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**Statement of Space Subcommittee Chairman Steven Palazzo (R-Miss.)  
Hearing on Commercial Space**

**Chairman Palazzo:** The Commercial Space Launch Act was passed nearly thirty years ago and was the turning point for the growth of the commercial space sector in our economy. The advent of the commercial space industry brought with it advances in space launch: communications; entertainment; position, navigation, and timing technology; weather monitoring; remote sensing; space tourism; science experimentation; and expanded human spaceflight.

The latest data available suggests the economic impact of the commercial space industry is approximately \$208.3 billion. Congress has provided the Federal government with various mechanisms to leverage the private sector, such as the Commercial Orbital Transportation Services Program and the Commercial Crew Program, FAA experimental permits, human spaceflight regulation moratorium, prize authority, and various public-private partnership authorities.

As Congress continues to look for ways to maintain the United States' preeminence in space and grow our economy, it is clear that the promise of the commercial space industry warrants additional attention. We must ensure that export controls and International Trafficking in Arms Regulations (ITAR) are rational and productive. We need to provide stable, certain, and competitive regulatory environments at the Federal Aviation Administration (FAA), the Federal Communications Commission (FCC), and the National Oceanic and Atmospheric Administration (NOAA) that facilitate domestic investment. There is no question that our commercial partners have a valuable role to play in our nation's space flight and exploration in the coming years. But there will be trade-offs.

We must continue to weigh whether potential cost-savings come at the expense of overall capabilities, robustness, or safety. We must also recognize there are core, fundamental operations that will still need to be maintained by the federal government.

The witnesses before us today represent a variety of perspectives on the commercial space industry and I look forward to hearing their testimony. We are also pleased to have the Majority Whip, Representative Kevin McCarthy, with us today. Representative McCarthy, along with Representative Bill Posey, introduced H.R. 3038, the Suborbital and Orbital Advancement and Regulatory Streamlining Act or SOARS Act.

The Committee appreciates their leadership and willingness to work with us in developing policies that can grow our economy. Next year we hope to take up a comprehensive commercial space bill to address these issues, as well as many others.

The commercial space industry has been invaluable to our successes in the past, and the future continues to look very bright. I look forward to working with my colleagues on both sides of the aisle as well as

with industry stakeholders to come up with common-sense policies that can help put people back to work, retain our skilled aerospace workforce, and protect our industrial base.

Finally I would like to address the perennial elephant in the room – commercial launch liability. This provision, which is so important to keeping our launch industry competitive in the international market, is set to expire once again at the end of the year. The NASA Authorization Act that passed this Committee over the summer included an extension for five years.

While I would have liked to see a long term extension, it appears as though we have reached an agreement with the minority to only extend the provision for one year and take the issue up more thoroughly next year as part of a larger Commercial Space Launch Act. I look forward to sponsoring this extension, along with Chairman Smith, Ranking Member Johnson, and Ranking Member Edwards. I hope we can discharge the bill and pass it under suspension of the rules on the House floor very shortly.

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