

How Trump's Space Order May Ease Industry's Growth

By **Stephanie Roy and Connor Haffey** (September 15, 2025, 4:44 PM EDT)

President Donald Trump signed an executive order on Aug. 13 aimed at streamlining federal review of commercial space launches and establishing a new framework for novel space missions.

Executive Order No. 14335 on competition in the commercial space industry takes aim at lengthy space launch and reentry licensing timelines, as well as at environmental reviews that delay or deter spaceport development.

The order also calls for the development of a regulatory framework for novel space missions, presumably to be overseen by the U.S. Department of Commerce's Office of Space Commerce.

Streamlined Licensing

The order directs the secretary of the U.S. Department of Transportation to use "all available authorities to eliminate or expedite the DOT's environmental reviews for, and other obstacles to the granting of, launch and reentry licenses and permits."

The order specifically requires review of the commercial space launch regulations, directing consideration of whether streamlined approaches can be found for flight systems with flight termination or automated flight safety systems, and vehicles that hold valid Federal Aviation Administration airworthiness certificates.

The secretary of transportation is required to report on its progress within 120 days of the order. The DOT is also directed to work with the U.S. Department of Defense and NASA to align review processes for spaceport development across agencies, and to memorialize its efforts in an interagency memorandum of understanding within 180 days.

Relief From Environmental Reviews

The order also directs the DOD, DOT, the U.S. Department of the Interior and NASA to "use all available authorities to expedite their respective environmental and administrative reviews for ... spaceport infrastructure development." This includes potential categorical exclusions under the National Environmental Policy Act, or NEPA, for actions that do not have a "significant effect on the quality of the human environment."



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Federal officials are also directed to consider whether national security imperatives merit exceptions to endangered species laws.

The DOD, NASA and the DOT are also directed to work together to consider whether state approvals under the Coastal Zone Management Act should be revoked, and whether past state and local actions with respect to local spaceport developments may be inconsistent with federal law.

The order, therefore, seeks not only to alleviate federal regulatory burdens, but potentially those imposed by state and local authorities as well.

Novel Mission Authorization

While much of the press about the executive order has focused on the potential changes to space launch licensing and related environmental reviews, the order also makes strides in establishing a mission authorization regime for space activities that do not fit comfortably within today's existing regulatory structure.

The order requires the commerce secretary to move the Office of Space — currently under the National Oceanic and Atmospheric Administration — into the Office of the Secretary. Space sector leaders have discussed such a move for years, hoping it could bring operational independence to support the commercial space industry.

Moreover, the order requires the commerce secretary to propose a process for "individualized mission authorizations for activities that are ... not clearly or straightforwardly governed by existing regulatory frameworks."

Commercial space actors have long sought a mission authorization regime to fill the gaps that exist in today's regulatory framework. These missions, so-called novel commercial space missions, include operations such as in-situ resource utilization; in-space servicing, assembly and manufacturing; orbital habitat development; and the recently attention-grabbing implementation of nuclear reactors in space.

A draft framework under the Biden administration proposed to fill the gaps by splitting this authority between the FAA and the Commerce Department, while several bills in the U.S. Congress have put forward alternatives, including placing primary responsibility in the hands of the Commerce Department.

None of the prior alternatives have made it past the proposal stage. It appears now the Trump administration is readying the Commerce Department to undertake the authorization responsibility by moving the Office of Space Commerce under the office of the secretary and putting the onus on the Commerce Department to work out an authorization framework.

Further Insights

While today's large launch providers are the most visible and touted beneficiaries of more streamlined regulations, faster review time frames and the potential removal of certain environmental reviews, smaller launch companies and spaceport authorities also stand to benefit from a reworked licensing framework.

Lower administrative burdens mean lower costs and potentially lower regulatory uncertainty for new space companies looking to make their mark in space launch, as well as those companies that rely on efficient and affordable access to orbit.

The executive order's ask of the Department of Transportation to reform its NEPA assessments comes at the same time the Federal Communications Commission announced a rulemaking process to overhaul its own NEPA process.

Changes to reviews under NEPA, however, are likely to be challenged by environmental advocates as this process progresses. The extent to which this presidentially mandated review process affects the licensing process therefore remains to be seen.

We do expect that agencies will promptly initiate their respective assessments, and to see changes sometime in 2026. In the meantime, practitioners will be looking for opportunities to get their clients' perspectives in front of the regulators.

If NEPA is truly overhauled by the FAA, it would bode well for large launch providers whose NEPA assessments are congesting the licensing pipeline at the FAA's Office of Commercial Space Transportation.

But it may also increase the number of licenses, both with regard to spaceport development such as Rocket Lab USA Inc.'s platform at Wallops Island, and launches and reentry for all providers. Hurdles are likely to be fewer and lower.

Meanwhile, express rules for novel mission authorizations would also lower the regulatory uncertainty for companies looking to shake up how — and what — business is done in space.

With the process also administered through the Office of Space Commerce — long viewed as more industry savvy and friendly than its counterparts at the DOT or NASA — the mission authorization directive is being well received by the marketplace.

It will be interesting to see whether the Commerce Department responds with a plan akin to a 2023 bill proposed by Rep. Brian Babin, R-Texas, which, like the executive order, gave primary authority to the Commerce Department, and called on them to create a certification process rather than a licensing process for novel commercial missions.

If the Commerce Department's approach is modeled after that bill, key questions that will be monitored by lawyers and space actors alike will include the difference between a certification and a license in regard to mission authorization; how the Commerce Department's role will affect the FCC's authority to authorize novel missions — particularly in-space servicing, assembly and manufacturing, and in-situ resource utilization; and whether a new mandate on orbital debris and deorbiting will be included.

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