

REMARKS OF STEPHANIE LEE-MILLER
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BEFORE THE HOUSE SUBCOMMITTEE ON SPACE SCIENCE AND APPLICATIONS

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LET ME BEGIN BY THANKING YOU, MR. CHAIRMAN, FOR THE OPPORTUNITY TO ADDRESS THE SUBCOMMITTEE TODAY ON THE FISCAL YEAR 1992 BUDGET. ON BEHALF OF SECRETARY SKINNER, LET ME SAY THAT WE AT THE DEPARTMENT AND OFFICE OF COMMERCIAL SPACE TRANSPORTATION (OCST) LOOK FORWARD TO WORKING CLOSELY WITH YOU IN THE COMING YEARS TO SHAPE OUR NATION'S FUTURE IN SPACE.

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OCST IS REQUESTING A TOTAL OF \$5,104,000. FOR FISCAL YEAR 1992. PLEASE NOTE THAT THIS FIGURE INCLUDES AN ASSUMPTION THAT OCST WILL RECEIVE \$300,000. IN USER FEES AS MANDATED BY CONGRESS AND THE OFFICE OF MANAGEMENT AND BUDGET. I WILL FIRST DETAIL THE MAJOR ACTIVITIES AND PROGRAMS OF OUR OFFICE AND THEN CONCLUDE MY REMARKS WITH A DESCRIPTION OF REQUESTED PERSONNEL AND TRAVEL FUNDS.

A TOTAL OF \$3,500,000 IS REQUESTED FOR THE RESEARCH AND SAFETY PROGRAM, TO BE ACCOMPLISHED THROUGH A VARIETY OF CONTRACTS AND GRANTS. THE FOLLOWING IS A BREAK-DOWN OF PROGRAM REQUIREMENTS BY CATEGORIES AND THEIR SUB-COMPONENTS:

A. SAFETY OPERATIONS (\$925,000.)

THIS CATEGORY INCLUDES ACTIVITIES UNDERTAKEN TO PROTECT PUBLIC HEALTH AND SAFETY AS MANDATED BY CONGRESS IN THE COMMERCIAL SPACE LAUNCH ACT AND AMENDMENTS THROUGH REGULATION AND LICENSING OF LAUNCH OPERATIONS AND SITES.

1. LICENSING OPERATIONS (\$450,000.)

THE WORKLOAD OF THE OFFICE HAS INCREASED WITH CHANGES IN THE INDUSTRY. THE REVIEW AND APPROVAL OF LAUNCHES OF NEW VEHICLES SUCH AS AIR-LAUNCHED SYSTEMS, REENTRY VEHICLES, AND COMMERCIAL LAUNCH SITE PROPOSALS ARE MORE COMPLEX THAN THE PROPOSALS TO LAUNCH EXISTING DESIGNS FROM CAPE CANAVERAL. THEREFORE, THE LICENSING PROCESS IS BEING REDESIGNED AND IMPROVED IN ORDER TO ENABLE OCST TO HANDLE GROWING LEVELS OF COMMERCIAL LAUNCH ACTIVITY AND INCREASINGLY COMPLEX INITIATIVES IN AN EFFICIENT MANNER.

ALSO, AS INDIVIDUAL STATES SUCH AS HAWAII, MISSISSIPPI, AND OTHERS REQUEST SAFETY EVALUATIONS OF THEIR SITES TO DETERMINE WHETHER THEY CAN BE LICENSED, THESE EVALUATIONS PLACE NEW RESOURCE AND TECHNICAL DEMANDS ON OCST'S ENGINEERING STAFF.

2. INSPECTION REQUIREMENTS (\$325,000.)

THE MODIFICATION OF THE LICENSING PROCESS TO INCLUDE PROGRAMS OF LAUNCHES UNDER ONE LICENSE WILL RESULT IN MORE OF OCST'S RESOURCES BEING DEVOTED TO COMPLIANCE MONITORING TO ENSURE THAT THE REQUIREMENTS OF THE LICENSES ARE MET.

3. ACCIDENT/INCIDENT INVESTIGATION SUPPORT (\$75,000.)

FUNDS ARE REQUIRED FOR OCST TO CONTINUE TO DEVELOP PROCEDURES AND GUIDANCE AND TO PROVIDE TECHNICAL SUPPORT FOR ANY INVESTIGATION.

4. LICENSE, INSPECTION/ENFORCEMENT AND COMPUTER SYSTEMS (\$75,000.)

INCREASES IN SPACE TRANSPORTATION ACTIVITIES WILL BRING MORE LICENSE APPLICATIONS, INSPECTIONS, INVESTIGATIONS AND ENFORCEMENT ACTIVITIES. THESE SYSTEMS WILL BE USED TO TRACK AND ANALYZE LICENSE AND REGULATORY ACTIVITIES.

B. SAFETY PLANNING AND RESEARCH (\$1,675,000.)

TO ESTABLISH THE BODY OF KNOWLEDGE NECESSARY TO SUPPORT THE REQUIREMENTS OF THE COMMERCIAL SPACE LAUNCH ACT AND AMENDMENTS THERETO;

TO DEVELOP EFFECTIVE AND EFFICIENT SAFETY STANDARDS AND REGULATIONS; AND TO PROVIDE GUIDANCE TO THE COMMERCIAL LAUNCH INDUSTRY CONCERNING REGULATORY ASPECTS OF NEW LAUNCH AND PAYLOAD CONCEPTS.

1. COMMERCIAL INFRASTRUCTURE AND OPERATIONS (\$1,225,000.)

THE RAPID GROWTH IN THE NUMBER OF LAUNCHES AND THE DEVELOPMENT OF NEW LAUNCH VEHICLE CONCEPTS AND PAYLOADS, INCLUDING REENTRY SYSTEMS, HAS SIGNALLED THE ARRIVAL OF A COMMERCIAL INDUSTRY. COMMERCIAL LAUNCH SITES ARE UNDER CONSIDERATION OR DEVELOPMENT IN HAWAII, FLORIDA, AND MISSISSIPPI; THEY HAVE BEEN DISCUSSED IN STATES SUCH AS ALASKA, VIRGINIA, AND TEXAS. OCST WILL HAVE TO IDENTIFY ISSUES AND EVALUATE SELECTED OPTIONS TO ENSURE THE SAFETY OF EXISTING AND FUTURE COMMERCIAL LAUNCH SITES.

A. COMMERCIAL OPERATOR QUALIFICATIONS & CERTIFICATION (\$400,000.)

IT WILL BE NECESSARY TO ESTABLISH CRITERIA FOR REENTRY SITE ACCEPTABILITY AND NECESSARY QUALIFICATIONS AND CERTIFICATIONS FOR OPERATING PERSONNEL.

B. EVALUATION METHODOLOGIES FOR COMMERCIAL SAFETY PRACTICES
(\$300,000.)

COMMERCIAL RANGES UNDER DEVELOPMENT WILL EMPLOY UNIQUE PROCEDURES. THUS, NEW TYPES OF VEHICLES AND PAYLOADS, INCLUDING REENTRY SYSTEMS, WILL RESULT IN THE NEED TO CONSIDER SAFETY-RELATED OPERATIONS AND PROCEDURES.

C. SAFETY AND RELIABILITY OF HARDWARE SYSTEMS (\$275,000.)

THE ADEQUATE DESIGN AND RELIABILITY OF SAFETY-RELATED HARDWARE SYSTEMS IS A FUNDAMENTAL ELEMENT IN PROTECTION OF PUBLIC HEALTH AND PROPERTY. RESEARCH WILL BE DIRECTED AT THE REQUIREMENTS FOR TELEMETRY AND TRACKING FOR LAUNCH VEHICLES, REENTRY VEHICLES, AND LAUNCH SITES.

D. COMMERCIAL PAYLOAD SAFETY (\$250,000.)

MANY PAYLOADS CONTAIN TOXIC, RADIOACTIVE, OR OTHER HAZARDOUS MATERIALS AND MUST BE REVIEWED BY DOT TO DETERMINE WHETHER THEIR LAUNCH WOULD JEOPARDIZE PUBLIC HEALTH AND SAFETY, SAFETY OF PROPERTY OR ANY U.S. NATIONAL SECURITY OR FOREIGN POLICY INTEREST.

2. ENVIRONMENTAL ISSUES (\$200,000.)

AS A REGULATORY AGENCY, OCST IS RESPONSIBLE FOR COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) AND THE CLEAN AIR ACT OF 1990, AND HAS ISSUED ENVIRONMENTAL IMPACT STATEMENTS (EIS) FOR COMMERCIAL ACTIVITIES AT EXISTING NATIONAL RANGES AND GUIDELINES FOR EIS DEVELOPMENT FOR FUTURE COMMERCIAL SPACEPORTS. OCST IS IN THE PROCESS OF COMPLETING A JOINT FEDERAL/STATE ENVIRONMENTAL IMPACT STATEMENT WITH THE STATE OF HAWAII. SIMILAR ARRANGEMENTS HAVE BEEN INITIATED WITH FLORIDA AND OTHER PROPOSED COMMERCIAL LAUNCH SITES. IN ADDITION, THE POSSIBILITY OF OFF-SHORE LAUNCH FACILITIES; INTRODUCTION OF DIFFERENT VEHICLES; PAYLOADS CONTAINING BIOLOGICAL MATERIALS, NEW SUBSTANCES, AND HAZARDOUS MATERIALS; AND THEIR RETURN TO EARTH RAISES NEW ENVIRONMENTAL ISSUES AND REQUIRED REVIEWS THAT WILL BE ADDRESSED BY THIS RESEARCH.

3. ORBITAL SAFETY (\$250,000.)

THE DEPARTMENT OF TRANSPORTATION IS THE FEDERAL AGENCY RESPONSIBLE FOR STUDYING THE COMMERCIAL REGULATORY OPTIONS AND ECONOMIC IMPACTS OF ANY DEBRIS REDUCTION REQUIREMENTS IMPOSED ON THE COMMERCIAL SPACE TRANSPORTATION INDUSTRY. OCST WILL DETERMINE COMMERCIAL SPACE TRANSPORTATION FACTORS THAT AFFECT ORBITAL SAFETY AND CONSIDER VARIOUS REGULATORY ACTIONS DESIGNED TO MITIGATE POTENTIAL HAZARDS.

C. INDUSTRY POLICY AND PLANNING (\$800,000.)

KEY GOALS OF THIS DIVISION INCLUDE THE FOLLOWING: TO DEVELOP POLICY INITIATIVES IN ORDER TO FOSTER COMMERCIAL SPACE TRANSPORTATION BY THE U.S.

PRIVATE SECTOR, AS DIRECTED BY THE COMMERCIAL SPACE LAUNCH ACT, AS AMENDED; TO IDENTIFY NATIONAL SPACE COMMERCIAL LAUNCH VEHICLE AND INFRASTRUCTURE NEEDS AND TO ASSESS ALTERNATIVE MEANS OF MEETING THOSE NEEDS; TO ANALYZE CURRENT AND EMERGING ECONOMIC AND POLICY ISSUES IN ORDER TO FACILITATE THE EMERGENCE OF A STRONG, COMPETITIVE U.S. COMMERCIAL SPACE TRANSPORTATION INDUSTRY; AND TO ADVOCATE FREE AND FAIR INTERNATIONAL COMPETITION IN COMMERCIAL LAUNCHES.

1. COMMERCIAL AND GOVERNMENT SPACE LAUNCH TRENDS (\$140,000.)

OCST WILL ANALYZE THE CRITERIA USED BY DOMESTIC AND FOREIGN PAYLOAD OWNERS TO SELECT PROVIDERS OF LAUNCH SERVICES, INCLUDING RESPONSIVENESS TO CUSTOMER NEEDS, RELIABILITY, AND RAPID RESPONSE CAPABILITIES. THIS ANALYSIS WILL DETERMINE WHETHER U.S. GOVERNMENT POLICIES ARE SERVING AS MARKET BARRIERS TO INDUSTRY AS IT SEEKS CUSTOMERS. THIS ANALYSIS WILL EXAMINE CONCERNS ABOUT MARKET BARRIERS AND PROVIDE A BASIS FOR ANY RECOMMENDED CHANGES IN U.S. POLICIES.

2. SPACE LAUNCH SYSTEMS ANALYSIS (\$180,000.)

OCST WILL CONTINUE TO ASSESS U.S. AND FOREIGN LAUNCH SYSTEMS AND WILL MONITOR THEIR MARKETING, PRODUCTION, AND PRICES. OCST WILL ALSO MONITOR COMPLIANCE WITH INTERNATIONAL AGREEMENTS RELATING TO COMMERCIAL SPACE TRANSPORTATION, SUCH AS THE U.S./CHINA AGREEMENT.

3. SPACE TRANSPORTATION ANALYSIS AND RESEARCH (STAR)

DATABASE (\$200,000.)

OCST USES THE STAR DATABASE IN ITS ONGOING ANALYSIS OF U.S. GOVERNMENT POLICIES AFFECTING THE COMMERCIAL LAUNCH INDUSTRY. THE DATABASE, WHICH CONTAINS INFORMATION ON LAUNCH VEHICLES, LAUNCH SITES, LAUNCH PROVIDERS, LAUNCHES, AND PAYLOADS, WILL BE UPGRADED AND EXPANDED.

4. REGULATORY IMPACT ANALYSIS (\$140,000.)

OCST IS REQUIRED TO ANALYZE THE ECONOMIC IMPACTS OF PROPOSED REGULATORY ACTIONS ON ALL ENTITIES POTENTIALLY AFFECTED BY SUCH ACTIONS. OCST WILL USE THE FINDINGS AND CONCLUSIONS OF THE ANALYSES TO SUPPORT ITS GROWING NUMBER OF LICENSING AND OTHER REGULATORY INITIATIVES.

5. ECONOMIC CONVERSION (\$140,000.)

OCST WILL ADDRESS ISSUES ASSOCIATED WITH MAINTAINING OR RE-DIRECTING CRITICAL INDUSTRIAL CAPABILITIES THAT HAVE BEEN FOCUSED PRIMARILY ON MEETING MILITARY REQUIREMENTS. OCST WILL USE THE FINDINGS AND CONCLUSIONS OF THE ASSESSMENT IN ONGOING POLICY DEVELOPMENT ACTIVITIES.

D. PROGRAM SUPPORT (\$100,000.)

OCST WILL CONTINUE ITS MANDATE UNDER THE COMMERCIAL SPACE LAUNCH ACT TO PROMOTE AND FACILITATE THE GROWTH OF A ROBUST, COMPETITIVE U.S. COMMERCIAL SPACE TRANSPORTATION INDUSTRY AND WILL ALSO CONTINUE PROMOTING AWARENESS OF ITS ACCOMPLISHMENTS. THE OFFICE WILL ALSO CONTINUE RESPONDING TO A GROWING NUMBER OF REQUESTS FOR INFORMATION FROM CONGRESSIONAL AND OTHER GOVERNMENT OFFICES, THE PRESS AND THE PUBLIC.

1. INDUSTRY ACTIVITIES (\$65,000.)

OCST WILL UNDERTAKE AN AGGRESSIVE OUTREACH PROGRAM THROUGH ACTIVE PARTICIPATION IN INDUSTRY CONFERENCES, TRADE SHOWS, SEMINARS, EXHIBITS, AND OTHER INDUSTRY-RELATED FORUMS.

2. PUBLIC LIAISON ACTIVITIES (\$15,000.)

OCST WILL WORK FOR GREATER PUBLIC UNDERSTANDING AND SUPPORT FOR THE U.S. COMMERCIAL SPACE TRANSPORTATION INDUSTRY AND INCREASED KNOWLEDGE OF THE CONTRIBUTION IT CAN MAKE TO THE DOMESTIC ECONOMY. THROUGH THE GENERAL NEWS MEDIA, BOTH PRINT AND ELECTRONIC, THROUGH PARTICIPATION IN PUBLIC MEETINGS, AND THROUGH THE CREATION AND DISTRIBUTION OF INFORMATIONAL MATERIALS, THE OFFICE WILL EDUCATE THE PUBLIC ABOUT THE IMPORTANCE OF THIS

INDUSTRY TO BOTH THE ECONOMY AND NATIONAL SECURITY.

3. EDUCATION INITIATIVE (\$20,000.)

TO FULFILL THE SECRETARY OF TRANSPORTATION'S AND THE PRESIDENT'S INITIATIVE TO INCREASE THE NUMBERS OF WOMEN, MINORITIES, AND DISADVANTAGED IN THE TRANSPORTATION WORK FORCE, OCST WILL WORK WITH UNIVERSITIES, OTHER EDUCATIONAL INSTITUTIONS, INDUSTRY AND COMMUNITY GROUPS TO MEET THIS GOAL. OCST WILL HELP FOSTER A GREATER AWARENESS OF SPACE TRANSPORTATION AS A POTENTIAL CAREER THROUGH GREATER USE OF THE DEPARTMENT OF TRANSPORTATION'S SERVICE ACADEMIES AND TRAINING INSTITUTIONS AND WILL PROMOTE COOPERATIVE PROGRAMS WITH UNIVERSITIES IN COMBINATION WITH PUBLIC AGENCIES AND THE PRIVATE SECTOR.

E. PERSONNEL AND TRAVEL

A TOTAL OF \$1,506,000 IS NECESSARY IN PC&B TO FUND 25 FTES, TO ANNUALIZE THE JANUARY 1991 PAY RAISE, FUND A PROPOSED JANUARY 1992 PAY RAISE AT 4.2% AND NORMAL WITHIN-GRADE AND MERIT PAY INCREASES. THIS IS AN INCREASE OF TWO FTE AND \$220,000 OVER THE FY 1991 ENACTED BUDGET. THE REQUESTED STAFF WILL SUPPORT THE COMMENSURATE INCREASE IN LICENSING, MONITORING, ENFORCEMENT, AND POLICY ACTIVITIES.

AN INCREASE OF \$38,000 OVER THE TRAVEL REQUIREMENTS IN FY 1991, FOR A TOTAL OF \$98,000, IS REQUESTED FOR TRAVEL.

THANK YOU AGAIN FOR THIS OPPORTUNITY TO ADDRESS THE SUBCOMMITTEE TODAY, MR. CHAIRMAN, AND I WILL BE HAPPY TO ANSWER ANY QUESTIONS FROM YOU OR YOUR COLLEAGUES.

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