



## EXECUTIVE INSIGHT BRIEF – February 5, 2015

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### TOP 5 STORIES

- 1) Anthem Inc., the country's second-biggest health insurer, said hackers broke into a database containing personal information for about 80 million of its customers and employees in what is likely to be the largest data breach disclosed by a health-care company. [Read more](#)
- 2) An ISIS video showing the horrific killing of a Jordanian air force pilot has stoked anger in the Arab kingdom and left analysts wondering what impact it will have on the U.S.-led coalition fighting the militant group. [Read more](#)
- 3) President Barack Obama put forward Monday a \$4 trillion budget loaded with spending and tax reforms that will likely be dead on arrival at the Republican-controlled Congress. [Read more](#)
- 4) A TransAsia Airways flight crashed into a Taipei river shortly after takeoff Wednesday with 58 passengers on board. Dashcam footage from cars on a bridge beside the river captured the plane going down. Dozens were either killed or missing. [Read more](#)
- 5) President Barack Obama's pick to become the next Defense secretary, Ashton Carter, appeared before the Senate Armed Services Committee on Wednesday for his confirmation hearing. [Read more](#)

## WHITE HOUSE

- The White House announced two major departures Wednesday — senior adviser Dan Pfeiffer, and communications director Jennifer Palmieri — both of whom were central to President Barack Obama's post-midterms reboot and the rethinking of strategy around the State of the Union. [Read more](#)
- President Barack Obama's budget may seem like a \$4 trillion exercise in wishful thinking, given that the Republicans who control Congress have their own ideas for shaping the nation's spending. But a deep dive into the document, proposed Monday, pulls up a smattering of proposals that could well earn bipartisan support — as well as others that are unlikely to be enacted but still have the power to shape debate. [Read more](#)
- President Barack Obama is stepping up his effort to push his trade agenda within his party, reaching out personally to House freshmen who have expressed opposition and calling the chamber's Democratic trade leaders to the White House for some face time. [Read more](#)

## CONGRESS

- Senate Democrats again on Thursday rejected a bill funding the Department of Homeland Security over their opposition to riders that would block President Barack Obama's executive actions on immigration. The failed 52-47 vote was the third time this week that Democrats have refused to even debate the House GOP's proposal. [Read more](#)
- House and Senate Republicans have spent years training their ire on Sen. Harry Reid and President Barack Obama. But now they're clashing with each other. And that poses a challenge for GOP senators' initial strategy for escaping their immigration dilemma, which involves convincing their House counterparts that their aggressive attacks on Obama's policies stand no chance of becoming law. [Read more](#)
- Pope Francis will address a joint session of Congress on Sept. 24, the first time the head of the Roman Catholic Church will have addressed the body. [Read more](#)
- President Barack Obama will soon send Congress proposed legislation authorizing the use of U.S. military force against Islamic State terror group, according to House Speaker John Boehner and Senator Jack Reed. [Read more](#)

## POLITICS

- A constellation of left-leaning nonprofits and “super PACs” are raising tens of millions of dollars to pave the way for Hillary Rodham Clinton’s presidential campaign — and nearly all of them have paid Mary Pat Bonner a cut. [Read more](#)
- In the early jockeying among presidential candidates, Iowa’s Republican leaders see signs that their state, which once seemed on the brink of political irrelevance, is back in the game. [Read more](#)
- Israeli Ambassador Ron Dermer and Knesset Speaker Yuli Edelstein rushed to meetings on Capitol Hill on Wednesday trying to calm a furor created by Prime Minister Benjamin Netanyahu’s planned speech to Congress next month and quell a Democratic revolt that has dozens threatening a boycott. [Read more](#)
- After a 2012 election dominated by Mitt Romney’s car elevator and his ill-considered quips about government dependency and firing people, Republicans are bent on becoming the party of the 47 percent. [Read more](#)
- Jeb Bush is as accomplished a policy thinker on education and immigration as there is in the party. But even his emerging campaign demonstrated the political limits of a “reform conservatism” message with his speech at the Detroit Economic Club on Wednesday. [Read more](#)
- Nearly 90 Republican fundraisers formally signed to support former Texas governor Rick Perry on Thursday – the latest sign that the Republican is preparing for a second presidential bid. [Read more](#)

## DEFENSE AND FOREIGN AFFAIRS

- The Obama administration will release its latest National Security Strategy on Friday, a document that outlines the president's foreign policy priorities. [Read more](#)
- A prominent GOP senator says Ash Carter's suggestion of changes to US policies on Afghanistan and Ukraine will matter little if he becomes secretary of defense because the White House will simply ignore him. [Read more](#)
- The US State Department and the Pentagon's office for selling military equipment to foreign allies announced on Wednesday that they are embarking on a program that will for the first time allow NATO members to acquire and share American military hardware among members of the alliance. [Read more](#)

- When Senator Robert Menendez of New Jersey said last week that he would give President Obama two months before defying a veto threat and voting for new sanctions on Iran, he made it clear that the delay was not out of loyalty to his fellow Democrat in the Oval Office. “I don’t get calls from the White House,” Mr. Menendez said. [Read more](#)
- Lawmakers this year might not ask the military services to send them wish lists of weapons, that on-again, off-again practice of informally requesting items not included in the Pentagon’s official budget proposal. [Read more](#)
- The military services each want to bring on board an additional 20 to 60 computer security whizzes starting next fall to fill the ranks of a 6,000-person Cyber Command, according to President Barack Obama’s fiscal 2016 funding request. [Read more](#)
- Ashton Carter received a friendly grilling from senators during his confirmation hearing to be the next Pentagon chief Wednesday, one of whom mistakenly referred to the nominee prematurely as “Secretary Carter.” [Read more](#)
- The Navy held a ribbon-cutting ceremony last week to mark the creation of the Information Dominance Forces Command in Suffolk, Va., an organization made up of about 700 military, civilian and contractor personnel. [Read more](#)
- The fiscal 2016 budget request released Monday would retain the active-duty end strength for the Marine Corps at 184,000 for at least one year before dropping to 182,000. [Read more](#)
- Secretary of State John Kerry, working diligently on some extraordinarily difficult foreign policy issues — China, neo-Soviet Russia, Islamic State, Iran, etc — isn’t getting even a tiny bit of credit these days from the tweedy, elbow-patched, wing-chair crowd. [Read more](#)
- Secretary of State John Kerry says the U.S. pledges \$16.5 Billion immediately to help those Ukrainians affected by the conflict in the east. [Read more](#)
- The Pentagon sent additional Black Hawk helicopters this week to Erbil in northern Iraq to reduce the time needed to rescue pilots who may go down conducting airstrikes against the Islamic State in Iraq and Syria, Defense Department officials said Thursday. [Read more](#)
- Boeing may reap nearly \$16 billion from the Air Force for development and production of its aerial refueling tanker. [Read more](#)

## BUDGET, ECONOMY & FINANCE

- The U.S. trade gap grew sharply in December as Americans bought more goods from overseas and exports fell, a reflection of economic strength at home but also a potential drag on future growth. [Read more](#)
- The number of Americans filing new claims for unemployment benefits rose last week but remained at levels consistent with solid job growth. [Read more](#)
- The housing market has been disappointing in the past year, with sales essentially flat. But there are signs that the market is starting to stir. [Read more](#)
- Although it's technically possible, a single repatriation of offshore cash to pay for infrastructure projects wouldn't solve the long-term issue of directing corporate profits to U.S. shores, Treasury Secretary Jacob J. Lew said Feb. 5. [Read more](#)
- A panel of U.S. regulators voted to tell companies sooner that it's considering whether the firms should be deemed a potential risk to the financial system. [Read more](#)

## ENERGY & ENVIRONMENT

- Republicans have made no secret of their plans to swipe at what they've deemed an overly burdensome environmental agenda from the Obama administration, and the change in power in the Senate provides both some new turf and leverage to do it. [Read more](#)
- It was a glittering gem for "Clean Coal" proponents — a coal plant that, advocates said, would have "near-zero emissions" thanks to a plan to capture carbon dioxide and inject it deep beneath the ground. Environmental groups like the Sierra Club scoffed, calling it a "boondoggle" and proceeding to sue. [Read more](#)
- Increase in average gasoline prices ends 17-week streak of declining prices. [Read more](#)
- Setting up the first presidential veto, the House of Representatives will vote next week on the Senate-passed bill to approve the Keystone XL pipeline, which would transport oil from Canada to the Gulf of Mexico. [Read more](#)
- The Interior Department is planning a March auction to sell the oil and gas drilling rights to 41.2 million acres in the central Gulf of Mexico. [Read more](#)
- An international group of business leaders headed by mogul Richard Branson is calling for a goal of net-zero greenhouse gas emissions worldwide by 2050. [Read more](#)

## HEALTH CARE

- As many as 6 million U.S. taxpayers will have to pay a penalty of as much as 1 percent of income because they went without health insurance in part or all of 2014 ... The tax penalties start at \$95 and can be as much as \$12,240 for a wealthy family. [Read more](#)
- As the vaccine issue has been thrust into mainstream politics, there has been intense focus — and frantic poll-crawling — to try to find out who thinks what about it. [Read more](#)
- Dr. Margaret Hamburg, the commissioner of the Food and Drug Administration, who led the agency for nearly six years through a period of rapid change in medical science, announced Thursday that she is stepping down. [Read more](#)
- The White House on Friday unveiled a \$215 million program to study genes of a million Americans in various stages of sickness and health, with the hope of gaining vast new insight into diseases and how to cure them. [Read more](#)
- Pfizer Inc. agreed to buy Hospira Inc. in a \$16 billion, all-cash deal that would expand the New York pharmaceutical company's sales of injectable drugs and lower-priced versions of costly biotech drugs. [Read more](#)
- Almost 10 million people have signed up for health insurance in state and federal marketplaces under the Affordable Care Act or were re-enrolled in coverage for 2015, federal officials said. [Read more](#)

## EDUCATION

- While Democrats and Republicans in the Senate hold daily negotiations over a new federal education law, things are far more strained between the parties on the House side. [Read more](#)
- President Barack Obama's swift killing of a proposal to effectively eliminate the college savings accounts known as 529s is instructive about this year's legislative dynamic because it connects two emerging story lines: The efforts by both parties to be perceived as doing the most for the middle class and the drive toward the biggest overhaul of the tax code in a generation. [Read more](#)
- With schools set to take their first Common Core-aligned tests, many of which will be on computers, schools are in a rush to make sure students know how to type. [Read more](#)

- President Barack Obama is proposing to provide a free community college education as an entitlement to millions of students at a cost of \$60 billion over 10 years. [Read more](#)

## TECHNOLOGY

- Federal Communications Commission Chairman Tom Wheeler proposed sweeping new federal rules to regulate the Internet like a public utility, a notion endorsed three months ago by President Obama. [Read more](#)
- After nearly a year of being put on ice, patent reform is back in Congress. House Judiciary Chairman Bob Goodlatte on Thursday will reintroduce White House-supported legislation that aims to reduce predatory patent litigation—better known as "patent trolling." [Read more](#)
- Amy Pascal, whose passion for stars and story made her one of the last of Hollywood's old-style studio chiefs, has resigned as co-chairwoman of Sony Pictures Entertainment and as chairwoman of Sony's motion picture group. [Read more](#)
- When a small drone slipped free from its operator one morning last week and flew into the Washington sky, evading radar and the best defenses of the United States Secret Service to end up a sorry wreck on the White House lawn, the incident seemed to crystallize the fear that many harbor about a future dominated by aerial machines. [Read more](#)
- United States trade groups gave the Chinese government an earful last week about new policies that could hamper the ability of major technology multinationals to do business in China. [Read more](#)
- In an age of digital distractions, the lethal risks of driving — or just crossing the street — while looking at a cellphone have been well-documented. Now comes a new peril from mixing transportation and obsession with devices: a fatal airplane crash most likely caused by selfies. [Read more](#)