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# US space operations in the 'gray zone'

**Rising launch activity at Vandenberg Space Force Base has sparked legal disputes between SpaceX and the California Coastal Commission over whether state permits apply to federally controlled launch sites, highlighting tensions between state oversight, federal authority, and the need to maintain seamless access to orbit for U.S. national security and commercial interests.**

By Dorn C. McGrath and Michael Beckwith

The U.S. Space Command recently emphasized to the Senate Strategic Force Subcommittee that the commercial space industry gives the United States "a massive advantage" over China and Russia. Ten years ago, the number of U.S. launches to orbit was similar to these space rivals, but over time, commercial enterprises, including SpaceX, United Launch Alliance, and Blue Origin, have become demonstrated providers of launch services dramatically increasing "mass to orbit" capabilities. This means the U.S. can deliver payloads to orbit at an increasingly favorable cost-per-kilogram, whether for government or commercial purposes.

Vandenberg Space Force Base in California is the second busiest spaceport in the world, behind only Cape Canaveral, and the only federal launch facility on the West Coast. Since 1959, this Air Force base has played a key role in national defense, surveillance and satellite support. In 1996, Vandenberg became home to the world's first commercial spaceport. This convergence of government, industry engineering, and management expertise has served the nation well in beginning to confront threatening, or "gray-zone" behavior in space.

Since at least 2005, China has tested anti-satellite (ASAT) weapons. Its latest Shijian satellites bring high maneuverability capture mechanisms and surveillance platforms to orbit, which make the continuing threat seem real, even without overtly hostile action. Gray-zone tactics also include electronic interference, cyber intrusions, and close approaches, while avoiding clear acts of war.

Vandenberg Air Force Base in Santa Barbara County | Shutterstock

Vandenberg has been the center of multiple satellite launches supporting U.S. Defense Department efforts to build layers of national security protection. In 2023, the Air Force increased its launch cadence of SpaceX Falcon 9 rockets to 36 launches annually. Vandenberg achieved a record fifty-one overall launches in 2024, which included payloads aimed at enhancing space domain awareness, missile tracking, and resilience against gray-zone threats. Going forward, there could be Space Force launches for the Protected Tactical Satellite Communications - Global program, which features anti-jamming technology.

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But on the ground, all is not well. The California Coastal Commission has become embroiled in litigation with SpaceX after trying to reassess its local role in regulating launches. The federal Coastal Zone Management Act (CZMA) authorizes states to establish coastal management programs but excludes U.S. government installations. California implemented the CZMA through the Commission, which is responsible for administering a coastal development permit (CDP) program.

Until recently, the Commission never had required commercial space launch operators to obtain a CDP. However, just as the pace of launches at Vandenberg is increasing, the Commission has reversed prior policy. They are asking the Air Force and SpaceX to further address concerns such as biological monitoring or sonic booms, as well as whether SpaceX launches from Vandenberg should receive the same deference as government programs. In addition, Commission members made certain political statements that do not appear relevant to regulatory issues. California Governor Gavin Newsom publicly questioned the Commission's actions.

SpaceX has responded by filing suit in federal court, arguing that Vandenberg never was subject to state control under the CZMA, and that for many years the Commission concurred. The Air Force also had previously explained there are only two launch service providers certified for national security missions; moreover, Vandenberg aligns with northerly trajectories needed to reach strategic orbital positions for both the U.S. government and commercial satellite operators. Re-

flecting the importance of the SpaceX Falcon 9 vehicle, the Air Force is proposing to schedule up to one hundred launches annually. Vandenberg thus becomes a test case for whether federal launch facilities will remain readily available for government and commercial use.

On July 2, 2025, the court issued an order dismissing the SpaceX lawsuit in some respects, but allowing several allegations to proceed. The members of the Commission will now have to argue that demanding SpaceX obtain a CDP for Vandenberg launches is justified, and establish that the Commission's actions are not based on opposition to the political views of SpaceX's CEO. Vandenberg launches will be unimpeded by the Commission while this litigation proceeds. But larger questions remain.

Unlike government and commercial development programs of the past, countering the latest tactics of U.S. adversaries in space will require seamless access to orbit. Surprisingly, there are only four primary FAA-licensed vertical launch facilities currently available in the United States. The Fiscal Year (FY) 2024 National Defense Authorization Act (NDAA) (§ 1603) granted special authority to increase space launch capacity, and the proposed FY 2026 NDAA calls for a "comprehensive study on future space launch capacity."

Equally important, federal and state governments need to provide pathways for industry to accelerate development of space technologies. Every new mission into space brings a host of legal issues. As one example, emerging technologies involving nuclear material for power and propulsion sources are promising, but providing supporting infrastructure and sharing the liability risks for launches must be addressed. The existing regulatory requirements for government, commercial and hybrid missions can add years to the process of obtaining a payload or launch license. Geopolitical rivals already have taken aggressive steps to overtake the U.S., so now is the time to "fly" new technologies.

Gray-zone competition in orbit, which also extends to lunar bases, has only just begun. On Aug. 13, 2025, the Trump Administration issued Executive Order 14335, "Enabling Competition in the Commercial Space Industry," requiring federal agencies to facilitate a substantial increase in space activities by 2030. The executive order emphasizes reforming the overly complex licensing regulations that delay commercial space launches and spaceport development. "Novel" missions not fully authorized under existing federal rules will have a streamlined process to promote U.S. space ventures. Many federal agencies already are implementing executive orders issued earlier this year to simplify government procurement and maximize commercial contracting so expect to see results that will benefit U.S. space operations.

**Dorn C. McGrath** *and* **Michael Beckwith** *are members of the Dickinson Wright PLLC law firm.*