

AMENDMENT TO
RULES COMMITTEE PRINT 119-33
OFFERED BY MR. NUNN OF IOWA

At the end of subtitle A of title XVI, add the following new section:

1 **SEC. 16___ . PROTECTING UNITED STATES NATIONAL SECURITY SPACE ASSETS.**
2

3 (a) **PURPOSE.**—This section protects United States
4 Government national security space assets by ensuring
5 that persons under contract with the Department of De-
6 fense maintain financial responsibility for damage their
7 space objects may cause to those assets and to third par-
8 ties, and by ensuring that sensitive technical data relating
9 to those assets is not handled by insurance brokers affili-
10 ated with adversary nations.

11 (b) **REQUIREMENT.**—A person that holds a contract,
12 other transaction, license, or other agreement with the De-
13 partment of Defense, or that performs at any tier under
14 such an instrument, and that owns or operates a space
15 object, shall maintain liability insurance or demonstrate
16 financial responsibility, with respect to each such space
17 object and regardless of whether the space object is used

1 in performance of the instrument, in amounts sufficient
2 to compensate for claims by—

3 (1) the United States Government against a
4 person for damage or loss to national security space
5 assets or United States Government property result-
6 ing from such space object; and

7 (2) a third party for property damage or loss,
8 death, or bodily injury resulting from such space ob-
9 ject.

10 (c) LIABILITY LIMIT.—Any person subject to sub-
11 section (b) is not required to obtain insurance or dem-
12 onstrate financial responsibility of more than
13 \$100,000,000, or the maximum liability insurance avail-
14 able on the world market at reasonable cost, whichever
15 is less. The Secretary of Transportation may, after con-
16 sulting with the Secretary of Defense, Secretary of the Air
17 Force, and the heads of other appropriate executive agen-
18 cies, prescribe additional regulation increasing the liability
19 limit under this subsection.

20 (d) PROTECTED PARTIES.—An insurance policy or
21 demonstration of financial responsibility under subsection
22 (b) shall protect the Federal Government, executive agen-
23 cies, and personnel, contractors, and subcontractors of the
24 Federal Government, to the extent of their potential liabil-

1 ity resulting from such space object, at no cost to the Fed-
2 eral Government:

3 (e) RESTRICTIONS ON TRANSMISSION OF CON-
4 TROLLED TECHNICAL DATA.—A person subject to sub-
5 section (b) may not place or obtain insurance or the finan-
6 cial responsibility required under this section through a
7 covered broker. Before placing such insurance, the person
8 shall obtain from each broker, producer, or intermediary
9 used in the placement a written certification, retained for
10 the term of the instrument plus five years and made avail-
11 able to the Secretary of Transportation on request, that
12 the entity is not a covered broker and will not transmit
13 any controlled technical data to an office, person, or affil-
14 iate located in a covered nation. A certification under this
15 subsection is a statement within the jurisdiction of the ex-
16 ecutive branch for purposes of section 1001 of title 18,
17 United States Code.

18 (f) REGULATIONS AND CERTIFICATION.—Not later
19 than 180 days after the date of the enactment of this Act,
20 the Secretary of Transportation shall prescribe regulations
21 to implement this section, including procedures for dem-
22 onstrating financial responsibility, certification proce-
23 dures, and standards for handling of controlled technical
24 data, and may identify and publish brokers determined to
25 be covered brokers.

1 (g) DEFINITIONS.—In this section,

2 (1) The term “controlled technical data” means
3 technical data, as defined in section 120.33 of title
4 22, Code of Federal Regulations, that relates to a
5 national security space asset or a space object sub-
6 ject to subsection (b).

7 (2) The term “covered broker” means any in-
8 surance producer, broker, agent, or other insurance
9 intermediary, other than an insurer or reinsurer,
10 that has, either directly or through an affiliate, fi-
11 nancial, commercial, or business relationships with
12 any person or entity domiciled in or affiliated with
13 a covered nation.

14 (3) The term “covered nation” has the meaning
15 given that term in section 4872(f)(2) of title 10,
16 United States Code.

17 (4) The term “national security space asset”
18 means any satellite, space object, or related ground
19 segment or infrastructure that is owned or operated
20 by the Federal Government, operated by a person on
21 its behalf or in conjunction with it, or providing the
22 Federal Government capabilities under a contract,
23 other transaction, license, or agreement, for the pur-
24 poses of national security.

1 (5) The term “person” means any individual,
2 entity, or affiliate, whether organized under the laws
3 of the United States or any foreign jurisdiction, but
4 does not include a person solely in their capacity as
5 an operator of a launch or reentry vehicle with re-
6 spect to liability arising from launch or reentry oper-
7 ations.

8 (6) The term “space object” has the meaning
9 given that term under applicable treaties ratified by
10 the United States and in force at the relevant time.

