

Congress of the United States

House of Representatives

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

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February 12, 2025

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street NW
Washington, D.C. 20548

Dear Comptroller General Dodaro,

We write to respectfully request that the Government Accountability Office (GAO) review federal processes for licensing commercial launch and reentry activities, with a particular focus on the Department of Transportation's implementation of Part 450 of Title 14, Code of Federal Regulations.

Once conducted solely by government space programs, launch and reentry activities are increasingly carried out as a commercial service offered by United States private entities. The Committee on Science, Space, and Technology, which has jurisdiction over United States civil and commercial space writ-large, led the development of a statutory framework, and its subsequent amendments, that has helped foster a growing United States commercial space launch and reentry industry. The United States leads the world in commercial space launch and reentry activities, with United States licensees having carried out over 800 licensed activities, including over 150 licensed launches in 2024 alone.¹ For both economic and national interest reasons, it is vital that the United States maintain this leadership role. But, as commercial launch and reentry operations continue to increase in cadence, complexity, and capability, it also is vital that the United States maintain its strong record for protection of the public health and safety, and safety of property.

Title 51 of the United States Code grants the Secretary of Transportation authority to license launch and reentry activities, as well as to license the operation of launch and reentry sites.² The Secretary of Transportation has delegated this authority to the Federal Aviation Administration, which regulates via its Office of Commercial Space Transportation (AST).³

¹ Federal Aviation Administration, Commercial Space Data, available at: https://www.faa.gov/data_research/commercial_space_data.

² 51 U.S.C. Chapter 509, *et seq.*

³ 49 C.F.R. Sec. 1.83(b).

Early commercial spaceflight often involved launching multi-million dollar payloads on fully expendable vehicles. Over time, commercial operators sought to use innovative new launch concepts, some of which included novel technologies like hybrid launch vehicles, reusable stages, and reentry capsules. Though FAA engaged in several rulemakings to address these changing technologies, the agency ultimately found that “the differences between ELVs and RLVs have blurred” and “the regulations for ELV launches...have proven to be too prescriptive and one-size-fits-all, and the significant detail has caused the regulations to become obsolete in many instances.”⁴

In 2018, the Trump Administration addressed these challenges by issuing Space Policy Directive-2 (SPD-2).⁵ SPD-2 directed the Secretary of Transportation to review commercial launch and reentry regulations and to “rescind or revise” existing regulations to better promote economic growth, minimize uncertainty, protect national interests and encourage American leadership in space. SPD-2 instructed the Secretary to consider the use of a single license for space launch and reentry operations, as well as the replacement of prescriptive requirements with performance-based criteria. It also directed the Secretary of Transportation, Secretary of Defense, and Administrator of NASA to “examine all existing U.S. Government requirements, standards, and policies associated with commercial space flight launch and reentry operations from Federal launch ranges and, as appropriate and consistent with applicable law, to minimize those requirements, except those necessary to protect public safety and national security, that would conflict with the efforts of the Secretary of Transportation in implementing the Secretary’s responsibilities under this section.”⁶

To carry out the goals of SPD-2, FAA engaged in a rulemaking process that culminated in the release of the *Streamlined Launch and Reentry Regulations* in 2020, which created a new vehicle operator license under Part 450 of the Code of Federal Regulations.⁷ Per the FAA, Part 450 “streamlines and increases flexibility in the FAA’s commercial space launch and reentry regulations, and removes obsolete requirements. It consolidates and revises multiple regulatory parts and applies a single set of licensing and safety regulations across several types of operations and vehicles.”⁸

As the rule approaches its fifth anniversary, the Committee questions whether the implementation of the Part 450 regulations is effectively and efficiently accommodating United States commercial launch and reentry operations, especially as the cadence and technological diversity of such operations continues to increase. Some stakeholders have voiced concerns regarding the complexity of Part 450, the lack of clarity in guidance on the implementation of the regulations, and the overall timeline for obtaining launch and reentry licenses.

⁴ Federal Aviation Administration, Notice of Proposed Rulemaking, *Streamlined Launch and Reentry Licensing Requirements*, 84 Fed. Reg. 15296 (April 15, 2019), available at: <https://www.govinfo.gov/content/pkg/FR-2019-04-15/pdf/2019-05972.pdf>.

⁵ Space Policy Directive-2, *Streamlining Regulations on the Commercial Use of Space* (May 24, 2018).

⁶ *Id.*

⁷ Federal Aviation Administration, Final Rule, *Streamlined Launch and Reentry Licensing Requirements*, 85 Fed. Reg. 79566 (Dec. 10, 2020), available at: <https://www.federalregister.gov/documents/2020/12/10/2020-22042/streamlined-launch-and-reentry-license-requirements>; see also <https://www.faa.gov/newsroom/streamlined-launch-and-reentry-licensing-requirements-slr2-rule>.

⁸ *Id.*

To explore these concerns, this Committee held a hearing in September of 2024 featuring testimony from the FAA Associate Administrator for Commercial Space Transportation as well as representatives from industry on various topics surrounding the implementation of Part 450.⁹ Topics discussed in the hearing included FAA’s limited workforce and budget; lack of transparency and clear communication of FAA’s requirements and progress during all phases of the licensing process; the need for clear and implementable guidance on means of compliance with the regulations, such as advisory circulars; appropriate timelines and criteria for license application acceptance and approval; and existence of potentially duplicative or conflicting requirements for operations at federal ranges.

The Committee needs independent input to understand the extent to which Part 450 is being effectively and efficiently implemented, where there may be opportunities for improvement, and whether there are gaps or barriers in implementation that could be addressed by the agency or by Congress to help FAA more effectively meet the increasing demand for launch and reentry licenses while ensuring FAA also fulfills its statutory obligations related to public safety. We respectfully request that GAO review federal processes for commercial launch and reentry licensing, with a particular focus on Part 450 licensing of launch and reentry activities, and to consider whether additional improvement is needed to further facilitate United States activities and international competitiveness. More specifically, we ask that GAO consider the following:

1. Has FAA established clear processes and procedures, defined necessary requirements, and provided sufficient and appropriate guidance to operators to enable the effective and efficient implementation of Part 450?
2. What is the timeline, starting from first interaction with the FAA and ending with either grant or denial of a license, for an entity to obtain a license determination under Part 450? In your answer, please include the following:
 - a. How much time do entities seeking launch or reentry licenses spend in the pre-application process, from first interaction with the FAA until acceptance of an application for a license?
 - b. What is the time on average for license applicants’ responses to FAA’s requests for information, answers to questions, or need for additional analysis, or other materials during license pre-application, application, modification, and renewal? Please note the minimum and maximum timelines for responses.
 - c. What is the time on average for FAA responses to company questions, submissions of information or other requested information, in support of a license application, pre-application, renewal, or modification? Please also note the minimum and maximum timelines for responses.
3. How do current organizational structures within the federal government, including within the FAA, impact efficient and effective implementation of the FAA’s commercial space launch and reentry obligations, including the ability to make effective and timely determinations under Part 450?

⁹ House of Representatives Committee on Science, Space, and Technology, Space and Aeronautics Subcommittee, “Risks and Rewards: Encouraging Commercial Space Innovation While Maintaining Public Safety” (Sept. 10, 2024); see also <https://science.house.gov/2024/9/space-aeronautics-subcommittee-hearing-risks-and-rewards-encouraging-commercial-space-innovation-while-maintaining-public-safety>.

4. How has Part 450 impacted FAA's coordination and consultation with local, State, and other Federal agencies and entities? What impact are these cooperative efforts having on the effective and efficient review of and determination on Part 450 launch and reentry licenses?
5. Does FAA have plans for further improvements of Part 450 implementation? How is FAA engaging with the public, including stakeholders, to identify and resolve challenges in Part 450 implementation?
6. Are there opportunities to improve FAA's processes, procedures, and organizational structure to enable increased efficiency in completing determinations on Part 450 license applications and to what extent would such improvements require additional budgetary support, personnel, or other resources?

Please contact Charlie Scales of the Committee on Science, Space, and Technology at charlie.scales@mail.house.gov for questions.

Sincerely,



Brian Babin
Chairman
Committee on Science,
Space, and Technology



Zoe Lofgren
Ranking Member
Committee on Science,
Space, and Technology