



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 18, 2015

H.R. 2262 **SPACE Act of 2015**

*As ordered reported by the House Committee on Science, Space, and Technology
on May 13, 2015*

H.R. 2262 would direct the Department of Transportation (DOT), the National Aeronautics and Space Administration (NASA), and the Government Accountability Office to submit various reports to the Congress regarding commercial space operations and services, industry practices, as well as the potential liabilities associated with commercial space launches. Additionally, the bill would require DOT and NASA to contract with independent organizations to assess the commercial space industry and current regulations on space traffic and orbital activities.

Based on information from those agencies and prior spending levels for related and similar activities, CBO estimates that implementing H.R. 2262 would cost about \$5 million over the next few years, assuming appropriation of the necessary amounts. Enacting H.R. 2262 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 2262 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

H.R. 2262 would impose private-sector mandates, as defined in UMRA, on the commercial space flight industry by imposing additional requirements on licensees that engage in manned space flights. The bill would require a licensee, as a condition of the license, to enter into a reciprocal waiver of claims with space flight participants (passengers). Based on information about current industry practice, CBO expects that licensees would enter into such waivers in the absence of the bill. Consequently, the cost of the mandate would be negligible. The bill also would require licensees to obtain insurance to cover passengers' activities. Based on information from industry experts, CBO expects that the cost of that mandate also would be small. Consequently, CBO estimates that the aggregate cost of the mandates would fall below the annual threshold established in UMRA for private-sector mandates (\$154 million in 2015, adjusted annually for inflation).

The CBO staff contacts for this estimate are Marin Burnett (for federal costs) and Amy Petz (for the private-sector impact). The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.