

106TH CONGRESS  
1ST SESSION

# H. R. 2607

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IN THE SENATE OF THE UNITED STATES

OCTOBER 5, 1999

Received

NOVEMBER 19, 1999

Read twice and referred to the Committee on Commerce, Science, and  
Transportation

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## AN ACT

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

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

3 **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Commercial Space  
5 Transportation Competitiveness Act of 1999”.

6 **SEC. 2. FINDINGS.**

7        The Congress finds that—

8            (1) a robust United States space transportation  
9 industry is vital to the Nation’s economic well-being  
10 and national security;

11           (2) a 5-year extension of the excess third party  
12 claims payment provision of chapter 701 of title 49,  
13 United States Code, (Commercial Space Launch Ac-  
14 tivities) is necessary at this time to protect the pri-  
15 vate sector from uninsurable levels of liability;

16           (3) enactment of this extension will have a ben-  
17 efiticial impact on the international competitiveness of  
18 the United States space transportation industry;

19           (4) space transportation may eventually move  
20 into more airplane-style operations;

21           (5) during the next 3 years the Federal Govern-  
22 ment and the private sector should analyze and de-  
23 termine whether a more appropriate and effective li-  
24 ability risk-sharing regime can be achieved and, if  
25 so, develop and propose the new regime to Congress

1 at least 2 years prior to the expiration of the exten-  
2 sion contained in this Act;

3 (6) the areas of responsibility of the Office of  
4 the Associate Administrator for Commercial Space  
5 Transportation have significantly increased as a re-  
6 sult of—

7 (A) the rapidly expanding commercial  
8 space transportation industry and associated  
9 government licensing requirements;

10 (B) regulatory activity as a result of the  
11 emerging commercial reusable launch vehicle in-  
12 dustry; and

13 (C) the increased regulatory activity asso-  
14 ciated with commercial operation of launch and  
15 reentry sites; and

16 (7) the Office of the Associate Administrator  
17 for Commercial Space Transportation should engage  
18 in only those promotional activities which directly  
19 support its regulatory mission.

20 **SEC. 3. OFFICE OF COMMERCIAL SPACE TRANSPORTATION.**

21 (a) AMENDMENT.—Section 70119 of title 49, United  
22 States Code, is amended to read as follows:

23 **“§ 70119. Office of Commercial Space Transportation**

24 “There are authorized to be appropriated to the Sec-  
25 retary of Transportation for the activities of the Office

1 of the Associate Administrator for Commercial Space  
2 Transportation—

3 “(1) \$6,275,000 for fiscal year 1999;

4 “(2) \$7,000,000 for fiscal year 2000;

5 “(3) \$8,300,000 for fiscal year 2001; and

6 “(4) \$9,840,000 for fiscal year 2002.”.

7 (b) TABLE OF SECTIONS AMENDMENT.—The item  
8 relating to section 70119 in the table of sections of chap-  
9 ter 701 of title 49, United States Code, is amended to  
10 read as follows:

“70119. Office of Commercial Space Transportation.”.

11 **SEC. 4. OFFICE OF SPACE COMMERCIALIZATION.**

12 (a) AUTHORIZATION OF APPROPRIATIONS.—There  
13 are authorized to be appropriated to the Secretary of Com-  
14 merce for the activities of the Office of Space  
15 Commercialization—

16 (1) \$530,000 for fiscal year 2000;

17 (2) \$550,000 for fiscal year 2001; and

18 (3) \$570,000 for fiscal year 2002.

19 (b) REPORT TO CONGRESS.—Not later than 90 days  
20 after the date of the enactment of this Act, the Secretary  
21 of Commerce shall transmit to the Congress a report on  
22 the Office of Space Commercialization detailing the activi-  
23 ties of the Office, the materials produced by the Office,  
24 the extent to which the Office has fulfilled the functions

1 established for it by the Congress, and the extent to which  
2 the Office has participated in interagency efforts.

3 **SEC. 5. COMMERCIAL SPACE TRANSPORTATION INDEM-**  
4 **NIFICATION EXTENSION.**

5 Section 70113(f) of title 49, United States Code, is  
6 amended by striking “December 31, 1999” and inserting  
7 “December 31, 2004”.

8 **SEC. 6. LIABILITY REGIME FOR COMMERCIAL SPACE**  
9 **TRANSPORTATION.**

10 (a) **REPORT REQUIREMENT.**—Not later than 18  
11 months after the date of the enactment of this Act, the  
12 Secretary of Transportation shall transmit to the Con-  
13 gress a report on the liability risk-sharing regime in the  
14 United States for commercial space transportation.

15 (b) **CONTENTS.**—The report required by this section  
16 shall—

17 (1) analyze the adequacy, propriety, and effec-  
18 tiveness of, and the need for, the current liability  
19 risk-sharing regime in the United States for com-  
20 mercial space transportation;

21 (2) examine the current liability and liability  
22 risk-sharing regimes in other countries with space  
23 transportation capabilities;

24 (3) examine whether it is appropriate for all  
25 space transportation activities to be deemed

1 “ultrahazardous activities” for which a strict liability  
2 standard may be applied and, if not, what liability  
3 regime should attach to space transportation activi-  
4 ties, whether ultrahazardous activities or not;

5 (4) examine how relevant international treaties  
6 affect the Federal Government’s liability for com-  
7 mercial space launches and whether the current do-  
8 mestic liability risk-sharing regime meets or exceeds  
9 the requirements of those treaties;

10 (5) examine whether and when the commercial  
11 space transportation liability regime could be con-  
12 formed to the approach of the airline liability re-  
13 gime; and

14 (6) include recommendations on whether the  
15 commercial space transportation liability regime  
16 should be modified and, if so, what modifications are  
17 appropriate and what actions are required to accom-  
18 plish those modifications.

19 (c) SECTIONS.—The report required by this section  
20 shall include—

21 (1) a section containing the views of—

22 (A) the Office of the Associate Adminis-  
23 trator for Commercial Space Transportation;

24 (B) the National Aeronautics and Space  
25 Administration;

1 (C) the Department of Defense;  
2 (D) the Office of Space Commercialization;  
3 and  
4 (E) any other interested Federal agency,  
5 on the issues described in subsection (b);  
6 (2) a section containing the views of United  
7 States commercial space transportation providers on  
8 the issues described in subsection (b);  
9 (3) a section containing the views of United  
10 States commercial space transportation customers  
11 on the issues described in subsection (b);  
12 (4) a section containing the views of the insur-  
13 ance industry on the issues described in subsection  
14 (b); and  
15 (5) a section containing views obtained from  
16 public comment received as a result of notice in  
17 Commerce Business Daily, the Federal Register, and  
18 appropriate Federal agency Internet websites on the  
19 issues described in subsection (b).  
20 The Secretary of Transportation shall enter into appro-  
21 priate arrangements for a non-Federal entity or entities  
22 to provide the sections of the report described in para-  
23 graphs (2), (3), and (4).

1 **SEC. 7. STUDY OF APPROPRIATIONS IMPACT ON SPACE**  
2 **COMMERCIALIZATION.**

3       Within 90 days after the later of the date of the en-  
4 actment of this Act or the date of enactment of the De-  
5 partments of Veterans Affairs and Housing and Urban  
6 Development, and Independent Agencies Appropriations  
7 Act, 2000, the Comptroller General, in consultation with  
8 the Administrator of the National Aeronautics and Space  
9 Administration and United States commercial space in-  
10 dustry providers and customers, shall transmit to the Con-  
11 gress a report on the impact of that appropriations Act  
12 on the future development of the United States commer-  
13 cial space industry.

      Passed the House of Representatives October 4,  
1999.

Attest:

JEFF TRANDAHL,

*Clerk.*