

Space Law, Regulation and Policy Update

Good Afternoon!

"Gentlemen, we have run out of money; now we have to think." Winston Churchill may or may not have said that, but it's exactly the situation the U.S. government found itself in this week after the Senate failed to pass competing spending bills before October 1. Oddly enough, a Senate report earlier this week alleged that NASA jumped the funding gun by attempting to implement the Trump administration's proposed 25% funding cut for the agency, despite the absence of Congressional approval.

Beyond Washington budget headlines, DoD, BIS and DHS all introduced measures that will likely have a significant impact on the commercial space industry; space leaders from around the world convened in Australia for the International Astronautical Congress; Italy faces a choice between Starlink and building its own LEO constellation while it waits on the EU's long-delayed IRIS² program; ESA and KASA inked a new agreement on space cooperation and the U.S., France and other allies are teaming up in orbit to counter China's rapidly advancing space capabilities.

All this and more in this edition of Akin's Space Law, Regulation and Policy Update.

Akin Spotlight

Akin's <u>Trump Executive Order Tracker</u> provides a high-level overview of executive orders published by the new administration. These orders cut across dozens of industries and topics. The Tracker is updated as orders and Akin's in-depth analysis of specific orders are published.

Please visit Akin's Trump Executive Order Overview to view a matrix of the orders.

On The Hill

Articles and Quotes

<u>Senate Rejects Efforts to Keep Government Open After Midnight</u> (*Space Policy Online*) The Senate failed to pass competing Republican and Democratic funding bills on September 30,

triggering a government shutdown at midnight. The Democratic proposal was rejected on party lines, while the House-passed Republican continuing resolution (H.R. 5371) fell short 55-45, with three members of the Democratic caucus voting in favor and one Republican opposed. As a result, agencies are executing their shutdown plans, with funding from regular appropriations suspended except for essential services related to life and property. The National Aeronautics and Space Administration (NASA) confirmed that work on Artemis II and III, the International Space Station and active satellite missions will continue. Senate leaders remain divided, with Republicans citing cracks in Democratic opposition and pledging to reintroduce the bill, while Democrats criticized the GOP bill for excluding health care priorities and bypassing bipartisan negotiations. Congress is now uncertain when it will reconvene to address the shutdown, which affects discretionary spending but not programs funded by mandatory spending or reconciliation legislation like H.R. 1.

<u>Senate Report Accuses NASA of Prematurely Implementing Budget Cuts</u> (*SpaceNews*)

A new Senate Commerce Committee staff report alleges that NASA has begun executing the administration's proposed fiscal year (FY) 2026 budget despite the absence of Congressional approval, posing potential legal and safety concerns. The report, released by Senate Democrats on September 29, claims the White House Office of Management and Budget directed NASA to act on the proposed 25% funding reduction ahead of any appropriations, including cuts to science and technology programs. Whistleblowers cited in the report, along with remarks from senior agency officials, suggest that NASA staff were instructed to disregard programs excluded from the president's budget request. The report also points to a verbal directive culture, staffing reductions totaling 20%, and a growing reluctance among employees to raise safety issues. One whistleblower warned of heightened astronaut risk as a result. With a government shutdown imminent, concerns have intensified over possible layoffs and broader attempts to reshape agency operations under the guise of executive authority.

Top HASC Dem Doubts Senate NDAA's Future (Politico)

House Armed Services Committee (HASC) Ranking Member Adam Smith indicated that Congress may again finalize the National Defense Authorization Act (NDAA) without Senate passage of its own version. With the Senate stalled for much of September and facing a government shutdown, Smith said informal negotiations between House and Senate defense leaders have already begun based on committee-approved language and a single manager's amendment. While a Senate vote remains possible, the delay raises the likelihood of a repeat of last year's process, when a final compromise was reached without full Senate passage. If the Senate abandons floor debate, amendments from rank-and-file senators, particularly on divisive issues like National Guard deployments and presidential war powers could be excluded. House Armed Services Chair Mike Rogers has set a target of reaching a deal before Thanksgiving. The "Big Four" leaders from the House and Senate committees have not yet met but are expected to begin discussions in the coming weeks.

Introduced Legislation & Legislative Updates

The Accessing Satellite Capabilities to Enable New Discoveries (ASCEND) Act (S. 1437) which aims

to codify NASA's Commercial SmallSat Data Acquisition (CSDA) program, was placed on the Senate Legislative Calendar under General Orders. Calendar No. 173.

The Safe ORBIT Act (<u>S. 428</u>) which aims to modify the junctions of leadership of the Office of Space Commerce (OSC) and promote space situational awareness (SSA), among other unnamed provisions, was placed on the Senate Legislative Calendar under General Orders. Calendar No. 170.

Rep. August Pfluger (R-TX) has <u>introduced</u> a bill to streamline the application of regulations relating to commercial space launch and reentry requirements and licensing of private remote sensing space systems, and for other purposes (<u>H.R. 5602</u>).

Rep. Dale Strong (R-AL) has <u>introduced</u> the SPACEPORT Act (<u>H.R. 5447</u>), which amends chapter 511 of title 51, United States Code, to modify the authority for space transportation infrastructure modernization grants.

Rep. French Hill (R-AR) has **introduced** the Taiwan and American Space Assistance Act of 2025 (<u>H.R. 5626</u>) which provides for expanded cooperation by NASA and the National Oceanic and Atmospheric Administration with Taiwan.

A bill to provide for the International Security Affairs authorities of the Department of State (DOS) (H.R. 5247) was reported favorably by the House Committee on Foreign Affairs.

A bill to ensure the alignment of economic and foreign policies, to position DOS to reflect that economic security is national security (<u>H.R. 5248</u>) was reported favorably by the House Committee on Foreign Affairs.

Please find our Space Legislation Tracker here.

Recent and Upcoming Congressional Hearings

(September 19, 2025 - October 10, 2025)

On September 30, the Senate Committee on Armed Services (SASC) held a closed **briefing** titled "Golden Dome for America."

On September 30, the Senate Select Committee on Intelligence (SSCI) held a closed <u>briefing</u> on intelligence matters.

In the White House/Executive Branch

Articles and Quotes

NASA's Artemis Work Will Continue Under Shutdown (Politico)

NASA's Artemis program will remain operational during a government shutdown, according to the agency's contingency plan released on September 30. While approximately 15,000 of NASA's 18,000 employees are expected to be furloughed, staff working on Artemis II and Artemis III, missions aiming to send astronauts around the Moon in 2026 and land on its surface in 2027, will continue their work uninterrupted. NASA will also maintain operations for the International Space Station and active satellite missions to ensure crew and equipment safety. However, projects not yet launched and not aligned with presidential priorities may be paused. The agency has not specified which programs fall under that category.

Government Shutdown: Guidance for the Air Force and Space Force (Air and Space Forces) Following Congress's failure to pass appropriations bills by the September 30 deadline, the federal government has entered a shutdown, prompting the Pentagon to implement contingency plans affecting both the Air Force and Space Force. According to guidance issued September 27, only excepted activities, those deemed necessary for national security, safety or constitutional duties, will continue. All active-duty personnel must report for duty without pay, while over 334,000 Department of Defense (DoD) civilian employees are being furloughed. Notably, programs deemed top priorities, including border operations, Golden Dome missile defense and critical munitions, will proceed using reconciliation funds passed this summer. The Department of the Air Force will limit travel, pause some new program starts and possibly delay weapons deliveries. Despite the use of available funds for key programs, service members and civilian staff face uncertainty over pay and program continuity as the duration of the shutdown remains unclear.

NASA, the Spy Agency? (Politico)

In a quiet but significant policy shift, the White House recently reclassified NASA as an intelligence and national security agency—marking a dramatic departure from its historic image as a peaceful explorer of space. While the agency's core missions remain unchanged, this rebranding has sparked concerns that it could erode international trust, compromise transparency and eliminate collective bargaining rights for employees. Critics, including Sen. Mark Kelly (D-AZ), argue the move weaponizes NASA's identity to justify union busting, while also risking the agency's soft power as a diplomatic and scientific leader. Though the White House cited national security relevance in satellite and propulsion technologies, space policy experts warn this change could entangle NASA in the militarization of space and further obscure public access to scientific data. Proponents suggest the shift simply acknowledges NASA's role in national security infrastructure, particularly as its technology increasingly supports defense initiatives like space-based missile systems.

Industry: Golden Dome's Greatest Challenge Is an Unpredictable Budget (Air and Space Forces)

At the Air, Space and Cyber Conference, defense industry executives emphasized that the primary challenge facing the Pentagon's Golden Dome missile defense program is not technical capability but budget uncertainty. Although the administration has already secured \$25 billion through budget reconciliation, contractors stressed the importance of long-term, stable funding

to plan and execute complex, multiyear efforts. The absence of a five-year defense spending plan for Golden Dome makes it difficult for companies to scale efforts or coordinate production. Smaller and non-traditional contractors may face particular difficulties adapting to changes tied to funding delays, undermining the Pentagon's stated goal of fostering a diverse supplier base. With projected program costs ranging from \$252 billion to as much as \$3.6 trillion over two decades, industry leaders warned that continued reliance on short-term appropriations could threaten the program's momentum and delivery timeline.

Department of Defense Launches New Cybersecurity Risk Management Construct (Akin)

On September 24, DoD, also referred to as the Department of War, announced the Cybersecurity Risk Management Construct (CSRMC), a new framework to replace the long-standing Risk Management Framework (RMF) as DoD's primary set of guidelines for protecting its systems and networks against cyber threats. While RMF standardized cybersecurity practices, it was criticized by some for being slow, overly prescriptive and insufficiently responsive to operational needs. CSRMC is intended to embed cybersecurity throughout the system lifecycle by emphasizing continuous monitoring, with the goal of achieving constant authorization status. In contrast to the RMF, CSRMC introduces real-time dashboards and automated alerts, allowing DoD to maintain a "constant ATO posture" rather than requiring periodic reviews.

BIS Publishes 50% "Affiliates Rule" (Akin)

On September 29, the U.S. Department of Commerce's Bureau of Industry and Security (BIS) posted, for public inspection, an interim final rule titled "Expansion of End-User Controls to Cover Affiliates of Certain Listed Entities" (aka the Affiliates Rule). The rule has significant implications for compliance due diligence and related procedures and is intended to prevent entities one the Entity and MEU lists from being able to deceive exporters, reexporters and transferors into providing items in violation of the restrictions that apply to listed entities.

DHS Proposes Significant Changes to H-1B Visa Lottery (Akin)

On September 24, the Department of Homeland Security (DHS) published a proposed regulation that aims to make significant changes to the H-1B visa lottery. Under this proposal, the lottery selection process would heavily favor higher-paid beneficiaries. By increasing the salaries for their prospective H-1B employees, employers will be able to greatly increase the chances that those employees will be selected in the H-1B lottery. DHS likely has enough time to finalize the proposed rule before the next H-1B lottery, scheduled to take place in March 2026. DHS will collect written comments on the rule for 30 days, until October 24, 2025.

Federal Agency Space News

National Aeronautics and Space Administration

NASA Highlights Space Innovation, Exploration at Space Conference (September 24, 2025)

<u>Crew Begins Week Configuring Advanced Physics, Space Tech Demo Hardware</u> (September 29, 2025)

NASA, International Partners Deepen Commitment to Artemis Accords (September 30, 2025)

U.S. Space Force

<u>Meink Stresses Innovation, Focus, Funding to Maintain Air, Space Superiority</u> (September 22, 2025)

<u>Space Force Renames 'Front Door' to Reflect Broader Impact on Industry</u> Collaboration (September 23, 2025)

<u>Space Test Program Continues to Expand, Astronaut Inspires Future Space Test</u>
<u>Leaders</u> (September 25, 2025)

International

Articles & Quotes

At IAC, Global Space Cooperation Meets American Space Dominance (SpaceNews)

At the International Astronautical Congress (IAC) in Sydney, global space leaders responded to shifting U.S. space policy and leadership under Secretary of Transportation Sean Duffy, who now serves as NASA's acting administrator. Duffy underscored U.S. investment and leadership in space while calling for transparency and cooperation with like-minded nations, though some of his remarks drew scrutiny from international attendees. Duffy's limited public presence at the conference raised further questions as NASA canceled several scheduled appearances.

Meanwhile, international agencies including European Space Agency (ESA), the Canadian Space Agency and the Australian Space Agency emphasized their expanding partnerships with countries beyond the United States. ESA highlighted deepening ties with Japan, India and the United Arab Emirates (UAE), while Canada and Australia stressed diversification of partnerships and increased engagement with ESA. These developments reflect a broader trend of U.S. allies seeking stability and autonomy amid concerns about the future of American-led space initiatives under current policy and budget shifts.

<u>Italy's Crossroads: Build Its Own Satellites or Lean on Starlink While Waiting for IRIS2</u> (*SpaceNews*)

Italy's space policy leadership is confronting a pivotal choice between accelerating development of its own low-Earth orbit (LEO) satellite constellation or relying on Starlink as an interim solution while awaiting the delayed rollout of the European Union's (EU) IRIS² program. A recent government report questioned Italy's limited industrial representation in IRIS² and acknowledged SpaceX's offer to provide Starlink services, which it described as more operationally advanced than the European system. While reaffirming support for IRIS² and EU strategic autonomy, the report emphasized that Starlink could fill critical capability gaps in the short term. Italy's dual-

track approach seeks to balance transatlantic alignment with European sovereignty, though observers caution that near-term operational needs may outweigh longer-term ambitions. A final decision on whether to proceed with a national constellation, MERCURIO, is expected later this year.

<u>U.S., France Step Up Joint Military Satellite Moves to Counter China in Space</u> (Reuters)

The U.S. and France are planning their second coordinated satellite maneuver, part of a broader effort to deepen allied cooperation in military space operations amid growing concerns about China's capabilities. This marks the third such U.S. joint mission after earlier collaborations with France and the United Kingdom, reflecting a strategic push to enhance orbital intelligence and proximity operations near potentially adversarial satellites. Western officials warn of heightened threats in space, including from maneuverable satellites and anti-satellite weapons, that could endanger communications, missile warning and navigation systems. The increased tempo of allied activities, including rendezvous missions and diagnostics on allied satellites, signals a maturing operational partnership in orbit and a commitment to ensuring collective defense in the space domain. U.S. officials have hinted that further joint operations with other partners are likely.

<u>European Space Agency and Korea AeroSpace Administration Embark on New</u> <u>Cooperation</u> (ESA)

The ESA and the Korea AeroSpace Administration (KASA) signed a Memorandum of Understanding at the IAC to launch a broad partnership on peaceful space cooperation, starting with shared use of communications ground stations and joint efforts in space weather monitoring. Under this new agreement, both agencies will gain mutual access to ground infrastructure, including ESA's Estrack network and Korea's Deep Space Antenna in Yeoju, enhancing global resilience and redundancy for future missions. The agencies also expressed intent to collaborate on solar observation missions, combining ESA's upcoming Vigil mission at Lagrange Point L5 with KASA's planned mission to L4. The agreement outlines a wide range of future cooperation areas, including space science, exploration, navigation, sustainability and satellite infrastructure. Both sides emphasized mutual benefits and a shared commitment to international space partnerships.

Check out below for comment opportunities, requests for proposals, notices of proposed rulemaking and a look at the week ahead in space events:

Comment Opportunities (RFIs)

Neutral Buoyancy Laboratory (NBL) Facility Commercial Utilization

National Aeronautics and Space Administration

Close Date: November 28, 2025

Requests for Proposals (RFPs)

<u>Space Weather Geostationary (SWGEO) PHOtospheric Magnetograph Imager (PHOMI) Phase A Study</u>

National Aeronautics and Space Administration

Close Date: October 12, 2025

Mechanical Engineering Support and Assistance (MESA)

National Aeronautics and Space Administration

Close Date: October 14, 2025

Proposal for Lease of the Flight Research Facility (Hangar) at Glenn Research Center (GRC)

National Aeronautics and Space Administration

Close Date: December 13, 2025

Notices of Proposed Rulemakings (NPRMs)

No new proposed rules.

Upcoming Space Events

International Observe the Moon Night

NASA

October 4, 2025

The Day of Action to Save NASA Science

The Planetary Society

October 5-6, 2025

International Mars Society Convention

The Mars Society

October 9-11, 2025

9th Interstellar Symposium

IRG/IAA

October 12-15, 2025

XRISM International Conference 2025

XRISM

October 20-24, 2025

The 7th Summit for Space Sustainability

Secure World Foundation

October 22-23, 2025

Planetary Science Conference 2025

Jagiellonian University

October 23-25, 2025

New Worlds 2025 Conference and Space Cowboy Ball

New Worlds

October 23-25, 2025

Von Braun Space Exploration Symposium

American Astronautical Society

October 27-29, 2025

19th ESPI Autumn Conference

European Space Policy Institute

October 28-29, 2025

Defence in Space (DiSC) 2025

GSOA

October 28-29, 2025

Silicon Valley Space Week

SVSW

October 28-30, 2025

Space Settlement Summit

NSS

November 3-4, 2025

Security for Space Systems (3S) Conference

ESA

November 4-6, 2025

3rd Annual Space Economy Summit 2025

Economist

November 5-6, 2025

2025 LSIC Fall Meeting

LSIC

November 5-6, 2025

Joint Space Operations Summit

DSI

November 5-6, 2025

23rd Meeting of the Venus Exploration Analysis Group (VEXAG)

NASA

November 5-7, 2025

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Questions?

If you have any questions, please contact:

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