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View From The Hill



With the House having gotten an early start to its summer recess period, the Senate was the only part of the Capitol with any action this week, as the upper chamber wrapped up its work period. In a rare, overwhelmingly bipartisan vote, the Senate [passed](#) a pair of child online safety bills requiring social media companies to better protect minors under the age of seventeen from harmful content, bullying, and other adverse risks on their platforms. The legislation also gives parents more power to control kids' access to social media content and bolsters privacy protections while curbing targeted advertising to minors on social media.

In a joint hearing of the Senate Judiciary and Homeland Security Committees, the new acting director of the Secret Service forcefully [defended](#) his agency amidst withering criticism by senators on both sides of the aisle surrounding the attempted assassination of former President Donald Trump. His testimony largely blamed local law enforcement for insufficient communication to the Secret Service at the event ahead of the shooting.

With the House having left after passing just five of the twelve fiscal year 2025 appropriations bills, the Senate Appropriations Committee [passed](#) all but one out of committee with \$34 billion in additional funding above limits set by last year's *Fiscal Responsibility Act*. Of course, these bills must still pass the full senate. The lone holdup is the homeland security appropriations bill, over which disagreements remain surrounding border security funding, as well as senators seeking additional time to scrutinize whether the budget for the Secret Service now requires additional resourcing.

The Senate Armed Services Committee [advanced](#) two key Pentagon nominations this

week. First, the panel voted to confirm Michael Sulmeyer as the first-ever assistant secretary of defense for cyber policy, a position created in last year's National Defense Authorization Act. He was confirmed by the full Senate. Additionally, Tonya Wilkerson was [advanced](#) to be the next undersecretary for intelligence and security.

Aerospace & Defense

[Boeing names aerospace veteran Kelly Ortberg CEO to steer turnaround \(Reuters\)](#)

On Wednesday, aerospace industry veteran Kelly Ortberg was named the new President and CEO of Boeing and will officially start on August eighth. The appointment caused a lift in Boeing's shares of 1.4 percent in early trading even "as it posted a bigger loss of \$1.4 billion in the second quarter." Although Calhoun stepped down as CEO, he will be on a special advisor board until March 2025. The planemaker faced limitations of no more than 38 per month production of its cash-cow 737 MAX jets by the FAA after the January accident. RBC Capital Market analyst Ken Herbert noted that Ortberg is a "strong and safe pick" due to his reputation at Rockwell Collins and United Technologies/RTX. He also has over 30 years of experience as a mechanical engineer and in executive roles in the aerospace and defense industry. In a statement, Ortberg said, "There is much work to be done, and I'm looking forward to getting started."

[Air Force sees spike in overseas weapon sales](#)

['Not prepared': Congressional panel calls for huge defense buildup \(Defense News\)](#)

The findings of a bipartisan panel tasked by Congress to review the U.S. defense strategy found that the military is not prepared to fight a major war, with the odds of a war being the highest in 80 years. The report by the "eight commissioners tasked with assessing U.S. national security spoke with lawmakers, U.S. allies, members of the administration, and leaders in the Pentagon, including the deputy secretary and secretary of defense." Some of the challenges to the national security strategy that the report outlines include budgets that are too small, spending bills being passed too late, legacy weapons preferred over new ones, and a public that is either unaware or unmotivated to respond. The report also argues that the "combination of a less mobilized public, lower taxes, and a much higher government debt makes building up defense harder." Solutions proposed for these problems include "reassessing the Pentagon's acquisition and innovation systems and buying practices and paying for reforms using unpopular methods such as raising taxes."

The report argues that the threat of Russia, China, and Iran makes it crucial for the military to be prepared and able to fight across multiple theaters at once.

Budget & Economy

[Fed on track for first post-pandemic rate cut amid growing signs of cooling economy \(NBC\)](#)

The Federal Reserve is looking to cut interest rates for the first time since the pandemic due to lowering inflation and a weakening job market. The Bureau of Labor Statistics reported a significant slowdown in the hiring rate and increased long-term unemployment. The Fed's preferred inflation measure hit 2.5% in June but is still above the 2% target. However, due to concerns about unemployment and depleted savings among higher-income households, the Federal Reserve is considering a rate cut sooner than it initially anticipated. Chairman Jerome Powell has signaled a rate cut in September and was aware that a 'too little, too late' interest rate cut could harm economic growth.

[Stocks rally before the Fed decision as Nvidia soars 10% to lead chip comeback](#)

[Fresh Tariffs Could See Interest Rates Stay Higher for Even Longer, IMF Warns \(WSJ\)](#)

The IMF has warned that new tariffs could reignite inflation and pressure central banks to maintain high interest rates, potentially destabilizing the global economy. The IMF kept its global growth forecast steady at 3.2% for this year but slightly raised next year's forecast to 3.3% while adjusting the U.S. growth forecast down and the Eurozone's up. Although inflation rates are expected to continue falling, the pace is slower than anticipated due to rising service prices and wages, with additional trade barriers possibly exacerbating inflation. The Federal Reserve's focus has shifted to continued unemployment, and it has signaled a rate cut in September, but this may not lead to continued cuts or economic growth should tariffs be put in place. This issue comes to light following Trump's and allies' speeches about new and expanded tariffs on Chinese imports and exports and a growing sense of protectionism from the Republican party as Trump looks to take the White House.

Advanced Technologies

[Air Force picks five firms to build autonomy package for drone wingmen \(Defense News\)](#)

The Air Force announced on July 29 that it has chosen five companies to build the autonomy system that will man the first batch of uncrewed Collaborative Combat Aircraft (CCA) fleet. Due to security concerns, Brig. Gen. Jason Voorheis was unable to disclose the selected companies. Voorheis explains that the autonomy package will be the “brains” of the Air Force’s CCA and that the systems are being designed as drone wingmen that will fly alongside fighter aircraft like the F-35 to carry out strike, reconnaissance, and electronic warfare missions. The Air Force has tentatively committed to fielding at least 1,000 CCAs by the late 2030s. In April 2024, the Air Force announced it had selected General Atomics and Anduril to build a prototype of the first increment of the air vehicle; these two prototypes will work closely alongside the new autonomy vendors to successfully integrate the hardware and software systems. The Service plans to stage a competition and award a production contract in 2026; participants and the final procurement will be selected from both General Atomics and Anduril, which have built the hardware prototypes, and the 5 companies competing for the autonomy system.

[UK launches global MQ-9B drone users’ club for allies \(Defense News\)](#)

The UK has been building a global MQ-9B operators club in Europe open to NATO and non-NATO members interested in acquiring the long-range drone. The Royal Air Force (RAF) announced its creation of a new MQ-9B International Cooperation Support Partnership (MIC SP), which grants partner countries training access to the MQ-9B in UK-based flight facilities. Countries can join the users’ club either as participants or in an observer capacity to test and witness how the MQ-9B can enhance interoperability and facilitate joint training. MQ-9B, manufactured by General Atomics Aeronautical Systems (GA-ASI), is designed to be airborne for over 40 hours and is certified to operate in civilian airspace. Currently, most interest for the drone comes from Nordic countries: Sweden, Norway, and Denmark are all observers in the club and Maj. Gen. Jonas Wikman, Chief of the Swedish Air Force, expressed interest in the MQ-9B, although stated it was currently too costly for Swedish acquisition to take place. However, an RAF spokesperson remained optimistic that the Nordic countries might collaborate to buy the MQ-9B. The MIC-SP club was specifically created to enable multinational contracting and enable smaller countries to reap the benefits of the MQ-9B through a “sharing of costs” model.

Military Installations & Communities

[A nearly \\$3 billion shortfall in VA benefits is looming. The Senate has proposed a fix, but time is running out. \(Military.com\)](#)

A bipartisan group of senators has introduced a bill to fix a nearly \$3 billion shortfall for disability and education benefits the Department of Veteran Affairs expects to face by October. The Senate movement comes after the VA Secretary responded to a House chairman's demand for more information on the budget shortfall. This development revolves around a roughly \$15 million budget shortfall the VA told Congress earlier this month it now projects to face, including \$2.9 billion for disability and education benefits this fiscal year. As such, seven senators from both parties announced they were introducing a bill to fill the gap in benefits funding, including the leaders of the Appropriation committee, Senators Patty Murray and Susan Collins, as well as the leaders of the Senate Veteran Affairs Committee, Senators Jon Tester and Jerry Moran. The VA has attributed the shortfall to an increase in disability claims via the PACT Act, which expanded VA eligibility and benefits to millions of veterans exposed to toxins during their service. However, some lawmakers have taken the VA's explanation well, such as House Veterans Affairs Committee Chairman Mike Bost, who accused the VA of fiscal mismanagement. While senators have taken steps to prevent a disruption, time is running low as Senators are due to leave town by the end of the week until September 9th, just a few days from the VA's September 20th deadline.

[Texas Senator Cruz, Georgia Senator Warnock introduce MHPI Act to improve military housing conditions](#)

[Military jobs with higher deployment pace, blast exposure, correlated with higher suicide rates \(Military.com\)](#)

According to a DOD report recently submitted to Congress, troops deployed more often or frequently exposed to explosions are far more likely to commit suicide than other troops and the greater American public. Among those jobs include infantry, armored vehicle crew members, combat engineers, explosive ordnance disposal, and artillerymen assigned to both guns and rocket units, all of which saw suicide rates at least 50% higher than the general public between 2011 and 2021. In recent months, lawmakers have increased their scrutiny of the Pentagon's suicide prevention efforts, including whether the military has adequately accounted for certain suicide risk factors. Concern over the role of brain injuries among suicide rates have led to hearings on Capitol Hill, a series of legislative proposals, and requests to government watchdogs to investigate whether Pentagon knew about brain injury risk. Sen Augus King said of the new report, "the report is not a panacea, but it gives the Pentagon a way to target resources and understand where the higher risks are." The

Senate's draft defense policy bill includes a provision written by King that would make this report a permanent fixture.

Homeland Security

[US companies are unwittingly pushing foreign disinformation, IC warns \(Defense One\)](#)

U.S. officials have come out and said that foreign actors are spreading harmful narratives in the run-up to the November elections by hiring U.S. marketing and communications firms to use social media and other platforms to plant and push their narratives. The officials' statements go along with the Office of the Director of National Intelligence released advisory entitled "100 Days Until Election 2024; Election Security Update as of Late-July 2024." Foreign influence actors such as China, Russia, and Iran are getting better at hiding their actions of spreading disinformation by using Americans to do it. An ODNI official said in a press call that "these firms are essentially offering election influence-in-a-box services" and that the origins of these firms vary. An example is a shell news company that was discreetly operated by the Russian Internet Research Agency. Some of the tactics being used in foreign efforts include "disguising proxy media sources, cloning the voice of public figures, cyber-enabled information operations, and manufacturing data indicating cyber security incidents." An FBI official said that when an American entity is involved in a foreign disinformation scheme, actions to remedy the situation are discussed within the IC group, but the main form of mitigation comes from people securing their accounts and taking measures to prevent the use of malign purposes.

[US-Mexico border arrests are expected to drop 30% in July to a new low for Biden's presidency](#)

[DHS leaders clashed with watchdog ahead of report on Secret Service's handling of Jan. 6 \(Politico\)](#)

The Department of Homeland Security's leadership was accused of attempting to suppress a highly anticipated report that focuses on the response of the Secret Service during the January 6 attack on the Capital. The department's "top lawyer Jonathan Meyer responded to General Joseph Cuffari's accusations by writing a letter that stated the DHS watchdog 'misread' their intentions and that the department intends to redact sensitive information for security purposes" without withholding the entire report from Congress. He also rejected the notion that there had been an internal clash between the leadership of the Secret Service and DHS. The report is the latest in the ongoing efforts by the inspector general's

office to “release a comprehensive report, specifically regarding the Secret Service and the roles played in intelligence gathering and security oversight of then-President Donald Trump and Mike Pence.” Although there are fears on Capitol Hill that the department may redact a significant amount of the report, lawmakers are “likely days away from receiving one of the most crucial reviews of the Jan. 6 attack that could shed light on a series of security failures.”

Transportation & Infrastructure

[Biden-Harris Administration Announces \\$427 Million in Grants from Bipartisan Infrastructure Law to Modernize Airports \(FAA\)](#)

The FAA is awarding \$427 million in funding for 245 airport-related infrastructure grants across 39 states to modernize and improve America’s airports. The projects are funded under President Biden’s Bipartisan Infrastructure Law Airport Infrastructure Grants program, part of the \$25 billion total included in the law for airport improvements such as terminal expansions and infrastructure and safety improvements. Three airports across Alabama, Arizona, and Texas have already begun projects using the grant money. The announcement comes as Americans fly in record numbers despite turbulence in the airline industry, and companies like Southwest and Boeing try to attract customers and regain a positive status.

[SF to vote on \\$390M infrastructure bond, police pay increase](#)

[Court Holds up Biden Administration Rule on Airline Fees While the Carriers Sue to Kill It \(U.S. News\)](#)

Consumer advocates are criticizing an appeals court decision that blocks a new Transportation Department rule requiring airlines to clearly disclose fees in their flight advertisements and on their websites. The 5th U.S. Circuit Court of Appeals found the rule likely exceeded the DOT’s authority and could harm airlines, granting a temporary block while a lawsuit from carriers is ongoing. The Biden Administration’s rule, part of a broader effort against “junk fees,” was expected to save consumers over \$500 million annually. Critics argue that the court’s decision favors airlines and undermines consumer protection, while the industry contends the rule would overwhelm consumers with excessive information.

Biotechnology & Healthcare

[AI opens door to safe, effective new antibiotics to combat resistant bacteria \(Science Daily\)](#)

In a hopeful sign for the development of safer, effective antibiotics for humans, University of Texas researchers have leveraged artificial intelligence (AI) to develop a new bacteria-killing drug which is already showing promise in animal trials. The prognosis for patients with dangerous bacterial infections has worsened in recent years as antibiotic-resistant bacterial strains have spread, but UT researchers say that AI tools are game-changing. For this particular project, the researchers used AI to find ways to reengineer an existing antibiotic, Protegrin-1, which is toxic to humans, but effective at killing bacteria. Protegrin-1 is a subtype of antibiotics called antimicrobial peptides, which kill bacteria by disrupting cell membranes, but many target both human and bacterial cell membranes. Using AI, the researchers identified areas of Protegrin-1 which could be modified without losing its antibiotic activity, and then trained the AI to evaluate millions of variations to find samples which could selectively target bacterial membranes, potentially kill bacteria and not harm human red blood cells. The model guided the team to create a safer, more effective version of Protegrin-1, a version which has offered positive results in animal trials. Researchers hope to eventually take a version of AI-informed Protegrin-1 to human trials.

[Most Americans don't realize they can challenge insurance coverage denial, report finds](#)

[FDA approves new blood test for colorectal cancer screening \(The Hill\)](#)

On Monday, the FDA approved a new blood test to screen for colon cancer, aimed at finding cancer when it's in the early stages and treatable. The blood test, known as Shield and manufactured by Guardant Health has been on the market since 2022 but not widely covered by private insurance, so patients had to pay the entire \$895 cost out of pocket, an issue FDA approval is likely to fix for most insured Americans. Shield is available for eligible individuals by prescription through a doctor and is expected to be covered for eligible Medicare beneficiaries, who are aged 45 or older with an average risk of colon cancer. Shield is the first blood test approved by the FDA as a primary screening option for colon cancer, prior to approval, it was meant to be complementary to current recommended screening methods. It's also the first approved blood test screening test for colorectal cancer that meets requirements for Medicare reimbursement. Current guidelines recommend screenings starting at age 45, but more than 1 out of 3 eligible Americans, more than 50 million people do not complete screenings due to the perception that

alternative options are invasive or inconvenient. According to the company, the overall adherence rate for the Shield test is over 90 percent, compared to other detection methods, showing only 28 to 71 percent adherence rates. However, the test has a drawback, based on clinical studies, Shield has limited detection of Stage 1 colorectal cancer and is far better at detecting later stage cancers.

Climate & Development

[Robots Are Coming, and They're on a Mission: Install Solar Panels \(NY Times\)](#)

On July 30, AES Corporation, one of the country's biggest renewable energy companies, introduced a novel robot named Maximo, which can install hundreds of solar panels - weighing up to 60 pounds each - in a single day. AES estimates that the Maximo model will be able to install solar panels twice as fast as humans can and at half the cost. The size of a pickup truck, Maximo has a large extendable arm that utilizes suction cups to maneuver solar panels into rows, guided by artificial intelligence and computer vision. Later this year, AES plans to test Maximo in a large-scale project in California, where it will install panels at a large solar-plus-battery project, which will ultimately power Amazon data centers. AES's robotics invention comes at a time when energy companies are eager to replace worker shortages with automation, thereby cutting costs and speeding up the construction of large solar farms. Although automated robots like Maximo could revolutionize the productivity of a growing clean energy sector, these companies' move towards automation has been met with pushback from the Biden Administration - which has long pressured industry leaders to create thousands of jobs in clean energy to compete with employment in oil and fossil fuels sectors.

[A Radical Reboot of Nuclear Energy](#)

[At Training event in Philippines, harsh climate challenges sustainment \(Defense News\)](#)

Earlier this month, the deployment of an exportable version of the Army's Joint Pacific Multinational Combat Training Center to the Philippines was completed. Maj. Gen. Marcus Evans, the Army's commander of the 25th Infantry Division, explained that the training was an opportunity to test the Army's sustainment capability while in different and adverse climatic conditions. During this training test, the 25th Infantry collaborated with the Philippines 7th Infantry Division to establish a joint operations center at Fort Magsaysay. Evans notes that the biggest challenge soldiers were confronted with was sustainment:

“Water consumption was very high, and there was an increased requirement to be able to resupply both forces.” Moving forward, the Maj. General notes that the Army must reconsider how to plan to transport water supplies, especially when environmental factors preclude using helicopters to resupply. Command Sgt. Maj. Shaun Curry believes that robotics could be a solution to lightening the supply load soldiers carry with them. Curry envisions soldiers utilizing small unmanned aircraft systems to scout out terrain 300 meters in front of the soldiers to illuminate whether it is safe to continue on a resupply mission or to coordinate a secured resupply drop from a helicopter. The Army also plans to deploy a new GM-produced Infantry Squad Vehicle in the Philippines, which has a mounted capability and a smaller wheelbase that can maneuver across restricted terrain.

Next Week's Hearings

Armed Service Committee:

House: NONE

Senate: NONE

Appropriations Committee:

House: NONE

Senate: NONE

Homeland Security Committee:

House: NONE

Senate: NONE



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