

At a Glance

H.R. 6131, Commercial Space Act of 2023

As ordered reported by the House Committee on Science, Space, and Technology on November 29, 2023

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	0	*	*
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	28	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Statutory pay-as-you-go procedures apply?	Yes
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Mandate Effects Contains intergovernmental mandate? No Contains private-sector mandate? Excluded From UMRA	

* = between -\$500,000 and \$500,000.

The bill would

- Require the Department of Commerce, through its Office of Space Commerce, to certify U.S. entities to operate space objects
- Direct the Office of Space Commerce and the National Aeronautics and Space Administration (NASA) to enter into cooperative agreements with eligible entities to identify and study space objects and debris

Estimated budgetary effects would mainly stem from

- Spending subject to appropriation for the Office of Space Commerce and NASA to implement the bill's requirements
- Decreases in direct spending from fees levied by the Department of Transportation
- Increases in revenues from additional collections of civil monetary penalties and certain payments made by U.S. space operators to compensate foreign governments for damage

Detailed estimate begins on the next page.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



Bill Summary

H.R. 6131 would authorize appropriations in 2024 for the Department of Commerce and the National Aeronautics and Space Administration (NASA) to enter into cooperative agreements with eligible entities to establish institutes to identify, study, and share information about space objects and debris, and for other activities.

H.R. 6131 also would change federal oversight of commercial activities in space. The bill would require the Office of Space Commerce, within the Department of Commerce, to certify U.S. entities to operate space objects, such as spacecraft or payloads, and prohibit those entities from operating without certification. The office would initiate consultations between public and private entities to resolve disputes, administer appeals, and ensure that U.S. entities that are responsible for damage pay valid claims brought by foreign entities. The bill would repeal the office’s current authority to regulate commercial remote-sensing satellite services and replace that authority with a new licensing authority.

Finally, H.R. 6131 would require the Department of Transportation (DOT) to complete studies and reports and establish a pilot program for license applicants to request support from other federal agencies during the application review process for commercial space launches.

Estimated Federal Cost

The estimated budgetary effect of H.R. 6131 is shown in Table 1. The costs of the legislation fall within budget functions 250 (general science, space, and technology), 370 (commerce and housing credit), and 400 (transportation).

Table 1.
Estimated Increases in Spending Subject to Appropriation Under H.R. 6131

	By Fiscal Year, Millions of Dollars						2024-2029
	2024	2025	2026	2027	2028	2029	
Estimated Authorization	80	12	7	3	3	3	108
Estimated Outlays	0	12	7	3	3	3	28

Enacting H.R. 6131 would decrease direct spending by an insignificant amount, increase revenues by an insignificant amount, and decrease the federal deficit by an insignificant amount, CBO estimates.

- a. Sections 7 and 8 of H.R. 6131 would authorize the appropriation of \$80 million for 2024 for certain activities of the Office of Space Commerce and for the National Aeronautics and Space Administration to enter into cooperative agreements with eligible entities, but CBO does not estimate any outlays for that amount because the assumed enactment date is after the end of fiscal year 2024. CBO expects that those agencies would incur costs in future years to manage those cooperative agreements.

Basis of Estimate

CBO assumes that H.R. 6131 will be enacted before the end of calendar year 2024.

**Spending Subject to Appropriation**

CBO estimates that implementing H.R. 6131 would cost \$28 million over the 2024-2029 period; any related spending would be subject to the availability of appropriated funds.

2024 Authorization. The bill would authorize the appropriation of \$70 million in 2024 for the Office of Space Commerce to award a cooperative agreement to an academic or nonprofit entity to collect and share information about space objects and orbital debris; those funds also would support the office's core responsibilities, such as promoting private investment in space activities. In addition, the bill would authorize the appropriation of \$10 million for NASA to award a cooperative agreement to an academic or nonprofit entity to research space objects and orbital debris. CBO does not estimate any outlays for those authorized amounts because the assumed enactment date is in 2025. We expect that the agencies would incur costs over the 2025-2029 period to manage the cooperative agreements.

Department of Commerce. CBO estimates that implementing the other provisions of the bill would cost the department \$24 million over the 2024-2029 period, as described below:

- \$18 million to establish and administer the new certification process for operators of space objects, including \$10 million for new department employees to process certifications and \$8 million for a new information technology system;
- \$4 million to develop best practices for operators of space objects to minimize risks to the physical safety of U.S. space objects, including \$1 million for staffing and \$3 million for new information technology systems; and
- \$2 million to report to the Congress on the obligations of the United States and other countries to register space objects, and, in coordination with NASA, report to the Congress on establishing an institute for space resources and on commercial space-based solar power.

Department of Transportation. H.R. 6131 would require DOT to complete several studies and reports. The bill also would require DOT to establish a two-year pilot program for license applicants for commercial space launches to request support from other federal agencies during the application process. CBO estimates that implementing those provisions would cost DOT \$4 million over the 2024-2029 period.

Direct Spending

Under the bill, license applicants who participate in DOT's pilot program would be required to reimburse the government for the costs of the support; such fees would be recorded in the budget as reductions in direct spending. Based on the number of expected participants, CBO estimates that the amount of fees collected would total less than \$500,000 over the 2024-2034 period.



Revenues

The bill would authorize the Department of Commerce to levy civil monetary penalties ranging from \$10,000 to \$500,000 on entities that fail to comply with the Office of Space Commerce's new certification requirements. CBO estimates that such collections would total less than \$500,000 over the 2024-2034 period.

As a condition of certification under H.R. 6131, the operator of a space object that is found liable for a valid damage claim made by a foreign state would need to agree to pay the cost of compensation. Under current international convention, the United States is liable for damage caused by operators launching from within its borders. CBO expects that H.R. 6131 would shift some liability to private-sector operators and could result in the Treasury collecting amounts from operators to pay such claims. CBO expects that those payments would be classified in the budget as revenues. However, based on the small number of such instances over past decades, CBO estimates that the increase in revenues from those collections would be less than \$500,000 over the 2024-2029 period.

Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. CBO estimates that enacting the bill would decrease direct spending by less than \$500,000 and increase revenues by less than \$500,000 over the 2024-2034 period.

Increase in Long-Term Net Direct Spending and Deficits

CBO estimates that enacting H.R. 6131 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2035.

Mandates

CBO has not reviewed sections 3 and 4 of H.R. 6131 for intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Section 4 of UMRA excludes from the application of that act any legislative provisions that would be necessary for implementation of international treaty obligations. CBO has determined that those sections fall within the exclusion because they implement the Outer Space Treaty.

CBO has reviewed the other sections of the bill and determined that those sections do not contain intergovernmental or private-sector mandates as defined in UMRA.



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