

For Immediate Release September 07, 2016 Media Contacts: Kristina Baum (202) 225-6371

Statement of Chairman Lamar Smith (R-Texas)

Commercial Remote Sensing: Facilitating Innovation and Leadership

Chairman Smith: The commercial remote sensing space sector continues to experience unprecedented innovation and growth. Investments are being made in new technologies and applications with the potential to significantly improve the world we live in.

According to the Satellite Industry Association, in 2015 Earth observation services revenues grew by ten percent over the previous year.

This growth is attributed to the development of smaller satellites, lower manufacturing costs, lower launch costs, and a growing customer base for remote sensing data. In other words – innovation.

The Institute for Defense Analyses' Science and Technology Policy Institute reached similar findings in its 2015 report, *Global Trends in Space*. The report stated that, "expectations are especially high in the [space] remote sensing and [space] Earth observation sectors, where high-resolution, frequently updated geospatial imagery can provide information on the location and movement of people and objects."

Fortunately, the United States leads the world in these promising entrepreneurial endeavors. U.S. satellite remote sensing companies continue to push ahead and make the headlines.

But the laws, regulations, and policies that govern private remote sensing space systems have not been updated for decades, are outdated, and cumbersome. It's time for Congress to take a hard look at how we can streamline and reduce regulatory burdens.

The private sector's innovation and leadership continue to outpace the government's ability to keep up with the industry, with very serious consequences. In fact, the United States may lose its innovators, its investors, and its leadership due to outdated and improper regulation and policy.

Last year, the Federal Advisory Committee on Commercial Remote Sensing stated that the U.S. government needed to fundamentally rethink its approach to commercial remote sensing and policy. The committee found that traditional conceptions of remote sensing as an aerospace technology are outdated. It stated, "Agencies continue to think about remote sensing as a traditional aerospace technology when, in fact, it is increasingly an information technology, requiring a different regulatory philosophy and regulatory actions.... U.S. government stakeholders must tailor policy and regulations to reflect the fact that remote sensing is no longer a U.S.-only, exclusively satellite-based effort, but is instead a global information technology that relies on a wide range of platforms."

One of the complex challenges with reform stems from the fact that there are not only legal or regulatory challenges but also process and oversight challenges.

For oversight, Congress needs certain types of information in order to ensure that the Administration follows the law. Unfortunately, the Secretary of Commerce and the National Oceanic Atmospheric Association (NOAA) have not been timely in producing such information.

The Commercial Space Launch Competitiveness Act, signed into law last November, directs the Secretary to report every year basic information about how many license applications were received, how they were adjudicated, and how long it took.

This information would let Congress know whether or not NOAA is satisfying their statutory responsibilities under existing law. But even this basic information hasn't yet been provided to Congress.

The United States can continue to lead the world in commercial remote sensing. But we must ensure the law, regulations, policies, and processes governing this industry are well-suited for the realities of our time.

I thank today's witnesses for joining us and I look forward to hearing their testimony.

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