ZOE LOFGREN, California RANKING MEMBER

## **Congress of the United States Prouse of Representatives** COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY 2321 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515–6301

(202) 225-6371

March 19<sup>th</sup>, 2025

The Honorable Howard Lutnick Secretary U.S. Department of Commerce 1401 Constitution Avenue NW Washington, D.C. 20230

Dear Secretary Lutnick,

We write to you to express our serious concern over the recent firings of probationary employees at the National Oceanic and Atmospheric Administration's (NOAA) Office of Space Commerce (OSC). These irrational and senseless firings, if not reversed, will degrade OSC's ability to execute its mission, which is essential for the continued growth of America's burgeoning commercial space sector. The firings risk compromising OSC's critical public safety programs, including the Traffic Coordination System for Space (TraCSS), a novel initiative to develop a civil space situational awareness capability intended to support spaceflight safety for civil and private spaceflight operators. The firings will also impede OSC's role in licensing commercial space-based remote sensing systems and negatively affect business operations for those companies seeking to license their systems. If OSC is gutted, the harm to America's economy, its national security, and its public safety will leave everyone worse off - except perhaps for SpaceX, whose size and scale will allow it to mitigate the damage done to the rest of the commercial space sector and whose CEO, Elon Musk, orchestrated the firings as the leader of the so-called Department of Government Efficiency (DOGE) despite his own blatant conflictsof-interest. The harm inflicted on the national interest by these actions is unacceptable. As the Rankings Members of the Committee on Science, Space, and Technology (the Committee) and the Subcommittees on Space and Aeronautics and Investigations & Oversight, we urge you to restore OSC's ability to promote economic growth and protect public safety by rescinding these firings and permanently rehiring OSC's probationary employees before it is too late.

On February 27<sup>th</sup>, the Department of Commerce (DOC) implemented DOGE's directive to fire probationary employees at OSC. According to press reports, roughly one-third of OSC's employees lost their jobs, despite the fact that OSC already operated efficiently with a small staff.<sup>1</sup> Our understanding is that certain OSC functions were particularly damaged by the firings, including the Commercial Remote Sensing Regulatory Affairs (CRSRA) team and the TraCSS

<sup>&</sup>lt;sup>1</sup> <u>https://www.reuters.com/technology/space/trump-layoffs-hit-key-air-traffic-control-space-unit-2025-03-01/.</u>

program, both of which lost their leaders. The impact was immediate: by the next day, commercial satellite operators contacting OSC to obtain commercial remote sensing licenses or ask regulatory questions received auto-reply emails informing them that their inquiries would be handled by NOAA lawyers instead of OSC personnel "to address continuity of operations as no senior personnel remain in the office due to ongoing reductions in force."<sup>2</sup> Moreover, the assault on OSC and its commercial space portfolio extended beyond the office itself. The day after the firings, OSC notified members of its Advisory Committee on Excellence in Space (ACES) that DOC had issued a "stop work" order for ACES that required OSC to halt all ACES committee and subcommittee meetings indefinitely until further notice.<sup>3</sup> ACES was a Federal advisory committee with nearly two dozen expert members, including representatives from multiple industry leaders in the commercial space sector, but its future now appears in doubt.<sup>4</sup>

The economic, national security, and public safety ramifications of dismantling OSC will be farreaching. With a global space economy estimated at \$570 billion in 2023, including \$445 billion in commercial revenue<sup>5</sup>, hobbling the office that fosters economic growth for the U.S. space sector is senseless. Further, the impact would extend beyond potential losses to our economy; it also stands to hurt our global competitiveness and leadership in space. In a recent Science Committee hearing entitled "The State of U.S. Science and Technology: Ensuring U.S. Global Leadership,"<sup>6</sup> expert witnesses testified that China is leading in most technology areas. We, as a nation, cannot afford to disadvantage our nation's commercial space sector by capricious workforce reductions such as those occurring at OSC.

The TraCSS program is developing a civil space situational awareness capability to help ensure the safety of spaceflight operations. TraCSS is being carried out with commercial partners to provide basic space situational awareness services and information and alert space operators of potential collision risks. TraCSS is also necessary to relieve the Department of Defense (DOD) from providing certain space situational awareness services and information, including warnings of potential conjunctions, to space operators so that the DOD can focus on its primary mission. The initial phase of the TraCSS system began beta testing with several space operators in the Fall of 2024. Delays to the TraCSS project could risk our nation's ability to lead in space situational awareness and shape the global standards and best practices for spaceflight operations. Slowing or thwarting TraCSS progress also stands to hurt an emerging U.S. commercial space situational awareness industry, one that TraCSS itself is leveraging.

The safety of spaceflight operations is paramount if the United States and other nations are to continue to rely on the increasing breadth of services provided by space systems and space capabilities, including everything from satellite communications and Earth observation to position, navigation, and timing services. Many of those services are vital to U.S. government operations. For example, U.S. commercial space-based remote sensing companies serve customers from civil and national security government agencies. Crippling CRSRA would not

<sup>&</sup>lt;sup>2</sup> <u>https://www.reuters.com/technology/space/trump-layoffs-hit-key-air-traffic-control-space-unit-2025-03-01/.</u>

<sup>&</sup>lt;sup>3</sup> <u>https://payloadspace.com/office-of-space-commerce-aces-committee-cut-by-trump-order/.</u>

<sup>&</sup>lt;sup>4</sup> <u>https://www.space.commerce.gov/advisory-committee-on-excellence-in-space-aces/</u>.

<sup>&</sup>lt;sup>5</sup> Space Foundation, The Space Report 2024 Q2, p. 7.

<sup>&</sup>lt;sup>6</sup> <u>https://democrats-science.house.gov/hearings/the-state-of-us-science-and-technology-ensuring-us-global-leadership</u>.

only have economic impacts for the industry; it would also risk the commercial and government operations that rely on commercial remote sensing data and services. Licensing delays and the gutting of licensing personnel threaten to push U.S. commercial remote sensing capabilities even further behind China's emerging leadership in the sector. According to one assessment,

"While the United States has long been the global leader in space, the 2024 medal winners spotlight the continued advancement of China's remote sensing capabilities and the expansion of its commercial space sector. Commercial remote sensing is one dimension of a broader space competition as Beijing continues to execute its vision of leading the world in space, among other key technology sectors. The stakes are high. Should any one country dominate the commercial remote sensing market, not only could it gain economic advantages, but it would also control the information narrative about the entire planet, from the environment to natural resources to human conflict."<sup>7</sup>

The probationary firings at OSC will impose real and significant costs upon the nation and the commercial space sector. Few benefit from worse public safety systems, a slower licensing process for commercial remote sensing space operators, and a lack of regulatory maturity for the commercial space sector as a whole. But we note with great concern that one of the only potential beneficiaries of this irrational action is SpaceX and its CEO Elon Musk, the leader of DOGE who oversaw the OSC firings. As the largest and most profitable commercial satellite operator, SpaceX has already achieved a size and scale that far surpasses its competitors, thereby positioning the company to withstand market disruptions and uncertainty with much greater ease than its less-established rivals. SpaceX would also be affected by TraCSS and its anti-collision role when the system is fully implemented, creating a direct conflict-of-interest for DOGE given SpaceX's well-documented resistance to government oversight.<sup>8</sup> And a weaker, more vulnerable OSC at the mercy of further potential DOGE firings raises alarming questions about transparency and the protection of proprietary and sensitive data. Will OSC continue to support greater transparency around collision avoidance data, which is in the public interest, if SpaceX would prefer to keep such data private and the CEO of SpaceX can threaten the office with further harm? Will OSC be compelled to grant DOGE access to proprietary data from SpaceX competitors that would subsequently be disclosed to Elon Musk and SpaceX? These unprecedented conflicts-of-interest threaten to destabilize the entire U.S. commercial space sector if they are not immediately addressed.

OSC cannot properly carry out its mission to support the growth of American commercial space activity unless last month's probationary firings are fully and permanently rescinded and the office is shielded from further attack by DOGE. While we were pleased to learn about the recent reinstatements of the heads of TraCSS and CRSRA<sup>9</sup>, the near-immediate reversal of their firings merely highlights how irrational and foolish it was to fire them in the first place. We urge you to reverse the remainder of these senseless OSC firings immediately and ensure that all reinstatements are permanent, without any reliance on the outcome of future litigation. We also

<sup>&</sup>lt;sup>7</sup> Center for Strategic and International Studies, "Gold Rush: The 2024 Commercial Remote Sensing Global Rankings," October 2024. Available at: <u>https://www.csis.org/analysis/gold-rush-2024-commercial-remote-sensing-global-rankings</u>.

<sup>&</sup>lt;sup>8</sup> SpaceX, "Starships Are Meant to Fly," September 10, 2024, accessed here: <u>https://www.spacex.com/updates/</u>.

<sup>&</sup>lt;sup>9</sup> <u>https://spacenews.com/questions-linger-about-future-of-tracss/</u>.

request answers to the following questions in order to conduct oversight regarding the origins of the OSC probationary firings and their potential implications for the commercial space sector. Please respond to the following questions no later than two weeks from today, 5:00 PM on Wednesday, April 2<sup>nd</sup>, 2025:

- 1. Why did the Department of Commerce and NOAA agree to fire all probationary employees at OSC when two of those firings had to be reversed almost immediately? Were DOC and NOAA consulted before the firings, or was the decision initiated exclusively by DOGE and/or the Office of Personnel Management?
- 2. What will be the impact of the OSC probationary firings on the U.S. space industry, including the commercial remote sensing industry and the space situational awareness industry? Did DOC or NOAA conduct any formal assessment of these impacts before the probationary firings took place?
- 3. What will be the impact of the OSC probationary firings on the schedule for standing up the TraCSS capability? Did DOC or NOAA conduct any formal assessment of these impacts before the probationary firings took place?
- 4. Have any meetings or communications occurred between SpaceX representatives and officials from DOC, NOAA, or OSC since January 20<sup>th</sup>, 2025? Please disclose any meeting or communication that has taken place since January 20th, 2025, between any executive, employee, representative, or lobbyist acting on behalf of SpaceX and any official acting on behalf of DOC, NOAA, or OSC. Please disclose the date of any such meeting(s) or communications(s), the full list of participants, and the subject matter that was discussed.
- 5. Do any conflict-of-interest policies exist within DOC, NOAA, or OSC to address potential conflicts-of-interest between SpaceX and DOGE in their interactions with OSC, given the dual role of Elon Musk as the CEO of SpaceX and the leader of DOGE? Please provide copies of those policies to the Committee.

Pursuant to Rule X of the House of Representatives, the Committee on Science, Space, and Technology "shall review and study on a continuing basis laws, programs, and Government activities relating to nonmilitary research and development."<sup>10</sup> The Committee possesses jurisdiction over "Astronautical research and development, including resources, personnel, equipment, and facilities," as well as "Outer space, including exploration and control thereof."<sup>11</sup>

If you have any questions regarding this letter, please contact Pamela Whitney or Josh Schneider with the Committee's Minority staff at (202) 225-6375. Thank you for your attention to this important matter.

<sup>&</sup>lt;sup>10</sup> <u>119 First Session House Rules.</u>

<sup>&</sup>lt;sup>11</sup> Id.

Sincerely,

Zoe Lofgren Ranking Member Committee on Science, Space, and Technology

Valerie P. Foushee Ranking Member Subcommittee on Space and Aeronautics

Emilia Sykes Ranking Member Subcommittee on Investigations & Oversight

CC: Brian Babin Chairman Committee on Science, Space, and Technology

> Mike Haridopolos Chairman Subcommittee on Space and Aeronautics

Rich McCormick Chairman Subcommittee on Investigations & Oversight