



Velocity Update

August 14, 2020

Congressional Schedule. Both the Senate and the House are in recess. Leadership in both chambers have told Members that votes could happen with 24-hour notice, but votes are not likely unless a deal is reached on a pandemic relief bill. (*More below.*)

U.S. Economic Outlook

Weekly numbers and long-term outlook. For the first time since mid-March, the number of workers claiming unemployment benefits for the first time fell below the million mark. [963,000 people filed for unemployment](#) for the first-time last week, and another 488,000 people claimed Pandemic Unemployment Assistance, the program for self-employed or gig workers, for the first time. There are still more than 28 million people in total receiving unemployment benefits.

Coronavirus government operations update

National perspective. As of Friday night, the number of confirmed cases in the U.S. [is at least 5,275,000 with at least 164,000 deaths](#). In a sign that the virus is still taking its toll on in-person activities, the Big Ten and Pac-12 conferences [canceled](#) their football seasons, the Mid-American and Big East Conferences postponed all falls sports.

Washington metro area. Overall coronavirus cases in [D.C., Maryland, and Virginia topped 216,000 by Friday night, with at least 6,000 deaths](#). Even as most all of the public schools in the greater metropolitan area plan to go back to school virtually, The surges in D.C. and Virginia appear to have leveled off in recent days, but Virginia's positivity rate crept up from a low of 5.8-percent in late June to 7.2-percent in the last week of July. The positivity rate remains below 5-percent in Maryland, but the number of new daily cases there has been increasing. The overall daily case numbers in the greater Capitol region continues to hover between 10 and 15 per 100,000 population.

Pentagon still in Phase Two operations. The Pentagon is in Phase Two (Bravo), which means a maximum of 80-percent of staff allowed on-site (up to 18,000 employees), though the actual number of staff on site tends to be much lower. Offices have implemented social distancing, including limiting the number and size of meetings. There are also ongoing discussions within the different services regarding opportunities for employees to opt for a remote work environment. The granting of these requests will be dependent upon work responsibilities (i.e. customer service workers), and whether or not a person works in a classified environment.

NASA is still relying on mostly telework. All of NASA's facilities are at Stage 3 of its pandemic response plan. (Stage 3 means mandatory telework except for those needed for critical work for missions). For NASA Headquarters, what we're hearing is that most offices will continue to allow telework indefinitely.

The White House. The Executive Office of the President (e.g. OMB, National Security Council, National Space Council) remains open for business, almost as usual. While many staff continue to telework, and then rotate into the office in shifts to handle classified materials, many staff are going

physically back into the office on a regular basis. Mask wearing and temperature checks are not comprehensively required.

Access to Congress remains limited. Access to the congressional office buildings and capitol complex continues to be extremely limited, open only to Members, Congressional staff, and credentialed press. In the House, vote by proxy rules were extended and remain in effect, and many Members plan to remain outside D.C. until these expire (again). Per Office of the Attending Physician (OAP) guidelines, many offices continue to allow the vast majority of staff to telework. However, an increasing number of staff, especially at the committee and senior level, are coming into the Capitol complex – often in rotations – to support their bosses during this active legislative season. However, with both chambers of Congress on recess until mid-September, we expect the number of staff physically walking the halls on the hill to diminish over the next few weeks – unless a deal on the fourth coronavirus bill is made. (*More below.*)

Congressional activities

The updated House calendar released this week show a committee work period the week of September 8, meaning that there will be [no votes in the House until September 14](#). However, there's the possibility that Members will be called back to Washington with 24-hour notice to vote on the next coronavirus relief package. When they return in mid-September, House leadership expects the lower chamber to be in session for three straight weeks.

On Thursday, the Senate also adjourned for the August recess. The next vote in the Senate is scheduled for late in the day on Tuesday, September 8 (a procedural vote on judicial confirmations). On Thursday, Senate Majority Leader Mitch McConnell said that unanimous consent would be required to change the schedule and vote during the August recess, which means that even if the White House reaches a deal with the Democrats on the next coronavirus relief package, a single Senator could prevent a vote from occurring prior to September 8.

The next pandemic relief package. Since the Senate adjourned with passing any kind of pandemic relief bill, it's likely that nothing will happen until both chambers return in September. It's not clear if Democrats will continue to negotiate with the White House. House Speaker Nancy Pelosi has said several times that there's no point in negotiating until the White House agrees to meet Democrats in the middle on the overall cost of the potential package, something [which the White House refuses to do](#). President Trump [said in a news briefing](#) on Wednesday that "The bill's not going to happen."

Unless there is a major breakthrough in negotiations (likely brought on by seriously bad economic news and/or a change in election polls on a national level or in some key states), the next push for a relief package will be in the second half of September, at the same time Congress will need to pass a continuing resolution to keep the government running after the end of the fiscal year on September 30.

FY2021 NDAA. The next step for the NDAA is for the conference committee to work out an agreement between the House and Senate versions of the bill. Neither chamber has named their conference negotiators yet, though informal negotiations may have already begun at the staff level. The formal negotiation process will likely not start until sometime in September, and a final conference measure is very likely to be delayed until after the 2020 election, into the lame duck session.

FY2021 Regular Appropriations. At this point, it's safe to say that the regular appropriations bills will not pass by the end of the fiscal year on September 30. Although the House has completed work on 10 of the 12 FY2021 appropriations bills (the more controversial Legislative Branch and Homeland Security bills have been reported out of committee, but not yet passed on the House floor), the Senate has yet to schedule its appropriations markups. With only three weeks and a full slate of legislative priorities, the only realistic funding push prior to the end of the fiscal year is a continuing resolution.

For those tracking the funding numbers, [here](#) is where we are on the programs you and we care most about. (Let us know what we are missing from this list and we will add it!)

FY2021 Intelligence Authorization. Week before last, the House Permanent Select Committee on Intelligence (HPSCI) passed [its version](#) of the FY2021 Intelligence Authorization Act on a party-line vote. The House will now likely move to its intelligence bill to the floor as a standalone measure, whenever that chamber comes back to Washington. As a reminder, only bill text (and not report language) can be amended on the floor, and the vast majority of the substance associated with the intelligence authorization act is always contained in the classified annex to the committee report, and not in the bill text itself. For that reason, notwithstanding the fact that the bill passed committee on a strictly party line vote, we do not expect many amendments to be considered when the bill comes to a floor. "Blink, and you'll miss it," are the words of the day. Another reminder: the Senate attached its FY2021 Intelligence Authorization Act ([S. 3905](#)) to that chamber's version of the FY2021 NDAA ([S. 4049](#)), which the Senate passed on the floor last month. The House also passed its version of the FY2021 NDAA ([H.R. 6395](#)) on the floor last month, meaning that when the two chambers go to conference to hammer out an NDAA compromise measure, they could opt to include the intelligence bill or leave it out.

NASA Authorization. The House Science Committee has not scheduled a time for consideration of the [NASA authorization bill](#). As a reminder, the Senate Commerce Committee marked up and reported out [its version of the bill](#) in November 2019. At this point in the legislative year, we do not believe there is much likelihood that this bill will see much more movement in this Congress.

Personnel changes

When Undersecretary of Defense Mike Griffin and his deputy Lisa Porter stepped down from their Pentagon positions in July, they said they were leaving to pursue an opportunity in the private sector. This week, we learned that Griffin has [been named to the board of directors](#) of small launch vehicle company Rocket Lab. In a statement from the company, founder Peter Beck said, "He brings a wealth of knowledge and experience from the civil, defense and commercial space sectors that will be invaluable to our team as Rocket Lab continues to grow and meet the ever-evolving launch and space systems needs of the national security community and commercial sector alike." The statement also lists Griffin as the co-president and co-founder of LogiQ, Inc., (Porter is also a co-president and co-founder) a company "providing high-end management, scientific, and technical consulting services."

National security update

Launch awards follow-up. Last week was one where news was breaking even late on Friday. At a 5 pm press conference, Assistant Secretary of the Air Force for Acquisition Will Roper [announced that](#)

[SpaceX and ULA](#) had [won the National Security Space Launch Phase 2 competition](#). SpaceX was awarded a \$316 million contract for a launch scheduled for the fourth quarter of FY2022. ULA was awarded a \$337 million contract to launch two missions scheduled for the second and fourth quarters of FY2022, respectively. Roper also [said that the Launch Service Agreement contracts](#) with Blue Origin and Northrop Grumman, given to the companies to help with vehicle development and infrastructure, will be terminated. “We will work with those two companies to determine the right point to tie off their work under the LSA agreements,” Roper said. The intent of the LSAs “was to create a more competitive environment leading into Phase 2,” he said. “The point is not to carry them indefinitely.” It’s possible that Blue Origin and Northrop Grumman will protest the decision once they get feedback on why they lost.

Space Force doctrine released. This week, we learned more about how the Space Force sees its place in the world. The Space Force capstone document “[Spacepower](#)” lays out the why, how, who, and what of military space. Chief of Space Operations Gen. John “Jay” Raymond said, “We felt as an independent service we needed to be able to articulate what we believe, and develop the doctrine of space power.” The doctrine was written by a group of about 20 officers ranging from the rank of colonel to tech sergeant; they weren’t directed to create the document, but instead worked through a grassroots effort. The doctrine notes that space is more than a military concern because of the role space services play in the economy, and that success of the Space Force will be built on the ability to coordinate with other military services, allies, and partners. At a Space Force Association-hosted event on Wednesday (find our notes [here](#)), some of the authors of the doctrine discussed other important points, including that one goal of the Space Force is to deter conflict in space, and that the ability to rapidly deploy and sustain assets in space is critical. You can also read more coverage about the doctrine release [here](#), [here](#), and [here](#).

High level support for a space sensor layer. Vice Chairman of the Joint Chiefs of Staff, Gen. John Hyten, spoke at an [event with Hudson Institute](#) about his support for the Hypersonic and Ballistic Tracking Space Sensor (or Space Sensor Layer) program to track potential threats on a global scale. “I won’t share the internal budget deliberations inside the Pentagon because we’re going through those right now, but my desire is to advocate strongly from the position of the vice chairman in making sure that we get a space layer funded in the future,” he said. Hyten noted that space layer would pay off in the long run versus multiple radar systems. “The other piece I think is overlooked many times is when you build a multibillion-dollar radar and you build another multibillion-dollar radar and another multibillion-dollar radar, pretty soon you’ve spent a lot of money and you still have holes in your central architecture. You build a space layer, you eliminate the holes. In the long term, that will actually save you money. It looks expensive when you look at the price tag when you start off, but in the long term it saves you enormous amounts of money and – most importantly – it cuts off the holes.”

National security industrial base payments. On Thursday, Defense Department Undersecretary for Acquisitions and Sustainment Ellen Lord spoke at the Professional Service Council’s annual Defense Services Conference. She had a request for small businesses in the defense industrial base: Speak up about progress payments from prime contractors. [Lord noted](#) that the Pentagon increased the rate at which it pays companies for contract costs to help support companies across the industrial base during the pandemic. The increase is in effect “until rescinded” which means that the increased rate could be taken away any time. Lord noted that the only way to provide certainty for industry is for those companies to make their voices heard. “What we need is the feedback from the smalls especially, as

well as mid-tier companies, saying ‘This was flowed down to us. We received it, it made a difference,’” she said.

Civil and commercial update

New smallsat regulations. The Federal Communications Commission has published the final version of its streamlined licensing procedures for small satellites. The [new rules, which take effect on August 19](#), are intended to provide a faster and less expensive approach to licensing smallsats for commercial applications. “The process is designed to identify those types of applications that are Part 25 applications but which can be processed in a more streamlined fashion,” said Merissa Velez, who works in the FCC’s International Bureau, during the 34th Annual Small Satellite Conference. The systems that qualify for the new rules include those with no more than 10 satellites of masses no greater than 180 kilograms each, although companies can seek multiple authorizations if they have more than 10 satellites. The satellites must operate for no more than six years, including the time required to deorbit, and are limited to altitudes of no higher than 600 kilometers, unless they have onboard propulsion. Each satellite must be at least 10 centimeters in its smallest dimension, and have a unique telemetry marker to aid in tracking, among other requirements regarding debris. The streamlined licensing process comes with a significantly-reduced price tag: the application fee is just \$30,000.

Events this week. On Wednesday, Astroscale, and the Secure World Foundation hosted a discussion highlighting issues in on-orbit services (find our summary of the event [here](#)). On Thursday, the Space Policy Show featured a conversation on resiliency and position, navigation, and timing systems (our notes are [here](#)).

2020 Election update

It’s less than 100 days to the election (80 days to be exact) and the final campaign push is beginning. We know you’re getting inundated with election and campaign news, so we’re going to stick to the highlights and critical points for the next 12 and half weeks. Here’s what you need to know this week.

The wait is over. On Wednesday, Joe Biden announced that Senator Kamala Harris, who was also a contender for the nomination this year, will be his running mate. Harris is the first African American and first Indian American woman to earn a place on the presidential ticket. (Also, by the way, the first [Gen Xer](#) on a Democratic presidential ticket). On Thursday, the Biden campaign announced that they had raised a record [\\$26 million in the 24-hours](#) since Harris was named, including 150,000 first-time contributors.

Convention updates. *The Democratic Convention* (DNC) begins next Monday: August 17. Biden and Harris will not travel to Milwaukee for the convention, but instead give their acceptance speeches from the Chase Center in Wilmington, Delaware. The [schedule and speakers](#) list for the entirely virtual event was announced this week. Programming will be live streamed from 9 to 11 pm EDT each of the four nights, with a pre-show beginning an hour earlier. Some of the segments are pre-recorded, and some will happen live. For more about how to watch the DNC, you can watch this [video](#). *The Republican Convention* will begin the following week: on Monday, August 24. There are few details on the structure of the event or speakers, as of yet. We expect more details to be announced next week [here](#). Several

organizations have announced virtual events coinciding with the convention, and Velocity will be covering those of most interest to our clients.

Media roundup of election stories:

The New York Times: [Trump Raises \\$165 Million With Party in July, Outpacing Biden](#)

Rolling Stone: [Kamala Harris, Gen X's Moment, and the Fall of House Boomer](#)

Politico: [Kanye flops among Black voters](#)

Politico: [55 Things You Need to Know About Kamala Harris](#)

The Hill: [Here's who could fill Kamala Harris's Senate seat if she becomes VP](#)

The Washington Post: [Trump says he's blocking Postal Service funding because Democrats want to expand mail-in voting during pandemic](#)

Military.com: [Biden's VP Pick Opposes Boosting Defense Spending, But Supports Helping Vets and Families](#)

Politico Magazine: [Political Conventions Without Crowds? Here's What America Will Lose](#)

Change is inevitable. Regardless of whether the White House changes hands, come January, there will be some new faces on Capitol Hill and throughout the federal government. There will be new Members of Congress, and as a result, a host of new staffers, and there is usually a fair amount of changeover with political appointees, even when an incumbent president wins reelection. No matter what happens in the White House, there are likely to be some changes in congressional and committee leadership too, even if both chambers stay status quo with regard to party control. With only five months between now and January 3, 2021 (when a new Congress is seated), now is the time to prepare for the inevitable transitions.

Podcasts we love

We have two podcasts for you this week. First, Better Satellite World (hosted by Space & Satellite Professionals International) is giving us a [Summer Fun episode](#). Also, Aviation Week is looking past summer to what happens in the aerospace industry with an expected second wave of the coronavirus in the fall with [Bracing for COVID-19's Second Punch](#).

And now for some lighter news...

There's another space-focused show is on the way for Netflix: the drama "[Away](#)" premieres on September 4. The show was inspired by NASA astronaut Scott Kelly's year-long stay on the ISS. The show stars Oscar-winner Hilary Swank as the commander of the first human expedition to Mars. Swank spent time talking with Mike Massimino (who appears in the show as himself) and Peggy Whitson about being an astronaut and a mission commander. Watch the trailer [here](#).

Upcoming conferences and other events of interest

- 8/17 to 8/20, Democratic National Convention
- 8/18, 1pm, Maryland Space Business Roundtable with Dennis Andrucyk, Goddard Space Flight Center Director (watch [here](#))
- 8/18, 2pm, Next in Flight: The Future of Unmanned Aerial Vehicle Operations, webinar sponsored by Defense One (more info [here](#))
- 8/19, 2:30 pm, The DoD Budget Process: The Next Frontier of Acquisition Reform, hosted by George Mason University (info and registration [here](#))

- 8/19 to 8/21, NDIA Space Warfighting Industry Forum, Colorado Springs (details and registration [here](#))
- 8/20, 1pm, NOAA’s Future Satellite Architecture webinar, hosted by Space News
- 8/20, 1pm, Space Policy Show, The Present and Future of Space Commerce with Kevin O’Connell (more info [here](#))
- 8/24 to 8/27, Republican National Convention
- 8/24, noon, SSPI Mid-Atlantic Golf Tournament (more info [here](#)) – note: this is the first widely-attended, in-person event in the space industry that we have heard of since the pandemic began in mid-March
- 8/27, 1 pm, Space Policy Show, Public-Private Partnerships in the Space Sector (more info [here](#))
- 9/1, 1pm, Dcode Virtual: Interview with Lt. Gen. Thomas Todd, Army Futures Command (register [here](#))
- 9/1 to 9/2, Big Data for Intelligence Symposium, Alexandria, VA (more info [here](#))
- 9/10 to 9/11, Secure World Foundation’s 2nd Summit for Space Sustainability, Washington DC (register [here](#), rescheduled from June)
- 9/13 to 9/15, Cipher Brief Threat Conference, Sea Island GA (more info and registration [here](#))
- 9/14 to 9/16, AFA’s Air, Space, Cyber All Virtual Conference (more info and registration [here](#))
- 9/23 to 9/24, Smallsat & Space Access Summit, Alexandria, VA (more info [here](#))
- 9/29 to 9/30, Autonomous Capabilities for DoD Summit, Alexandria, VA (more info [here](#))
- 10/6, 15th Annual Future Leaders Celebration, Space & Satellite Professionals International (more info [here](#))
- 10/6 to 10/7, Stanford-NVCA Venture Capital Symposium (more info and registration [here](#))
- 10/26 to 10/28, [2020 AMS Washington Forum](#) (live virtual format)
- 10/31 to 11/3, Space Foundation’s Space Symposium, Colorado Springs, CO ([agenda](#) and [Space Symposium’s homepage](#))
- 11/16 to 11/19, Ascend, hosted by AIAA (live virtual format, more info [here](#))
- 12/2 to 12/3, Space Resiliency Summit, Alexandria, VA (more info [here](#))

What we’re reading

Summer 2020, *Air War College Strategic Studies Quarterly*: [Victory Through Space Power](#)
 Aug. 7, *Air Force Magazine*: [AFRL Commander Wants Lab’s 2030 Strategy to Move Faster](#)
 Aug. 7, *Axios*: [Biden’s union push could force showdown with Elon Musk](#)
 Aug. 7, *Air Force Magazine*: [Lt. Gen. Brent Scowcroft, 1925-2020](#)
 Aug. 9, *The Economist*: [A Russian satellite weapon shows the danger of hazy rules in space](#)
 Aug. 9, *Military Times*: [Russia warns it will see any incoming missile as nuclear](#)
 Aug. 10, *Defense Industry Daily*: [Missile Envy: Modernizing the US ICBM Force](#)
 Aug. 10, *Breaking Defense*: [DoD Details \\$11B For COVID Costs, Warns ‘At Least One’ Shipyard May Close](#)
 Aug. 10, *Military.com*: [Air Force's Hypersonic Weapon Hits 'Major Milestone' in New Test](#)
 Aug. 10, *Aviation Week*: [Opinion: Can The Pentagon Spend More Smartly?](#)
 Aug. 10, *Center for a New American Security*: [Next Generation Defense Strategy: Space](#)
 Aug. 10, *The Space Review*: [Orbital space tourism set for rebirth in 2021](#)
 Aug. 10, *Breaking Defense*: [Pentagon Gives Up Huge Slice Of Spectrum For 5G](#)
 Aug. 11, *War on the Rocks*: [Managing the Sino-American Dispute Over Missile Defense](#)
 Aug. 11, *Space News*: [Rocket Lab ready to attempt Electron booster recovery](#)
 Aug. 11, *Via Satellite*: [Lockheed’s Third GPS III Satellite Receives Operational Acceptance](#)

Aug. 11, *Space News*: [Companies are flying old satellites longer, study finds](#)
Aug. 12, *Wired*: [The Iconic Arecibo Telescope Goes Quiet After Major Damage](#)
Aug. 12, *Bloomberg*: [Trump Weighs Replacing Esper at Pentagon After November Election](#)
Aug. 12, *Breaking Defense*: [AF ‘Olympics’ Seeks To Speed 3D Printing Capabilities](#)
Aug. 12, *Space News*: [Government’s role in the small launch market not quite black and white](#)
Aug. 12, *Air Force Times*: [Air Force Academy begins coronavirus-distanced classes](#)
Aug. 12, *War on the Rocks*: [A New Strategic Song? ANZUS, the 2020 Australian Defence Update, and Redefining Self-Reliance](#)
Aug. 12, *Space News*: [The space sector is finally finding its way to the exits](#)
Aug. 12, *Military Times*: [CENTCOM boss expects a long-term troop presence in Iraq](#)
Aug. 12, *Forbes*: [Democrats and Republicans Agree: Phase Out Land-Based Nuclear Missiles](#)
Aug. 13, *Space News*: [Satellite servicing industry seeks interface standards](#)
Aug. 13, *Forbes*: [Air Force Seeks Proposals For Scramjet-Powered Hypersonic “Mayhem” Missile Demonstrator](#)
Aug. 13, *Space News*: [DoD technology buyers defend need for secrecy in space programs](#)
Aug. 13, *The Hill*: [Federal appeals court rules male-only draft constitutional](#)

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