



## Space Policy Directive – 2, streamlining regulations on commercial use of space

21 June 2018

On 24 May 2018, continuing on his commitment to reform certain outdated U.S. space industry policies, President Trump signed the new Space Policy Directive – 2 (Directive). This new framework is designed to help foster U.S. dominance in the highly-competitive global space industry and requires new rules and regulations focused on five key areas:

- commercial launch and re-entry licensing;
- commercial remote sensing;
- reorganization of the Department of Commerce;
- management of radio frequency spectrum process; and
- export licensing requirements.

### **Commercial launch and re-entry**

No later than 1 February 2019, the Secretary of Transportation, in coordination with members of the National Space Council, shall rescind and/or propose revisions to current regulations, consistent with the policy set forth in the Directive, with respect to commercial space flight launch and re-entry, and will consider a single license for all types of commercial space flight launch and re-entry operations while replacing prescriptive requirements with performance-based criteria. Additionally, the Directive requires further coordination amongst various agencies to minimize existing requirements for commercial space flight operations conducted at federal launch ranges.

### **Commercial remote sensing**

The Directive requires the Secretary of Commerce to review existing regulations adopted by the Department of Commerce under Title II of the Land Remote Sensing Policy Act of 1992 (51 U.S.C. 60101 et seq.) for consistency with the Directive's policy and rescind or propose new regulations to achieve such purposes. Following this initial review, the Secretary of Commerce, in coordination with other agencies, shall prepare and deliver to the Director of the Office of Management and Budget a legislative proposal to encourage expansion of commercial remote sensing activities.

### **Reorganization of the Department of Commerce**

To further facilitate administration of commercial space flight activities under "one roof," the Directive requires the Secretary of Commerce to propose the creation of a sole administrative entity within the Department of Commerce.

## Radio frequency spectrum management

The Directive requires agencies to present a consolidated report to the president on addressing and improving the current inefficiencies with the allocation of space sector radio spectrum activities at the International Telecommunication Union (ITU) and other forums. This is arguably the most significant economic growth sector in the United States as new wireless and internet market entrants face unprecedented pressure for more spectrum capacity for commercial wireless broadband services and applications.

## Export licensing regulations

Finally, the Directive requires agencies to review current ITAR/EAR export regulations and develop recommendations to the president to suggest modifications to the current export regime to keep pace with changes in technology and help remove the hurdles foreign parties face when discussing export-controlled space technology with U.S.-based companies.

While the details of the specific rules and proposals originating from the Directive's policy goals remain to be seen, the U.S. executive branch is continuing to take steps to help ensure American leadership in this critical space-based economic segment.

## Contacts



**Jeffrey Epstein**

Counsel, Northern Virginia

T +1 703 610 6144

[jeffrey.epstein@hoganlovells.com](mailto:jeffrey.epstein@hoganlovells.com)

**[www.hoganlovells.com](http://www.hoganlovells.com)**

"Hogan Lovells" or the "firm" is an international legal practice that includes Hogan Lovells International LLP, Hogan Lovells US LLP and their affiliated businesses.

The word "partner" is used to describe a partner or member of Hogan Lovells International LLP, Hogan Lovells US LLP or any of their affiliated entities or any employee or consultant with equivalent standing. Certain individuals, who are designated as partners, but who are not members of Hogan Lovells International LLP, do not hold qualifications equivalent to members. For more information about Hogan Lovells, the partners and their qualifications, see [www.hoganlovells.com](http://www.hoganlovells.com).

Where case studies are included, results achieved do not guarantee similar outcomes for other clients. Attorney advertising. Images of people may feature current or former lawyers and employees at Hogan Lovells or models not connected with the firm.

© Hogan Lovells 2018. All rights reserved.