

Programming note: The Velocity Update is taking a holiday next week to safely enjoy a lovely turkey dinner with all of the trimmings. We wish you and your family a happy, safe Thanksgiving. We'll see you in December!

**Congressional Schedule.** Both the Senate and House are in recess. (*More below.*)

**Winter (maybe?) comes to the DC metro area.** Want to know what winter will be like here in the DC metro area? The team at Capital Weather Gang has offered their seasonal outlook, predicting a milder-than-average winter with below-average snow fall overall. More <a href="here">here</a>.

### **2020 Election**

President Trump has not conceded or given his administration the go ahead to begin the transfer of power to the next administration. Moreover, federal agencies have been barred from briefing the Biden transition team. As of this note, President-elect Biden is leading President Trump by 5.8 million votes nationally and with wide margins in other key states (from 10,000 votes in Arizona to 147,000 votes in Michigan).

Many Republicans are continuing to back the president's legal review of the recount effort, and several administration officials continue to talk about transitioning to a second Trump term. However, on Monday Robert O'Brien, the national security adviser, said that there would be a smooth transition. "If the Biden-Harris ticket is determined to be the winner — and obviously things look that way now — we'll have a very professional transition from the National Security Council," O'Brien said in an interview. "There's no question about it." Six Republican senators have said publicly that the transition should formally begin: Mitt Romney, Susan Collins, Marco Rubio, Ben Sasse, Lisa Murkowski, and Jim Risch.

On Friday, <u>House Democrats</u> asked for a briefing from the GSA Administrator Emily W. Murphy on why she has yet to sign an official memorandum so the Biden team are able to receive resources needed to effectively transition from one administration to the next. The formal presidential transition does not commence with federal dollars until the GSA Administrator ascertains the president-elect as outlined in the Presidential Transition Act of 1963. If not, within the act there are no specific metrics on how that determination should be made.

**Legal challenges**. Eleven states have certified their election results (Delaware, Florida, Louisiana, Mississippi, North Dakota, Oklahoma, South Carolina, South Dakota, Vermont, Virginia, and Wyoming). At least five more states should have certified by the time you read this and the majority of states will have certified by Nov. 30. The Electoral College votes on Dec. 14. The election will then be certified in a special joint session of Congress on January 5, 2021, which is after the new Members, who were just elected, are sworn into the 117<sup>th</sup> Congress.

According to <u>Reuters</u>, the <u>Associated Press</u> and <u>The Washington Post</u>, former New York City mayor, Rudy Giuliani, who is now leading the president's legal efforts to overturn the election, is relying now on a strategy of delaying the vote certification long enough in battleground states so Republican lawmakers in those states will intervene and choose electors to support Trump for the Electoral College vote (as opposed to the strategy of disqualifying or throwing out votes, which has so far failed). As of Thursday, the Trump team is 1-32 for legal challenges, with losses in Arizona, Michigan, Pennsylvania, and Georgia, and the one victory was shortening the cure deadline in Pennsylvania for a small subset of rejected mail-in ballots from 9 days to 6 days. That

strategy is also likely to fail, since Pennsylvania state law requires the governor to choose electors based on the popular vote, and the Wisconsin legislature does not have a role in selecting electors. We should emphasize that governors and secretaries of state from both parties in the contested states are saying that the election was secure and accurate, and do not support delaying or overturning the state's vote results. And some, like Georgia Secretary of State Brad Raffensperger, are actively and forcefully pushing back against claims that there was massive fraud with the election.

Michigan State Senate Majority Leader Mike Shirkey (R) <u>stated Tuesday</u> that state law awards electors to the winner of the state's popular vote, and the Republican-majority state legislature would not override the results of the election and award the state's electoral votes to President Trump, saying "That's not going to happen." However, that hasn't prevented some amount of drama in the Michigan results. On Tuesday, the Wayne County Board of Canvassers, which is made up of two Democrats and two Republicans (it's the same in every county in Michigan) deadlocked on certifying the county's vote, with the two Republicans voting not to certify.

After three hours of testimony from Wayne county residents, including election workers, and an agreement that there would be an audit of the vote (the concern is that votes were out of balance, or it looks like there were more votes cast than voters registered, something that also happened in the primary by the same ratio, although the board members stated that they did not expect an audit to change the outcome) the two Republican board members reversed their decision and voted to certify the county results. On Wednesday night, the two Republicans then asked to take back their yes votes because the audit wouldn't happen before state certification, even though the results had been submitted to the Michigan secretary of state and the deadline for counties to submit results had passed, so apparently the board's vote is final.

On Thursday, it was reported and confirmed by at least one of the board members that President Trump personally called the GOP board members on Tuesday night after the meeting. (For more on this story, read <a href="here">here</a>.) Even though the Trump campaign has now withdrawn its lawsuit in Michigan, claiming that their goal of stopping certification has been met, President Trump has invited the GOP leaders of the Michigan state legislature to fly to DC to meet with him on Friday, even though both have stated that they have no intention of overturning the popular vote in the state.

On Wednesday, the Trump campaign sent a \$\frac{\\$3 \text{ million check}}{\text{ to the state of Wisconsin to pay for a recount in two Wisconsin counties (a full recount of the state would have cost around \$\\$8 \text{ million}). We should note that Biden's lead in Wisconsin is 20,000 votes and recounts rarely shift the outcome by such margins, especially when state officials have said that there were no major problems or concerns on Election Day.

And in <u>Nevada</u>, Trump's Nevada electors, including the chair of the Nevada Republican Party, are suing to either have Trump declared the winner of Nevada, or to have the presidential election in the state annulled entirely. The lawsuit includes several claims which have already been rejected in court.

The Georgia audit is complete, and on Thursday night officials released the official audit results reaffirming Biden's win in the state. The audit did uncover some problems, including almost 2,600 ballots not counted on election day from Floyd County. According to officials, there was an early voting precinct in the county that had an issue with its scanner on Oct. 24, and they weren't able to scan this batch of votes. The ballots were taken to the county's headquarters, but apparently were misplaced and never scanned. The results from that batch were 1,643 votes for Trump, 865 for Biden, and 16 for Libertarian Jo Jorgensen. Biden's lead in Georgia is around 14,000 votes, so these votes did not change the overall results. The election official in charge of Floyd County was fired Thursday for the failure. And on Thursday, a Georgia federal court rejected the Republican effort to block state certification of election results.

**Other election-related news**. Ronna McDaniel is expected to stay on as chair of the Republican National Committee. Tom Perez, who is the current chair of the Democratic National Committee, is planning on stepping down. One potential contender for the job is Jaime Harrison, who ran in the South Carolina Senate race against Sen. Lindsey Graham, and showed that he has the ability to raise large amounts of money.

**House election update**. As of this morning, there are still nine House races that are outstanding, with some of them waiting on mail-in ballots to be counted. Democrats have officially passed the 218-seat threshold for control of the House, but until we know that outcome of those nine seats, we don't know how much of a majority Democrats will actually have. The closer the margin is, the more committee seats Republicans will get, and the harder it will be for the majority to pass any legislation without compromise and support from the other side of the aisle. For the latest on the outstanding House races, CNN has an excellent list <a href="here">here</a>.

More on Biden-Harris transition agency review teams. On Monday, the transition team announced the agency review team for the Federal Communications Commission. The team is made up of four veteran FCC officials: John Williams, a House Judiciary Committee lawyer who previously worked in the FCC's legal office, is leading the agency landing team with former Commissioner Mignon Clyburn and former officials Smitty Smith and Paul de Sa rounding it out.

Former Obama-Biden administration appointees are well-represented on each of the teams. Agency Review Teams are here: Office of Management and Budget, National Security Council, Department of Defense, Department of Commerce, Department of Transportation, Intelligence Community, and NASA.

The Biden-Harris administration starts to take shape. On Tuesday, President-elect Biden named nine senior White House staff members: Jen O'Malley Dillon, deputy chief of staff; Mike Donilon, senior adviser; Steve Ricchetti, counselor to the president; Dana Remus, White House counsel; Julie Chávez Rodríguez, director of the White House Office of Intergovernmental Affairs; and Annie Tomasini, director of Oval Office operations. Biden also tapped Rep. Cedric L. Richmond (D-LA) to become senior adviser to the president and director of the White House Office of Public Engagement. Richmond currently serves in a safe Democratic seat in Louisiana. One of the things he brings to the team is a good relationship with the House. While Biden is, of course, well aware of how the Senate works and has personal relationships in the chamber, Richmond is going to be key in the White House relationship with the House. He is a former chair of the Congressional Black Caucus, and has a close working relationship with House Minority Whip and fellow Louisiana congressman Steve Scalise.

Jen Psaki, who was White House communications director under Obama, will manage team working on the confirmation process for Biden appointees. Reema Dodin, who currently serves as floor director for Senate Minority Whip Dick Durbin (D-IL), will manage legislative strategy. One thing the transition team is talking about doing differently is a kind of public relations campaign for nominees. Normally, nominees stay out of the spotlight during their confirmation process. However, given how close the Senate is going to be, there's a thought about building public support for each nominee to put pressure on the Senate for a smooth confirmation.

The incoming First Lady has also hired staff, including Julissa Reynoso Pantaleon as chief of staff and Anthony Bernal as senior adviser.

**Potential administration appointees**. As with any new administration, there are a lot of people interested in working for the administration. The transition team reached out to Obama-Biden alumni with a message encouraging them to apply for jobs but noting the number of applications they are likely to receive is well over the number of jobs available. There are over 4,000 political spots to fill, and about 1,200 of those require Senate

confirmation. Typically, the first jobs filled at most agencies are high-level appointees who are not Senate-confirmed (White House liaison, chief of staff, senior communications and legislative roles). It can easily take more than a year for any given department or agency to fill its ranks of appointees (either Senate confirmed or not) and right now the transition team is focused on the spots they need to start on or shortly after Jan. 20. Having working for the Obama-Biden administration may offer some advantage in the process, but there are also a lot of Biden campaign staff and volunteers who will be top of the list for potential jobs. (If you or anyone you know is interested in applying for a job with the incoming administration, there is a link via their transition website here.)

In an <u>interview with Space News</u> this week, outgoing Rep. Kendra Horn (D-OK) said that she would be open to serving in the Biden administration, especially in a space-related role. "I am honored to have my name mentioned for a couple of different things, and I am absolutely open to serving in the Biden administration and bringing my experience in the space industry, as a civilian and as a member of Congress, to bear." Horn has been mentioned as a potential nominee for NASA administrator or a senior position in the Pentagon.

Rep. Deb Haaland (D-NM) is a front-runner for Interior secretary. The Biden team confirmed that they were vetting her for the position this week, and House Natural Resources Chair Raúl Grijalva (D-AZ) sent a letter to Biden's transition team recommending Haaland for the post, along with more than 50 House Democrats. If nominated and confirmed, she would be the first Native American Cabinet secretary in the nation's history. Another possible candidate is Sen. Tom Udall (D-NM), though he has apparently said that although he would like the appointment, he is being gracious because he recognizes the historic significance of Haaland's appointment.

On Thursday afternoon, Washington Post reporter Annie Linskey <u>reported that</u> President-elect Biden has made his choice for Treasury Secretary. He doesn't plan to make an official announcement until just before or just after Thanksgiving (which is when we expect several of the major appointments to be revealed), but he did note that the pick is someone who will make all factions of the party happy, and all bets are on <u>former Federal</u> Reserve Chair Janet Yellen as she would satisfy both progressives and moderates.

Some Senate Republicans <u>are suggesting</u> that they'll confirm President-elect Joe Biden's Cabinet picks in January. It could be a rare bright spot for a White House that may clash with the GOP for years to come. But that doesn't mean Biden will get free rein. "He's our president-elect. All presidents have a right to their Cabinet," said Sen. Lisa Murkowski (R-Alaska). "Our job, our role is to make sure that he selects folks that are ... within the mainstream. And are good, qualified credible candidates. And if he does that, sure, I am going to work with him."

*Bloomberg* reported that Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer <u>met with president-elect Biden</u> for the first time since the election. The get-together took place in Delaware yesterday.

Velocity is tracking the latest updates to potential candidates for senior positions in the Biden-Harris Administration <a href="here">here</a>. (This is a live document and will be kept updated.)

**Policy changes in a new administration**. Progressives have made no secret of the fact that they would like to see a Biden administration cut defense spending and change priorities. This week, <u>Politico reported</u> on a letter sent to the Biden transition team from over 30 progressive groups asking President-elect Biden to slash defense spending, dissolve the new Space Force, cancel major weapons programs like the Ground Based Strategic Deterrent, impose a cap on private contractors, and prohibit lobbyists from filling top Pentagon positions. Read the letter (obtained by Politico) <u>here</u>.

#### Media roundup of election and transition stories:

Politico: Trump blocks Biden's incoming staff in unprecedented ways

Air Force Magazine: What a Flournoy Pentagon Could Mean for the Air Force The Hill: Biden: Trump's actions send 'damaging' message to rest of world

Axios: CEOs abandon Trump

Politico: Giuliani and fellow Trump lawyers crank out conspiracies as legal challenges implode

The Hill: Clock running out on Trump as states move to finalize vote counts

**2020 Election tracking.** Velocity continues to update their 2020 election update (<u>available here</u>) with details about the 2020 Senate, House, and Presidential races. This is a living document, and we will keep it updated until the last race is called.

# **U.S. Economic Outlook**

Weekly numbers and long-term outlook. 742,000 people applied for unemployment benefits for the first-time last week, the first-time unemployment numbers have risen since Oct. 10 and a sign that pandemic-related closures and restrictions are on the rise as well. Multiple programs designed to help Americans through the pandemic expire at the end of the year, including the Pandemic Emergency Unemployment Compensation program and the Pandemic Unemployment Assistance program available for gig workers, which means around 12 million people are set to lose benefits. The eviction moratorium and student loan forbearance will also end, as will small business debt relief.

Main Street Lending Program to end: On Thursday, Treasury Secretary Steven Mnuchin announced the administration will not extend several emergency loan programs set up with the Federal Reserve to support the economy in the midst of the coronavirus pandemic. In a letter to Federal Reserve Chairman Jerome Powell, Mnuchin said the Fed's corporate credit, municipal lending and Main Street Lending programs would not be renewed when they expire on Dec. 31. The decision <u>drew a rebuke</u> from the nation's central bank. The Main Street Lending Program has been criticized based on its lending criteria and the paltry lending approved during the crisis. As of Oct. 30, only \$3.7 billion worth of such loans were issued — just over half a percent of the total funding allotted for the program. (More in an article from Mortgage Professional America magazine).

# **Coronavirus government operations update**

**National perspective.** As of Friday afternoon, the number of confirmed cases in the U.S. <u>is at least 11,826,000</u> with at least 252,000 deaths. Numbers around the country continue to increase exponentially, with 35 states have now instituted some kind of mask mandate, including some states that have previously resisted doing so, though some localities in those states are refusing to enforce those orders. In North Dakota, hospitals have asked workers who have Covid-19 but are <u>not showing symptoms to continue working</u> with coronavirus patients because the hospitals have too many patients and not enough staff. On Thursday, the <u>CDC officially recommended</u> against traveling for Thanksgiving, as well as avoiding gatherings involving members of different households.

This week, Moderna announced that their vaccine candidate has been 94.5% successful in its trial. This news is good on a couple of different fronts. First, it's the second U.S. vaccine to show over 90% effectiveness. Second, unlike the Pfizer vaccine announced last week, Moderna's vaccine can be refrigerated in normal refrigeration units instead of requiring ultra-cold storage, making it easier to distribute. The Moderna vaccine is part of the Operation Warp Speed program and developed in partnership with the National Institute of Allergy and Infectious Diseases (which is led by Dr. Anthony Fauci). Interesting fact: One of the early stage clinical trials that helped develop the vaccine was managed by the Vanderbilt University Medical Center, and some of the

funding for that clinical trial came from Dolly Parton. The country music star donated \$1 million to Vanderbilt specifically to help vaccine research. Pfizer also announced the end of their trial, with a final effectiveness of 95% (even better than the initial results) and the company plans to submit its application to the FDA for emergency authorization soon. On the flip side with bad news, one reason both the Pfizer and Moderna trials went much faster than expected is the surge in new coronavirus cases made it possible to get the data required to prove the vaccine.

Washington metro area. Overall coronavirus cases in D.C., Maryland, and Virginia topped 410,000 by Friday afternoon, with at least 8,000 deaths. On Monday, Virginia implemented new restrictions, including no gatherings with more than 25 people, no alcohol served after 10 pm, and restaurant closing time of midnight. Most holiday festivities (tree lightings, parades, local Turkey Trot 5Ks) are going virtual this year (if not canceled completely), though some activities like the Wreaths Across America event at Arlington National Cemetery are still scheduled. The event to lay holiday wreaths at gravesites had been canceled since the leadership at Arlington was concerned about managing the large number of volunteers that come to the event, but pressure from lawmakers and others caused them to reverse the decision.

Several federal agencies are seeing a growth in numbers of federal employees with the virus, including USPS, the Defense Department, and Veterans Affairs. <u>Defense One reported</u> that 14,817 civilians have tested positive for the virus, more than triple the total in mid-July, along with over 62,000 military members and nearly 6,000 contractors. Sixty-eight civilian Defense employees have died from the novel coronavirus. (Note – it's not completely clear what timeframe those numbers cover, but it seems to between mid-July and now.)

**Pentagon.** The Pentagon remains in Phase Two (Bravo), which means a maximum of 80-percent of staff allowed on-site, though the actual number of staff on site continues to be much lower. Additional precautions are being put into place, including frequent testing for personnel working in mission essential roles, ensuring greater distance between work stations, discontinuing or significantly limiting use of the conference rooms, and staggered times of arrival for shifts. On Thursday night, the Pentagon said that Anthony Tata, who is performing the duties of the undersecretary for policy, has tested positive for Covid-19 after meeting with Lithuanian Minister of Defense Raimundas Karoblis. On his Nov. 13 visit to the Pentagon, Karoblis also met with Acting Secretary of Defense Christopher Miller and the Air Force, Navy, and Army secretaries, all of whom have tested negative. Others at the Pentagon who were involved in the meeting or who have since met with Tata are being tested.

Friday afternoon, Pentagon officials announced that the Department will impose new restrictions next week for the thousands of people who work in the Pentagon, a move that comes as officials race to contain a potential outbreak in the building's senior civilian ranks. Specifically, as part of the move to raise the Pentagon's health protection level from "Bravo" to "Bravo Plus," the building will go down from 80 to 60-percent maximum occupancy, beginning next week. Officials expect the actual occupancy of the building to be much lower in the coming weeks; the Pentagon has not been above 50 percent occupancy since the early days of the pandemic. The Pentagon will also double the number of temperature checks on workers entering the building. Leaders will also be encouraging employees to telework and use sick leave as much as possible, particularly given the upcoming holiday, and there will be further restrictions placed on the Pentagon's athletic center.

**NASA**. Most of NASA's facilities are at Stage 3 of its pandemic response plan with mandatory telework for most workers. Johnson Space Center and Michoud Assembly Facility are at Stage 2, where employees who must be on site to work are allowed to return.

**The White House.** Some staff continue to telework, while others are physically in the office. Over the weekend. Following news last week that a growing number of White House staff had <u>tested positive</u> following

an in person election night event, current specific status of in person work is not entirely known unknown. And on Monday, Secretary of Housing and Urban Development Ben Carson tested positive.

Congress. Access to the congressional office buildings and capitol complex continues to be extremely limited, open only to Members, congressional staff, and credentialed press. Capitol Hill itself is seeing a spike in cases. On Tuesday, Sen. Chuck Grassley self-quarantined after being exposed to the coronavirus and then announced Tuesday night that he had tested positive for the virus. In addition, Sen. Rick Scott (R-FL), Reps. Ed Perlmutter (D-CO), Dan Newhouse (R-WA), Cheri Bustos (D-IL), Tim Walberg (R-MI), and Doug Lamborn (R-AK) have also tested positive for the virus. Don Young (R-AK), who is the oldest member of Congress, said this week that he had tested positive and was hospitalized last weekend, but has since been discharged and is recovering at home. Three other members of Congress are in quarantine after being exposed: Rep. Mark Pocan (D-WI) and Rep. Debbie Lesko (R-AZ). There's also been a significant number of workers in the U.S. Capitol complex testing positive for the virus in recent weeks. And, there's testing in the Capitol now. If you have a Hill ID, you can get a test -- which is really good.

### **Congressional activities**

Lame duck Congress. The Senate left town on Wednesday for Thanksgiving break and the House left on Thursday. Both chambers will return the Monday after Thanksgiving. For those keeping count at home, that's 12 calendar days before government funding runs out and about two weeks before both chambers plan to adjourn for the holidays. That means two weeks or less to pass spending bills to keep the government from shutting down, the must pass defense authorization bill which authorizes pay raises for American troops, and pandemic relief spending, if it is going to happen at all.

**Senate math**. We noted above that Sen. Grassley is in quarantine – that's important because of the <u>confirmation</u> vote for Judy Shelton to the Federal Reserve Board of Governors. Three Senators (Lamar Alexander, Susan Collins, and Mitt Romney) have all said they do not support Shelton. However, Alexander is not in Washington this week to vote no (as a reminder, the Senate does not have proxy or remote voting in place like the House). Going into the vote, every Democrat in the Senate was expected to vote no, but there was a question of whether Senator and Vice President-elect Kamala Harris will be present for a vote as she was scheduled to be in Delaware to attend national security briefings with President-elect Biden. So the math goes something like this: start with 53 Republican votes, with 50 yes votes and three no's, and 47 Democratic votes, all no's, which means a 50-50 tie. Except that with Grassley, Alexander and Harris out, it's actually 49 to 48. But Sen. Rick Scott (R-FL), who was expected to be a yes vote, is also quarantining this week, which makes the math 48 to 48. And on Tuesday afternoon, all the numbers were crunched. Harris did make it back for the vote, officially blocking Shelton's confirmation. The final vote tally was 50-47 (in another bit of Senate math, Majority Leader Mitch McConnell changed his vote to "no" to enable him to bring the matter up on the Senate floor again later on). Senator-elect Mark Kelly (D-AZ) will be sworn in after Thanksgiving (his election was to fill the remaining term of the late Sen. John McCain, replacing the appointed Sen. Martha McSally), which changes the math again, so it's unclear if McConnell will bring Shelton's nomination up again.

**House leadership.** The House held leadership elections this week, though Democrats will vote on additional positions when they return after the holiday.

(*new in position)	Republican	Democrat
House Speaker		Nancy Pelosi (CA)
Caucus leader	Kevin McCarthy	Steny Hoyer (MD)
	(CA)	

Whip	Steve Scalise	James Clyburn (SC)
	(LA)	
Conference/caucus chair	Liz Cheney	Hakeem Jeffries (NY)
	(WY)	
Assistant leader		Katherine Clark (MA)
Vice chair of caucus		Pete Aguilar (CA)
Caucus leadership representative		Colin Allread (TX)
Republican Study Committee	Jim Banks (IN)	
Steering panel co-chair		Barbara Lee (CA), Eric Salwell (CA), Cheri
		Bustos (IL)
<b>Democratic Policy and</b>		Debbie Dingell (MI), Ted Lieu (CA), Matt
<b>Communications Committee</b>		Cartwright (PA), Joe Neguse (CO)
Freshman class leadership		Mondaire Jones (NY)
representative		

Republican committee leadership. Reps. Mike Turner (OH), Mike Rogers (AL) and Rob Wittman (VA) are vying to replace Rep. Mac Thornberry of Texas, who is retiring at the end of the year, as the House Armed Services Committee ranking member. One reason the role is so desired this year is that Republicans did better than expected in the election, which puts them closer to winning back control of the House in the 2022 midterms. If that happens, the ranking member would become committee chair.

**5G funding**. On Tuesday, the <u>House unanimously passed</u> the <u>USA Telecommunications Act</u> that funds the effort to create U.S.-built 5G technology and support the deployment of 5G networks as part of a grant program overseen by the Department of Commerce's National Telecommunications and Information Administration. A version of the bill has been introduced in the Senate.

**SPACE Act moves forward, in part**. The Senate Commerce, Science, and Transportation Committee approved the Space Preservation and Conjunction Emergency (SPACE) Act (S. 4827) on Wednesday, though without the provision to elevate NOAA's Office of Space Commerce to a new Bureau of Space Commerce reporting directly to the Commerce secretary. The bill was modified by a Wicker-Cantwell-Sinema amendment which assigns responsibility for civil space traffic management to the Department of Commerce as called for in Space Policy Directive-3, but stops short of creating a Bureau of Space Commerce. It does, however, authorize the creation of one or more "Centers of Excellence for Space Situational Awareness" led by universities or nonprofit organizations to work on "transdisciplinary research" on improving space traffic management. To become law, the bill still needs to pass the full Senate and then be considered by the House. Given the short amount of time left in the session and the large amount of work left to be done in both chambers, it's not likely the bill will make it through this year.

Pandemic relief. Apparently, there are <u>no discussions</u> happening this week about pandemic relief. As we noted last week, the White House has stepped out of the negotiations, turning it over to Senate Majority Leader Mitch McConnell. Speaker Pelosi and Senate Majority Leader Chuck Schumer sent a <u>letter to McConnell</u> this week urging him to renew the negotiations after McConnell said publicly again that he is not currently talking to Democrats about a relief package, and Schumer called McConnell out on the Senate floor. "I heard the Republican leader this morning give the same long, tired speech that pretends as if Democrats haven't been trying to negotiate with our colleagues, that we haven't been trying over and over again to get our Republican colleagues to talk with us," Schumer said. Schumer did say on Thursday during a press conference that McConnell has now agreed to staff level talks: "There's a little bit of good news, as of today. They've agreed to sit down, and the staffs are going to sit down today or tomorrow to try to begin to see if we can get a real good

Covid relief bill." However, Republican aides say that the discussions are for an omnibus spending bill, not a pandemic relief bill.

**FY2021 NDAA.** The House and Senate have officially entered the conference process for the NDAA. You can find the names of the negotiators on the House side here for Democrats and here for Republicans. HASC ranking member Rep. Mac Thornberry (R-TX) said that most of the issues should be easy to negotiate, with the exception of renaming of Army facilities. There may also be additional discussion on withdrawing troops from overseas (something that's likely to get even more attention after acting defense secretary announced the drawdown of troops in Iraq and Afghanistan and the potential for more troops to leave other locations like South Korea and Germany). The president has threatened to veto the NDAA if it includes any language on either provision. In the case of the renaming provision, both chambers have language in their bills and both chambers passed their versions with a veto-proof majority, so it's a question of whether Republicans are willing to force the president to veto the bill. Rep. Liz Cheney (R-WY) didn't rule out that possibility. "We'll have to look at what happens," she said. "The details are very important in that regard." However, SASC chairman Jim Inhofe (R-OK) privately told top lawmakers that Congress needs to strip that language from the bill.

The New York Time reported on Thursday that White House chief of staff Mark Meadows has hinted that President Trump would allow the provision to change base names if Democrats agreed in turn to repeal Section 230 of the Communications Decency Act of 1996, which shields tech companies from lawsuits based on content posted on their platforms. While there is some bipartisan support for action, given that any change to Section 230 would likely be opposed by major tech companies like Google, Amazon, and Facebook, it's not likely Congress would be willing or have time to take up that battle before the end of President Trump's term. And, *Inside Defense* reported that House Armed Services Committee Chairman Adam Smith indicated Democrats are standing their ground to ultimately change Confederate-named U.S. military bases. In the article regarding NDAA conference negotiations, Smith also explained that a reported White House offer to accept base language in exchange for a Section 230 repeal was not only untrue but also "would not even be possible in the defense authorization bill as it impacts other committees of jurisdiction."

Progress on FY2021 Appropriations. There are two main questions on the spending legislation necessary to keep the government running past Dec. 11. The first is the content of the bills. The Senate this week agreed to go to conference with the bills it released last week, instead of going through the usual markup and voting process. While there are differences between the House and Senate bills, the main sticking points aren't a big surprise, including funding for the border wall and some pandemic relief funding. Senate Appropriations Chair Richard Shelby had been talking with his House counterpart Rep. Nita Lowey (D-NY) and said that they are making some progress on a bipartisan, bicameral set of overall funding totals for a forthcoming omnibus. "We're getting close on all of it," Shelby told reporters. "We're not there yet. You've got to put it together and agree on it, we haven't done that yet. But we're working at it." House Speaker Nancy Pelosi said, "We will pass an omnibus, we don't want a [continuing resolution]. We're on a good path to do that." As of late Friday afternoon, it appeared that appropriators will miss an unofficial deadline of striking an agreement by week's end on the so-called 302(b)s, with talks likely bleeding into the weekend and early next week. Appropriators are still optimistic about reaching an agreement, however.

The second question is whether or not President Trump will sign any spending legislation passed by Congress. In his call with reporters, Shelby acknowledged that he doesn't have an assurance that the president will sign an omnibus spending package. Some Republican officials said this week that the White House had signaled it would support the spending measure over a continuing resolution, but White House chief of staff Mark Meadows told Republican lawmakers in their weekly lunch on Wednesday that the president wants to keep the government funded, but isn't ruling out the possibility of a shutdown.

A further complicating feature: border wall funding. President Trump and Speaker Pelosi are once again headed to a final showdown over funding for a wall on the U.S.-Mexico border, the President's once signature issue, setting the stage for a rematch of a fight two years ago that shut down the government for 35 days. The White House is requesting a \$2 billion installment to continue building the wall, while Pelosi and House Democrats have countered with no new money for construction. Democrats have also proposed rescinding earlier wall funding. And to guard against Trump's workaround to the previous standoff, the House spending bill prohibits the administration from shifting funds from other accounts to pay for the wall. Congressional leaders and the heads of the Senate and House Appropriations committees will soon negotiate a compromise between the \$2 billion request and counteroffer of zero dollars once both chambers settle on the allocation amounts for individual spending bills that will make up the year-end omnibus. But whatever the agreed-upon amount, many Republicans are predicting Trump is going to put up a fight for more wall funding.

Flexibility for Air Force appropriations. One provision that House and Senate appropriators already agree on is that the authority for Air Force program managers to move funds around within broad new portfolios comprising multiple programs is a non-starter. The Senate appropriations language says that such a move would "provide unprecedented programmatic and fiscal flexibility, allowing the Air Force to move funds between programs without Congressional engagement or oversight." They did make an exception for AFRL Vanguard projects. Because the portfolio concept was central to the Space Force acquisition proposal, which has yet to be given to Congress, its denial may mean problems for the entire draft plan.

Here is our updated <u>tracking table</u> with line-by-line funding numbers for accounts of interest, including the recently released Senate Appropriations Committee numbers. If there is a program or line that is missing from our table, let us know and we will add it.

**FY2021 Intelligence Authorization.** We had expected the House to move its intelligence bill to the floor as a standalone measure sometime this fall, but at this point, it is more likely that this bill will be negotiated as part of the NDAA conference process, and skip floor passage until conference. As a reminder, the Senate version of the FY2021 intelligence authorization act was attached on the floor as an addendum to the NDAA.

NASA Authorization. There's nothing definite on the House Science Committee version of the NASA authorization bill (the Senate Commerce Committee marked up and reported out its version of the bill in November 2019), but it doesn't look good for either version of the bill. Rep. Kendra Horn (D-OK), who chairs the House Science Committee's space subcommittee, said this week that it's unlikely the bill will make it through Congress before the end of the year. "I never lose hope, but I think that our time is running short," she said. "Given everything that has to happen between now and the end of the year, I think it would be extraordinarily optimistic to say we could get something across the finish line." Horn also noted the lack of time for the House to deal with either the Senate version of the NASA authorization or the SPACE Act that deals with space traffic management (introduced in the Senate in October).

### Personnel changes

President Trump terminated Chris Krebs, head of CISA, on Tuesday evening. Krebs' deputy, Matt Travis, resigned after being told that he would not replace Krebs. Both gentlemen were brought into the administration by former Sec. of Homeland Security Kirstjen Nielsen. Brandon Wales, a career official and the third-highest ranking official at CISA, is expected to now serve as acting director.

David Legates, a meteorologist at the National Oceanic and Atmospheric Administration who has downplayed the effects of carbon dioxide and said that global warming is harmless, has been chosen to serve as the head of the U.S. Global Change Research Program, which oversees the National Climate Assessment. His term ends at the end of the Trump administration.

As part of the change in DoD leadership last week, Michael Ellis, who worked as a lawyer for the Republicans on the House Intelligence Committee, was named as NSA general counsel last week by the Pentagon's general counsel. This week, Sens. Mark Warner (D-VA) and Jack Reed (D-RI) asked the DoD Inspector General to investigate that appointment. "The combination of timing, comparative lack of experience of the candidate, the reported qualifications of the other finalists, and press accounts of White House involvement create a perception that political influence or considerations may have played an undue role in a merit-based civil service selection process," Warner and Reed wrote in a letter to acting DoD Inspector General Sean O'Donnell. Specifically, they asked for details of the selection process, if safeguards were put in place to prevent "burrowing" (the term for political appointees becoming civil servants at the end of the administration), and if political pressure influenced the process.

There's still a question about whether or not President Trump's nominee for the FCC will be confirmed before the end of the session. While Sen. Marsha Blackburn (R-TN) said last Friday that she "looks forward to voting for Nathan Simington," the Senate Commerce Committee so far has not voted to advance Simington's nomination, including at the committee markup held on Thursday.

### **National security update**

**Space Command headquarters finalists.** On Thursday afternoon, the Department of the Air Force announced six military bases as candidate locations for U.S. Space Command headquarters. The six finalists are: Peterson Air Force Base in Colorado, Kirtland Air Force Base in New Mexico, Patrick Air Force Base in Florida, Redstone Arsenal in Alabama, Joint Base San Antonio in Texas, and Offutt Air Force Base in Nebraska. The final decision will be made early next year.

**New chain of command for Special Operations**. Acting Defense Secretary Chris Miller, himself a former Green Beret, announces that he has directed the Special Operations civilian leadership to report directly to the SecDef. This puts Special Operations command "on par with the military services for the first time."

**ICBM hit in space.** The Missile Defense Agency said that it used an interceptor missile to shoot down an ICBM in space for the first time this week. The target missile was launched from the Marshall Islands and destroyed by guided-missile destroyer USS John Finn using a SM-3 Block IIA ballistic missile defense interceptor.

Troop reductions around the world. On Tuesday, Acting Defense Secretary Chris Miller officially announced that troop levels in Afghanistan and Iraq will be reduced to 2,500 in each country by Jan. 15. The move has been condemned by Republicans in Congress. "A premature U.S. withdrawal would not only jeopardize the Afghan government's ability to negotiate, but would endanger U.S. counterterrorism interests," said Rep. Michael McCaul, ranking member on the House Foreign Affairs Committee. Senate Majority Leader Mitch McConnell warned that "the consequences of a premature American exit would likely be even worse than President Obama's withdrawal from Iraq back in 2011." Military commanders also advised against the move. Defense Secretary Mark Esper expressed opposition to the move right before being fired. NATO Secretary General Jens Stoltenberg warned that the U.S. leaving could lead to ISIS rebuilding in Afghanistan. There are reports that the White House is also getting ready to order additional troops reductions in Germany and South Korea.

Aerospace study on national security and commercial services. The Aerospace Corporation released a new study this week <u>outlining opportunities for defense and intelligence</u> agencies to use commercial services, specifically in remote sensing, space situational awareness and communications. Jamie Morin, executive director of the Aerospace Corporation's Center for Space Policy and Strategy said that often these agencies "frequently assume that space still is what it was, they assume that all the cool stuff is being done by the government. They often don't recognize the degree to which all these new commercial providers actually offer things in some cases that nobody has done." Read the full study here.

**Events this week**. The Chamber of Commerce hosted a conversation with Frank Kendall from AT&L (*read our notes <u>here</u>*). CNAS discussed defense policy under the new Biden administration (*our summary is <u>here</u>*). The Heritage Foundation rolled out their 2021 index of U.S. military strength (*our notes are <u>here</u>*).

# Civil and commercial update

NASA and Boeing and the lunar lander bid. Back in May, Doug Loverro, who had been head of NASA's human exploration directorate for less than half a year, was forced to resign because of some kind of contact between himself and Boeing during the blackout period for the lunar lander contract bid. The Washington Post this week offered more insight into exactly what happened. According to the Post, Loverro called Jim Chilton, the senior vice president of Boeing's space and launch division, with the news that Boeing was going to lose the contract bid and asked if the company would protest the award. Based on comments Loverro has made previously about trying to move fast on Artemis (he did not offer any on-the-record comment on the Post's story) it appears he was worried that a protest would stall the Artemis program at a time when it couldn't afford delays if NASA planned to meet the 2024 deadline set by President Trump. It's not clear if Boeing agreed not to protest, but what they did do was revise and resubmit their bid after the deadline for submission, which concerned the procurement committee, who notified the NASA inspector general. The NASA IG and the Justice Department are investigating via a grand jury.

**Good news for Boeing**. The Federal Aviation Administration has <u>cleared Boeing's 737 Max</u> for flight after a 20-month review process. The FAA required Boeing to change the software, including so that it does not override the pilot's controls. Other changes include a new display system and simulator training for pilots.

**Congrats to SpaceX and NASA!** On Sunday, SpaceX successfully launched the Crew-1 Dragon carrying four astronauts to the International Space Station. The Dragon capsule docked with the ISS on Monday night, for a six month stay on station.

**Bezos fund climate change grants**. Jeff Bezos announced the first grants from his \$1 billion Earth Fund this week. The money is his "commitment to fund scientists, activists, NGOs and others," with the first \$791 million going to 16 groups. The grants include \$100 million donations each to the Environmental Defense Fund, the Natural Resources Defense Council, the Nature Conservancy, the World Resources Institute, and the World Wildlife Fund, plus grants to environmental justice groups including Dream Corps' Green For All, the Hive Fund for Climate and Gender Justice, and the Solutions Project.

**Events this week**. The Chamber of Commerce hosted a discussion about NASA's Space Launch System (*our notes are <u>here</u>*). Brookings talked about the future of AI (*find our summary <u>here</u>*). The Secure World Foundation held a panel discussion on SSA (*read our notes <u>here</u>*). WSBR talked with OneWeb's Ruth Pritchard-Kelly (*find our summary <u>here</u>*).

**NSF decides Arecibo beyond repair.** On Thursday, the National Science Foundation said that they will decommission the famous Arecibo radio telescope in Puerto Rico, which is at risk of collapse. NSF officials

said that they concluded that the damaged telescope, which suffered breaks of two cables that support a platform suspended over its 305-meter dish, cannot be safely repaired without putting the safety of workers at risk. Instead, it will perform a "controlled decommissioning" of the telescope, planning for which is just starting. The schedule and cost of that effort are not known, although previously environmental assessments estimated deconstruction of the telescope could cost nearly \$20 million. The radio telescope, the largest in the world for decades, has been widely used for astronomical research, and by NASA as a planetary radar for tracking and characterizing near Earth asteroids. (Velocity's own Erin spent a formative summer working at this famous telescope and is personally devastated about its loss.)

### Podcasts we love

On a special episode of their Political Theater podcast, CQ Roll Call takes a look at the purge of defense leadership last week, noting the potential security risks. It's a short listen (23 minutes) packed with good analysis and information. Listen <a href="here">here</a>.

#### And now for some fun space news...

Earth has a new <u>mini-moon</u>, but only for the next few months. Object 2020 SO is likely the spent upper stage of a rocket that boosted the failed Surveyor 2 toward the Moon, which means this piece of space debris has been traveling through the solar system since 1966. The debris was basically caught by Earth's gravity as it passed close by. Scientists think it will move out of that area of space in March and take on a new orbit around the Sun.

### Butterball Turkey Hotline...because we know someone will need it

Because we care about our readers, here is the link to the <u>Butterball Turkey Hotline</u> to help you prepare a delicious bird for you and your family. 1-800-Butterball.

### **Upcoming conferences and other events of interest**

- 11/20, 11am, 6th Annual Schriever Space Futures Forum (more info here)
- 12/1 to 12/3 2020 CODER Conference, The University of Maryland's Center for Orbital Debris Education and Research and the Secure World Foundation (more info <a href="https://example.com/here">here</a>)
- 12/2, noon, Women in Aerospace Virtual Program with Keynote Speaker: Brig. Gen Heather L. Pringle (more info <a href="https://example.com/here">here</a>)
- 12/2 to 12/3, Space Resiliency Summit, Alexandria, VA (in-person event, more info here)
- 12/3, Assessing the AI Agenda: Policy Opportunities and Challenges in the 117th Congress (more info here)
- 12/3, 5:30pm PST/8:30 EST, The Overview Effect for Space Entrepreneurs, webinar hosted by Space Entrepreneurs Seattle (more info and registration <a href="here">here</a>)
- 12/7, 11:00 pm ANSI Informational Meeting: Standardization and the Commercial Space Industry (more info and registration <a href="here">here</a>)
- 1/31/21 to 2/4/21, AAS/AIAA Space Flight Mechanics Meeting, Charlotte, NC (more info here)
- 1/10/21 to 1/14/21, American Meteorological Society 101<sup>st</sup> Annual Meeting (registration info here)
- 3/5/21 to 3/6/21, Reagan National Defense Forum, Simi Valley, CA (in person)
- 6/4/21, National Space Club's Goddard Memorial Dinner
- 7/26/21 to 7/29/21, SATELLITE 2021, Washington Convention Center, Washington, DC (new date; more info <a href="here">here</a>)
- 8/22/21 to 8/26/21, 36<sup>th</sup> Space Symposium rescheduled from late October 2020

### What we're reading

Nov. 13, *Forbes*: The Space Force: A Conversation With United States Secretary Of The Air Force Barbara Barrett

Nov. 13, *Los Angeles Times*: <u>Trump will leave office foiled by the North Korea nuclear problem. Will Biden</u> fare better?

- Nov. 13, *Breaking Defense*: Block the Pentagon's 5G Power Play
- Nov. 14, Task & Purpose: No, Trump's Pentagon purge doesn't mean he's planning a military coup
- Nov. 14, Axios: AI talent appears open to working on defense with caveats
- Nov. 15, Space News: Rep. Doug Lamborn: U.S. needs plan to develop workforce for growing space sector
- Nov. 15, Breaking Defense: The Pandemic Is Revealing a New Form of National Power
- Nov. 15, Via Satellite: ULA Launches Classified NROL-101 Mission
- Nov. 15, Air Force Magazine: Senate Weighs in on Space Force Transfers, Procurement
- Nov. 16, War on the Rocks: Five Common Mistakes on the Treaty on the Prohibition of Nuclear Weapons
- Nov. 16, Space News: Vega launch fails after upper stage malfunction
- Nov. 16, Associated Press: Bach: Tokyo Olympic 'participants' encouraged to get vaccines
- Nov. 16, Space.com: 'Baby Yoda' revealed as astronauts' zero-g indicator on SpaceX Crew-1 mission
- Nov. 16, Space News: Voyager Space eyes new acquisitions as industry appears headed for consolidation
- Nov. 16, Space News: Study: As space industry offers more services, government missing out on opportunities
- Nov. 16, Axios: Israeli ambassador says Biden should not return to Iran nuclear deal
- Nov. 16, The Hill: Bickering Democrats return with divisions
- Nov. 17, War on the Rocks: More Space Wargames, Please
- Nov. 17, Axios: The U.S.-China Split in Space
- Nov. 17, *Politico*: Democrats jockey for leadership posts after election drubbing
- Nov. 17, *The Washington Post:* As Trump's term nears close, administration announces troop level cuts in Afghanistan and Iraq
- Nov. 17, Defense News: U.S. Air Force chief's top modernization priorities aren't what you think they are
- Nov. 17, The Hill: Trump's controversial Fed nominee stalled after Senate setback
- Nov. 17, The Wall Street Journal: Democrats Seek Pandemic-Aid Talks With McConnell This Week
- Nov. 17, Defense News: Four steps Biden must take to reset the nuclear agenda
- Nov. 17, Via Satellite: Washington Post Reports NASA/Boeing Call is Subject of Grand Jury Investigation
- Nov. 17, Washington Post: A scientist's viral tweet called Elon Musk 'Space Karen' as a way to defend science
- Nov. 18, Axios: The defense industry worries about Biden
- Nov. 18, SpacePolicyOnline: Senate Committee Approves Space Act, But Without A Bureau Of Space Commerce
- Nov. 18, Roll Call: White House signals acceptance of omnibus spending package
- Nov. 18, The New York Times: Trump's Confederate Base Veto Threat Imperils Defense Bill
- Nov. 18, Seattle Times: Washington Congressman Dan Newhouse tests positive for coronavirus
- Nov. 18, Politico: New Pentagon chief racing to make changes before Trump's exit
- Nov. 18, Defense One: Pentagon Risks 'Paralyzing Ourselves' as Tech Priorities Keep Shifting
- Nov. 18, Forbes: Keep U.S. Space Command Where It Is
- Nov. 18, Air Force Magazine: Space Agencies Aim to Gather Trustworthy Orbital Data
- Nov. 18, Forbes: Keep U.S. Space Command Where It Is
- Nov. 18, Science: Farming on Mars will be a lot harder than 'The Martian' made it seem
- Nov. 19, Breaking Defense: Space Force Ponders NSSL Revamp For New Missions
- Nov. 19, Space News: SpaceX to transition to fully reusable fleet for national security launches
- Nov. 19, Space News: Astra to make second orbital launch attempt
- Nov. 19, NPR: NASA Satellite To Measure Global Sea Level Rise
- Nov. 19, Wall Street Journal: A Bogus Dispute Is Doing Real Damage
- Nov. 19, Washington Post: Keep Biden's inauguration simple and ditch all the hoopla
- Nov. 19, National Defense: Pentagon seeking input from industry on future of space launch
- Nov. 19, Breaking Defense: Space Force Ponders NSSL Revamp For New Missions Peterson
- Nov. 19, Air Force Magazine: Space Force Plans Ahead for Future of Rocket Launches
- Nov. 20, Roll Call: Hoyer: Earmarks are likely coming back next year