

Responsible Sourcing of Rocket Engines

SEC. XXXX. RESPONSIBLE SOURCING OF ROCKET ENGINES.

(a) FINDINGS. Congress finds that—

- (1) continued reliable access to space is a critical component of the national security strategy of the United States;**
- (2) as indicated by a March 5, 2013 report to Congress by the Comptroller General of the United States, the domestic industry of the United States is capable of developing and providing launch vehicles capable of carrying any existing national security space payload into orbit;**
- (3) the continued sourcing of rocket engines, launch vehicles, and similar technologies from non-allied nations may lead to an undesirable dependence on nations with interests counter to those of the United States for access to space. For example:
 - (A) the United States has been dependent on Russian company NPO Energomash for the production of rockets critical to the Evolved Expendable Launch Vehicle program, especially those using the RD-180 rocket engine;**
 - (B) NPO Energomash is eighty-six percent owned by the Russian government and maintains ties to the Russian military;**
 - (C) recent actions by the government of the Russian Federation have been counter to U.S. and international interests in promoting human rights and a safer world, including:
 - (i) Russian government interference with democratic processes in the neighboring country of Ukraine, destabilizing the region; obstructing the rights of people to self-determination;**
 - (ii) Russian government attempts to annex part of Ukraine, a sovereign nation;**
 - (iii) Russian government failure to investigate actions against minority groups or enforce observance of minority rights, allowing certain criminal groups to operate with impunity;**
 - (iv) Russian government denial of due process in politically motivated cases, such as the arrests of protesters from the May 2012 demonstration at Bolotnaya Square in Moscow; and**
 - (v) continued Russian government obstruction of corruption investigations, including the 2009 murder of human rights investigator Sergei Magnitsky;******
- (4) last year, under congressional direction, the United States Air Force began implementing a new, competitive acquisition strategy for space launch. However, in December 2013, the Air Force leadership decided to purchase 35 new launch vehicle booster cores, some including Russian engines, and the capability to launch them from a sole-source provider in advance of qualification of any competitors;**
- (5) this sole-source procurement could make inevitable Department of Defense dependence on a Russian rocket engine through the end of fiscal year 2017, or possibly even longer;**

- (6) in testimony before the Senate Appropriations Committee's Subcommittee on Defense, industry executives testified that there already exists a stockpile of Russian engines capable of meeting requirements for more than the next two years, and that an American company already has the blueprints, specifications, and know-how required to make the Russian-developed RD-180 engine in the United States,
 - (7) according to the Comptroller General, the Department of Defense has not yet finalized its methodology for evaluating competitive bids under the Evolved Expendable Launch Vehicle program; and
 - (8) the national security of the United States is enhanced by the development and use of a competitive national industrial base capable of providing access to space.
- (b) **COMPETITION REQUIREMENT.** For any launch to be conducted after October 1, 2014, the Secretary of the Air Force shall use full and open competitive procedures when acquiring launch services using funds authorized to be appropriated for or otherwise made available to the Evolved Expendable Launch Vehicle program.
- (1) **EXCEPTION.** The requirement in this subsection shall not apply if the Senior Acquisition Executive certifies that, based upon information obtained through a Request for Information or Sources Sought Notice, an analysis of domestic contractor capability for the launch-critical good or service has determined that only a single source is capable of meeting the requirement.
 - (2) **RESTRICTION AND REPORT REQUIRED.** Of the funds authorized to be appropriated for fiscal year 2015 or otherwise made available for the Air Force for the Evolved Expendable Launch Vehicle program, no more than twenty-five percent may be obligated or expended until the Secretary of the Air Force submits to the congressional defense committees a written report detailing the best value evaluation criteria to be used in awarding launch contracts under the Evolved Expendable Launch Vehicle program.
- (c) **NATIONAL SECURITY SPACE SOURCING REQUIREMENT.** No payload acquired or operated by or on behalf of the Department of Defense shall be launched into space by any rocket engine designed or developed in the Union of Soviet Socialist Republics or the Russian Federation, unless such engine was manufactured inside the United States.
- (d) **EXCEPTION FOR EXISTING ENGINES.** The restriction of subsection (c) shall not apply to any rocket engines acquired on behalf of the Department of Defense pursuant to an existing contract obligation, provided that such acquisition occurs prior to September 30, 2014. The Department of Defense shall not issue any new task orders, contracts, or contract modifications, nor shall it direct or authorize any contractor or subcontractor of the Department of Defense to submit any task orders, contracts, or contract modifications, for additional rocket engines or rocket engine components from a foreign nation after the date of enactment of this Act.
- (e) **REPORT REQUIREMENT FOR ADDITIONAL ENGINE DEVELOPMENT.** No funds authorized to be appropriated for or otherwise made available to the Department of Defense, or any of its components, shall be used for the purpose of designing, developing, or manufacturing the prototype of any rocket engine, or family of rocket engines, not currently available for purchase from a domestic entity unless the Secretary of Defense submits a written report to the congressional defense committees explaining the need for an additional engine, or family of engines, and how such a development is

required under the National Space Transportation Policy of 2013. Such a report must be received at least 180 days prior to any such planned expenditure.