No. 24-2187

IN THE

Supreme Court of the United States

GALACTIC EMPIRE, INC. AND
THE UNITED STATES
Petitioner,

v.

HAN SOLO
Respondent.

On Writ of Certiorari
to the United States Court of Appeals
for the Sixteenth Circuit

BRIEF FOR THE PETITIONER

TEAM NUMBER 48
COUNSEL FOR PETITIONERS

NOVEMBER 17, 2025

QUESTIONS PRESENTED

I. Whether a district court may find venue proper under 28 U.S.C. § 1391(b)(2) for outer space torts by shifting the burden of proving venue under Fed. R. Civ. P. 12(b)(3) and extending the overflight rule beyond Earth's airspace?

II. Whether the Commercial Space Launch Activities Act alters the causation standard that would otherwise apply under state tort law to claims "resulting from" licensed commercial spaceflight activities?

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The opinion of the United States District Court for the District of Alderaan is unpublished and may be found at *Galactic Empire, Inc. v. Solo*, No. 19-cv-421(TK) (D.C. Alderaan 2022). The opinion of the United States Court of Appeals for the Sixteenth Circuit is reproduced in the Record ("R.") as *Galactic Empire, Inc. v. Solo*, No. 22-cv-1138 (16th Cir. 2023) (*en banc*). R. at 1a–84a.

STATEMENT OF JURISDICTION

The judgment of the United States Court of Appeals for the Sixteenth Circuit was filed on May 4, 2023. The petition for a writ of certiorari was timely filed and certiorari was granted on October 6, 2025. 28 U.S.C. § 1254(1) confers jurisdiction on this Court to review the lower court's judgment on a writ of certiorari.

RELEVANT CONSTITUTIONAL AND STATUTORY PROVISIONS

This case involves the federal venue statute, 28 U.S.C. § 1391(b), and the Commercial Space Launch Activities Act, 51 U.S.C. § 50901 *et seq*. Both are reproduced in the Appendices.

STATEMENT OF THE CASE

Statement of the Facts

The Galactic Empire, Inc. (Empire) is an American company that develops planetary systems to defend against asteroids. R. at 7a. In 2012, the Empire announced the "Defense System One" (DS-1). R. at 3a, 7a. DS-1's size required it to be built in low Earth orbit, approximately 460 kilometers from Earth's surface. R. at 8a, 13a. The Empire launched exclusively from the United States across hundreds of private launches to transport supplies to DS-1's site in low orbit. R. at 12a–13a. The majority of launches occurred in California with the remainder occurring elsewhere in the United States. R. at 13a. However, none of these launches occurred in the State of Alderaan. *Id.*

The parties do not dispute that DS-1's thermal exhaust port contained a major defect. *Id.* If this specific thermal exhaust port were to sustain a direct hit from a proton torpedo, it would cause DS-1 to explode. *Id.* Luke Skywalker (Skywalker) fired a one-in-a-million shot using a proton missile and hit DS-1's small exhaust port. R. at 2a, 5a, 13a. As a result of Skywalker's attack, DS-1 exploded and sent fragments in all directions. R. at 13a. Some fragments incidentally collided with a nearby spacecraft called the *Millenium Falcon*, which is owned by U.S. billionaire Han Solo (Solo). R. at 13a, 48a.

Procedural History

Solo filed suit against the Empire, Skywalker, and other parties in the District Court of Alderaan for bodily injury and property damage.[1] R. at 4a. The United States intervened as a defendant to assist the Empire. R. at 12a. The Empire filed a Rule 12(b)(3) motion to dismiss for improper venue, which the district court denied. R. at 15a. The case proceeded to a jury trial.

Prior to the jury verdict, the Empire and the United States requested the jury be instructed on both but-for causation and proximate cause. R. at 35a–36a. After the jury returned a verdict for Solo, the Empire and the United States filed renewed motions for judgment as a matter of law. R. at 35. The district court denied these motions. *Id.* Solo's jury award totaled $4.5 billion (plus prejudgment interest) to be apportioned equally between the Empire and Skywalker. R. at 16a. The Empire's share of the judgment including interest was $2.7 billion. *Id.* The district court did not directly enter judgment against the United States. *Id.* Nonetheless, under the Commercial Space Launch Activities Act, the United States was responsible for paying any portion of Solo's damages that exceeded the Empire's $500 million liability insurance. *Id.*

The three remaining parties are the Empire, the United States, and Solo. Only the Empire challenges the State of Alderaan as a proper venue. R. at 17a, 35a. The Empire and the United States challenge the denial of the renewed motions for judgment as a matter of law. R. at 35a. The Sixteenth Circuit affirmed the District

[1] The other parties include the Republic of Guatemala and Alianza Rebelde, S.A., a Guatemalan company. Claims involving these parties were either dismissed or settled before trial. R. at 15a.

Court of Alderaan. R. at 9a, 52a. The Empire and the United States appealed the Sixteenth Circuit's decision, and this Court granted certiorari.

SUMMARY OF THE ARGUMENT

I. The district court erred in denying the Empire's 12(b)(3) motion to dismiss for improper venue.

The district court held that the Empire failed to carry its burden under a Rule 12(b)(3) motion and concluded venue was proper in the State of Alderaan. On a 12(b)(3) motion to dismiss for improper venue, the plaintiff, not the defendant, should establish that venue lies in a particular district. Placing the burden on Solo accords with the Federal Rules of Civil Procedure's treatment of analogous threshold requirements within Rule 12. On a Rule 12(b)(2) motion to dismiss for lack of personal jurisdiction, the plaintiff must likewise establish the court has personal jurisdiction over a party. Venue and personal jurisdiction should have identical burden frameworks because they are inextricably connected. Solo, as plaintiff, is the party best positioned at the pleading stage to provide the facts necessary to establish venue is proper. The district court erred by placing the burden of disproving venue on the Empire rather than Solo.

Furthermore, the district court and the Sixteenth Circuit erred in holding that Alderaan qualified as a proper venue under 28 U.S.C. § 1391(b)(2). The Sixteenth Circuit interpreted the venue statute to extend infinitely into space because it feared a venue gap. In dodging a hypothetical evil, the Sixteenth Circuit adopted an interpretation of § 1391(b)(2) that is contrary to its text and unworkable in practice. This Court should reverse the Sixteenth Circuit's denial of the Empire's 12(b)(3)

motion to dismiss for improper venue because no applicable law renders Alderaan a proper venue.

II. The district court erred in denying the Empire and the United States' renewed motions for judgment as a matter of law.

After denying the renewed motions for judgment as a matter of law, the district court extracted a but-for causation standard from the Commercial Space Launch Activities Act (CSLAA or the Act) and erroneously held the Empire liable for Solo's injuries. In doing so, the district court violated the principles of *Erie v. Tompkins Railroad* by grafting a federal causation standard onto Alderaan's substantive tort law. But even if the district court correctly used the CSLAA to supply the causation standard, it incorrectly interpreted the language of the Act to only require but-for causation. The proper causation standard under the Act is proximate cause, which incorporates the doctrine of superseding and intervening acts. Reading the CSLAA to incorporate proximate cause accords with the structure of the Act and honors Congress's intent and purposes for the Act. Moreover, analogous statutory schemes on liability require proximate cause. Under the proximate cause standard, Skywalker's independent tortious act severed the chain of causation, thereby relieving the Empire and the United States from liability. Thus, this Court should reverse the decision of the Sixteenth Circuit and hold the Empire and the United States are entitled to judgment as a matter of law.

ARGUMENT AND AUTHORITIES

I. THE DISTRICT COURT ERRED IN DENYING THE EMPIRE'S 12(B)(3) MOTION TO DISMISS FOR IMPROPER VENUE.

Federal district courts must have proper venue to hear a case, unless the requirement is waived. *See* 28 U.S.C. § 1391(b). Just as a district court must have jurisdiction over the parties and the subject matter at issue, the court must also qualify as a proper venue under Congress's venue scheme. *See id*. The District Court of Alderaan placed the burden of disproving venue on the Empire and found that it failed to meet that burden. R. at 22a. Based on that finding, the district court concluded venue was proper under 28 U.S.C. § 1391(b)(2), which grants venue to any jurisdiction where a substantial part of the events giving rise to the claim occurred. This Court should reverse the decision of the lower courts because the lower courts misallocated the burden of proving venue and erroneously treated Alderaan as a proper venue.

A. THE DISTRICT COURT SHOULD HAVE PLACED THE BURDEN OF PROVING VENUE ON SOLO TO ENSURE A UNIFORM AND CONSISTENT APPLICATION OF THE FEDERAL RULES OF CIVIL PROCEDURE.

The lower courts erred in holding that the Empire bore the burden of showing venue was improper. *See* R. at 22a, 24a. Under the Federal Rules of Civil Procedure (FRCP), a district court may dismiss an action based on improper venue. Fed. R. Civ. P. 12(b)(3). A court may resolve a Rule 12(b)(3) motion either on papers or through an evidentiary hearing. *See* Steven S. Gensler, *Federal Rules of Civil Procedure, Rules and Commentary* § 12:40 (June 2025). If the court decides a 12(b)(3) motion on papers, it must draw every inference in favor of the plaintiff. *See New Moon Shipping Co.,*

Ltd. v. MAN B & W Diesel AG, 121 F.3d 24, 29 (2d Cir. 1997). By contrast, if the court decides a 12(b)(3) motion following an evidentiary hearing, it draws no inferences in favor of either party. *But see Ambraco, Inc. v. Bossclip B.V.*, 570 F.3d 233, 238 (5th Cir. 2009) (citing *Murphy v. Schneider Nat'l Inc.*, 362 F.3d 1133, 1138–40 (9th Cir. 2004)) (discussing a positive inference when a 12(b)(3) motion is decided on papers but not when an evidentiary hearing is held). Placing the burden on the defendant is contrary to FRCP 12(b)(3)'s design.

The burden of proving venue should remain with the plaintiff because it mirrors the plaintiff's obligation to properly plead personal jurisdiction. A district court's ability to conduct an evidentiary hearing or decide a motion on papers is not a feature unique to a motion to dismiss for improper venue. The FRCP treats personal jurisdiction in the same manner. *See* Fed. R. Civ. P. 12(b)(2); *see also Malone v. Stanley Black & Decker, Inc.*, 965 F.3d 499, 504 (6th Cir. 2020) (explaining the plaintiff bears the burden of demonstrating the court has personal jurisdiction over the litigants). If the court holds an evidentiary hearing to assess a motion to dismiss for lack of personal jurisdiction, the burden is on the plaintiff to show that personal jurisdiction is proper by a preponderance of the evidence. *Malone*, 965 F.3d at 504. If the court decides the motion on papers, then the plaintiff must make a prima facie showing that the court has personal jurisdiction. *Id.* at 505. For personal jurisdiction, the party that bears the burden does not change based on the procedure of the motion to dismiss. *See Malone*, F.3d at 499. While the procedure varies based on how the court makes its decision (on papers or through an evidentiary hearing), the burden

notably never shifts away from the plaintiff. To treat a motion to dismiss for improper venue differently would be entirely counterintuitive. The plaintiff always carries the burden when a motion to dismiss is decided on papers. *See, e.g.*, *Delong Equip. Co. v. Wash. Mills Abrasive Co.*, 840 F.2d 843, 845 (11th Cir. 1988) (explaining that a Rule 12(b)(2) motion "in which no evidentiary hearing is held" requires the plaintiff to make a prima facie showing of personal jurisdiction).

The burden should not switch to the defendant simply because the court elects to have an evidentiary hearing. Allowing the burden to shift because the court elects to hold an evidentiary hearing creates arbitrary and unpredictable results. This scheme also results in undue surprise for defendants, who may suddenly be forced to carry a burden they are ill-equipped to meet. Even the circuits that hold the defendant bears the burden to disprove venue do not shift the burden back to the plaintiffs when the motion is decided on papers. *See Myers v. Am. Dental Ass'n*, 695 F.2d 716, 724 (3d Cir. 1982); *United States v. Orshek*, 164 F.2d 741, 742 (8th Cir. 1947). If the burden switched between parties, then the court would be the arbiter of not only the case, but also of the burdens each party carries. Any sense of consistency would be a mere fiction if this Court holds that the defendant must show venue is improper despite the fact the court is mandated to draw every inference in favor of the plaintiff. *See New Moon Shipping Co., Ltd. v. MAN B & W Diesel AG*, 121 F.3d 24, 29 (2d Cir. 1997).

Furthermore, placing the burden on the defendant to disprove venue undercuts the aims of the FRCP, which seek "the elimination of the element of surprise" by

setting out clear standards for parties. *Pierce v. Pierce*, 5 F.R.D. 125, 125 (D.D.C. 1946). A party's settled expectations would be eviscerated if the court was allowed to arbitrarily determine who would bear the burden of proving venue, by choosing whether to conduct an evidentiary hearing or decide the motion on papers. Thus, the only workable option to ensure procedural consistency is to uniformly require the plaintiff to bear the burden of showing venue is proper under a Rule 12(b)(3) motion to dismiss.

When a court has exclusive jurisdiction over a case, "[p]lacing the burden on the plaintiff is justified." 17 Moore's Federal Practice—Civil § 110.01(c) (3d ed. 2025). Here, the district court of Alderaan had exclusive jurisdiction, meaning this case could only have been brought in this particular jurisdiction. *Id.*; *see* 51 U.S.C. § 50914(g) ("Any claim . . . resulting from an activity carried out under the license shall be the exclusive jurisdiction of the Federal courts"). Where exclusive jurisdiction lies, the jurisdiction and venue requirements are so similar that it makes sense to require the plaintiff to plead both. The plaintiff must allege proper jurisdiction and venue in their complaint because the case can only be brought in one location. The Sixteenth Circuit noted the CSLAA confers exclusive jurisdiction on federal district courts. R. at 2a, 16a, 18a, 26a; *see also* 51 U.S.C. §§ 50901–24 (codifying the CSLAA). The Sixteenth Circuit adopted Professor Moore's reasoning that placing the burden on the defendant is sound. R. at 24a. However, it failed to consider Professor Moore's views on venue where jurisdiction is exclusive. Professor Moore's treatise states "[p]lacing the burden on the plaintiff is justified only in a case involving an exclusive venue

statute." 17 Moore's Federal Practice—Civil § 110.01(c) (3d ed. 2025). Moore's view that the burden should be on the plaintiff in exclusive jurisdiction cases is not just a mere academic notion: courts have imposed this standard and continue to do so with good reason. *See Myers v. Am. Dental Ass'n*, 695 F.2d 716, 724 (3d Cir. 1982); *Hoffacker v. Bike House*, 540 F. Supp. 148, 149–50 (N.D. Ca. 1981).

When a district court has exclusive jurisdiction, the plaintiff must lay out facts that demonstrate the proper elements of the claim, jurisdiction, and venue. *Id.* When the plaintiff is already expected to include such components in their petition, it would be impractical to require the defendant to show that venue is improper. Moreover, the defendant is unlikely to have access to the information that would aid in disproving venue at the pretrial phase. Thus, from a practical standpoint, the plaintiff is better situated to bear the burden of showing venue is proper. Because the plaintiff carries the initial burden of pleading jurisdiction and venue in the complaint, and the court can decide a motion to dismiss on pleadings alone, it logically follows that the burden to show venue is proper must fall on the plaintiff.

In deciding that the burden falls on the defendant to disprove venue, the Third and Eighth Circuits attempt to analogize venue to an affirmative defense. *See Myers*, 695 F.2d at 723. In *Myers*, the Third Circuit held that it is the defendant's burden to show that venue is improper because venue is an affirmative defense, having no connection or similarity to jurisdiction. *Id.* at 724. In the Third Circuit's opinion, courts that view jurisdiction and venue as similar confuse the two. *Id.* However, the Third Circuit's reasoning downplays the inherent connection between venue and

jurisdiction. This Court need not look any further than the venue statute to conclude that jurisdiction and venue are inextricably tied together, as venue may be proper where personal jurisdiction is proper. *See* 28 U.S.C. § 1391(b)(3). While jurisdiction and venue are separate requirements, jurisdiction must first be proper before venue can even be considered. Notably, the Third Circuit conducted a jurisdiction analysis before discussing which party should bear the burden in showing venue is proper. *Myers*, 695 F.2d at 724. The express connection between personal jurisdiction and venue, as established by Congress, necessitates analyzing the two requirements under the same burden framework.

The method by which the court decides a motion to dismiss for improper venue is not a mere "procedural wrinkle," and it does more than "*potentially* bear[] on the standards we apply to review [] venue dispute[s]." R. at 20a (emphasis added). In order to ensure consistency in the FRCP, this Court should hold that, on a motion to dismiss for improper venue, the burden of proving venue is proper is uniformly on the plaintiff. Under this burden framework, the Empire was not required to prove that Alderaan was an improper venue.

B. THE SIXTEENTH CIRCUIT IMPROPERLY INTERPRETED 28 U.S.C. § 1391(B)(2) BECAUSE NO VENUE GAP EXISTS AND THE OVERFLIGHT VENUE RULE IS UNWORKABLE IN SPACE.

28 U.S.C. § 1391(b)(2) provides venue may be proper in "a judicial district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated." The Sixteenth Circuit did not focus on the Empire's construction efforts for DS-1 that took

place on Earth. *See* R. at 28. Rather, it elected to extend the airspace above Alderaan infinitely into the universe, creating the overflight venue rule. *Id.*

The CSLAA only contemplates launch and reentry of spacecraft. 51 U.S.C. § 50901. In spite of this clear statutory statement, the Sixteenth Circuit's rule is grounded in the fear that torts that occur exclusively in space will create a venue gap. R. at 26a. A venue gap exists where jurisdiction is proper but no proper venue exists. *Beattie v. United States*, 756 F.2d 91, 104 (D.C. Cir. 1984) (quoting *Brunette Machine Works v. Kockum Indus.*, 406 U.S. 710 n.8 (1972)). However, this Court need not address the concern of creating a venue gap because the CSLAA does not apply to torts committed exclusively in space. The CSLAA grants exclusive jurisdiction to federal district courts providing the necessary subject-matter jurisdiction to adjudicate CSLAA claims. Unlike venue, subject-matter jurisdiction cannot be waived. *See also*, Fed. R. Civ. P. 12(h)(3) (explaining a claim can be dismissed for lack of subject-matter jurisdiction at any time). Where a federal court lacks subject-matter jurisdiction, it never even reaches the venue analysis.

Further, the overflight venue rule created by the Sixteenth Circuit is unworkable. Extending the venue of each state infinitely into the universe by holding venue is proper in "any district in which continuing conduct has occurred" renders determining venue impossible or completely futile. R. at 30a (quoting *United States v. Barnard*, 490 F.2d 907, 911 (9th Cir. 1973)). As a spacecraft ascends further into space, determining which state's airspace it is in will be impossible. Even if it was possible to determine a specific airspace, the rule could make venue proper in every

district in the United States. It is "immediately apparent" that this rule is unworkable. *Swift & Co. v. Wickham*, 382 U.S. 111, 124 (1965).

1. 28 U.S.C. § 1391(b)(2) should be interpreted narrowly in accordance with this Court's precedent.

The Sixteenth Circuit's expansive reading of 28 U.S.C. § 1391(b)(2) is contrary to the text of the statute. This Court has acknowledged "[t]he requirement of venue is specific and unambiguous; it is not one of those vague principles which, in the interest of some overriding policy, is to be given a 'liberal' construction." *Olberding v. Ill. Cent. R. Co.*, 346 U.S. 338, 341 (1953). This precedent requires the terms "substantial" and "giving rise to the claim" to be given a strict interpretation. 28 U.S.C. § 1391(b)(2).

"[F]or venue to be proper, *significant* events or omissions material to the plaintiff's claim must have occurred in the district in question, even if other *material* events occurred elsewhere." *Gulf Ins. Co. v. Glasbrenner*, 417 F.3d 353, 357 (2d Cir. 2005) (emphasis in original). This standard is not a liberal one as it requires the court to "construe the venue statute strictly." *Id.* The court analyzes the nature of the claim alleged, and whether significant events took place within the venue the plaintiff selected. *See id.*

Here, Solo alleges a claim of negligent product design. R. at 37a. The design defect in DS-1 is the crux of his claim. R. at 13a, 37a. The only facts pertinent to Solo's claim are those that relate to the construction and design of DS-1. DS-1 was designed in California, and the parties do not dispute it contained a major defect. R. at 13a, 71a. While DS-1 was under construction, it required hundreds of space launches, with

six occurring in May of 2017 alone. R. at 12a. A majority of these launches occurred in California. R. at 13a. California is the only state where a substantial part of the events giving rise to Solo's claim of negligent product design occurred.

Olberding's narrow construction of the venue statute is lost with the Sixteenth Circuit holding Solo's injury is sufficient to make Alderaan a proper venue. *See also*, *Olberding v. Ill. Cent. R. Co.*, 346 U.S. 338, 341 (1953). The only connection to Alderaan is that Solo could have been over Alderaan when his ship was struck. *See* R. at 21a. Solo attempted to show venue was proper in Alderaan by offering expert testimony and navigational data from the ship's computer. R. at 21a. However, the district court excluded the expert testimony for lacking a factual basis, and the computer data as hearsay. R. at 21a. Even if Solo established the injury occurred over Alderaan, this injury would be a "*material* event [that] occurred elsewhere." *Gulf Ins. Co.*, 417 F.3d at 357 (emphasis in original). The location of the injury alone is not substantial enough to establish a proper venue under 28 U.S.C. § 1391(b)(2).

The district court found no competent evidence had been presented and instead decided the venue issue on the Empire's alleged failure to carry its burden. R. at 21a–22a. Solo attempted to show venue was proper in Alderaan by offering expert testimony and navigational data from the ship's computer. *Id.* at 21a. However, the district court excluded the expert testimony for lacking a factual basis, and the computer data as hearsay. *Id.* Despite the exclusion of Solo's evidence, the Sixteenth Circuit held a substantial part of the events occurred in Alderaan. R. at

22a. Alderaan cannot be a proper venue because no substantial events related to Solo's claim occurred there. R. 13a and 71a.

The Sixteenth Circuit relied on the original panel in *United States v. Lozoya* in determining where venue is proper. 920 F.3d 1231 (9th Cir. 2019); R. at 29a. *Lozoya* involved a venue determination in a criminal case, not a civil one. *Lozoya*, 920 F.3d at 1238. The Ninth Circuit overturned the original panel in *Lozoya* for failing to correctly determine how venue applies. *United States v. Lozoya*, 982 F.3d at 657 (*en banc*). However, the Sixteenth Circuit doubled down on the faulty reasoning of the original panel, based solely upon the fear that a venue gap would be created. R. at 71a. fn. 1. Even more, the Sixteenth Circuit failed to address why it needed to reach into our law governing criminal venue in the present case. The grafting of criminal venue rules onto civil venue rules is completely baseless because venue in criminal cases is governed by the Constitution. *See* U.S. Const. art. III, § 2, cl. 3. No such constitutional charge exists for civil venue. Nonetheless, the Sixteenth Circuit relies on a constitutional principle to interpret an unrelated federal statute. R. at 29a.

2. The CSLAA does not create a venue gap because it does not apply to torts that occur exclusively in space.

The Commercial Space Launch Activities Act, by its very title, is limited in scope. *See* 51 U.S.C. § 50901. Nothing in the CSLAA purports to cover conduct that only occurs in outer space. In fact, the opposite is true: the CSLAA only covers activities related to licenses issued for launch and reentry. See 51 U.S.C. §§ 50903–05, 50915. Because the CSLAA is limited to launch and reentry, the statute does not cover all conduct that occurs in space. 51 U.S.C. § 50914(g). The CSLAA's application

is aimed solely at commercial space conduct that has a tie to the United States. 51 U.S.C. §§ 50904(a)(1)–(a)(4) (stating licenses are required for any launch or reentry in the United States and also for any launch or reentry conducted by a United States citizen regardless of location). The purpose of the CSLAA is "the development of commercial launch vehicles, reentry vehicles, and associated services . . . . " 51 U.S.C. § 50901(a)(5). Therefore, torts that occur exclusively in space are beyond the reach of the CSLAA because they do not occur during launch and reentry.

The Sixteenth Circuit was dissatisfied with the interpretation that neither the CSLAA nor 28 U.S.C. § 1391(b)(2) apply to torts committed exclusively in space. According to the Sixteenth Circuit, this situation creates a "venue gap" for space torts, meaning no proper venue exists. R. at 26a; *see also Smith v. United States*, 507 U.S. 197, 203 (1993) ("Congress does not in general intend to create venue gaps, which take away with one hand what Congress has given by way of jurisdictional grant with the other."). However, the Sixteenth Circuit's belief is unjustified because it does not explain why non-application of the CSLAA and § 1391(b)(2) creates a venue gap. No provision of the CSLAA purports to cover "claims involving only outer-space conduct" because no provision is intended to apply beyond launch and reentry. R. at 26a; *see generally* 51 U.S.C. § 50901 (explaining the CSLAA's purpose is limited to launch and reentry activities). The Sixteenth Circuit's hypothetical "space-only" conduct does not and cannot exist. Space torts will always bear some connection to terrestrial conduct because spaceflight is never divorced from Earth. A proper venue will always exist under the CSLAA because every CSLAA-regulated activity has a terrestrial origin.

The Sixteenth Circuit rewrites the CSLAA to address an imaginary venue gap, despite Congress's clear limits in the text and title of the CSLAA. Every commercial space activity requires a license. *See* 51 U.S.C. §§ 50903(a), 50904(a). Even more, every commercial space launch requires Earth-based materials and personnel and must take off from a terrestrial launch site. *See id.* And even once a spacecraft is in orbit, its operations remain tied to Earth. Spacecraft depend on Earth-supplied fuel, components, navigation, and mission control. *See generally*, *State-of-the-Art of Small Spacecraft Technology*, Nat'l Aeronautics Space Ass'n 11.4 (Feb. 5, 2025), https://www.nasa.gov/smallsat-institute/sst-soa/ground-data-systems-and-mission-operations/ (detailing a spacecraft's Earth ties). Tortious conduct that culminates in outer space necessarily stems from Earth-based designs, preparations, and launch operations. These launch operations are the only activities the CSLAA actually regulates. *See* 51 U.S.C. §§ 50903–05. The CSLAA governs how objects reach space, not what happens while they are in space. Therefore, the Act need not be strained to address and remedy hypothetical conduct.

3. The Sixteenth Circuit's interpretation of § 1391(b)(2) is patently unworkable.

It is immediately apparent that the Sixteenth Circuit's extension of the overflight venue rule is unworkable. *Swift & Co. v. Wickham*, 382 U.S. 111, 124 (1965). The Sixteenth Circuit adopted the Ninth Circuit's statement that venue may lie in "any district in which continuing conduct has occurred," and extended that principle infinitely into outer space. R. at 30a (quoting *United States v. Barnard*, 490 F.2d 907, 911 (9th Cir. 1973)). This rule makes determining venue impossible or

completely futile because determining the location of an object in space presents great difficulty. Charles Mottier, *One Giant Heap for Mankind*, 31 Pace Envtl. L. Rev. 857, 864 (2014) (citation modified) ("[M]any pieces of space debris are no larger than a bolt or screw (and in most cases much smaller) . . . . ").

DS-1 was in low-Earth orbit during the incident, orbiting at a distance of 460 kilometers from the Earth's surface. R. at 3a. At that altitude, navigational systems cannot reliably identify the judicial district that lied directly beneath DS-1. The district court had access to navigational data and an expert witness yet still found that no competent evidence established DS-1's location at the time of the incident. R. at 21a. Under the proper burden framework, that evidentiary failure should have resulted in dismissal of Solo's claim.

The overflight venue rule would make a venue determination futile. *United States v. Barnard* stands for the proposition that "[v]enue may lie in any district in which the continuing conduct has occurred." 490 F.2d 907, 910 (9th Cir. 1973). The Sixteenth Circuit's approach interprets *Barnard*'s rule to mean any venue that a spacecraft passes over can be a proper venue. R. 30a–31a. Taken at face value, this rule means every district the DS-1 passed over while in orbit above the United States is a proper venue. DS-1 was in low Earth orbit for a period of five years. R. at 12a, 20a. If DS-1 passed over numerous states, and potentially over every judicial district, the lower courts' rule would deem venue proper everywhere. Such a result is tantamount to permitting a plaintiff to forum shop in pursuit of a convenient venue

with the most favorable law. This Court must recognize that the practical effect of the overflight venue rule renders any venue analysis futile.

Moreover, the overflight venue rule fails to contemplate the difficulties presented by spacecraft in upper-Earth orbit. Following construction of the DS-1, the Empire planned to accelerate it into a high-Earth orbit of 65,000 kilometers. R. at 8a. Navigational data and expert opinions available to the lower court were insufficient to determine which judicial district DS-1 was above in this case, and DS-1 was only 460 kilometers above the Earth's surface. R. at 8a, 21a–22a. Had DS-1 reached the planned 65,000 kilometer upper-orbit, any attempt to pinpoint its position relative to a judicial district would have been guesswork at best and futile at worst. Applying the overflight venue rule to locate spacecraft tens of thousands of kilometers above the Earth is unworkable.

The overflight venue rule has no place in outer space. Congress designed the commercial space regime to promote private exploration and innovation. If a well-equipped court like the district court cannot determine DS-1's overflight location, ordinary tort litigants with access to less information certainly cannot either. The lower courts' overflight venue rule is unworkable, even in the best-case scenario, and in ordinary cases it would make venue turn on guesswork rather than evidence. This Court cannot allow a rule so impractical that it would halt the very growth Congress sought to foster.

II. THE DISTRICT COURT ERRED IN DENYING JUDGMENT AS A MATTER OF LAW BECAUSE NO REASONABLE JURY COULD IMPOSE LIABILITY FOLLOWING SKYWALKER'S ATTACK.

Following a jury verdict, a district court may grant judgment as a matter of law where "a reasonable jury would not have a legally sufficient evidentiary basis to find for the party on that issue." Fed. R. Civ. P. 50(a)(1). Questions of law raised by a motion for judgment as a matter of law are reviewed de novo. *See Salazar v. S. San Antonio Indep. Sch. Dist.*, 953 F.3d 273, 284 (5th Cir. 2017). In the present case, the district court applied Alderaan's substantive tort law but improperly substituted a federal causation rule drawn from the CSLAA, 51 U.S.C. §§ 50901–24.[2] R. at 37a. In doing so, the district court fractured Alderaan's coherent body of law by splicing together federal and state principles in an impermissible fashion. The result is a hybrid rule that is neither faithful to Congress's intent in promulgating the CSLAA nor to Alderaan's common-law tort scheme.

Nothing in the CSLAA defines causation, much less displaces Alderaan's tort standards. The CSLAA's operative phrase, "resulting from an activity carried out under the license," establishes the scope of coverage, not the standard of causation. *See* 51 U.S.C. § 50915(a). The district court's decision is erroneous because it treated causation as a matter of federal concern, while leaving every other element of tort

[2] The parties do not dispute that the court's jurisdiction rested on 51 U.S.C. § 50914(g), which confers exclusive jurisdiction to the federal courts for certain CSLAA claims. This jurisdictional grant is wholly separate from the choice-of-law issues implicated by the lower court's error. Diversity cases are governed by "the substantive law of the forum state," which includes "specification of the applicable standards of proof." *Jones v. United Parcel Service, Inc.*, 674 F.3d 1187, 1195 (10th Cir. 2012) (citation modified); *see Erie Railroad Co. v. Tompkins*, 304 U.S. 64, 78 (1938). Here, the district court applied the lower but-for causation standard rather than the proximate-cause standard typically applied under Alderaanian substantive law. R. at 37a.

liability to state law. Thus, this Court should reverse the decision of the district court affirmed by the Sixteenth Circuit and apply the proper causation standard supplied by Alderaan's law. Under Alderaan's proximate cause standard, the Empire is not liable to Solo because Skywalker's conduct constituted a superseding and intervening cause that was entirely unforeseeable.

A. THE CORRECT CAUSATION STANDARD COMES FROM STATE SUBSTANTIVE LAW, NOT A FEDERAL STATUTE.

The district court's decision to deny judgment as a matter of law is rooted in a misunderstanding of fundamental vertical choice-of-law principles. Instead of applying the whole of Alderaan's tort law, including the state's causation standard, the district court improperly substituted federal substantive law, namely that of the CSLAA, thereby violating core principles of dual federalism. This approach treats causation as detachable and interchangeable between state and federal law. Such a practice rewrites both Congress's statute and Alderaan's common law. Proximate cause is the correct standard to apply because Alderaan state substantive law would apply proximate cause. R. at 37a.

1. **Erie** *requires applying Alderaan's proximate cause standard to Solo's claim because the CSLAA does not displace state law.*

In *Erie Railroad Co. v. Tompkins*, this Court held that Congress is without power to declare "substantive rules of common law" and that "the law to be applied" is the law of the state. 304 U.S. 64, 78 (1938). The *Erie* Court warned that a "federal general common law" will lead to inconsistent outcomes. *Id.* Yet, by taking Alderaan's tort law and grafting a federal causation rule onto it, the district court did precisely

what *Erie* forbids: creating a hybrid law of causation with no tether in statute or precedent.

Congress may displace state law when it chooses to enact a comprehensive federal tort scheme. *See Overview of Supremacy Clause*, Constitution Annotated, https://constitution.congress.gov/browse/essay/artVI-C2-1/ALDE_00013395/ (last visited Nov. 15, 2025). Where Congress is silent, a federal court's attempt to force a different causation standard into state substantive law amounts to the kind of "federal general law" *Erie* intended to prevent. *See also id.* (citing *Rice v. Santa Fe Elevator Corp*, 331 U.S. 218, 230 (1947)) (articulating the Supreme Court does not presume federal law is meant to displace state law unless that is the clear and manifest purpose of Congress). This kind of piecemeal rule-splitting is a "vegetation of an entirely new strain." *Beattie v. United States*, 756 F.2d 91, 128 (D.C. Cir. 1984) (Scalia, J., dissenting), abrogated by *Smith v. United States*, 507 U.S. 197 (1993).

In an ordinary negligence case, the State of Alderaan's substantive law and common law would provide all elements of the claim: duty, breach, causation, and damages. *See Erie R. Co. v. Tompkins*, 304 U.S. 64, 78 (1938) (explaining Congress has no power to declare a state's substantive tort law); *see also* Adam N. Steinman, *Atlantic Marine Through the Lense of Erie*, 66 Hastings L.J. 795, 814 (2015) (stating Congress may not displace substantive state law solely because federal courts might have jurisdiction over cases concerning those substantive areas of law). Splitting Alderaan's unified negligence claim across multiple rules will produce "needless and

insoluble" conflicts about which rules govern what parts of the same event. *Beattie*, 756 F.2d at 128.

The CSLAA is an insurance and coverage scheme meant to effectuate the United States' international treaty obligations, not a liability framework. *See, e.g.*, Manal Cheema, *Ubers of Space: United States Liability over Unauthorized Satellites*, 44 J. Space L. 171, 204 (2020) ("For the US, the . . . [CSLAA] serves as the primary body of national law governing commercial launch activities and related international obligations of the US."). To interpret the Act's language as displacing the Alderaan's standard of causation is the precise evil *Erie* forbids. *Erie*, 304 U.S., at 89–90; *Bond v. United States*, 572 U.S. 844, 860 (2014).

2. The jury's dual findings on the questions of causation do not cure the district court's error.

The district court applied Alderaan's substantive tort law but held that the CSLAA supplied the governing causation standard. R. at 37a. The district court interpreted the CSLAA to require only but-for causation. *Id.* Relying on that interpretation, the district court instructed the jury that but-for causation controlled Solo's negligence claim. R. at 46a. The district court reasoned the CSLAA did not incorporate traditional common-law limits on liability. R. at 37a.

At the Empire and the United States' request, the district court submitted an additional jury question asking whether the Empire's negligence "proximately caused" the explosion and whether Skywalker's actions constituted an "intervening and superseding cause." R. at 40a–41a. The jury answered both questions in the affirmative. *Id.* Skywalker's intentional destruction of DS-1 was an independent

tortious act that should have cut off the Empire's liability as a matter of law. R. at 69a; *see* RESTATEMENT (SECOND) OF TORTS §§ 442, 448; *Port Auth. of N.Y. & N.J. v. Arcadian Corp.*, 189 F.3d 305, 318 (3d Cir. 1999). The district court regarded the jury's proximate cause finding as "immaterial" because it had already concluded that proximate cause was not the correct legal standard under the CSLAA. R. at 35a n.15.

By eliminating proximate cause from the governing law, the district court deprived the Empire of its principal mechanism for limiting liability: the ability to argue intervening and superseding cause, which shields against unforeseeable consequences. *Exxon Co., U.S.A. v. Sofec, Inc.*, 517 U.S. 830, 838 (1996) (noting proximate causation is a necessary limitation on liability). Without proximate cause, the jury had no legal framework to assess whether Skywalker's intentional destruction of DS-1 broke the causal chain, thus relieving the Empire of liability.

The district court's judgment rests on a pure but-for causation standard that ignores the traditional requirement of foreseeability and the established rule that intentional, superseding acts sever liability as a matter of law. *See Port Auth. of N.Y. & N.J. v. Arcadian Corp.*, 189 F.3d 305, 319 (3d Cir. 1999) (finding an intentional bombing was a superseding cause that broke the chain of causation). The jury's verdict cannot stand because no reasonable jury could find the Empire liable once foreseeability and superseding cause enter the equation. Therefore, this Court should reverse the district court's denial of judgment as a matter of law, and hold the lower courts impermissibly applied a but-for causation standard to Solo's claim.

B. EVEN IF THE CSLAA'S "RESULTING FROM" LANGUAGE PROPERLY CONTROLS THE CAUSATION STANDARD, IT REQUIRES PROXIMATE CAUSE.

Even if the CSLAA's causation standard governs this dispute, the district court's interpretation of its operative language is contrary to the CSLAA's structure and purpose. The CSLAA reads in pertinent part:

> [T]he Secretary of Transportation shall provide for the payment by the United States Government of a successful claim . . . of a third party against a [licensee] **resulting from** an activity carried out under the license issued . . . for death, bodily injury, or property damage or loss **resulting** from an activity carried out under the license.

Id. (emphasis added). The purpose of the CSLAA is to create a framework for financial responsibility with respect to commercial space exploration. *See* 51 U.S.C. § 50914; *see also* 51 U.S.C. § 50901(b)(3). The CSLAA requires launch operators to have insurance "to compensate for the maximum probable loss from claims by" a third party and the United States. *Id.* at §§ 50914(a)(1)(A)–(1)(B). The United States may also compensate successful third-party claims under this provision "resulting from an activity carried out under the license." *Id.* § 50915(a)(1).

Congress's use of "resulting from" does not displace proximate cause. This Court has recognized a statute's use of causal language, such as "by reason of," or "resulting from" to presumably incorporate the common-law requirement of proximate cause. *Holmes v. Sec. Inv. Prot. Corp.*, 503 U.S. 258, 279 (1992) (RICO); *CSX Transp., Inc. v. McBride,* 564 U.S. 685, 706 (2011) (FELA); *Dura Pharms., Inc. v. Broudo*, 544 U.S. 336, 346 (2005) (securities fraud); *Associated Gen. Contractors of Cal., Inc. v. Cal. State Council of Carpenters*, 459 U.S. 519, 536 (1983) (Clayton Act). The district court relied on the "resulting from" language to conclude that only "but-

for" causation was required. *United States v. Regeneron Pharms., Inc.*, 128 F.4th 324, 329 (1st Cir. 2025) (citing *Univ. of Tex. Sw. Med. Ctr. v. Nassar*, 570 U.S. 338, 346 (2013)) (noting "resulting from" calls for but-for causation in the usual course, but that reading is a default assumption, not an immutable rule). But this Court has repeatedly rejected such a reading. *See Lexmark International, Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 132 (2014).

In *Lexmark*, the Court explained "[the] words 'by reason of' do not, without more, require proof that the defendant's conduct was the sole cause of injury; they incorporate the traditional requirement of proximate cause." 572 U.S. at 132. This presumption reflects a deeply rooted understanding that Congress legislates against a backdrop of common-law tort principles in civil contexts. *Staub v. Proctor Hospital*, 562 U.S. 411, 417 (2011) (reaffirming that Congress adopts general tort law, including proximate cause, when it creates a cause of action).

Where a statute "includes an undefined causation requirement," courts will look to "context to decide whether the statute demands only but-for cause as opposed to proximate cause or sole cause." *United States v. Johnson*, 114 F.4th 148, 154–55 (3d Cir. 2024) (citing *Husted v. A. Philip Randolph Inst.,* 584 U.S. 756, 769 (2018); *see Tanzin v. Tanvir*, 592 U.S. 43, 48–49 (2020) (holding when a statutory definition is unavailable, courts turn to a phrase's plain meaning at the time of enactment). Courts consider the standards for causal relationships in other areas of law to interpret statutory language that references causation. *See Burrage v. United States*, 571 U.S. 204, 210 (2014).

1. The phrase "resulting from" necessitates proximate cause because otherwise, launch operators would be subject to open-ended liability.

The ordinary meaning of "resulting from" is but-for causation unless strong "textual or contextual indication[s]" illustrate a contrary meaning. *United States ex rel. Martin v. Hathaway*, 63 F.4th 1043, 1052 (6th Cir. 2023) (citing *Burrage v. United States*, 571 U.S. 204, 212 (2014)); *Paroline v. United States*, 572 U.S. 434, 458 (2014) ("[T]he availability of alternative causal standards where circumstances warrant is, no less than the but-for test itself as the default, part of the background legal tradition against which Congress has legislated."). The CSLAA contains precisely those contrary indications because its text, structure, and context confirm that Congress used "resulting from" in a proximate-cause sense. *See United States v. Regeneron Pharms., Inc.*, 128 F.4th 324, 329 (1st Cir. 2025) (citing *Paroline v. United States*, 572 U.S. 434, 458 (2014)) ("In other words, if the text at issue, when read in the context of the statutory scheme as a whole, indicates that a but-for standard would undermine congressional intent, it may be inappropriate to read a phrase like "resulting from" as imposing such a standard.") (citation modified).

This Court interpreted a similar provision to the one at issue here within the Federal Employers' Liability Act (FELA). In *CSX Transportation, Inc. v. McBride,* the Court considered the phrase "resulting in whole or in part" in FELA. 564 U.S. 685, 688 (2011). The plaintiff was injured in a train accident and needed to show the railroad's negligence was the proximate cause of his injury under FELA's language. 45 U.S.C. § 51. The Court affirmed that when Congress uses common-law terms of causation without defining them, courts presume the common-law limitation of

proximate cause applies. *Id.* FELA's text did not expand causation to mere factual connection. Rather, this Court explained that such phrasing "authorizes recovery when the railroad's negligence is one of the causes of the injury, but says nothing about the requisite directness of a cause," which remains governed by the common law. *Id.* at 698–99 (citing *Sosa v. Alvarez-Machain*, 542 U.S. 692, 704 (2004)). Thus, even where Congress sought to broaden worker recovery, it did not intend to make railroads insurers for every conceivable harm in which negligence "merely creates an incidental condition." *Davis v. Wolfe*, 263 U.S. 239, 243 (1923). That reasoning applies with even greater force here because the CSLAA, like FELA, uses expansive causal language but it lacks any express indication that Congress intended to abandon proximate cause. *CSX Transp.*, 564 U.S. at 705 (finding no language in FELA dispenses with the common-law requirement of proximate cause).

Section 50914(a)(1) of the CSLAA requires launch operators to maintain insurance sufficient to cover the maximum probable loss "resulting from" licensed activities. 51 U.S.C. § 50914(a)(1)(A)–(1)(B); *Report to Congress on Maximum Probable Loss*, Fed. Aviation Admin., 3 (2017) https://www.faa.gov/sites/faa.gov/files/2021-11/Report-to-Congress-on-Maximum-Probable-Loss-4.21.17.pdf [hereinafter FAA MPL Report]. Section 50915(a)(1) uses the same phrase to describe the scope of government coverage. 51 U.S.C. § 50915(a)(1). Congress's use of identical language in adjacent provisions must be read consistently. *See Powerex Corp v. Reliant Energy Services, Inc.*, 551 U.S. 224, 232 (2007). It would make little sense for "resulting from" in one context to demand a

narrow, foreseeable, and probability-based causal link in the insurance context yet simultaneously adopt an open-ended but-for standard when determining the government's exposure. Congress would not cushion a liability expansion of that magnitude in a single phrase. *See Chisolm v. Roemer*, 501 U.S. 380, 396 n.23 (1991).

i. This reading is consistent with the CSLAA's insurance coverage scheme and the extraordinary costs associated with spacecraft launch and reentry.

The structure of the CSLAA is also indicative of Congress's intent to include proximate cause as a limiting factor for liability under the CSLAA. The CSLAA is a liability-limiting statute enacted to cap exposure for inherently dangerous space activities while promoting private exploration of space. 51 U.S.C. §§ 50901(a)(4)–(a)(6), (a)(12); Dan St. John, *The Trouble with Westphalia in Space*, 40 Denv. J. Int'l L. & Pol'y 686, 708 (2012). The Act's coverage scheme sharply confines liability to reasonably foreseeable harms tied to licensed launches and reentries. *See* 51 U.S.C. §§ 50914–15; U.S. GOV'T ACCOUNTABILITY OFF., GAO-17-88, COMMERCIAL SPACE LAUNCH INSURANCE: VIEWS DIFFER ON NEED FOR CHANGE TO INSURANCE APPROACH BUT CLARIFICATION IS NEEDED, 11 (2016); *Financial Responsibility*, Fed. Aviation Admin. (May 2, 2025) https://www.faa.gov/space/licenses/financial_responsibility ("Maximum probable loss is NOT the maximum possible loss.").

The CSLAA contains a three-tiered coverage scheme that apportions liability between the federal government and the private sector for third party injuries. U.S. GOV'T ACCOUNTABILITY OFF., GAO-17-88, COMMERCIAL SPACE LAUNCH INSURANCE: VIEWS DIFFER ON NEED FOR CHANGE TO INSURANCE APPROACH BUT CLARIFICATION IS NEEDED, 11 (2016). Tier one requires operators to have insurance that meets a certain

coverage threshold. 51 U.S.C. § 50914(a)(1). The United States caps commercial operator liability at the "maximum probable loss," which is the lesser of $500 million or the "maximum liability insurance available on the world market at a reasonable cost" for third parties. 51 U.S.C. § 50914(a)(1)–(a)(4); *see* Frank A. Silane, *Liability for Commercial Space Ventures*, 8 Air & Space L. 3, 4 (1993) (noting Congress imposed a $500 million cap to eliminate the "risk of open-ended liability, which would make liability insurance coverage extremely expensive or unavailable at any price").

Tier two requires the federal government cover any third-party claims that are in excess of the tier one amount ($500 million). 51 U.S.C. § 50915(a)(1)(A). Congress will pay up to $3.7 billion in damages, provided that the claimant's willful misconduct did not cause the damage. 51 U.S.C. § 50915(a)(1)(B)–(a)(2); *see* R. at 11a n.5. The government's coverage in the second tier expires on September 30, 2028. 51 U.S.C. § 50915(f). Where a third party's claimed damages exceed both the operator's required insurance (tier one) and the government's coverage (tier two), the third tier applies. The third tier is a residual tier that assigns ultimate responsibility to the operator, who may voluntarily purchase additional insurance above the required maximum probable loss amount. U.S. GOV'T ACCOUNTABILITY OFF., GAO-17-88, COMMERCIAL SPACE LAUNCH INSURANCE: VIEWS DIFFER ON NEED FOR CHANGE TO INSURANCE APPROACH BUT CLARIFICATION IS NEEDED, 12–13 (2016).

The Federal Aviation Administration (FAA), which supplies regulations for space launches, confirms the proximate cause limitation inherent in the CSLAA. The FAA is responsible for calculating tier one's maximum probable loss amount. FAA

MPL Report, *supra*, at 3. The FAA defines maximum probable loss as the "greatest dollar amount of loss for bodily injury or property damage that is *reasonably expected* to result from a licensed or permitted activity." *Id.* at 4 (emphasis added). The FAA's risk model explicitly excludes "highly remote or speculative losses" which grounds liability in events that are reasonably foreseeable. *Id.* The losses included in the maximum probable loss calculation are only those that have a "probability of occurrence," which excludes highly remote or purely speculative losses. *Id.*

The maximum probable loss standard necessarily incorporates foreseeability and proximate cause. The use of the word "probability" imports the proximate cause limitation by its very terms. The FAA's ongoing use of probabilistic risk assessments, "casualty expectation" models, and "reasonable foreseeability criteria" to calculate maximum probable loss values demonstrates that both Congress and the agency assumed a proximate-cause framework. *See* FAA MPL Report; *see also Util. Air Regulatory Grp. v. EPA*, 573 U.S. 302, 321 (2014).

If Congress only intended to require but-for causation, it knew exactly how to do so: it could have directed the FAA to determine the maximum *possible* loss, which would encompass every conceivable chain of events no matter how remote or extraordinary. But Congress chose the word "probable," not merely "possible," as the proper level of certainty when assessing risk of loss. That distinction is significant because "probable" denotes what is reasonably expected to occur. *Probable*, *Oxford English Dictionary* (2d ed. 2025) ("Having an appearance of truth; that may in view of present evidence be reasonably expected to happen or be the case; likely"). The

maximum probable loss inquiry reflects a single limiting principle: liability ends where foreseeability ends. This focus on probable loss reflects Congress's decision to tether liability to foreseeability rather than to allow recovery for every conceivable harm.

Here, the district court evaluated the Empire's licensed launch under tier one's maximum probable loss framework, which only accounts for losses "reasonably expected to result" from the licensed activity itself. Skywalker's intentional act of sabotage was an unforeseeable intervention wholly outside the type of risk Congress requires operators to insure against. The Empire's tier one coverage never contemplated such an unexpected occurrence. Furthermore, tier two's indemnification bars government payment where the licensee's own "willful misconduct" caused the damage. 51 U.S.C. § 50915(a)(2). This provision demonstrates Congress's intent to limit liability to predictable risks that are inherent in spaceflight. Extending coverage to unforeseeable acts, like Skywalker's, converts the United States into a universal insurer for any harm tangentially related to a licensed launch. Because the CSLAA's liability and indemnification structure is predicated on a foreseeability-based threshold, the Act must be construed to incorporate proximate-cause limitations as a matter of statutory coherence. The government acts as a temporary financial backstop, not a primary obligor to third parties.

Moreover, the CSLAA was designed to implement the fault-based liability scheme of the space treaties, not to replace them with absolute liability. Congress enacted the CSLAA to fulfill, not exceed, the United States' obligations under two

treaties: the Outer Space Treaty (OST), and the Liability Convention (Convention). Together, these treaties create a liability scheme that divides responsibility for space-related injuries and damages. The United States is a signatory to both of these treaties, but they are non-self-executing. *See Medellín v. Texas*, 552 U.S. 491, 527 (2008) ("A non-self-executing treaty, by definition, is one that was ratified with the understanding that it is not to have domestic effect of its own force").

Congress chose to incorporate these treaties into U.S. domestic law through the CSLAA. *See Al-Bihani v. Obama*, 619 F.3d 1, 16–17 (D.C. Cir. 2010) (explaining how Congress accords domestic effect to international obligation in a non-self-executing treaty). By domesticating the treaty scheme, Congress sought to limit the United States' exposure to phases of space activity that present the highest risk of catastrophic, earthbound consequences: launch and reentry. *See also* H.R. Rep. No. 105-347, at 23 (1997). By contrast, once a vehicle is in orbit, the Convention and the CSLAA impose only fault-based liability. *See* U.N. Convention on International Liability for Damage Caused by Space Objects, art. 3, Nov. 29, 1971, 961 U.N.T.S. 187 (explaining damage incurred in space is subject to fault-based liability); *contra* 51 U.S.C. §§ 50901–50915 (limiting the CSLAA to launch and reentry activities).

The Convention allocates liability based on the location of the damage. It imposes "absolute[] liab[ility]" for harm on Earth or to aircraft flight. U.N. Convention on International Liability for Damage Caused by Space Objects, art. 3, Nov. 29, 1971, 961 U.N.T.S. 187. The CSLAA regulates liability based on the type of activity; it requires insurance and financial responsibility only for licensed launch

and reentry operations. Further, the Convention presupposes that fault and its country of origin can be meaningfully determined. Contemporary commentary explains most orbital debris is minute, untracked, and often decades old, meaning it's impossible to trace. Charles Mottier, *One Giant Heap for Mankind: The Need for National Legislation or Agency Action to Regulate Private Sector Contributions to Orbital Debris*, 31 Pace Env't L. Rev. 857, 864 (2014); *Holmes v. Sec. Inv. Prot. Corp.*, 503 U.S. 258, 269 ("[T]he less direct an injury is, the more difficult it becomes to ascertain the amount of a plaintiffs damages attributable to the violation, as distinct from other, independent, factors.").

Launch and reentry are the only places where the United States, as a "launching state," faces absolute liability under Article II of the Convention. Additionally, the CSLAA only extends to launch and reentry activities because that is when the government's exposure is most direct. H.R. Rep. No. 105-347, at 23 (1997) (noting the CSLAA's provisions do not apply to "events or activities between launch and reentry; after reentry; or uncovered before launch."). Once a vehicle launches or reenters, "no protection against third party liability is intended to be provided under [the CSLAA] unless there is a clear causal nexus between the loss and the behavior of the launch or reentry vehicle." *Id.* The Empire's licensed launch concluded long before Skywalker's deliberate act of sabotage destroyed DS-1. By then, the operation had moved far outside the launch-and-reentry window that Congress chose to insure. Extending liability to cover a post-launch attack erases the distinction Congress drew

between activities the United States must answer for under the Convention, and those for which it expressly disclaimed responsibility.

ii. Proximate cause limits liability through the doctrines of intervening and superseding cause.

The purpose of the CSLAA—to limit recovery to losses resulting from activities carried out under a license—narrows causation to harms traceable to the licensed operation itself, not to any imaginable consequence set in motion by it. *See* 51 U.S.C. § 50901. Proximate cause ensures companies can participate in complex and socially beneficial activities without facing open-ended liability for every downstream harm that could be traced to their actions.

Without proximate cause as a limiting principle, the risk of liability would deter investment, innovation, and participation in federally regulated sectors. Private companies would be asked to shoulder the risks of space exploration while simultaneously bearing responsibility for all possible downstream consequences of launch activity. Moreover, if this Court reads the CSLAA's phrase "resulting from" to mean "any causal contribution," it will consequentially turn the United States into a universal insurer for all space-related damage, a result contrary to both domestic and international law. Any in-space loss precipitated by an intentional attack could be pinned on the launching state's licensee and the United States by proxy. All a litigant would need to do is trace a single factual thread back to some design decision. The logical, yet absurd end result of this policy is that taxpayers will be exposed to boundless financial risk and will have no corresponding incentive for private diligence or innovation. Such an outcome would disincentivize investment, deter launch

authorizations, and contradict Congress's express goal of making the United States "a leader in [commercial] space exploration." *1,000 Commercial Space Operations*, Fed. Aviation Admin. (Aug. 14, 2025) https://www.faa.gov/newsroom/us-transportation-secretary-duffy-faa-celebrate-milestone-1000th-commercial-space. Congress clearly did not intend for its language to be construed to facilitate such a result. Thus, this Court should hold that the CSLAA requires a showing of proximate cause.

Proximate cause precludes liability where the causal link between a defendant's conduct and the result is so attenuated that "the consequence is more aptly described as mere fortuity." *Exxon Co., U.S.A. v. Sofec, Inc.*, 517 U.S. 830, 838–39 (1996). Unlike but-for cause, proximate cause is framed in terms of foreseeability and on the longstanding policy judgment that not all factual causes are legally cognizable. *Paroline v. U.S.*, 572 U.S. 434, 444–45 (2014); *CSX Transp., Inc. v. McBride*, 564 U.S. 685, 701 (2011). In this framework, an intervening act is a later, independent action that enters the causal sequence after a defendant's conduct. *See Cottrell v. Am. Fam. Mut. Ins. Co.*, 930 F.3d 969, 972 (8th Cir. 2019). When an intervening act is so extraordinary or unforeseeable that it overshadows a defendant's negligence, it becomes a superseding cause which cuts off liability altogether. *Id.*

Whether an act is an intervening cause is a question of foreseeability. *Griggs v. Firestone Tire & Rubber Co.*, 513 F.2d 851, 862 (8th Cir. 1975). Courts ask whether "the operation or consequences" of an intervening act appear "to be extraordinary rather than normal in view of this circumstancing existing at the time of its

operation." RESTATEMENT (SECOND) OF TORTS § 442(b). Here, Skywalker's conduct was as extraordinary as it comes. The Empire discovered DS-1's defect approximately eight to ten days before Skywalker's attack. R. at 13a. In that time, Skywalker garnered the resources to arrange and fund a private space flight to low Earth orbit. *See generally*, R. at 13a–14a (detailing the short timeframe between learning about the defect and Skywalker's attack). DS-1's defective exhaust port was only two meters wide, and it had to sustain a direct hit from a proton torpedo. R. at 13a. Not only did Skywalker obtain a proton torpedo in under ten days, he hit a two-meter-wide target without any technological enhancements. R. at 83a ("[Skywalker] turned off his targeting computer but still hit a 2-meter-wide target anyway."). The Empire could not have reasonably foreseen "an unbalanced space pirate would have the financial and technical capabilities" to exploit DS-1's defect, causing it to explode. R. at 69a.

The district court undermined these highly extraordinary circumstances when it denied judgment as a matter of law. Once the court struck proximate cause from the governing law, the jury had no mechanism to use Skywalker's extraordinary attack to sever the causal chain. *See also, O'Donnell v. Elgin, Joliet & E. Ry.*, 338 U.S. 384, 394 n.7 (1949) (noting the doctrines of intervening and superseding cause are not available under a but-for causation standard).

Courts have recognized that a defendant's responsibility does not extend to every theoretical consequence of its conduct. In *Port Authority of New York & New Jersey v. Arcadian Corp.*, victims of a World Trade Center bombing sued fertilizer manufacturers because their products had been used to create explosives. 189 F.3d

305, 310 (3d Cir. 1999). The court rejected the plaintiff's attenuated theory of causation, holding that "the alteration and misuse of defendants' fertilizer products were not objectively foreseeable," and "the transformation and integration of otherwise safe products into [a bomb by a third party] was not objectively foreseeable to the [manufacturers]." *Id.* at 314. There, proximate cause was "fundamentally an instrument of fairness and policy," because it operated to preclude liability for "outrageous misuses of a product wholly unrelated to its intended purpose." *Id.* at 315–16. As in *Port Authority*, Skywalker's destruction of DS-1 was an independent, intentional act that was not foreseeable. *See id.* at 319.

The District Court's interpretation of the CSLAA cannot be reconciled with Congress's intent to limit recovery for space activities. Using the lower, but-for causation standard will transform the CSLAA into an instrument of unlimited compensation. Every downstream injury with some causal connection to a licensed activity, no matter how remote, could impose liability.

2. Analogous federal liability schemes confirm Congress demands a heightened causal showing when special relief is available.

This Court has construed federal causes of action "in a variety of contexts" to incorporate traditional tort principles because Congress is "familiar with the common-law rule" and does not intend to abrogate it *sub silentio*. *Lexmark Intern., Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 132 (2014).

Courts apply proximate cause principles to statutes that condition remedies on plaintiffs' ability to show that defendants caused their injuries by unlawful conduct. *Apple Inc. v. Pepper*, 587 U.S. 273, 279 (2019) (applying proximate cause to limit

recovery for injuries caused by antitrust violations under the Clayton Act); *Lexmark Int'l, Inc. v. Static Control Components, Inc.*, 572 U.S. 118, 132, 134 (2014) (Lanham Act); *Holmes v. Sec. Inv. Prot. Corp.*, 503 U.S. 258, 267–68 (Racketeer Influence and Corrupt Organizations Act); *Pizarro v. Home Depot, Inc.*, 111 F.4th 1165, 1173 (11th Cir. 2024) (Employee Retirement Income Security Act).

The proximate cause limitation inherent in these statutes acts as a check on liability and avoids a chilling effect on legitimate enterprise. In *Holmes v. Securities Investor Protection Corp.*, this Court considered the language "by reason of" in the Racketeer Influence and Corrupt Organizations Act (RICO). 503 U.S. 238, 279 (1992) (citing 18 U.S.C. § 1964(c)). The Court interpreted the language to require proximate cause because it was "highly unlikely that Congress intended to allow all factually injured plaintiffs to recover." *Pacific Operators Offshore, LLP v. Valladolid*, 565 U.S. 207, 221 (2012) (citing *Holmes v. Sec. Inv. Prot. Corp*, 503 U.S. 258, 265–66 (1992)).

Like RICO and ERISA, the CSLAA is a specialized federal scheme designed to encourage private participation in an industry historically dominated by the government. Reading the CSLAA to require anything less than proximate cause strips away the same liability safeguards that Congress has preserved in comparable statutory regimes. Congress expressly declared that the CSLAA's goals include "promot[ing] economic growth and entrepreneurial activity" by "encourag[ing] the United States private sector to provide launch vehicles, reentry vehicles, and associated services." 51 U.S.C. § 50901(b)(1)–(2). To achieve these goals, Congress

structured the CSLAA around risk allocation and predictability. This statutory scheme leaves no room for broad causation.

CONCLUSION

Therefore, this Court should reverse the decision of the lower courts and hold that the burden fell on Solo to prove venue was proper and that he failed to show Alderaan was a proper venue. Furthermore, this Court should hold that the lower court should have entered judgment as a matter of law for the Empire and United States.

Respectfully submitted,

Counsel for Petitioner

APPENDIX A

28 U.S.C. § 1391(b)

(b) Venue in General. A civil action may be brought in—

(1) a judicial district in which any defendant resides, if all defendants are residents of the State in which the district is located;
(2) a judicial district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated; or
(3) if there is no district in which an action may otherwise be brought as provided in this section, any judicial district in which any defendant is subject to the court's personal jurisdiction with respect to such action.

APPENDIX B

51 U.S.C. § 50915(a)(1)

PAYING CLAIMS EXCEEDING LIABILITY INSURANCE AND FINANCIAL RESPONSIBILITY REQUIREMENTS.

(a) General Requirements.

(1) To the extent provided in advance in an appropriation law or to the extent additional legislative authority is enacted providing for paying claims in a compensation plan submitted under subsection (d) of this section, the Secretary of Transportation shall provide for the payment by the United States Government of a successful claim (including reasonable litigation or settlement expenses) of a third party against a person described in paragraph (3)(A) resulting from an activity carried out under the license issued or transferred under this chapter for death, bodily injury, or property damage or loss resulting from an activity carried out under the license. However, claims may be paid under this section only to the extent the total amount of successful claims related to one launch or reentry—

(A) is more than the amount of insurance or demonstration of financial responsibility required under section 50914(a)(1)(A) of this title; and
(B) is not more than $1,500,000,000 (plus additional amounts necessary to reflect inflation occurring after January 1, 1989) above that insurance or financial responsibility amount.