

**U.S. House of Representatives
Committee on Science, Space, and Technology
Subcommittee on Space**

“Commercial Space”

CHARTER

Wednesday, November 20, 2013
10:00 a.m. – 11:30 a.m.
2318 Rayburn House Office Building

Purpose

At 10:00 a.m. on Wednesday, November 20, 2013, the Subcommittee on Space will hold a hearing titled “Commercial Space.” The hearing will examine ways in which companies are utilizing federal support and government policies to grow their commercial businesses in space launch, communications, GPS, remote sensing, weather monitoring, suborbital tourism and science experimentation, and human spaceflight. The witnesses will also address what government policies would be helpful to U.S. commercial space industry. The witnesses have been asked to specifically address the policies contained in H.R. 3038, the Suborbital and Orbital Advancement and Regulatory Streamlining (SOARS) Act.

Witnesses

Panel I

- **The Honorable Kevin McCarthy** – Member, Majority Whip, U.S. House of Representatives

Panel II

- **Ms. Patricia Cooper** – President, Satellite Industry Association
- **Mr. Stuart Witt** – CEO and General Manager, Mojave Air and Space Port
- **Mr. Dennis Tito** – Chairman, Inspiration Mars Foundation

Background

Since the first FAA licensed commercial launch in 1989, the FAA Office of Commercial Space Transportation (FAA-AST) has issued 217 launch licenses¹ and there are 17 active launch licenses for the 2014-2018 timeframe.² While predicting the growth of the commercial launch

¹ Website for the Office of Commercial Space Transportation, retrieved on 10/23/2013 at http://www.faa.gov/about/office_org/headquarters_offices/ast/launch_license/licensed_launches/historical_launch/

² Website for the Office of Commercial Space Transportation, retrieved on 10/23/2013 at http://www.faa.gov/about/office_org/headquarters_offices/ast/launch_license/active_licenses/

market is notoriously difficult, the data demonstrates steady growth in the last decade with the potential for further growth in the coming decade.³

Every two years FAA-AST issues a report summarizing the economic impacts of Commercial Space Transportation and Enabled Industries (CST&EI). The most recent reported released in 2009 estimated the total economic activity generated by CST&EI to be \$208.3 billion.⁴ This includes satellite manufacturing, satellite services such as direct-to-home television and satellite data services, ground equipment manufacturing, satellite remote sensing, and distribution industries which are used to move parts to manufacturing sites.⁵

Some of the challenges facing by the commercial space industry include outdated regulations and federal laws, compliance with federal export control regimes, and international competition. Commercial space industry also leverages the investments made by federal government agencies, like various agencies of the Department of Defense, NASA, and NOAA, as part of their business plan. Future growth in the U.S. commercial space sector will be highly dependent on the federal government providing a legal and regulatory framework as well as a stable budget and program plans.

H.R. 3038 – The Suborbital and Orbital Advancement and Regulatory Streamlining Act

The SOARS Act was introduced by Representative Kevin McCarthy (CA-23) and Representative Bill Posey (FL-8). This bill seeks to update the Commercial Space Launch Act to reflect current and future trends in the suborbital and orbital space industry. The bill seeks to streamline the permitting and licensing process at FAA-AST and clarify the distinction between experimental and non-experimental vehicles.

Key Questions

- What is the proper government role in regulating the commercial space sector?
- What are the greatest challenges to the continued growth of a vibrant commercial space market?
- Does the current regulatory framework facilitate innovation?
- How do current agency processes affect the market (both interagency and interagency)?
- How does the U.S. compare with other nations when it comes to preserving its space industrial base and incubating the emerging commercial market?
- What are the most promising areas of economic growth in commercial space?
- How has the private capital market responded to shrinking government budgets, and how has this impacted the commercial space sector?
- What opportunities exist for public-private partnerships?

³ FAA Office of Commercial Space Transportation Annual Launch Forecast, May 2013, retrieved on 11/8/2013 at https://www.faa.gov/about/office_org/headquarters_offices/ast/media/2013_GSO_NGSO_Forecast_Report_June.pdf

⁴ FAA Report “The Economic Impact of Commercial Space Transportation on the U.S. Economy in 2009”, September 2010, retrieved on 11/12/2013 at http://www.faa.gov/news/updates/media/Economic%20Impact%20Study%20September%202010_20101026_PS.pdf

⁵ *Ibid.*