

Congress of the United States

House of Representatives

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

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August 27, 2014

The Honorable Charles F. Bolden, Jr.
Administrator
National Aeronautics and
Space Administration (NASA)
300 E Street SW
Suite 9L39
Washington, DC 20546

Dear Administrator Bolden,

After the cancellation of the Constellation program, Congress passed, and the President signed, the NASA Authorization Act of 2010, which directed NASA to develop a heavy lift space launch system (SLS) and multipurpose crew vehicle (Orion). This year, the House of Representatives passed the NASA Authorization Act of 2014 with overwhelming bipartisan support by a vote of 401-2. Both of these bills demonstrate continued commitment from Congress for the nation's future exploration systems. Unfortunately, we fear that the Administration does not share this commitment.

The Administration continues to submit insufficient budget requests for these vital programs. Most recently, the President's budget for FY2015 included a request to reduce these programs by over \$330 million¹ compared to the FY2014 enacted appropriation. Despite numerous statements over several years that these two national priority programs are sufficiently funded, it now appears that this may not be the case. A recent Government Accountability Office (GAO) report found that "the SLS program may be \$400 million short of what the program needs to launch by 2017."² Similarly, the Committee recently learned that the Exploration Mission 1 (EM-1) launch date may slip six months due to insufficient funding and unresolved technical challenges that are facing the Orion. These findings are surprising to say the least considering the numerous claims of sufficient funding. Thankfully, Congress has consistently funded these programs beyond the President's requests; otherwise, these shortfalls may have had a greater impact.

¹ President's Budget Request for NASA, Fiscal year 2015, accessed at http://www.nasa.gov/sites/default/files/files/508_2015_Budget_Estimates.pdf

² Space Launch System - Resources Need to be Matched to Requirements to Decrease Risk and Support Long Term Affordability. Government Accountability Office, Retrieved at <http://www.gao.gov/products/GAO-14-631>

SLS

In testimony before the House Committee on Science, Space, and Technology on April 24, 2013, you testified on the topic of SLS funding, saying:

*“If I added \$300 million to the SLS program, you wouldn’t know it.”*³

In that same hearing, in reference to the President’s budget request, when asked about reductions to the program, you added:

*“We have asked for, and I think Bill Gerstenmaier, the head of the Human Exploration Operations Mission Directorate, has stated over and over that this is the amount of money that we need to deliver SLS on the date and time that we said, 2017 for the inaugural mission...”*⁴

Following this hearing, the members of the Committee submitted additional questions for the record to follow up on these statements. In response to a related question from Space Subcommittee Chairman Palazzo, you stated:

*“The FY2014 President’s Budget Request....provides the necessary funding profile required to keep SLS, Orion, and EGS moving forward to achieve EFT-1 in 2014, EM-1 in 2017, and EM-2 in 2021.”*⁵

These two statements do not match a recent finding by GAO that, “According to the program’s risk analysis...the agency’s current funding plan for SLS may be \$400 million short of what the program needs to launch by 2017.”⁶ It is difficult to reconcile your testimony that the program does not need any more funding and that \$300 million wouldn’t be noticed, with the findings from GAO on the financial risks to the program. While we recognize the possibility that this review was based on somewhat outdated information, and that this shortfall may actually be lower given the additional funding provided by Congress in spite of the President’s request, your comments were made a year before the additional funding was added. We take these findings from GAO seriously, and since the Agency concurred with the all of the recommendations, it is my assessment that you do as well.

³ Verbal testimony of NASA Administrator Charles F. Bolden during question and answer period before the House Committee on Science, Space, and Technology, Hearing Titled “An Overview of the National Aeronautics and Space Administration Budget for Fiscal Year 2014,” April 24, 2013.

⁴ *Ibid.*

⁵ Answers to Questions for the Record from NASA Administrator Charles F. Bolden regarding House Committee on Science Space and Technology Hearing Titled “An Overview of the National Aeronautics and Space Administration Budget for Fiscal Year 2014,” October 28, 2013.

⁶ *See Supra 2*

ORION

In an interview recently published in Space News, Orion Program Manager Mark Geyer was quoted as saying, “We’re struggling to make December 2017, and I have a lot of challenges to make that date.”⁷ The reasons for this, as reported, included technical and schedule delays with various components of Orion including the heat shield and service module.

This rationale for a potential delay is surprising. For instance, just last January, the Director-General of the European Space Agency, Jean-Jacques Dordain, stated “I have committed to NASA that the PDR [preliminary design review] will not cause a delay in the delivery of the service module.”⁸ Furthermore, NASA has consistently sought cuts to Orion while simultaneously maintaining that the program is on track to meet its flight dates.

In the FY13, FY14, and FY15 budget requests, the Administration asked for reductions of \$175.1 million, \$87 million, and \$144.2 million respectively.⁹ Had Congress agreed to the requests, Orion would have incurred over \$400 million in reductions, and would likely face longer potential delays. It is troubling that NASA officials are now claiming the agency is challenged to meet dates that you assured the Committee were attainable under lower funding levels.

In fact, despite NASA’s best efforts to keep these programs on track, it appears as though the Administration is starving these programs of funding and preventing important development work with the goal of pushing back schedules. While the Committee continues to work with the Senate to develop a NASA Authorization bill this year, the following is needed to provide further clarification on the status of these two national priority programs:

1. Please explain the \$400 million risk being tracked by the SLS program, as indicated by GAO’s most recent audit. Please provide historical assessments of this risk including when it was first identified, how it has shrunk or grown, and what the per annum amortized amounts would be through flight readiness in 2017.
2. Will NASA be able to fly the SLS for Exploration Mission-1 in calendar year 2017? If it will not, please explain what has changed since your testimony on April 24, 2013 and whether, during your testimony on March 27, 2014, you were aware that this flight could be delayed beyond calendar year 2017.
3. Do you stand by your testimony that stated “We have asked for...and stated over and over that this is the amount of money that we need to deliver the SLS on the date and

⁷ “NASA Officials: Orion ‘Challenged’ To Make 2017 Launch Date,” Space News, August 11, 2014. <http://www.spacenews.com/article/features/41554news-from-aaaa-space-2014-nasa-officials-orion-%E2%80%98challenged%E2%80%99-to-make-2017>

⁸ Peter De Selding, “ESA Promises NASA that Orion Service Module Delay Won’t Hold up 2017 Launch,” Space News, January 17, 2014. Accessed at <http://www.spacenews.com/article/civil-space/39138esa-promises-nasa-that-orion-service-module-delay-won%E2%80%99t-hold-up-2017-launch>

⁹ President’s Budget Requests for Fiscal Year 2013, Fiscal Year 2014, and Fiscal Year 2015.

time that we said, 2017 for the inaugural mission?"¹⁰ If you do not stand by this testimony, please explain what has changed and how you would update this testimony to more accurately reflect the program's schedule.

4. What is the total in termination liability for the SLS program and how would relief from NASA's new interpretation of termination liability obligations affect the SLS and Orion schedules?
5. Why did the Administration choose to fund the SLS and Orion programs at the President's budget request rather than higher rates appropriated under continuing resolutions? Please provide all records (defined by attachment A) related to this guidance.
6. Had the Administration chosen to fund the Orion program at the rate of the continuing resolution rather than the rate of the President's budget request, would the Orion program have been able to purchase long-lead items? Please provide all records related to the planning associated with the procurement of Orion long-lead items in FY13.

Please provide a response by September 10, 2014. Your cooperation will assist the Committee in its oversight responsibilities. Should you have any questions about this request, please feel free to contact Mr. Tom Hammond at (202) 225-6371. Thank you for your prompt attention to this matter.

Sincerely,



Lamar Smith
Chairman



Steven M. Palazzo
Chairman
Subcommittee on Space

¹⁰ See *Supra* 3