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Cut To Shreds

How Elon Musk Profited While Decimating the U.S. Government

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June 5th, 2025

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^{*}In addition to the agencies listed in the table of contents, Musk's companies may be affected by federal regulatory actions taken by other agencies. Where applicable, those agencies are identified in the report.

PART 1 – Elon Musk's Status as a Special Government Employee and Conflicts of Interest

No individual serving in the federal government has created more ethics controversies than Elon Musk during his short time in the Trump administration—and then with his very public exit and apparent break with Donald Trump. The controversies stem from the broad authority Musk exercised across the executive branch and from the innumerable potential conflicts of interest that arose when he joined the Trump administration as a special government employee ("SGE") while managing a vast and expanding global business empire.

As an example, Musk's business interests include his rocket launch company SpaceX, which since inauguration day, has won federal contracts potentially worth \$6.3 billion, as it continues to work on earlier-awarded contracts valued at \$16.3 billion. And if the Commerce Department implements plans it recently announced to revise program requirements to connect rural and poor areas to the Internet, Musk's satellite division Starlink would become eligible to compete for another \$42.5 billion in contracts. On the other hand, should Trump follow through on reported threats to cut off Musk's business relationships with the government, this and many other highly lucrative contracts could be damaged, with profound financial, legal, and policy implications.

This report examines how Elon Musk's business interests are spread throughout the executive branch to create an unprecedented level of potential conflicts of interest – but also a vast scope for potential retaliation should Trump follow through on his threats. Whatever the president's next steps may be, the sheer number and magnitude of Musk's potential conflicts of interest merit investigation by the Office of Government Ethics ("OGE") to determine whether any violations of the criminal conflict of interest law, 18 U.S.C. 208, may have occurred. In addition, an investigation by OGE is necessary to determine whether appropriate mitigating measures were implemented by White House ethics officials to prevent Musk from engaging in possible violations of 18 U.S.C. 208 and to evaluate whether the current ethics framework contains adequate safeguards that protect the integrity of government programs from an unprecedented level of possible conflicts of interest. Not only did Musk operate with an unparalleled level of authority throughout the executive branch, but as an SGE he did so under ethical standards that are even less restrictive than those that apply to a full-time GS-5 employee. How ironic that the scope of Musk's interests may also now expose him to possible retaliation.

1. Special Government Employee Status

Once President Trump announced on January 20, 2025, that he was establishing the Department of Government Efficiency ("DOGE") under Executive Order 14158, Musk was viewed as the de facto head of that entity operating with unparalleled authority across the executive branch. President Trump himself publicly announced that he put "Elon Musk in charge" of DOGE. Musk's position as the head of DOGE was reinforced by photographic images of him wielding his Chainsaw during a public appearance to convey he was responsible for slashing federal spending throughout the executive branch. Although the White House has denied that Musk oversaw DOGE and asserted that he had "no actual authority to make government decisions himself," his employment status as a Especial government employee was eventually confirmed by the White House press secretary.

Musk's SGE designation is significant because SGEs are subject to more relaxed ethics requirements than regular federal employees, including less transparency under the financial disclosure law and fewer restrictions under the criminal conflict-of-interest laws. An SGE designation under 18 U.S.C. 202(a) is made prospectively by an agency ethics official, based on a "good faith estimate" at the time the individual is appointed that the employee is not expected to serve more than 130 days in a 365-day period. Because there is no public reporting or accountability, we cannot be certain how the White House calculated Musk's 130-day period. Assuming Musk worked every day since January 20, excluding holidays, his 130-day period would end on or around May 31. If his SGE term is deemed to have started on February 4, then the 130-day period would end on or around June 15. If he worked Monday to Friday, not including holidays, his last day would be on or around July 23.

Regardless of when the 130-day period expires, recent statements by Musk at first seemed to indicate he expected to continue his work for the Trump administration one or two days per week beyond the 130-day period, but more recently he announced his White House farewell, stating that his "scheduled time as a Special Government Employee comes to an end."

2. 130-Day Limitation

Guidance issued by the Office of Government Ethics ("OGE") on the 130-day limitation indicates that if an SGE "unexpectedly" serves more than 130 days during the ensuing 365-day period that it would not nullify the SGE's status. However, despite OGE's guidance, if Musk were to continue to federal government work beyond 130 days, he should no longer be viewed as an "SGE". Rather, given the scope of his duties as the

de facto head of DOGE and his expressed intent to serve one or two days a week, Musk should reasonably be viewed as a regular federal employee subject to the full array of public financial disclosure requirements and federal conflicts of interest laws that apply to other regular federal employees.

- As a regular federal employee, Musk would likely be required to file a public financial disclosure report, if he holds a "commission of appointment from the President". In which case, he would no longer be considered exempt from public reporting requirements under 5 C.F.R. 2634.202(h).
- As a regular federal employee, Musk would be subject to 18 U.S.C. 203(a), a statute that bars him from receiving compensation for making representations on behalf of his companies before any department, agency, or court concerning any particular matter in which the United States is a party or has a direct or substantial interest. The less restrictive provisions in 18 U.S.C. 203(c)(1) and (2) that limit SGE coverage to specific party matters in which the SGE participated personally and substantially or specific party matters pending in the department or agency in which the SGE serves, would no longer be applicable to Musk.
- As a regular federal employee, Musk would be subject to 18 U.S.C. 205(a) barring him from acting as an agent on behalf of his companies in any particular matter in which the United States is a party or has a direct or substantial interest, before any department, agency, or court. The less restrictive provisions in18 U.S.C. 205(c)(1) and (2) that limit SGE coverage to specific party matters in which the SGE participated personally and substantially or specific party matters pending in the department or agency in which the SGE serves, would no longer be applicable to Musk.

The more restrictive provisions of 18 U.S.C. 203 and 205 that would apply to Musk as a regular federal employee would put him in line with all other regular executive branch employees. As such, he would be substantially limited in his ability to communicate on behalf of his companies with any government official in the executive branch (or in the courts) on any matter in which the United States would be a party or have a direct or substantial interest, including contracts and regulatory oversight matters involving Musk's companies. These additional restrictions could interfere with Musk's fiduciary obligations to his own companies.

3. Musk's Possible 18 U.S.C. 208 Conflicts of Interest

As a special government employee with seemingly unbounded authority to operate throughout the executive branch, Musk's outside business interests raise innumerable potential conflicts of interest under 18 U.S.C. 208. Whether serving as an SGE or a regular federal employee, 18 U.S.C. 208 bars Musk from participating in any particular

matter that would have a direct and predictable effect on his financial interests or those imputed to him by virtue of his employment and ownership interests in his social media platform X, Tesla, SpaceX, Neuralink, Boring Company, or xAI, unless he received a waiver. To date, there is no evidence of Musk receiving a section 208 waiver. A particular matter includes a matter of general applicability that focuses on a discrete and identifiable class of persons or a specific party matter. See 5 C.F.R. 2540.103(a)(1).

The following matters involving Musk companies raise potential 18 U.S.C. 208 conflicts of interest. Additional details about each of these matters are discussed more fully on the following pages, but an OGE review of these matters is necessary to understand the full extent, if any, of Musk's involvement as an SGE in these matters and ascertain whether appropriate ethical safeguards were adopted and implemented by White House ethics officials. An OGE review should also determine if SGE designations like that conferred on Musk raise systemic threats to the integrity of federal programs and government operations and if so, what if any prophylactic matters should be implemented to guard against future abuses.

- Musk's social media platform X is increasingly being used by federal agencies to communicate on official matters with the public. If Musk disseminated official communications on X or participated as an SGE in an effort to direct federal agency public communications to X, then it would raise potential conflicts of interest under 18 U.S.C. 208.
- SpaceX's Starlink will likely benefit from a Commerce Department program that
 initially favored using fiber optic cables to reach rural areas, but which was later
 expanded by Commerce Secretary Howard Lutnick to make satellite services like
 those offered by Starlink eligible to participate in the program. If Musk
 participated as an SGE in the effort to expand the program so as to make
 Starlink eligible to participate, it would raise potential conflicts of interest under 18
 U.S.C. 208.
- Musk's deployment of DOGE staffers throughout the executive branch has resulted in their obtaining access to multiple federal agency databases. If Musk obtained or was given access as an SGE to any of that data in a manner that would allow xAI or another Musk company access and/or rights to that data, it would raise potential conflicts of interest under 18 U.S.C. 208.
- Reporting indicates that DOGE has "heavily" deployed Musk's Grok AI chatbot in federal agencies. If Musk participated as an SGE in efforts to deploy Grok AI chatbot in federal agencies, it would raise potential conflicts of interest under 18 U.S.C. 208.
- SpaceX's Starship Flights 7 and 8 exploded during their recent launches in January and March 2025 leading to Federal Aviation Administration investigations. Both investigations have since been closed and the FAA has

- given SpaceX approval to expand its launches from 41 to 75 per year in Texas and California. If Musk participated as an SGE in FAA investigations or approval to expand the number of launches, it would raise potential conflicts of interest under 18 U.S.C. 208.
- Recent policy changes made by the Transportation Department will make it
 easier for Tesla to launch a fleet of Cybercabs and exempt its self-driving cars
 from certain safety requirements. If Musk participated as an SGE in
 decisionmaking involving these matters, it would raise potential conflicts of
 interest under 18 U.S.C. 208.
- President Trump recently promoted a fleet of Tesla vehicles on the White House grounds and Commerce Secretary Lutnick urged the public to buy Tesla stock after its value plummeted. If Musk participated as an SGE in efforts to promote his company's vehicle on the White House grounds and his stock by cabinet members, it would raise potential conflicts of interest under 18 U.S.C. 208.
- Multiple agencies that were engaged in regulatory oversight of Neuralink, xAI, and Tesla were subject to staffing reductions and firings by the Trump administration that affected the agencies' ability to carry out ongoing investigations or lawsuits involving Musk's companies. To the extent that Musk participated as an SGE in decisionmaking that affected staffing at the Securities and Exchange Commission, Food and Drug Administration,, Environmental Protection Agency, Equal Employment Opportunity Commission, or the National Labor Relations Board, which, in turn, directly affected staffing of ongoing investigations or lawsuits involving his companies, it may raise potential conflicts of interest under 18 U.S.C. 208.
- SpaceX has been the beneficiary of billions of dollars in government contracts awarded since January 20, 2025. If Musk participated in matters involving establishing requirements for, or the award of, contracts worth more than \$6 billion to his companies by the Defense Department and the National Aeronautics and Space Administration, it would raise potential conflicts of interest under 18 U.S.C. 208.
- Space X is a frontrunner to be awarded a contract for the Golden Dome project worth billions of dollars. SpaceX is also poised to win a significant portion of work on a program deploying missile-tracking satellites. If Musk as an SGE participated in the development of the Golden Dome or missile-tracking satellite project, it would raise potential conflicts of interest under 18 U.S.C. 208.
- One of Musk's most serious potential conflicts of interest arises from FAA's use
 of SpaceX's Starlink satellite terminals, which were deployed after a SpaceX
 engineer assigned as an SGE to the FAA reportedly told FAA employees that
 Musk wanted them to immediately start work on a program to deploy thousands
 of the Starlink satellite terminals to support the FAA's air traffic control system.

He reportedly told employees that they had 18 months to get the new program up and running or they would be reported to Musk and risked losing their jobs. If Musk participated as an SGE in FAA's deliberations and ensuing efforts to deploy Starlink satellite terminals, it raises potential conflicts of interest under 18 U.S.C. 208.

- Equally concerning is the installation of Starlink satellite terminals at the White House purportedly to "improve Wi-Fi connectivity on the complex", but seemingly without regard to potential security vulnerabilities. If Musk participated as an SGE in White House deliberations and efforts to deploy Starlink satellite terminals at the White House, it raises potential conflicts of interest under 18 U.S.C. 208. Similar issues arise from the installation of Starlink for internet services at the General Services Administration, Customs and Border Protection, and the Justice Department.
- Starlink has engaged in a number of deals with foreign countries since Trump's election, including deals with Saudi Arabia, India, Bangladesh, South Korea, Vietnam, the Democratic Republic of Congo, Somalia, Guinea-Bissau, Lesotho, Gambia, and Chad. Other Starlink licensing deals are being considered by Uganda and Cambodia, and a deal to greatly expand Starlink service with Brazil was just recently struck. State Department leadership has increased pressure on its staff to promote American satellite internet services, specifically naming Starlink. Since Trump announced his tariff proposals a number of countries have expressed willingness to do business with Starlink. Musk has made public appearances at the White House with Bangladeshi government officials and made a public appearance with the Indian Prime Minister at Blair House to discuss emerging technologies. If Musk participated in these discussions as an SGE, it would raise potential conflicts of interest under 18 U.S.C. 208.

PART 2 – How Trump Administration Actions Have Affected Elon Musk's Business Interests

With President Trump's <u>blessing</u>, the world's <u>richest</u> person took a <u>chainsaw</u> to the federal government during his four-plus months in the Trump administration, cutting the federal workforce, effectively eliminating federal agencies, and impeding the government's regulation and oversight of private enterprise. But while the federal government's footprint has shrunk, Elon Musk's companies—with one notable exception—stand to <u>grow larger</u> and more profitable as a result of his handiwork and Trump administration actions.

Musk's business interests have won billions of dollars in new federal contracts, profited from a relaxed regulatory environment, and had lucrative new business opportunities with the government come their way. The notable exception is Tesla, which has seen sales and revenue <u>plummet</u> because of consumer protests against Musk. Yet even it could benefit handsomely from recent <u>rule changes</u> governing self-driving cars.

Since Inauguration Day:

- Musk's rocket launch company SpaceX has won federal contracts potentially worth \$6.3 billion, while continuing work on earlier-awarded contracts valued at \$16.3 billion.
- The Commerce Department is <u>revising</u> the rules for a \$42.5 billion program to connect rural and poor areas to the Internet, allowing Musk's satellite division Starlink to compete for a bigger share of the contracts.
- Musk's social media platform X has seen its fortunes <u>rise</u> as advertisers who
 once shunned the site have reversed course, perhaps to curry favor with the
 Trump administration, and <u>federal agencies</u> increasingly have used it to
 communicate with the public.
- SpaceX and two partners have <u>reportedly</u> emerged as frontrunners for a missile shield program called Golden Dome that could cost an estimated <u>\$542 billion</u> over the next two decades. SpaceX is also <u>reportedly</u> positioned to win a significant portion of a \$35 billion program to deploy missile-tracking satellites.
- At the <u>urging</u> of the State Department, foreign governments have <u>lined up</u> to ink deals with Starlink for Internet services for their countries.
- Trump's budget proposal released in May contains \$1 billion in funding for exploring Mars—a longtime <u>dream</u> of Musk's.
- Federal agencies, including the <u>Justice Department</u> and the <u>National Labor Relations Board</u>, have moved to drop cases against Musk's companies. At the start of the administration, Musk's firms faced a potential liability of at least \$2.37 billion in federal investigations, litigations and other regulatory actions, according

to an <u>analysis</u> by the Democratic staff of the Senate Permanent Subcommittee on Investigations. In an administration that <u>fires</u> officials for not sufficiently toeing the party line, it strains credulity to think that Musk's closeness to Trump won't be on the minds of federal investigators weighing whether to pursue cases begun in the Biden administration.

<u>Forbes</u> estimated in late May that Musk's net worth was \$419 billion, approximately \$170 billion more than what it was on July 15, 2024 when he endorsed Trump.

Although it has received relatively little notice, one of the biggest potential beneficiaries of Musk's stint in the federal government is his artificial intelligence company, xAl. One rationale for eliminating hundreds of thousands of federal jobs is that artificial intelligence systems can <u>perform</u> many of the duties of the laid-off workers. Musk's xAl could be in line for that role. Even more significantly, xAl could potentially use government data now at the disposal of Musk's Department of Government Efficiency to train its artificial intelligence system, although the White House has dismissed any suggestion that the data has been used improperly.

"A private entity with the capacity to develop artificial intelligence technologies could use government data to leapfrog its competitors and wield massive influence over society," Allison Stanger, a professor at Middlebury College in Vermont wrote in the Conversation. "For Al developers, government databases represent something akin to finding the Holy Grail."

Whether xAI will ultimately benefit from Musk's involvement in government is unknown, like much of Musk's behind-the-scenes role. Musk was officially a "special government employee," a classification typically used for someone serving in an advisory capacity to lend their expertise on a temporary basis. They are expected to only serve 130 days during any 365-day period.

Federal ethics rules required Musk, like any special government employee, to recuse himself from any decision that he knew could affect his financial interests. President Trump could have given Musk a waiver of the criminal conflict of interest law but there is no indication he did so. The White House essentially <u>said</u> Musk would police himself and "abide by all applicable federal laws." For his part, Musk has dismissed any suggestion that his work in the federal government could raise questions of conflicts of interest. "I'm simply an advisor, I don't have a formal power. And that's it. A president can choose to accept my advice or not," Musk told <u>Bloomberg</u> in a May 20 interview.

Musk <u>posted</u> on X on May 28 that he was leaving his DOGE post, writing "As my scheduled time as a Special Government Employee comes to an end, I would like to thank President <u>@realDonaldTrump</u> for the opportunity to reduce wasteful spending.

The @DOGE mission will only strengthen over time as it becomes a way of life throughout the government." But at an Oval Office press conference with Musk on May 30, Trump said Musk would continue to play a role in the administration. "Elon's really not leaving," Trump said. "He's gonna be back and forth." Regardless of his involvement in the administration, Musk's influence will remain, if nothing else because former employees and business associates are still in the federal government.

Musk also leaves behind many questions about his role. Among them:

- In what ways, if any, will DOGE's access to federal databases serve Musk's business interests, particularly xAI?
- Will Musk's influence with the Trump administration cause it to convince Congress to prioritize his <u>dream</u> of populating Mars, a move that could substantially increase the fortunes of SpaceX?
- Will Musk's clout influence federal regulators if Neuralink, Musk's brain implant company, moves beyond the <u>experimental</u> stage and applies for commercial applications?
- Will the Trump administration, which has already tried to <u>promote</u> Tesla, take other actions to reduce regulatory hurdles to Tesla's introduction of self-driving vehicles?

This section of the report is organized into five parts: Musk's use of X; federal regulatory actions affecting Musk's companies; Musk's ongoing, new, and potential federal contracts; Musk's contracts and ties with foreign governments; and Musk's employees, former employees, and allies in the federal government. For purposes of this report, Musk's social media platform X is treated as a separate company, although it was recently bought by Musk's xAI. This report relies heavily on the work of dozens of news organizations, including the Associated Press, Bloomberg, the *Financial Times*, *The Guardian*, *The New York Times*, *ProPublica*, Reuters, *Space.com*, *The Wall Street Journal*, *The Washington Post*, and *Wired*.

1. Elon Musk's Use of X

With his ownership of the social media platform X, Elon Musk has one of the world's biggest megaphones at his disposal. But any thought that he would curb his posts during his time in the Trump administration to avoid ethics controversies and possible conflicts of interest has been contradicted by his frequent musings on the platform.

Sometimes posting on X dozens of times a day, Musk has used the platform to promote his companies (the <u>Boring Company</u>, <u>Tesla, SpaceX, Neuralink</u>, X and <u>xAl</u>), <u>trash</u> business competitors, <u>demean</u> federal employees, <u>issue orders</u> to federal employees, <u>spread</u> conspiracy theories, <u>praise</u> Trump administration officials, <u>belittle</u> Trump administration officials, <u>praise</u> foreign leaders, <u>trash</u> foreign leaders, <u>praise</u> states, and <u>trash</u> states. And federal officials in the Trump administration are increasingly <u>using X</u> for their official communications.

Musk's prominence on X and in the Trump administration helped X regain revenue Musk lost when he bought Twitter in 2022 and renamed it X. As *The Guardian* reported, Musk loosened the site's moderation policies, which prompted many advertisers worried about their ads appearing alongside potentially objectionable content to pause or leave. Controversy over pro-Nazi content on X in 2023 caused even more brands to pull back. Musk said advertisers were trying to "blackmail" him with boycotts and X sued a global advertising alliance and several big companies, including Unilever, Mars, and CVS Health, accusing them of unlawfully conspiring to shun the social network and intentionally causing it to lose revenue. "We tried peace for 2 years, now it is war," Musk tweeted after the launch of the legal action.

As Reuters reported, X is poised for the company's first year of advertising revenue growth since Musk's 2022 acquisition, according to data from research firm Emarketer. In 2025, X's U.S. ad revenue is expected to grow 17.5 percent to \$1.31 billion, while global ad sales are estimated to rise 16.5 percent to \$2.26 billion. "Some of this year's growth is also being driven by fear. Many advertisers may view spending on X as a cost of doing business in order to mitigate potential legal or financial repercussions," said Jasmine Enberg, principal analyst at Emarketer. As a private company, X does not disclose financial data. In 2021, it had reported ad revenue of \$4.51 billion as a publicly traded company.

One sign that the tides have turned is that Hollywood studios have been returning to the site. The <u>Hollywood Reporter</u> said that Disney, Warner Bros. Discovery, Apple, Amazon, Comcast, and Lionsgate, among others, have resumed advertising.

Five Democratic senators have asked the Justice Department to investigate whether Musk is leveraging his influence in the Trump administration to bully advertisers into returning to X. The request, from Democratic Sens. Elizabeth Warren of Massachusetts, Cory Booker of New Jersey, Richard Blumenthal of Connecticut, Adam Schiff of California, and Chris Van Hollen of Maryland, followed a *Wall Street Journal* report in February of 2025 about the social-media platform's pressuring Interpublic Group to spend more on X. If Musk uses his government position to harm those who don't do business with him, "he risks running afoul of criminal ethics laws," the senators wrote to Attorney General Pam Bondi. The senators said that they are concerned X is taking advantage of Musk's powerful role to "extract revenue from advertisers."

The <u>Journal</u> reported in February that an attorney at X encouraged the advertising conglomerate Interpublic to increase its spending on X or face consequences. Interpublic executives interpreted the communication as a threat that its pending \$13 billion merger with rival Omnicom Group could be negatively affected by the Trump administration, given Musk's government role, the <u>Journal</u> reported. The Federal Trade Commission is conducting an initial review of the deal.

The increase in ad revenue has helped the value of X to reportedly soar back to the \$44 billion Musk paid for it in 2022. Investors valued the site formerly known as Twitter at \$44 billion in a secondary deal in March of 2025, in which they exchanged existing stakes in the company, according to a *Financial Times* report. X had been valued at just \$10 billion by the existing investor Fidelity Investments as recently as late September.

2. Federal Regulatory Actions

Agriculture Department

Securities and Exchange Commission

Food and Drug Administration

Neuralink's brain implants in monkeys: At the request of a federal prosecutor, the Agriculture Department's inspector general began investigating Elon Musk's medical device company Neuralink in 2022 for how it treated and tested animals in its experiments. Neuralink uses animals in its efforts to develop a brain implant that will allow people who are paralyzed to walk again, among other things. According to Reuters, Neuralink employees said that pressure from Musk to speed up development resulted in more animals being tested and killed in failed experiments. Employees said Musk told workers to "imagine they had a bomb strapped to their heads in an effort to get them to move faster."

The government probe focused on violations of the Animal Welfare Act. Within a few days of taking office, President Trump began firing inspector generals, including USDA's Phyllis Fong, a 22-year department veteran who was investigating Neuralink for its treatment of animals. She was <u>escorted</u> out of her office after disputing her dismissal.

In a related probe, the Securities and Exchange Commission reopened an investigation into Neuralink in December 2024, according to a <u>letter posted</u> by Musk on his social media platform X. Four members of the House of Representatives had asked the SEC to investigate whether Musk had committed security fraud by allegedly misleading investors about the safety of a brain implant being developed by Neuralink

<u>Wired</u> reported that at least 12 monkeys died after being surgically fitted with brain implants. Yet Musk had posted on X that "no monkey has died as a result of a Neuralink implant." Musk added that the company chose "terminal" monkeys to minimize risk to healthy ones. The House members <u>wrote</u> to the SEC that evidence they had reviewed showed that the death of animals in Neuralink experiments "relate directly to the safety and marketability of Neuralink's brain-computer interface." As a result, Musk's statement "may have violated" SEC rules in denying a connection, the lawmakers wrote. The Trump administration has reduced staffing at the SEC, affecting its ability to conduct investigations.

In February 2025, <u>Reuters</u> reported that Food and Drug Administration employees reviewing Neuralink were fired as part of a broader purge of the federal workforce. The cuts included about 20 people in the FDA's office of neurological and physical medicine devices, several of whom worked on Neuralink. "It's intimidating to the FDA professionals who are overseeing Neuralink's trial," Victor Krauthamer, a former FDA official for three decades, including a stint as acting director of the office that reviews human-trial requests for brain implants, told <u>Reuters</u>. "We should be worried about the whole trial, and the protection of the people in the trial."

In May of 2025, Neuralink <u>posted</u> on X that it had received a "breakthrough" designation from the FDA for its device to restore communication for individuals with severe speech impairment from strokes, cerebral palsy, multiple sclerosis, and other neurological conditions. The <u>breakthrough designation</u> is intended to speed up development, assessment, and review of select medical devices.

Commerce Department

Boosting Starlink: Commerce Secretary Howard Lutnick <u>announced</u> March 5, 2025 that he was changing a \$42.5 billion program to connect rural and poor areas to the Internet in a way that <u>stands to benefit</u> Elon Musk's Starlink division. Lutnick's action was sharply criticized by Evan Feinman, who headed the broadband program until March 16. "Stranding all or part of rural America with worse internet so that we can make the world's richest man even richer is yet another in a long line of betrayals by Washington," <u>Feinman said</u> in an email to colleagues.

The program, called Broadband Equity, Access and Deployment (BEAD), was created as part of the Infrastructure Investment and Jobs Act of 2021. It represents the federal government's most ambitious effort yet to expand Internet access to parts of the country lacking Internet service.

Under the program, the Commerce Department's National Telecommunications and Information Administration awards money to individual states after they win federal approval for their plans to expand broadband access. The Biden administration issued rules for the program that <u>favored using fiber optic cables</u> to reach rural areas on the grounds that it was the fastest, most reliable, and cheapest technology available. Only when installing fiber optic cables was not feasible could satellite service be warranted.

In his March 5 <u>announcement</u>, Lutnick said he was "ripping out" the Biden administration's "pointless requirements" and adopting a "tech-neutral approach" instead. Although Lutnick did not mention Starlink in his announcement, his

proclamation was immediately seen by industry experts as potentially a huge boost to Musk's company. Experts told <u>The Wall Street Journal</u> that Starlink, part of Musk's SpaceX, could make \$10 billion to \$20 billion under the new Commerce Department approach, compared to the \$4.1 billion it was expected to receive under the old rules.

Lutnick may not have promoted Starlink publicly, but he did so privately to BEAD staffers in a meeting in March in the Herbert Hoover building near the White House, Feinman said. "He mentioned Musk by name, he asked if we had been talking with Elon," Feinman told the <u>Financial Times</u>. "The clear thrust of his directive was to increase the amount of satellites being used regardless of any other considerations."

Rather than rely on fiber optic cables, Starlink utilizes its network of some 7,000 low-flying satellites to provide Internet services. Starlink panels are placed on structures, such as homes, and receive Internet signals beamed from SpaceX satellites. (Starlink is part of Musk's SpaceX company.) According to CNET, Starlink "is essentially the only satellite game in town" because its competitors don't come close to matching Starlink's network.

Musk had been sharply critical of the Biden administration's implementation of the broadband program. "This government program is an outrageous waste of taxpayer money and is utterly failing to serve people in need," Musk <u>posted</u> on X in June of 2024.

But Feinman said that shifting from fiber to satellite would be a disservice to rural America because satellite service is slower and less reliable than fiber optic connections. "Fiber-optic cable remains operable for decades and decades at extraordinarily low maintenance and operation costs, and offers speeds today that can meet all current needs and likely those of the future," Feinman said. "Starlink simply can't."

Feinman told <u>CNET</u>: "It is not acceptable to consign a set of communities to worse educational outcomes, worse economic outcomes, worse health outcomes -- all of which come along with a lack of good connectivity -- for the purposes of either subsidizing a political ally or misunderstanding the way this stuff works." According to CNET, Starlink hasn't demonstrated that it can meet BEAD's speed requirements and "at \$120 per month in most areas, it's also far more expensive than most Internet providers."

An additional concern is that Starlink's speeds have actually dropped as more people have joined the network, CNET reported. While Starlink has launched thousands of satellites since it started in 2019, it's also added millions of additional customers. "I'm not sure Lutnick is aware of this," Blair Levin, former chief of staff at the Federal

Communications Commission, told CNET. "Starlink has a waiting list. They have a waiting list because they've run out of capacity."

Critics of the Biden administration's approach to expanding Internet access noted that as of the time Biden left office no homes had actually been connected to the Internet using BEAD funds. But Feinman warned that the new Commerce Department policy will result in even more delays. "Shovels could already be in the ground in three states, and they could be in the ground in half the country by the summer without the proposed changes to project selection," Feinman wrote.

Feinman's concern <u>was echoed</u> in late April 2025 by the executives of two firms that won bids to construct fiber-optic networks in Louisiana. They decried the Commerce Department's delays in the program as it determines how to incorporate satellite internet options. "Here's the truth: we can't continue this work — not because we aren't ready, but because delays and uncertainty are costing us everything," David Herring, founder of ClearPath Fiber, wrote in an open letter to Commerce Secretary Lutnick. "Our investors — once confident — are now backing away. The financial risk grows each day federal guidance is delayed or revised." Brad Warden, CEO of SkyRider Communications, expressed similar concerns.

Consumer Financial Protection Bureau

Turning X into an "everything app": Elon Musk has big plans for his social media platform X, formerly known as Twitter. He says it's not enough for it to serve as a digital town square. Musk <u>wants X</u> to become "a single application that encompasses everything." In other words, an "everything app" that would compete with dating apps, banking apps, YouTube, FaceTime, Linkedin and other apps that people use on their smartphones. Thanks to the Trump administration, Musk may be one step closer to making his dream a reality.

A key to turning X into an "everything app" would be to add payment services to it so users could treat it like a digital wallet with peer-to-peer payments connected to users' debit cards. In late January 2025, eight days after President Trump's inauguration, X CEO Linda Yaccarino announced that X was teaming up with Visa to soon offer a system of payments, called "X Money Account" on the social media platform.

Ordinarily, such a payment system would have to pass muster with the Consumer Financial Protection Bureau, an independent watchdog agency that was created after the 2008 financial meltdown with oversight over banks and other financial institutions. But the agency was an <u>early target</u> of Musk's Department of Government Efficiency.

Some 1,400 of the agency's 1,700 staff positions have been eliminated, <u>Wired</u> reported. Musk had made <u>no secret</u> of his animosity towards the CFPB. In late November 2024, he <u>wrote</u> on X: "Delete CFPB." In February 2025, Musk <u>posted</u>: "CFPB RIP".

Rohit Chopra, who President Trump fired as director of CFPB, said Musk and other tech titans ultimately want to create worldwide financial currencies not subject to government oversight. One risk, Chopra said, is that transactions are not based on transparent price tags but on algorithms that factor in a consumer's buying habits.

"Musk is now a federal officer subject to the criminal conflict of interest statute, 18 USC 208," Richard Painter, former President George W. Bush's ethics counsel who now teaches law at the University of Minnesota, told <u>The Guardian</u> in February. "He cannot own stock in Tesla which offers car loans and at the same time participate in dismantling the CFPB. Also he cannot have X go into consumer finance and at the same time participate in dismantling the CFPB."

Consumer Financial Protection Bureau

Selling X's user data: In the fall of 2024, X alerted users that <u>effective November 15</u>, user data could be used to train artificial intelligence models for third-party "collaborators." That would seemingly extend beyond Elon Musk's own <u>Grok Al</u> and let the company license data to outside companies, much as <u>Reddit</u> does. As <u>Fortune</u> reported, that could become a substantial revenue stream for the company, which had seen its advertising income <u>tumble</u> after Musk's takeover of Twitter.

These kinds of sales had been a focus for the Consumer Financial Protection Bureau, a government watchdog, the <u>Guardian</u> reported. The CFPB <u>proposed</u> a rule in December of 2024 that would block the brokering of sensitive user data as a means of curtailing financial fraud. The rule would treat data brokers like credit bureaus and background check companies, requiring those that sell data about income or financial tier, credit information, or debt payments to comply with the Fair Credit Reporting Act.

The <u>Guardian</u> said it was not clear whether X would fall under the new CFPB rule. But even if it did, the watchdog agency under President Trump would probably not have the resources to enforce it. Some 1,400 of the agency's 1,700 staff positions have been eliminated, <u>Wired</u> reported.

Defense Department

Protecting state secrets: Elon Musk has never been much of a rule follower, and that mindset seems to have marked his approach to adhering to government requirements for defense contractors granted top secret security clearances. *The New York Times* reported in December of 2024 that Defense Department officials have long been concerned that Musk and his rocket company SpaceX have failed to comply with federal reporting protocols aimed at protecting state secrets, including by not providing some details of his meetings with foreign leaders.

For their part, foreign governments have also grown wary of Musk's ability to handle classified information. Nine countries, including ones in Europe and the Middle East, have raised security questions about him in meetings with U.S. defense officers in the past three years, two defense officials told the <u>Times</u>. Israeli officials in 2023 labeled Musk a "wild card," the <u>Times</u> reported. Following the publication of the <u>Times</u> report, Musk's <u>post</u> on X said, "Deep state traitors are coming after me, using their paid shills in legacy media." He added, "I prefer not to start fights, but I do end them …"

According to the *Times*, concerns about Musk triggered at least three federal reviews in 2024, one by the Defense Department's Office of Inspector General, one by the Air Force, and one by the Pentagon's Office of the Under Secretary of Defense for Intelligence and Security. While Musk has had a top-security clearance for many years, the Air Force during the Biden administration denied him a high-level security access, the Special Access Program status, which is reserved for extremely sensitive classified programs, the *Times* reported. One Pentagon official told the *Times* that Musk had been rejected because of potential security risks such as his extensive contacts with foreign officials, his foreign investments, and a "lack of explanation" related to some of the foreign contacts.

Under security clearance rules, Musk must report information about his private life and foreign travel to the Defense Department as part of a process known as "continuous vetting." That allows the government to evaluate whether someone with a high-level security clearance should continue handling sensitive information. But since at least 2021, Musk and SpaceX have not adhered to those reporting requirements, people with knowledge of SpaceX told the *Times*. He and his team have not provided some details of his travel — such as his full itineraries — and some of his meetings with foreign leaders, they said. He has also not reported his use of drugs, which is required even with a prescription, they said. In late May, just as Musk was leaving DOGE, The New York Times reported that during the 2024 presidential campaign Musk told people he was taking so much ketamine, a powerful anesthetic, that it was affecting his bladder, a

side effect of chronic use. The Times reported that Musk also took Ecstasy and psychedelic mushrooms and that he traveled with a daily medication box that included pills with the markings of the stimulant Adderall. In a post on X, Musk denied he was taking drugs and said the *Times* is "lying their ass off. I tried *prescription* ketamine a few years ago and said so on X, so this not even news. It helps for getting out of dark mental holes, but haven't taken it since then."

It is unclear whether the Pentagon investigations of Musk are ongoing in the Trump administration, but it seems unlikely. Trump fired Pentagon inspector general Robert Storch soon after taking office. Defense Secretary Pete Hegseth was planning to host a top-secret briefing for Musk on March 21 about the Pentagon's military plans in case of war with China. (China is vital to Musk's car company Tesla as both a producer of vehicles and as a consumer market.) After *The New York Times* reported that the briefing would take place, it was cancelled on orders from President Trump, *Axios* reported. Hegseth's reaction was to suspend two top Pentagon officials as part of an investigation into who leaked word of the briefing.

Musk's ties to Russia have also raised eyebrows. *The Wall Street Journal* reported that Musk has had numerous conversations with Russian President Vladimir Putin and other Russian officials in recent years. This included ones in which Putin asked Musk to use his technology to do Russia geopolitical favors. For his part, Putin in April of 2025 <u>praised</u> Musk, comparing him to Sergei Korolev, the chief engineer behind the Soviet Union's space success in the 1950s and 1960s, state news agency TASS <u>reported</u>. In 2023, Putin called Musk an "outstanding person."

India News Network reported that a former FBI counterintelligence agent said that Russia collected information on Musk's private lifestyle in a possible effort to blackmail him. "Musk's susceptibility to promiscuous women and drug use, particularly ketamine, were seen by Russian intelligence as an opportunity for an agent to exploit," Jonathan Buma told German broadcaster ZDF. He added that Musk's interest in events like the Burning Man festival, adult entertainment, and gambling provided further entry points for intelligence operatives.

Musk, in a May 20 interview with <u>Bloomberg</u>, said reports that he has been in close contact with Putin in recent years are inaccurate. "I was on a video call with him once about five years ago," Musk said.

Environmental Protection Agency

Memphis data center: Elon Musk has built a huge data center in South Memphis, Tenn. for his artificial intelligence company xAI to power its Grok chatbot. In April 2025,

the Southern Environmental Law Center, in a letter to the Shelby County Health Department, accused the facility of multiple violations of the Clean Air Act by nearly doubling its number of gas turbines without obtaining permits to do so. The Greater Memphis Chamber said in December 2024 that xAI planned to expand its data center to house at least one million graphics processing units. In lodging complaints against the existing facility and the proposed expansion, the Southern Environmental Law Center press release has cited South Memphis's status as a majority black community and said environmental justice requires tighter oversight to shield overburdened communities from more pollution. But, under the Trump administration, EPA has cancelled environmental justice initiatives. Promised elimination of 65 percent of the Environmental Protection Agency's staff is also expected to reduce its regulatory oversight. In October of 2024, EPA confirmed it was working with local health officials to examine the use of gas turbines at the facility.

In May of 2025, <u>Politico</u> reported that none of the 35 methane gas turbines that help power xAl's massive supercomputer had been equipped with pollution controls typically required by federal rules and that xAl has no Clean Air Act permits. <u>Politico</u> reported that in just 11 months since the company arrived in Memphis, xAl has become one of Shelby County's largest emitters of smog-producing nitrogen oxides. The plant is in an area whose air <u>is already considered unhealthy</u> due to smog. The <u>Southern Environmental Law Center</u> said xAl is evaluating a plan to install between 40 and 90 gas turbines at a second South Memphis data center.

Equal Employment Opportunity Commission

Labor Department

Tesla workplace alleged discrimination: Black employees at Tesla's Fremont, Calif. manufacturing facilities have routinely endured racial abuse, pervasive stereotyping, and hostility as well as epithets such as variations of the N-word, "monkey," "boy," and "black b*tch," according to a <u>lawsuit</u> filed against Tesla in September of 2023 by the Equal Employment Opportunity Commission. "Slurs were used casually and openly in high-traffic areas and at worker hubs. Black employees regularly encountered graffiti, including variations of the N-word, swastikas, threats, and nooses, on desks and other equipment, in bathroom stalls, within elevators, and even on new vehicles rolling off the production line," the EEOC said. The EEOC's investigation also found that those who raised objections to racial hostility suffered various forms of retaliation, including terminations, changes in job duties, transfers, and other adverse employment actions.

The lawsuit was filed in U.S. District Court for the Northern District of California. It seeks compensatory and punitive damages, and back pay for the affected workers, as well as injunctive relief designed to reform Tesla's employment practices to prevent such discrimination in the future. Tesla has urged the district court to dismiss the case on the grounds that the EEOC complaint is vague, fails to name a single victim, and that the agency is intent on harassing Tesla through "a politically driven power grab."

It remains to be seen if the EEOC will continue pursuing the case. Shortly after taking office in January, President Trump <u>fired</u> two Democratic commissioners from the EEOC and the agency's general counsel as part of his campaign against Diversity, Equity, and Inclusion policies. EEOC Acting Chair Andrea Lucas has made <u>rooting out</u> DEI initiatives a focus for the agency.

In a related move, the Labor Department's Office of Federal Contract Compliance Programs closed an investigation of potential workplace discrimination at Tesla after Trump signed an executive order on January 21 that effectively shut down the agency, according to the <u>San Francisco Standard</u>. Tesla — and its Fremont factory in particular — was among a group of Bay Area companies that were to be audited by the <u>OFCCP</u> in 2024. That investigation was still underway, and findings had not been made public, when the office was shut down. After the executive order, the agency sent Tesla a <u>letter</u> saying the investigation had been halted, the San Francisco Standard reported.

Catherine Eschbach, the new head of the Office of Federal Contract Compliance Programs under Trump, previously <u>worked</u> at a private law firm where she represented Musk's SpaceX in its legal battle with the National Labor Relations Board.

Federal Agencies

Accessing government data: When staffers at Elon Musk's Department of Government Efficiency swoop into a federal agency, they typically access internal databases and systems to gain valuable information about the workings of the agency in an effort to slash spending. Access to government data could potentially benefit Elon Musk and his companies in a variety of ways:

- Musk and his lieutenants could use the data to identify and target whistleblowers who have lodged complaints with federal agencies about his business practices.
- They could learn valuable information about business competitors.
- The data could give Musk and his companies an advantage in bidding for lucrative government contracts.
- And the access to data could allow Musk's company xAI to develop more sophisticated AI systems that would overtake rival products.

In a March 2025 article in the <u>Conversation</u>, Allison Stanger, a professor at Middlebury College in Vermont, said that DOGE's access to government data could be highly valuable to train a private company's artificial intelligence system. "A private entity with the capacity to develop artificial intelligence technologies could use government data to leapfrog its competitors and wield massive influence over society," Stanger wrote. "For Al developers, government databases represent something akin to <u>finding the Holy Grail</u>. While companies such as OpenAl, Google and xAl currently rely on information scraped from the public internet, nonpublic government repositories offer something much more valuable: verified records of actual human behavior across entire populations."

What makes the data particularly valuable, Stanger wrote, is its longitudinal nature. "Unlike the disordered information available online, government records follow standardized protocols, undergo regular audits, and must meet legal requirements for accuracy. Every Social Security payment, Medicare claim, and federal grant creates a verified data point about real-world behavior. This data exists nowhere else with such breadth and authenticity," Stanger wrote.

Stanger said that Treasury data represents perhaps the most <u>valuable prize</u>. Government financial databases contain granular details about how money flows through the economy. This includes real-time transaction data across federal payment systems, complete records of tax payments and refunds, detailed patterns of benefit distributions, and government contractor payments with performance metrics. An Al company with access to this data could develop <u>extraordinary capabilities</u> for economic forecasting and market prediction. It could model the cascading effects of regulatory changes, predict economic vulnerabilities before they become crises, and optimize investment strategies with precision impossible through traditional methods.

In a letter to President Trump in May of 2025, Sen. Jeanne Shaheen, D-N.H, <u>urged</u> Trump to require Musk and other special government employees to certify before leaving government service that they will not use any non-public government data for personal benefit. "I am very concerned that SGEs [special government employees], many of whom come from the tech field, may return to the private sector and use nonpublic information from the federal government to give their personal business activities an unfair and anticompetitive boost," Shaheen wrote Trump. A White House official told <u>CNBC</u> that Shaheen's request was "pointless" because Musk and other special government employees are expected to abide by ethics rules.

Federal agencies

Replacing federal workers with AI: By the time the dust settles later this year, at least 284,000 the federal government's 2.4 million civilian employees are expected to be out of jobs, *The New York Times* estimates. Some of the work performed by the employees will almost certainly be taken over by artificial intelligence, perhaps by products sold by Elon Musk's company xAI. Musk and his allies have long touted the potential of AI. Indeed one of Musk's lieutenants at the Department of Government Efficiency, a former Tesla engineer named Thomas Shedd, told workers at the General Services Administration in early February 2025 that they should pursue an "AI-first-strategy" in rethinking how the government operates.

Reuters reported in April 2025 that DOGE was already "heavily" deploying Musk's Grok AI chatbot, a rival to ChatGPT, for purposes Reuters was not able to determine. Chatbots are used to simulate conversations with human users, particularly over the Internet. They are used extensively for customer service by private companies. Installing Musk's Grok AI chatbot at federal agencies could give xAI, Musk's firm that produces Grok AI, a leg up over competitors. In late May, Reuters reported that DOGE was stepping up its use of Grok in federal agencies to analyze data. Staff at the Department of Homeland Security were told by DOGE personnel to use Grok even though it had not been approved by the department, Reuters said.

Forbes reported that administrative, data-processing, and customer service roles will be likely targets for replacing workers with artificial intelligence. The objective is to reduce federal payroll costs, eliminate inefficiencies, and modernize public service delivery. According to internal governmental reports, Forbes said, an estimated 500,000 federal jobs could be impacted over the next five years, including positions at the Internal Revenue Service, Social Security Administration, and Veterans Affairs. Al chatbots and machine-learning algorithms are already being tested for handling inquiries, claims processing, and basic regulatory enforcement.

The concept of using AI to replace human workers is not new. Several organizations and governments have adopted this approach, with varying results. After integrating AI into its workflow, The United Kingdom's National Health Service estimated a 20 percent improvement in appointment scheduling efficiency at its hospitals, reducing patient wait times, *Forbes* reported. But the AI deployment led to data privacy concerns with patient records and some AI diagnostic models exhibited biases, requiring human oversight to prevent misdiagnoses.

Writing for <u>TechPolicy.press</u>. University of Michigan assistant professor Ben Green said that when the Michigan Unemployment Insurance Agency adopted AI to streamline its operations, it was able to eliminate one-third of its staff and boost the cases of suspected welfare fraud by a factor of five. "The only problem?," Green wrote. "Almost

every accusation of fraud—<u>93 percent</u> of supposed fraud cases—was incorrect. Then, even once these errors became clear, it took years of litigation for the wrongly accused to receive the money they were owed. For many people, the fraud charge remained on their criminal record for years, barring them from jobs." Green said that a central reason for these flawed AI tools is that engineers underestimate the complexity of government processes. In turn, engineers embed their superficial assumptions into software and overestimate their tools' capabilities.

As <u>Forbes</u> reported, cybersecurity and data privacy are additional <u>concerns</u>, as Al-powered government operations would become prime targets for cyberattacks. Hackers could exploit system vulnerabilities, and sensitive information—such as tax records and Social Security data—could be at greater risk of breaches if not properly secured.

Federal Aviation Administration

Starlink service on airlines: The Federal Aviation Administration in March of 2025 approved the use of Starlink high-speed Wi-Fi for a fleet of United's regional jets. United said it will work with Elon Starlink to secure FAA approval to install Starlink on more than 16 United aircraft models. Starlink, a unit of SpaceX, previously signed deals with Hawaiian Airlines and regional carrier JSX to provide in-flight internet services. United launched the Wi-Fi service in late May.

Federal Aviation Administration

SpaceX explosion: Everything <u>looked normal</u> at the start of SpaceX's Starship launch from South Texas on Jan. 16, 2025. As planned, Starship's first-stage booster came back to SpaceX's Starbase for a launch-tower landing about seven minutes after liftoff. But then a few minutes later the rocket's upper stage exploded, sending debris raining down on the Turks and Caicos Islands.

The Federal Aviation Administration quickly opened an investigation of Starship's Flight 7 and put a hold on further launches. Just four months earlier, the FAA had proposed \$633,009 in civil penalties against SpaceX for allegedly failing to follow its license requirements during two launches in 2023. "Safety drives everything we do at the FAA, including a legal responsibility for the safety oversight of companies with commercial space transportation licenses," said then-FAA Chief Counsel Marc Nichols. "Failure of a company to comply with the safety requirements will result in consequences." Upset at

the FAA, Musk <u>posted</u> on X, "The fundamental problem is that humanity will forever be confined to Earth unless there is radical reform at the FAA!"

On February 28, six weeks after the January 16 explosion, the FAA issued a ruling more to Musk's liking. The FAA said it had determined SpaceX <u>could proceed</u> with its Flight 8 launch, then scheduled for as soon as March 3, although the mishap investigation into the Flight 7 mission was ongoing. "After completing the required and comprehensive safety review, the FAA determined the SpaceX Starship vehicle can return to flight operations while the investigation into the Jan. 16 Starship Flight 7 mishap remains open," the agency stated.

Starship Flight 8, however, also exploded when it was launched on March 6. As the website *Flying.mag.com* wrote, "Millions of viewers who tuned into Thursday's broadcast of SpaceX Starship's eighth test flight experienced a collective déjà vu as the mammoth rocket exploded and rained down flaming hunks of metal in eerily similar fashion to Flight 7. So too did pilots flying over the Caribbean ocean, many of whom were forced to change course to avoid the falling debris."

On March 31, the FAA officially closed the investigation of the Flight 7 explosion and accepted SpaceX's explanation that a propellant leak was the cause of the accident. "The final mishap report cites the probable root cause for the loss of the Starship vehicle was stronger than anticipated vibrations during flight [which] led to increased stress on, and failure of, the hardware in the propulsion system," FAA officials said in statement. "SpaceX identified 11 corrective actions to prevent a reoccurrence of the event," the statement continued. "The FAA verified that SpaceX implemented corrective actions prior to Flight 8." Even as the FAA continued its investigation into the Flight 8 explosion, it approved in May a SpaceX request to increase its Starship launches from five to 25 per year from Texas. On May 22, the FAA announced the completion of its Flight 8 investigation and gave SpaceX the go-ahead for a Flight 9 launch. The launch was conducted on May 27; this time Starship stayed intact longer but eventually broke apart, spun out of control, and fell into the Indian Ocean before it could achieve all of its testing goals. The FAA instructed SpaceX to investigate what went wrong.

Meanwhile, the FAA has <u>cleared</u> SpaceX to increase the number of Falcon 9 flights from Vandenberg Space Force Base in California from 36 to up to 50 operations per year. The Falcon 9 flights often carry Musk's Starlink satellites into orbit.

Federal Aviation Administration

Space Force

National Aeronautics and Space Administration

Coast Guard

Environmental impact of rocket launches: The maiden flight of SpaceX's Starship, the world's most powerful rocket, was declared a success in 2023 because it lasted longer than expected when it took off from Boca Chica, Texas: three minutes and 57 seconds. But when it exploded, it left behind debris in nearby state parks and wildlife refuge lands that are hosts to protected plants and frequented by migratory birds. As the BBC reported, the first launch of Starship led not only to the destruction of the rocket, but also of the launchpad. An explosive plume of debris sent sand, soil, chunks of metal and concrete flying through the air, landing up to 6.2 miles away.

"It's hard to watch these huge explosions," Sarah Gaines Barmeyer, deputy vice president of conservation programs at the National Parks Conservation Association, told the BBC. "The amount of environmental destruction they cause with the debris, and the potential for fires, air and water pollution – we would like to see more security and testing before we're launching spaceships near protected areas."

Now, two years after that maiden flight, SpaceX wants to dramatically increase its launches—requests that require federal environmental assessments under the National Environmental Policy Act before they can be granted. In April 2025, the Federal Aviation Administration put SpaceX one step closer to its goal with a <u>draft environmental assessment</u> that concluded that SpaceX's plan to increase launches from Cape Canaveral Space Force Station in Florida from 50 to 120 per year "would not significantly affect the quality of the human environment."

As the <u>Orlando Sentinel</u> reported, the FAA has partnered with the Air Force, Coast Guard, and the National Aeronautics and Space Administration for the assessment, while NASA is the lead agency for a second assessment expected this spring for Florida's Kennedy Space Center's Launch Complex 39-A, where SpaceX wants to increase launches from 20 to 36. These two SpaceX requests are separate from two other environmental evaluations underway by the FAA and the Air Force for potential launch and landing operations for SpaceX's massive Starship and Super Heavy rocket, which for now only launches from Texas. Staff cutbacks at the FAA have included personnel specializing in environmental compliance.

Separately, the FAA in May of 2025 gave SpaceX <u>approval</u> to launch and land Starship rockets and Super Heavy boosters from its spaceport in Boca Chica, Texas up to 25 times a year. The <u>FAA's final environmental assessment</u> concluded that SpaceX's expanded launch plans would have "no significant impact" on the surrounding environment.

Meanwhile, the Defense Department's Space Force agency issued a notice in March 2025 that it plans to transform a <u>rare bird sanctuary</u> in Hawaii into a landing site for SpaceX hypersonic rocket tests. Space Force plans to build two landing pads at the Johnston national wildlife refuge, an atoll 700 nautical miles from Honolulu, to accommodate the landing of 10 SpaceX rockets a year over the next four years for military purposes. The atoll is home to more than 1.5 million birds of 15 different species, including nearly half of the world's red-tailed tropicbirds.

Federal Communications Commission

Satellite waiver: Roughly 500,000 square miles of land in the United States <u>are not covered</u> by cell service—places where there are no nearby cell towers or Wifi connections. Think of hikers in the middle of Yellowstone National Park. T-Mobile wants to address the problem by linking to satellites so that if its customers lose connection with a cell tower, for example, they would be connected to a satellite service. T-Mobile has teamed up with SpaceX's Starlink to <u>provide</u> the service, which it calls direct-to-device (D2D). Customers in remote areas won't be able to watch YouTube videos on their phones, at least not yet, but they should be able to make and receive calls and text messages.

To facilitate the service, T-Mobile and Starlink asked the Federal Communications Commission to allow Starlink to operate its satellites at a higher power than is normally allowed. The FCC granted the waiver in March of 2025, over the objections of T-Mobile competitors such as Verizon, AT&T, and EchoStar. AT&T had argued that the higher power levels would result in an 18 percent reduction in data transmissions over its network. In its ruling, the FCC said that if the new T-Mobile-Starlink service did result in harmful interference with satellites used by other carriers that Starlink would have to address the problem.

On April 7, EchoStar petitioned the FCC to rescind the waiver. "Instead of finding that harmful interference would be unlikely at the higher power levels proposed by SpaceX, the Bureau failed to make any decision about the likelihood of harmful interference, granted the waiver, and put the burden on EchoStar to protect itself, EchoStar wrote. "It was also erroneous because the plain text of the Communications Act vests the Commission with the responsibility to 'prevent interference' before it happens. Addressing interference after it already happens does not meet that mark."

In a related matter, SpaceX and T-Mobile are <u>asking</u> the FCC to relax a rule that prevents older smartphones from accessing Starlink. SpaceX previously called on the FCC to relax the rule, but the FCC disagreed in a March 2024 ruling. It's possible

SpaceX will find a more receptive audience with its latest request. The commission is expected to have either a 2-1 or 3-1 Republican majority this spring, depending on the timing of the departure of Democratic commissioner Geoffrey Starks and the confirmation of Trump nominee Olivia Trusty. Starks resigned on May 22.

Federal Communications Commission

A backup for GPS: GPS, which is short for the Global Positioning System, has become ubiquitous in everyday life in America. It's used for driving directions, supply chain and transportation management, surveying, precision farming and cellular network positioning, among other things. It's also supplied by a single provider, the Defense Department. And, as <u>Breaking Defense</u> reported, there has been a rapid rise in deliberate jamming of GPS by governments and militaries around the world such as Syria and Ukraine.

The Federal Communications Commission <u>announced</u> in March 2025 that it was beginning to look for alternatives or backups to GPS because it is run by a single provider. The FCC said its goal is to usher in so-called Position, Navigation, and Timing (PNT) systems because "relying on GPS alone as the primary source of PNT data leaves America exposed to a single point of failure and leaves our PNT system open to disruption or manipulation by adversaries." The FCC said it wants to ensure that "critical operations can continue even when GPS signals are disrupted, degraded, or manipulated."

The FCC is <u>weighing changes</u> to spectrum licensing rules in order to promote GPS alternatives. Such changes could benefit commercial firms providing FCC-approved GPS alternatives—firms such as Elon Musk's SpaceX and its Starlink satellite system.

"SpaceX looks forward to playing an integral role in creating a more robust, resilient, and secure PNT ecosystem for Americans and people around the world," SpaceX wrote the FCC in May of 2025. "SpaceX has invested considerable resources to ensure that its satellite systems can operate independent of GPS. This capability not only allows those systems to operate unhindered even if GPS is unavailable, it also sets the foundation for future solutions that can use any authorized frequency to deliver accurate, reliable, and resilient PNT to any end user device."

SpaceX wasn't the only firm making a pitch to the FCC. Apple satellite provider Globalstar also sent a <u>letter</u> to the FCC about how its services "can function as either an alternative or a complement to GPS," <u>PC.mag</u> reported. It is unclear how soon the FCC will decide how to proceed.

Federal Election Commission

Justice Department

Elon Musk's campaign contributions on behalf of Donald Trump: After Musk decided in July of 2024 to back Trump in his presidential election campaign against Kamala Harris, he went all in. *The Washington Post* estimated that Musk spent at least \$288 million to help elect Trump and other Republican candidates, making him the biggest donor of the election cycle. One of the most controversial elements of Musk's financial backing was the efforts by his America PAC to target low-propensity voters in key swing states. In October of 2024, Musk <u>said</u> he would hand out \$1 million daily in a lottery for registered swing-state voters who signed a petition as part of his super PAC's voter recruitment drive. The <u>Post</u> reported that he spent at least \$51.7 million on payments for petition signatories. The program was limited to registered voters in Pennsylvania, Georgia, Nevada, Arizona, Michigan, Wisconsin, and North Carolina.

Legal experts pointed out that federal law <u>prohibits</u> paying Americans to register to vote. Liberal advocacy group Public Citizen <u>filed a complaint</u> with the Federal Election Commission, saying that "Elon Musk appears to have crossed the legal line." And former GOP lawmakers and Justice Department officials <u>wrote</u> a letter to then-Attorney General Merrick Garland requesting an investigation. "We are aware of nothing like this in modern political history," the former Republican officials said.

Neither the FEC nor the Justice Department under Trump appears to have taken any action on the complaints. Trump sent a <u>letter</u> to FEC Chairwoman Ellen Weintraub dated Jan. 31, 2025 firing her "effective immediately." At the Justice Department, Trump loyalist Pam Bondi is the new Attorney General. Once Trump's personal lawyer, Bondi <u>has purged</u> the Justice Department of lawyers deemed insufficiently loyal to Trump.

General Services Administration

Government credit cards: Before President Trump's second term, federal employees needing to make everyday purchases for gas, travel, office supplies, and other items used Visa and Mastercard charge cards issued to them through a program called SmartPay. Purchases were typically under \$10,000. "SmartPay is the lifeblood of the government," said former General Services Administration commissioner Sonny Hashmi, who oversaw the program. "It's a well-run program that solves real world problems ... with exceptional levels of oversight and fraud prevention already baked in."

But soon after Elon Musk's lieutenants at the Department of Government Efficiency took control of GSA, they put a temporary \$1 limit on government cards and severely restricted the number of cardholders, choking off funds to workers in the field. As *Wired* reported at the time: "At the National Oceanic and Atmospheric Administration, scientists aren't able to order equipment used to repair ships and radars. At the Food and Drug Administration, laboratories are experiencing delays in ordering basic supplies. At the National Park Service, employees are canceling trips to oversee crucial maintenance work. And at the Agriculture Department and the Federal Aviation Administration, employees worry that mission-critical projects could be stalled. In many cases, employees are already unable to carry out the basic functions of their job." Some media reports described how federal employees were bringing their own toilet paper to work.

Even though audits of SmartPay have found <u>little evidence</u> of fraud, Musk's allies at GSA seem deeply suspicious of it and are determined to make changes. As part of that effort, <u>ProPublica</u> reported in April of 2025, they are looking at a financial technology startup called Ramp, which sells corporate credit cards and artificial intelligence software to businesses to analyze spending. Trump appointees have been moving quickly to tap Ramp for a charge card pilot program worth up to \$25 million, sources told *ProPublica*.

While Ramp isn't owned by Musk, it has ties to him. A venture capital firm called 8VC that has invested in Musk's X and Boring Co. is an investor in Ramp, *ProPublica* reported. In February of 2025, a Musk-led investor group offered to buy control of OpenAI, the artificial intelligence firm that produces the popular ChatGPT, for \$97.4 billion. One of the investors in the group: 8VC. The venture capital firm, which helped Musk purchase Twitter, employs the sons of sanctioned Russian oligarchs Petr Aven and Vadim Moshkovich, according to German broadcaster DW.

Founded six years ago, Ramp is also backed by Peter Thiel, the billionaire venture capitalist who was one of Trump's earliest supporters in the tech world and who spent millions aiding Vice President J.D. Vance's 2022 Ohio Senate run, and Thrive Capital, founded by Joshua Kushner, the brother of Trump's son-in-law Jared Kushner, *ProPublica* reported.

The special attention GSA has paid to Ramp <u>has raised flags</u> inside and outside the agency. "This goes against all the normal contracting safeguards that are set up to prevent contracts from being awarded based on who you know," said Scott Amey, the general counsel with the bipartisan Project on Government Oversight. Added Hashmi, the former GSA official: "There's a lot of money to be made by a new company coming in here. But you have to ask: What is the problem that's being solved?"

Internal Revenue Service

Eliminating Direct File: The Internal Revenue Service rolled out a pilot program in 2024 to create a free online system for people to file their income taxes. The IRS accepted 140,803 returns filed by taxpayers using Direct File in the 12 states where it was available in the 2024 tax season. It's been expanded to include half the country this year and the number of users has likely increased dramatically. By most accounts, the program is popular with users.

So why is the Trump administration and its Department of Government Efficiency apparently intent on eliminating it? As the <u>Associated Press</u> reported, the program had been in limbo since the start of the Trump administration as Elon Musk and DOGE have slashed their way through the federal government. Musk <u>posted</u> in February on his social media site, X, that he had "deleted" 18F, a government agency that worked on technology projects such as Direct File. There was some hope that Musk, with his DOGE team of computer programmers, could take over Direct File and improve it. But the two people familiar with the decision to end Direct File said its future became clear when the IRS staff assigned to the program were told in mid-March to stop working on its development for the 2026 tax filing season.

One reason the program may be on the chopping block is that the IRS has faced intense opposition to Direct File from private tax preparation companies such as Intuit that have made billions from charging people to use their software. Derrick Plummer, a spokesman for Intuit, told the <u>Associated Press</u> that "Direct File is and has been a solution in search of a problem, a drain on critical IRS resources and a waste of taxpayer dollars."

Another reason could be that artificial intelligence developers, including Musk, hope to break into the market with their own Al-powered tax preparation offerings. In April of 2025, Musk reposted on X a post touting his company xAl's Grok 3 chatbot. "At xAl, we care about real world usefulness," posted xAl's Belce Dogru. "We are seeing repeatedly that Grok 3 is the best financial and legal Al. By the next tax season, maybe it will even file your taxes for you!" Including a tax-preparation app on X would help fulfill his goal of making X an "everything app" that would be a one-stop destination for users.

Justice Department

Dropping a case against SpaceX: In August of 2023 the Justice Department filed an administrative complaint alleging that SpaceX routinely discouraged asylum recipients and refugees from applying for jobs and refused to consider them. A month after

President Trump's inauguration, the Justice Department said in a court filing in Brownsville, Texas that it was <u>dropping the case</u> with prejudice, meaning it could not be brought again.

At the time the complaint was filed, the Justice Department said SpaceX wrote in job postings and public statements that it could only hire U.S. citizens and lawful permanent residents because of U.S. export control laws. The Justice Department said export control laws did not impose such restrictions. SpaceX <u>denied wrongdoing</u> and said that export laws impose "strict limitations on who it can employ." Trump has made a crackdown on illegal immigration a pillar of his presidency and has made it much more difficult for asylum claims to be granted.

Justice Department

Securities and Exchange Commission

White House

Dogecoin: Elon Musk does not own a cryptocurrency called Dogecoin but he is its most high-profile booster, often taking to X to laud its value. Dogecoin was created in 2013 as a light-hearted alternative to Bitcoin. But with Musk's backing, Dogecoin has seen its popularity soar. After a favorable comment by Musk in January of 2021, Dogecoin's value rose by 216 percent in one day. Dogecoin's value has been enhanced by Musk's decision to allow it as currency for Tesla purchases. SpaceX has also announced plans to carry out a mission to the moon funded by Dogecoin. And Musk deliberately named his cost-cutting government effort the Department of Government Efficiency, or DOGE for short, as a nod to Dogecoin. Musk has said that Dogecoin is 'the people's crypto' due to its simplicity, low transaction fees, and accessibility.

Under Trump, both the Justice Department and Securities and Exchange Commission have de-emphasized cryptocurrency regulation. <u>Wired</u> reported, "Over the past few months, his administration has set about unravelling Biden-era crypto enforcement policies thread-by-thread, <u>defanging</u> the civil enforcement division that previously targeted the crypto industry and <u>pardoning</u> crypto executives who had pleaded guilty under the previous regime. Now, the Justice Department is retreating from crypto enforcement as well." As part of the change, the Justice Department <u>is disbanding</u> its National Cryptocurrency Enforcement Team, a unit that specializes in investigating crypto-related criminality. And the SEC has <u>withdrawn</u> from multiple cases filed against high-profile crypto firms. The SEC is <u>reviewing multiple filings</u> related to the potential listing of Dogecoin-based exchange-traded funds (ETFs). Bloomberg analysts <u>have pegged</u> the chances of SEC approval at 75 percent.

Meanwhile, Trump signed an executive order in March of 2025 establishing a <u>strategic reserve</u> of cryptocurrencies by using tokens already owned by the government, disappointing some in the market who had hoped for a government plan to buy new tokens. A "Strategic Bitcoin Reserve" will be capitalized with bitcoin owned by the federal government that was seized as part of criminal or civil asset forfeiture proceedings, the White House crypto czar, billionaire David Sacks, said in a <u>post</u> on X. The order kept open the possibility of the government buying bitcoin in future.

As of June 5, 2025, Dogecoin's price had risen more than 18 percent in the past year.

Justice Department

National Highway Traffic Safety Administration

Securities and Exchange Commission

Tesla self-driving claims: Tesla disclosed in October 2023 that the <u>Justice Department</u> had issued subpoenas related to its full self-driving (FSD) and autopilot systems and whether Tesla had exaggerated its effectiveness. There have been at least two fatal accidents involving the FSD technology, <u>including an incident</u> in April 2024 in which a Tesla Model S car was in FSD mode when it hit and killed a 28-year-old motorcyclist in the Seattle area. Some industry experts have warned that Tesla's "camera-only" approach to partially and fully autonomous driving systems could cause issues in low-visibility conditions. Since President Trump's inauguration, there do not appear to have been any statements from the Justice Department regarding the investigation. Instead, Attorney General Pam Bondi <u>has emphasized</u> that federal prosecutors will go after anyone suspected of vandalizing a Tesla in protest of Elon Musk's role in the administration.

In October of 2024, the National Highway Traffic Safety Administration opened an investigation into 2.4 million Tesla vehicles equipped with the automaker's Full Self-Driving software after four reports of crashes where FSD was engaged during reduced roadway visibility like sun glare, fog, or airborne dust. A pedestrian was killed in Rimrock, Arizona, in November 2023 after being struck by a 2021 Tesla Model Y, NHTSA said. The investigation is the first step before the agency could seek a recall of the vehicles if it believes they pose an unreasonable risk to safety. In February of 2025, the Musk-led Department of Government Efficiency cut nearly half of the NHTSA employees in a small team regulating autonomous cars, *The Washington Post* reported.

The Securities and Exchange Commission also opened an investigation into Tesla's representations about driver-assistance systems to investors and whether it constituted securities fraud, Reuters reported in May of 2024. Since Trump's inauguration,

hundreds of SEC workers have left or plan to leave the agency, <u>Reuters</u> reported, in an exodus that could significantly hamper the watchdog's efforts to police markets and protect investors.

Justice Department

Securities and Exchange Commission

Elon Musk's house: Federal prosecutors launched an investigation into whether Tesla funds were misused on a secret effort to build Musk a spacious glass house in the Austin, Texas area, *The Wall Street Journal* reported in August of 2023. The Securities and Exchange Commission opened a civil investigation into the same matter, the *Journal* reported. At one point, the building was envisioned in the shape of a twisted hexagon. Other images showed an expansive glass box that appeared to include a residential area. Musk moved Tesla's headquarters from California to Texas, which has a laxer regulatory environment than California for businesses and lower taxes on the wealthy. After reports of the investigations surfaced, Musk took to X to blast the Justice Department writing: "This would be next-level absurd. I'm not building a house of any kind anywhere."

Whether one or both investigations is ongoing is unclear. The Justice Department has been staffed with Trump loyalists and has made violent protests against Tesla a priority. The SEC has been hit with large staff cutbacks, Reuters reported.

National Highway Traffic Safety Administration

Self-driving cars: The Transportation Department <u>announced rule changes</u> in late April that will make it easier for Tesla to launch a fleet of Cybercabs, a robotaxi that has no steering wheel and pedals, in Austin, Texas this summer. Following the announcement, <u>Tesla stock soared</u> by 10 percent on Wall Street. As the <u>Financial Times</u> reported, the new rules loosen the federal government's stringent crash reporting requirements, the main instrument used by the National Highway Traffic Safety Administration to open investigations into the failings of Tesla's software, because there are no federal regulations in place to specifically govern autonomous vehicles. The Trump administration also said it would <u>exempt self-driving cars</u> from certain safety requirements. The policy shifts came after Elon Musk repeatedly criticized NHTSA for stifling innovation.

Transportation Secretary Sean Duffy said the changes were necessary to unleash American ingenuity. "This administration understands that we're in a race with China to out-innovate, and the stakes couldn't be higher," <u>Duffy said</u>. "Our new framework will slash red tape and move us closer to a single national standard that spurs innovation and prioritizes safety."

NHTSA, the federal government's traffic safety regulator, has eight active investigations into Tesla after receiving more than 10,000 complaints from members of the public about the carmaker, according to the *Financial Times*. Staff cutbacks instigated by Musk's Department of Government Efficiency have <u>disproportionately hit</u> NHTSA staff assessing the risks of self-driving. The *Financial Times* has reported that morale at NHTSA, which has ordered dozens of Tesla recalls and delayed the rollout of Tesla's self-driving and driver-assistance software, has plunged following the cuts.

Musk told investors in late January that Tesla would launch an autonomous ride-sharing service in Austin, Texas by June and start production on a fleet of driverless "cybercabs" in 2026 that will cost less than \$30,000 each. To do so, Tesla needs an exemption from NHTSA to operate a non-standard driverless vehicle on American roads because Musk's cybercabs have neither pedals nor a steering wheel. Some Tesla officials were worried that cutting NHTSA staff could delay agency approvals of Tesla innovations, but the April 24 announcement by Duffy suggests just the opposite.

Reuters reported in December 2024 that the Trump transition team wanted the Trump administration to drop the government's crash-disclosure mandate. In its April announcement, NHTSA instead said it would "streamline" the crash reporting rules to "sharpen the focus on critical safety information while removing unnecessary and duplicative requirements." Easing the crash-disclosure provisions will particularly benefit Tesla, which has reported most of the crashes – more than 1,500 – to federal safety regulators under the program. In March of 2025, Tesla was forced to recall more than 46,000 Cybertrucks, almost all of its Cybertrucks in the United States, to fix an exterior panel that could detach while driving. It was the eighth recall for the SUV since January 2024. One of the NHTSA investigations covers 2.4 million Tesla vehicles equipped with Full Self-Driving software after four reported collisions, including a fatal 2023 crash.

National Highway Traffic Safety Administration

Odometer readings: Tesla is facing a <u>proposed class action lawsuit</u> claiming it speeds up odometers on its electric vehicles so they fall out of warranty faster, saving Elon Musk's company from having to pay for repairs. <u>Reuters reported</u> that plaintiff Nyree Hinton alleged in April 2025 that Tesla odometer readings reflect energy consumption,

driver behavior, and "predictive algorithms" rather than actual mileage driven, claiming that the odometer inflated his mileage by at least 15 percent. Hinton, a Los Angeles resident, said this caused his 50,000-mile basic warranty to expire well ahead of schedule, leaving him with a \$10,000 suspension repair bill that he thought Tesla should cover. Tesla has denied the allegations, Reuters reported.

The allegation is one that might ordinarily catch the eye of the National Highway Traffic Safety Administration, which has an Office of Odometer Fraud Investigation. But the chances of an investigation being launched against Tesla appear much less likely in the Trump administration than the Biden administration because of Musk's prominence in the administration, his close ties to President Trump, <u>staff cutbacks</u> of about 10 percent at NHTSA, and the administration's de-emphasis of business regulation.

National Institute of Standards and Technology

Artificial intelligence: Elon Musk has not been bashful about criticizing competitors to his artificial intelligence company xAl. In 2024, he posted a meme on his social media platform X that labeled competitors OpenAl and Google's Gemini for being woke and racist. As <u>Wired</u> reported, he often <u>cites</u> an incident where one of Google's models debated whether it would be wrong to misgender someone even if it would prevent a nuclear apocalypse—a highly unlikely scenario.

Under the Trump administration, the National Institute of Standards and Technology appears to be on the same page. It issued instructions in March telling scientists who partner with its Artificial Intelligence Safety Institute to prioritize "reducing ideological bias" from artificial intelligence products. *Wired* reported that the instructions eliminate mention of "AI safety," "responsible AI," and "AI fairness" in the skills it expects. The new instructions also remove mention of developing tools "for authenticating content and tracking its provenance" as well as "labeling synthetic content," signaling less interest in tracking misinformation and deep fakes. It also adds emphasis on putting America first, asking one working group to develop testing tools "to expand America's global AI position."

Two months after the new government instructions were issued, Musk's xAI found itself embroiled in a political controversy. XAI's chatbot repeatedly brought up South African politics in unrelated conversations and <u>falsely insisted</u> that the country was engaging in genocide against white citizens, as The New York Times and multiple media outlets reported The company blamed the chatbot's focus on South Africa on an <u>"unauthorized modification</u>."

National Labor Relations Board

Tesla and labor unions: Tesla is the largest non-union American automaker and the United Auto Workers and other unions have long complained about Elon Musk's stance towards organized labor, accusing him of stifling union organizing at his plants. According to the Democratic staff of the Senate Permanent Subcommittee on Investigations, more than 60 complaints have been <u>filed</u> against Tesla since 2011 with the National Labor Relations Board, which has ruled against Tesla in some high-profile cases. Shortly after taking office, President Trump fired Democratic NLRB Member Gwynne Wilcox, which left the board short of the required three members to issue rulings. Several cases involving Tesla remain open at the NLRB, including:

- The United Auto Worker <u>filed federal labor charges</u> against both Tesla CEO Elon Musk and Trump in August of 2024 for threatening to intimidate workers who go on strike. The charges stem from comments the two made that month when Musk interviewed Trump on X. Trump praised Musk for his stance towards unions, saying "I look at what you do, you walk in and you just say, 'You want to quit?' They go on strike I won't mention the name of the company but they go on strike, and you say, 'That's okay, you're all gone. You're all gone. Every one of you is gone," Trump said. Musk could be heard laughing and replying "yeah." The NLRB closed the case in late May of 2025 without taking any action. (<u>Case 32-CA-348312</u>)
- The NLRB <u>filed a complaint</u> against Tesla in May of 2024 for allegedly taking steps to keep employees at its plant in Buffalo, N.Y. from unionizing. Linda Leslie, the NLRB's regional director for Buffalo, said Tesla "promulgated and maintained," an acceptable use policy for workplace technology in 2023 that was meant to "discourage its employees from forming, joining, or assisting the Union or engaging in other concerted activities," after allegations were raised by members of the union Workers United. The policy restricted Tesla workers from "recording, unauthorized solicitating [sic] or promoting," and "creating channels and distribution lists," among other things, the complaint said. (Case 03-CA-312352). Separately, a Rochester, N.Y. labor group filed a complaint in 2023 accusing Tesla of unfair labor practices at its Buffalo plant. The Rochester Regional Joint Board of Workers United has filed a complaint against Tesla with the NLRB, accusing the electric vehicle maker of unfair labor practices. In the complaint, the Rochester group accused Tesla of firing workers "in retaliation for union activity and to discourage union activity." It asked the NLRB for injunctive relief "to prevent irreparable destruction of employee rights resulting from Tesla's unlawful conduct." The case is listed as open by NLRB on its website. (Case 03-CA-312911)

• Faced with attempts by workers to unionize at Tesla's Fremont, Calif. plant, Musk published a tweet in May of 2018 that implied that workers would lose stocks in Tesla if they formed a union. "Nothing stopping Tesla team at our car plant from voting union. Could do so tmrw if they wanted," Musk tweeted. "But why pay union dues & give up stock options for nothing? Our safety record is 2X better than when plant was UAW & everybody already gets healthcare." The NLRB ruled three years later that Musk had to delete the tweet. Musk appealed the ruling and the U.S. Court of Appeals for the Fifth Circuit ruled in 2024 that Musk's tweet was constitutionally protected free speech. It sent the case back to the NLRB, where the case is still listed as open. (Case 32-CA-220777)

National Labor Relations Board

SpaceX alleged retaliation against workers: A regional director of the National Labor Relations Board issued a complaint against SpaceX in January 2024, Bloomberg reported, alleging that the company illegally fired eight workers over an internal open letter protesting "inappropriate, disparaging, sexually charged comments on Twitter" by Elon Musk. The NLRB's complaint alleges that SpaceX management told workers it had terminated the employees because of their open letter, restricted others from distributing it, and threatened terminations if they engaged in collective action. "At SpaceX the rockets may be reusable but the people who build them are treated as expendable," one of the workers, Paige Holland-Thielen, said in an emailed statement to Bloomberg. "I am hopeful these charges will hold SpaceX and its leadership accountable for their long history of mistreating workers and stifling discourse."

In April of 2025, the <u>NLRB reversed course</u> and moved to drop the case. In a joint filing on April 23 before the Fifth Circuit Court of Appeals, the NLRB and SpaceX suggested that the allegations are outside the purview of the NLRB and should be handled by the National Mediation Board, which oversees railways and airlines that transport passengers, "in the interests of potentially settling the legal disputes currently pending between the NLRB and SpaceX on terms mutually agreeable to both parties."

National Oceanic and Atmospheric Administration

Cutting government weather satellites: On the face of it, the Trump administration's efforts to dramatically downsize the agency that runs the National Weather Service is something of a head-scratcher. After all, millions of Americans in both red and blue states rely on short-term and long-term weather forecasts and severe storm warnings to

plan their daily activities, protect their homes and businesses from hurricanes and tornadoes, plant and harvest crops, and travel safely in an aviation system dependent on timely and accurate weather data.

<u>Politico</u> reported that the Trump administration hopes to cut the National Oceanic and Atmospheric Administration's 12,000-member workforce in half and appears to be following the recommendations of Project 2025, a conservative playbook for the second Trump administration, which advocated privatizing much of the government's weather forecasting. One commercial firm that could benefit from cutting NOAA operations is Elon Musk's Starlink, part of his aerospace company SpaceX. Starlink operates the world's largest satellite fleet.

"Musk's business interests in industries adjacent to NOAA's work—including aerospace, telecommunications, and artificial intelligence—raise serious conflict of interest questions about his meddling with the agency's data and operations as well as its public mission," wrote Reps. Deborah Ross, D-N.C., and Eric Sorensen, D-III., in a February 2025 letter to Trump. Some members of Congress told *Politico* that they were worried that Musk could wrest control of forecasting services from the National Weather Service.

Another change at NOAA stands to benefit Musk. The Trump administration is poised to kill federal research into pollution from satellites and rockets, including some caused by Musk's SpaceX and Starlink, the <u>Guardian</u> reported in May of 2025. The research projects, part of atmospheric research at NOAA, would have had the potential to eventually lead to new regulations, costs or logistical challenges for Musk's companies and the commercial space industry, experts told the <u>Guardian</u>.

Occupational Safety and Health Administration

Tesla worker death: The Occupational Safety and Health Administration, a division of the Labor Department, <u>fined Tesla \$49,650</u> in January 2025 for the death of a worker at Tesla's factory in Austin, Texas in August of 2024. Tesla is contesting the fines. OSHA launched the investigation immediately after the August 1 death of Victor Gomez Sr., an electrician working as a contractor at the Tesla plant, according to OSHA records and a wrongful death lawsuit filed against Tesla by Gomez's family.

Victor Gomez Sr., an electrician contractor, was killed while inspecting electrical panels at the site, <u>according to the lawsuit</u>. It alleges negligence and argues that the panel was supposed to be inactive but had already been powered up, resulting in Gomez's electrocution.

OSHA issued three "serious" citations for workplace and safety violations. OSHA said:

- Protective equipment was not provided.
- Employees were permitted to work in proximity to electric power circuits that were not protected against electric shock.
- Before work began the employer did not ascertain whether any part of an energized electric power circuit, exposed or concealed, was so located that the performance of the work could bring a person, tool, or machine into physical or electrical contact with the energized electric power circuit.

OSHA records show Tesla was <u>cited and fined</u> about \$7,000 for two other workplace safety violations at the Texas plant last year, both involving violations of rules to protect workers from chemical hazards.

Securities and Exchange Commission

Twitter purchase: After Elon Musk bought Twitter in 2022 and renamed it X, the Securities and Exchange Commission <u>launched an investigation</u> into whether Musk properly disclosed his stake as a minority owner of the company before its sale. In its January 14, 2025 complaint, the SEC alleged that Musk saved at least \$150 million at the expense of Twitter shareholders by failing to timely file a required ownership report before the sale. Bloomberg columnist Matt Levine <u>wrote</u> that the pending litigation was "not *that* serious a securities violation ... but a very *obvious* violation," describing it as an "absolutely open-and-shut violation of the law." On April 4, 2025, the SEC's lead attorney in the case, Robin Andrews, resigned from the SEC. He reportedly <u>told colleagues</u> that he was concerned that the SEC, under a Trump-appointed chair, would vote to dismiss the case or settle it for a small penalty. "The SEC must always be focused on protecting investors and holding violators accountable, no matter who they are," Andrews wrote in a <u>LinkedIn post</u>. "Only then can the public have confidence that the securities markets are not rigged against 'main street' investors in favor of the wealthy or the powerful."

Social Security Administration

Shifting to X: The Social Security Administration has long communicated with the media and the public through press releases and "Dear Colleague" letters. But in a change reported by <u>Wired</u> on April 11, 2025 Social Security will be shifting its public communications exclusively to Elon Musk's X. The change will serve to further enhance

X's audience and prominence, allowing it to charge more for advertising, although critics warned that older Americans used to receiving correspondence from Social Security may miss out on important communications. "Do they really expect senior citizens will join this platform?" one current employee asked *Wired*. "Most managers aren't even on it. How isn't this a conflict of interest?" After *Wired*'s report, Social Security <u>said</u> it would not use X exclusively for communications.

Transportation Department

Selective staff cutbacks: <u>The Guardian</u> reported in April of 2025 that Transportation Department employees who provide support services for spacecraft launches by Elon Musk's <u>SpaceX</u> have been spared from the widespread staff cutbacks instituted elsewhere in the department. The fiscal year 2025 transportation department budget reviewed by the <u>Guardian</u> details funding for positions in pipeline management, transportation management, air traffic control and cybersecurity that the document states are critical for commercial space operations, including <u>SpaceX</u>.

The decision to keep launch support staff employed while broadly cutting potentially thousands of other positions at the agency has raised fresh ethical questions about Musk and Doge's aggressive assault on the federal workforce, the *Guardian* said. It said that while the administration has targeted hundreds of thousands of federal employees, critics say the decision shows Musk is willing to allow federal workers to remain employed if their work benefits him.

Treasury Department

Chinese investments in SpaceX: President Trump signed a memorandum in February of 2025 aimed at protecting U.S. national security interests by restricting Chinese investments in strategic areas. But it remains to be seen if the administration's new policy will affect Elon Musk's firm SpaceX given recent reporting on Chinese investments in SpaceX. SpaceX does billions of dollars worth of business with the Pentagon to launch rockets and create a network of spy satellites.

According to <u>ProPublica</u>, SpaceX allows investors from China to buy stakes in the company as long as the funds are routed through the Cayman Islands or other offshore secrecy hubs. Citing previously unreported court records from a corporate dispute in Delaware. *ProPublica* disclosed that SpaceX prefers to avoid investors from China because it is a defense contractor, but that SpaceX finds it "acceptable" for Chinese

investors to buy into the company through offshore vehicles. Such vehicles are often used to keep investors anonymous. One investor who said he owns billions of dollars of SpaceX stock testified that he has routed money from China through the Caribbean to buy stakes in SpaceX multiple times.

Experts told *ProPublica* that SpaceX's approach was highly unusual, saying they were troubled by the possibility that a defense contractor would take active steps to conceal foreign ownership interests. *ProPublica* spoke to 13 national security lawyers, corporate attorneys, and experts in Chinese finance about the SpaceX testimony. Twelve said they had never heard of a U.S. company with such a requirement and could not think of a purpose for it besides concealing Chinese ownership in SpaceX. The 13th said they had heard of companies adopting the practice as a way to hide foreign investment.

"It is certainly a policy of obfuscation," Andrew Verstein, a UCLA law professor who has studied defense contractors, said. "It hints at potentially serious problems. We count on companies to be forthright with the government about whether they've taken money from America's rivals."

ProPublica notes that under Federal law regulators have broad power to oversee foreign investments in tech companies and defense contractors. Experts said that federal officials regularly ask companies to add up Chinese investments into an aggregate total. The Trump administration has charged that China has a systematic strategy of using even minority investments to secure leverage over companies in sensitive industries, as well as to gain privileged access to information about cutting-edge technology. U.S. regulators view even private investors in China as potential agents of the country's government, experts said.

The federal entity that monitors foreign investments is the <u>Committee on Foreign Investment in the United States</u>, a part of the Treasury Department.

Treasury Department

Transportation Department

Reversing course on electric vehicles: President Trump has <u>signaled</u> that he wants to end the \$7,500 tax credits enacted during the Biden administration for the purchase of new electric vehicles. Given his opposition, it appears likely the Republican-controlled Congress will go along with Trump's wishes when it considers tax legislation later this year.

Trump has also signed an executive order rescinding President Biden's electric vehicle mandate pledging EVs would make up 50 percent of new vehicles sales by 2030 and moved to halt federal funding for electric vehicle chargers.

Elon Musk favored rescinding some of the Biden policies; doing so, he said, would benefit Tesla, by far the industry leader in electric vehicle adoption and sales, and hurt Tesla's competitors. "Take away the subsidies. It will only help Tesla," Musk <u>posted</u> on X in July 2024. As *The Washington Post* reported, Tesla also has the most sprawling and advanced <u>charging network</u> for electric vehicles, one competitors have scrambled — in part with the help of <u>federal funding</u> — to catch. "Look at how much was given away for a North American Supercharger network to compete against Tesla and it still failed," Musk <u>posted</u> in September.

U.S. Copyright Office

Intellectual Property Laws: In April 2025, Elon Musk agreed with a <u>post on X</u> that intellectual property laws should be abolished. Those are the laws designed to protect the creators of original content such as books, songs, patents, and trademarks from having their creations pirated by commercial interests for their own gains. Musk has a stake in the debate. His artificial intelligence firm xAI, like other artificial intelligence firms, is interested in using copyrighted materials to <u>train</u> their AI products to be smarter.

In May of 2025, an obscure government agency called the U.S. Copyright Office issued a <u>preliminary report</u> about AI using copyrighted materials. In it, the Copyright Office said there are limitations on how much AI companies can count on "fair use" as a defense when they train their models on copyrighted content. For example, the report says research and analysis would probably be allowed. "But making commercial use of vast troves of copyrighted works to produce expressive content that competes with them in existing markets, especially where this is accomplished through illegal access, goes beyond established fair use boundaries," the report says.

Within days of the release of the report, President Trump <u>fired</u> Shira Perlmutter, the director of the U.S. Copyright Office. A coincidence? Perhaps, although Rep. Joe Morelle, D-N.Y., didn't think so. "It is surely no coincidence he acted less than a day after <u>she refused to rubber-stamp</u> Elon Musk's efforts to mine troves of copyrighted works to train AI models," Morelle said in a <u>statement</u>. Democrats called the firing unlawful because the U.S. Copyright Office is a branch of the Library of Congress. Two days before Trump fired Perlmutter, he <u>fired</u> U.S. Librarian of Congress Carla Hayden.

White House

Commerce Department

Justice Department

Promoting Tesla: Elon Musk's role in helping elect Donald Trump and serving as head of Trump's Department of Government Efficiency has resulted in a domestic and international backlash against Tesla. Sales of Teslas and its stock price have plummeted and protests at Tesla dealerships have become commonplace. Some Teslas have been destroyed or defaced by protestors.

Faced with the backlash, Trump administration officials, starting with the president himself, have rushed to Musk's defense. In a <a href="https://high.com/high.com/high.com/high.com/high.com/high.com/high.com/high.com/high.com/high.com/high.com/high.com/himself, have rushed to Musk's defense. In a <a href="https://high.com/h

A little over a week later, Commerce Secretary Howard Lutnick <u>urged the public</u> to buy Tesla stock. "If you want to learn something on this show tonight, buy Tesla," Lutnick said during an interview on <u>Fox News</u> with Jesse Watters. "It's unbelievable," Lutnick said, "that this guy's stock is so cheap." Lutnick predicted, "It'll never be this cheap again." Rules <u>barring</u> executive branch employees from endorsing commercial products do apply to Lutnick. But there has not been any indication that he will face any consequences for his remarks. In Trump's first term, Trump adviser Kellyanne Conway was <u>told</u> by the White House that she acted inappropriately after urging viewers on Fox News to buy fashion products marketed by Ivanka Trump, the president's daughter.

<u>Reuters</u> reported that the expressions of support for Tesla from Trump and Lutnick came after Musk personally appealed to the president to publicly tout the vehicle during a trip together to Mar-a-Lago the weekend of March 8-9. Musk also asked top aides and Republican lawmakers to express support, Reuters reported.

Separately, the Justice Department has <u>moved aggressively</u> to investigate cases of arson and vandalism against Tesla. Ordinarily, cases of vandalism would not be the subject of Justice Department investigations, but because the vandalism has involved political motives the Trump administration has classified them as "domestic terrorism,"

giving the Justice Department purview over them. "Let this be a warning: if you join this wave of domestic terrorism against Tesla properties, the Department of Justice will put you behind bars," Attorney General Pam Bondi said in announcing arrests in March of 2025.

White House

Imposing tariffs: President Trump's tariffs on imported goods could work in favor of some electric car models made in the United States, including the Tesla Model Y, *The New York Times* reported. Electric vehicles have far fewer parts than cars that run on gasoline or diesel so it should be easier for carmakers to source parts from the United States, avoiding tariffs, the *Times* said. The Tesla cars that it sells in the United States are made in California or Texas. Tesla uses some parts from Mexico and China that will be subject to tariffs, but less so than other automakers. That gives the Model Y, Tesla's most popular vehicle, a cost advantage that could narrow the price gap with conventional cars. On average, sale prices for electric vehicles are \$12,000 more than comparable vehicles with internal combustion engines, according to *Cox Automotive*. "We do have localized supply chains in both America, Europe and China," Elon Musk said in April 2025 on a conference call with analysts and investors. "So that puts us in a stronger position than our competitors."

Before Trump imposed sweeping tariffs in April, Musk <u>unsuccessfully appealed</u> to him to adopt a less combative approach to trade and <u>touted the benefits</u> of free trade.

3. Federal Contracts

Ongoing SpaceX Contracts Awarded Before Jan. 20, 2025

National Aeronautics and Space Administration

\$7 billion, Gateway Logistics Services

\$4.5.billion, Lunar Lander

The single largest ongoing federal contract involving one of Elon Musk's companies is a \$7 billion contract that the National Aeronautics and Space Administration awarded SpaceX in 2020 as part of NASA's mission to once again land astronauts on the moon, establish an ongoing human presence there, and use the moon as a staging point for exploring Mars. The NASA program, called Artemis after the Greek goddess of the moon and twin sister to Apollo, was established during President Trump's first administration.

SpaceX's piece of the Artemis program is to deliver cargo, science experiments, and supplies to NASA's planned lunar-orbiting Gateway station. These could include sample collection materials and other items the crew may need on the Gateway and during their expeditions on the lunar surface. NASA is planning multiple supply missions in which the cargo spacecraft will stay at the Gateway for six to 12 months at a time.

In 2019, then-Vice President Mike Pence set a 2024 target for the first crewed moon landing but the target keeps getting pushed back amid program delays. One delay involves a \$2.89 billion contract NASA awarded SpaceX in 2021 to develop a commercial human lander to carry astronauts to the lunar surface. The contract has a potential value of \$4.5 billion. Under NASA's plan, the agency's Space Launch System rocket will launch astronauts in an Orion spacecraft for multi-day journeys to lunar orbit. There, two crew members will transfer to the SpaceX human landing system for the final leg of their journey to the surface of the Moon. After approximately a week exploring the surface, they will board the lander for their short trip back to orbit where they will return to Orion and their colleagues before heading back to Earth. But SpaceX's human lander is behind schedule and has faced significant technical challenges.

Musk has been critical of the Artemis program and its massive launch vehicle, the <u>Space Launch System</u>. In a Jan. 2, 2025 <u>post</u> on X, he called the moon mission a "distraction," stating, "[W]e're going straight to Mars." In an interview on <u>Fox News</u> in

March of 2025, Musk predicted SpaceX would take astronauts to Mars and "ultimately build a self-sustaining civilization on Mars. That is the long-term goal of the company: make life multi-planetary."

The Trump administration has begun <u>aligning</u> NASA's priorities with Musk's. In his <u>inaugural address</u>, President Trump notably mentioned Mars but not the moon, vowing that the United States would "plant the Stars and Stripes on Mars." Jared Isaacman, Trump's nominee to be NASA administrator before the nomination was withdrawn in late May, <u>told the Senate Commerce Committee</u> that while he was confident NASA could pursue missions to the moon and Mars simultaneously, if budget cuts forced him to choose one he would pick the moon.

Yet when Trump's proposed budget was released in May of 2025, it cut a number of moon-related programs, while including \$1 billion in unspecified new investments for Mars. As The New York Times reported, proposed cancellations included a mission to bring back rock samples from Mars, and climate monitoring satellites. The Space Launch System and Orion crew capsule that will take astronauts back to the moon would be canceled after Artemis III, the first crewed mission that would land near the moon's south pole. Gateway, a small space station in orbit around the moon, would also be canceled. The cuts still must be approved by Congress. Politico reported that NASA is weighing whether to start launches to Mars as early as next year.

In his confirmation hearing, Isaacman refused to tell committee members whether Musk sat in on his interview with Trump for the job. Isaacman said his relationship with Musk was professional, not personal. "I admire and respect his contributions to space and technology, but it would be inaccurate to characterize our relationship as close," said Isaacman, who has invested in SpaceX and twice flown to orbit with SpaceX. He denied a report that Musk contacted him late last year to see if he was interested in being NASA administrator.

Under the Trump administration, SpaceX "will almost certainly see massive new business," Pamela Melroy, a retired astronaut and Air Force officer who served as NASA's deputy administrator during the Biden administration, told The New York Times. "All of the indicators for SpaceX are trending positive."

National Aeronautics and Space Administration

\$3.1 billion, Transport astronauts to and from the International Space Station

Since 2020, SpaceX has been <u>ferrying astronauts</u> to and from the International Space Station as part of the National Aeronautics and Space Administration's Commercial Crew Program. The maiden 2020 SpaceX launch marked the first human flight to the Earth's orbit by a commercial space company. The <u>most recent flight</u> was on March 14, 2025 and was SpaceX's 11th flight with humans under the program. The <u>next flight</u> is scheduled no earlier than July 2025 and will carry astronauts from the United States, Japan, and Russia. A total of 14 SpaceX flights are planned. Boeing also transports astronauts under the program.

SpaceX has so far been obligated \$2.6 billion under the <u>NASA contract</u>, with the potential for \$0.5 billion more. The Commercial Crew Program represented a departure from NASA's previous model of owning and operating all of the hardware and infrastructure connected with a space launch and flight.

Even more responsibilities previously assumed by the federal government could be available for commercial companies such as SpaceX. On April 23, 2025, NASA asked private industry and academia for ideas for new rescue services for its astronauts on Earth in the event of emergencies during rocket launches, spacecraft free flight, or landings. Currently, the Defense Department is responsible for rescuing astronauts in the event of emergencies on Earth.

National Aeronautics and Space Administration

\$843 million, Destroy the International Space Station

The International Space Station has been continually occupied since 2000 but its days are numbered. Under agreements between the United States, Russia, Japan, Europe, and Canada, the space station will cease operating by 2030 at the latest. In 2024 the National Aeronautics and Space Administration, selected SpaceX to tow the space station through the atmosphere where it will "destructively break up" before scattering in the South Pacific along with the SpaceX vehicle. While SpaceX will develop the deorbit spacecraft as part of the \$843 million contract, NASA will take ownership after development and operate it throughout its mission. NASA then plans to rely on commercial space stations for experiments. Private companies including SpaceX, Axiom, Blue Origin and Vast are developing commercial space stations that could launch as soon as next year.

In February 2025, SpaceX Chief Executive Elon Musk said NASA should <u>speed up</u> its plans and deorbit the International Space Station "as soon as possible" to focus on missions to Mars. "It is time to begin preparations for deorbiting the <u>@Space Station</u>," Musk <u>posted</u> on X. "It has served its purpose. There is very little incremental utility. Let's go to Mars." Asked to clarify if that meant deorbiting the ISS sooner than 2030, Musk said it should come down in two years. "The decision is up to the President, but my recommendation is as soon as possible. I recommend 2 years from now," Musk <u>posted</u>.

Defense Department

\$538 million, Starlink for Ukraine

After Russia invaded Ukraine in 2022, <u>SpaceX began supplying</u> the Ukrainian government, armed forces, hospitals, and other essential operations with thousands of Starlink terminals so they could have Internet service. Starlink has been used by Ukrainian troops for a variety of efforts, including <u>battlefield communications</u>, to counter Russian attempts to disable Internet service.

SpaceX had initially cast the provision of terminals as a <u>humanitarian gesture</u>, but Elon Musk later said that SpaceX could not continue supplying the terminals without compensation. The Pentagon in the Biden administration eventually awarded SpaceX a contract potentially worth \$538 million for the Starlink services for Ukraine.

The <u>New Yorker</u> reported in 2023 that Pentagon officials in the Biden administration became concerned about Musk's control over Starlink. "He is not merely a mogul," Kimberly Siversen Burke, a director at Quilty Space, an aerospace-research firm, told the <u>Atlantic</u>. "This is someone who can flip a switch and decide the outcome of a war."

The relationship between Musk and Ukraine has been marked by frequent tensions. In 2022, <u>Musk denied</u> a request to activate Starlink over Russian-occupied Crimea, thwarting a Ukrainian drone strike on Russian ships, as it would have made SpaceX "<u>explicitly complicit in a major act of war</u>." After joining the Trump administration, Musk became increasingly critical of Ukraine. He mused on X about what would happen if he stopped providing Starlink service to Ukraine. "[M]y Starlink system is the backbone of the Ukrainian army. Their entire front line would collapse if I turned it off," Musk <u>posted</u> on X.

He has also used his platform X to repeatedly attack Ukraine's president Volodymyr Zelensky, posting on X that he "wants a forever war, a never-ending graft meat grinder.

This is evil." And Musk told the Fox Business Channel that Ukraine might have been behind what he called a "massive cyberattack to try to bring down the X system."

National Aeronautics and Space Administration

\$300 million, Launch services for payloads

The contract is designed to provide dedicated and rideshare launch services for payloads up to 1,000 kilograms to various orbits, including escape trajectories, according to GovTribe. The program aims to promote affordable access to space for small satellites, scientific missions, technology demonstrations, and educational payloads. As of late April 2025, \$21 million of the contract's potential amount of \$300 million had been obligated.

Defense Department

\$102 million, Delivering military cargo

In 2022, the Air Force awarded SpaceX a \$102 million contract to study how its Starship rocket could <u>deliver military cargo</u> to points around the world within 90 minutes. Currently, that task is mostly done with the Air Force's C-130 cargo planes, which take much of a day for the trip. <u>The New York Times</u> in February 2025 reported that Gary Henry, who was a space and missile program supervisor at the Air Force when the contract was awarded, then was hired by SpaceX and then returned to the Pentagon, recently touted Starship as an option for the military. While speaking on behalf of the Pentagon at a satellite industry conference in California in January 2025, Henry described how Starship might be used during the Trump administration to deliver military equipment "to any point on the planet very quickly."

The *Times* reported that a few weeks later the Air Force <u>disclosed</u> plans to build a rocket landing pad on Johnston Atoll, a tiny island in the Pacific Ocean, to test these cargo ship landings. The Pentagon's initial goal: to move <u>100 tons</u> of cargo per flight, a total that only Starship, at least according to its design, has the power and size to handle. "It's frustrating," said Erik Daehler, a vice president at Sierra Space, which also wants to sell cargo services to the Pentagon. "Things can't just go to SpaceX." Maj. Gen. Steve Butow, the director of the space portfolio at the Pentagon's Defense Innovation Unit, when asked by the *Times* about Henry's public comments on behalf of

the agency for a project he had worked on as a SpaceX employee, said: "The optics were unfortunate."

Starship is SpaceX's newest rocket under development, and currently stands as the world's largest, most powerful launch vehicle. SpaceX has designed Starship to be fully reusable, and capable of carrying both crew and cargo to Earth orbit, the moon, and eventually Mars. It's built for high-capacity, rapid-turnaround spaceflight, and is central to SpaceX's long-term vision to make human life interplanetary. As Space.com reported, SpaceX began orbital flight tests of the megarocket in April 2023, with a mostly steady progression of milestones over the course of nine launches. Its last three though, which launched a taller, upgraded version of Starship's upper stage, have ended in the unexpected loss of the vehicle during ascent and flight.

Johnston Atoll lies about 825 miles southwest of Hawaii, and is home to several different species of seabirds, including the largest known colony of Red-tailed Tropicbirds. It was designated a refuge for native bird populations in 1926, but suffered environmental degradation through 2004, due to its use by the U.S. military as a nuclear weapons testing and chemical weapons disposal site, according to Space.com. Since the military's departure from the islands, restoration efforts have helped raise Johnston Atoll's bird population back to nearly 1.5 million. Now, critics say the planned new rocket infrastructure could undo decades of conservation work.

Starlink contracts with other federal agencies

Veterans Affairs: One contract totaling a <u>potential \$469,000</u> for Starlink satellite Internet services for VA facilities.

State Department: One contract totaling a <u>potential \$24,500</u> for Starlink satellite Internet services.

Transportation Department: A contract worth a <u>potential \$93,000</u> for Starlink satellite Internet services to facilitate bridge repairs at Yellowstone National Park.

Tesla has an ongoing contract with one agency:

General Services Administration: Two contracts totaling a potential \$13.6 million for solar power for federal buildings. <u>USAspending</u>; <u>USAspending</u>

New SpaceX Contracts Awarded Since Jan. 20, 2025

Defense Department

\$5.9 billion

Rocket launches

The Pentagon's Space Force <u>awarded SpaceX</u> in April 2025 a rocket launch contract worth a potential \$5.9 billion to launch 28 missions to send some of the military's most sensitive satellites into space. The SpaceX award was part of \$13.5 billion in contracts the Pentagon awarded to SpaceX, United Launch Alliance, and Amazon founder Jeff Bezos' Blue Origin for launches into the <u>early 2030s</u>. The SpaceX contract was the largest of the three.

The missions will launch the government's heaviest national security satellites, like the National Reconnaissance Office's large, bus-sized spy platforms, and deploy them into bespoke orbits, *ArsTechnica* reported. These types of launches often demand heavy-lift rockets with long-duration upper stages that can cruise through space for six or more hours.

As <u>Reuters</u> reported, SpaceX, with its Falcon 9 rocket, is the world's most active launch company. It has launched dozens of military space missions in recent years. The company said it will use Falcon 9 and its more powerful Falcon Heavy --three Falcon cores strapped together -- for the missions. Reuters reported that SpaceX will get a vast majority of the missions ordered by the Space Force in the first year of the program.

The awards were <u>years in the making</u>. It is a third phase of a program governing how the Defense Department purchases rides to space for its military and intelligence satellites, a lucrative area of government procurement once dominated by Boeing and Lockheed Martin. SpaceX has risen in the past decade to become a dominant launch player. Its reusable Falcon 9 rockets offer a cost-cutting capability its rivals have been slower to match, making the company a key vendor for the Pentagon, which is also increasingly reliant on the company for satellite-based military intelligence.

In an earlier phase of the national security launch program, SpaceX won 40 percent of the missions while ULA got 60 percent, representing over \$6 billion in missions combined. Some missions originally assigned to ULA under Phase 2 had to be transferred to SpaceX over development delays with ULA's Vulcan rocket, which had frustrated Pentagon officials, Reuters reported. SpaceX is expected to launch seven missions for the Space Development Agency and two for the National Reconnaissance

Office in late 2025 and 2026 under a \$735.5 million contract announced in October 2024.

After the April 2025 announcement of the \$5.9 billion award, Musk took a jab on X at SpaceX's rivals, <u>posting</u>: "Winning 60% of the missions may sound generous, but the reality is that all SpaceX competitors combined cannot currently deliver the other 40%! I hope they succeed, but they aren't there yet."

National Aeronautics and Space Administration

\$300 million

Launch services for Pandora

SpaceX won a \$300 million contract from the National Aeronautics and Space Administration in February 2025 to provide the launch service for the agency's Pandora mission, which will study at least 20 planets that orbit stars other than our solar system's sun. The mission will also study the host stars for the planets. NASA said that Pandora, during its one-year primary mission, will observe each exoplanet 10 times, observing for 24 hours each visit. It will capture critical data about the planet and its host star during transits, an event where a planet crosses in front of the star it orbits.

National Aeronautics and Space Administration

\$100 million

Launch service for a telescope

SpaceX won a \$100 million contract from the National Aeronautics and Space Administration in February 2025 to provide launch services for a telescope designed to detect and observe asteroids and comets that could potentially pose an impact threat to Earth. The Near-Earth Object Surveyor mission is expected to launch no earlier than September 2027 on a SpaceX Falcon 9 rocket from Florida. NASA said the space telescope is designed to help advance its planetary defense efforts to discover and characterize most of the potentially hazardous asteroids and comets that come within 30 million miles of Earth's orbit.

Potential SpaceX contracts, awards in the Trump administration

Defense Department

Creating a Golden Dome

President Trump has <u>ordered</u> the Defense Department to determine how to shoot down nuclear missiles headed for the United States, as well as strikes from lower-flying cruise and hypersonic missiles. The executive <u>order</u> said the system, called Golden Dome, would include missile interceptors, military satellites, hypersonic and ballistic tracking sensors and other parts of a "next-generation missile defense shield." The Congressional Budget Office <u>estimated</u> in early May of 2025 that deploying and operating just the space-based interceptors of the new missile defense system could cost anywhere from \$161 billion to \$542 billion over the next two decades. Trump <u>announced</u> in May that his administration had settled on an architecture for the project and said the system could be operational within three years.

Reuters reported in April of 2025 that SpaceX and two partners had emerged as frontrunners to win major contracts for the Golden Dome missile shield. The three companies would build and launch 400 to more than 1,000 satellites circling the globe to sense missiles and track their movement, sources told Reuters. One source familiar with the talks between the companies and the Pentagon described them as "a departure from the usual acquisition process. There's an attitude that the national security and defense community has to be sensitive and deferential to Elon Musk because of his role in the government." SpaceX's partners, software maker Palantir and drone builder Anduril, were also founded by entrepreneurs who have been major supporters of Trump.

Reuters reported that SpaceX has proposed setting up its role in Golden Dome as a "subscription service" in which the government would pay for access to the technology, rather than own the system outright. Although the subscription model could skirt some Pentagon procurement protocols and allow the system to be deployed faster, it also could cause the government to lose control over development and pricing.

In February 2025, <u>Reuters</u> reported that Troy Meink, President Trump's Secretary of the Air Force, arranged a multibillion-dollar contract solicitation in a way that favored SpaceX while he was a top official at a national spy satellite agency and which SpaceX ultimately won in 2021. The Air Force is expected to play a key role in the Golden Dome project.

Reuters also reported that Musk recommended Meink for the job of Air Force Secretary to Trump. Meink later acknowledged in a disclosure statement to the Senate Armed

Services Committee that Musk sat in on his job interview with Trump–a highly unusual arrangement. "I've never seen anything like this before — a military contractor helping pick the people who run the Pentagon," Richard Painter, the former chief White House ethics lawyer under President George W. Bush, told <u>Politico</u>. "If Musk helped pick him, Meink needs to recuse from anything involving Musk's companies."

In a post on social media platform X, Musk denied that SpaceX was bidding for Golden Dome work. Musk <u>wrote</u>: "SpaceX has not tried to bid for any contract in this regard. Our strong preference would be to stay focused on taking humanity to Mars. If the President asks us to help in this regard, we will do so, but I hope that other companies (not SpaceX) can do this."

Defense Department

Missile-tracking satellites

The Pentagon is expected to <u>spend a total of \$35 billion</u> on a program to deploy hundreds of missile-tracking satellites. <u>The Washington Post</u> reported that SpaceX is poised to win a significant portion of the work, to the consternation of a Republican senator who worries that the military might be relying too heavily on one company. Competitors have fallen so far behind SpaceX that many fear they won't be able to catch up, leaving NASA and the Pentagon with few other options as it faces increased competition in space from China and other nations, the <u>Post</u> said.

In a Capitol Hill hearing in March of 2025, Sen. Kevin Cramer, R-N.D., <u>said</u> the Air Force is considering a shift in its space acquisition strategy that could replace planned military satellite purchases from multiple defense contractors with SpaceX's Starshield satellites. "Do you think cutting opportunities like this could hurt the innovators in the industrial base?" <u>Cramer asked</u> Troy Meink, President Trump's nominee to lead the Air Force, during the hearing.

As <u>The Washington Post</u> reported, instead of relying on a few large satellites that are vulnerable to attack, the Pentagon is moving to swarms of smaller satellites that are more difficult to target and provide redundancy in case they are. In all, the missile warning system would have 300 to 500 satellites in low Earth orbit. It would consist of a "tracking layer" that would use sensors to follow missile launches and a "transport layer" designed to relay data throughout the constellation and to the ground.

The satellites would use laser technology to communicate, which is harder to intercept than radio frequencies. But the program, called the <u>Proliferated Warfighter Space</u>

Architecture, so far has struggled with the new technology, according to the <u>Government Accountability Office</u>, which said it has made only "limited progress demonstrating laser communications." SpaceX, however, has experience with laser communications since its commercial Starlink satellites use it to transmit data across the constellation.

<u>Space News</u> reported that the possibility of using SpaceX's Starshield — a militarized version of the company's commercially successful Starlink internet satellites — as a transport layer for the Pentagon program raises technical questions. The Defense Department previously indicated that SpaceX satellites would not meet requirements, noting in 2023 that SpaceX declined to bid for contracts because its commercial satellites operate at 550 kilometers in low Earth orbit, below SDA's required altitude of 1,000 kilometers.

SpaceX's successful track record means that "they don't need to cheat," Todd Harrison, a senior fellow at the American Enterprise Institute, told <u>The Washington Post</u>. "They don't need an unfair advantage. But the fact that Elon's in the White House is going to make people wonder if there is some unfair advantage. There will be an asterisk next to every SpaceX win. It taints everything, whether it's fair or not."

Federal Aviation Administration

Modernizing the communications system used by air traffic controllers

Nine days after President Trump's inauguration, an American Airlines jet collided with an Army Black Hawk helicopter on its approach to Reagan National Airport. All 67 people aboard the two aircraft perished. A week later, Transportation Secretary Sean Duffy <u>posted</u> on X that engineers from the Department of Government Efficiency would begin working with the Federal Aviation Administration in the wake of the accident. "Big News - Talked to the DOGE team. They are going to plug in to help upgrade our aviation system," Duffy posted. DOGE head Elon Musk confirmed the arrangement in his own post on X. "SpaceX engineers will help make air travel safer," Musk wrote.

The FAA had begun working on replacing its current communications system well before the American Airlines accident. In March of 2023, the FAA <u>awarded Verizon</u> a 15-year contract to modernize the communications system used by the FAA and its air traffic controllers to manage the U.S. airspace. The \$2.4 billion contract envisioned replacing the current communications system, which relies on outdated copper cables and switches designed for telephone voice transmissions, with fiber optic cables able to transmit significantly larger amounts of data faster and more reliably.

<u>The Washington Post</u> reported that the FAA was scheduled to make a final decision on whether to start paying Verizon for the contract in March of 2025. But the Verizon contract was thrown into doubt after Musk's DOGE lieutenants arrived at the FAA.

Musk and the FAA have a complicated history. Last year, after the FAA fined SpaceX for safety and regulatory violations, Musk publicly demanded that then-FAA Administrator Michael Whitaker resign. "The fundamental problem," Musk <u>posted</u> on Sept. 17, 2024 "is that humanity will forever be confined to Earth unless there is radical reform at the FAA!"

Given the FAA's regulatory oversight of SpaceX, the prospect of enlisting SpaceX engineers to work temporarily at the FAA raised enough concerns that the Transportation Department <u>issued ethics waivers</u> on February 17, 2025 to three SpaceX engineers being dispatched to the FAA from DOGE. The waivers were granted to Ted Malaska, Thomas Kiernan, and Brady Glantz. All three were still SpaceX employees, according to their <u>Linkedin profiles</u>.

The ethics waivers from the Transportation Department's deputy general counsel indicated that the three had been designated temporary special government employees, even though <u>reportedly none</u> of the SpaceX engineers were fully vetted by their start date. <u>Bloomberg</u> reported that the documents said that Malaska and his colleagues were tasked with conducting a review of the FAA technology, including the air traffic control systems. The waivers said they could not make any decisions "regarding federal funding or awards of contracts to SpaceX."

The day after the waivers were issued in February 2025, SpaceX engineer Malaska arrived at FAA headquarters and told employees that Musk wanted them to immediately start work on a program to deploy thousands of the company's Starlink satellite terminals to support the air traffic control system, <u>Bloomberg reported</u>. According to <u>Bloomberg</u>, Malaska told employees that they had up to 18 months to get the new program up and running. Malaska said that employees who failed to comply would be reported to Musk and risked losing their jobs.

<u>Bloomberg</u> reported that Malaska told agency officials that SpaceX was the only company capable of quickly modernizing the antiquated air traffic control system and that the new FAA-SpaceX partnership would be called TDM-X. Malaska, whose special government employee status has been extended, reportedly holds regular meetings with high-ranking FAA officials and instructs them on what equipment to buy as part of the upgrade effort. During at least one meeting, <u>Bloomberg reported</u>, Malaska stepped out several times to take calls that he said were from Musk himself.

Musk has said SpaceX planned to send 4,000 Starlink satellite terminals and equipment to the FAA at <u>no cost</u> to taxpayers, but the terms surrounding any such transaction—including how any usage or maintenance costs would be paid—remain unclear. Also unclear is what kind of agreement would be established if the FAA decides to use Starlink technology more broadly in its air traffic control system. The Starlink terminals rely on a network of about 7,000 <u>low-orbiting satellites</u> for communications.

Bloomberg reported that one terminal was immediately installed at the FAA's air traffic control technology lab at Atlantic City, N.J. for testing. It's also being tested at an FAA facility in Oklahoma City, an agency spokesperson said. The Starlink terminal at Birchwood Airport in Alaska went online. It's being used to transmit weather information over a satellite internet connection, marking the first time the FAA has sent data using Starlink.

After Malaska's arrival at the FAA, <u>news outlets</u> began reporting that the FAA might cancel its contract with Verizon to upgrade the air traffic control system and rely on Starlink instead. The media reports were fueled by Musk himself. "The Verizon system is not working and so is putting air travelers at serious risk," Musk <u>wrote</u> on February 24, 2025 on X. On February 27, he <u>again criticized</u> Verizon. "To be clear here, the Verizon communication system to air traffic control is breaking down very rapidly," Musk wrote.

Not surprisingly, Musk's criticisms of Verizon and promotion of Starlink, his own company, did not go unnoticed. But there was a problem, as Musk himself acknowledged on X on February 27. He posted a correction saying that Verizon did not have a communications system in place yet and that the current air traffic control system relied on technology provided by L3 Harris Technologies.

Aviation industry analysts say it's an open question whether Verizon's system of fiber optic cables or Starlink's system of low-orbiting satellites would be more effective for air traffic controllers. According to experts interviewed by *Fortune*, while both approaches will offer clear improvements over the existing FAA platform of copper wires and switches, each has its own strengths and weaknesses. For example, optic fiber's utility becomes limited when communicating with planes flying over oceans — areas that satellites easily cover. By contrast, latencies in Starlink's networks were said to create brief lags in data transmission that Verizon's tech doesn't experience. Former FAA officials told the <u>Associated Press</u> that they were alarmed at the prospect of Starlink being used as a critical part of the nation's aviation system without adequate testing, review, and debate about its benefits and drawbacks.

<u>The Washington Post</u> on February 26 reported that several senior FAA officials refused to sign paperwork authorizing a contract switch from Verizon to Starlink, so Musk's team

was seeking help from the acting administrator of the agency, Trump appointee Chris Rocheleau, and Transportation Secretary Duffy.

Rolling Stone reported on March 2 that FAA officials ordered staff to begin finding tens of millions of dollars for a Starlink deal, according to a source with knowledge of the FAA and two people briefed on the situation. The sources noted that these internal directives have mostly, if not entirely, been delivered verbally — which they say is unusual for a matter like this.

Both <u>Bloomberg</u> and <u>The Washington Post</u> reported that FAA officials were deciding whether to cancel the Verizon contract entirely. According to Bloomberg, members of President Trump's "inner circle" had discussed using Starlink to modernize the FAA's systems during his transition to the White House.

The media reports caused congressional Democrats to question whether Musk had a conflict of interest in promoting his own company to address air traffic control problems. "The apparent selection of Musk-owned Starlink as an FAA contractor reeks of the most corrupt, self-serving abuses that federal procurement laws and principles are intended to prevent, Sen. Richard Blumenthal, D-Conn., said in a <u>letter</u> to Transportation Secretary Duffy.

Faced with growing criticism, the Transportation Department and SpaceX began responding the week of March 2 to reports that the FAA might cancel the Verizon contract and award it to Starlink.

Transportation Secretary Duffy <u>said</u> on March 4 that Starlink is "part of the solution" but not the entire answer. On March 5, SpaceX weighed in, <u>posting</u> on X that "Starlink is a possible partial fix to an aging system. There is no effort or intent for Starlink to 'take over' any existing contract," wrote SpaceX. "Beyond this initial testing deployment, SpaceX is working with L3Harris and the FAA to identify instances where Starlink could serve as a long-term infrastructure upgrade."

Federal Railroad Administration

Building a new Amtrak tunnel

The Federal Railroad Administration has been conferring with Elon Musk's tunneling firm the Boring Company about the possibility of helping with a multi-billion dollar Amtrak project to replace a 1.4-mile Civil War-era tunnel in Baltimore, <u>The New York Times</u> reported in May of 2025. Amtrak initially expected the project to cost \$6 billion, but now estimates it could cost as much as \$8.5 billion.

The <u>Times</u> reported that officials with the Department of Transportation, which oversees the Federal Railroad Administration, met with employees from the Boring Company in April and were told that the firm could find ways to build the tunnel more cheaply and efficiently, according to two of the people familiar with the discussions. A Transportation Department spokesman told the <u>Times</u> that the Boring Company was one of several firms being consulted for the purposes of awarding a new engineering contract.

In its seven-year history The Boring Company has finished two tunnels: a 1.14 mile tunnel from company-owned property to a residential neighborhood in Hawthorn, California, completed in 2018, and a 2.4-mile underground loop that connects the Las Vegas convention center to nearby hotels. Completed in 2021, the Las Vegas Loop carries passengers in chauffeur-driven Teslas at speeds of about 40 miles per hour. The trip from Resorts International to the convention center costs \$5.

The White House

Boosting Starlink

A few weeks after President Trump's November election, Elon Musk <u>posted</u> on X that revenue from his company Starlink "is how we are paying for humanity to get to Mars." Since Trump's inauguration and Musk's appointment as head of the Department of Government Efficiency, Starlink's fortunes appear to have <u>risen</u> in the federal government. Musk and his lieutenants have enjoyed more receptivity to Starlink in the Commerce Department, White House, and General Services Administration, among other agencies.

At the White House, Musk's Starlink is now being used. White House press secretary Karoline Leavitt said Starlink is being employed "to improve Wi-Fi connectivity on the complex"—an explanation that <u>puzzles</u> technology experts.

The New York Times first reported the installation of Starlink on March 17, 2025. It said an engineer with SpaceX, the parent company of Starlink, who also works for Musk's Department of Government Efficiency, went to the roof of the Eisenhower Executive Office Building in the White House complex in February to explore installing Starlink there. But the *Times* reported that the Starlink panels were not physically placed in the White House complex and instead the Starlink system is routed through a White House data center, with existing fiber cables miles from the complex.

White House officials told the *Times* that the installation was an effort to increase internet availability at the complex. They said that some areas of the property could not get cell service and that the existing Wi-Fi infrastructure was overtaxed.

The Starlink installation and White House explanation have raised eyebrows among technology experts. "If a wireless network isn't delivering adequate coverage, the fix is to install better wireless routers or mesh nodes instead of plugging a different connection into the same underperforming local-network gear," wrote <u>PC Mag's</u> Rob Pegoraro on March 18.

Waldo Jaquith, a longtime government technologist who was a senior advisor at the General Services Administration under President Biden, called the Starlink arrangement "a huge security exposure" in a <u>Bluesky post</u> on March 18 and warned against using Wi-Fi around the White House because of concerns it could be hacked. "Everybody should be using Ethernet to the greatest extent possible."

White House officials told the <u>Times</u> that Starlink had donated the Internet service and that the gift had been vetted by the lawyer overseeing ethics issues in the White House Counsel's Office. But Clare Martorana, a former chief information officer at the White House during the Biden administration, told the *Times* that typically people cannot simply give technology to the government and that the White House's chief information officer would need to sign off on a new system to ensure it was properly secured, as would the chief information officer at the General Services Administration.

"It's super rare" to install Starlink or another internet provider as a replacement for existing government infrastructure that has been vetted and secured, Jake Williams, a vice president for research and development at Hunter Strategy, a cybersecurity consultancy, told the *Times*. "I can't think of a time that I have heard of that." "It introduces another attack point," Williams said. "But why introduce that risk?"

According to the *Times*, Musk complained about outdated White House technology after he began working there after President Trump's inauguration. But Musk himself has said that Starlink is designed for customers in remote rural areas, not urban centers. "Starlink will serve the hardest-to-serve customers that telcos otherwise have trouble reaching," he <u>said</u> at a satellite-industry conference in 2020. "We can't do a lot of customers in L.A. because the bandwidth per cell is simply not high enough." He reiterated that at a conference in Barcelona in 2021, saying Starlink is "really meant for sparsely populated regions."

 General Services Administration: The GSA has installed Starlink for Internet services at the request of Elon Musk's aides in the Department of Government Efficiency, according to NBC News. The service was being used by DOGE

- members. NBC News reported that internal correspondence confirmed Starlink had been installed at the GSA's offices in Washington at 1800 F Street NW by mid-February.
- Customs and Border Protection: CPB has authorized an evaluation of Starlink to help monitor the U.S. border, a spokesperson told <u>FedScoop</u>, a news site that covers the federal government. CBP's interest in Starlink goes back at least to 2023, before President Trump returned to office, according to a Homeland Security Department document cited by <u>FedScoop</u>. <u>FedScoop</u> said internal documents suggest that CBP is interested in deploying the technology through its automated surveillance tower program, which involves using towers with sensors and tracking technology to monitor the U.S. border.
- Justice Department: The FBI and the Drug Enforcement Administration posted requests for information in March of 2025 on the potential use of Starlink.

 FedScoop reported that the FBI's posting is relatively brief and states that the satellite internet service "offers the ability to maintain internet ability while responding, and on scene of, various incidents." The agency is looking for between five and 100 and Starlink mini dishes and a pooled data plan that can be spread across the dishes. The DEA states that Low Earth Orbit satellites are particularly helpful for moving vehicles, including command vehicles, remote outposts and tactical boats "operating in regions historically underserved by traditional satellite providers." The agency says it's looking for high-speed connectivity using satellite technology both on land and at sea.

Federal Communications Commission

Broadband service

In December 2020, the Federal Communications Commission <u>tentatively awarded</u> \$9.2 billion to over 300 bidders to deploy high-speed broadband Internet service. Starlink's share was \$885.5 million to provide services to 642,000 rural homes and businesses in 35 states. But the FCC reversed course in August of 2022 and rescinded the award. After Starlink, a division of SpaceX, challenged the reversal, the FCC affirmed the denial in December of 2023, with Republican FCC commissioners dissenting.

Then-FCC Chair Jessica Rosenworcel told Congress that Starlink's publicly available performance data has confirmed its prior finding that "Starlink had difficulty meeting the basic uplink and downlink speed standards for the program" and added Starlink's proposal would have required subscribers to purchase a \$600 dish to start service. With Republican Brendan Carr now chairing the FCC, The New York Times reported that two

former FCC members said they now expect the agency to once again offer some of the grant funds to Starlink.

4. Foreign Contracts and Investments

Starlink Flies High

With the backing of the White House and the State Department, Elon Musk's Starlink has been inking deals with foreign governments at a rapid clip since President Trump's inauguration. Starlink, a division of Musk's SpaceX company, now operates in at least 120 markets worldwide, and typically must negotiate with national governments for operating rights to provide internet service to their populations. Historically, many countries have been cautious about granting those rights. Some governments would rather invest in homegrown internet infrastructure, keeping jobs and profits at home rather than in foreign hands. Others have been concerned that the capacity to hook up to a Starlink satellite might empower radical groups, terrorists, or opposition parties. But some of those concerns appear to have faded away since foreign governments have taken note of Musk's prominent role in Trump's second administration.

Since 2022 Starlink has been seeking license agreements with India, the world's most populous country with 1.46 billion inhabitants, and Bangladesh, which ranks eighth in the world with 175 million people. In the months since Trump's election, both of those countries have struck deals with Musk's company. Other countries that have announced new licensing agreements with Starlink include Saudi Arabia, Vietnam, South Korea, the Democratic Republic of Congo, Somalia, Guinea-Bissau, Lesotho, Gambia, and Chad. Uganda and Cambodia are considering licensing deals with Starlink. And some existing Starlink customers are offering the company expanded access. In early April, Brazil granted Starlink permission to operate 7,500 new satellites in South America's largest and most populous country, more than doubling the size of its existing 4,400 permitted satellites.

Rather than rely on fiber optic cables, Starlink connects users to the internet through a network of some 7,000 low-flying satellites – 62 percent of all satellites orbiting the planet, according to one academic researcher. (Musk recently claimed that Starlink accounts for about 80 percent of all satellites orbiting Earth.) Starlink panels are placed on structures such as homes, and receive Internet signals beamed from SpaceX satellites. It takes many satellites to provide continuous internet coverage, but because SpaceX rockets are partly reusable, Starlink frequently launches new satellites in batches, expanding its global network. Though Starlink has the lead in satellite internet service, the field is becoming more competitive. The French company Eutelsat has about 600 satellites in low Earth orbit; Amazon founder Jeff Bezos' Project Kuiper plans to start serving customers this year, and Russian, Chinese, and European Union satellite internet networks are in development.

SpaceX is a key component of Musk's wealth. Like all of his businesses except Tesla, SpaceX is privately held and is not required to report detailed financial information, but analysts estimate that in December its value reached about \$350 billion. The Starlink portion of the company's portfolio is considered to have high growth potential, since the demand for rockets that can deliver cargo in space is limited, while the demand for internet service is surging in rural areas, in the developing world, and among government agencies. Goldman Sachs estimates that the global satellite market will be worth \$457 billion by 2035.

"We're putting into orbit the largest satellite constellation the world has ever seen by far," serving parts of the world without internet access, <u>Musk said</u> in an interview livestreamed at the Qatar Economic Forum in May. "The single biggest thing you can do to lift people out of poverty and help them is giving them an internet connection, because once you have the internet connection, you can learn anything for free, and you can also sell your goods and services to the global market."

Prior to working in the Trump administration, Musk said he devotes 90 percent of his attention to just two of his companies, Tesla and SpaceX. The company says Starlink has five million <u>users worldwide</u> and is striving to add one million <u>users</u> per year.

One concern is that Musk has the capacity to turn Starlink's satellites on and off in specific areas, with potentially decisive effects in times of war or natural disasters. When Russia destroyed Ukraine's communications system after its February 2022 invasion. Musk rushed thousands of Starlink terminals to Ukraine. The connection to the Starlink network has been crucial to the Ukrainian military, but Starlink retains the ability to turn off parts of the system, and has done so at times, limiting Ukraine's ability to use drones to target Russian forces or to fire its weapons at Russian forces in Crimea. In February, while the Trump administration was seeking a commitment from Ukraine to supply the U.S. with critical minerals, U.S. negotiators raised the possibility of cutting off the country's Starlink connection.

Similarly, during the recent outbreak of fighting between India and Pakistan, <u>India ordered</u> another Musk-owned company, X, to block the accounts of some 8,000 subscribers, including news organizations, accusing the users of violating local laws. The company criticized the government's order as a violation of free speech, but it complied.

"This is not just one company, but one person," cybersecurity expert Dmitri Alperovitch told *The New York Times*. "You are completely beholden to his whims and desires." The European Union, prompted in part by concerns about the question of Starlink control, is developing its own satellite telecommunications network, slated to go online in 2027.

Taiwanese officials are concerned about Musk's multiple business relationships with mainland China. Roughly <a href="https://half.com/half

Analysts estimate that a share of India's broadband internet market could bring in as much as \$1 billion in annual revenue. In mid-February, Indian Prime Minister Narendra Modi paid an official visit to Washington for meetings with Trump and key advisors. Shortly before meeting with the president, Modi sat down with Musk, who brought three of his children to a meeting at Blair House, the official lodging for presidential guests across the street from the White House. They discussed "cooperation in emerging technologies, entrepreneurship and good governance," Modi's office said. In early May, the Indian government issued a letter of intent to approve Starlink's application, which had been pending for two and a half years. By that time, two Indian telecom giants had already announced they would partner with Starlink to provide service on the Indian subcontinent and in Africa, where Starlink has obtained licenses in nine countries and is seeking them in five more.

A White House meeting with Musk was also pivotal in Starlink's successful negotiations with <u>Bangladesh</u>, a country that relies on the U.S. as a source of cotton to feed its garment industry, and as a critical market for the t-shirts and other clothing made in Bangladeshi factories. After years of authoritarian rule, Bangladesh now has an interim government led by Muhammed Yunus, a Nobel laureate and past recipient of the Congressional Medal of Honor.

In mid-February, Yunus sent special envoy Khalilur Rahman to Washington, where he met at the White House with an official from the U.S. trade representative's office, according to *The Washington Post*. The trade official reportedly told Rahman that Bangladesh would need to buy more U.S. cotton if it wanted to strike a deal on tariffs. After Rahman agreed, he was escorted to another office, where "he was surprised to find the world's richest man." The *Post* account of the meeting said that Musk wanted to talk about negotiations between Starlink and Bangladeshi regulators, and that Rahman called Yunus from that meeting to discuss the matter. The Bangladeshi embassy in Washington, in a terse statement, told the *Post* that none of its officials met with Musk in Washington.

Meanwhile, a Bangladeshi government press release announced on February 14 that Yunus and Musk held "an extensive video discussion" to "explore future collaboration and to make further progress in introducing Starlink satellite internet service in Bangladesh." Though the press release doesn't say where the meeting took place, it does say that Rahman, the Bangladeshi representative who was visiting the White House to discuss tariffs at the time, was in the meeting, and that Lauren Dreyer, vice president of SpaceX, was also there. During the video discussion Yunus invited Musk to come to Bangladesh to witness the launch of the country's Starlink service, and Musk accepted, according to the government press release.

If Musk, at that time an active and high profile special government employee, discussed Starlink business from a White House office with a Bangladeshi trade negotiator and the country's acting head of state, it would not be surprising for Bangladesh officials to conclude that the Starlink deal and the sought-after tariff reductions were connected. It appears that the Bangladeshis did draw that conclusion. The country granted Starlink a license to operate on March 29, with service slated to begin just two weeks later. But when Trump announced his proposed tariffs on April 2, he called Bangladesh one of the "worst offenders" in contributing to the U.S. trade deficit and said he planned to levy a 37 percent tariff on the country's imports – higher than the 34 percent rate initially proposed for China. Days later, Yunus wrote to Trump asking for a 90-day delay in imposing the tariffs, since the Bangladesh government had already begun implementing agreed-upon actions to reduce trade barriers for U.S. companies. "We were the first country to take such a proactive initiative," the Bangladeshi leader wrote, citing Rahman's February visit to Washington. Among other pro-U.S. actions, Yunus wrote that his government had already taken the necessary steps to launch Starlink.

According to <u>State Department cables</u> reported by *The Washington Post*, at about this time several other developing countries came under pressure from U.S. diplomats to ink deals with Starlink. In at least two cables, Secretary of State Marco Rubio asked U.S. embassy staffers to urge the countries where they were based to adopt American satellite internet services, specifically naming only Starlink. It isn't unusual for American diplomats to promote American industries abroad, but Rubio's advocacy goes beyond the efforts of Joe Biden's Secretary of State Anthony Blinken, who sent a cable touting satellite internet services in general and specifically said the State Department wanted to promote other options besides Starlink. By contrast, on March 28, an "action request" signed by Rubio said of Starlink that "U.S. government advocacy is essential to maintain and extend their global 'first-mover' advantage."

In at least one instance, an American ambassador and State Department staffers exerted what an official of the impoverished African country of Gambia described as "maximum pressure" to sign a deal with Starlink. In February, U.S. Ambassador to

Gambia Sharon Cromer met with the head of Gambia's communications ministry, Lamin Jabbi, urging him to grant Starlink a license to operate that had been under review for months. The meeting took place at a time when Musk and DOGE were at the forefront of a Trump administration initiative to freeze U.S. foreign aid projects in the developing world.

According to reporting by *ProPublica*, in that meeting Cromer listed U.S.-funded aid grants to the impoverished country and singled out some U.S. initiatives that she said were under review, including one to help expand the country's electrical grid. "The implication was that they were connected," Hassan Jallow, the top deputy in the Gambian communications ministry, told *ProPublica*. The news outlet reported that State Department officials and Starlink executives contacted at least seven Gambian government ministers and the country's president, urging them to move on Starlink's license, which was still pending in mid-May.

Other <u>countries mentioned in the State Department cables</u> as showing willingness to do business with Starlink after Trump unveiled his initial tariff proposals on April 2 were Mali, Cambodia, and Djibouti. At least one other African country, Lesotho, received an application from Starlink in 2023, but did not approve it. On April 2, Trump announced 50 percent tariffs on the country's goods. On April 14, <u>Lesotho</u> granted Starlink's license request.

Citing press coverage of the State Department interventions, and of Musk's White House meeting with the Bangladeshi government official, eight Senate Democrats have called for an investigation into "whether Mr. Musk or other administration officials may be violating ethics or other laws." In a May 14 letter, Sen. Elizabeth Warren, the ranking Democrat on the Senate Banking Committee, Sen. Mark Warner, vice chairman of the Senate Select Committee on Intelligence, and six other Senate Democrats asked the State Department's acting inspector general, the acting director of the Office of Government Ethics, and Attorney General Pam Bondi to "investigate whether any officials have pursued a quid-pro-quo exchange of Starlink access for tariff favors in violation of federal ethics law.

"As part of those investigations, you should determine whether Mr. Musk's meeting with Bangladeshi officials violated federal ethics law," the senators' May 14 letter continued. "The involvement of State Department officials also raises additional questions, including whether these officials may be subverting the public's interests in favor of Mr. Musk's personal financial interests as they negotiate new tariff agreements – and whether they have been directed by Mr. Musk or President Trump to do so."

Musk has been negotiating to provide secure Starlink communications to some European governments, such as Italy, where reactions to Musk's actions as the leader of DOGE have been mixed at best. Italian prime minister Giorgia Meloni is a Trump ally and is on friendly terms with Musk, who has been seeking a contract for Starlink to provide secure, encrypted <u>satellite communications</u> to Italian government officials operating in sensitive areas around the Mediterranean. Two weeks before Trump was inaugurated, Meloni paid the president-elect an unannounced visit in the U.S. Her office said the Starlink deal was not one of the topics they discussed. But it did come up in a March conversation between Meloni's deputy and Vice President J.D. Vance in which the callers discussed "the remarkable American capabilities in key areas such as satellite communication."

The proposed deal may have fallen victim to a <u>backlash</u> against Musk's role in DOGE, which has triggered street protests in some European countries. In Italy, cars were burned at a Tesla dealership in Rome. Meanwhile Meloni's political opponents argued that it is unwise to place sensitive national security conversations under the control of a foreign businessman and Trump ally. In April, <u>Italian defense minister</u> Guido Crosetto said the Starlink discussions appeared to be stalled.

"I believe we need to distinguish political aspects from technical ones, as we cannot base our reasoning solely on sympathy, antipathy, or temporary political ties to people like the world's major tycoons," Crosetto said. Once emotions have cooled, Crosetto predicted, his government will resume its assessment of the proposed contract.

Perhaps the most controversial of all the ongoing Starlink negotiations are those with Musk's native South Africa, where "black economic empowerment" laws require foreign-owned telecommunications companies to sell 30 percent of the equity in their local branches to disadvantaged groups. Musk has repeatedly claimed that Starlink is barred from operating in South Africa because he is not black. The South African government has said that Starlink has never applied for a license.

Like other African governments, <u>South Africa</u> is concerned about strained relations with the Trump administration and has been seeking better relations with Washington. On the eve of South African President Cyril Ramaphosa's May 21 visit to the White House, Bloomberg News reported that the South African government was planning to offer Musk a workaround, recognizing so-called "equity equivalent" investments in telecommunications infrastructure.

Several South African opposition party leaders have objected. "The message being sent is that if you are a powerful foreign billionaire, you can sidestep South Africa's laws, while our local businesses are forced to jump through hoops," Nobuntu Hlazo-Webster, deputy leader of the Build One South Africa (Bosa) party, told the Financial Times.

When asked by an interviewer at the <u>Qatar Economic Forum</u> whether that offer might not have been extended to Musk if not for his role in the Trump administration, and whether it represented a conflict of interest, Musk became angry. "First of all, you should be questioning, Why are there racist laws in South Africa?" he asked. "I'm in this absurd situation where I was born in South Africa but I can't get a license to operate in South Africa because I'm not black. Does that seem right to you?" He refused to address the interviewer's question about whether the proposed workaround posed a potential conflict of interest for Musk. "I asked you a question," he said. "Answer the question."

It was a foreshadowing of a <u>volatile meeting</u> between Trump and Ramaphosa at the White House the next day, with reporters, Musk and other guests in the room. As the president played a video purporting to show that white South Africans are the victims of hate crimes, and Ramaphosa said the claim was untrue, a deal for Starlink to serve the country of Musk's birth did not seem imminent.

It was a far cry from the warm reception Trump and Musk both received on an official White House visit to Saudi Arabia, Qatar, and the United Arab Emirates in mid-May. While traveling with Trump, Musk announced in Riyadh, Saudi Arabia that Starlink had reached a deal to provide internet service to Saudi maritime and aviation companies. He also staged a demonstration of Al-trained humanoid robots, a new technology in development at Tesla, for Trump and Saudi Crown Prince Mohammed bin Salman.

Musk was one of about two dozen U.S. business executives who accompanied the president on the trip to three of the world's wealthiest nations, all of which have track records of investing in Musk's businesses. The Qatar Investment Authority, the nation's sovereign wealth fund, helped finance Musk's purchase of Twitter in 2022, as did Saudi Arabia's Kingdom Holding Company, according to *Forbes*. The Saudi investment company, chaired by Prince Alwaleed Bin Talal Alsaud, also invested in Musk's xAl last year. Sovereign wealth funds in Oman, Kuwait, and the United Arab Emirates have also reportedly invested in Musk-owned companies including xAl.

Neuralink's Abu Dhabi Connection

While <u>traveling with President Trump</u> in the United Arab Emirates in May, <u>Elon Musk announced</u> that his medical device company Neuralink will launch a clinical trial at the Cleveland Clinic Abu Dhabi. The company makes implantable brain chips that allow people with debilitating conditions to communicate with their thoughts. Its only clinical trials to date have been in the United States, where three people have received the implants. Neuralink faces competition from Synchron, a company backed by Amazon

owner Jeff Bezos, which has implanted its device in six patients in the United States and four in Australia. A Chinese state-owned company, Neu Cyber Neurotech, has also implanted its device in three patients and reportedly plans to implant it in <u>ten more</u> this year.

xAl's Middle East Backers

In March, Elon Musk's artificial intelligence company, xAI, bought out the social media company X for \$33 billion. The move had the effect of erasing the debt Musk had carried since he paid \$44 billion for Twitter in 2022 and renamed it X. Saudi Arabia's Kingdom Holding Company was one of Musk's original backers for that 2022 purchase; helped fund xAI in 2024; and recently invested in the combined company, xAI Holdings, according to Forbes.

As a standalone, X lost users and declined in value under Musk's ownership, reportedly reaching a <u>low of \$12 billion</u> in December. But xAI has attracted investments from the Saudis, the <u>Oman Investment Authority</u>, and the <u>Kuwait Investment Authority</u>. In May xAI was reported to be in <u>financing talks</u> that could boost its value to \$120 billion, up from \$80 billion in April.

The newly combined company is the target of two separate investigations in the European Union for alleged violations of EU's strict data privacy laws. The first case stems from a probe by the <u>Irish Data Protection Commission</u> into xAI's Grok artificial intelligence model, which is available to X users and is trained on their data; the EU prohibits that use of its residents' data. In the summer of 2024 the company quickly settled an investigation into alleged scraping of EU users' data for training purposes, promising to delete the data and committing to not use it that way again. But in August 2024 three watchdog groups filed complaints alleging that xAI was continuing to use EU data to train Grok, and the investigation resumed.

The other case stems from a <u>preliminary finding</u> by the European Commission last year that X is in breach of the EU's Digital Privacy Act, which gives regulators <u>broad authority</u> to deal with hate speech, advertising aimed at children, and disinformation, including disinformation aimed at swaying election outcomes. The European Commission found that X was withholding information that would show how disinformation spreads on X; was failing to verify the identity of users of "verified" accounts, making X more vulnerable to foreign interference; and failed to provide transparency about advertisers. <u>The New York Times</u> reported in April that EU regulators were planning fines large enough to deter other companies from violating the digital privacy law. <u>Figures released by X</u> in late April showed the social media platform has lost nearly ten percent of its

users in the EU since August 2024, with the number of users down from 105 million to 95 million.

The Boring Company's Dubai Project

Elon Musk and the United Arab Emirates are partnering to build an <u>underground</u> roadway under and around the UAE capital, Dubai. The network will be built by The Boring Company, a privately held venture that Elon Musk founded in 2016 after becoming fed up with Los Angeles traffic. Musk announced the project in February at the World Governments Summit in Dubai. He envisions as many as 20,000 passengers per hour traveling at high speeds in self-driving electric vehicles around an underground tunnel network, which would have 11 stations in its first phase.

"It's going to seem so obvious in retrospect, but until you actually do it, you don't know. It's going to be great," Musk said. "You just wormhole from one part of the city, boom, and you're out in another spot."

In 2021 Boring got preliminary approvals to <u>expand the Las Vegas network</u> to 69 stations spread over 65 miles. The company raised about \$800 million in <u>outside capital</u> for the project and began digging in spring 2023. That November the Nevada Occupational Safety and Health Administration issued eight citations against the company, alleging hazardous conditions, a lack of safety equipment, and inadequate worker training. A state OSHA investigation found some workers on the project suffered serious chemical burns after exposure to an accelerant used to harden the tunnel walls. Water mixed with the accelerant sometimes <u>pooled up to two feet deep</u> at the company's work sites, *Bloomberg News* reported. The company disputed all of the state OSHA charges and was assessed a \$112,000 fine. At the time, the company was valued at an estimated \$6 billion.

Construction continues, with <u>three hotels</u> connected to the convention center by May 2025. Last year, the <u>National Council for Occupational Safety and Health</u> named The Boring Company to its annual list of "Dirty Dozen" companies with serious worker safety problems.

5. Musk's Allies and Aides

Elon Musk's influence in Washington lingers after his departure not only because of his close relationship with President Trump but also because he has allies who are likely to be mindful of, or aligned with, his interests as they continue to serve in the government. While many of Musk's lieutenants at the Department of Government Efficiency are expected to return to the private sector, some <u>may remain</u> in government roles, Musk has said. The ranks of senior government officials are also populated with individuals with professional and business ties to Musk.

Here are four key Musk allies in senior positions or nominated for them:

Michael Grimes: During his 30-year career as a technology investment banker at Morgan Stanley, Grimes advised Musk on his \$44 billion purchase of Twitter in 2022. Grimes was known at Morgan Stanley for leading several high-profile technology initial public offerings, including those of Meta, Uber, and Airbnb. He moonlighted as an Uber driver to woo the company before its IPO in 2019. Grimes is now a senior official in the Commerce Department and has been tapped to lead a planned sovereign wealth fund, part of President Trump's effort to give the U.S. a stake in projects he considers critical to national security. Details have yet to be released on how the fund would work.

Jared Isaacman: Isaacman was President Trump's nominee to head the National Aeronautics and Space Administration, but the White House withdrew the nomination days before an expected June confirmation vote by the full Senate. It is unclear whether another role will be found for Isaacman in the administration. The Senate Commerce Committee voted 19-9 on April 30 to send his nomination to the full Senate. During his confirmation hearing earlier in April, Isaacman was repeatedly pressed about his ties to Musk.

Billionaire Isaacman funded and commanded two pioneering astronaut missions with SpaceX — <u>Inspiration4</u> in September 2021 and <u>Polaris Dawn</u> this past fall, <u>Space.com</u> reported. Isaacman refused to give a direct answer at the confirmation hearing as to whether Musk was present when Trump interviewed him before his nomination. Worth an estimated \$1.9 billion, Isaacman made his <u>fortune</u> from payment processing company Shift4 Payments, which he founded in 1999 at the age of 16.

Troy Meink: When President Trump interviewed Meink before nominating him to be the Secretary of the Air Force, someone else was in the room: Elon Musk. In written answers to the Senate Armed Services Committee, Meink disclosed Musk's presence. He said Musk did not ask any questions during the session. Reuters reported in February that Meink arranged a multibillion-dollar contract solicitation in a way that

favored Musk's SpaceX while serving at the National Reconnaissance Office, the national spy satellite agency. Reuters reported that Musk recommended Meink for the post of Air Force secretary. "I've never seen anything like this before — a military contractor helping pick the people who run the Pentagon," Richard Painter, the former chief White House ethics lawyer under President George W. Bush, told <u>Politico</u>. In a Capitol Hill hearing in March of 2025, Sen. Kevin Cramer, R-N.D., <u>said</u> the Air Force is considering a shift in its space acquisition strategy that could replace planned military satellite purchases from multiple defense contractors with SpaceX's Starshield satellites. Meink was <u>confirmed</u> by the Senate as Air Force Secretary on May 13, 2025.

Russell Vought: Although he has no business ties to Musk, Office of Management and Budget Director Vought worked closely with Musk in the first months of the Trump administration and the two share ideological goals of slashing the size and scope of the federal government. A conservative budget wonk, Vought was a co-author of Project 2025, the Heritage Foundation playbook for the second Trump administration. At the center of Vought's ideology, Bloomberg reported, is the unitary executive theory, which critics say amounts to an argument that a president should have wide latitude to do whatever he wants. At OMB, Vought has jurisdiction over not only federal spending, but also government regulations. Both Vought and Musk have sharply criticized the federal government for regulatory overreach. "There are members of the Trump administration who are woefully incompetent," Bobby Kogan, who served as an adviser to the OMB under President Biden, told Bloomberg. "Russ is very smart. He's careful. He absolutely knows what he's doing." The Wall Street Journal reported in May that Vought plans to lock in many of Musk's cost-cutting efforts after Musk leaves the government.

The Musk lieutenants who served with Musk at the Department of Government Efficiency are in a different category than Grimes, Isaacman, Meink, and Vought. Some have already left DOGE and returned to the private sector. The others will soon be bumping up against the 130-day limit that special government employees are allowed to work in the federal government during a 365-day period. The time limit was set to allow individuals outside the government to be brought into government for temporary stints because of their expertise.

As the list below shows, many members of Musk's DOGE team came from Musk's companies, particularly SpaceX and Tesla. How much their DOGE experience will serve their business interests is anyone's guess because so much of DOGE's work was shrouded in secrecy. Engineers who were able to access federal databases may have gained valuable insights into what information the government collects and how it uses it. Human resources professionals may come away with less actionable knowledge.

Here's a look at some of the DOGE team members with connections to Musk or his companies. The list is organized by affiliation with Musk's firms.

Boring Company

Jehn Balajadia: Balajadia's Linkedin<u>profile</u> lists her as operations coordinator at Musk's Boring Company, a tunnelling firm. <u>The New York Times</u> reported in February that she was working at the Education Department.

Boring Company, Tesla

Riccardo Biasini: Before joining the Boring Company as a director of electrical and software engineering, Biasini was an automotive engineer at Tesla, <u>Bloomberg</u> reported. He was listed as a senior adviser to the director at the Office of Personnel Management. Biasini's financial disclosure form <u>reports</u> that he owns Boring shares worth between \$1 million and \$5 million.

Neuralink

Edward Coristine: Prior to his work with DOGE, Coristine held internships at Neuralink and at data security firm Path Network, where he was <u>fired for sharing information</u> with a competitor, according to <u>Bloomberg.</u> <u>Reuters has also reported</u> that while in high school Coristine ran a company that provided network services to cybercriminals. Coristine, whose chosen nickname is "<u>Big Balls,</u>" has been described by Musk as "<u>awesome.</u>" <u>Wired</u> reported in early June that Coristine is now a full-time employee at the General Services Administration.

Neuralink, X

Aram Moghaddassi: In an interview on Fox News, Moghaddassi described his work at the Social Security Administration this way: "The two improvements that we're trying to make to Social Security are helping people that legitimately get benefits protect them from fraud that they experience every day on a routine basis, and also make the experience better." He has worked as an engineer at both Neuralink and X during the past five years.

SpaceX

Brian Bjelde: Bjelde has spent more than 20 years at SpaceX, most recently as vice president of human resources, according to <u>Bloomberg</u>. He was listed as an "expert" at the Office of Personnel Management.

Stephen Duarte: Duarte's Linkedin_profile lists him as a human resources manager at SpaceX. Duarte was listed as an expert at the Office of Personnel Management, Bloomberg reported.

Luke Farritor: Farritor interned at SpaceX before winning a \$100,000 Thiel Fellowship in 2024 to use artificial intelligence to <u>read the Herculaneum papyri</u>, a collection of ancient Roman scrolls, <u>Bloomberg</u> reported. <u>Wired</u> reported in early June that Farritor is now a full-time employee at the General Services Administration.

Christina Hanna: Hanna has spent nine years in SpaceX's human resources department, according to her Linkedin <u>profile</u>. She was one of several former SpaceX HR staff <u>listed</u> as "experts" at the Office of Personnel Management.

Erica Jehling: Jehling is the purchasing director at SpaceX, according to her Linkedin profile, and has worked there the past nine years. *Politico* reported that Jehling began working in February at the Environmental Protection Agency as a temporary full-time staffer in the office of EPA Administrator Lee Zeldin.

Ted Malaska: Malaska has worked at SpaceX the past four years and most recently has been its senior director of application software, according to his Linkedin_profile. Malaska was dispatched to the Federal Aviation Administration in February to work on improving the national airspace system. In that role, he pushed NASA to use SpaceX's Starlink terminals, <u>Bloomberg</u> reported. Malaska was given an ethics waiver while at the FAA to do work that could potentially benefit SpaceX.

Bryanne-Michelle Mlodzianowski: Mlodzianowski worked until recently as human resources director at SpaceX, *ProPublica* reported. It said she was listed as an "expert" at the Office of Personnel Management.

Justin Monroe: After serving in the Navy as an information warfare officer, Monroe worked in information security at SpaceX, <u>Bloomberg</u> reported. He was listed as an "expert" at OPM and working as an adviser within the office of the director of the FBI.

SpaceX, Boring Co, X

Steve Davis: Davis is effectively the day-to-day leader of the Department of Government Efficiency, *The New York Times* reported. An aerospace engineer by training, Davis has <u>spent more than 20 years</u> helping Musk cut costs at SpaceX, the Boring Co. and Twitter. Known for his loyalty to Musk, Davis has won praise from Musk for his cost-cutting abilities. "Steve is like chemo," Musk once <u>said</u>. "A little chemo can save your life; a lot of chemo could kill you." During Musk's takeover of Twitter in 2022, Davis <u>slept</u> at the company's headquarters in San Francisco with his romantic partner Nicole Hollander and their infant. Davis left his DOGE post in late May.

SpaceX, Tesla

Antonio Gracias: A former Tesla board member, Gracias now serves on the board of SpaceX. He is the founder, chief investment officer and CEO of Valor Equity Partners, a longtime investor in Musk's companies, according to <u>Bloomberg</u>. <u>The New York Times</u> described Gracias as one of Musk's most trusted advisers. The *Times* reported in March that Gracias was scrutinizing records at the Social Security Administration.

SpaceX, X, xAI

Marko Elez: Elez reportedly resigned his position at the Treasury Department February 6, 2025 after <u>The Wall Street Journal reported</u> that he has links to a social media account that posted racist comments online. After Musk <u>said</u> publicly he planned to rehire the engineer, saying that "to err is human, to forgive divine," <u>Politico</u> reported in March that Elez had been working for weeks on sensitive systems at the Department of Health and Human Services. Elez has worked at SpaceX, X, and xAI, <u>Bloomberg</u> reported.

Tesla

Daniel Abrahamson: The Transportation Department <u>announced</u> in February that Abrahamson was serving as a senior adviser to Secretary Sean Duffy and would focus on policy development and strategic initiatives. He was formerly a senior counsel at Tesla, according to <u>ProPublica</u>.

Joe Gebbia: According to <u>ProPublica</u>, Gebbia is the co-founder of Airbnb, a Musk friend and board member at Tesla. He recently revealed he was working as a volunteer for DOGE, focusing on how to improve the federal retirement process through software.

Thomas Shedd: A longtime Tesla software engineer, Shedd became head of the General Services Administration's tech arm, the Technology Transformation Services, at the start of the Trump administration and then was also named the chief information officer for the Labor Department, <u>NextGov</u> reported in March. At Labor, Shedd was expected to play a key role in <u>expanding</u> digital identity verification across the unemployment insurance system nationwide.

Alexander Simonpour: An engineer at Tesla, Simonpour was dispatched by DOGE to the National Aeronautics and Space Administration. <u>Bloomberg</u> said he was reportedly helping oversee the space agency's reduction in force. Three House Democrats <u>questioned</u> Simonpour's qualifications to work at NASA, saying he and two other DOGE employees there "possess [not] the slightest background or experience in space policy or government service."

X

Nicole Hollander: A licensed property manager, Hollander has a background in retail asset management and has worked at X for the past two years, according to her Linkedin <u>profile</u>. <u>Bloomberg</u> reported that Hollander is working at the General Services Administration on terminating leases for federal office space.

xΑl

Amanda Scales: According to her Linkedin <u>profile</u>, Scales left her post as chief of staff at the Office of Personnel Management in March to return to xAI, where she is a recruiting leader for the artificial intelligence company. She describes herself as a "fan of connecting dots, well-orchestrated systems, and depth."

Other Affiliations

Anthony Armstrong: Armstrong was listed as a <u>senior adviser</u> at the Office of Personnel Management. As a former banker at Morgan Stanley, he worked on Musk's deal to buy Twitter, according to <u>The New York Times</u>.

Jon Koval: Koval is a <u>vice president</u> at Valor Equity Partners, a private equity firm run by Antonio Gracias, a Musk ally. *The New York Times* <u>reported</u> that Koval had been working at the Social Security Administration, where Gracias was also working. But the

<u>Times</u> said Koval was shifted to the Justice Department's immigration enforcement unit as part of a widening White House effort to use personal data to target undocumented immigrants.

Payton Rehling: After working on a DOGE team at the Social Security Administration, Rehling was assigned to the Justice Department's immigration enforcement unit to assist White House efforts to use personal data to target undocumented immigrants, *The New York Times* reported in April. Rehling works as a senior associate data engineer at Valor Equity Partners, a private equity firm run by Antonio Gracias, one of Musk's closest allies, according to the company's website and an archive of Rehling's deleted LinkedIn profile, *ProPublica* reported.

Michael Russo: Russo was previously <u>an executive at Shift4</u>, a payments processing company with <u>links to SpaceX</u>. He joined the Social Security Administration in February as its chief information officer before being named a month later as senior adviser to the commissioner. An agency spokesperson told <u>FedScoop</u> that Russo would be "coordinating on technology initiatives that can improve the service we provide including on our national 800 number."

Chris Young: <u>Wired</u> reported that Young was among a group of DOGE staffers sent to the Consumer Financial Protection Bureau in February to gain access to its data. Last August, Musk hired Young, then a senior political official at PhRMA, to steer his efforts to get more involved in Republican politics and finance get-out-the-vote efforts, <u>The New York Times</u> reported.

