

OPENING STATEMENT
The Honorable Steven M. Palazzo (R-MS), Chairman
Subcommittee on Space and Aeronautics
Hearing on
The Emerging Commercial Suborbital Reusable Launch Vehicle Market

August 1, 2012

Good afternoon and welcome to today's hearing. I would like to thank our many witnesses for agreeing to testify before our subcommittee. I know that considerable effort goes into your preparation, and I want to thank you for taking the time to appear today to share your knowledge with us.

Today's hearing will look at the emerging commercial sub-orbital reusable launch vehicle market. Suborbital vehicles can cross the thresholds of space and travel in the upper reaches of the atmosphere, typically above 62 miles for brief periods of time, but not orbit the Earth. Our hearing will provide an opportunity to receive testimony from researchers, market analysts, and some of the companies that are vying to build the vehicles to compete in this emerging marketplace. We're also going to learn about a newly released 10-Year Forecast of Market Demand.

Many in the research community are hopeful to exploit the unique microgravity environment of suborbital flight with economical, routine access that enables expanded human research, atmospheric research, and microgravity biological and physical research. Space tourism proponents are optimistic that a safe, operational system will be developed to support their business ambitions. Yet there are significant technical, financial, and regulatory challenges to be overcome before these hopes can be realized.

Companies can perform test flights with an "experimental permit" from the FAA, but cannot sell their services and become full-fledged commercial entities without first obtaining an FAA launch and reentry license. In addition, current law prohibits the FAA from issuing regulations on human spaceflight until October 2015. Until then, the FAA will engage with industry participants who can share views on how to improve safety without proposing burdensome regulations. I encourage industry to work closely with the FAA, so that they will be able to draft effective regulations in 2015, and diminish the chance that these regulations will stifle the industry.

I look forward to hearing from our experts about their plans to develop a profitable and sustainable business. It is my hope they will be successful bringing these new markets into the mainstream, recognizing that the commercial suborbital launch vehicle business faces significant technical challenges as new designs are introduced. I'm optimistic they will perform safely and profitably while reducing costs and increasing the quality of suborbital research.

We have a lot of ground to cover today. I want to thank our witnesses again, and I look forward to today's discussion.