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Sent: Friday, May 12, 2023 8:00 AM
To: Ingram, Diane
Subject: [EXTERNAL] Executive Insight Brief



Executive Insight Brief

May 12, 2023

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Aerospace & Defense

[Debt limit fight gums up the Pentagon's mega policy bill \(Politico\)](#)

A brawl over the debt limit is throwing bipartisan defense policy legislation into uncertainty

— a setback for lawmakers who say the U.S. needs to pass the bill to deter China and meet other world threats. Plans to debate the annual National Defense Authorization Act, which prescribes military policy and the broad outlines of the Pentagon's \$800 billion-plus budget, have been delayed in both the House and Senate as the White House and GOP leaders spar over how to stave off a calamitous debt default that could come in just a few weeks. The House Armed Services Committee indefinitely postponed markups on its version of the bill that were supposed to kick off Thursday, POLITICO first reported on Tuesday. No explanation was given then, but by Wednesday House Republican leaders acknowledged the debt limit debate was the hangup. "I'm hopeful that as the speaker meets with the president and the other congressional leaders on Friday that they can get some real specifics that get us closer to an agreement," House Majority Leader Steve Scalise (R-La.) told reporters Wednesday. "For now, we're going to wait and see how that process plays out before starting the NDAA." POLITICO also first reported on Friday that the Senate Armed Services Committee is punting plans to approve its own bill by June 1, the date the Treasury Department has warned the federal government could run out of money. Senators instead are aiming to consider the bill in mid-June, when the debt issue may have been resolved, if only temporarily. The defense policy bill is one of the few major pieces of legislation that reliably becomes law each year. Though the NDAA doesn't allocate money, the bill in recent years has still been an important vehicle in pushing the Pentagon budget to historic highs, as Democrats and Republicans have joined forces to ladle billions of dollars onto Biden's spending plans. Lawmakers have used the bill to push for a larger military presence in the Pacific to deter China and boost weapons production. The catchall bill also includes measures that are important for agencies outside of the Pentagon, including nuclear weapons research programs for the Energy Department and green lighting more arms sales to Taiwan for the State Department. Sidelining the bill — which is expected to endorse billions of dollars more than the administration sought for defense programs — means there won't be a price tag for military spending to inform debt ceiling talks between Republicans and Biden. Both House and Senate Armed Services committees were expected to approve a level higher than Biden's \$886 billion national defense budget request. Armed Services leaders have pressed to advance their bill in short order in both chambers so the two committees can quickly iron out a compromise that can pass and win Biden's signature. The delay could mean lawmakers will once again be scrambling in November or December, well after the start of the new fiscal year, to craft a compromise bill.

[NSA Chief Gen. Paul Nakasone Has Said He Expects to Step Down in Coming Months](#)

[Ukraine war puts spotlight on tech-led defense companies \(Financial Times\)](#)

An industrial estate on the outskirts of Tallinn in Estonia houses an unlikely winner from the war in Ukraine: a start-up that makes autonomous vehicles used to carry casualties and clear routes for soldiers on the battlefield. Milrem Robotics is part of a wider shake-up of

the arms trade in the wake of the conflict that has seen smaller, technology-led companies gain prominence in an industry dominated by long-established incumbents such as Lockheed Martin and BAE Systems. As well as Milrem, others such as America's AeroVironment and Turkey's Baykar, have caught the headlines after the success of their equipment on the Ukrainian battlefield. Milrem, together with Germany's Krauss-Maffei Wegmann, has delivered 14 unmanned ground vehicles to Ukraine, while the Pentagon has sent several hundred of AeroVironment's Switchblade drones armed with warheads. Baykar's armed Bayraktar TB2 drone has similarly been deployed in Ukraine. These companies' success and the speedy deployment of their products in Ukraine underline the changes sweeping through the defense industry, and how long-established players face challenges from new entrants. Innovative technologies such as sensors, robotics and unmanned systems — often developed for both civil and military uses — had already started to disrupt procurement before the war but the conflict has accelerated that trend. "Ukraine has definitely made governments think harder and deeper about their industrial bases, their supply chains' agility and resilience," said Trevor Taylor, professional research fellow at the Royal United Services Institute. He noted that "military effectiveness is depending increasingly on information advantage derived from sensors, data processing, computing and so on". While the big defense contractors are not at risk from the success of their smaller counterparts, it does underline the challenges they — and government procurement agencies — face to keep up with the faster pace of innovation in the commercial world. The often lengthy development cycles of prime contractors mean that they can struggle to keep up with the rapid advances offered by more agile technology companies, said Johannes Pinl, chief executive of MARSS Group, whose surveillance system has been deployed in Ukraine to protect critical infrastructure from unmanned threats such as drone attacks. For governments, the question of how to involve smaller suppliers in the procurement process is not new. The US and the UK have for some time been keen to diversify their supplier base but their procurement processes had made it difficult for smaller groups, said Rusi's Taylor. "The preference is for competitions which are expensive for everybody and time-consuming. The big companies are set up for them and are used to them," he said.

[Britain has delivered long-range 'Storm Shadow' cruise missiles to Ukraine ahead of expected counteroffensive](#)

['Much better chance' USAF can retire F-22s in FY24: Kendall \(Breaking Defense\)](#)

Lawmakers are becoming more receptive to the Air Force's bid to retire aging weapon systems, the service's top civilian said on Tuesday, creating a "much better chance" that a request to retire older F-22 fighter jets goes forward after it was previously blocked by Congress. "I've had good cooperation from our committees," Air Force Secretary Frank Kendall said during the Ash Carter Exchange hosted by the Special Competitive Studies Project. "And one of the things that's been a sticking point in the past that we're getting good cooperation on now is divestitures." Pointing to previous "resistance" to the idea of

mothballing older platforms, Kendall noted that Congress finally budged on letting some A-10s go in fiscal 2023 alongside retirements of the E-3 eye in the sky, and though the service was not successful in getting lawmakers to sign off on a similar retirement for F-22s, momentum is building to permit the move. “We were unsuccessful with old F-22s that are not fully combat capable last year. I think there’s a much better chance that’ll go through this year, so I want to express some appreciation to the Congress,” he said. Air Force officials argue that the roughly \$500 million required annually to maintain 32 Block 20 F-22s — which they emphasize are not equipped with the most modern weapons — would be better spent on developing the Raptor’s successor, the secretive Next Generation Air Dominance fighter. Lt. Gen. Richard Moore, Air Force deputy chief of staff for plans and programs, further estimated in April that making the Block 20 fighters combat worthy would take about a decade of effort and cost approximately \$3.5 billion — a timeline that, ideally, would already see the NGAD system flying. The service has structured its budget request assuming the divestment would be approved, meaning that funds to maintain them would have to come out of something else if Congress doesn’t provide extra resources, the general warned. As part of its FY24 budget request, the service is seeking a total of 310 divestments that could free up funds to pivot to the next generation of air power, with roughly a third coming from older fighters like A-10s and F-15C/Ds. Kendall said the Air Force strives to maintain common mission sets as it sends older jets to the boneyard — replacing old aircraft with new ones or keeping some kind of flying mission for impacted squadrons, for example — but evolving to meet the demands of modern war may not always mean that more aircraft is what the service needs. “The truth is that the Air Force needs things like electronic warfare, battle management, intelligence, cyber capabilities, all of these things. It doesn’t just need airplanes,” he said. “And as the character of warfare changes, and as technologies are introduced, we’re going to need those kinds of units just as much as we’re going to use more traditional platforms. So far, we’ve had pretty good support on that,” he added.

Budget & Appropriations

[Yellen Doubts Biden Administration Can Avoid Default Without Congress \(WSJ\)](#)

Treasury Secretary Janet Yellen said it was “legally questionable” whether the Biden administration could rely on the 14th Amendment to effectively ignore the debt limit, pouring cold water on a method favored by some Democrats to avoid a default. The 14th Amendment to the U.S. Constitution states that American debt authorized by law “shall not be questioned.” President Biden said this week he was considering invoking the amendment as a way to keep paying the nation’s bills if Congress doesn’t raise the debt limit. But he added the issue would be subject to litigation and may not be a solution in the current standoff. At a news conference in Niigata, Japan, where finance ministers of the Group of Seven advanced democracies are meeting this week, Ms. Yellen said she doubted whether the 14th Amendment was an effective solution. “What I would say, it’s legally questionable whether or not that’s a viable strategy,” Ms. Yellen said. Republicans and Democrats in Washington are locked in a standoff over raising the nation’s \$31.4

trillion borrowing limit. Republicans, led by House Speaker Kevin McCarthy, are demanding cuts in federal spending in exchange for raising the debt limit. Democrats are pushing for an increase in the debt limit without policy conditions. Ms. Yellen has warned that the U.S. could fail to pay its bills on time as soon as June 1 if Congress doesn't authorize additional borrowing. The political impasse and looming deadline have prompted Biden administration officials to explore unilateral options that could stave off the first-ever U.S. default. A failure by the U.S. to pay its bills on time could have broad financial and economic consequences. Ms. Yellen said she viewed all potential alternatives—which also include prioritizing interest payments on the debt or minting a \$1 trillion coin—as risky. Ms. Yellen reiterated that she would support eliminating or significantly altering the current system under which Congress must authorize increases in the debt limit. She said her view was personal and wasn't on behalf of the Biden administration. Mr. Biden has said he doesn't support eliminating the debt limit. One way to change the process, Ms. Yellen said, would be for the president to inform Congress that the debt limit had been raised—then allowing Congress to block the decision if it wished.

[Pentagon chiefs: Debt default is bad for troops, good for China](#)

[Length of spending caps, debt limit hike mulled as talks begin \(Roll Call\)](#)

The White House and congressional leaders are discussing the duration of appropriations caps and a debt limit raise, as staff talks get underway in advance of the next principals meeting on Friday. A two-year appropriations deal is under consideration, according to sources familiar with the talks, along the lines of three separate laws since 2015 that were paired with suspensions of the debt limit. The White House and top Democrats are pushing for two years of debt limit breathing room, as in the 2019 deal cut with former President Donald Trump. That law contained two years of spending caps, which Speaker Kevin McCarthy pointed out as far back as January. Such an arrangement would, in theory, remove the threat of fiscal cliffs facing lawmakers and the economy until after the 2024 elections. But it was clear Republicans aren't yet on board with a two-year deal, in part because it lessens their leverage going into next year's campaign. And Democrats still don't want to link spending limits with the debt ceiling, preferring to deal with the two issues on separate tracks. The House GOP bill, which that chamber passed in a squeaker vote last month, has 10 years of tight spending caps coupled with a \$1.5 trillion debt limit increase or suspension to March 31, 2024, whichever comes first. Rep. Garret Graves, R-La., whom McCarthy tapped to broker talks last month on the GOP bill, told reporters Wednesday that a single year of spending caps could be acceptable under the right conditions. The amount of spending cuts required, however, would depend partly on the length of a debt limit extension, he said. President Joe Biden said Tuesday at a news conference that he wanted to extend the government's borrowing capacity for "more than a year" and that there has been discussion of a two-year extension. Other proposals in the House bill, such as recouping unspent COVID-19 relief funds and streamlining the energy project approval process, have some bipartisan support. Some Democrats facing potentially tough races next year have begun to get more vocal in support of a bipartisan

negotiation on the debt limit.

[GE's lobbying message to Congress on F-35 engine: 'Take this to the next logical milestone'](#)

[White House greenlights Army plan for Patriot and GMLRS multi-year buys \(Breaking Defense\)](#)

After a delay while it gathered more information, the White House's Office of Management and Budget has signed off on adding Patriot interceptors and Guided Multiple Launch Rocket System (GMLRS) to its planned list of multi-year contracts. When the Biden Administration submitted its fiscal year 2024 budget request to Congress in March, it asked lawmakers for dollars for five multi-year munitions deals for Navy and Air Force programs. Similar requests for Patriot Advanced Capability (PAC)-3 missiles and GMLRS were expected to be included but Pentagon Comptroller Michael McCord said at the time that OMB placed those plans on a temporary hold, as it sought more information from the Army about the Lockheed Martin produced weapons. On Tuesday, OMB notified Congress of numerous amendments to its FY24 budget request. Among those was the request to add Patriot interceptors and GMLRS to the list of programs aligned for multi-year contracts. The document does not detail plans to adjust the administration's procurement request for either munition line, which includes more than \$1 billion for 5,064 GMLRS (890 fewer than in FY23), \$1.2 billion for 110 PAC-3 Missile Segment Enhancement (MSE) weapons and \$36 million for Patriot missile modifications. Although multi-year contracts are traditionally reserved for larger ship and aircraft programs, the ongoing war inside Ukraine has highlighted a need to shore up US munition stockpiles and associated production lines. Those lessons helped orchestrate a provision in the FY23 defense authorization bill to provide the Pentagon with new authorities to ink such deals for a slew of programs including GMLRS and PAC-3. However, for any deal above the \$500 million threshold, congressional appropriators must first sign off. Accordingly, the Pentagon's FY24 request asked for that permission for five munition lines uniquely aligned for the Indo-Pacific theater. At the time, McCord said Army programs were not included because the service was still working with OMB to get GMLRS and PAC-3 added to that list.

Advanced Technologies

[End of the Billable Hour? Law Firms Get On Board With Artificial Intelligence \(WSJ\)](#)

Big law firms, known for their grueling hours and workloads, are experimenting with artificial intelligence tools that can handle the drudgery typically delegated to entry-level lawyers and simplify complex work that bogs down even top firm leaders. Law firms, as well as legal departments staffed inside companies, now have access to software that can perform writing and research tasks such as drafting documents and reading contracts.

Some of the tools can quickly perform legal research that normally takes hours, sifting through thousands of pages of case law in just minutes. The new products use GPT-4, an advanced version of the commercially available ChatGPT developed by OpenAI. Known as large-language models, these tools can recognize patterns, make predictions and create content by processing enormous quantities of text, images and audio. Large-language models will likely be a game-changer for white-collar occupations because of their ability to engage in sophisticated writing and research, said John Villasenor, a professor and co-director of the University of California, Los Angeles's Institute for Technology, Law and Policy. Previous waves of automation mostly affected blue-collar jobs in industries like manufacturing, or back-office roles that required many calculations, such as accounting or mortgage processing. Rapid developments in AI could pose threats to the type of work performed in white-collar professions, like the practice of law. AI could also change the financial dynamics of the legal business, which bills high rates for the many hours spent on complex, time-consuming tasks. A March report by Goldman Sachs predicted that 44% of legal work can be automated using emerging AI tools. The same month, a paper by researchers at Princeton University, the University of Pennsylvania, and New York University found that the industries most exposed to occupational change from generative AI were legal services and securities, commodities and investments. using GPT-4 technology called Harvey for tasks such as legal research, drafting documents and contract analysis. The firm's attorneys report spending less time locating hard-to-find case law, completing analyses and answering questions clearly and succinctly. Harvey hasn't replaced the work of lawyers, but instead provides a head start, they say. One partner described the impact as "having an extra junior resource available to you at any time of the day." Will it mean fewer billable hours, the basis of a law firm's income stream? "Yes, it's a possibility," said David Lucking, a partner at the firm. Still, the adoption of AI at Allen & Overy doesn't necessarily "mean there would be less need for a human element," he said. Clients are still wary about uploading sensitive information into cloud-based products, some law firm leaders say. Prospective AI customers also worry about transferring too much responsibility to software that is opaque to most people.

[SOCOM acquisition chief: AI will be 'key to every single thing'](#)

[Google unveils AI-powered search engine to rival Microsoft's Bing \(Financial Times\)](#)

Google has launched a revamped search engine powered by artificial intelligence, as it rushes to make up lost ground in the race to bring powerful new language models to the internet search business. The US tech group on Wednesday unveiled an overhaul of its search engine to incorporate AI advances that have been sweeping through the tech world since the launch of Microsoft-backed OpenAI's ChatGPT six months ago. "With generative AI, we are taking the next step with a bold and responsible approach," Sundar Pichai, Google chief executive, said at a presentation on Wednesday. At its annual conference for developers, Google said it would offer millions of users a feature within search that will include AI-generated summaries to queries similar to those given by chatbots such as ChatGPT. The search feature will initially only be available in the US through a waiting list

system. Google said it would then look to roll out the feature more widely in the coming months. The AI-driven search feature, as well as updates to its Bard chatbot and products such as Gmail and Google Docs, are powered by the company's large language AI model, PaLM 2, which was also launched on Wednesday. Google has been scrambling to catch up with Microsoft on consumer AI products. In February, Microsoft beat its rival to the punch by unveiling an AI-driven Bing search engine using OpenAI's GPT technology. A month later, OpenAI revealed its language model, GPT-4, which users can access through a premium version of ChatGPT and via Bing. The emergence of generative AI systems capable of producing plausible answers to questions in natural language has opened the first new front in the battle for search dominance for more than a decade. In April, Alphabet merged its DeepMind and Google Brain AI research units in an effort to accelerate AI development. Google said its revamped search engine offers the option to follow up on the original search query in a conversational style, without the need for repeating context or details already provided. AI-driven answers will also include links to web sources from which the answers are derived in its attempt to deal with so-called hallucinations or fabricated information. Users will still be able to access the original Google Search format of a list of links below the machine-generated answers.

[Google, SAP Team Up to Ease AI Tasks for Cloud Clients](#)

[Signals intelligence teams reposition to face China, Russia \(Defense News\)](#)

Special operations signals intelligence teams say they need smaller, more versatile gear that gathers and shares data on the breadth of radio frequencies in all domains — land, sea, air and now space. The mission has shifted dramatically as the United States ratchets up competition in the frequency bands with peer competitors like Russia and China, a far cry from deciphering mobile phone signals from violent extremists, officials said. That's one request to industry within a small slice of a larger portfolio under U.S. Special Operations Command Program Executive Office-Special Reconnaissance. On Wednesday, a panel of program managers ticked off the varied sensor, communications and intelligence gear the office wants during the Global SOF Foundation's SOF Week here. Their efforts to upgrade and improve collection and dissemination of data continues in an ever-more crowded radio frequency spectrum across, and beyond, the globe. Chris Wilson, acquisition program manager for signals intelligence, spelled out some of the emerging needs as the nation targets peer and near-peer competitors, while it continues to collect information on violent extremist organizations. The office is developing next-generation sensors and antennas, all domain flexible, tactical sensors, and cross-platform modular payloads for air, surface and subsurface maritime sensors. Their new work includes software-reconfigurable space payloads for satellites and a larger national "reachback" capability for sharing intelligence from the tactical to strategic levels. The office's portfolio also includes the Joint Threat Warning System-Air, primarily used by U.S. Air Forces Special Operations Command. The drone portion works through payloads on Group 1 to 3 drones. The equipment detects, locates and exploits signals across the radio frequency spectrum. All of this is for threat warning and situational awareness in airborne platforms. JTWS-Ground serves a similar

function on ground vehicles and individual operators. It fields frequency-specific data collection equipment to detect similar threats at the ground level. The JTWS-Maritime conducts the same functions, but with gear that can be installed on waterborne platforms and removed for use off-platform. In June, Wilson's team is set to experiment with smaller electronics intelligence hardware that can go on or off boats. The current systems are too heavy to remove from boats for operations, he said. Another area newly added to the portfolio is space-based payloads for high-altitude frequency detection, including software-defined radios and sensors for satellites.

Military Installations & Communities

[Foreign purchase of land near U.S. military bases would require government approval under proposed rule \(NBC News\)](#)

Foreign nationals or companies would have to get a greenlight from the U.S. government before buying land near eight U.S. military bases under a new rule proposed by the Biden administration. The move comes after a Chinese company planned to build a milling plant near an Air Force base in Grand Forks, North Dakota, until the Pentagon and lawmakers raised objections and local officials scrapped the project. Under the proposed rule change from the Treasury Department's Office of Investment Security, the U.S. government would need to approve any attempt by foreign firms or citizens to purchase property within 100 miles of the base in North Dakota and seven other bases in California, Texas, South Dakota, Iowa and Arizona. The proposed rule, which was published in the Federal Registry, would grant greater authority to the Committee on Foreign Investment in the United States, which reviews commercial deals between American companies and foreign investors for any potential impact on national security, to examine land sales near the eight military installations. The Chinese firm Fufeng Group last year bought 370 acres for a corn-milling plant that would have been located about 12 miles from Grand Forks Air Force Base. The planned \$700 million plant would have created more than 200 direct jobs, according to local officials. The Air Force in February wrote to officials in North Dakota saying the military considered the planned plant a security risk. After the letter, local officials switched course and voted to end their agreement with Fufeng. The Grand Forks base is home to the 319th Air Base Wing, including surveillance drones, and oversees satellites in the U.S. military's communication network. Eric Chutorash, chief operating officer of Fufeng USA, the U.S. subsidiary of Fufeng Group, dismissed criticism that the plant could be used to conduct surveillance on the Air Force base, CNBC previously reported.

[Air Force Two-Star Fired Amid Misconduct Investigation](#)

[McConnell breaks with Tuberville over blanket hold on military nominees \(The Hill\)](#)

Senate Republican Leader Mitch McConnell (Ky.) said Wednesday that he does not support Sen. Tommy Tuberville's (R-Ala.) blanket hold on more than 180 non-political military promotions, which Democrats say is keeping qualified people out of key roles. "I don't support putting a hold on military nominations, I don't support that," McConnell told reporters. Tuberville has held up the promotions of 184 general and flag officers for weeks to protest the Defense Department's abortion policy of providing paid leave and travel reimbursements to service members who have to cross state lines to obtain abortions and fertility treatments. Asked whether there is a way to resolve the impasse, McConnell said: "You'll have to ask Sen. Tuberville about that." McConnell said he doesn't support the blockade of military promotions but added "as to why" they're not moving, "you need to ask Sen. Tuberville." The GOP leader's comments came after seven former secretaries of Defense sent a letter to the Senate last week warning the hold on promotions is "harming military readiness and risks damaging U.S. national security." The letter addressed to McConnell and Senate Majority Leader Chuck Schumer (D-N.Y.) warned "the current hold that has been in place now for several weeks is preventing key leaders from assuming important, senior command and staff positions around the world." The former Pentagon chiefs who signed the letter included William Perry, William Cohen, Robert Gates, Leon Panetta and Chuck Hagel. Secretary of Defense Lloyd Austin also blasted the broad hold as "irresponsible" and "unprecedented" in a separate letter.

[Part-Time Service Could Be the Future of the Coast Guard, Commandant Says](#)

[Pacific fleet leader asks to go before China committee to talk Taiwan \(Defense News\)](#)

The Navy's top officer for the Pacific region plans to brief the House China Committee in a closed session Thursday about a potential Chinese invasion of Taiwan, sources told Defense News. Adm. Samuel Paparo, the commander of the Navy's Pacific fleet, took the unusual step of asking Congressional leaders for a classified briefing for the bipartisan, 24-member committee, which the House established in January in part as a way to help Taiwan defend itself from a potential attack. Paparo is expected to tell lawmakers about what's needed to defend Taiwan, including resource requirements and shortages, capability shortfalls, modernization efforts as well as logistics and coordination with allies and partners, the committee's staff said. "Even though we've gotten this massive wake-up call in Ukraine, we haven't yet done what is necessary to start replenishing new stockpiles and building them at a rapid rate to surge and pre-position them to the [Pacific] theater," Rep. Mike Gallagher, R-Wis., the chairman of the committee, told Defense News in a Wednesday statement. "Given the geography, we can only fight with what we have there." Paparo's appearance before the committee had not been previously reported. For months, the China Committee has been preparing a bipartisan series of policy recommendations for possible inclusion in the fiscal 2024 National Defense Authorization Act. The House Armed Services Committee was set to begin work on the defense policy bill this week, but Republican leaders postponed it at the last minute amid a partisan debate over raising the

debt ceiling and discretionary spending levels. The proposals are expected to include specific measures aimed at deterring China from invading or blockading Taiwan. China views Taiwan as a breakaway province and has vowed to retake the island by force if necessary. In April, the China Committee also held a tabletop war game over Taiwan and Gallagher told Defense News in a subsequent interview that the war game highlighted the need to ramp up production of high-priority munitions, help clear the \$19 billion arms sale backlog to Taipei and bolster Pentagon cybersecurity cooperation with the island nation. "It's naïve to assume that we could somehow surge hard power to the Pacific," Gallagher said Wednesday. "The proceedings accentuated this point and I believe surging stockpiles is something we could fix in a bipartisan fashion." Gallagher reiterated his call for congressional appropriations to fund multi-year munitions procurement as authorized in this year's defense policy bill. But the fiscal year 2023 government funding bill allocated \$687 million for the Army for two years to accelerate production "of critical munitions to replace defense articles" provided to Ukraine and its backers, far less than what he said is sufficient. The Pentagon is also preparing to transfer weapons from existing U.S. stockpiles to Taiwan using presidential drawdown authority, the same mechanism President Joe Biden has used to arm Ukraine against Russia's invasion. The Senate has also started work on a large China bill that will include components to bolster U.S. allies and partners in the Pacific.

Homeland Security

[Biden admin to allow for the release of some migrants into the U.S. with no way to track them \(NBC News\)](#)

After more than 11,000 migrants were caught crossing the southern border on Tuesday, the Biden administration is now preparing a memo that will direct Customs and Border Protection to begin releasing migrants into the U.S. without court dates or the ability to track them, according to three sources familiar with the plans. The Biden administration began releasing migrants without court dates to alleviate overcrowding in March 2021, but had previously enrolled those migrants in a program known as Alternatives to Detention, which required them to check in on a mobile app until they were eventually given a court date. The new policy would release them on "parole" with a notice to report to an Immigration and Customs Enforcement office but without enrolling them in the program. The more than 11,000 border apprehensions in a single day is a record and surpasses expectations of 10,000 per day predicted by Department of Homeland Security officials on what could come when Covid restrictions lift late Thursday. "We're already breaking and we haven't hit the starting line," one DHS official told NBC News, speaking on the condition of anonymity because the person isn't authorized to talk to the media. Speaking at a news conference just before noon, Homeland Security Secretary Alejandro Mayorkas said the migrants who will be affected by the policy represent "a fraction of the people that we encounter." Border Patrol Chief Raul Ortiz said he estimates that 60,000 to 65,000 migrants are in northern Mexico waiting to enter the U.S. "We are not in a position where we can ATD everyone," he said, using an acronym for the program that allows the

authorities to track migrants released into the country. "I would like to." A DHS spokesperson said the new policy will apply only to migrants who have been carefully vetted. "As Republican and Democratic administrations alike have done in the past to protect the safety and security of Border Patrol agents and migrants in the event of severe overcrowding conditions, U.S. Border Patrol sectors may consider releasing certain migrants who have undergone strict national security and public safety vetting to continue their immigration processes," the DHS spokesperson said. The restrictions, known as Title 42, have turned back migrants choosing to seek asylum more than 2.5 million times since the policy was enacted in March 2020. The Biden administration is set to lift Title 42 at 11:59 p.m. ET Thursday, allowing more migrants to enter the country and be screened for a potential asylum claim. The policy shift is expected to draw more migrants and slow down processing times for migrants in Border Patrol custody.

[What to know about Title 42: How its end could affect immigration](#)

[U.S. Says It Dismantled Russia's 'Most Sophisticated' Malware Network \(NYT\)](#)

The United States and its allies have dismantled a major cyberespionage system that it said Russia's intelligence service had used for years to spy on computers around the world, the Justice Department announced on Tuesday. In a separate report, the Cybersecurity and Infrastructure Security Agency portrayed the system, known as the "Snake" malware network, as "the most sophisticated cyberespionage tool" in the Federal Security Service's arsenal, which it has used to surveil sensitive targets, including government networks, research facilities and journalists. The Federal Security Service, or F.S.B., had used Snake to gain access to and steal international relations documents and other diplomatic communications from a NATO country, according to CISA, which added that the Russian agency had used the tool to infect computers across more than 50 countries and inside a range of American institutions. Those included "education, small businesses and media organizations, as well as critical infrastructure sectors including government facilities, financial services, critical manufacturing and communications." Top Justice Department officials hailed the apparent demise of the malware. "Through a high-tech operation that turned Russian malware against itself, U.S. law enforcement has neutralized one of Russia's most sophisticated cyberespionage tools, used for two decades to advance Russia's authoritarian objectives," Lisa O. Monaco, the deputy attorney general, said in a statement. In a newly unsealed 33-page court filing from a federal judge in Brooklyn, a cybersecurity agent, Taylor Forry, laid out how the effort, called Operation Medusa, would take place. The Snake system, the court documents said, operated as a "peer to peer" network that linked together infected computers around the world. Leveraging that, the F.B.I. planned to infiltrate the system using an infected computer in the United States, overriding the code on every infected computer to "permanently disable" the network. The American government had been scrutinizing Snake-related malware for nearly two decades, according to the court filings, which said that a unit of the F.S.B. known as Turla had operated the network from Ryazan, Russia. Even though cybersecurity experts identified and described the Snake network over the

years, Turla kept it operational through upgrades and revisions. The malware was difficult to remove from infected computer systems, officials said, and the covert peer-to-peer network sliced and encrypted stolen data while stealthily routing it through “numerous relay nodes scattered around the world back to Turla operators in Russia” in a way that was hard to detect.

[Why the US delayed China sanctions after shooting down a spy balloon](#)

[Rockwell Automation Faces U.S. Probe Over China Operations \(WSJ\)](#)

The Biden administration is investigating whether Rockwell Automation, one of the world’s largest industrial technology and information companies, is exposing critical U.S. infrastructure, military and other government assets to a potentially serious cyberattack through one of its China-based facilities, according to U.S. officials and documents reviewed by The Wall Street Journal. The Milwaukee-based information giant provides productivity-improvement software and cybersecurity services to computer platforms used in the national power grid as well as by the U.S. Navy and Coast Guard and other parts of the federal government, among other customers, according to the company’s website. The U.S. government investigation is focused on employees based at the company’s facility in Dalian, China, who might have access to software codes that connect with those computer systems. The probe includes the inspectors general at the Energy Department and the Defense Department as well as the Justice Department’s Commercial Litigation Branch, according to the documents. Investigators are looking into potential vulnerabilities that might allow access from China to critical U.S. government and industrial infrastructure and computer systems, according to a memorandum of investigative activity, which documents evidence in the course of a probe. The memorandum, dated Jan. 24, details testimony from a whistleblower interviewed by government investigators from the three agencies. A spokeswoman for Rockwell Automation said the company hasn’t been notified of any investigation related to the company’s work in Dalian but would fully cooperate if it receives such a notification. She added that Rockwell’s supply chain, development practices and hiring processes comply with applicable laws and regulations. Authorities are reviewing concerns about Rockwell’s Dalian operations in the context of a federal directive that restricts vendors from countries including China that are deemed a threat to national security from providing technology and hardware to the federal government, according to the investigative memorandum. The focus of government investigators on business practices in China of a major U.S. government contractor shows the extent to which relations between the two countries have become defined by mutual suspicion and U.S. concerns over Beijing’s efforts to boost its technological prowess and intelligence-gathering by infiltrating American computer networks. The scrutiny of Rockwell comes after the U.S. government campaigned globally to stymie China’s Huawei Technologies, a provider of telecommunications-infrastructure hardware, saying it threatened U.S. national security because Beijing can compel Chinese companies to hand over data.

Transportation & Infrastructure

[Boeing Wins 737 MAX Jet Order Worth Up to \\$40 Billion From Ryanair \(WSJ\)](#)

Boeing struck a deal to sell as much as \$40 billion in 737 MAX jets to Ryanair, a victory for the plane maker as it works to re-energize its business and patch up relations with the European discount airline. Ryanair said it agreed to purchase 150 of Boeing's 737 MAX 10 jets, the longest version of the narrow-body aircraft, with options to buy up to 150 more. The Irish airline, Europe's biggest by passenger numbers, will use the new planes to significantly grow its market share on the continent over the next decade, executives said. For Boeing, the deal marks a turnaround in the relationship between Boeing and one of its biggest customers. A year ago, Ryanair Group Chief Executive Michael O'Leary publicly criticized the manufacturer's commercial-jet arm over delays in delivering aircraft Ryanair had ordered and for failing to close this follow-up order. "It's a bit like a marriage," Mr. O'Leary said Tuesday at a press conference at Boeing's headquarters in Arlington, Va., after describing the plane maker's management as "headless chickens" last year. "We have occasional rows and occasional splits and we come together and kiss and make up." The companies valued the deal at \$40 billion under current list prices, though buyers typically receive steep discounts in such deals. The Ryanair deal is another boost for Boeing as executives seek to return the manufacturer to its earlier levels of profitability. In recent months the American plane maker has signed significant jet deals with United Airlines, Air India and two Saudi Arabian carriers, Riyadh Air and Saudia. Ryanair's Mr. O'Leary said half of the jets would replace earlier 737 models currently in service, while the others would support the carrier's growth in Europe. The MAX 10s carry more passengers, burn less fuel and run more quietly than the older 737s they are due to replace starting in 2027, he said. The airline said it plans to carry 300 million passengers annually by 2034, up about 80% from last year's total. It expects much of that growth will be from lapping up business from rivals and lifting its share of the European market to 30% from 20% now. Boeing CEO David Calhoun said Tuesday that Boeing expected the MAX 10 would win regulatory approval in 2024.

[Ryanair wins EU court case against Lufthansa's pandemic aid](#)

[Biden pushing airlines to go beyond refunds for delayed or canceled flights \(Politico\)](#)

President Joe Biden and Transportation Secretary Pete Buttigieg want to require more generous passenger compensation from airlines who cancel or delay flights, the latest effort by the administration to improve the flying experience ahead of a busy summer travel season. On Monday the Transportation Department proposed a rule that would require airlines to go beyond refunds when airlines delay or cancel a flight — such as offering a meal or meal voucher, overnight accommodations, ground transportation to and from the hotel, and rebooking along with timely customer service. DOT also announced an

expanded Airline Customer Service Dashboard that shows which airlines currently offer cash compensation, provide travel credits or vouchers, or award frequent flyer miles and cover the costs for hotels and other amenities. The White House said that the new website will show “that virtually no airlines offer compensation on top of refunds or amenities.” “We know how frustrating delays, cancellations and rebookings are,” Biden said during a speech at the White House on Monday. “While flight delays and cancellations have come down since then, there’s still a problem.” The White House said the expanded website will show that only one airline guarantees frequent flyer miles, and that two airlines guarantee travel credits or vouchers as compensation if passengers experience significant delays or cancellations that are caused by something within the airline’s control such as a mechanical issue. Zero airlines guarantee cash compensation for preventable delays and cancellations. Biden and Buttigieg announced the new effort at an appearance at the White House on Monday. The White House noted that three airlines, Alaska Airlines, Frontier Airlines and American Airlines, announced commitments to provide fee-free family seating after Biden included family seating fees as part of his attack on “junk fees” in this year’s State of the Union.

[U.S. Launches \\$4 Billion Effort to Electrify U.S. Ports, Cut Emissions](#)

[Sustainable Aviation Fuel is Here. Why That is a Big Deal \(Barron's\)](#)

Sustainable aviation fuel is set to soar. Airlines have been flying planes with sustainable aviation fuel—known as SAF—for years, but adoption has been slow. Now a new SAF technology is poised to take off, helping reduce climate warming carbon emissions while meeting rising demand for an alternative to conventional jet fuel. Industrial giant Honeywell on Wednesday announced a new technology for producing low-carbon sustainable aviation fuel that the company says can reduce greenhouse gas emissions by nearly 90% compared with conventional jet fuel. Lucian Boldea, CEO of Honeywell Performance Materials and Technologies, said creating technologies that use new raw materials “is vital” to the long-term decarbonization of the aviation sector. In 2021, aviation produced more than 2% of global energy-related carbon-dioxide (CO₂) emissions, according to the International Energy Agency. That figure is likely to rise as more people take to the skies as travel picks up again after the pandemic slowdown. SAF is an electricity-based fuel. eFuels are made from renewable energy, green hydrogen, and CO₂ captured from the atmosphere, or an industrial or biogenic source, according to HIF Global, an eFuels company. SAF is produced from sustainable sources, known as feedstocks, including trash, used cooking oil, and biomass material from trees and shrubs. It can be blended with conventional jet fuel without the need for the airline to change aircraft technology or fuel infrastructure. Honeywell’s newest technology uses CO₂, water, and green energy, whether that’s solar or wind, Boldea told Barron’s. “You are powering the same airplane that you’re flying today on recovered CO₂, water, and on solar or wind energy.” The SAF technology “is one of the many arrows in Honeywell’s quiver for solving greenhouse gas reductions for society,” Boldea said. Honeywell has pledged to be carbon neutral in its facilities and operations by 2035. HIF Global, which develops projects to produce carbon-

neutral fuels with green hydrogen and recycled CO₂, on Wednesday said it would start “preliminary engineering” to produce SAF using Honeywell’s technology. The facility will produce about 11,000 barrels a day of SAF, decarbonizing more than 12 billion air passenger miles a year, according to the company.

Biotechnology & Healthcare

[As Covid Emergency Ends, U.S. Response Shifts to Peacetime Mode \(NYT\)](#)

On Thursday, three years and 100 days after the Trump administration declared the coronavirus a public health emergency, the Biden administration will allow the emergency declaration to expire, ushering in a new era when the government will treat Covid-19 like any other respiratory ailment. If the coronavirus pandemic was a war, the United States is about to officially enter peacetime. But interviews with senior federal and state health officials — including the secretary of health and human services and the commissioner of the Food and Drug Administration — make clear that while the United States has greatly improved its capacity to fight Covid-19, it is not fully prepared for a radically different future variant or a new pandemic. State health officials, tasked with tracking the coronavirus, are burned out, their departments understaffed. President Biden’s coronavirus response team will soon disband. The White House has yet to fulfill Congress’s directive to set up a new pandemic preparedness office, and key officials, including Dr. Ashish K. Jha, the coronavirus response coordinator, and Dr. Rochelle P. Walensky, the director of the Centers for Disease Control and Prevention, are stepping down or intend to do so. Dr. Jha and other federal health officials have spent months laying the groundwork for the end of the public health emergency, and the Biden administration has set up programs to keep vaccines free for the uninsured and to support medical research into new vaccines and therapies. But the officials say they are operating on a tight budget; Congress has refused to give the administration any new money for the pandemic response. In the immediate term, the end of the emergency declaration will not cause dramatic changes for Americans, though some people could face new costs for coronavirus testing. After Thursday, private insurers will no longer be required to cover up to eight at-home tests per month. Those with Medicare or private insurance may have co-pays for lab tests. For now, vaccines will continue to be free because the government has a stockpile of them. When they move to the commercial market later this year, they will remain free for most people with insurance. For the uninsured, the Biden administration plans to spend more than \$1 billion on a new program to offer free shots, though questions remain about how the initiative will work.

[Here's how the end of the Covid-19 public health emergency affects you](#)

[Gilead Sciences prevails in US government lawsuit over HIV drug patents \(Reuters\)](#)

A federal jury on Tuesday found that Gilead Sciences Inc did not infringe U.S. patents with

its HIV-prevention regimens using the drugs Truvada and Descovy, handing the government a defeat in its billion-dollar lawsuit. The Delaware jury found the government's patents were invalid and not infringed following a five-day trial and a morning of deliberations. The federal government had argued that Gilead failed to compensate the U.S. Centers for Disease Control and Prevention (CDC) for discovering that its drug Truvada, which was first approved to treat HIV, could also help prevent infection by the virus. The lawsuit appears to mark the first time the U.S. government sued a drugmaker to enforce its patent rights. The government said in a court filing it was entitled to up to \$691 million in damages from Truvada for PrEP (pre-exposure prophylaxis) and \$311 million from Descovy for PrEP. Gilead general counsel Deb Telman said the company was pleased with the verdict, which "confirms our longstanding belief that we have always had the rights to make Truvada and Descovy for PrEP available to all who need it." The government obtained multiple patents for HIV prevention drug regimens it says CDC researchers developed. It said at the trial that three of the patents also cover Gilead's pre-exposure prophylaxis regimen for lowering HIV infection risk. The U.S. Food and Drug Administration approved Gilead's Truvada for PrEP in 2012 and its related drug Descovy for PrEP in 2019. The federal government sued Gilead for patent infringement in 2019, claiming the company "exaggerated" its role in developing PrEP, ignored the CDC's contributions and refused to license the CDC's patents. Another court decided in a separate lawsuit last year that the government breached research agreements with Gilead by applying for the patents without giving sufficient notice.

[Abcam Founder Ramps Up Board Seat Push at \\$4 Billion Biotech](#)

[FDA finalizes new rules on blood donations \(Roll Call\)](#)

The Food and Drug Administration on Thursday finalized new rules eliminating blanket restrictions on blood donations from LGBT men, responding to long-standing pressure from advocates, blood banks and public health groups. The new guidelines are instead focused on individual risk behaviors, rather than sexual orientation. The rules block anyone from donating blood if they have had new or multiple sexual partners and have also had anal sex in the previous three months. Anal sex carries a much higher risk of HIV transmission than vaginal sex. "The FDA has worked diligently to evaluate our policies and ensure we had the scientific evidence to support individual risk assessment for donor eligibility while maintaining appropriate safeguards to protect recipients of blood products. The implementation of these recommendations will represent a significant milestone for the agency and the LGBTQI+ community," said Peter Marks, director of the Center for Biologics Evaluation and Research. "The FDA is committed to working closely with the blood collection industry to help ensure timely implementation of the new recommendations, and we will continue to monitor the safety of the blood supply once this individual risk-based approach is in place." The FDA first proposed the rule in January to cheers from advocates, academics and blood banks. Previously, the FDA maintained a blanket ban on blood donor eligibility for men who have sex with men if they had a sexual encounter within the previous three months. Anyone living with HIV would still be barred

from donating, along with anyone who has had engaged in sex work or intravenous drug use in the previous three months. LGBT advocates urged the FDA to go further, saying the guidelines still risked discrimination against LGBT people. Donated blood is tested for HIV and other viruses prior to entering the blood supply. But people who take preventive HIV medication would also be deferred for either three months or two years from their most recent dose — depending on whether they're taking oral medications or receiving injections — because of the risk of false negatives on an HIV test.

Climate & Development

[Inside the Biden EPA's proposed power plant rule \(Politico\)](#)

EPA's new climate rule could eliminate the bulk of the carbon dioxide spewing from power plants by the end of the 2030s, requiring many fossil fuel plants to either drastically curb their emissions or shut down for good. The 681-page proposal released on Thursday sets a complex web of emissions limits for existing and future fossil fuel power plants based on factors like size, how often they run and their planned retirements. The targets are based on the use of nascent technologies like carbon capture and hydrogen co-firing, though states can use other strategies to meet the restrictions. Altogether, EPA said that the proposal would avoid as much as 1 billion tons of carbon dioxide between 2028 and 2042 — roughly equal to the current annual emissions of Japan, the world's fifth largest emitter. The agency pegged the climate benefits at \$30 billion over the period, plus an additional \$44 billion in public health benefits from reductions in conventional pollutants like fine particulates and ground-level ozone. With total compliance costs over that period of \$10 billion, that leaves net benefits of \$64 billion. EPA's rule could push the power sector emissions 82 percent below 2005 levels by 2040, according to a preliminary analysis released on Wednesday by the University of Maryland's Center for Global Sustainability and America Is All In, a climate coalition of city and business leaders connected to former New York Mayor Michael Bloomberg. The analysis was based on preliminary reports about the rule's content and was funded by Bloomberg Philanthropies. The power sector's emissions in 2021 were 36 percent below 2005 levels, according to EPA data. President Joe Biden has set a goal of reaching 100 percent clean electricity in the U.S. by 2035, and EPA Administrator Michael Regan argued his proposal is "100 percent in line" with that. "The options that are available to the power sector in this rule ... would allow for these facilities to take advantage of technologies that really lock in and secure that glide path that the president has laid out," Regan said. Ali Zaidi, Biden's national climate adviser, agreed. "We are driving a transformation that will help us absolutely meet the president's goal and this reinforces and harnesses that trajectory for public health benefit," he said. The rule likely will lead to fossil fuel units retiring — but those decisions will be made by utilities and states, Regan told reporters on Wednesday. "We created a system that gives a ton of flexibility so that the power sector can make individual decisions based on available technology and the resources that they want to expend," Regan said. For existing coal-fired power plants, EPA set requirements based on whether the facility plans to retire. For plants closing before 2032, the rule does not require any reductions. The same applies for

plants that commit to close by 2035 if they run less than 20 percent of the time. If plants remain online longer than that but will retire before 2040, EPA requires some natural gas be burned alongside the coal. Burning 40 percent natural gas on a heat input basis would reduce emissions 16 percent, EPA said, though states could choose other methods to reach that limit. Coal plants intending to remain online in 2040 and beyond would have to curb their emissions by 88.4 percent, a level based on achieving 90 percent carbon capture and storage. EPA said it knows of three coal plants that plan to retire between 2030 and 2032, 19 plants planning to retire between 2032 and 2040, and 118 plants with no planned retirement. The proposal's timelines recognize that CCS will be most cost-effective for plants intending to operate longer and recoup the capital costs, EPA argued.

[Microsoft Bets That Fusion Power is Closer Than Many Think](#)

[In a Climate Trade-Off, Biden Backs Manchin's Fossil Fuel Plan \(NYT\)](#)

The White House on Wednesday endorsed a plan by Senator Joe Manchin III to speed the approval of some fossil fuel projects in order to also hasten the construction of new transmission lines critical for meeting President Biden's climate goals. John Podesta, President Biden's senior adviser for clean energy innovation, said the holdup in congressional efforts to streamline permitting rules for energy projects, a process that can drag on for years, has hurt efforts to bolster wind, solar and other clean power. "Right now, the permitting process for clean energy infrastructure, including transmission, is plagued by delays and bottlenecks," Mr. Podesta told an audience at the Bipartisan Policy Center, a think tank based in Washington. "We've got to fix this problem now." The White House's announcement drew swift opposition from many environmental groups, which are still seething over the administration's support of the Willow oil project in Alaska. In backing the plan by Mr. Manchin, a West Virginia Democrat who is a strong supporter of coal and gas, Mr. Podesta stressed that the senator played a crucial role last year in passing Mr. Biden's signature climate law with \$370 billion in clean energy tax incentives. Mr. Manchin's permitting plan would assure the completion of a long-delayed gas pipeline in West Virginia, the Mountain Valley Pipeline. Environmentalists, civil rights activists and many Democratic state lawmakers have opposed the project for years. The olive branch came amid tense negotiations between Mr. Biden and the House speaker, Kevin McCarthy, over raising the debt ceiling before a June 1 deadline, after which the U.S. government could default. As conditions for lifting the borrowing cap, House Republicans have sought clean energy spending cuts and a permitting overhaul that prioritizes fossil fuel development. Mr. Biden has insisted that lawmakers must raise the cap with no conditions attached. A spokesman for Mr. McCarthy said in a statement that the Republican permitting plan linked to the debt ceiling package "would get our economy back on track, lower costs and streamline production of clean, affordable American energy." Mr. Manchin on Wednesday sidestepped questions of whether to insert a permitting overhaul into a vote on the debt ceiling, saying, "Wherever we can get permitting reform, I'll do it." In addition to fast-tracking the Mountain Valley Pipeline, which would run from West Virginia to Virginia, Mr. Manchin's bill sets a two-year limit on environmental reviews of major federal energy

projects, including those on fossil fuels. It also directs the president to designate at least 25 high-level energy projects and prioritize their permitting. Mr. Manchin noted Wednesday that, despite some opposition, his permitting proposal was the only one that has bipartisan support.

[Germany sets stage for G7 clash with push to endorse gas](#)

[OPEC's Output Slipped in April Ahead of Saudi-Led Production Cuts \(WSJ\)](#)

Supply disruptions in Iraq and Nigeria caused OPEC to pump less oil in April, further straining an already tight oil market as some of the group's largest producers are set to slash output sharply within weeks. The declines come as the Vienna-based oil producers' group left its forecasts for global oil demand and supply unchanged, meaning it continues to foresee stronger demand later this year which the oil market could struggle to satisfy—raising the threat of higher oil prices. In its monthly report, the Organization of the Petroleum Exporting Countries said its production fell by 191,000 barrels a day in April to 28.60 million barrels a day due to production problems in Nigeria and a legal dispute in Iraq. Iraq's production fell by 203,000 barrels a day in April from the previous month, OPEC said, citing data collated from several independent data providers such as S&P Global Platts and Argus Media. Nigeria's output slipped by 170,000 barrels a day. Together the declines outweighed a modest increase in output in Saudi Arabia and Iran. Iraq's output has slipped because a pipeline linking its oil-rich semi autonomous Kurdish region with an export terminal on Turkey's Mediterranean coast has been closed for over a month amid a legal dispute involving Baghdad, the Kurds and Turkey. Talks to resolve the issue have shown signs of progress but flows through the pipeline are yet to resume. The declines come as the oil producers' cartel, which has consistently struggled to meet its own production targets, plans to further reduce its production levels. A group of the cartel's largest members, including Saudi Arabia—its de facto leader—said last month they plan to reduce output by over 1 million barrels a day starting in May. That move has puzzled analysts, who broadly see a need for more barrels of oil this year, not fewer, to meet demand from growing economies in Asia, in particular, China. OPEC's own forecasts, which it left unchanged in Thursday's report, also foresee growing demand this year to the tune of 2.3 million barrels a day. Russia, meanwhile, which is allied with OPEC in a grouping known as OPEC+, appears to have maintained its output despite saying earlier this year that it would reduce its output by 500,000 barrels a day. As part of the Saudi-led action, Moscow said it would extend those cuts until the end of the year. Despite initially rising following those cuts, oil prices have tumbled in recent weeks over concerns about the health of U.S. banks have heightened fears of a recession that would crimp demand for crude. Brent crude, the international oil benchmark, earlier this month hit its lowest level since December 2021. It fell 1% to \$75.62 a barrel on Thursday. The declines have added to analysts' expectations that OPEC+ could use a meeting early next month to recommend reducing its collective output further in an effort to prevent further falls in oil prices. OPEC says it makes changes to output based on demand forecasts and doesn't seek to direct oil prices.

Next Week's Hearings

Armed Service Committees

House:

Tuesday, May 16, 2023, 10:00 AM EDT: ["Member day"](#)

Senate:

Wednesday, May 17, 2023, 9:30 AM EDT: ["The role of Special Operations Forces in supporting the National Defense Strategy"](#)

Appropriations Committees

House: None listed

Senate:

Tuesday, May 16, 2023, 10:00 AM EDT: ["Closed hearings on the proposed FY24 budget estimates and justification for hypersonic threats, missile defense, and threats to the U.S. homeland"](#)

Tuesday, May 16, 2023, 2:00 PM EDT: ["A review of the president's FY24 budget request, focusing on investing in U.S. security, competitiveness, and the path ahead for the U.S.-China relationship"](#)

Homeland Security Committees

House: None Listed

Senate:

Tuesday, May 16, 2023, 10:00 AM EDT: ["AI in government"](#)

Wednesday, May 17, 2023, 10:30 AM EDT: ["Business meeting"](#)

Wednesday, May 17, 2023, 2:00 PM EDT: ["Healthcare denials and delays in medicare advantage"](#)

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