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6
7 49 USC CHAPTER 701 - COMMERCIAL SPACE LAUNCH ACTIVITIES
8 TITLE 49 - TRANSPORTATION
9 SUBTITLE IX - COMMERCIAL SPACE TRANSPORTATION
10 CHAPTER 701 - COMMERCIAL SPACE LAUNCH ACTIVITIES

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41
42 **Sec. 70101. Findings and purposes**

43
44 (a) Findings. - Congress finds that -

45 (1) the peaceful uses of outer space continue to be of great
46 value and to offer benefits to all mankind;

47 (2) private applications of space technology have achieved a
48 significant level of commercial and economic activity and offer
49 the potential for growth in the future, particularly in the
50 United States;

51 (3) new and innovative equipment and services are being sought,
52 produced, and offered by entrepreneurs in telecommunications,
53 information services, microgravity research, human space flight,
54 and remote sensing technologies;

55 (4) the private sector in the United States has the capability

1 of developing and providing private launching, reentry,
2 and associated services that would complement the launching,
3 reentry, and associated capabilities of the United
4 States Government;

5 (5) the development of commercial launch vehicles, reentry
6 vehicles, and associated services would enable the United States
7 to retain its competitive position internationally, contributing
8 to the national interest and economic well-being of the United
9 States;

10 (6) providing launch services and reentry services by the
11 private sector is consistent with the national security and
12 foreign policy interests of the United States and would be
13 facilitated by stable, minimal, and appropriate regulatory
14 guidelines that are fairly and expeditiously applied;

15 (7) the United States should encourage private sector launches,
16 reentries, and associated services and, only to the extent
17 necessary, regulate those launches, reentries, and services to
18 ensure compliance with international obligations of the United
19 States and to protect the public health and safety, safety of
20 property, and national security and foreign policy interests of
21 the United States;

22 (8) space transportation, including the establishment and
23 operation of launch sites, reentry sites, and complementary
24 facilities, the providing of launch services and reentry
25 services, the establishment of support facilities, and the
26 providing of support services, is an important element of the
27 transportation system of the United States, and in connection
28 with the commerce of the United States there is a need to develop
29 a strong space transportation infrastructure with significant
30 private sector involvement;

31 (9) the participation of State governments in encouraging and
32 facilitating private sector involvement in space-related
33 activity, particularly through the establishment of a space
34 transportation-related infrastructure, including launch sites,
35 reentry sites, complementary facilities, and launch site and
36 reentry site support facilities, is in the national interest and
37 is of significant public benefit;

38 (10) the goal of safely opening space to the American people and
39 their private commercial, scientific, and cultural enterprises
40 should guide Federal space investments, policies, and regulations;

41 (11) private industry has begun to develop commercial launch
42 vehicles capable of carrying human beings into space and greater
43 private investment in these efforts will stimulate the Nation's
44 commercial space transportation industry as a whole;

45 (12) space transportation is inherently risky, and the future
46 of the commercial human space flight industry will depend on its
47 ability to continually improve its safety performance;

48 (13) a critical area of responsibility for the Department of
49 Transportation is to regulate the operations and safety of the
50 emerging commercial human space flight industry;

51 (14) the public interest is served by creating a clear
52 legal, regulatory, and safety regime for commercial human space
53 flight; and

54 (15) the regulatory standards governing human space flight
55 must evolve as the industry matures so that regulations neither
56 stifle technology development nor expose crew or space flight
57 participants to avoidable risks as the public comes to expect

1 greater safety for crew and space flight participants from the
2 industry.

3 (b) Purposes. - The purposes of this chapter are -

4 (1) to promote economic growth and entrepreneurial activity
5 through use of the space environment for peaceful purposes;

6 (2) to encourage the United States private sector to provide
7 launch vehicles, reentry vehicles, and associated services by -

8 (A) simplifying and expediting the issuance and transfer of
9 commercial licenses;

10 (B) facilitating and encouraging the use of
11 Government-developed space technology; and

12 (C) promoting the continuous improvement of the safety of
13 launch vehicles designed to carry humans, including through
14 the issuance of regulations, to the extent permitted by this
15 chapter;

16 (3) to provide that the Secretary of Transportation is to
17 oversee and coordinate the conduct of commercial launch and
18 reentry operations, issue permits and

19 commercial licenses and transfer commercial licenses
20 authorizing those operations, and protect the public health and
21 safety, safety of property, and national security and foreign
22 policy interests of the United States; and

23 (4) to facilitate the strengthening and expansion of the United
24 States space transportation infrastructure, including the
25 enhancement of United States launch sites and launch-site support
26 facilities, and development of reentry sites, with Government,
27 State, and private sector involvement, to support the full range
28 of United States space-related activities.

30 **Sec. 70102. Definitions**

31 In this chapter -

32 (1) 'citizen of the United States' means -

33 (A) an individual who is a citizen of the United States;

34 (B) an entity organized or existing under the laws of the
35 United States or a State; or

36 (C) an entity organized or existing under the laws of a
37 foreign country if the controlling interest (as defined by the
38 Secretary of Transportation) is held by an individual or entity
39 described in subclause (A) or (B) of this clause.

40 (2) 'crew' means any employee of a licensee or transferee, or
41 of a contractor or subcontractor of a licensee or transferee, who
42 performs activities in the course of that employment directly
43 relating to the launch, reentry, or other operation of or in a
44 launch vehicle or reentry vehicle that carries human beings.

45 (3) 'executive agency' has the same meaning given that term
46 in section 105 of title 5.

47 (4) 'launch' means to place or try to place a launch vehicle
48 or reentry vehicle and any payload, crew, or space flight
49 participant from Earth -

50 (A) in a suborbital trajectory;

51 (B) in Earth orbit in outer space; or

52 (C) otherwise in outer space,
53 including activities involved in the preparation of a launch
54 vehicle or payload for launch, when those activities take place
55 at a launch site in the United States.

56 (5) 'launch property' means an item built for, or used in,
57

1 the launch preparation or launch of a launch vehicle.

2 (6) 'launch services' means -

3 (A) activities involved in the preparation of a launch
4 vehicle, **payload, crew (including crew training), or space**
5 **flight participant** for launch; and

6 (B) the conduct of a launch.

7 (7) 'launch site' means the location on Earth from which a
8 launch takes place (as defined in a license the Secretary issues
9 or transfers under this chapter) and necessary facilities at that
10 location.

11 (8) 'launch vehicle' means -

12 (A) a vehicle built to operate in, or place a payload **or human**
13 **beings** in, outer space; and

14 (B) a suborbital rocket.

15 (9) 'obtrusive space advertising' means advertising in outer
16 space that is capable of being recognized by a human being on the
17 surface of the Earth without the aid of a telescope or other
18 technological device.

19 (10) 'payload' means an object that a person undertakes to
20 place in outer space by means of a launch vehicle or reentry
21 vehicle, including components of the vehicle specifically
22 designed or adapted for that object.

23 (11) **except in section 70104(c), 'permit' means an experimental**
24 **permit issued under section 70105a.**

25 (12) 'person' means an individual and an entity organized or
26 existing under the laws of a State or country.

27 (13) 'reenter' and 'reentry' mean to return or attempt to
28 return, purposefully, a reentry vehicle and its payload, **crew, or**
29 **space flight participants**, if any, from Earth orbit or from outer
30 space to Earth.

31 (14) 'reentry services' means -

32 (A) activities involved in the preparation of a reentry
33 vehicle **payload, crew (including crew training),**
34 **or space flight participant**, if any, for reentry; and

35 (B) the conduct of a reentry.

36 (15) 'reentry site' means the location on Earth to which a
37 reentry vehicle is intended to return (as defined in a license
38 the Secretary issues or transfers under this chapter).

39 (16) 'reentry vehicle' means a vehicle designed to return
40 from Earth orbit or outer space to Earth, or a reusable launch
41 vehicle designed to return from Earth orbit or outer space to
42 Earth, substantially intact.

43 (17) **'space flight participant' means an individual, who is**
44 **not crew, carried within a launch vehicle or reentry vehicle.**

45 (18) 'State' means a State of the United States, the District
46 of Columbia, and a territory or possession of the United States.

47 (19) **unless and until regulations take effect under section**
48 **70120(c)(2), 'suborbital rocket' means a vehicle, rocket-propelled**
49 **in whole or in part, intended for flight on a suborbital**
50 **trajectory, and the thrust of which is greater than its lift**
51 **for the majority of the rocket-powered portion of its ascent.**

52 (20) **'suborbital trajectory' means the intentional flight path**
53 **of a launch vehicle, reentry vehicle, or any portion thereof,**
54 **whose vacuum instantaneous impact point does not leave the**
55 **surface of the Earth.**

56 (21) 'third party' means a person except -

57 (A) the United States Government or the Government's

1 contractors or subcontractors involved in launch services or
2 reentry services;

3 (B) a licensee or transferee under this chapter;

4 (C) a licensee's or transferee's contractors, subcontractors,
5 or customers involved in launch services or reentry services;

6 (D) the customer's contractors or subcontractors involved in
7 launch services or reentry services; or

8 (E) crew or space flight participants.

9 (22) "United States" means the States of the United States,
10 the District of Columbia, and the territories and possessions of
11 the United States.

12 13 **Sec. 70103. General authority**

14
15 (a) General. - The Secretary of Transportation shall carry out
16 this chapter.

17 (b) Facilitating Commercial Launches and Reentries. - In carrying
18 out this chapter, the Secretary shall -

19 (1) encourage, facilitate, and promote commercial space
20 launches and reentries by the private sector including those
21 involving space flight participants; and

22 (2) take actions to facilitate private sector involvement in
23 commercial space transportation activity, and to promote
24 public-private partnerships involving the United States
25 Government, State governments, and the private sector to build,
26 expand, modernize, or operate a space launch and reentry
27 infrastructure.

28 (c) Safety. - In carrying out the responsibilities under
29 subsection (b), the Secretary shall encourage, facilitate, and
30 promote the continuous improvement of the safety of launch
31 vehicles designed to carry humans, and the Secretary may,
32 consistent with this chapter, promulgate regulations to carry
33 out this subsection.

34 (d) Executive Agency Assistance. - When necessary, the head of an
35 executive agency shall assist the Secretary in carrying out this
36 chapter.

37 38 **Sec. 70104. Restrictions on launches, operations, and reentries**

39
40 (a) Requirement. - A license issued or transferred under
41 this chapter, or a permit, is required for the following:

42 (1) for a person to launch a launch vehicle or to operate a
43 launch site or reentry site, or to reenter a reentry vehicle, in
44 the United States.

45 (2) for a citizen of the United States (as defined in section
46 70102(1)(A) or (B) of this title) to launch a launch vehicle or
47 to operate a launch site or reentry site, or to reenter a reentry
48 vehicle, outside the United States.

49 (3) for a citizen of the United States (as defined in section
50 70102(1)(C) of this title) to launch a launch vehicle or to
51 operate a launch site or reentry site, or to reenter a reentry
52 vehicle, outside the United States and outside the territory of a
53 foreign country unless there is an agreement between the United
54 States Government and the government of the foreign country
55 providing that the government of the foreign country has
56 jurisdiction over the launch or operation or reentry.

57 (4) for a citizen of the United States (as defined in section

1 70102(1)(C) of this title) to launch a launch vehicle or to
2 operate a launch site or reentry site, or to reenter a reentry
3 vehicle, in the territory of a foreign country if there is an
4 agreement between the United States Government and the government
5 of the foreign country providing that the United States
6 Government has jurisdiction over the launch or operation or
7 reentry. **Notwithstanding this subsection, a permit shall not**
8 **authorize a person to operate a launch site or reentry site.**

9 (b) Compliance With Payload Requirements. - The holder of a
10 license **or permit** under this chapter may launch or reenter a payload only
11 if the payload complies with all requirements of the laws of the
12 United States related to launching or reentering a payload.

13 (c) Preventing Launches and Reentries. - The Secretary of
14 Transportation shall establish whether all required licenses,
15 authorizations, and permits required for a payload have been
16 obtained. If no license, authorization, or permit is required, the
17 Secretary may prevent the launch or reentry if the Secretary
18 decides the launch or reentry would jeopardize the public health
19 and safety, safety of property, or national security or foreign
20 policy interest of the United States.

21 (d) **Single License or Permit.**-**The Secretary of Transportation**
22 **shall ensure that only 1 license or permit is required from the**
23 **Department of Transportation to conduct activities involving crew**
24 **or space flight participants, including launch and reentry, for**
25 **which a license or permit is required under this chapter. The**
26 **Secretary shall ensure that all Department of Transportation**
27 **regulations relevant to the licensed or permitted activity are**
28 **satisfied.**

29
30 **Sec. 70105. License applications and requirements**

31
32 (a) Applications. - (1) A person may apply to the Secretary of
33 Transportation for a license or transfer of a license under this
34 chapter in the form and way the Secretary prescribes. Consistent
35 with the public health and safety, safety of property, and national
36 security and foreign policy interests of the United States, the
37 Secretary, not later than 180 days after receiving an application,
38 shall issue or transfer a license if the Secretary decides in
39 writing that the applicant complies, and will continue to comply,
40 with this chapter and regulations prescribed under this chapter.
41 The Secretary shall inform the applicant of any pending issue and
42 action required to resolve the issue if the Secretary has not made
43 a decision not later than 120 days after receiving an application.
44 The Secretary shall transmit to the Committee on Science of the
45 House of Representatives and the Committee on Commerce, Science,
46 and Transportation of the Senate a written notice not later than 30
47 days after any occurrence when **the Secretary has not taken action**
48 **on a license application** within the deadline established by this
49 subsection.

50 (2) In carrying out paragraph (1), the Secretary may establish
51 procedures for safety approvals of launch vehicles, reentry
52 vehicles, safety systems, processes, services, or personnel
53 **(including approval procedures for the purpose of protecting the**
54 **health and safety of crews and space flight participants, to the**
55 **extent permitted by subsections (b) and (c))** that may be used in
56 conducting licensed commercial space launch or reentry activities.

57 (b) Requirements. - (1) Except as provided in this subsection,

1 all requirements of the laws of the United States applicable to the
2 launch of a launch vehicle or the operation of a launch site or a
3 reentry site, or the reentry of a reentry vehicle, are requirements
4 for a license or permit under this chapter.

5 (2) The Secretary may prescribe -

6 (A) any term necessary to ensure compliance with this chapter,
7 including on-site verification that a launch, operation, or
8 reentry complies with representations stated in the application;

9 (B) any additional requirement necessary to protect the public
10 health and safety, safety of property, national security
11 interests, and foreign policy interests of the United States;

12 (C) by regulation that a requirement of a law of the United
13 States not be a requirement for a license or permit if the
14 Secretary, after consulting with the head of the appropriate
15 executive agency, decides that the requirement is not necessary
16 to protect the public health and safety, safety of property,
17 and national security and foreign policy interests of the United
18 States;

19 (D) additional license requirements, for a launch vehicle
20 carrying a human being for compensation or hire, necessary to
21 protect the health and safety of crew or space flight participants,
22 only if such requirements are imposed pursuant to final regulations
23 issued in accordance with subsection (c); and

24 (E) regulations establishing criteria for accepting or rejecting
25 an application for a license or permit under this chapter within
26 60 days after receipt of such application.

27 (3) The Secretary may waive a requirement, including the
28 requirement to obtain a license, for an individual applicant if the
29 Secretary decides that the waiver is in the public interest and
30 will not jeopardize the public health and safety, safety of
31 property, and national security and foreign policy interests of the
32 United States. The Secretary may not grant a waiver under this
33 paragraph that would permit the launch or reentry of a launch
34 vehicle or a reentry vehicle without a license or permit if a
35 human being will be on board.

36 (4) The holder of a license or a permit under this chapter may
37 launch or reenter crew only if-

38 (A) the crew has received training and has satisfied medical
39 or other standards specified in the license or permit in
40 accordance with regulations promulgated by the Secretary;

41 (B) the holder of the license or permit has informed any
42 individual serving as crew in writing, prior to executing any
43 contract or other arrangement to employ that individual (or, in
44 the case of an individual already employed as of the date of
45 enactment of the Commercial Space Launch Amendments Act of 2004,
46 as early as possible, but in any event prior to any launch in
47 which the individual will participate as crew), that the United
48 States Government has not certified the launch vehicle as safe
49 for carrying crew or space flight participants; and

50 (C) the holder of the license or permit and crew have complied
51 with all requirements of the laws of the United States that apply
52 to crew.

53 (5) The holder of a license or a permit under this chapter may
54 launch or reenter a space flight participant only if-

55 (A) in accordance with regulations promulgated by the Secretary,
56 the holder of the license or permit has informed the space flight
57 participant in writing about the risks of the launch and reentry,

1 including the safety record of the launch or reentry vehicle type,
2 and the Secretary has informed the space flight participant in
3 writing of any relevant information related to risk or probable
4 loss during each phase of flight gathered by the Secretary in making
5 the determination required by section 70112(a)(2) and (c);

6 (B) the holder of the license or permit has informed any space
7 flight participant in writing, prior to receiving any compensation
8 from that space flight participant or (in the case of a space
9 flight participant not providing compensation) otherwise concluding
10 any agreement to fly that space flight participant, that the United
11 States Government has not certified the launch vehicle as safe for
12 carrying crew or space flight participants;

13 (C) in accordance with regulations promulgated by the Secretary,
14 the space flight participant has provided written informed consent to
15 participate in the launch and reentry and written certification of
16 compliance with any regulations promulgated under paragraph (6)(A); and

17 (D) the holder of the license or permit has complied with any
18 regulations promulgated by the Secretary pursuant to paragraph (6).

19 (6)(A) The Secretary may issue regulations requiring space flight
20 participants to undergo an appropriate physical examination prior
21 to a launch or reentry under this chapter. This subparagraph shall
22 cease to be in effect three years after the date of enactment of
23 the Commercial Space Launch Amendments Act of 2004.

24 (B) The Secretary may issue additional regulations setting
25 reasonable requirements for space flight participants, including
26 medical and training requirements. Such regulations shall not be
27 effective before the expiration of 3 years after the date of
28 enactment of the Commercial Space Launch Amendments Act of 2004.

29 (c) Safety Regulations.— (1) The Secretary may issue regulations
30 governing the design or operation of a launch vehicle to protect
31 the health and safety of crew and space flight participants.

32 (2) Regulations issued under this subsection shall—

33 (A) describe how such regulations would be applied when the
34 Secretary is determining whether to issue a license under this
35 chapter;

36 (B) apply only to launches in which a vehicle will be carrying
37 a human being for compensation or hire;

38 (C) be limited to restricting or prohibiting design features
39 or operating practices that—

40 (i) have resulted in a serious or fatal injury (as defined in
41 49 CFR 830, as in effect on November 10, 2004) to crew or space
42 flight participants during a licensed or permitted commercial
43 human space flight; or

44 (ii) contributed to an unplanned event or series of events
45 during a licensed or permitted commercial human space flight
46 that posed a high risk of causing a serious or fatal injury
47 (as defined in 49 CFR 830, as in effect on November 10, 2004)
48 to crew or space flight participants; and

49 (D) be issued with a description of the instance or instances
50 when the design feature or operating practice being restricted
51 or prohibited contributed to a result or event described in
52 subparagraph (C).

53 (3) Beginning 8 years after the date of enactment of the
54 Commercial Space Launch Amendments Act of 2004, the Secretary
55 may propose regulations under this subsection without regard to
56 paragraph (2)(C) and (D). Any such regulations shall take into
57 consideration the evolving standards of safety in the commercial

1 space flight industry.

2 (4) Nothing in this subsection shall be construed to limit the
3 authority of the Secretary to issue requirements or regulations
4 to protect the public health and safety, safety of property,
5 national security interests, and foreign policy interests of
6 the United States.

7 (d) Procedures and Timetables. - The Secretary shall establish
8 procedures and timetables that expedite review of a license or
9 permit application and reduce the regulatory burden for an
10 applicant.

11
12 **Sec. 70105a. Experimental permits**

13
14 (a) A person may apply to the Secretary of Transportation for an
15 experimental permit under this section in the form and manner the
16 Secretary prescribes. Consistent with the protection of the public
17 health and safety, safety of property, and national security and
18 foreign policy interests of the United States, the Secretary, not
19 later than 120 days after receiving an application pursuant to this
20 section, shall issue a permit if the Secretary decides in writing
21 that the applicant complies, and will continue to comply, with this
22 chapter and regulations prescribed under this chapter. The Secretary
23 shall inform the applicant of any pending issue and action required
24 to resolve the issue if the Secretary has not made a decision not
25 later than 90 days after receiving an application. The Secretary
26 shall transmit to the Committee on Science of the House of
27 Representatives and Committee on Commerce, Science, and
28 Transportation of the Senate a written notice not later than
29 15 days after any occurrence when the Secretary has failed to
30 act on a permit within the deadline established by this section.

31 (b) In carrying out subsection (a), the Secretary may establish
32 procedures for safety approvals of launch vehicles, reentry vehicles,
33 safety systems, processes, services, or personnel that may be used
34 in conducting commercial space launch or reentry activities pursuant
35 to a permit.

36 (c) In order to encourage the development of a commercial space
37 flight industry, the Secretary may when issuing permits use the
38 authority granted under section 70105(b)(2)(C).

39 (d) The Secretary may issue a permit only for reusable suborbital
40 rockets that will be launched or reentered solely for—

41 (1) research and development to test new design concepts, new
42 equipment, or new operating techniques;

43 (2) showing compliance with requirements as part of the process
44 for obtaining a license under this chapter; or

45 (3) crew training prior to obtaining a license for a launch or
46 reentry using the design of the rocket for which the permit
47 would be issued.

48 (e) Permits issued under this section shall —

49 (1) authorize an unlimited number of launches and reentries for
50 a particular suborbital rocket design for the uses described in
51 subsection (d); and

52 (2) specify the type of modifications that may be made to the
53 suborbital rocket without changing the design to an extent that
54 would invalidate the permit.

55 (f) Permits shall not be transferable.

56 (g) A permit may not be issued for, and a permit that has
57 already been issued shall cease to be valid for, a particular design

1 for a reusable suborbital rocket after a license has been issued for
2 the launch or reentry of a rocket of that design.

3 (h) No person may operate a reusable suborbital rocket under a
4 permit for carrying any property or human being for compensation
5 or hire.

6 (i) For the purposes of sections 70106, 70107, 70108, 70109,
7 70110, 70112, 70115, 70116, 70117, and 70121 of this chapter—

8 (1) a permit shall be considered a license;

9 (2) the holder of a permit shall be considered a licensee;

10 (3) a vehicle operating under a permit shall be considered
11 to be licensed; and

12 (4) the issuance of a permit shall be considered licensing.

13 This subsection shall not be construed to allow the transfer of
14 a permit.

15 **Sec. 70106. Monitoring activities**

16 (a) General Requirements. - A licensee under this chapter must
17 allow the Secretary of Transportation to place an officer or
18 employee of the United States Government or another individual as
19 an observer at a launch site or reentry site the licensee uses, at
20 a production facility or assembly site a contractor of the licensee
21 uses to produce or assemble a launch vehicle or reentry vehicle at
22 a site used for crew or space flight participant training, or
23 at a site at which a payload is integrated with a launch vehicle or
24 reentry vehicle. The observer will monitor the activity of the
25 licensee or contractor at the time and to the extent the Secretary
26 considers reasonable to ensure compliance with the license or to
27 carry out the duties of the Secretary under section 70104(c),
28 70105, and 70105a of this title. A licensee must cooperate with
29 an observer carrying out this subsection.

30 (b) Contracts. - To the extent provided in advance in an
31 appropriation law, the Secretary may make a contract with a person
32 to carry out subsection (a) of this section.

33 **Sec. 70107. Effective periods, and modifications, suspensions, and** 34 **revocations, of licenses**

35 (a) Effective Periods of Licenses. - The Secretary of
36 Transportation shall specify the period for which a license issued
37 or transferred under this chapter is in effect.

38 (b) Modifications. - (1) On the initiative of the Secretary or on
39 application of the licensee, the Secretary may modify a license
40 issued or transferred under this chapter if the Secretary decides
41 the modification will comply with this chapter.

42 (2) The Secretary shall modify a license issued or transferred
43 under this chapter whenever a modification is needed for the
44 license to be in conformity with a regulation that was issued
45 pursuant to section 70105(c) after the issuance of the license.
46 This paragraph shall not apply to permits.

47 (c) Suspensions and Revocations. - The Secretary may suspend or
48 revoke a license if the Secretary decides that -

49 (1) the licensee has not complied substantially with a
50 requirement of this chapter or a regulation prescribed under this
51 chapter; or

52 (2) the suspension or revocation is necessary to protect the
53 public health and safety, the safety of property, or a national
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1 security or foreign policy interest of the United States.

2 (d) Additional Suspensions.—(1) The Secretary may suspend a
3 license when a previous launch or reentry under the license has
4 resulted in a serious or fatal injury (as defined in 49 CFR 830,
5 as in effect on November 10, 2004) to crew or space flight
6 participants and the Secretary has determined that continued
7 operations under the license are likely to cause additional
8 serious or fatal injury (as defined in 49 CFR 830, as in effect
9 on November 10,2004) to crew or space flight participants.

10 (2) Any suspension imposed under this subsection shall be for
11 as brief a period as possible and, in any event, shall cease
12 when the Secretary—

13 (A) has determined that the licensee has taken sufficient
14 steps to reduce the likelihood of a recurrence of the serious
15 or fatal injury; or

16 (B) has modified the license pursuant to subsection (b) to
17 sufficiently reduce the likelihood of a recurrence of the
18 serious or fatal injury.

19 (3) This subsection shall not apply to permits.

20 (e) Effective Periods of Modifications, Suspensions, and
21 Revocations. - Unless the Secretary specifies otherwise, a
22 modification, suspension, or revocation under this section takes
23 effect immediately and remains in effect during a review under
24 section 70110 of this title.

25 (f) Notification. - The Secretary shall notify the licensee in
26 writing of the decision of the Secretary under this section and any
27 action the Secretary takes or proposes to take based on the
28 decision.

29
30 **Sec. 70108. Prohibition, suspension, and end of launches, operation**
31 **of launch sites and reentry sites, and reentries**

32
33 (a) General Authority. - The Secretary of Transportation may
34 prohibit, suspend, or end immediately the launch of a launch
35 vehicle or the operation of a launch site or reentry site, or
36 reentry of a reentry vehicle, licensed under this chapter if the
37 Secretary decides the launch or operation or reentry is detrimental
38 to the public health and safety, the safety of property, or a
39 national security or foreign policy interest of the United States.

40 (b) Effective Periods of Orders. - An order under this section
41 takes effect immediately and remains in effect during a review
42 under section 70110 of this title.

43
44 **Sec. 70109. Preemption of scheduled launches or reentries**

45
46 (a) General. - With the cooperation of the Secretary of Defense
47 and the Administrator of the National Aeronautics and Space
48 Administration, the Secretary of Transportation shall act to ensure
49 that a launch or reentry of a payload is not preempted from access
50 to a United States Government launch site, reentry site, or launch
51 property, except for imperative national need, when a launch date
52 commitment or reentry date commitment from the Government has been
53 obtained for a launch or reentry licensed under this chapter. A
54 licensee or transferee preempted from access to a launch site,
55 reentry site, or launch property does not have to pay the
56 Government any amount for launch services, or services related to a
57 reentry, attributable only to the scheduled launch or reentry

1 prevented by the preemption.

2 (b) Imperative National Need Decisions. - In consultation with
3 the Secretary of Transportation, the Secretary of Defense or the
4 Administrator shall decide when an imperative national need
5 requires preemption under subsection (a) of this section. That
6 decision may not be delegated.

7 (c) Reports. - In cooperation with the Secretary of
8 Transportation, the Secretary of Defense or the Administrator, as
9 appropriate, shall submit to Congress not later than 7 days after a
10 decision to preempt under subsection (a) of this section, a report
11 that includes an explanation of the circumstances justifying the
12 decision and a schedule for ensuring the prompt launching or
13 reentry of a preempted payload.

14 **Sec. 70109a. Space advertising**

15
16
17 (a) Licensing. - Notwithstanding the provisions of this chapter
18 or any other provision of law, the Secretary may not, for the
19 launch of a payload containing any material to be used for the
20 purposes of obtrusive space advertising -

21 (1) issue or transfer a license under this chapter; or

22 (2) waive the license requirements of this chapter.

23 (b) Launching. - No holder of a license under this chapter may
24 launch a payload containing any material to be used for purposes of
25 obtrusive space advertising.

26 (c) Commercial Space Advertising. - Nothing in this section shall
27 apply to nonobtrusive commercial space advertising, including
28 advertising on -

29 (1) commercial space transportation vehicles;

30 (2) space infrastructure payloads;

31 (3) space launch facilities; and

32 (4) launch support facilities.

33 34 **Sec. 70110. Administrative hearings and judicial review**

35
36 (a) Administrative Hearings. - The Secretary of Transportation
37 shall provide an opportunity for a hearing on the record to -

38 (1) an applicant under this chapter, for a decision of the
39 Secretary under section 70105(a) or 70105a of this title to issue or
40 transfer a license with terms or deny the issuance or transfer of
41 a license;

42 (2) an owner or operator of a payload under this chapter, for a
43 decision of the Secretary under section 70104(c) of this title to
44 prevent the launch or reentry of the payload; and

45 (3) a licensee under this chapter, for a decision of the
46 Secretary under -

47 (A) section 70107(b) or (c) of this title to modify, suspend,
48 or revoke a license; or

49 (B) section 70108(a) of this title to prohibit, suspend, or
50 end a launch or operation of a launch site or reentry site, or
51 reentry of a reentry vehicle, licensed by the Secretary.

52 (b) Judicial Review. - A final action of the Secretary under this
53 chapter is subject to judicial review as provided in chapter 7 of
54 title 5.

55 56 **Sec. 70111. Acquiring United States Government property and** 57 **Services**

1
2 (a) General Requirements and Considerations. - (1) The Secretary
3 of Transportation shall facilitate and encourage the acquisition by
4 the private sector and State governments of -

5 (A) launch or reentry property of the United States Government
6 that is excess or otherwise is not needed for public use; and

7 (B) launch services and reentry services, including utilities,
8 of the Government otherwise not needed for public use.

9 (2) In acting under paragraph (1) of this subsection, the
10 Secretary shall consider the commercial availability on reasonable
11 terms of substantially equivalent launch property or launch
12 services or reentry services from a domestic source, whether such
13 source is located on or off a Federal range.

14 (b) Price. - (1) In this subsection, "direct costs" means the
15 actual costs that -

16 (A) can be associated unambiguously with a commercial launch or
17 reentry effort; and

18 (B) the Government would not incur if there were no commercial
19 launch or reentry effort.

20 (2) In consultation with the Secretary, the head of the executive
21 agency providing the property or service under subsection (a) of
22 this section shall establish the price for the property or
23 service. The price for -

24 (A) acquiring launch property by sale or transaction instead of
25 sale is the fair market value;

26 (B) acquiring launch property (except by sale or transaction
27 instead of sale) is an amount equal to the direct costs,
28 including specific wear and tear and property damage, the
29 Government incurred because of acquisition of the property; and

30 (C) launch services or reentry services is an amount equal to
31 the direct costs, including the basic pay of Government civilian
32 and contractor personnel, the Government incurred because of
33 acquisition of the services.

34 (3) The Secretary shall ensure the establishment of uniform
35 guidelines for, and consistent implementation of, this section by
36 all Federal agencies.

37 (c) Collection by Secretary. - The Secretary may collect a
38 payment under this section with the consent of the head of the
39 executive agency establishing the price. Amounts collected under
40 this subsection shall be deposited in the Treasury. Amounts (except
41 for excess launch property) shall be credited to the appropriation
42 from which the cost of providing the property or services was paid.

43 (d) Collection by Other Governmental Heads. - The head of a
44 department, agency, or instrumentality of the Government may
45 collect a payment for an activity involved in producing a launch
46 vehicle or reentry vehicle, or the payload of either, for launch or
47 reentry if the activity was agreed to by the owner or manufacturer
48 of the launch vehicle, reentry vehicle, or payload.

49
50 **Sec. 70112. Liability insurance and financial responsibility**
51 **Requirements**

52
53 (a) General Requirements. - (1) When a launch or reentry license
54 is issued or transferred under this chapter, the licensee or
55 transferee shall obtain liability insurance or demonstrate
56 financial responsibility in amounts to compensate for the maximum
57 probable loss from claims by -

1 (A) a third party for death, bodily injury, or property damage
2 or loss resulting from an activity carried out under the license;
3 and

4 (B) the United States Government against a person for damage or
5 loss to Government property resulting from an activity carried
6 out under the license.

7 (2) The Secretary of Transportation shall determine the amounts
8 required under paragraph (1)(A) and (B) of this subsection, after
9 consulting with the Administrator of the National Aeronautics and
10 Space Administration, the Secretary of the Air Force, and the heads
11 of other appropriate executive agencies.

12 (3) For the total claims related to one launch or reentry, a
13 licensee or transferee is not required to obtain insurance or
14 demonstrate financial responsibility of more than -

15 (A)(i) \$500,000,000 under paragraph (1)(A) of this subsection;

16 or

17 (ii) \$100,000,000 under paragraph (1)(B) of this subsection; or

18 (B) the maximum liability insurance available on the world
19 market at reasonable cost if the amount is less than the
20 applicable amount in clause (A)(i) or (ii) of this paragraph.

21 (4) An insurance policy or demonstration of financial
22 responsibility under this subsection shall protect the following,
23 to the extent of their potential liability for involvement in
24 launch services or reentry services, at no cost to the Government:

25 (A) the Government.

26 (B) executive agencies and personnel, contractors, and
27 subcontractors of the Government.

28 (C) contractors, subcontractors, and customers of the licensee
29 or transferee.

30 (D) contractors and subcontractors of the customer.

31 (b) Reciprocal Waiver of Claims. - (1) A launch or reentry
32 license issued or transferred under this chapter shall contain a
33 provision requiring the licensee or transferee to make a reciprocal
34 waiver of claims with its contractors, subcontractors, and
35 customers, and contractors and subcontractors of the customers,
36 involved in launch services or reentry services under which each
37 party to the waiver agrees to be responsible for property damage or
38 loss it sustains, or for personal injury to, death of, or property
39 damage or loss sustained by its own employees resulting from an
40 activity carried out under the applicable license.

41 (2) The Secretary of Transportation shall make, for the
42 Government, executive agencies of the Government involved in launch
43 services or reentry services, and contractors and subcontractors
44 involved in launch services or reentry services, a reciprocal
45 waiver of claims with the licensee or transferee, contractors,
46 subcontractors, crew, space flight participants, and customers of
47 the licensee or transferee, and contractors and subcontractors of
48 the customers, involved in launch services or reentry services
49 under which each party to the waiver agrees to be responsible
50 for property damage or loss it sustains, or for personal injury
51 to, death of, or property damage or loss sustained by its own
52 employees or by space flight participants resulting from an activity
53 carried out under the applicable license. The waiver applies only to
54 the extent that claims are more than the amount of insurance or
55 demonstration of financial responsibility required under subsection
56 (a)(1)(B) of this section. After consulting with the Administrator
57 and the Secretary of the Air Force, the Secretary of Transportation

1 may waive, for the Government and a department, agency, and
2 instrumentality of the Government, the right to recover damages for
3 damage or loss to Government property to the extent insurance is
4 not available because of a policy exclusion the Secretary of
5 Transportation decides is usual for the type of insurance involved.

6 (c) Determination of Maximum Probable Losses. - The Secretary of
7 Transportation shall determine the maximum probable losses under
8 subsection (a)(1)(A) and (B) of this section associated with an
9 activity under a license not later than 90 days after a licensee or
10 transferee requires a determination and submits all information the
11 Secretary requires. The Secretary shall amend the determination as
12 warranted by new information.

13 (d) Annual Report. - (1) Not later than November 15 of each year,
14 the Secretary of Transportation shall submit to the Committee on
15 Commerce, Science, and Transportation of the Senate and the
16 Committee on Science of the House of Representatives a report on
17 current determinations made under subsection (c) of this section
18 related to all issued licenses and the reasons for the
19 determinations.

20 (2) Not later than May 15 of each year, the Secretary of
21 Transportation shall review the amounts specified in subsection
22 (a)(3)(A) of this section and submit a report to Congress that
23 contains proposed adjustments in the amounts to conform with
24 changed liability expectations and availability of insurance on the
25 world market. The proposed adjustment takes effect 30 days after a
26 report is submitted.

27 (e) Launches or Reentries Involving Government Facilities and
28 Personnel. - The Secretary of Transportation shall establish
29 requirements consistent with this chapter for proof of financial
30 responsibility and other assurances necessary to protect the
31 Government and its executive agencies and personnel from liability,
32 death, bodily injury, or property damage or loss as a result of a
33 launch or operation of a launch site or reentry site or a reentry
34 involving a facility or personnel of the Government. The Secretary
35 may not relieve the Government of liability under this subsection
36 for death, bodily injury, or property damage or loss resulting from
37 the willful misconduct of the Government or its agents.

38 (f) Collection and Crediting Payments. - The head of a
39 department, agency, or instrumentality of the Government shall
40 collect a payment owed for damage or loss to Government property
41 under its jurisdiction or control resulting from an activity
42 carried out under a launch or reentry license issued or transferred
43 under this chapter. The payment shall be credited to the current
44 applicable appropriation, fund, or account of the department,
45 agency, or instrumentality.

46
47 **Sec. 70113. Paying claims exceeding liability insurance and**
48 **financial responsibility requirements**
49

50 (a) General Requirements. - (1) To the extent provided in advance
51 in an appropriation law or to the extent additional legislative
52 authority is enacted providing for paying claims in a compensation
53 plan submitted under subsection (d) of this section, the Secretary
54 of Transportation shall provide for the payment by the United
55 States Government of a successful claim (including reasonable
56 litigation or settlement expenses) of a third party against a
57 licensee or transferee under this chapter, a contractor,

1 subcontractor, or customer of the licensee or transferee, or a
2 contractor or subcontractor of a customer, but not against a space
3 flight participant, resulting from an activity carried out under
4 the license issued or transferred under this chapter for death,
5 bodily injury, or property damage or loss resulting from an
6 activity carried out under the license. However, claims may be
7 paid under this section only to the extent the total amount of
8 successful claims related to one launch or reentry -

9 (A) is more than the amount of insurance or demonstration of
10 financial responsibility required under section 70112(a)(1)(A) of
11 this title; and

12 (B) is not more than \$1,500,000,000 (plus additional amounts
13 necessary to reflect inflation occurring after January 1, 1989)
14 above that insurance or financial responsibility amount.

15 (2) The Secretary may not provide for paying a part of a claim
16 for which death, bodily injury, or property damage or loss results
17 from willful misconduct by the licensee or transferee. To the
18 extent insurance required under section 70112(a)(1)(A) of this
19 title is not available to cover a successful third party liability
20 claim because of an insurance policy exclusion the Secretary
21 decides is usual for the type of insurance involved, the Secretary
22 may provide for paying the excluded claims without regard to the
23 limitation contained in section 70112(a)(1).

24 (b) Notice, Participation, and Approval. - Before a payment under
25 subsection (a) of this section is made -

26 (1) notice must be given to the Government of a claim, or a
27 civil action related to the claim, against a party described in
28 subsection (a)(1) of this section for death, bodily injury, or
29 property damage or loss;

30 (2) the Government must be given an opportunity to participate
31 or assist in the defense of the claim or action; and

32 (3) the Secretary must approve any part of a settlement to be
33 paid out of appropriations of the Government.

34 (c) Withholding Payments. - The Secretary may withhold a payment
35 under subsection (a) of this section if the Secretary certifies
36 that the amount is not reasonable. However, the Secretary shall
37 deem to be reasonable the amount of a claim finally decided by a
38 court of competent jurisdiction.

39 (d) Surveys, Reports, and Compensation Plans. - (1) If as a
40 result of an activity carried out under a license issued or
41 transferred under this chapter the total of claims related to one
42 launch or reentry is likely to be more than the amount of required
43 insurance or demonstration of financial responsibility, the
44 Secretary shall -

45 (A) survey the causes and extent of damage; and

46 (B) submit expeditiously to Congress a report on the results of
47 the survey.

48 (2) Not later than 90 days after a court determination indicates
49 that the liability for the total of claims related to one launch or
50 reentry may be more than the required amount of insurance or
51 demonstration of financial responsibility, the President, on the
52 recommendation of the Secretary, shall submit to Congress a
53 compensation plan that -

54 (A) outlines the total dollar value of the claims;

55 (B) recommends sources of amounts to pay for the claims;

56 (C) includes legislative language required to carry out the
57 plan if additional legislative authority is required; and

1 (D) for a single event or incident, may not be for more than
2 \$1,500,000,000.

3 (3) A compensation plan submitted to Congress under paragraph (2)
4 of this subsection shall -

5 (A) have an identification number; and

6 (B) be submitted to the Senate and the House of Representatives
7 on the same day and when the Senate and House are in session.
8 (e) Congressional Resolutions. - (1) In this subsection,
9 ''resolution'' -

10 (A) means a joint resolution of Congress the matter after the
11 resolving clause of which is as follows: ''That the Congress
12 approves the compensation plan numbered _ _ _ _ _ submitted to
13 the Congress on _ _ _ _ _ , 20_ _.'', with the blank spaces
14 being filled appropriately; but

15 (B) does not include a resolution that includes more than one
16 compensation plan.

17 (2) The Senate shall consider under this subsection a
18 compensation plan requiring additional appropriations or
19 legislative authority not later than 60 calendar days of continuous
20 session of Congress after the date on which the plan is submitted
21 to Congress.

22 (3) A resolution introduced in the Senate shall be referred
23 immediately to a committee by the President of the Senate. All
24 resolutions related to the same plan shall be referred to the same
25 committee.

26 (4)(A) If the committee of the Senate to which a resolution has
27 been referred does not report the resolution within 20 calendar
28 days after it is referred, a motion is in order to discharge the
29 committee from further consideration of the resolution or to
30 discharge the committee from further consideration of the plan.

31 (B) A motion to discharge may be made only by an individual
32 favoring the resolution and is highly privileged (except that the
33 motion may not be made after the committee has reported a
34 resolution on the plan). Debate on the motion is limited to one
35 hour, to be divided equally between those favoring and those
36 opposing the resolution. An amendment to the motion is not in
37 order. A motion to reconsider the vote by which the motion is
38 agreed to or disagreed to is not in order.

39 (C) If the motion to discharge is agreed to or disagreed to, the
40 motion may not be renewed and another motion to discharge the
41 committee from another resolution on the same plan may not be made.

42 (5)(A) After a committee of the Senate reports, or is discharged
43 from further consideration of, a resolution, a motion to proceed to
44 the consideration of the resolution is in order at any time, even
45 though a similar previous motion has been disagreed to. The motion
46 is highly privileged and is not debatable. An amendment to the
47 motion is not in order. A motion to reconsider the vote by which
48 the motion is agreed to or disagreed to is not in order.

49 (B) Debate on the resolution referred to in subparagraph (A) of
50 this paragraph is limited to not more than 10 hours, to be divided
51 equally between those favoring and those opposing the resolution.
52 A motion further to limit debate is not debatable. An amendment
53 to, or motion to recommit, the resolution is not in order. A
54 motion to reconsider the vote by which the resolution is agreed to
55 or disagreed to is not in order.

56 (6) The following shall be decided in the Senate without debate:

57 (A) a motion to postpone related to the discharge from

1 committee.

2 (B) a motion to postpone consideration of a resolution.

3 (C) a motion to proceed to the consideration of other business.

4 (D) an appeal from a decision of the chair related to the
5 application of the rules of the Senate to the procedures related
6 to a resolution.

7 (f) Application. - This section applies to a license issued or
8 transferred under this chapter for which the Secretary receives a
9 complete and valid application **not later than December 31, 2009.**¹
10 **This section does not apply to permits.**

11
12 **Sec. 70114. Disclosing information**

13
14 The Secretary of Transportation, an officer or employee of the
15 United States Government, or a person making a contract with the
16 Secretary under section 70106(b) of this title may disclose
17 information under this chapter that qualifies for an exemption
18 under section 552(b)(4) of title 5 or is designated as confidential
19 by the person or head of the executive agency providing the
20 information only if the Secretary decides withholding the
21 information is contrary to the public or national interest.
22

23 **Sec. 70115. Enforcement and penalty**

24
25 (a) Prohibitions. - A person may not violate this chapter, a
26 regulation prescribed under this chapter, or any term of a license
27 issued or transferred under this chapter.

28 (b) General Authority. - (1) In carrying out this chapter, the
29 Secretary of Transportation may -

30 (A) conduct investigations and inquiries;

31 (B) administer oaths;

32 (C) take affidavits; and

33 (D) under lawful process -

34 (i) enter at a reasonable time a launch site, reentry site,
35 production facility, assembly site of a launch vehicle or
36 reentry vehicle, **crew or space flight participant training**
37 **site**, or site at which a payload is integrated with
38 a launch vehicle or reentry vehicle to inspect an object to
39 which this chapter applies or a record or report the Secretary
40 requires be made or kept under this chapter; and

41 (ii) seize the object, record, or report when there is
42 probable cause to believe the object, record, or report was
43 used, is being used, or likely will be used in violation of
44 this chapter.

45 (2) The Secretary may delegate a duty or power under this chapter
46 related to enforcement to an officer or employee of another
47 executive agency with the consent of the head of the agency.

48 (c) Civil Penalty. - (1) After notice and an opportunity for a
49 hearing on the record, a person the Secretary finds to have
50 violated subsection (a) of this section is liable to the United
51 States Government for a civil penalty of not more than \$100,000. A
52 separate violation occurs for each day the violation continues.

53 (2) In conducting a hearing under paragraph (1) of this
54 subsection, the Secretary may -

¹ This extension of indemnification is from P.L. 108-428, November 30, 2004.

1 (A) subpoena witnesses and records; and
2 (B) enforce a subpoena in an appropriate district court of the
3 United States.

4 (3) The Secretary shall impose the civil penalty by written
5 notice. The Secretary may compromise or remit a penalty imposed,
6 or that may be imposed, under this section.

7 (4) The Secretary shall recover a civil penalty not paid after
8 the penalty is final or after a court enters a final judgment for
9 the Secretary.

10
11 **Sec. 70116. Consultation**
12

13 (a) Matters Affecting National Security. - The Secretary of
14 Transportation shall consult with the Secretary of Defense on a
15 matter under this chapter affecting national security. The
16 Secretary of Defense shall identify and notify the Secretary of
17 Transportation of a national security interest relevant to an
18 activity under this chapter.

19 (b) Matters Affecting Foreign Policy. - The Secretary of
20 Transportation shall consult with the Secretary of State on a
21 matter under this chapter affecting foreign policy. The Secretary
22 of State shall identify and notify the Secretary of Transportation
23 of a foreign policy interest or obligation relevant to an activity
24 under this chapter.

25 (c) Other Matters. - In carrying out this chapter, the Secretary
26 of Transportation shall consult with the head of another executive
27 agency -

28 (1) to provide consistent application of licensing requirements
29 under this chapter;

30 (2) to ensure fair treatment for all license applicants; and

31 (3) when appropriate.
32

33 **Sec. 70117. Relationship to other executive agencies, laws, and**
34 **international obligations**
35

36 (a) Executive Agencies. - Except as provided in this chapter, a
37 person is not required to obtain from an executive agency a
38 license, approval, waiver, or exemption to launch a launch vehicle
39 or operate a launch site or reentry site, or to reenter a reentry
40 vehicle.

41 (b) Federal Communications Commission and Secretary of Commerce.
42 - This chapter does not affect the authority of -

43 (1) the Federal Communications Commission under the
44 Communications Act of 1934 (47 U.S.C. 151 et seq.); or

45 (2) the Secretary of Commerce under the Land Remote Sensing
46 Policy Act of 1992 (15 U.S.C. 5601 et seq.).

47 (c) States and Political Subdivisions. - A State or political
48 subdivision of a State -

49 (1) may not adopt or have in effect a law, regulation,
50 standard, or order inconsistent with this chapter; but

51 (2) may adopt or have in effect a law, regulation, standard, or
52 order consistent with this chapter that is in addition to or more
53 stringent than a requirement of, or regulation prescribed under,
54 this chapter.

55 (d) Consultation. - The Secretary of Transportation is encouraged
56 to consult with a State to simplify and expedite the approval of a
57 space launch or reentry activity.

1 (e) Foreign Countries. - The Secretary of Transportation shall -
2 (1) carry out this chapter consistent with an obligation the
3 United States Government assumes in a treaty, convention, or
4 agreement in force between the Government and the government of a
5 foreign country; and

6 (2) consider applicable laws and requirements of a foreign
7 country when carrying out this chapter.

8 (f) Launch Not an Export; Reentry Not an Import. - A launch
9 vehicle, reentry vehicle, or payload that is launched or reentered
10 is not, because of the launch or reentry, an export or import,
11 respectively, for purposes of a law controlling exports or imports,
12 except that payloads launched pursuant to foreign trade zone
13 procedures as provided for under the Foreign Trade Zones Act (19
14 U.S.C. 81a-81u) shall be considered exports with regard to customs
15 entry.

16 (g) Nonapplication. - This chapter does not apply to -

17 (1) a launch, reentry, operation of a launch vehicle or reentry
18 vehicle, operation of a launch site or reentry site, or other
19 space activity the Government carries out for the Government; or

20 (2) planning or policies related to the launch, reentry,
21 operation, or activity.
22

23 **Sec. 70118. User fees**

24
25 The Secretary of Transportation may collect a user fee for a
26 regulatory or other service conducted under this chapter only if
27 specifically authorized by this chapter.
28

29 **Sec. 70119. Office of Commercial Space Transportation**

30
31 There are authorized to be appropriated to the Secretary of
32 Transportation for the activities of the Office of the Associate
33 Administrator for Commercial Space Transportation -

34 (1) \$12,607,000 for fiscal year 2001; and

35 (2) \$16,478,000 for fiscal year 2002.
36

37 **Sec. 70120. Regulations**

38
39 (a) In General. - The Secretary of Transportation, within 9
40 months after the date of the enactment of this section, shall issue
41 regulations to carry out this chapter that include -

42 (1) guidelines for industry and State governments to obtain
43 sufficient insurance coverage for potential damages to third
44 parties;

45 (2) procedures for requesting and obtaining licenses to launch
46 a commercial launch vehicle;

47 (3) procedures for requesting and obtaining operator licenses
48 for launch;

49 (4) procedures for requesting and obtaining launch site
50 operator licenses; and

51 (5) procedures for the application of government
52 indemnification.

53 (b) Reentry. - The Secretary of Transportation, within 6 months
54 after the date of the enactment of this section, shall issue a
55 notice of proposed rulemaking to carry out this chapter that
56 includes -

57 (1) procedures for requesting and obtaining licenses to reenter

1 a reentry vehicle;

2 (2) procedures for requesting and obtaining operator licenses
3 for reentry; and

4 (3) procedures for requesting and obtaining reentry site
5 operator licenses.

6 (c) Amendments. — (1) Not later than 12 months after the date
7 of enactment of the Commercial Space Launch Amendments Act of
8 2004, the Secretary shall publish proposed regulations to carry
9 out that Act, including regulations relating to crew, space flight
10 participants, and permits for launch or reentry of reusable
11 suborbital rockets. Not later than 18 months after such date of
12 enactment, the Secretary shall issue final regulations.

13 (2)(A) Starting 3 years after the date of enactment of the
14 Commercial Space Launch Amendments Act of 2004, the Secretary
15 may issue final regulations changing the definition of suborbital
16 rocket under this chapter. No such regulation may take effect
17 until 180 days after the Secretary has submitted the regulation
18 to the Congress.

19 (B) The Secretary may issue regulations under this paragraph
20 only if the Secretary has determined that the definition in
21 section 70102 does not describe, or will not continue to
22 describe, all appropriate vehicles and only those vehicles.
23 In making that determination, the Secretary shall take into
24 account the evolving nature of the commercial space launch
25 industry.

26 (d) Effective Date. — (1) Licenses for the launch or reentry of
27 launch vehicles or reentry vehicles with human beings on board
28 and permits may be issued by the Secretary prior to the issuance
29 of the regulations described in subsection (c).

30 (2) As soon as practicable after the date of enactment of the
31 Commercial Space Launch Amendments Act of 2004, the Secretary
32 shall issue guidelines or advisory circulars to guide the
33 implementation of that Act until regulations are issued.

34 (3) Notwithstanding paragraphs (1) and (2), no licenses for
35 the launch or reentry of launch vehicles or reentry vehicles with
36 human beings on board or permits may be issued starting three
37 years after the date of enactment of the Commercial Space Launch
38 Amendments Act of 2004 unless the final regulations described in
39 subsection (c) have been issued.

40
41 **Sec. 70121. Report to Congress**

42
43 The Secretary of Transportation shall submit to Congress an
44 annual report to accompany the President's budget request that -

45 (1) describes all activities undertaken under this chapter,
46 including a description of the process for the application for
47 and approval of licenses under this chapter and recommendations
48 for legislation that may further commercial launches and
49 reentries; and

50 (2) reviews the performance of the regulatory activities and
51 the effectiveness of the Office of Commercial Space
52 Transportation.