

118TH CONGRESS  
1ST SESSION

# H. R. 5515

To authorize the Director of the National Geospatial-Intelligence Agency to issue direct loans to certain small businesses, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2023

Mr. STEWART introduced the following bill; which was referred to the Permanent Select Committee on Intelligence

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## A BILL

To authorize the Director of the National Geospatial-Intelligence Agency to issue direct loans to certain small businesses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Commercial Geo-  
5 stationary Remote Sensing Act of 2023”.

1 **SEC. 2. AUTHORITY FOR DIRECTOR OF THE NATIONAL**  
2 **GEOSPATIAL-INTELLIGENCE AGENCY TO**  
3 **ISSUE DIRECT LOANS TO CERTAIN SMALL**  
4 **BUSINESSES.**

5 (a) **PURPOSE.**—The purpose of this Act is to improve  
6 the opportunity of small businesses to participate in the  
7 satellite imaging capabilities that may be used for national  
8 security purposes, including the acquisition of geospatial  
9 intelligence in furtherance of the national security of the  
10 United States.

11 (b) **AUTHORITY TO ISSUE DIRECT LOANS.**—

12 (1) **IN GENERAL.**—Subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.), the  
13 Director of the National Geospatial-Intelligence  
14 Agency may issue a direct loan under this Act to an  
15 eligible entity for the purpose of financing the covered  
16 costs of an eligible project of the eligible entity.

17 (2) **MAXIMUM AMOUNT OF DIRECT LOANS AUTHORIZED.**—The aggregate principal amount of direct loans issued under this Act, including all capitalized interest, may not exceed \$2,500,000,000.

18 (c) **APPLICATIONS.**—

19 (1) **IN GENERAL.**—To receive a direct loan  
20 under this Act, an eligible entity shall submit to the  
21 Director an application therefor at such time, in  
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25

1 such manner, and containing such information as  
2 the Director may require.

3 (2) DEMONSTRATION OF PROSPECTS OF REPAY-  
4 MENT.—An application for a direct loan submitted  
5 under paragraph (1) shall include information dem-  
6 onstrating that the applicant has a reasonable ability  
7 to repay the loan without using the proceeds of sales  
8 to the Federal Government, in accordance with sub-  
9 section (e)(2)(B).

10 (3) COMPLETE APPLICATION.—

11 (A) TIMING ON NOTIFICATION AS TO COM-  
12 PLETENESS.—Not later than 30 business days  
13 after receiving an application pursuant to para-  
14 graph (1), the Director shall notify the appli-  
15 cant as to whether the application received con-  
16 stitutes a complete application.

17 (B) SUBMISSION DATE FOR A COMPLETE  
18 APPLICATION.—Except as provided in subpara-  
19 graph (D), a complete application shall be  
20 treated as submitted on the date originally sub-  
21 mitted to the Director.

22 (C) NOTIFICATION OF INCOMPLETE-  
23 NESS.—If the Director determines that an ap-  
24 plication submitted pursuant to paragraph (1)  
25 is incomplete, the Director shall notify the ap-

1           plicant and provide for a reasonable oppor-  
2           tunity, as determined by the Director, for the  
3           applicant to submit the additional information  
4           necessary to complete the application.

5           (D) SUBMISSION DATE FOR A PREVIOUSLY  
6           INCOMPLETE APPLICATION.—In a case in which  
7           an application is completed pursuant to sub-  
8           paragraph (C), the completed application shall  
9           be treated as submitted on the date on which  
10          the additional information necessary to com-  
11          plete the application is submitted to the Direc-  
12          tor pursuant to such subparagraph.

13          (4) NOTICE TO APPLICANTS.—Not later than  
14          180 days after the date on which the Director re-  
15          ceives from an eligible entity a complete application  
16          under this subsection, the Director shall provide to  
17          the eligible entity written notice—

18                  (A) approving the application; or

19                  (B) denying the application and providing  
20                  guidance on why the application was so denied.

21          (5) SOLICITATIONS.—Not later than 1 year  
22          after the date of the enactment of this Act, the Di-  
23          rector shall solicit applications under this subsection.

24          (d) CREDITWORTHINESS.—

1           (1) IN GENERAL.—No direct loan for an eligible  
2 project may be issued to an eligible entity under this  
3 Act unless the Director determines that—

4           (A) the project has the potential to enable  
5 the National Geospatial-Intelligence Agency to  
6 meet mission-critical needs of the Agency;

7           (B) the eligible entity is creditworthy; and

8           (C) there is a reasonable assurance of re-  
9 payment of the principal of, and any interest  
10 on, the proposed direct loan by the eligible enti-  
11 ty without the eligible entity using the proceeds  
12 of sales to the Federal Government, in accord-  
13 ance with subsection (e)(2)(B).

14           (2) CONSIDERATIONS.—In making the deter-  
15 minations under paragraph (1), the Director shall  
16 take into consideration relevant factors, including  
17 the following:

18           (A) The terms, conditions, financial struc-  
19 ture, and security features of the proposed di-  
20 rect loan.

21           (B) The dedicated revenue sources pro-  
22 posed to secure or fund the repayment of the  
23 proposed direct loan.

24           (C) The financial assumptions upon which  
25 the proposed eligible project is based.

1 (D) The financial soundness and credit  
2 history of the eligible entity.

3 (e) DIRECT LOANS.—

4 (1) AGREEMENTS.—

5 (A) IN GENERAL.—Subject to paragraph  
6 (2), the Director may enter into an agreement  
7 with an eligible entity the application of which  
8 is approved pursuant to subsection (e)(4)(A) to  
9 issue a direct loan to such eligible entity for the  
10 purpose of financing the covered costs of the el-  
11 igible project specified in such application.

12 (B) CREDIT SUBSIDY FEE.—Prior to en-  
13 tering into an agreement under this subsection  
14 with respect to a proposed direct loan, the Di-  
15 rector—

16 (i) in consultation with the Director of  
17 the Office of Management and Budget,  
18 shall determine the cost (as defined in sec-  
19 tion 502 of the Federal Credit Reform Act  
20 of 1990 (2 U.S.C. 661a)) to the Federal  
21 Government of issuing the proposed direct  
22 loan; and

23 (ii) shall charge and collect from the  
24 eligible entity, as a credit subsidy fee, a  
25 payment equal to the amount determined

1           under clause (i) to cover the cost of the  
2           proposed direct loan.

3           (2) TERMS AND LIMITATIONS.—

4           (A) IN GENERAL.—A direct loan issued  
5           under this Act shall be subject to such terms  
6           and conditions, and contain such covenants,  
7           representations, warranties, and requirements,  
8           including requirements for audits, as the Direc-  
9           tor determines appropriate.

10          (B) REPAYMENT.—No direct loan issued  
11          under this Act, including any part of the prin-  
12          cipal of, or interest on, such a direct loan, may  
13          be repaid with the proceeds of a sale to the  
14          Federal Government.

15          (C) INTEREST RATE.—The interest rate on  
16          a direct loan issued under this Act shall be not  
17          less than the average market yield on out-  
18          standing marketable United States Treasury se-  
19          curities having maturities comparable to the  
20          maturity of the direct loan on the date of execu-  
21          tion of the loan agreement.

22          (D) MATURITY DATE.—The final maturity  
23          date of a direct loan issued under this Act shall  
24          be the earlier of—

1 (i) the date that is 25 years after the  
2 date of substantial completion of the rel-  
3 evant project; or

4 (ii) if the useful life of the project, as  
5 determined by the Director, is less than 35  
6 years, the end of the useful life of the  
7 project.

8 (E) NONSUBORDINATION.—A direct loan  
9 made under this Act shall not be subordinate to  
10 any other financing in the event of bankruptcy,  
11 insolvency, or liquidation of the obligor.

12 (F) ADMINISTRATIVE EXPENSES.—In ad-  
13 dition to the charging and collection of credit  
14 subsidy fees under paragraph (1)(B), the Direc-  
15 tor may charge, collect, and spend fees at a  
16 level sufficient to cover all or a portion of the  
17 expense of administering this section. Such ad-  
18 ministrative expenses may include the costs of  
19 services obtained or retained pursuant to sub-  
20 section (f) with respect to the administration of  
21 this section or a particular direct loan issued  
22 under this section.

23 (3) REPAYMENT.—

24 (A) IN GENERAL.—The term of any direct  
25 loan obligation under this section shall require



1 full repayment of the principal of, and any in-  
2 terest on, the direct loan by not later than the  
3 maturity date set forth by paragraph (2)(D)  
4 with respect to that direct loan.

5 (B) COMMENCEMENT.—Scheduled loan re-  
6 payments of the principal of, and any interest  
7 on, a direct loan issued under this section shall  
8 commence by not later than—

9 (i) the date that is 4 years after the  
10 date of substantial completion of the rel-  
11 evant project; or

12 (ii) the date that is 8 years after the  
13 disbursement date of such direct loan.

14 (C) CAPITALIZED INTEREST.—Interest on  
15 the outstanding principal of a direct loan issued  
16 under this section shall accrue during the pe-  
17 riod before the first scheduled repayment date  
18 under the repayment schedule for the loan and  
19 shall be amortized for payment over the remain-  
20 ing term of the loan.

21 (f) ASSISTANCE SERVICES.—In carrying out this sec-  
22 tion, the Director may—

23 (1) retain the services of persons, including  
24 counsel and consultants, with expertise in such fields

1 as the Director considers necessary or helpful for  
2 purposes of this section; and

3 (2) enter into contracts, including contracts for  
4 services authorized by section 3109 of title 5, United  
5 States Code.

6 (g) REPORT TO CONGRESS.—

7 (1) SUBMISSION.—Not later than 3 years after  
8 the date of the enactment of this Act, the Director  
9 shall submit to the congressional intelligence com-  
10 mittees a report summarizing the projects for which  
11 the Director has issued direct loans under this sec-  
12 tion.

13 (2) MATTERS.—The report under paragraph  
14 (1) shall include a description of the following:

15 (A) The applications received for direct  
16 loans under this section.

17 (B) The projects selected for direct loans  
18 under this section, including a description of  
19 the projects and the basis for the selection of  
20 those projects with respect to the requirements  
21 of this section.

22 (C) The amount of the direct loan provided  
23 for each project selected under this section, re-  
24 spectively.

1           (D) The financial performance of each  
2 project selected under this section, including an  
3 evaluation of whether the purpose under sub-  
4 section (a) is being furthered by the project.

5           (E) The benefits and effects of the imple-  
6 mentation of this section, including the benefit  
7 to national security and other public benefits  
8 provided by the projects selected under this Act.

9 (h) FUNDING.—

10           (1) USE OF FUNDS.—Obligations incurred by  
11 the Director under this Act shall be subject to the  
12 availability of funds provided in advance specifically  
13 for the purpose of direct loans authorized under this  
14 Act. Such loans are subject to the requirements of  
15 the Federal Credit Reform Act of 1990 (2 U.S.C.  
16 661 et seq.).

17           (2) ADMINISTRATIVE EXPENSES.—Administra-  
18 tive expense fees collected pursuant to subsection  
19 (e)(2)(F) shall be deposited into the appropriation  
20 account for administrative expenses of the direct  
21 loan program under this Act and shall be—

22           (A) in addition to the amount of funds ap-  
23 propriated to be expended for administrative ex-  
24 penses; and

1 (B) available until expended for adminis-  
2 trative expenses, including ongoing expenses, of  
3 the direct loan program under this section.

4 (3) CREDIT SUBSIDY FEES.—Credit subsidy  
5 fees collected pursuant to subsection (e)(1)(B)(ii)  
6 shall be deposited into the financing account for the  
7 direct loan program established pursuant to the  
8 Federal Credit Reform Act of 1990 (2 U.S.C. 661  
9 et seq.).

10 (i) TERMINATION.—The authority to issue new direct  
11 loans under this section shall terminate on the date that  
12 is 5 years after the date of the enactment of this Act.

13 (j) DEFINITIONS.—In this section, except as other-  
14 wise provided:

15 (1) CONGRESSIONAL INTELLIGENCE COMMIT-  
16 TEES.—The term “congressional intelligence com-  
17 mittees” has the meaning given that term in section  
18 3 of the National Security Act of 1947 (50 U.S.C.  
19 3003).

20 (2) COVERED COSTS.—The term “covered  
21 costs” means, with respect to an eligible project—

22 (A) the cost of—

23 (i) startup-phase activities, including  
24 planning, feasibility analysis (including any  
25 related analysis necessary to carry out an

1 eligible project), revenue forecasting, envi-  
2 ronmental review, permitting, preliminary  
3 engineering and design work, and other  
4 preconstruction activities;

5 (ii) satellites, satellite launches, and  
6 related expenses;

7 (iii) the acquisition and improvement  
8 of real property or an interest in real prop-  
9 erty;

10 (iv) the acquisition or manufacturing  
11 of equipment and components of such  
12 equipment; and

13 (v) capitalized interest necessary to  
14 meet market requirements, reasonably re-  
15 quired reserve funds, cost contingencies,  
16 capital issuance expenses, and other car-  
17 rying costs during construction; and

18 (B) any other cost with respect to the  
19 project that the Director determines the financ-  
20 ing of which is necessary to promote participa-  
21 tion by a small business in satellite imaging ca-  
22 pabilities that can be used for national security  
23 purposes, including the acquisition of geospatial  
24 intelligence in furtherance of the national secu-  
25 rity of the United States.

1           (3) DIRECTOR.—The term “Director” means  
2 the Director of the National Geospatial-Intelligence  
3 Agency.

4           (4) DIRECT LOAN.—The term “direct loan”  
5 means a disbursement of funds by the Government  
6 to a non-Federal borrower under a contract that re-  
7 quires the repayment of such funds with or without  
8 interest. The term includes the purchase of, or par-  
9 ticipation in, a loan made by another lender and fi-  
10 nancing arrangements that defer payment for more  
11 than 90 days, including the sale of a Government  
12 asset on credit terms. The term does not include the  
13 acquisition of a federally guaranteed loan in satisfac-  
14 tion of default claims.

15           (5) ELIGIBLE ENTITY.—The term “eligible enti-  
16 ty” means a small business concern (as defined  
17 under section 3 of the Small Business Act (15  
18 U.S.C. 632)) that produces or supplies—

19           (A) a technology listed in the most up-to-  
20 date version of the list of critical and emerging  
21 technologies published by the White House or  
22 the integrated priority list published by the Ad-  
23 ministrator of the Defense Technical Informa-  
24 tion Center; or

1           (B) any other technology that the Presi-  
2           dent determines is necessary to the national se-  
3           curity of the United States.

4           (6) ELIGIBLE PROJECT.—The term “eligible  
5           project” means a project that uses geostationary  
6           orbit satellites to acquire immediate and continuous  
7           imagery of the Earth.

8           (7) OBLIGOR.—The term “obligor” means an  
9           eligible entity that is primarily liable for payment of  
10          the principal of, and any interest on, a direct loan  
11          made under this section.

12          (8) SUBSTANTIAL COMPLETION.—The term  
13          “substantial completion” means, with respect to an  
14          eligible project, the date on which a project is con-  
15          sidered by the Director to achieve full operational  
16          capability.

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