

FINANCIAL RESPONSIBILITY
AEROSPACE RULEMAKING COMMITTEE CHARTER

- 1. PURPOSE.** This charter establishes the Financial Responsibility Aerospace Rulemaking Committee for the Space Transportation Industry for Part 440 of Title 14 of the Code of Federal Regulations (14 CFR), in accordance with the U.S. Secretary of Transportation's authority under Title 49 of the United States Code (49 U.S.C.) § 106(p)(5). The sponsor of this aerospace rulemaking committee, (commonly referred to as a SpARC) is the Office of Commercial Space Transportation's Executive Director of the Office of Strategic Management. This charter outlines the SpARC's organization, responsibilities, and tasks.
- 2. OBJECTIVES:** The objective of this SpARC is to solicit information, concerns, and opinions about updating the financial responsibility regime for licensed launch and reentry.
- 3. TASKS.** The SpARC's tasks are:
 - a. Provide specific consensus comments on the following issues:
 - i. Improving maximum probable loss (MPL) determinations;
 - ii. Modernizing the financial responsibility requirements; and
 - iii. Creating a responsive reciprocal waiver of claims regime.
 - b. Within 6 months from the first meeting after the effective date of the charter, submit a report with recommendations regarding updating the financial responsibility regime for licensed launch and reentry ("recommendation report").
 - i. The Industry Co-Chair sends the recommendation report to the FAA Co-Chair and the FAA Executive Director of the Office of Rulemaking.
 - ii. The FAA Co-Chair determines when the recommendation report and records, pursuant to paragraph 8, will be made available for public release.
- 4. PROCEDURES.**
 - a. The SpARC acts solely in an advisory capacity by advising and providing written recommendations to the FAA Co-Chair.
 - b. The SpARC may propose follow-on tasks related to the stated scope of the SpARC to the FAA Co-Chair.
 - c. The SpARC may reconvene following the submission of the recommendation report for the purposes of providing advice and assistance to the FAA, at the discretion of the FAA Co-Chair, provided the charter is still in effect.
- 5. ORGANIZATION, MEMBERSHIP, AND ADMINISTRATION.** The FAA is committed to ensuring that the SpARC reflects the Administration's priorities on diversity,

equity, inclusion, and accessibility (DEIA). The FAA will set up a committee of members from current and prospective license and permit holders, insurance providers, launch/reentry customers, and academia. The FAA and other federal agency subject matter experts may be requested to participate as observers and to provide technical support to SpARC members.

The provisions of the August 13, 2014, Office of Management and Budget (OMB) guidance, “Revised Guidance on Appointment of Lobbyists to Federal Advisory Committees, Boards, and Commissions” (79 FR 47482), continues the ban on registered lobbyists participating on Agency Boards and Commissions if participating in their “individual capacity.” The revised guidance allows registered lobbyists to participate on Agency Boards and Commissions in a “representative capacity” for the “express purpose of providing a committee with the views of a non-governmental entity, a recognizable group of persons or non-governmental entities (an industry, sector, labor unions, environmental groups, etc.), or state or local Government.” For further information, refer to the OMB Guidance at 79 FR 47482.

Membership is limited to promote discussion. Attendance, active participation, and commitment by members is essential for achieving the objectives and tasks. When necessary, the SpARC may set up specialized and temporary working groups that include at least one SpARC member and invited subject matter experts from industry and government.

Members will be selected based on their familiarity and experience with the financial responsibility regulations, to include contracts, insurance, financial risk-sharing mechanisms, and implications of liability sharing. Membership will be balanced in viewpoints and interests. All members will have knowledge of the SpARC’s objectives and scope.

- a. The Manager of the Space Policy Division in the Office of Commercial Space Transportation will function as the FAA Co-Chair and will:
 - i. Select and appoint the Industry Co-Chair.
 - ii. Select and appoint members.
 - iii. Ensure DOT and FAA participation and support from all affected lines of business.
 - iv. Provide notification to the members of the time and place for each meeting.
 - v. Receive any status report(s) and the recommendation report.
- b. Once appointed, the Industry Co-Chair will:
 - i. Coordinate required SpARC meetings in order to meet the SpARC’s objectives and timelines.
 - ii. Establish and distribute meeting agendas in a timely manner.
 - iii. Keep meeting notes, if deemed necessary.
 - iv. Perform other responsibilities as required to ensure the SpARC meets its objectives.
 - v. Provide status reports, as requested, in writing to the FAA Co-Chair.
 - vi. Submit the recommendation report to the FAA Co-Chair and the FAA Executive Director of the Office of Rulemaking.

- 6. PUBLIC PARTICIPATION.** Meetings are not open to the public. Persons or organizations outside the SpARC who wish to attend a meeting must secure approval from the Industry and FAA Co-Chairs in advance of the meeting.
 - 7. AVAILABILITY OF RECORDS.** Subject to applicable Freedom of Information Act exemptions pursuant to Title 5 U.S.C. § 552, the FAA will make records provided by the SpARC to the FAA available for public inspection and copying. Available records will be located at the Office of Commercial Space Transportation, FAA Headquarters, 800 Independence Avenue, SW, Washington, DC 20591. Fees may be charged for information furnished to the public according to the fee schedule published in 49 CFR Part 7.
- This charter is available on the FAA Committee Database website at:
https://www.faa.gov/regulations_policies/rulemaking/committees/documents/.
- 8. DISTRIBUTION.** This charter is distributed to the Office of the Associate Administrator for Aviation Safety, the Office of the Associate Administrator for Commercial Space Transportation, the Office of the Associate Administrator of Airports, the Office of the Chief Counsel, the Office of Assistant Administrator for Policy, International Affairs, and Environment, and the Office of Rulemaking.
 - 9. EFFECTIVE DATE AND DURATION.** The SpARC is effective upon issuance of this charter and will remain in existence for a maximum of 24 months, unless the charter is sooner suspended, terminated, or extended by the Secretary.

Issued in Washington, DC on March 15, 2023



Pete Buttigieg
Secretary of Transportation