---|--|
| 70112(a)(1), (2). | 49 App.:2615(a)(1)(A) (1st sentence), (B) (1st sentence).   | Oct. 30, 1984, Pub. L. 98–575, §16(a), (c), 98 Stat. 3061; restated Nov. 15, 1988, Pub. L. 100–657, §5(a), 102 Stat. 3901, 3905. |
| 70112(a)(3) ..    | 49 App.:2615(a)(1)(A) (last sentence), (B) (last sentence). |  |
| 70112(a)(4) ..    | 49 App.:2615(a)(2).   |  |
| 70112(b)(1) ..    | 49 App.:2615(a)(1)(C).                                      |  |
| 70112(b)(2) ..    | 49 App.:2615(a)(1)(D).                                      |  |
| 70112(c) .....    | 49 App.:2615(a)(3) (1st, 2d sentences).                     |  |
| 70112(d)(1) ..    | 49 App.:2615(a)(3) (last sentence).                         |  |
| 70112(d)(2) ..    | 49 App.:2615(a)(4).   |  |
| 70112(e) .....    | 49 App.:2614(c).  | Oct. 30, 1984, Pub. L. 98–575, §15(c), 98 Stat. 3061; restated Nov. 15, 1988, Pub. L. 100–657, §5(b), 102 Stat. 3905.            |
| 70112(f) .....    | 49 App.:2615(c).  |  |

In subsection (a), the word “particular” is omitted as surplus.

In subsection (a)(1), before clause (A), the word “sufficient” is omitted as surplus. In clauses (A) and (B), the words “in connection with any particular launch” are omitted as surplus.

In subsection (a)(4), before clause (A), the words “made . . . a requirement described in” are omitted as surplus.

In subsection (b)(2), the words “department, agency, and instrumentality of the Government” are sub-

stituted for “Federal agency” for consistency in the revised title and with other titles of the United States Code.

In subsection (d)(2), the words “if appropriate” are omitted as surplus.

In subsection (f), the words “department, agency, or instrumentality of the Government” are substituted for “Federal agency or department” for consistency in the revised title and with other titles of the Code. The words “insurance proceeds or . . . other” and “proceeds or other” are omitted as surplus.

PUB. L. 104–287, §5(93)

This amends 49:70112(a)(3)(B) to clarify a cross-reference in the codification enacted by section 1 of the Act of July 5, 1994 (Public Law 103–272, 108 Stat. 1337).

Editorial Notes

AMENDMENTS

2024—Subsec. (a)(5). Pub. L. 118–159, §5702(2)(A), substituted “September 30, 2028” for “September 30, 2025”.

Subsec. (b)(1)(C). Pub. L. 118–159, §5702(2)(B), substituted “September 30, 2028” for “September 30, 2025”.

2015—Subsec. (a)(4)(E). Pub. L. 114–90, §103(a)(1)(A), added subpar. (E).

Subsec. (a)(5). Pub. L. 114–90, §103(a)(1)(B), added par. (5).

Subsec. (b)(1). Pub. L. 114–90, §107, amended par. (1) generally. Prior to amendment, par. (1) read as follows: “A launch or reentry license issued or transferred under this chapter shall contain a provision requiring the licensee or transferee to make a reciprocal waiver of claims with its contractors, subcontractors, and customers, and contractors and subcontractors of the customers, involved in launch services or reentry services under which each party to the waiver agrees to be responsible for property damage or loss it sustains, or for personal injury to, death of, or property damage or loss sustained by its own employees resulting from an activity carried out under the applicable license.”

Subsec. (g). Pub. L. 114–90, §106, added subsec. (g).

2010—Pub. L. 111–314 successively renumbered section 70112 of title 49 and section 70112 of this title as this section.

2004—Subsec. (b)(2). Pub. L. 108–492 inserted “crew, space flight participants,” after “transferee, contractors, subcontractors,” and “or by space flight participants,” after “its own employees”.

1998—Subsec. (a)(1). Pub. L. 105–303, §102(a)(12)(A), inserted “launch or reentry” before “license is issued”.

Subsec. (a)(3). Pub. L. 105–303, §102(a)(12)(B), inserted “or reentry” after “one launch” in introductory provisions.

Subsec. (a)(4). Pub. L. 105–303, §102(a)(12)(C), inserted “or reentry services” after “launch services” in introductory provisions.

Subsec. (b)(1). Pub. L. 105–303, §102(a)(12)(D)–(F), inserted “launch or reentry” before “license issued or transferred”, “or reentry services” after “launch services”, and “applicable” after “carried out under the”.

Subsec. (b)(2). Pub. L. 105–303, §102(a)(12)(E), (F), inserted “or reentry services” after “launch services” wherever appearing and “applicable” after “carried out under the”.

Subsec. (e). Pub. L. 105–303, §102(a)(12)(G), (H), inserted “or Reentries” after “Launches” in heading and “or reentry site or a reentry” after “launch site” in text.

Subsec. (f). Pub. L. 105–303, §102(a)(12)(I), inserted “launch or reentry” before “license issued or transferred”.

1996—Subsec. (a)(3)(B). Pub. L. 104–287, §5(93), substituted “clause (A)(i) or (ii)” for “clause (A)”.

Subsec. (d)(1). Pub. L. 104–287, §5(74), substituted “Committee on Science” for “Committee on Science, Space, and Technology”.

**Statutory Notes and Related Subsidiaries**

## CHANGE OF NAME

Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

## EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 5(93) of Pub. L. 104-287 effective July 5, 1994, see section 8(1) of Pub. L. 104-287, set out as a note under section 5303 of Title 49, Transportation.

## TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103-7 (in which the 2nd item on page 133 identifies a reporting provision which, as subsequently amended, is contained in subsec. (d)(1) of this section), see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

**§ 50915. Paying claims exceeding liability insurance and financial responsibility requirements**

(a) GENERAL REQUIREMENTS.—(1) To the extent provided in advance in an appropriation law or to the extent additional legislative authority is enacted providing for paying claims in a compensation plan submitted under subsection (d) of this section, the Secretary of Transportation shall provide for the payment by the United States Government of a successful claim (including reasonable litigation or settlement expenses) of a third party against a person described in paragraph (3)(A) resulting from an activity carried out under the license issued or transferred under this chapter for death, bodily injury, or property damage or loss resulting from an activity carried out under the license. However, claims may be paid under this section only to the extent the total amount of successful claims related to one launch or reentry—

(A) is more than the amount of insurance or demonstration of financial responsibility required under section 50914(a)(1)(A) of this title; and

(B) is not more than \$1,500,000,000 (plus additional amounts necessary to reflect inflation occurring after January 1, 1989) above that insurance or financial responsibility amount.

(2) The Secretary may not provide for paying a part of a claim for which death, bodily injury, or property damage or loss results from willful misconduct by the licensee or transferee. To the extent insurance required under section 50914(a)(1)(A) of this title is not available to cover a successful third party liability claim because of an insurance policy exclusion the Secretary decides is usual for the type of insurance involved, the Secretary may provide for paying the excluded claims without regard to the limitation contained in section 50914(a)(1).

(3)(A) A person described in this subparagraph is—

(i) a licensee or transferee under this chapter;

(ii) a contractor, subcontractor, or customer of the licensee or transferee;

(iii) a contractor or subcontractor of a customer; or

(iv) a space flight participant.

(B) Clause (iv) of subparagraph (A) ceases to be effective September 30, 2028.

(b) NOTICE, PARTICIPATION, AND APPROVAL.—Before a payment under subsection (a) of this section is made—

(1) notice must be given to the Government of a claim, or a civil action related to the claim, against a party described in subsection (a)(1) of this section for death, bodily injury, or property damage or loss;

(2) the Government must be given an opportunity to participate or assist in the defense of the claim or action; and

(3) the Secretary must approve any part of a settlement to be paid out of appropriations of the Government.

(c) WITHHOLDING PAYMENTS.—The Secretary may withhold a payment under subsection (a) of this section if the Secretary certifies that the amount is not reasonable. However, the Secretary shall deem to be reasonable the amount of a claim finally decided by a court of competent jurisdiction.

(d) SURVEYS, REPORTS, AND COMPENSATION PLANS.—(1) If as a result of an activity carried out under a license issued or transferred under this chapter the total of claims related to one launch or reentry is likely to be more than the amount of required insurance or demonstration of financial responsibility, the Secretary shall—

(A) survey the causes and extent of damage; and

(B) submit expeditiously to Congress a report on the results of the survey.

(2) Not later than 90 days after a court determination indicates that the liability for the total of claims related to one launch or reentry may be more than the required amount of insurance or demonstration of financial responsibility, the President, on the recommendation of the Secretary, shall submit to Congress a compensation plan that—

(A) outlines the total dollar value of the claims;

(B) recommends sources of amounts to pay for the claims;

(C) includes legislative language required to carry out the plan if additional legislative authority is required; and

(D) for a single event or incident, may not be for more than \$1,500,000,000.

(3) A compensation plan submitted to Congress under paragraph (2) of this subsection shall—

(A) have an identification number; and

(B) be submitted to the Senate and the House of Representatives on the same day and when the Senate and House are in session.

(e) CONGRESSIONAL RESOLUTIONS.—(1) In this subsection, “resolution”—

(A) means a joint resolution of Congress the matter after the resolving clause of which is as follows: “That the Congress approves the compensation plan numbered \_\_\_\_\_ sub-