

105TH CONGRESS  
2D SESSION

**H.R. 1702**

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**AMENDMENT**

**TO**

**SENATE AMENDMENT**

# ***In the House of Representatives, U. S.,***

*October 5, 1998.*

*Resolved*, That the House agree to the amendment of the Senate to the bill (H.R. 1702) entitled “An Act to encourage the development of a commercial space industry in the United States, and for other purposes”, with the following

## **AMENDMENT:**

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

**1    *SECTION 1. SHORT TITLE; TABLE OF CONTENTS.***

**2            (a) *SHORT TITLE.*—*This Act may be cited as the***  
**3    *“Commercial Space Act of 1998”.***

**4            (b) *TABLE OF CONTENTS.*—**

*Sec. 1. Short title; table of contents.*

*Sec. 2. Definitions.*

### ***TITLE I—PROMOTION OF COMMERCIAL SPACE OPPORTUNITIES***

*Sec. 101. Commercialization of Space Station.*

*Sec. 102. Commercial space launch amendments.*

*Sec. 103. Launch voucher demonstration program.*

*Sec. 104. Promotion of United States Global Positioning System standards.*

*Sec. 105. Acquisition of space science data.*

*Sec. 106. Administration of Commercial Space Centers.*

*Sec. 107. Sources of Earth science data.*

### ***TITLE II—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES***

*Sec. 201. Requirement to procure commercial space transportation services.*

*Sec. 202. Acquisition of commercial space transportation services.*

*Sec. 203. Launch Services Purchase Act of 1990 amendments.*

*Sec. 204. Shuttle privatization.*

*Sec. 205. Use of excess intercontinental ballistic missiles.*

*Sec. 206. National launch capability study.*

1 **SEC. 2. DEFINITIONS.**

2 *For purposes of this Act—*

3 *(1) the term “Administrator” means the Admin-*  
4 *istrator of the National Aeronautics and Space Ad-*  
5 *ministration;*

6 *(2) the term “commercial provider” means any*  
7 *person providing space transportation services or*  
8 *other space-related activities, primary control of*  
9 *which is held by persons other than Federal, State,*  
10 *local, and foreign governments;*

11 *(3) the term “payload” means anything that a*  
12 *person undertakes to transport to, from, or within*  
13 *outer space, or in suborbital trajectory, by means of*  
14 *a space transportation vehicle, but does not include*  
15 *the space transportation vehicle itself except for its*  
16 *components which are specifically designed or adapt-*  
17 *ed for that payload;*

18 *(4) the term “space-related activities” includes*  
19 *research and development, manufacturing, processing,*  
20 *service, and other associated and support activities;*

21 *(5) the term “space transportation services”*  
22 *means the preparation of a space transportation vehi-*  
23 *cle and its payloads for transportation to, from, or*  
24 *within outer space, or in suborbital trajectory, and*

1       *the conduct of transporting a payload to, from, or*  
2       *within outer space, or in suborbital trajectory;*

3           (6) *the term “space transportation vehicle”*  
4       *means any vehicle constructed for the purpose of oper-*  
5       *ating in, or transporting a payload to, from, or with-*  
6       *in, outer space, or in suborbital trajectory, and in-*  
7       *cludes any component of such vehicle not specifically*  
8       *designed or adapted for a payload;*

9           (7) *the term “State” means each of the several*  
10       *States of the Union, the District of Columbia, the*  
11       *Commonwealth of Puerto Rico, the Virgin Islands,*  
12       *Guam, American Samoa, the Commonwealth of the*  
13       *Northern Mariana Islands, and any other common-*  
14       *wealth, territory, or possession of the United States;*  
15       *and*

16           (8) *the term “United States commercial pro-*  
17       *vider” means a commercial provider, organized under*  
18       *the laws of the United States or of a State, which is—*

19                   (A) *more than 50 percent owned by United*  
20                   *States nationals; or*

21                   (B) *a subsidiary of a foreign company and*  
22                   *the Secretary of Transportation finds that—*

23                           (i) *such subsidiary has in the past evi-*  
24                           *denced a substantial commitment to the*  
25                           *United States market through—*

1                   (I) investments in the United  
2                   States in long-term research, develop-  
3                   ment, and manufacturing (including  
4                   the manufacture of major components  
5                   and subassemblies); and

6                   (II) significant contributions to  
7                   employment in the United States; and

8                   (ii) the country or countries in which  
9                   such foreign company is incorporated or or-  
10                  ganized, and, if appropriate, in which it  
11                  principally conducts its business, affords re-  
12                  ciprocal treatment to companies described  
13                  in subparagraph (A) comparable to that af-  
14                  forded to such foreign company's subsidiary  
15                  in the United States, as evidenced by—

16                 (I) providing comparable oppor-  
17                 tunities for companies described in  
18                 subparagraph (A) to participate in  
19                 Government sponsored research and de-  
20                 velopment similar to that authorized  
21                 under this Act;

22                 (II) providing no barriers, to  
23                 companies described in subparagraph  
24                 (A) with respect to local investment op-  
25                 portunities, that are not provided to

1                   *foreign companies in the United*  
2                   *States; and*

3                   (III) *providing adequate and ef-*  
4                   *fective protection for the intellectual*  
5                   *property rights of companies described*  
6                   *in subparagraph (A).*

7   ***TITLE I—PROMOTION OF COM-***  
8       ***MERCIAL SPACE OPPORTUNI-***  
9       ***TIES***

10 ***SEC. 101. COMMERCIALIZATION OF SPACE STATION.***

11       (a) *POLICY.—The Congress declares that a priority*  
12 *goal of constructing the International Space Station is the*  
13 *economic development of Earth orbital space. The Congress*  
14 *further declares that free and competitive markets create the*  
15 *most efficient conditions for promoting economic develop-*  
16 *ment, and should therefore govern the economic development*  
17 *of Earth orbital space. The Congress further declares that*  
18 *the use of free market principles in operating, servicing,*  
19 *allocating the use of, and adding capabilities to the Space*  
20 *Station, and the resulting fullest possible engagement of*  
21 *commercial providers and participation of commercial*  
22 *users, will reduce Space Station operational costs for all*  
23 *partners and the Federal Government’s share of the United*  
24 *States burden to fund operations.*

1       **(b) REPORTS.**—(1) *The Administrator shall deliver to*  
2 *the Committee on Science of the House of Representatives*  
3 *and the Committee on Commerce, Science, and Transpor-*  
4 *tation of the Senate, within 90 days after the date of the*  
5 *enactment of this Act, a study that identifies and exam-*  
6 *ines—*

7           (A) *the opportunities for commercial providers to*  
8 *play a role in International Space Station activities,*  
9 *including operation, use, servicing, and augmenta-*  
10 *tion;*

11          (B) *the potential cost savings to be derived from*  
12 *commercial providers playing a role in each of these*  
13 *activities;*

14          (C) *which of the opportunities described in sub-*  
15 *paragraph (A) the Administrator plans to make*  
16 *available to commercial providers in fiscal years 1999*  
17 *and 2000;*

18          (D) *the specific policies and initiatives the Ad-*  
19 *ministrator is advancing to encourage and facilitate*  
20 *these commercial opportunities; and*

21          (E) *the revenues and cost reimbursements to the*  
22 *Federal Government from commercial users of the*  
23 *Space Station.*

24       (2) *The Administrator shall deliver to the Committee*  
25 *on Science of the House of Representatives and the Commit-*

1 *tee on Commerce, Science, and Transportation of the Sen-*  
2 *ate, within 180 days after the date of the enactment of this*  
3 *Act, an independently-conducted market study that exam-*  
4 *ines and evaluates potential industry interest in providing*  
5 *commercial goods and services for the operation, servicing,*  
6 *and augmentation of the International Space Station, and*  
7 *in the commercial use of the International Space Station.*  
8 *This study shall also include updates to the cost savings*  
9 *and revenue estimates made in the study described in para-*  
10 *graph (1) based on the external market assessment.*

11       (3) *The Administrator shall deliver to the Congress,*  
12 *no later than the submission of the President's annual budg-*  
13 *et request for fiscal year 2000, a report detailing how many*  
14 *proposals (whether solicited or not) the National Aero-*  
15 *nautics and Space Administration received during cal-*  
16 *endar years 1997 and 1998 regarding commercial oper-*  
17 *ation, servicing, utilization, or augmentation of the Inter-*  
18 *national Space Station, broken down by each of these four*  
19 *categories, and specifying how many agreements the Na-*  
20 *tional Aeronautics and Space Administration has entered*  
21 *into in response to these proposals, also broken down by*  
22 *these four categories.*

23       (4) *Each of the studies and reports required by para-*  
24 *graphs (1), (2), and (3) shall include consideration of the*  
25 *potential role of State governments as brokers in promoting*

1 *commercial participation in the International Space Sta-*  
 2 *tion program.*

3 **SEC. 102. COMMERCIAL SPACE LAUNCH AMENDMENTS.**

4 (a) *AMENDMENTS.*—Chapter 701 of title 49, United  
 5 States Code, is amended—

6 (1) *in the table of sections—*

7 (A) *by amending the item relating to sec-*  
 8 *tion 70104 to read as follows:*

*“70104. Restrictions on launches, operations, and reentries.”;*

9 (B) *by amending the item relating to sec-*  
 10 *tion 70108 to read as follows:*

*“70108. Prohibition, suspension, and end of launches, operation of launch sites  
 and reentry sites, and reentries.”;*

11 (C) *by amending the item relating to sec-*  
 12 *tion 70109 to read as follows:*

*“70109. Preemption of scheduled launches or reentries.”;*

13 *and*

14 (D) *by adding at the end the following new*  
 15 *items:*

*“70120. Regulations.*

*“70121. Report to Congress.”.*

16 (2) *in section 70101—*

17 (A) *by inserting “microgravity research,”*  
 18 *after “information services,” in subsection (a)(3);*

19 (B) *by inserting “, reentry,” after “launch-*  
 20 *ing” both places it appears in subsection (a)(4);*

1           (C) by inserting “, reentry vehicles,” after  
2           “launch vehicles” in subsection (a)(5);

3           (D) by inserting “and reentry services”  
4           after “launch services” in subsection (a)(6);

5           (E) by inserting “, reentries,” after  
6           “launches” both places it appears in subsection  
7           (a)(7);

8           (F) by inserting “, reentry sites,” after  
9           “launch sites” in subsection (a)(8);

10          (G) by inserting “and reentry services”  
11          after “launch services” in subsection (a)(8);

12          (H) by inserting “reentry sites,” after  
13          “launch sites,” in subsection (a)(9);

14          (I) by inserting “and reentry site” after  
15          “launch site” in subsection (a)(9);

16          (J) by inserting “, reentry vehicles,” after  
17          “launch vehicles” in subsection (b)(2);

18          (K) by striking “launch” in subsection  
19          (b)(2)(A);

20          (L) by inserting “and reentry” after “con-  
21          duct of commercial launch” in subsection (b)(3);

22          (M) by striking “launch” after “and trans-  
23          fer commercial” in subsection (b)(3); and

(N) by inserting “and development of reentry sites,” after “launch-site support facilities,” in subsection (b)(4);

(3) in section 70102—

(A) in paragraph (3)—

(i) by striking “and any payload” and inserting in lieu thereof “or reentry vehicle and any payload from Earth”;

(ii) by striking the period at the end of subparagraph (C) and inserting in lieu thereof a comma; and

(iii) by adding after subparagraph (C) the following:

“including activities involved in the preparation of a launch vehicle or payload for launch, when those activities take place at a launch site in the United States.”;

(B) by inserting “or reentry vehicle” after “means of a launch vehicle” in paragraph (8);

(C) by redesignating paragraphs (10), (11), and (12) as paragraphs (14), (15), and (16), respectively;

(D) by inserting after paragraph (9) the following new paragraphs:

1           “(10) ‘reenter’ and ‘reentry’ mean to return or  
2           attempt to return, purposefully, a reentry vehicle and  
3           its payload, if any, from Earth orbit or from outer  
4           space to Earth.

5           “(11) ‘reentry services’ means—

6                   “(A) activities involved in the preparation  
7                   of a reentry vehicle and its payload, if any, for  
8                   reentry; and

9                   “(B) the conduct of a reentry.

10           “(12) ‘reentry site’ means the location on Earth  
11           to which a reentry vehicle is intended to return (as  
12           defined in a license the Secretary issues or transfers  
13           under this chapter).

14           “(13) ‘reentry vehicle’ means a vehicle designed  
15           to return from Earth orbit or outer space to Earth,  
16           or a reusable launch vehicle designed to return from  
17           Earth orbit or outer space to Earth, substantially in-  
18           tact.”; and

19                   (E) by inserting “or reentry services” after  
20           “launch services” each place it appears in para-  
21           graph (15), as so redesignated by subparagraph  
22           (C) of this paragraph;  
23           (4) in section 70103(b)—

24                   (A) by inserting “AND REENTRIES” after  
25           “LAUNCHES” in the subsection heading;

1           (B) by inserting “and reentries” after  
 2           “commercial space launches” in paragraph (1);  
 3           and

4           (C) by inserting “and reentry” after “space  
 5           launch” in paragraph (2);  
 6           (5) in section 70104—

7           (A) by amending the section designation  
 8           and heading to read as follows:

9   **“§ 70104. Restrictions on launches, operations, and re-**  
 10   **entries”;**

11           (B) by inserting “or reentry site, or to reen-

12           ter a reentry vehicle,” after “operate a launch

13           site” each place it appears in subsection (a);

14           (C) by inserting “or reentry” after “launch

15           or operation” in subsection (a)(3) and (4);

16           (D) in subsection (b)—

17               (i) by striking “launch license” and

18               inserting in lieu thereof “license”;

19               (ii) by inserting “or reenter” after

20               “may launch”; and

21               (iii) by inserting “or reentering” after

22               “related to launching”; and

23           (E) in subsection (c)—

1                   (i) by amending the subsection heading  
 2                   to read as follows: “*PREVENTING LAUNCHES*  
 3                   *AND REENTRIES.—*”;

4                   (ii) by inserting “or reentry” after  
 5                   “prevent the launch”; and

6                   (iii) by inserting “or reentry” after  
 7                   “decides the launch”;

8                   (6) in section 70105—

9                   (A) by inserting “(1)” before “A person  
 10                  may apply” in subsection (a);

11                  (B) by striking “receiving an application”  
 12                  both places it appears in subsection (a) and in-  
 13                  serting in lieu thereof “accepting an application  
 14                  in accordance with criteria established pursuant  
 15                  to subsection (b)(2)(D)”;

16                  (C) by adding at the end of subsection (a)  
 17                  the following: “The Secretary shall transmit to  
 18                  the Committee on Science of the House of Rep-  
 19                  resentatives and the Committee on Commerce,  
 20                  Science, and Transportation of the Senate a  
 21                  written notice not later than 30 days after any  
 22                  occurrence when a license is not issued within  
 23                  the deadline established by this subsection.

24                  “(2) In carrying out paragraph (1), the Secretary may  
 25                  establish procedures for safety approvals of launch vehicles,

1 *reentry vehicles, safety systems, processes, services, or per-*  
 2 *sonnel that may be used in conducting licensed commercial*  
 3 *space launch or reentry activities.”;*

4 *(D) by inserting “or a reentry site, or the*  
 5 *reentry of a reentry vehicle,” after “operation of*  
 6 *a launch site” in subsection (b)(1);*

7 *(E) by striking “or operation” and insert-*  
 8 *ing in lieu thereof “, operation, or reentry” in*  
 9 *subsection (b)(2)(A);*

10 *(F) by striking “and” at the end of sub-*  
 11 *section (b)(2)(B);*

12 *(G) by striking the period at the end of sub-*  
 13 *section (b)(2)(C) and inserting in lieu thereof “;*  
 14 *and”;*

15 *(H) by adding at the end of subsection*  
 16 *(b)(2) the following new subparagraph:*

17 *“(D) regulations establishing criteria for accept-*  
 18 *ing or rejecting an application for a license under*  
 19 *this chapter within 60 days after receipt of such ap-*  
 20 *plication.”; and*

21 *(I) by inserting “, including the require-*  
 22 *ment to obtain a license,” after “waive a require-*  
 23 *ment” in subsection (b)(3);*

24 *(7) in section 70106(a)—*

1 (A) by inserting “or reentry site” after “ob-  
 2 server at a launch site”;

3 (B) by inserting “or reentry vehicle” after  
 4 “assemble a launch vehicle”; and

5 (C) by inserting “or reentry vehicle” after  
 6 “with a launch vehicle”;

7 (8) in section 70108—

8 (A) by amending the section designation  
 9 and heading to read as follows:

10 **“§ 70108. Prohibition, suspension, and end of**  
 11 **launches, operation of launch sites and**  
 12 **reentry sites, and reentries”;**

13 *and*

14 (B) in subsection (a)—

15 (i) by inserting “or reentry site, or re-  
 16 entry of a reentry vehicle,” after “operation  
 17 of a launch site”; and

18 (ii) by inserting “or reentry” after  
 19 “launch or operation”;

20 (9) in section 70109—

21 (A) by amending the section designation  
 22 and heading to read as follows:

23 **“§ 70109. Preemption of scheduled launches or reen-**  
 24 **tries”;**

25 (B) in subsection (a)—

1                   (i) by inserting “or reentry” after “en-  
2                   sure that a launch”;

3                   (ii) by inserting “, reentry site,” after  
4                   “United States Government launch site”;

5                   (iii) by inserting “or reentry date com-  
6                   mitment” after “launch date commitment”;

7                   (iv) by inserting “or reentry” after  
8                   “obtained for a launch”;

9                   (v) by inserting “, reentry site,” after  
10                  “access to a launch site”;

11                  (vi) by inserting “, or services related  
12                  to a reentry,” after “amount for launch  
13                  services”; and

14                  (vii) by inserting “or reentry” after  
15                  “the scheduled launch”; and

16                  (C) in subsection (c), by inserting “or re-  
17                  entry” after “prompt launching”;

18                  (10) in section 70110—

19                   (A) by inserting “or reentry” after “prevent  
20                   the launch” in subsection (a)(2); and

21                   (B) by inserting “or reentry site, or reentry  
22                   of a reentry vehicle,” after “operation of a  
23                   launch site” in subsection (a)(3)(B);

24                  (11) in section 70111—

1           (A) by inserting “or reentry” after  
2           “launch” in subsection (a)(1)(A);

3           (B) by inserting “and reentry services”  
4           after “launch services” in subsection (a)(1)(B);

5           (C) by inserting “or reentry services” after  
6           “or launch services” in subsection (a)(2);

7           (D) by striking “source.” in subsection  
8           (a)(2) and inserting “source, whether such source  
9           is located on or off a Federal range.”;

10          (E) by inserting “or reentry” after “com-  
11          mercial launch” both places it appears in sub-  
12          section (b)(1);

13          (F) by inserting “or reentry services” after  
14          “launch services” in subsection (b)(2)(C);

15          (G) by inserting after subsection (b)(2) the  
16          following new paragraph:

17          “(3) The Secretary shall ensure the establishment of  
18          uniform guidelines for, and consistent implementation of,  
19          this section by all Federal agencies.”;

20          (H) by striking “or its payload for launch”  
21          in subsection (d) and inserting in lieu thereof  
22          “or reentry vehicle, or the payload of either, for  
23          launch or reentry”; and

1           (I) by inserting “, reentry vehicle,” after  
 2           “manufacturer of the launch vehicle” in sub-  
 3           section (d);

4           (12) in section 70112—

5           (A) in subsection (a)(1), by inserting  
 6           “launch or reentry” after “(1) When a”;

7           (B) by inserting “or reentry” after “one  
 8           launch” in subsection (a)(3);

9           (C) by inserting “or reentry services” after  
 10          “launch services” in subsection (a)(4);

11          (D) in subsection (b)(1), by inserting  
 12          “launch or reentry” after “(1) A”;

13          (E) by inserting “or reentry services” after  
 14          “launch services” each place it appears in sub-  
 15          section (b);

16          (F) by inserting “applicable” after “carried  
 17          out under the” in paragraphs (1) and (2) of sub-  
 18          section (b);

19          (G) by inserting “OR REENTRIES” after  
 20          “LAUNCHES” in the heading for subsection (e);

21          (H) by inserting “or reentry site or a re-  
 22          entry” after “launch site” in subsection (e); and

23          (I) in subsection (f), by inserting “launch  
 24          or reentry” after “carried out under a”;

1           (13) in section 70113(a)(1) and (d)(1) and (2),  
 2       by inserting “or reentry” after “one launch” each  
 3       place it appears;

4           (14) in section 70115(b)(1)(D)(i)—

5               (A) by inserting “reentry site,” after  
 6       “launch site,”; and

7               (B) by inserting “or reentry vehicle” after  
 8       “launch vehicle” both places it appears;

9           (15) in section 70117—

10               (A) by inserting “or reentry site, or to reen-  
 11       ter a reentry vehicle” after “operate a launch  
 12       site” in subsection (a);

13               (B) by inserting “or reentry” after “ap-  
 14       proval of a space launch” in subsection (d);

15               (C) by amending subsection (f) to read as  
 16       follows:

17       “(f) *LAUNCH NOT AN EXPORT; REENTRY NOT AN IM-*  
 18       *PORT.—A launch vehicle, reentry vehicle, or payload that*  
 19       *is launched or reentered is not, because of the launch or*  
 20       *reentry, an export or import, respectively, for purposes of*  
 21       *a law controlling exports or imports, except that payloads*  
 22       *launched pursuant to foreign trade zone procedures as pro-*  
 23       *vided for under the Foreign Trade Zones Act (19 U.S.C.*  
 24       *81a–81u) shall be considered exports with regard to customs*  
 25       *entry.”; and*

1                   (D) in subsection (g)—

2                   (i) by striking “operation of a launch  
3                   vehicle or launch site,” in paragraph (1)  
4                   and inserting in lieu thereof “reentry, oper-  
5                   ation of a launch vehicle or reentry vehicle,  
6                   operation of a launch site or reentry site,”;  
7                   and

8                   (ii) by inserting “reentry,” after  
9                   “launch,” in paragraph (2); and  
10                  (16) by adding at the end the following new sec-  
11                  tions:

12       **“§ 70120. Regulations**

13                  “(a) *IN GENERAL.*—The Secretary of Transportation,  
14                  within 9 months after the date of the enactment of this sec-  
15                  tion, shall issue regulations to carry out this chapter that  
16                  include—

17                       “(1) guidelines for industry and State govern-  
18                       ments to obtain sufficient insurance coverage for po-  
19                       tential damages to third parties;

20                       “(2) procedures for requesting and obtaining li-  
21                       censes to launch a commercial launch vehicle;

22                       “(3) procedures for requesting and obtaining op-  
23                       erator licenses for launch;

24                       “(4) procedures for requesting and obtaining  
25                       launch site operator licenses; and

1           “(5) procedures for the application of govern-  
2           ment indemnification.

3           “(b) *REENTRY*.—The Secretary of Transportation,  
4           within 6 months after the date of the enactment of this sec-  
5           tion, shall issue a notice of proposed rulemaking to carry  
6           out this chapter that includes—

7           “(1) procedures for requesting and obtaining li-  
8           censes to reenter a reentry vehicle;

9           “(2) procedures for requesting and obtaining op-  
10          erator licenses for reentry; and

11          “(3) procedures for requesting and obtaining re-  
12          entry site operator licenses.

13   **“§ 70121. Report to Congress**

14          “The Secretary of Transportation shall submit to Con-  
15          gress an annual report to accompany the President’s budget  
16          request that—

17          “(1) describes all activities undertaken under  
18          this chapter, including a description of the process for  
19          the application for and approval of licenses under  
20          this chapter and recommendations for legislation that  
21          may further commercial launches and reentries; and

22          “(2) reviews the performance of the regulatory  
23          activities and the effectiveness of the Office of Com-  
24          mercial Space Transportation.”.

1       (b) *AUTHORIZATION OF APPROPRIATIONS.*—Section  
 2   70119 of title 49, United States Code, is amended to read  
 3   as follows:

4   **“§ 70119. Authorization of appropriations**

5       *“There are authorized to be appropriated to the Sec-*  
 6   *retary of Transportation for the activities of the Office of*  
 7   *the Associate Administrator for Commercial Space Trans-*  
 8   *portation—*

9               *“(1) \$6,275,000 for the fiscal year ending Sep-*  
 10    *tember 30, 1999; and*

11              *“(2) \$6,600,000 for the fiscal year ending Sep-*  
 12    *tember 30, 2000.”.*

13       (c) *EFFECTIVE DATE.*—*The amendments made by sub-*  
 14    *section (a)(6)(B) shall take effect upon the effective date of*  
 15    *final regulations issued pursuant to section 70105(b)(2)(D)*  
 16    *of title 49, United States Code, as added by subsection*  
 17    *(a)(6)(H).*

18   **SEC. 103. LAUNCH VOUCHER DEMONSTRATION PROGRAM.**

19       *Section 504 of the National Aeronautics and Space*  
 20    *Administration Authorization Act, Fiscal Year 1993 (15*  
 21    *U.S.C. 5803) is amended—*

22              (1) *in subsection (a)—*

23                    (A) *by striking “the Office of Commercial*  
 24                    *Programs within”; and*

1                   (B) by striking “Such program shall not be  
2                   effective after September 30, 1995.”;

3                   (2) by striking subsection (c); and

4                   (3) by redesignating subsections (d) and (e) as  
5                   subsections (c) and (d), respectively.

6   **SEC. 104. PROMOTION OF UNITED STATES GLOBAL POSI-**  
7                   **TIONING SYSTEM STANDARDS.**

8           (a) *FINDING.*—The Congress finds that the Global Po-  
9           sitioning System, including satellites, signal equipment,  
10          ground stations, data links, and associated command and  
11          control facilities, has become an essential element in civil,  
12          scientific, and military space development because of the  
13          emergence of a United States commercial industry which  
14          provides Global Positioning System equipment and related  
15          services.

16          (b) *INTERNATIONAL COOPERATION.*—In order to sup-  
17          port and sustain the Global Positioning System in a man-  
18          ner that will most effectively contribute to the national secu-  
19          rity, public safety, scientific, and economic interests of the  
20          United States, the Congress encourages the President to—

21                  (1) ensure the operation of the Global Position-  
22                  ing System on a continuous worldwide basis free of  
23                  direct user fees;

1           (2) *enter into international agreements that pro-*  
 2           *mote cooperation with foreign governments and inter-*  
 3           *national organizations to—*

4                   (A) *establish the Global Positioning System*  
 5                   *and its augmentations as an acceptable inter-*  
 6                   *national standard; and*

7                   (B) *eliminate any foreign barriers to appli-*  
 8                   *cations of the Global Positioning System world-*  
 9                   *wide; and*

10          (3) *provide clear direction and adequate re-*  
 11          *sources to the Assistant Secretary of Commerce for*  
 12          *Communications and Information so that on an*  
 13          *international basis the Assistant Secretary can—*

14                   (A) *achieve and sustain efficient manage-*  
 15                   *ment of the electromagnetic spectrum used by the*  
 16                   *Global Positioning System; and*

17                   (B) *protect that spectrum from disruption*  
 18                   *and interference.*

19   **SEC. 105. ACQUISITION OF SPACE SCIENCE DATA.**

20          (a) *ACQUISITION FROM COMMERCIAL PROVIDERS.—*  
 21          *The Administrator shall, to the extent possible and while*  
 22          *satisfying the scientific or educational requirements of the*  
 23          *National Aeronautics and Space Administration, and*  
 24          *where appropriate, of other Federal agencies and scientific*

1 researchers, acquire, where cost effective, space science data  
 2 from a commercial provider.

3 (b) *TREATMENT OF SPACE SCIENCE DATA AS COM-*  
 4 *MERCIAL ITEM UNDER ACQUISITION LAWS.*—Acquisitions  
 5 of space science data by the Administrator shall be carried  
 6 out in accordance with applicable acquisition laws and reg-  
 7 ulations (including chapters 137 and 140 of title 10, United  
 8 States Code). For purposes of such law and regulations,  
 9 space science data shall be considered to be a commercial  
 10 item. Nothing in this subsection shall be construed to pre-  
 11 clude the United States from acquiring, through contracts  
 12 with commercial providers, sufficient rights in data to meet  
 13 the needs of the scientific and educational community or  
 14 the needs of other government activities.

15 (c) *DEFINITION.*—For purposes of this section, the  
 16 term “space science data” includes scientific data concern-  
 17 ing—

18 (1) the elemental and mineralogical resources of  
 19 the moon, asteroids, planets and their moons, and  
 20 comets;

21 (2) microgravity acceleration; and

22 (3) solar storm monitoring.

23 (d) *SAFETY STANDARDS.*—Nothing in this section  
 24 shall be construed to prohibit the Federal Government from  
 25 requiring compliance with applicable safety standards.

1       (e) *LIMITATION.*—*This section does not authorize the*  
 2   *National Aeronautics and Space Administration to provide*  
 3   *financial assistance for the development of commercial sys-*  
 4   *tems for the collection of space science data.*

5   **SEC. 106. ADMINISTRATION OF COMMERCIAL SPACE CEN-**  
 6                               **TERS.**

7       *The Administrator shall administer the Commercial*  
 8   *Space Center program in a coordinated manner from Na-*  
 9   *tional Aeronautics and Space Administration headquarters*  
 10   *in Washington, D.C.*

11   **SEC. 107. SOURCES OF EARTH SCIENCE DATA.**

12       (a) *ACQUISITION.*—*The Administrator shall, to the ex-*  
 13   *tent possible and while satisfying the scientific or edu-*  
 14   *cational requirements of the National Aeronautics and*  
 15   *Space Administration, and where appropriate, of other*  
 16   *Federal agencies and scientific researchers, acquire, where*  
 17   *cost-effective, space-based and airborne Earth remote sens-*  
 18   *ing data, services, distribution, and applications from a*  
 19   *commercial provider.*

20       (b) *TREATMENT AS COMMERCIAL ITEM UNDER ACQUI-*  
 21   *SITION LAWS.*—*Acquisitions by the Administrator of the*  
 22   *data, services, distribution, and applications referred to in*  
 23   *subsection (a) shall be carried out in accordance with appli-*  
 24   *cable acquisition laws and regulations (including chapters*  
 25   *137 and 140 of title 10, United States Code). For purposes*

1 of such law and regulations, such data, services, distribu-  
2 tion, and applications shall be considered to be a commer-  
3 cial item. Nothing in this subsection shall be construed to  
4 preclude the United States from acquiring, through con-  
5 tracts with commercial providers, sufficient rights in data  
6 to meet the needs of the scientific and educational commu-  
7 nity or the needs of other government activities.

8 (c) STUDY.—(1) The Administrator shall conduct a  
9 study to determine the extent to which the baseline scientific  
10 requirements of Earth Science can be met by commercial  
11 providers, and how the National Aeronautics and Space  
12 Administration will meet such requirements which cannot  
13 be met by commercial providers.

14 (2) The study conducted under this subsection shall—

15 (A) make recommendations to promote the avail-  
16 ability of information from the National Aeronautics  
17 and Space Administration to commercial providers to  
18 enable commercial providers to better meet the base-  
19 line scientific requirements of Earth Science;

20 (B) make recommendations to promote the dis-  
21 semination to commercial providers of information on  
22 advanced technology research and development per-  
23 formed by or for the National Aeronautics and Space  
24 Administration; and

1           (C) *identify policy, regulatory, and legislative*  
 2           *barriers to the implementation of the recommenda-*  
 3           *tions made under this subsection.*

4           (3) *The results of the study conducted under this sub-*  
 5           *section shall be transmitted to the Congress within 6 months*  
 6           *after the date of the enactment of this Act.*

7           (d) *SAFETY STANDARDS.—Nothing in this section*  
 8           *shall be construed to prohibit the Federal Government from*  
 9           *requiring compliance with applicable safety standards.*

10          (e) *ADMINISTRATION AND EXECUTION.—This section*  
 11          *shall be carried out as part of the Commercial Remote Sens-*  
 12          *ing Program at the Stennis Space Center.*

13          (f) *REMOTE SENSING.—*

14               (1) *APPLICATION CONTENTS.—Section 201(b) of*  
 15          *the Land Remote Sensing Policy Act of 1992 (15*  
 16          *U.S.C. 5621(b)) is amended—*

17                       (A) *by inserting “(1)” after “NATIONAL SE-*  
 18                       *CURITY.—”; and*

19                       (B) *by adding at the end the following new*  
 20                       *paragraph:*

21           “(2) *The Secretary, within 6 months after the date of*  
 22          *the enactment of the Commercial Space Act of 1998, shall*  
 23          *publish in the Federal Register a complete and specific list*  
 24          *of all information required to comprise a complete applica-*  
 25          *tion for a license under this title. An application shall be*

1 *considered complete when the applicant has provided all in-*  
 2 *formation required by the list most recently published in*  
 3 *the Federal Register before the date the application was first*  
 4 *submitted. Unless the Secretary has, within 30 days after*  
 5 *receipt of an application, notified the applicant of informa-*  
 6 *tion necessary to complete an application, the Secretary*  
 7 *may not deny the application on the basis of the absence*  
 8 *of any such information.”.*

9 (2) NOTIFICATION OF AGREEMENTS.—Section  
 10 202(b)(6) of the Land Remote Sensing Policy Act of  
 11 1992 (15 U.S.C. 5622(b)(6)) is amended by inserting  
 12 “significant or substantial” after “Secretary of any”.

13 **TITLE II—FEDERAL ACQUISI-**  
 14 **TION OF SPACE TRANSPOR-**  
 15 **TATION SERVICES**

16 **SEC. 201. REQUIREMENT TO PROCURE COMMERCIAL SPACE**  
 17 **TRANSPORTATION SERVICES.**

18 (a) IN GENERAL.—Except as otherwise provided in  
 19 this section, the Federal Government shall acquire space  
 20 transportation services from United States commercial pro-  
 21 viders whenever such services are required in the course of  
 22 its activities. To the maximum extent practicable, the Fed-  
 23 eral Government shall plan missions to accommodate the  
 24 space transportation services capabilities of United States  
 25 commercial providers.

1       (b) *EXCEPTIONS.*—*The Federal Government shall not*  
2 *be required to acquire space transportation services under*  
3 *subsection (a) if, on a case-by-case basis, the Administrator*  
4 *or, in the case of a national security issue, the Secretary*  
5 *of the Air Force, determines that—*

6           (1) *a payload requires the unique capabilities of*  
7 *the Space Shuttle;*

8           (2) *cost effective space transportation services*  
9 *that meet specific mission requirements would not be*  
10 *reasonably available from United States commercial*  
11 *providers when required;*

12          (3) *the use of space transportation services from*  
13 *United States commercial providers poses an unac-*  
14 *ceptable risk of loss of a unique scientific opportunity;*

15          (4) *the use of space transportation services from*  
16 *United States commercial providers is inconsistent*  
17 *with national security objectives;*

18          (5) *the use of space transportation services from*  
19 *United States commercial providers is inconsistent*  
20 *with international agreements for international col-*  
21 *laborative efforts relating to science and technology;*

22          (6) *it is more cost effective to transport a pay-*  
23 *load in conjunction with a test or demonstration of*  
24 *a space transportation vehicle owned by the Federal*  
25 *Government; or*

1           (7) a payload can make use of the available  
 2       cargo space on a Space Shuttle mission as a second-  
 3       ary payload, and such payload is consistent with the  
 4       requirements of research, development, demonstration,  
 5       scientific, commercial, and educational programs au-  
 6       thorized by the Administrator.

7       Nothing in this section shall prevent the Administrator  
 8       from planning or negotiating agreements with foreign enti-  
 9       ties for the launch of Federal Government payloads for  
 10      international collaborative efforts relating to science and  
 11      technology.

12       (c) *DELAYED EFFECT.*—Subsection (a) shall not apply  
 13      to space transportation services and space transportation  
 14      vehicles acquired or owned by the Federal Government be-  
 15      fore the date of the enactment of this Act, or with respect  
 16      to which a contract for such acquisition or ownership has  
 17      been entered into before such date.

18       (d) *HISTORICAL PURPOSES.*—This section shall not be  
 19      construed to prohibit the Federal Government from acquir-  
 20      ing, owning, or maintaining space transportation vehicles  
 21      solely for historical display purposes.

22      **SEC. 202. ACQUISITION OF COMMERCIAL SPACE TRANSPOR-**  
 23                                   **TATION SERVICES.**

24       (a) *TREATMENT OF COMMERCIAL SPACE TRANSPOR-*  
 25      *TATION SERVICES AS COMMERCIAL ITEM UNDER ACQUI-*

1 *TION LAWS.—Acquisitions of space transportation services*  
 2 *by the Federal Government shall be carried out in accord-*  
 3 *ance with applicable acquisition laws and regulations (in-*  
 4 *cluding chapters 137 and 140 of title 10, United States*  
 5 *Code). For purposes of such law and regulations, space*  
 6 *transportation services shall be considered to be a commer-*  
 7 *cial item.*

8 *(b) SAFETY STANDARDS.—Nothing in this section shall*  
 9 *be construed to prohibit the Federal Government from re-*  
 10 *quiring compliance with applicable safety standards.*

11 **SEC. 203. LAUNCH SERVICES PURCHASE ACT OF 1990**

12 **AMENDMENTS.**

13 *The Launch Services Purchase Act of 1990 (42 U.S.C.*  
 14 *2465b et seq.) is amended—*

15 *(1) by striking section 202;*

16 *(2) in section 203—*

17 *(A) by striking paragraphs (1) and (2); and*

18 *(B) by redesignating paragraphs (3) and*

19 *(4) as paragraphs (1) and (2), respectively;*

20 *(3) by striking sections 204 and 205; and*

21 *(4) in section 206—*

22 *(A) by striking “(a) COMMERCIAL PAY-*  
 23 *LOADS ON THE SPACE SHUTTLE.—”; and*

24 *(B) by striking subsection (b).*

1 **SEC. 204. SHUTTLE PRIVATIZATION.**

2       (a) *POLICY AND PREPARATION.*—*The Administrator*  
3 *shall prepare for an orderly transition from the Federal op-*  
4 *eration, or Federal management of contracted operation, of*  
5 *space transportation systems to the Federal purchase of*  
6 *commercial space transportation services for all non-*  
7 *emergency space transportation requirements for transpor-*  
8 *tation to and from Earth orbit, including human, cargo,*  
9 *and mixed payloads. In those preparations, the Adminis-*  
10 *trator shall take into account the need for short-term econo-*  
11 *mies, as well as the goal of restoring the National Aero-*  
12 *navitics and Space Administration’s research focus and its*  
13 *mandate to promote the fullest possible commercial use of*  
14 *space. As part of those preparations, the Administrator*  
15 *shall plan for the potential privatization of the Space Shut-*  
16 *tle program. Such plan shall keep safety and cost effective-*  
17 *ness as high priorities. Nothing in this section shall prohibit*  
18 *the National Aeronautics and Space Administration from*  
19 *studying, designing, developing, or funding upgrades or*  
20 *modifications essential to the safe and economical operation*  
21 *of the Space Shuttle fleet.*

22       (b) *FEASIBILITY STUDY.*—*The Administrator shall*  
23 *conduct a study of the feasibility of implementing the rec-*  
24 *ommendation of the Independent Shuttle Management Re-*  
25 *view Team that the National Aeronautics and Space Ad-*  
26 *ministration transition toward the privatization of the*

1 *Space Shuttle. The study shall identify, discuss, and, where*  
2 *possible, present options for resolving, the major policy and*  
3 *legal issues that must be addressed before the Space Shuttle*  
4 *is privatized, including—*

5           *(1) whether the Federal Government or the Space*  
6           *Shuttle contractor should own the Space Shuttle or-*  
7           *biters and ground facilities;*

8           *(2) whether the Federal Government should in-*  
9           *demnify the contractor for any third party liability*  
10          *arising from Space Shuttle operations, and, if so,*  
11          *under what terms and conditions;*

12          *(3) whether payloads other than National Aero-*  
13          *navitics and Space Administration payloads should be*  
14          *allowed to be launched on the Space Shuttle, how mis-*  
15          *sions will be prioritized, and who will decide which*  
16          *mission flies and when;*

17          *(4) whether commercial payloads should be al-*  
18          *lowed to be launched on the Space Shuttle and wheth-*  
19          *er any classes of payloads should be made ineligible*  
20          *for launch consideration;*

21          *(5) whether National Aeronautics and Space Ad-*  
22          *ministration and other Federal Government payloads*  
23          *should have priority over non-Federal payloads in the*  
24          *Space Shuttle launch assignments, and what policies*

1       *should be developed to prioritize among payloads gen-*  
 2       *erally;*

3               *(6) whether the public interest requires that cer-*  
 4       *tain Space Shuttle functions continue to be performed*  
 5       *by the Federal Government; and*

6               *(7) how much cost savings, if any, will be gen-*  
 7       *erated by privatization of the Space Shuttle.*

8       *(c) REPORT TO CONGRESS.—Within 60 days after the*  
 9       *date of the enactment of this Act, the National Aeronautics*  
 10       *and Space Administration shall complete the study re-*  
 11       *quired under subsection (b) and shall submit a report on*  
 12       *the study to the Committee on Commerce, Science, and*  
 13       *Transportation of the Senate and the Committee on Science*  
 14       *of the House of Representatives.*

15   **SEC. 205. USE OF EXCESS INTERCONTINENTAL BALLISTIC**  
 16               **MISSILES.**

17       *(a) IN GENERAL.—The Federal Government shall*  
 18       *not—*

19               *(1) convert any missile described in subsection*  
 20       *(c) to a space transportation vehicle configuration; or*

21               *(2) transfer ownership of any such missile to an-*  
 22       *other person, except as provided in subsection (b).*

23       *(b) AUTHORIZED FEDERAL USES.—(1) A missile de-*  
 24       *scribed in subsection (c) may be converted for use as a space*  
 25       *transportation vehicle by the Federal Government if, except*

1 *as provided in paragraph (2) and at least 30 days before*  
2 *such conversion, the agency seeking to use the missile as*  
3 *a space transportation vehicle transmits to the Committee*  
4 *on National Security and the Committee on Science of the*  
5 *House of Representatives, and to the Committee on Armed*  
6 *Services and the Committee on Commerce, Science, and*  
7 *Transportation of the Senate, a certification that the use*  
8 *of such missile—*

9           *(A) would result in cost savings to the Federal*  
10       *Government when compared to the cost of acquiring*  
11       *space transportation services from United States com-*  
12       *mercial providers;*

13           *(B) meets all mission requirements of the agency,*  
14       *including performance, schedule, and risk require-*  
15       *ments;*

16           *(C) is consistent with international obligations*  
17       *of the United States; and*

18           *(D) is approved by the Secretary of Defense or*  
19       *his designee.*

20       *(2) The requirement under paragraph (1) that the cer-*  
21 *tification described in that paragraph must be transmitted*  
22 *at least 30 days before conversion of the missile shall not*  
23 *apply if the Secretary of Defense determines that compli-*  
24 *ance with that requirement would be inconsistent with*  
25 *meeting immediate national security requirements.*

1       (c) *MISSILES REFERRED TO.*— *The missiles referred*  
 2 *to in this section are missiles owned by the United States*  
 3 *that—*

4           (1) *were formerly used by the Department of De-*  
 5 *fense for national defense purposes as intercontinental*  
 6 *ballistic missiles; and*

7           (2) *have been declared excess to United States*  
 8 *national defense needs and are in compliance with*  
 9 *international obligations of the United States.*

10 **SEC. 206. NATIONAL LAUNCH CAPABILITY STUDY.**

11       (a) *FINDINGS.*—*Congress finds that a robust satellite*  
 12 *and launch industry in the United States serves the interest*  
 13 *of the United States by—*

14           (1) *contributing to the economy of the United*  
 15 *States;*

16           (2) *strengthening employment, technological, and*  
 17 *scientific interests of the United States; and*

18           (3) *serving the foreign policy and national secu-*  
 19 *rity interests of the United States.*

20       (b) *DEFINITIONS.*—*In this section:*

21           (1) *SECRETARY.*—*The term “Secretary” means*  
 22 *the Secretary of Defense.*

23           (2) *TOTAL POTENTIAL NATIONAL MISSION*  
 24 *MODEL.*—*The term “total potential national mission*  
 25 *model” means a model that—*

1           (A) is determined by the Secretary, in con-  
 2           sultation with the Administrator, to assess the  
 3           total potential space missions to be conducted in  
 4           the United States during a specified period of  
 5           time; and

6           (B) includes all launches in the United  
 7           States (including launches conducted on or off a  
 8           Federal range).

9       (c) *REPORT.*—

10           (1) *IN GENERAL.*—Not later than 180 days after  
 11           the date of enactment of this Act, the Secretary shall,  
 12           in consultation with the Administrator and appro-  
 13           priate representatives of the satellite and launch in-  
 14           dustry and the governments of States and political  
 15           subdivisions thereof—

16           (A) prepare a report that meets the require-  
 17           ments of this subsection; and

18           (B) submit that report to the Committee on  
 19           Commerce, Science, and Transportation of the  
 20           Senate and the Committee on Science of the  
 21           House of Representatives.

22           (2) *REQUIREMENTS FOR REPORT.*—The report  
 23           prepared under this subsection shall—

24           (A) identify the total potential national  
 25           mission model for the period beginning on the

1           *date of the report and ending on December 31,*  
2           *2007;*

3           *(B) identify the resources that are necessary*  
4           *or available to carry out the total potential na-*  
5           *tional mission model described in subparagraph*  
6           *(A), including—*

7                     *(i) launch property and services of the*  
8                     *Department of Defense, the National Aero-*  
9                     *navtics and Space Administration, and*  
10                    *non-Federal facilities; and*

11                    *(ii) the ability to support commercial*  
12                    *launch-on-demand on short notification,*  
13                    *taking into account Federal requirements,*  
14                    *at launch sites or test ranges in the United*  
15                    *States;*

16           *(C) identify each deficiency in the resources*  
17           *referred to in subparagraph (B); and*

18           *(D) with respect to the deficiencies identi-*  
19           *fied under subparagraph (C), include estimates*  
20           *of the level of funding necessary to address those*  
21           *deficiencies for the period described in subpara-*  
22           *graph (A).*

23           *(d) RECOMMENDATIONS.—Based on the reports under*  
24           *subsection (c), the Secretary, after consultation with the*  
25           *Secretary of Transportation, the Secretary of Commerce,*

1 *and representatives from interested private sector entities,*  
2 *States, and local governments, shall—*

3 *(1) identify opportunities for investment by non-*  
4 *Federal entities (including States and political sub-*  
5 *divisions thereof and private sector entities) to assist*  
6 *the Federal Government in providing launch capa-*  
7 *bilities for the commercial space industry in the*  
8 *United States;*

9 *(2) identify one or more methods by which, if*  
10 *sufficient resources referred to in subsection (c)(2)(D)*  
11 *are not available to the Department of Defense and*  
12 *the National Aeronautics and Space Administration,*  
13 *the control of the launch property and launch services*  
14 *of the Department of Defense and the National Aero-*  
15 *navitics and Space Administration may be trans-*  
16 *ferred from the Department of Defense and the Na-*  
17 *tional Aeronautics and Space Administration to—*

18 *(A) one or more other Federal agencies;*

19 *(B) one or more States (or subdivisions*  
20 *thereof);*

21 *(C) one or more private sector entities; or*

22 *(D) any combination of the entities de-*  
23 *scribed in subparagraphs (A) through (C); and*

24 *(3) identify the technical, structural, and legal*  
25 *impediments associated with making launch sites or*

- 1 *test ranges in the United States viable and competi-*
- 2 *tive.*

Attest:

*Clerk.*