

Calendar No. 393

105<sup>TH</sup> CONGRESS  
2D SESSION

**H. R. 1702**

[Report No. 105-198]

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**AN ACT**

To encourage the development of a commercial space industry in the United States, and for other purposes.

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JUNE 2, 1998

Reported with an amendment

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2<sup>D</sup> SESSION**H. R. 1702****[Report No. 105-198]**

## IN THE SENATE OF THE UNITED STATES

NOVEMBER 5, 1997

Received; read twice and referred to the Committee on Commerce, Science,  
and Transportation

JUNE 2, 1998

Reported by Mr. MCCAIN, with an amendment

[Strike all after the enacting clause and insert the part printed in italic]

**AN ACT**To encourage the development of a commercial space  
industry in the United States, 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; TABLE OF CONTENTS.**

4       (a) ~~SHORT TITLE.~~—This Act may be cited as the  
 5       “~~Commercial Space Act of 1997~~”.

6       (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.

## TITLE II—REMOTE SENSING

- Sec. 201. Land Remote Sensing Policy Act of 1992 amendments.
- Sec. 202. Acquisition of earth science data.

## TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES

- Sec. 301. Requirement to procure commercial space transportation services.
- Sec. 302. Acquisition of commercial space transportation services.
- Sec. 303. Launch Services Purchase Act of 1990 amendments.
- Sec. 304. Shuttle privatization.

1 **SEC. 2. DEFINITIONS.**

2 For purposes of this Act—

3 (1) the term “Administrator” means the Ad-  
 4 ministrator of the National Aeronautics and Space  
 5 Administration;

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

1 components which are specifically designed or adapt-  
2 ed for that payload;

3 (4) the term “space-related activities” includes  
4 research and development, manufacturing, process-  
5 ing, service, and other associated and support activi-  
6 ties;

7 (5) the term “space transportation services”  
8 means the preparation of a space transportation ve-  
9 hicle and its payloads for transportation to, from, or  
10 within outer space, or in suborbital trajectory, and  
11 the conduct of transporting a payload to, from, or  
12 within outer space, or in suborbital trajectory;

13 (6) the term “space transportation vehicle”  
14 means any vehicle constructed for the purpose of op-  
15 erating in, or transporting a payload to, from, or  
16 within, outer space, or in suborbital trajectory, and  
17 includes any component of such vehicle not specifi-  
18 cally designed or adapted for a payload;

19 (7) the term “State” means each of the several  
20 States of the Union, the District of Columbia, the  
21 Commonwealth of Puerto Rico, the Virgin Islands,  
22 Guam, American Samoa, the Commonwealth of the  
23 Northern Mariana Islands, and any other common-  
24 wealth, territory, or possession of the United States;  
25 and

1           (8) the term “United States commercial pro-  
2           vider” means a commercial provider, organized  
3           under the laws of the United States or of a State,  
4           which is—

5                   (A) more than 50 percent owned by United  
6           States nationals; or

7                   (B) a subsidiary of a foreign company and  
8           the Secretary of Transportation finds that—

9                           (i) such subsidiary has in the past evi-  
10                           denced a substantial commitment to the  
11                           United States market through—

12                                   (I) investments in the United  
13                                   States in long-term research, develop-  
14                                   ment, and manufacturing (including  
15                                   the manufacture of major components  
16                                   and subassemblies); and

17                                   (II) significant contributions to  
18                                   employment in the United States; and

19                                   (ii) the country or countries in which  
20                                   such foreign company is incorporated or  
21                                   organized, and, if appropriate, in which it  
22                                   principally conducts its business; affords  
23                                   reciprocal treatment to companies de-  
24                                   scribed in subparagraph (A) comparable to  
25                                   that afforded to such foreign company’s

1 subsidiary in the United States, as evi-  
2 denced by—

3 ~~(I)~~ providing comparable oppor-  
4 tunities for companies described in  
5 subparagraph ~~(A)~~ to participate in  
6 Government sponsored research and  
7 development similar to that authorized  
8 under this Act;

9 ~~(II)~~ providing no barriers, to  
10 companies described in subparagraph  
11 ~~(A)~~ with respect to local investment  
12 opportunities, that are not provided to  
13 foreign companies in the United  
14 States; and

15 ~~(III)~~ providing adequate and ef-  
16 fective protection for the intellectual  
17 property rights of companies de-  
18 scribed in subparagraph ~~(A)~~.

19 **TITLE I—PROMOTION OF COM-**  
20 **MERCIAL SPACE OPPORTUNI-**  
21 **TIES**

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

23 (a) **POLICY.**—The Congress declares that a priority  
24 goal of constructing the International Space Station is the  
25 economic development of Earth orbital space. The Con-

1 gress further declares that free and competitive markets  
2 create the most efficient conditions for promoting eco-  
3 nomic development, and should therefore govern the eco-  
4 nomic development of Earth orbital space. The Congress  
5 further declares that the use of free market principles in  
6 operating, servicing, allocating the use of, and adding ca-  
7 pabilities to the Space Station, and the resulting fullest  
8 possible engagement of commercial providers and partici-  
9 pation of commercial users, will reduce Space Station  
10 operational costs for all partners and the Federal Govern-  
11 ment's share of the United States burden to fund oper-  
12 ations.

13 (b) REPORTS.—(1) The Administrator shall deliver to  
14 the Committee on Science of the House of Representatives  
15 and the Committee on Commerce, Science, and Transpor-  
16 tation of the Senate, within 90 days after the date of the  
17 enactment of this Act, a study that identifies and exam-  
18 ines—

19 (A) the opportunities for commercial providers  
20 to play a role in International Space Station activi-  
21 ties, including operation, use, servicing, and aug-  
22 mentation;

23 (B) the potential cost savings to be derived  
24 from commercial providers playing a role in each of  
25 these activities;

1           ~~(C) which of the opportunities described in sub-~~  
2           ~~paragraph (A) the Administrator plans to make~~  
3           ~~available to commercial providers in fiscal year 1998~~  
4           ~~and 1999;~~

5           ~~(D) the specific policies and initiatives the Ad-~~  
6           ~~ministrator is advancing to encourage and facilitate~~  
7           ~~these commercial opportunities; and~~

8           ~~(E) the revenues and cost reimbursements to~~  
9           ~~the Federal Government from commercial users of~~  
10          ~~the Space Station.~~

11          ~~(2) The Administrator shall deliver to the Committee~~  
12          ~~on Science of the House of Representatives and the Com-~~  
13          ~~mittee on Commerce, Science, and Transportation of the~~  
14          ~~Senate, within 180 days after the date of the enactment~~  
15          ~~of this Act, an independently-conducted market study that~~  
16          ~~examines and evaluates potential industry interest in pro-~~  
17          ~~viding commercial goods and services for the operation,~~  
18          ~~servicing, and augmentation of the International Space~~  
19          ~~Station, and in the commercial use of the International~~  
20          ~~Space Station. This study shall also include updates to~~  
21          ~~the cost savings and revenue estimates made in the study~~  
22          ~~described in paragraph (1) based on the external market~~  
23          ~~assessment.~~

24          ~~(3) The Administrator shall deliver to the Congress,~~  
25          ~~no later than the submission of the President's annual~~



1 budget request for fiscal year 1999, a report detailing how  
 2 many proposals (whether solicited or not) the National  
 3 Aeronautics and Space Administration received during  
 4 calendar year 1997 regarding commercial operation, serv-  
 5 icing, utilization, or augmentation of the International  
 6 Space Station, broken down by each of these four cat-  
 7 egories, and specifying how many agreements the National  
 8 Aeronautics and Space Administration has entered into in  
 9 response to these proposals, also broken down by these  
 10 four categories.

11 (4) Each of the studies and reports required by para-  
 12 graphs (1), (2), and (3) shall include consideration of the  
 13 potential role of State governments as brokers in promot-  
 14 ing commercial participation in the International Space  
 15 Station program.

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

17 (a) AMENDMENTS.—Chapter 701 of title 49, United  
 18 States Code, is amended—

19 (1) in the table of sections—

20 (A) by amending the item relating to sec-  
 21 tion 70104 to read as follows:

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

22 (B) by amending the item relating to sec-  
 23 tion 70108 to read as follows:

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

1           (C) by amending the item relating to sec-  
2           tion 70109 to read as follows:

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

3           and

4           (D) by adding at the end the following new  
5           items:

“70120. Regulations.

“70121. Report to Congress.”.

6           (2) in section 70101—

7           (A) by inserting “microgravity research,”  
8           after “information services,” in subsection  
9           (a)(3);

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

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

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

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

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

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

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

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

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

7           (K) by striking “launch” in subsection  
8 (b)(2)(A);

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

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

14           (N) by inserting “and development of re-  
15 entry sites,” after “launch-site support facili-  
16 ties,” in subsection (b)(4);

17           (3) in section 70102—

18           (A) in paragraph (3)—

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

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

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

3 “including activities involved in the preparation of a  
4 launch vehicle or payload for launch, when those ac-  
5 tivities take place at a launch site in the United  
6 States.”;

7 (B) in paragraph (5)—

8 (i) by redesignating subparagraphs  
9 (A) and (B) as subparagraphs (B) and  
10 (C), respectively; and

11 (ii) by inserting before subparagraph  
12 (B), as so redesignated by clause (i) of this  
13 subparagraph, the following new subpara-  
14 graph:

15 “(A) activities directly related to the prep-  
16 aration of a launch site or payload facility for  
17 one or more launches;”;

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

20 (D) by redesignating paragraphs (10),  
21 (11), and (12) as paragraphs (14), (15), and  
22 (16), respectively;

23 (E) by inserting after paragraph (9) the  
24 following new paragraphs:

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

18                   (F) by inserting “or reentry services” after  
19 “launch services” each place it appears in para-  
20 graph (15), as so redesignated by subparagraph  
21 (D) of this paragraph;

22          (4) in section 70103(b)—

23                   (A) by inserting “AND REENTRIES” after  
24 “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  
5 “space 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**  
10 **reentries”;**

11           (B) by inserting “or reentry site, or to re-  
12 enter a reentry vehicle,” after “operate a  
13 launch site” each place it appears in subsection  
14 (a);

15           (C) by inserting “or reentry” after “launch  
16 or operation” in subsection (a)(3) and (4);

17           (D) in subsection (b)—

18               (i) by striking “launch license” and  
19 inserting in lieu thereof “license”;

20               (ii) by inserting “or reenter” after  
21 “may launch”; and

22               (iii) by inserting “or reentering” after  
23 “related to launching”; and

24           (E) in subsection (c)—

1 (i) by amending the subsection head-  
2 ing to read as follows: “~~PREVENTING~~  
3 ~~LAUNCHES 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  
25 may establish procedures for safety approvals of launch

1 vehicles, reentry vehicles, safety systems, processes, serv-  
 2 ices, or personnel that may be used in conducting licensed  
 3 commercial space launch or reentry activities.”;

4 (D) by inserting “or a reentry site, or the  
 5 reentry of a reentry vehicle,” after “operation  
 6 of 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  
 13 subsection (b)(2)(C) and inserting in lieu there-  
 14 of “; and”;

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

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

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

24 (7) in section 70106(a)—



1 (A) by inserting “or reentry site” after  
2 “observer 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 “oper-  
17 ation 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  
2 “ensure that a launch”;

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

5 (iii) by inserting “or reentry date  
6 commitment” after “launch date commit-  
7 ment”;

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

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

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

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

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

19 (10) in section 70110—

20 (A) by inserting “or reentry” after “pre-  
21 vent the launch” in subsection (a)(2); and

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

25 (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 inserting “or reentry” after “com-  
8 mercial launch” both places it appears in sub-  
9 section (b)(1);

10           (E) by inserting “or reentry services” after  
11 “launch services” in subsection (b)(2)(C);

12           (F) by inserting after subsection (b)(2) the  
13 following new paragraph:

14           ~~“(3) The Secretary shall ensure the establishment of~~  
15 ~~uniform guidelines for, and consistent implementation of,~~  
16 ~~this section by all Federal agencies.”;~~

17           (G) by striking “or its payload for launch”  
18 in subsection (d) and inserting in lieu thereof  
19 “or reentry vehicle, or the payload of either, for  
20 launch or reentry”; and

21           (H) by inserting “, reentry vehicle,” after  
22 “manufacturer of the launch vehicle” in sub-  
23 section (d);

24           (12) in section 70112—

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

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

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

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

9           (E) by inserting “or reentry services” after  
10          “launch services” each place it appears in sub-  
11          section (b);

12          (F) by inserting “applicable” after “car-  
13          ried out under the” in paragraphs (1) and (2)  
14          of subsection (b);

15          (G) by striking “, Space, and Technology”  
16          in subsection (d)(1);

17          (H) by inserting “OR REENTRIES” after  
18          “LAUNCHES” in the heading for subsection (e);

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

22          (J) in subsection (f), by inserting “launch  
23          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 re-  
11                 enter 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  
18                 IMPORT.—A launch vehicle, reentry vehicle, or payload  
19                 that is launched or reentered is not, because of the launch  
20                 or reentry, an export or import, respectively, for purposes  
21                 of a law controlling exports or imports, except that pay-  
22                 loads launched pursuant to foreign trade zone procedures  
23                 as provided for under the Foreign Trade Zones Act (19  
24                 U.S.C. 81a–81u) shall be considered exports with regard  
25                 to customs 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, op-  
5                   eration of a launch vehicle or reentry vehi-  
6                   cle, operation of a launch site or reentry  
7                   site,”; and

8                   (ii) by inserting “reentry,” after  
9                   “launch,” in paragraph (2); and

10                  (16) by adding at the end the following new  
11                  sections:

12       **“§ 70120. Regulations**

13                  “(a) IN GENERAL.—The Secretary of Transpor-  
14                  tation, within 9 months after the date of the enactment  
15                  of this section, shall issue regulations to carry out this  
16                  chapter that 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  
23                       operator 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  
5           section, shall issue a notice of proposed rulemaking to  
6           carry 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  
10          operator licenses for reentry; and

11          “(3) procedures for requesting and obtaining  
12          reentry site operator licenses.

13   **“§ 70121. Report to Congress**

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

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

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

1 (b) **EFFECTIVE DATE.**—The amendments made by  
2 subsection (a)(6)(B) shall take effect upon the effective  
3 date of final regulations issued pursuant to section  
4 70105(b)(2)(D) of title 49, United States Code, as added  
5 by subsection (a)(6)(H).

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

7 Section 504 of the National Aeronautics and Space  
8 Administration Authorization Act, Fiscal Year 1993 (15  
9 U.S.C. 5803) is amended—

10 (1) in subsection (a)—

11 (A) by striking “the Office of Commercial  
12 Programs within”; and

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

15 (2) by striking subsection (e); and

16 (3) by redesignating subsections (d) and (e) as  
17 subsections (e) and (d), respectively.

18 **SEC. 104. PROMOTION OF UNITED STATES GLOBAL POSI-**  
19 **TIONING SYSTEM STANDARDS.**

20 (a) **FINDING.**—The Congress finds that the Global  
21 Positioning System, including satellites, signal equipment,  
22 ground stations, data links, and associated command and  
23 control facilities, has become an essential element in civil,  
24 scientific, and military space development because of the  
25 emergence of a United States commercial industry which



1 provides Global Positioning System equipment and related  
2 services.

3 (b) INTERNATIONAL COOPERATION.—In order to  
4 support and sustain the Global Positioning System in a  
5 manner that will most effectively contribute to the na-  
6 tional security, public safety, scientific, and economic in-  
7 terests of the United States, the Congress encourages the  
8 President to—

9 (1) ensure the operation of the Global Position-  
10 ing System on a continuous worldwide basis free of  
11 direct user fees; and

12 (2) enter into international agreements that  
13 promote cooperation with foreign governments and  
14 international organizations to—

15 (A) establish the Global Positioning Sys-  
16 tem and its augmentations as an acceptable  
17 international standard; and

18 (B) eliminate any foreign barriers to appli-  
19 cations of the Global Positioning System world-  
20 wide.

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

22 (a) ACQUISITION FROM COMMERCIAL PROVIDERS.—  
23 In order to satisfy the scientific requirements of the Na-  
24 tional Aeronautics and Space Administration, and where  
25 practicable of other Federal agencies and scientific re-

1 searchers, the Administrator shall to the maximum extent  
2 possible acquire, where cost effective, space science data  
3 from a commercial provider.

4 (b) TREATMENT OF SPACE SCIENCE DATA AS COM-  
5 Mercial ITEM UNDER ACQUISITION LAWS.—Acquisitions  
6 of space science data by the Administrator shall be carried  
7 out in accordance with applicable acquisition laws and reg-  
8 ulations (including chapters 137 and 140 of title 10,  
9 United States Code), except that space science data shall  
10 be considered to be a commercial item for purposes of such  
11 laws and regulations (including section 2306a of title 10,  
12 United States Code (relating to cost or pricing data), sec-  
13 tion 2320 of such title (relating to rights in technical data)  
14 and section 2321 of such title (relating to validation of  
15 proprietary data restrictions)).

16 (c) DEFINITION.—For purposes of this section, the  
17 term “space science data” includes scientific data concern-  
18 ing the elemental and mineralogical resources of the moon,  
19 asteroids, planets and their moons, and comets, micro-  
20 gravity acceleration, and solar storm monitoring.

21 (d) SAFETY STANDARDS.—Nothing in this section  
22 shall be construed to prohibit the Federal Government  
23 from requiring compliance with applicable safety stand-  
24 ards.

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  
4 systems 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 head-  
10 quarters.

11 **TITLE II—REMOTE SENSING**

12 **SEC. 201. LAND REMOTE SENSING POLICY ACT OF 1992**  
13 **AMENDMENTS.**

14 (a) FINDINGS.—The Congress finds that—

15 (1) a robust domestic United States industry in  
16 high resolution Earth remote sensing is in the eco-  
17 nomic, employment, technological, scientific, and na-  
18 tional security interests of the United States;

19 (2) to secure its national interests the United  
20 States must nurture a commercial remote sensing  
21 industry that leads the world;

22 (3) the Federal Government must provide policy  
23 and regulations that promote a stable business envi-  
24 ronment for that industry to succeed and fulfill the  
25 national interest;

1           (4) it is the responsibility of the Federal Gov-  
2           ernment to create domestic and international condi-  
3           tions favorable to the health and growth of the  
4           United States commercial remote sensing industry;  
5           and

6           (5) it is a fundamental goal of United States  
7           policy to support and enhance United States indus-  
8           trial competitiveness in the field of remote sensing;  
9           while at the same time protecting the national secu-  
10          rity concerns and international obligations of the  
11          United States.

12          (b) ~~AMENDMENTS.~~—The Land Remote Sensing Pol-  
13          icy Act of 1992 is amended—

14                 (1) in section 2 (15 U.S.C. 5601)—

15                         (A) by amending paragraph (5) to read as  
16                         follows:

17                                 “~~(5)~~ Commercialization of land remote sensing  
18                                 is a near-term goal, and should remain a long-term  
19                                 goal, of United States policy.”;

20                                 (B) by striking paragraph (6) and redesign-  
21                                 ating paragraphs (7) through (16) as para-  
22                                 graphs (6) through (15), respectively;

23                                 (C) in paragraph (11), as so redesignated  
24                                 by subparagraph (B) of this paragraph, by  
25                                 striking “determining the design” and all that

1 follows through “international consortium” and  
2 inserting in lieu thereof “ensuring the continu-  
3 ity of Landsat quality data”; and

4 (D) by adding at the end the following new  
5 paragraph:

6 “(16) The United States should encourage re-  
7 mote sensing systems to promote access to land re-  
8 mote sensing data by scientific researchers and edu-  
9 cators.”;

10 (2) in section 101 (15 U.S.C. 5611)—

11 (A) in subsection (e)—

12 (i) by inserting “and” at the end of  
13 paragraph (6);

14 (ii) by striking paragraph (7); and

15 (iii) by redesignating paragraph (8) as  
16 paragraph (7); and

17 (B) in subsection (e)(1)—

18 (i) by inserting “and” at the end of  
19 subparagraph (A);

20 (ii) by striking “, and” at the end of  
21 subparagraph (B) and inserting in lieu  
22 thereof a period; and

23 (iii) by striking subparagraph (C);

24 (3) in section 201 (15 U.S.C. 5621)—

1           (A) by inserting “(1)” after “NATIONAL  
2 SECURITY.—” in subsection (b);

3           (B) in subsection (b)(1), as so redesign-  
4 nated by subparagraph (A) of this paragraph—

5           (i) by striking “No license shall be  
6 granted by the Secretary unless the Sec-  
7 retary determines in writing that the appli-  
8 cant will comply” and inserting in lieu  
9 thereof “The Secretary shall grant a li-  
10 cense if the Secretary determines that the  
11 activities proposed in the application are  
12 consistent”; and

13           (ii) by inserting “, and that the appli-  
14 cant has provided assurances adequate to  
15 indicate, in combination with other infor-  
16 mation available to the Secretary that is  
17 relevant to activities proposed in the appli-  
18 cation, that the applicant will comply with  
19 all terms of the license” after “concerns of  
20 the United States”;

21           (C) by adding at the end of subsection (b)  
22 the following new paragraph:

23           “(2) The Secretary, within 6 months after the date  
24 of the enactment of the Commercial Space Act of 1997,  
25 shall publish in the Federal Register a complete and spe-

1 eific list of all information required to comprise a complete  
2 application for a license under this title. An application  
3 shall be considered complete when the applicant has pro-  
4 vided all information required by the list most recently  
5 published in the Federal Register before the date the ap-  
6 plication was first submitted. Unless the Secretary has,  
7 within 30 days after receipt of an application, notified the  
8 applicant of information necessary to complete an applica-  
9 tion, the Secretary may not deny the application on the  
10 basis of the absence of any such information.”;

11           (D) in subsection (e), by amending the sec-  
12           ond sentence thereof to read as follows: “If the  
13           Secretary has not granted the license within  
14           such 120-day period, the Secretary shall inform  
15           the applicant, within such period, of any pend-  
16           ing issues and actions required to be carried  
17           out by the applicant or the Secretary in order  
18           to result in the granting of a license.”; and

19           (E) in subsection (e)(2)(B), by striking  
20           “and the importance of promoting widespread  
21           access to remote sensing data from United  
22           States and foreign systems”;

23           (4) in section 202 (15 U.S.C. 5622)—

1 (A) by striking “section 506” in subsection  
2 (b)(1) and inserting in lieu thereof “section  
3 507”;

4 (B) in subsection (b)(2), by striking “as  
5 soon as such data are available and on reason-  
6 able terms and conditions” and inserting in lieu  
7 thereof “on reasonable terms and conditions,  
8 including the provision of such data in a timely  
9 manner subject to United States national secu-  
10 rity and foreign policy interests”;

11 (C) in subsection (b)(6), by striking “any  
12 agreement” and all that follows through “na-  
13 tions or entities” and inserting in lieu thereof  
14 “any significant or substantial agreement with  
15 new foreign customers”; and

16 (D) by inserting after paragraph (6) of  
17 subsection (b) the following:

18 “The Secretary may not seek to enjoin a company from  
19 entering into a foreign agreement the Secretary receives  
20 notification of under paragraph (6) unless the Secretary  
21 has, within 30 days after receipt of such notification,  
22 transmitted to the licensee a statement that such agree-  
23 ment is inconsistent with the national security or inter-  
24 national obligations of the United States, including an ex-  
25 planation of such inconsistency.”;



1           (5) in section 203(a)(2) (15 U.S.C.  
2           5623(a)(2)), by striking “under this title and” and  
3           inserting in lieu thereof “under this title and/or”;

4           (6) in section 204 (15 U.S.C. 5624), by striking  
5           “may” and inserting in lieu thereof “shall”;

6           (7) in section 205(e) (15 U.S.C. 5625(e)), by  
7           striking “if such remote sensing space system is li-  
8           censed by the Secretary before commencing oper-  
9           ation” and inserting in lieu thereof “if such private  
10          remote sensing space system will be licensed by the  
11          Secretary before commencing its commercial oper-  
12          ation”;

13          (8) by adding at the end of title II the following  
14          new section:

15       **“SEC. 206. NOTIFICATION.**

16       “(a) **LIMITATIONS ON LICENSEE.**—Not later than 30  
17       days after a determination by the Secretary to require a  
18       licensee to limit collection or distribution of data from a  
19       system licensed under this title, the Secretary shall provide  
20       written notification to Congress of such determination, in-  
21       cluding the reasons therefor, the limitations imposed on  
22       the licensee, and the period during which such limitations  
23       apply.

24       “(b) **TERMINATION, MODIFICATION, OR SUSPEN-**  
25       **SION.**—Not later than 30 days after an action by the Sec-

1 retary to seek an order of injunction or other judicial de-  
 2 termination pursuant to section 202(b) or section  
 3 203(a)(2); the Secretary shall provide written notification  
 4 to Congress of such action and the reasons therefor.”;

5 (9) in section 301 (15 U.S.C. 5631)—

6 (A) by inserting “, that are not being com-  
 7 mercially developed” after “and its environ-  
 8 ment” in subsection (a)(2)(B); and

9 (B) by adding at the end the following new  
 10 subsection:

11 “(d) DUPLICATION OF COMMERCIAL SECTOR ACTIVI-  
 12 TIES.—The Federal Government shall not undertake ac-  
 13 tivities under this section which duplicate activities avail-  
 14 able from the United States commercial sector, unless  
 15 such activities would result in significant cost savings to  
 16 the Federal Government, or are necessary for reasons of  
 17 national security or international obligations.”;

18 (10) in section 302 (15 U.S.C. 5632)—

19 (A) by striking “(a) GENERAL RULE.—”;

20 (B) by striking “, including unenhanced  
 21 data gathered under the technology demonstra-  
 22 tion program carried out pursuant to section  
 23 303,” and inserting in lieu thereof “that is not  
 24 otherwise available from the commercial sec-  
 25 tor”;

- 1           (C) by striking subsection (b);
- 2           (11) by repealing section 303 (15 U.S.C. 5633);
- 3           (12) in section 401(b)(3) (15 U.S.C.
- 4           5641(b)(3)), by striking “, including any such en-
- 5           hancements developed under the technology dem-
- 6           onstration program under section 303,”;
- 7           (13) in section 501(a) (15 U.S.C. 5651(a)), by
- 8           striking “section 506” and inserting in lieu thereof
- 9           “section 507”;
- 10          (14) in section 502(e)(7) (15 U.S.C.
- 11          5652(e)(7)), by striking “section 506” and inserting
- 12          in lieu thereof “section 507”; and
- 13          (15) in section 507 (15 U.S.C. 5657)—

14               (A) by amending subsection (a) to read as

15               follows:

16           “(a) RESPONSIBILITY OF THE SECRETARY OF DE-

17 FENSE.—The Secretary shall consult with the Secretary

18 of Defense on all matters under title II affecting national

19 security. The Secretary of Defense shall be responsible for

20 determining those conditions, consistent with this Act,

21 necessary to meet national security concerns of the United

22 States, and for notifying the Secretary promptly of such

23 conditions. Not later than 60 days after receiving a re-

24 quest from the Secretary to review a completed applica-

25 tion, the Secretary of Defense shall notify the Secretary

1 and the licensee of, and describe in appropriate detail, any  
2 specific national security concerns of the United States  
3 that the Secretary of Defense determines are an appro-  
4 priate reason for delaying, modifying, or rejecting a license  
5 application. The Secretary of Defense shall convey to the  
6 Secretary any conditions for a license issued under title  
7 H, consistent with this Act, that the Secretary of Defense  
8 determines necessary to meet the national security con-  
9 cerns of the United States. If no such notification has  
10 been received by the Secretary within such 60-day period,  
11 the Secretary shall deem that activities proposed in the  
12 license application meet the national security concerns of  
13 the United States.”;

14                   (B) by striking subsection (b)(1) and (2)  
15                   and inserting in lieu thereof the following:

16           “(b) RESPONSIBILITY OF THE SECRETARY OF  
17 STATE.—(1) The Secretary shall consult with the Sec-  
18 retary of State on all matters under title H affecting inter-  
19 national obligations of the United States. The Secretary  
20 of State shall be responsible for determining those condi-  
21 tions, consistent with this Act, necessary to meet inter-  
22 national obligations and policies of the United States and  
23 for notifying the Secretary promptly of such conditions.  
24 Not later than 60 days after receiving a request from the  
25 Secretary to review a completed application, the Secretary

1 of State shall notify the Secretary and the licensee of, and  
 2 describe in appropriate detail, any specific international  
 3 obligations of the United States that the Secretary of  
 4 State determines are an appropriate reason for delaying,  
 5 modifying, or rejecting a license application. The Sec-  
 6 retary of State shall convey to the Secretary any condi-  
 7 tions for a license issued under title II, consistent with  
 8 this Act, that the Secretary of State determines necessary  
 9 to meet the international obligations of the United States.  
 10 If no such notification has been received by the Secretary  
 11 within such 60-day period, the Secretary shall deem that  
 12 activities proposed in the license application meet the  
 13 international obligations of the United States.

14       “(2) Appropriate United States Government agencies  
 15 are authorized and encouraged to provide to developing  
 16 nations, as a component of international aid, resources for  
 17 purchasing remote sensing data, training, and analysis  
 18 from commercial providers.”; and

19               (C) in subsection (d), by striking “Sec-  
 20 retary may require” and inserting in lieu there-  
 21 of “Secretary shall, where appropriate, re-  
 22 quire”.

23 **SEC. 202. ACQUISITION OF EARTH SCIENCE DATA.**

24       (a) **ACQUISITION.**—For purposes of meeting Govern-  
 25 ment goals for Mission to Planet Earth, and in order to

1 satisfy the scientific requirements of the National Aero-  
2 nautics and Space Administration, and where practicable  
3 of other Federal agencies and scientific researchers, the  
4 Administrator shall to the maximum extent possible ac-  
5 quire, where cost-effective, space-based and airborne  
6 Earth remote sensing data, services, distribution, and ap-  
7 plications from a commercial provider.

8 (b) TREATMENT AS COMMERCIAL ITEM UNDER AC-  
9 QUISSION LAWS.—Acquisitions by the Administrator of  
10 the data, services, distribution, and applications referred  
11 to in subsection (a) shall be carried out in accordance with  
12 applicable acquisition laws and regulations (including  
13 chapters 137 and 140 of title 10, United States Code),  
14 except that such data, services, distribution, and applica-  
15 tions shall be considered to be a commercial item for pur-  
16 poses of such laws and regulations (including section  
17 2306a of title 10, United States Code (relating to cost  
18 or pricing data), section 2320 of such title (relating to  
19 rights in technical data) and section 2321 of such title  
20 (relating to validation of proprietary data restrictions)).

21 (c) STUDY.—(1) The Administrator shall conduct a  
22 study to determine the extent to which the baseline sci-  
23 entific requirements of Mission to Planet Earth can be  
24 met by commercial providers, and how the National Aero-

1 nautics and Space Administration will meet such require-  
2 ments which cannot be met by commercial providers.

3       (2) The study conducted under this subsection  
4 shall—

5           (A) make recommendations to promote the  
6 availability of information from the National Aero-  
7 nautics and Space Administration to commercial  
8 providers to enable commercial providers to better  
9 meet the baseline scientific requirements of Mission  
10 to Planet Earth;

11           (B) make recommendations to promote the dis-  
12 semination to commercial providers of information  
13 on advanced technology research and development  
14 performed by or for the National Aeronautics and  
15 Space Administration; and

16           (C) identify policy, regulatory, and legislative  
17 barriers to the implementation of the recommenda-  
18 tions made under this subsection.

19       (3) The results of the study conducted under this  
20 subsection shall be transmitted to the Congress within 6  
21 months after the date of the enactment of this Act.

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

1 (c) ADMINISTRATION AND EXECUTION.—This section  
2 shall be carried out as part of the Commercial Remote  
3 Sensing Program at the Stennis Space Center.

4 **TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES**

7 **SEC. 301. REQUIREMENT TO PROCURE COMMERCIAL SPACE TRANSPORTATION SERVICES.**

9 (a) IN GENERAL.—Except as otherwise provided in  
10 this section, the Federal Government shall acquire space  
11 transportation services from United States commercial  
12 providers whenever such services are required in the  
13 course of its activities. To the maximum extent practicable,  
14 the Federal Government shall plan missions to accommodate the  
15 space transportation services capabilities of United States commercial providers.

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

22 (1) a payload requires the unique capabilities of the space shuttle;

24 (2) cost effective space transportation services that meet specific mission requirements would not be



1 reasonably available from United States commercial  
2 providers when required;

3 ~~(3) the use of space transportation services~~  
4 ~~from United States commercial providers poses an~~  
5 ~~unacceptable risk of loss of a unique scientific oppor-~~  
6 ~~tunity;~~

7 ~~(4) the use of space transportation services~~  
8 ~~from United States commercial providers is incon-~~  
9 ~~sistent with national security objectives;~~

10 ~~(5) the use of space transportation services~~  
11 ~~from United States commercial providers is incon-~~  
12 ~~sistent with foreign policy purposes, or launch of the~~  
13 ~~payload by a foreign entity serves foreign policy pur-~~  
14 ~~poses, and a specific exception to the requirements~~  
15 ~~of subsection (a) has been provided by a law, en-~~  
16 ~~acted after the date of the enactment of this Act,~~  
17 ~~that contains no matter other than that exception;~~

18 ~~(6) it is more cost effective to transport a pay-~~  
19 ~~load in conjunction with a test or demonstration of~~  
20 ~~a space transportation vehicle owned by the Federal~~  
21 ~~Government; or~~

22 ~~(7) a payload can make use of the available~~  
23 ~~cargo space on a Space Shuttle mission as a second-~~  
24 ~~ary payload, and such payload is consistent with the~~  
25 ~~requirements of research, development, demonstra-~~

1       tion, scientific, commercial, and educational pro-  
2       grams authorized by the Administrator.

3     ~~The Administrator, in consultation with the Secretary of~~  
4     ~~State and the Secretary of Transportation, may propose~~  
5     ~~to the Congress that a specific exception described in para-~~  
6     ~~graph (5) be enacted for a launch or class of launches.~~  
7     ~~Any such proposal shall include a description of the for-~~  
8     ~~ign policy purposes that would be served by such an ex-~~  
9     ~~ception, and shall identify the impacts of such an excep-~~  
10    ~~tion on the commercial launch industry. Nothing in this~~  
11    ~~subsection shall prevent the Administrator from planning~~  
12    ~~or negotiating agreements with foreign entities for the~~  
13    ~~launch of Federal Government payloads for foreign policy~~  
14    ~~purposes, contingent on enactment of a specific exception~~  
15    ~~described in paragraph (5).~~

16       ~~(c) DELAYED EFFECT.—Subsection (a) shall not~~  
17    ~~apply to space transportation services and space transpor-~~  
18    ~~tation vehicles acquired or owned by the Federal Govern-~~  
19    ~~ment before the date of the enactment of this Act, or with~~  
20    ~~respect to which a contract for such acquisition or owner-~~  
21    ~~ship has been entered into before such date.~~

22       ~~(d) HISTORICAL PURPOSES.—This section shall not~~  
23    ~~be construed to prohibit the Federal Government from ac-~~  
24    ~~quiring, owning, or maintaining space transportation vehi-~~  
25    ~~cles solely for historical display purposes.~~

1 **SEC. 302. ACQUISITION OF COMMERCIAL SPACE TRANS-**  
2 **PORTATION SERVICES.**

3 (a) **TREATMENT OF COMMERCIAL SPACE TRANSPOR-**  
4 **TATION SERVICES AS COMMERCIAL ITEM UNDER ACQUI-**  
5 **SITION LAWS.**—Acquisitions of space transportation serv-  
6 ices by the Federal Government shall be carried out in  
7 accordance with applicable acquisition laws and regula-  
8 tions (including chapters 137 and 140 of title 10, United  
9 States Code), except that space transportation services  
10 shall be considered to be a commercial item for purposes  
11 of such laws and regulations (including section 2306a of  
12 title 10, United States Code (relating to cost or pricing  
13 data), section 2320 of such title (relating to rights in tech-  
14 nical data) and section 2321 of such title (relating to vali-  
15 dation of proprietary data restrictions)).

16 (b) **SAFETY STANDARDS.**—Nothing in this section  
17 shall be construed to prohibit the Federal Government  
18 from requiring compliance with applicable safety stand-  
19 ards.

20 **SEC. 303. LAUNCH SERVICES PURCHASE ACT OF 1990**  
21 **AMENDMENTS.**

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

24 (1) by striking section 202;

25 (2) in section 203—

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

3           (B) by redesignating paragraphs (3) and  
4           (4) as paragraphs (1) and (2), respectively;  
5           (3) by striking sections 204 and 205; and  
6           (4) in section 206—

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

9           (B) by striking subsection (b).

10 **SEC. 304. SHUTTLE PRIVATIZATION.**

11       (a) **POLICY AND PREPARATION.**—The Administrator  
12 shall prepare for an orderly transition from the Federal  
13 operation, or Federal management of contracted oper-  
14 ation, of space transportation systems to the Federal pur-  
15 chase of commercial space transportation services for all  
16 nonemergency launch requirements, including human,  
17 cargo, and mixed payloads. In those preparations, the Ad-  
18 ministrator shall take into account the need for short-term  
19 economies, as well as the goal of restoring the National  
20 Aeronautics and Space Administration’s research focus  
21 and its mandate to promote the fullest possible commercial  
22 use of space. As part of those preparations, the Adminis-  
23 trator shall plan for the potential privatization of the  
24 Space Shuttle program. Such plan shall keep safety and  
25 cost effectiveness as high priorities. Nothing in this section

1 shall prohibit the National Aeronautics and Space Admin-  
2 istration from studying, designing, developing, or funding  
3 upgrades or modifications essential to the safe and eco-  
4 nomic operation of the Space Shuttle fleet.

5 (b) FEASIBILITY STUDY.—The Administrator shall  
6 conduct a study of the feasibility of implementing the rec-  
7 ommendation of the Independent Shuttle Management Re-  
8 view Team that the National Aeronautics and Space Ad-  
9 ministration transition toward the privatization of the  
10 Space Shuttle. The study shall identify, discuss, and,  
11 where possible, present options for resolving the major  
12 policy and legal issues that must be addressed before the  
13 Space Shuttle is privatized, including—

14 (1) whether the Federal Government or the  
15 Space Shuttle contractor should own the Space  
16 Shuttle orbiters and ground facilities;

17 (2) whether the Federal Government should in-  
18 demnify the contractor for any third party liability  
19 arising from Space Shuttle operations, and, if so,  
20 under what terms and conditions;

21 (3) whether payloads other than National Aero-  
22 nautics and Space Administration payloads should  
23 be allowed to be launched on the Space Shuttle, how  
24 missions will be prioritized, and who will decide  
25 which mission flies and when;

1           (4) whether commercial payloads should be al-  
2           lowed to be launched on the Space Shuttle and  
3           whether any classes of payloads should be made in-  
4           eligible for launch consideration;

5           (5) whether National Aeronautics and Space  
6           Administration and other Federal Government pay-  
7           loads should have priority over non-Federal payloads  
8           in the Space Shuttle launch assignments, and what  
9           policies should be developed to prioritize among pay-  
10          loads generally;

11          (6) whether the public interest requires that  
12          certain Space Shuttle functions continue to be per-  
13          formed by the Federal Government; and

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

16          (c) **REPORT TO CONGRESS.**—Within 60 days after  
17          the date of the enactment of this Act, the National Aero-  
18          nautics and Space Administration shall complete the study  
19          required under subsection (b) and shall submit a report  
20          on the study to the Committee on Commerce, Science, and  
21          Transportation of the Senate and the Committee on  
22          Science of the House of Representatives.

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

24          (a) *SHORT TITLE.*—*This Act may be cited as the*  
25          *“Commercial Space Act of 1997”.*

1           **(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. Promotion of United States Global Positioning System standards.*

*Sec. 104. Acquisition of space science data.*

*Sec. 105. Administration of Commercial Space Centers.*

**TITLE II—REMOTE SENSING**

*Sec. 201. Land Remote Sensing Policy Act of 1992 amendments.*

*Sec. 202. Acquisition of earth science data.*

**TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES**

*Sec. 301. Requirement to procure commercial space transportation services.*

*Sec. 302. Acquisition of commercial space transportation services.*

*Sec. 303. Launch Services Purchase Act of 1990 amendments.*

*Sec. 304. Shuttle privatization.*

*Sec. 305. Use of excess intercontinental ballistic missiles.*

*Sec. 306. National launch capability.*

2   **SEC. 2. DEFINITIONS.**3           *For purposes of this Act—*4                   (1) *the term “Administrator” means the Admin-*  
5                   *istrator of the National Aeronautics and Space Ad-*  
6                   *ministration;*7                   (2) *the term “commercial provider” means any*  
8                   *person providing space transportation services or*  
9                   *other space-related activities, primary control of*  
10                   *which is held by persons other than Federal, State,*  
11                   *local, and foreign governments;*12                   (3) *the term “payload” means anything that a*  
13                   *person undertakes to transport to, from, or within*  
14                   *outer space, or in suborbital trajectory, by means of*

1        *a space transportation vehicle, but does not include*  
2        *the space transportation vehicle itself except for its*  
3        *components which are specifically designed or adapt-*  
4        *ed for that payload;*

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

8            *(5) the term “space transportation services”*  
9        *means the preparation of a space transportation vehi-*  
10       *cle and its payloads for transportation to, from, or*  
11       *within outer space, or in suborbital trajectory, and*  
12       *the conduct of transporting a payload to, from, or*  
13       *within outer space, or in suborbital trajectory;*

14           *(6) the term “space transportation vehicle”*  
15       *means any vehicle constructed for the purpose of oper-*  
16       *ating in, or transporting a payload to, from, or with-*  
17       *in, outer space, or in suborbital trajectory, and in-*  
18       *cludes any component of such vehicle not specifically*  
19       *designed or adapted for a payload;*

20           *(7) the term “State” means each of the several*  
21       *States of the Union, the District of Columbia, the*  
22       *Commonwealth of Puerto Rico, the Virgin Islands,*  
23       *Guam, American Samoa, the Commonwealth of the*  
24       *Northern Mariana Islands, and any other common-*



1 *wealth, territory, or possession of the United States;*  
2 *and*

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

6 *(A) more than 50 percent owned by United*  
7 *States nationals; or*

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

10 *(i) such subsidiary has in the past evi-*  
11 *denced a substantial commitment to the*  
12 *United States market through—*

13 *(I) investments in the United*  
14 *States in long-term research, develop-*  
15 *ment, and manufacturing (including*  
16 *the manufacture of major components*  
17 *and subassemblies); and*

18 *(II) significant contributions to*  
19 *employment in the United States; and*

20 *(ii) the country or countries in which*  
21 *such foreign company is incorporated or or-*  
22 *ganized, and, if appropriate, in which it*  
23 *principally conducts its business, affords re-*  
24 *ciprocal treatment to companies described*  
25 *in subparagraph (A) comparable to that af-*

1           *forded to such foreign company's subsidiary*  
2           *in the United States, as evidenced by—*

3                     *(I) providing comparable oppor-*  
4                     *tunities for companies described in*  
5                     *subparagraph (A) to participate in*  
6                     *Government sponsored research and de-*  
7                     *velopment similar to that authorized*  
8                     *under this Act;*

9                     *(II) providing no barriers, to*  
10                    *companies described in subparagraph*  
11                    *(A) with respect to local investment op-*  
12                    *portunities, that are not provided to*  
13                    *foreign companies in the United*  
14                    *States; and*

15                    *(III) providing adequate and ef-*  
16                    *fective protection for the intellectual*  
17                    *property rights of companies described*  
18                    *in subparagraph (A).*

19    ***TITLE I—PROMOTION OF COM-***  
20    ***MERCIAL SPACE OPPORTUNI-***  
21    ***TIES***

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

23            *(a) POLICY.—The Congress declares that a priority*  
24            *goal of constructing the International Space Station is the*  
25            *economic development of Earth orbital space. The Congress*

1 *further declares that free and competitive markets create the*  
2 *most efficient conditions for promoting economic develop-*  
3 *ment, and should therefore govern the economic development*  
4 *of Earth orbital space. The Congress further declares that*  
5 *the use of free market principles in operating, servicing,*  
6 *allocating the use of, and adding capabilities to the Space*  
7 *Station, and the resulting fullest possible engagement of*  
8 *commercial providers and participation of commercial*  
9 *users, will reduce Space Station operational costs for all*  
10 *partners and the Federal Government's share of the United*  
11 *States burden to fund operations.*

12       *(b) REPORTS.—(1) The Administrator shall deliver to*  
13 *the Committee on Science of the House of Representatives*  
14 *and the Committee on Commerce, Science, and Transpor-*  
15 *tation of the Senate, within 90 days after the date of the*  
16 *enactment of this Act, a study that identifies and exam-*  
17 *ines—*

18               *(A) the opportunities for commercial providers to*  
19 *play a role in International Space Station activities,*  
20 *including operation, use, servicing, and augmenta-*  
21 *tion;*

22               *(B) the potential cost savings to be derived from*  
23 *commercial providers playing a role in each of these*  
24 *activities;*

1           (C) which of the opportunities described in sub-  
2           paragraph (A) the Administrator plans to make  
3           available to commercial providers in fiscal year 1999  
4           and 2000;

5           (D) the specific policies and initiatives the Ad-  
6           ministrator is advancing to encourage and facilitate  
7           these commercial opportunities; and

8           (E) the revenues and cost reimbursements to the  
9           Federal Government from commercial users of the  
10          Space Station.

11          (2) The Administrator shall deliver to the Committee  
12          on Science of the House of Representatives and the Commit-  
13          tee on Commerce, Science, and Transportation of the Sen-  
14          ate, within 180 days after the date of the enactment of this  
15          Act, an independently-conducted market study that exam-  
16          ines and evaluates potential industry interest in providing  
17          commercial goods and services for the operation, servicing,  
18          and augmentation of the International Space Station, and  
19          in the commercial use of the International Space Station.  
20          This study shall also include updates to the cost savings  
21          and revenue estimates made in the study described in para-  
22          graph (1) based on the external market assessment.

23          (3) The Administrator shall deliver to the Congress,  
24          no later than the submission of the President's annual budg-  
25          et request for fiscal year 2000, a report detailing how many

1 proposals (whether solicited or not) the National Aero-  
 2 nautics and Space Administration received during cal-  
 3 endar year 1998 regarding commercial operation, servicing,  
 4 utilization, or augmentation of the International Space  
 5 Station, broken down by each of these four categories, and  
 6 specifying how many agreements the National Aeronautics  
 7 and Space Administration has entered into in response to  
 8 these proposals, also broken down by these four categories.

9 (4) Each of the studies and reports required by para-  
 10 graphs (1), (2), and (3) shall include consideration of the  
 11 potential role of State governments as brokers in promoting  
 12 commercial participation in the International Space Sta-  
 13 tion program.

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

15 (a) AMENDMENTS.—Chapter 701 of title 49, United  
 16 States Code, is amended—

17 (1) in the table of sections—

18 (A) by amending the item relating to sec-  
 19 tion 70104 to read as follows:

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

20 (B) by amending the item relating to sec-  
 21 tion 70108 to read as follows:

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

1                   (C) by amending the item relating to sec-  
2                   tion 70109 to read as follows:

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

3                   and

4                   (D) by adding at the end the following new  
5                   items:

“70120. Regulations.

“70121. Report to Congress.”.

6                   (2) in section 70101—

7                   (A) by inserting “microgravity research,”  
8                   after “information services,” in subsection (a)(3);

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

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

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

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

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

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

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

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

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

5           (K) by striking “launch” in subsection  
6           (b)(2)(A);

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

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

11          (N) by inserting “and development of re-  
12          entry sites,” after “launch-site support facili-  
13          ties,” in subsection (b)(4);

14          (3) in section 70102—

15           (A) in paragraph (3)—

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

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

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

24           “including activities involved in the preparation of a  
25           launch vehicle or payload for launch, when those ac-

1 *tivities take place at a launch site in the United*  
2 *States.”;*

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

5 *(C) by redesignating paragraphs (10), (11),*  
6 *and (12) as paragraphs (14), (15), and (16), re-*  
7 *spectively;*

8 *(D) by inserting after paragraph (10) the*  
9 *following new paragraphs:*

10 *“(10) ‘reenter’ and ‘reentry’ mean to return or*  
11 *attempt to return a reentry vehicle and its payload,*  
12 *if any, from Earth orbit or from outer space to*  
13 *Earth.*

14 *“(11) ‘reentry services’ means—*

15 *“(A) activities involved in the preparation*  
16 *of a reentry vehicle and its payload, if any, for*  
17 *reentry; and*

18 *“(B) the conduct of a reentry.*

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

23 *“(13) ‘reentry vehicle’ means a vehicle designed*  
24 *to return from Earth orbit or outer space to Earth,*  
25 *or a reusable launch vehicle designed to return from*



1 *Earth orbit or outer space to Earth, substantially in-*  
2 *tact.”; and*

3 *(E) by inserting “or reentry services” after*  
4 *“launch services” each place it appears in para-*  
5 *graph (15), as so redesignated by subparagraph*  
6 *(C) of this paragraph;*

7 *(4) in section 70103(b)—*

8 *(A) by inserting “AND REENTRIES” after*  
9 *“LAUNCHES” in the subsection heading;*

10 *(B) by inserting “and reentries” after*  
11 *“commercial space launches” in paragraph (1);*  
12 *and*

13 *(C) by inserting “and reentry” after “space*  
14 *launch” in paragraph (2);*

15 *(5) in section 70104—*

16 *(A) by amending the section designation*  
17 *and heading to read as follows:*

18 **“§ 70104. Restrictions on launches, operations, and re-**  
19 **entries”;**

20 *(B) by inserting “or reentry site, or to reen-*  
21 *ter a reentry vehicle,” after “operate a launch*  
22 *site” each place it appears in subsection (a);*

23 *(C) by inserting “or reentry” after “launch*  
24 *or operation” in subsection (a)(3) and (4);*

25 *(D) in subsection (b)—*

1                   (i) by striking “launch license” and  
2                   inserting in lieu thereof “license”;

3                   (ii) by inserting “or reenter” after  
4                   “may launch”; and

5                   (iii) by inserting “or reentering” after  
6                   “related to launching”; and

7                   (E) in subsection (c)—

8                   (i) by amending the subsection heading  
9                   to read as follows: “*PREVENTING LAUNCHES*  
10                   *AND REENTRIES.—*”;

11                   (ii) by inserting “or reentry” after  
12                   “prevent the launch”; and

13                   (iii) by inserting “or reentry” after  
14                   “decides the launch”;

15                   (6) in section 70105—

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

18                   (B) by striking “receiving an application”  
19                   both places it appears in subsection (a) and in-  
20                   serting in lieu thereof “accepting an application  
21                   in accordance with criteria established pursuant  
22                   to subsection (b)(2)(D)”;

23                   (C) by adding at the end of subsection (a)  
24                   the following: “The Secretary shall transmit to  
25                   the Committee on Science of the House of Rep-

1            *representatives and the Committee on Commerce,*  
2            *Science, and Transportation of the Senate a*  
3            *written notice not later than 30 days after any*  
4            *occurrence when a license is not issued within*  
5            *the deadline established by this subsection.*

6            *“(2) In carrying out paragraph (1), the Secretary may*  
7            *establish procedures for safety approvals of launch vehicles,*  
8            *reentry vehicles, safety systems, processes, services, or per-*  
9            *sonnel that may be used in conducting licensed commercial*  
10           *space launch or reentry activities.”;*

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

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

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

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

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

24                    *“(D) regulations establishing criteria for accept-*  
25                    *ing or rejecting an application for a license under*

1        *this chapter within 60 days after receipt of such ap-*  
 2        *plication.”; and*

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

6                (7) *in section 70106(a)—*

7                    (A) *by inserting “or reentry site” after “ob-*  
 8                    *server at a launch site”;*

9                    (B) *by inserting “or reentry vehicle” after*  
 10                  *“assemble a launch vehicle”; and*

11                  (C) *by inserting “or reentry vehicle” after*  
 12                  *“with a launch vehicle”;*

13                (8) *in section 70108—*

14                    (A) *by amending the section designation*  
 15                    *and heading to read as follows:*

16        **“§ 70108. Prohibition, suspension, and end of**  
 17                    **launches, operation of launch sites and**  
 18                    **reentry sites, and reentries”;**

19                *and*

20                    (B) *in subsection (a)—*

21                    (i) *by inserting “or reentry site, or re-*  
 22                    *entry of a reentry vehicle,” after “operation*  
 23                    *of a launch site”; and*

24                    (ii) *by inserting “or reentry” after*  
 25                    *“launch or operation”;*

1           (9) in section 70109—

2                   (A) by amending the section designation  
3                   and heading to read as follows:

4   **“§ 70109. Preemption of scheduled launches or reen-**  
5                   **tries”;**

6                   (B) in subsection (a)—

7                           (i) by inserting “or reentry” after “en-

8                           sure that a launch”;

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

11                          (iii) by inserting “or reentry date com-

12                          mitment” after “launch date commitment”;

13                          (iv) by inserting “or reentry” after  
14                          “obtained for a launch”;

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

17                          (vi) by inserting “, or services related  
18                          to a reentry,” after “amount for launch  
19                          services”; and

20                          (vii) by inserting “or reentry” after  
21                          “the scheduled launch”; and

22                   (C) in subsection (c), by inserting “or re-

23                   entry” after “prompt launching”;

24           (10) in section 70110—

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

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

6           (11) in section 70111—

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

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

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

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

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

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

21          (G) by inserting after subsection (b)(2) the  
22          following new paragraph:

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

1           (H) by striking “or its payload for launch”  
2           in subsection (d) and inserting in lieu thereof  
3           “or reentry vehicle, or the payload of either, for  
4           launch or reentry”; and

5           (I) by inserting “, reentry vehicle,” after  
6           “manufacturer of the launch vehicle” in sub-  
7           section (d);

8           (12) in section 70112—

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

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

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

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

17          (E) by inserting “or reentry services” after  
18          “launch services” each place it appears in sub-  
19          section (b);

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

23          (G) by striking “, Space, and Technology”  
24          in subsection (d)(1);

1           (H) by inserting “OR REENTRIES” after  
2           “LAUNCHES” in the heading for subsection (e);

3           (I) by inserting “or reentry site or a re-  
4           entry” after “launch site” in subsection (e); and

5           (J) in subsection (f), by inserting “launch  
6           or reentry” after “carried out under a”;

7           (13) in section 70113—by inserting “or reentry”  
8           after “one launch” each place it appears in para-  
9           graphs (1) and (2) of subsection (d);

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

11           (A) by inserting “reentry site,” after  
12           “launch site,”; and

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

15          (15) in section 70117—

16           (A) by inserting “or reentry site, or to reen-  
17           ter a reentry vehicle” after “operate a launch  
18           site” in subsection (a);

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

21           (C) by amending subsection (f) to read as  
22           follows:

23           “(f) LAUNCH NOT AN EXPORT; REENTRY NOT AN IM-  
24           PORT.—A launch vehicle, reentry vehicle, or payload that  
25           is launched or reentered is not, because of the launch or



1 reentry, an export or import, respectively, for purposes of  
 2 a law controlling exports or imports, except that payloads  
 3 launched pursuant to foreign trade zone procedures as pro-  
 4 vided for under the Foreign Trade Zones Act (19 U.S.C.  
 5 81a–81u) shall be considered exports with regard to customs  
 6 entry.”; and

7 (D) in subsection (g)—

8 (i) by striking “operation of a launch  
 9 vehicle or launch site,” in paragraph (1)  
 10 and inserting in lieu thereof “reentry, oper-  
 11 ation of a launch vehicle or reentry vehicle,  
 12 or operation of a launch site or reentry  
 13 site,”; and

14 (ii) by inserting “reentry,” after  
 15 “launch,” in paragraph (2); and

16 (16) by adding at the end the following new sec-  
 17 tions:

18 **“§ 70120. Regulations**

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

23 “(1) guidelines for industry and State govern-  
 24 ments to obtain sufficient insurance coverage for po-  
 25 tential damages to third parties;

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

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

5           “(4) procedures for requesting and obtaining  
6           launch site operator licenses; and

7           “(5) procedures for the application of govern-  
8           ment indemnification.

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

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

15           “(2) procedures for requesting and obtaining op-  
16           erator licenses for reentry; and

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

19          **“§ 70121. Report to Congress**

20           “The Secretary of Transportation shall submit to Con-  
21          gress an annual report to accompany the President’s budget  
22          request that—

23           “(1) describes all activities undertaken under  
24           this chapter, including a description of the process for  
25           the application for and approval of licenses under

1        *this chapter and recommendations for legislation that*  
2        *may further commercial launches and reentries; and*

3            *“(2) reviews the performance of the regulatory*  
4        *activities and the effectiveness of the Office of Com-*  
5        *mmercial Space Transportation.”.*

6        *(b) AUTHORIZATION OF APPROPRIATIONS.—Section*  
7        *70119 of title 49, United States Code, is amended to read*  
8        *as follows:*

9        **“§ 70119. Authorization of appropriations**

10        *“There are authorized to be appropriated to the Sec-*  
11        *retary of Transportation for the activities of the Office of*  
12        *the Associate Administrator for Commercial Space Trans-*  
13        *portation—*

14            *“(1) \$6,182,000 for the fiscal year ending Sep-*  
15        *tember 30, 1998;*

16            *“(2) \$6,275,000 for the fiscal year ending Sep-*  
17        *tember 30, 1999; and*

18            *“(3) \$6,600,000 for the fiscal year ending Sep-*  
19        *tember 30, 2000.”.*

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

1 **SEC. 103. PROMOTION OF UNITED STATES GLOBAL POSI-**  
2 **TIONING SYSTEM STANDARDS.**

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

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

16 (1) *ensure the operation of the Global Position-*  
17 *ing System on a continuous worldwide basis free of*  
18 *direct user fees;*

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

22 (A) *establish the Global Positioning System*  
23 *and its augmentations as an acceptable inter-*  
24 *national standard; and*

1           (B) eliminate any foreign barriers to appli-  
2           cations of the Global Positioning System world-  
3           wide; and

4           (3) provide clear direction and adequate re-  
5           sources to United States representatives so that on an  
6           international basis they can—

7           (A) achieve and sustain efficient manage-  
8           ment of the electromagnetic spectrum used by the  
9           Global Positioning System; and

10          (B) protect that spectrum from disruption  
11          and interference.

12 **SEC. 104. ACQUISITION OF SPACE SCIENCE DATA.**

13          (a) *ACQUISITION FROM COMMERCIAL PROVIDERS.*—In  
14          order to satisfy the scientific and educational requirements  
15          of the National Aeronautics and Space Administration, and  
16          where practicable of other Federal agencies and scientific  
17          researchers, the Administrator shall to the maximum extent  
18          possible acquire, where cost effective, space science data  
19          from a commercial provider.

20          (b) *TREATMENT OF SPACE SCIENCE DATA AS COM-*  
21          *MERCIAL ITEM UNDER ACQUISITION LAWS.*—Acquisitions  
22          of space science data by the Administrator shall be carried  
23          out in accordance with applicable acquisition laws and reg-  
24          ulations (including chapters 137 and 140 of title 10, United  
25          States Code), except that space science data shall be consid-

1 *ered to be a commercial item for purposes of such laws and*  
2 *regulations. Nothing in this subsection shall be construed*  
3 *to preclude the United States from acquiring sufficient*  
4 *rights in data to meet the needs of the scientific and edu-*  
5 *cational community or the needs of other government activi-*  
6 *ties.*

7 (c) *DEFINITION.*—*For purposes of this section, the*  
8 *term “space science data” includes scientific data concern-*  
9 *ing the elemental and mineralogical resources of the moon,*  
10 *asteroids, planets and their moons, and comets, micro-*  
11 *gravity acceleration, and solar storm monitoring.*

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

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

19 **SEC. 105. ADMINISTRATION OF COMMERCIAL SPACE CEN-**  
20 **TERS.**

21 *The Administrator shall administer the Commercial*  
22 *Space Center program in a coordinated manner from Na-*  
23 *tional Aeronautics and Space Administration headquarters*  
24 *in Washington, D.C.*

**TITLE II—REMOTE SENSING****SEC. 201. LAND REMOTE SENSING POLICY ACT OF 1992****AMENDMENTS.**

(a) *FINDINGS.*—*The Congress finds that—*

(1) *a robust domestic United States industry in high resolution Earth remote sensing is in the economic, employment, technological, scientific, and national security interests of the United States;*

(2) *to secure its national interests the United States must nurture a commercial remote sensing industry that leads the world;*

(3) *the Federal Government must provide policy and regulations that promote a stable business environment for that industry to succeed and fulfill the national interest;*

(4) *it is the responsibility of the Federal Government to create domestic and international conditions favorable to the health and growth of the United States commercial remote sensing industry;*

(5) *it is a fundamental goal of United States policy to support and enhance United States industrial competitiveness in the field of remote sensing, while at the same time protecting the national security concerns and international obligations of the United States; and*

1           (6) *it is fundamental that the states be able to*  
2 *deploy and utilize this technology in their land man-*  
3 *agement responsibilities. To date, very few states have*  
4 *the ability to do so without engaging the academic in-*  
5 *stitutions within their boundaries. In order to develop*  
6 *a market for the commercial sector, the states must*  
7 *have the capacity to fully utilize the technology.*

8           (b) *AMENDMENTS.—The Land Remote Sensing Policy*  
9 *Act of 1992 is amended—*

10           (1) *in section 2 (15 U.S.C. 5601)—*

11           (A) *by amending paragraph (5) to read as*  
12 *follows:*

13           “(5) *Commercialization of land remote sensing is*  
14 *a near-term goal, and should remain a long-term*  
15 *goal, of United States policy.”;*

16           (B) *by striking paragraph (6) and redesignig-*  
17 *ating paragraphs (7) through (16) as para-*  
18 *graphs (6) through (15), respectively;*

19           (C) *in paragraph (11), as so redesignated*  
20 *by subparagraph (B) of this paragraph, by strik-*  
21 *ing “determining the design” and all that follows*  
22 *through “international consortium” and insert-*  
23 *ing in lieu thereof “ensuring the continuity of*  
24 *Landsat quality data”;* and



1                   (D) by adding at the end the following new  
2                   paragraphs:

3                   “(16) *The United States should encourage remote*  
4                   *sensing systems to promote access to land remote sens-*  
5                   *ing data by scientific researchers and educators.*

6                   “(17) *It is in the best interest of the United*  
7                   *States to encourage remote sensing systems whether*  
8                   *privately-funded or publicly-funded, to promote wide-*  
9                   *spread affordable access to unenhanced land remote*  
10                   *sensing data by scientific researchers and educators*  
11                   *and to allow such users appropriate rights for redis-*  
12                   *tribution for scientific and educational noncommer-*  
13                   *cial purposes.”;*

14                   (2) *in section 101 (15 U.S.C. 5611)—*

15                   (A) *in subsection (c)—*

16                   (i) *by inserting “and” at the end of*  
17                   *paragraph (6);*

18                   (ii) *by striking paragraph (7); and*

19                   (iii) *by redesignating paragraph (8) as*  
20                   *paragraph (7); and*

21                   (B) *in subsection (e)(1)—*

22                   (i) *by inserting “and” at the end of*  
23                   *subparagraph (A);*

1                   (ii) by striking “, and” at the end of  
2                   subparagraph (B) and inserting in lieu  
3                   thereof a period; and

4                   (iii) by striking subparagraph (C);

5                   (3) in section 201 (15 U.S.C. 5621)—

6                   (A) by inserting “(1)” after “NATIONAL SE-  
7                   CURITY.—” in subsection (b);

8                   (B) in subsection (b)(1), as so redesignated  
9                   by subparagraph (A) of this paragraph—

10                   (i) by striking “No license shall be  
11                   granted by the Secretary unless the Sec-  
12                   retary determines in writing that the appli-  
13                   cant will comply” and inserting in lieu  
14                   thereof “The Secretary shall grant a license  
15                   if the Secretary determines that the activi-  
16                   ties proposed in the application are consist-  
17                   ent”;

18                   (ii) by inserting “, and that the appli-  
19                   cant has provided assurances adequate to  
20                   indicate, in combination with other infor-  
21                   mation available to the Secretary that is  
22                   relevant to activities proposed in the appli-  
23                   cation, that the applicant will comply with  
24                   all terms of the license” after “concerns of  
25                   the United States”; and

1                   (iii) by inserting “and policies” after  
2                   “international obligations”;

3                   (C) by adding at the end of subsection (b)  
4                   the following new paragraph:

5                   “(2) The Secretary, within 6 months after the date of  
6 the enactment of the Commercial Space Act of 1997, shall  
7 publish in the Federal Register a complete and specific list  
8 of all information required to comprise a complete applica-  
9 tion for a license under this title. An application shall be  
10 considered complete when the applicant has provided all in-  
11 formation required by the list most recently published in  
12 the Federal Register before the date the application was first  
13 submitted. Unless the Secretary has, within 30 days after  
14 receipt of an application, notified the applicant of informa-  
15 tion necessary to complete an application, the Secretary  
16 may not deny the application on the basis of the absence  
17 of any such information.”; and

18                   (D) in subsection (c), by amending the sec-  
19                   ond sentence thereof to read as follows: “If the  
20                   Secretary has not granted the license within such  
21                   120-day period, the Secretary shall inform the  
22                   applicant, within such period, of any pending  
23                   issues and actions required to be carried out by  
24                   the applicant or the Secretary in order to result  
25                   in the granting of a license.”;

1           (4) *in section 202 (15 U.S.C. 5622)—*

2                   (A) *by striking “section 506” in subsection*  
3           *(b)(1) and inserting in lieu thereof “section*  
4           *507”;*

5                   (B) *in subsection (b)(2), by striking “as*  
6           *soon as such data are available and on reason-*  
7           *able terms and conditions” and inserting in lieu*  
8           *thereof “on reasonable terms and conditions, in-*  
9           *cluding the provision of such data in a timely*  
10           *manner subject to United States national secu-*  
11           *rity and foreign policy interests”;*

12                   (C) *in subsection (b)(6), by striking “any*  
13           *agreement” and all that follows through “nations*  
14           *or entities” and inserting in lieu thereof “any*  
15           *significant or substantial agreement”;* and

16                   (D) *by inserting after paragraph (6) of sub-*  
17           *section (b) the following:*

18           *“The Secretary may not seek to enjoin a company from en-*  
19           *tering into a foreign agreement the Secretary receives notifi-*  
20           *cation of under paragraph (6) unless the Secretary has,*  
21           *within 30 days after receipt of such notification, transmit-*  
22           *ted to the licensee a statement that such agreement is incon-*  
23           *sistent with the national security, foreign policy, or inter-*  
24           *national obligations of the United States, including an ex-*  
25           *planation of such inconsistency.”;*

1           (5) *in section 203(a)(2) (15 U.S.C. 5623(a)(2)),*  
2           *by striking “under this title and” and inserting in*  
3           *lieu thereof “under this title or”;*

4           (6) *in section 204 (15 U.S.C. 5624), by striking*  
5           *“may” and inserting in lieu thereof “shall”;*

6           (7) *in section 205(c) (15 U.S.C. 5625(c)), by*  
7           *striking “if such remote sensing space system is li-*  
8           *icensed by the Secretary before commencing operation”*  
9           *and inserting in lieu thereof “if such private remote*  
10           *sensing space system will be licensed by the Secretary*  
11           *before commencing its commercial operation”;*

12           (8) *by adding at the end of title II the following*  
13           *new section:*

14           **“SEC. 206. NOTIFICATION.**

15           **“(a) LIMITATIONS ON LICENSEE.—***Not later than 30*  
16           *days after a determination by the Secretary to require a*  
17           *licensee to limit collection or distribution of data from a*  
18           *system licensed under this title, the Secretary shall provide*  
19           *written notification to Congress of such determination, in-*  
20           *cluding the reasons therefor, the limitations imposed on the*  
21           *licensee, and the period during which such limitations*  
22           *apply.*

23           **“(b) TERMINATION, MODIFICATION, OR SUSPEN-**  
24           **SION.—***Not later than 30 days after an action by the Sec-*  
25           *retary to seek an order of injunction or other judicial deter-*

1 *mination pursuant to section 202(b) or section 203(a)(2),*  
2 *the Secretary shall provide written notification to Congress*  
3 *of such action and the reasons therefor.”;*

4 *(9) in section 301 (15 U.S.C. 5631)—*

5 *(A) by inserting “, that are not being com-*  
6 *mercially developed” after “and its environ-*  
7 *ment” in subsection (a)(2)(B); and*

8 *(B) by adding at the end the following new*  
9 *subsection:*

10 *“(d) DUPLICATION OF COMMERCIAL SECTOR ACTIVI-*  
11 *TIES.—The Federal Government shall not undertake activi-*  
12 *ties under this section which duplicate activities available*  
13 *from the United States commercial sector, unless such ac-*  
14 *tivities would result in significant cost savings to the Fed-*  
15 *eral Government, or are necessary for reasons of national*  
16 *security or international obligations or policies.”;*

17 *(10) in section 302 (15 U.S.C. 5632)—*

18 *(A) by striking “(a) GENERAL RULE.—”;*

19 *(B) by striking “, including unenhanced*  
20 *data gathered under the technology demonstra-*  
21 *tion program carried out pursuant to section*  
22 *303,”; and*

23 *(C) by striking subsection (b);*

24 *(11) by repealing section 303 (15 U.S.C. 5633);*

1           (12) in section 401(b)(3) (15 U.S.C. 5641(b)(3)),  
2           by striking “, including any such enhancements devel-  
3           oped under the technology demonstration program  
4           under section 303,”;

5           (13) in section 501(a) (15 U.S.C. 5651(a)), by  
6           striking “section 506” and inserting in lieu thereof  
7           “section 507”;

8           (14) in section 502(c)(7) (15 U.S.C. 5652(c)(7)),  
9           by striking “section 506” and inserting in lieu thereof  
10          “section 507”; and

11          (15) in section 507 (15 U.S.C. 5657)—

12                 (A) by amending subsection (a) to read as  
13                 follows:

14          “(a) *RESPONSIBILITY OF THE SECRETARY OF DE-*  
15 *FENSE.—The Secretary shall consult with the Secretary of*  
16 *Defense on all matters under title II affecting national secu-*  
17 *rity. The Secretary of Defense shall be responsible for deter-*  
18 *mining those conditions, consistent with this Act, necessary*  
19 *to meet national security concerns of the United States, and*  
20 *for notifying the Secretary promptly of such conditions. The*  
21 *Secretary of Defense shall convey to the Secretary the deter-*  
22 *minations for a license issued under title II, consistent with*  
23 *this Act, that the Secretary of Defense determines necessary*  
24 *to meet the national security concerns of the United*  
25 *States.”;*

1                   (B) by striking subsection (b)(1) and (2)  
2                   and inserting in lieu thereof the following:

3           “(b) *RESPONSIBILITY OF THE SECRETARY OF*  
4 *STATE.—(1) The Secretary shall consult with the Secretary*  
5 *of State on all matters under title II affecting international*  
6 *obligations and policies of the United States. The Secretary*  
7 *of State shall be responsible for determining those condi-*  
8 *tions, consistent with this Act, necessary to meet inter-*  
9 *national obligations and policies of the United States and*  
10 *for notifying the Secretary promptly of such conditions. The*  
11 *Secretary of State shall convey to the Secretary the deter-*  
12 *minations for a license issued under title II, consistent with*  
13 *this Act, that the Secretary of State determines necessary*  
14 *to meet the international obligations and policies of the*  
15 *United States.*”

16           “(2) *Appropriate United States Government agencies*  
17 *are authorized and encouraged to provide to developing na-*  
18 *tions, as a component of international aid, resources for*  
19 *purchasing remote sensing data, training, and analysis*  
20 *from commercial providers. National Aeronautics and*  
21 *Space Administration, United States Geological Survey,*  
22 *and National Oceanic and Atmospheric Administration*  
23 *should develop and implement a program to aid the transfer*  
24 *of remote sensing technology and Mission to Planet Earth*  
25 *(OES) science at the state level”; and*



1                   (C) in subsection (d), by striking “Secretary  
2                   may require” and inserting in lieu thereof “Sec-  
3                   retary shall, where appropriate, require”.

4 **SEC. 202. ACQUISITION OF EARTH SCIENCE DATA.**

5           (a) *ACQUISITION.*—For purposes of meeting Govern-  
6 ment goals for Mission to Planet Earth, and in order to  
7 satisfy the scientific and educational requirements of the  
8 National Aeronautics and Space Administration, and  
9 where appropriate of other Federal agencies and scientific  
10 researchers, the Administrator shall to the maximum extent  
11 possible acquire, where cost-effective, space-based and air-  
12 borne Earth remote sensing data, services, distribution, and  
13 applications from a commercial provider.

14           (b) *TREATMENT AS COMMERCIAL ITEM UNDER ACQUI-*  
15 *SITION LAWS.*—Acquisitions by the Administrator of the  
16 data, services, distribution, and applications referred to in  
17 subsection (a) shall be carried out in accordance with appli-  
18 cable acquisition laws and regulations (including chapters  
19 137 and 140 of title 10, United States Code), except that  
20 such data, services, distribution, and applications shall be  
21 considered to be a commercial item for purposes of such  
22 laws and regulations. Nothing in this subsection shall be  
23 construed to preclude the United States from acquiring suf-  
24 ficient rights in data to meet the needs of the scientific and

1 *educational community or the needs of other government*  
2 *activities.*

3 (c) *SAFETY STANDARDS.*—*Nothing in this section shall*  
4 *be construed to prohibit the Federal Government from re-*  
5 *quiring compliance with applicable safety standards.*

6 (d) *ADMINISTRATION AND EXECUTION.*—*This section*  
7 *shall be carried out as part of the Commercial Remote Sens-*  
8 *ing Program at the Stennis Space Center.*

9 **TITLE III—FEDERAL ACQUI-**  
10 **SION OF SPACE TRANSPOR-**  
11 **TATION SERVICES**

12 **SEC. 301. REQUIREMENT TO PROCURE COMMERCIAL SPACE**  
13 **TRANSPORTATION SERVICES.**

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

22 (b) *EXCEPTIONS.*—*The Federal Government shall not*  
23 *be required to acquire space transportation services under*  
24 *subsection (a) if, on a case-by-case basis, the Administrator*

1 *or, in the case of a national security issue, the Secretary*  
2 *of the Air Force, determines that—*

3 *(1) a payload requires the unique capabilities of*  
4 *the Space Shuttle;*

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

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

12 *(4) the use of space transportation services from*  
13 *United States commercial providers is inconsistent*  
14 *with national security objectives;*

15 *(5) the use of space transportation services from*  
16 *United States commercial providers is inconsistent*  
17 *with foreign policy purposes, or launch of the payload*  
18 *by a foreign entity serves foreign policy purposes;*

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

23 *(7) a payload can make use of the available*  
24 *cargo space on a Space Shuttle mission as a second-*  
25 *ary payload, and such payload is consistent with the*

1        *requirements of research, development, demonstration,*  
2        *scientific, commercial, and educational programs au-*  
3        *thorized by the Administrator.*

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

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

14        **SEC. 302. ACQUISITION OF COMMERCIAL SPACE TRANSPOR-**  
15        **TATION SERVICES.**

16        *(a) TREATMENT OF COMMERCIAL SPACE TRANSPOR-*  
17        *TATION SERVICES AS COMMERCIAL ITEM UNDER ACQUISSI-*  
18        *TION LAWS.—Acquisitions of space transportation services*  
19        *by the Federal Government shall be carried out in accord-*  
20        *ance with applicable acquisition laws and regulations (in-*  
21        *cluding chapters 137 and 140 of title 10, United States*  
22        *Code), except that space transportation services shall be*  
23        *considered to be a commercial item for purposes of such*  
24        *laws and regulations.*

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

4 **SEC. 303. LAUNCH SERVICES PURCHASE ACT OF 1990**  
 5 **AMENDMENTS.**

6           *The Launch Services Purchase Act of 1990 (42 U.S.C.*  
 7 *2465b et seq.) is amended—*

8                   (1) *by striking section 202;*

9                   (2) *in section 203—*

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

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

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

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

14                           (4) *in section 206—*

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

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

18 **SEC. 304. SHUTTLE PRIVATIZATION.**

19           **(a) POLICY AND PREPARATION.**—*The Administrator*  
 20 *shall prepare for an orderly transition from the Federal op-*  
 21 *eration, or Federal management of contracted operation, of*  
 22 *space transportation systems to the Federal purchase of*  
 23 *commercial space transportation services for all non-*  
 24 *emergency launch requirements, including human, cargo,*  
 25 *and mixed payloads. In those preparations, the Adminis-*

1 *trator shall take into account the need for short-term econo-*  
2 *mies, as well as the goal of restoring the National Aero-*  
3 *navitics and Space Administration's research focus and its*  
4 *mandate to promote the fullest possible commercial use of*  
5 *space. As part of those preparations, the Administrator*  
6 *shall plan for the potential privatization of the Space Shut-*  
7 *tle program. Such plan shall keep safety and cost effective-*  
8 *ness as high priorities. Nothing in this section shall prohibit*  
9 *the National Aeronautics and Space Administration from*  
10 *studying, designing, developing, or funding upgrades or*  
11 *modifications essential to the safe and economical operation*  
12 *of the Space Shuttle fleet.*

13       **(b) FEASIBILITY STUDY.**—*The Administrator shall*  
14 *conduct a study of the feasibility of implementing the rec-*  
15 *ommendation of the Independent Shuttle Management Re-*  
16 *view Team that the National Aeronautics and Space Ad-*  
17 *ministration transition toward the privatization of the*  
18 *Space Shuttle. The study shall identify, discuss, and, where*  
19 *possible, present options for resolving, the major policy and*  
20 *legal issues that must be addressed before the Space Shuttle*  
21 *is privatized, including—*

22               **(1) whether the Federal Government or the Space**  
23               *Shuttle contractor should own the Space Shuttle or-*  
24               *biters and ground facilities;*

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

5           (3) *whether payloads other than National Aero-*  
6 *navitics and Space Administration payloads should be*  
7 *allowed to be launched on the Space Shuttle, how mis-*  
8 *sions will be prioritized, and who will decide which*  
9 *mission flies and when;*

10          (4) *whether commercial payloads should be al-*  
11 *lowed to be launched on the Space Shuttle and wheth-*  
12 *er any classes of payloads should be made ineligible*  
13 *for launch consideration;*

14          (5) *whether National Aeronautics and Space Ad-*  
15 *ministration and other Federal Government payloads*  
16 *should have priority over non-Federal payloads in the*  
17 *Space Shuttle launch assignments, and what policies*  
18 *should be developed to prioritize among payloads gen-*  
19 *erally;*

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

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

1       (c) *REPORT TO CONGRESS.*—Within 60 days after the  
2 date of the enactment of this Act, the National Aeronautics  
3 and Space Administration shall complete the study re-  
4 quired under subsection (b) and shall submit a report on  
5 the study to the Committee on Commerce, Science, and  
6 Transportation of the Senate and the Committee on Science  
7 of the House of Representatives.

8 **SEC. 305. USE OF EXCESS INTERCONTINENTAL BALLISTIC**  
9 **MISSILES.**

10       (a) *IN GENERAL.*—The Federal Government shall  
11 not—

12           (1) convert any missile described in subsection  
13 (c) to a space transportation vehicle configuration or  
14 otherwise use any such missile to place a payload in  
15 space; or

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

18       (b) *AUTHORIZED FEDERAL USES.*—

19           (1) A missile described in subsection (c) may be  
20 converted for use as a space transportation vehicle by  
21 the Federal Government if except as provided in  
22 paragraph (2), at least 30 days before such conversion  
23 the agency seeking to use the missile as a space trans-  
24 portation vehicle transmits to the Committee on Na-  
25 tional Security and the Committee on Science of the



1 *House of Representatives, and to the Committee on*  
2 *Armed Services and the Committee on Commerce,*  
3 *Science, and Transportation of the Senate, shall en-*  
4 *sure in writing that the use of such missile—*

5 *(A) would result in cost savings to the Fed-*  
6 *eral Government when compared to the cost of*  
7 *acquiring space transportation services from*  
8 *United States commercial providers;*

9 *(B) meets all mission requirements of the*  
10 *agency, including performance, schedule, and*  
11 *risk requirements;*

12 *(C) is consistent with international obliga-*  
13 *tions of the United States; and*

14 *(D) is approved by the Secretary of Defense*  
15 *or his designee.*

16 *(2) The requirement under paragraph (1) that*  
17 *the assurance described in that paragraph must be*  
18 *transmitted at least 30 days before conversion of the*  
19 *missile shall not apply if the Secretary of Defense de-*  
20 *termines that compliance with that requirement*  
21 *would be inconsistent with meeting immediate na-*  
22 *tional security requirements.*

23 *(c) MISSILES REFERRED TO.— The missiles referred*  
24 *to in this section are missiles owned by the United States*  
25 *that—*

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

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

7 **SEC. 306. NATIONAL LAUNCH CAPABILITY.**

8 (a) *FINDINGS.—Congress finds that—*

9           (1) *a robust satellite and launch industry in the*  
10 *United States serves the interest of the United States*  
11 *by—*

12                   (A) *contributing to the economy of the*  
13 *United States;*

14                   (B) *strengthening employment, techno-*  
15 *logical, and scientific interests of the United*  
16 *States; and*

17                   (C) *servicing the foreign policy and national*  
18 *security interests of the United States.*

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

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

22           (2) *TOTAL POTENTIAL NATIONAL MISSION*  
23 *MODEL.—The term “total potential national mission*  
24 *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 by  
4           the United States during a specified period of  
5           time; and

6           (B) includes all United States launches (in-  
7           cluding launches conducted on or off a Federal  
8           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 section 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           *to carry out the total potential national mission*  
5           *model described in subparagraph (A), including*  
6           *providing for—*

7                     *(i) launch property and services of the*  
8                     *Department of Defense; and*

9                     *(ii) the ability to support a launch*  
10            *within 6 hours after the appropriate official*  
11            *of the Federal Government receives notifica-*  
12            *tion by telephone at Government facilities*  
13            *located at—*

14                     *(I) Cape Canaveral in Florida; or*

15                     *(II) Vandenberg Air Force Base*  
16            *in California;*

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

19            *(D) with respect to the deficiencies identi-*  
20            *fied under subparagraph (C), including esti-*  
21            *mates of the level of funding necessary to address*  
22            *those deficiencies for the period described in sub-*  
23            *paragraph (A);*

24            *(E) identify opportunities for investment by*  
25            *non-Federal entities (including States and polit-*

1            *ical subdivisions thereof and private sector enti-*  
2            *ties) to assist the Federal Government in provid-*  
3            *ing launch capabilities for the commercial space*  
4            *industry in the United States;*

5            *(F) identify 1 or more methods by which, if*  
6            *sufficient resources referred to in subparagraph*  
7            *(D) are not available to the Department of De-*  
8            *fense, the control of the launch property and*  
9            *launch services of the Department of Defense*  
10           *may be transferred from the Department of De-*  
11           *fense to—*

12                    *(i) 1 or more other Federal agencies;*

13                    *(ii) 1 or more States (or subdivisions*  
14                    *thereof);*

15                    *(iii) 1 or more private sector entities;*

16                    *or*

17                    *(iv) any combination of the entities de-*  
18                    *scribed in clauses (i) through (iii); and*

19            *(G) identify the technical, structural, and*  
20            *legal impediments associated with making*  
21            *launch sites in the United States cost-competitive*  
22            *on an international level.*