
Window On Washington - April 8, 2019, Vol. 3, Issue 15

Apr 08, 2019

Outlook for This Week in the Nation's Capital

Congress. The Chairman of the House Ways and Means Committee has now officially requested President Trump's tax returns for review, which the President again reiterated he would move to block, likely setting up a future court battle. Last week House Democrats also filed suit against the President regarding his emergency border declaration, as well as issuing additional subpoenas for Trump family business records and dealings. The Senate spent the past week mired in partisan recriminations after Republicans invoked the "nuclear option" and unilaterally changed Senate rules to brush off Democratic delays of Trump nominees. Both chambers return for another busy week of business today, prior to the coming Easter recess next week.

White House. The President traveled over the end of the week and weekend to a border location event, and then several fundraisers on the West Coast, having backed off his threat to close the border, for now. Trump also announced that he expected a finalized trade deal with China and meeting to sign it within the next 4 weeks, but a final deal is not expected to be announced this week. The chaotic past week also saw the President publicly slam the Federal Reserve, a day after a top aide contended the President is not trying to influence the economic board's decisions.

Budget & Appropriations. The House and Senate continued to grind through a large number of annual appropriations hearings with various federal agencies and departments, with another such week on tap – the House will hear from AG Barr at the DOJ's FY20 hearing (other topics likely to be raised at this hearing!) and also the USDA, Army, IRS, Immigration and Customs and DOT. The Senate Appropriations Committee will also hear from Barr, as well as State, Army Corps of Engineers, NIH, USDA and DHS on their FY20 requests. The Senate remains stuck on the House-passed disaster supplemental and Majority Leader McConnell's counterproposal. Senate Minority Leader Schumer has offered a \$16.7 billion alternative proposal with more aid for Puerto Rico and the Midwest and urged GOP leaders to simply try to "roll" the President. In addition to the immediate humanitarian impact, there are broader political and policy implications from the impasse, especially if the massive bill isn't completed soon. In particular, Senate Democrats campaigning in Iowa for the presidency are almost certain to be pressed on why they haven't delivered flood relief to the region.

Last Week in the Nation's Capital

CONGRESS

Health

Democrats Struggle to Unite Behind Drug Price Plan: Progressive House lawmakers met this week with Speaker Nancy Pelosi's (D-Calif.) top health care staffer, Wendell Primus, to push for a drug pricing bill authored by Rep. Lloyd Doggett (D-Texas) that would impose severe punishments on pharmaceutical companies that refuse to negotiate prices with the federal government. The concern among liberals is that a competing measure being crafted by Pelosi's office will go easy on drug companies. They're also wary of Pelosi's staff holding talks with the White House about drug price reforms. ([The Hill](#))

Tax

Ways and Means Considers Major Changes to Retirement Savings Incentives: The third time may be the charm for a 122-page collection of retirement benefit tweaks that died in the last two Congresses but has become a top priority for House Ways and Means Chairman Richard E. Neal. ([Roll Call](#))

Interior

Senate Panel Approves Trump's Pick for Interior Dept.: A key Senate committee approved President Trump's pick to lead the Department of Interior, putting former energy lobbyist David Bernhardt closer to becoming the permanent head of the agency that oversees public lands. ([Reuters](#))

Cyber

Senators Reintroduce Bipartisan Bill Aimed at Preventing Russian Interference in Elections: A pair of bipartisan senators on Wednesday reintroduced legislation that would require the director of national intelligence (DNI) to determine whether there was any foreign interference in federal elections and impose sanctions on any nations found to interfere. ([The Hill](#))

Chris Murphy says 'Double Standard' Exists Between Physical and Cybersecurity in the Senate: Senators want to fix what they're calling a "double standard" between how physical and cyber security are handled by the Senate Sergeant-at-Arms. ([Roll Call](#))

FBI Needs More Resources for Cyberattacks: Cyberattacks represent "a significant challenge" that "exceeds the bandwidth that we have at the moment," FBI Director Christopher Wray told House lawmakers Thursday during a [hearing](#) on the bureau's fiscal year 2020 budget. "Whatever resources you were to make available to us on the cyber mission could immediately be put to good use," Wray told Rep. Matt Cartwright when asked if the FBI wanted more than the \$70 million increase for its cyber program included in Trump's budget. ([Clark Hill Insight](#))

Space/NASA & NOAA

House Committee Presses Bridenstine for Details on Moon Plan: NASA Administrator Jim Bridenstine faced criticism from some House members at an April 2 hearing who questioned the urgency of the administration's plans to accelerate a human return to the moon and sought details about how much it will cost. A hearing by the House Science Committee on NASA's budget request focused in large part on plans not included in the original request to move up landings of astronauts on the moon from 2028 to 2024. Vice President Pence announced the new goal during the March 26 meeting of the National Space Council. ([Space News](#))

Myers Nomination for NOAA Administrator Clears Senate Committee, Space Commerce and Weather Research Bills Addressed: The nomination of Barry Lee Myers to head NOAA cleared the Senate Commerce, Science and Transportation Committee last Wednesday on a party-line vote. Nominated by President Trump in 2017 and again in 2018, he was not confirmed by 115th Congress because of controversy over his ties to AccuWeather, which is owed by his brother and where he worked for a large part of his career. The Committee also approved several pieces of legislation including S. 881, Space Weather Research and Forecasting Act, and S. 919, the Space Frontier Act, largely unchanged from the versions that passed the Senate last year. ([Space Policy Online](#))

Defense

House Votes to End U.S. Support for Yemen Conflict, Setting Up Trump's Second Veto: The House voted Thursday to end U.S. support for the Saudi-led military intervention in Yemen, setting up the likely second veto of President Trump's tenure. The Senate already passed the resolution in a rare bipartisan check on Trump. It calls on the president to "remove United States Armed Forces from hostilities in or affecting" Yemen within 30 days. ([CNBC](#))

NATO Secretary General Addresses Joint Session of Congress: In the first address to Congress by a NATO head, Jens Stoltenberg on Wednesday acknowledged serious divisions within the alliance and called for bigger defense budgets to cope with global challenges such as Russian assertiveness, the core reason NATO was created in Washington 70 years ago this week. ([PBS](#))

Energy

Senators Press Perry on Nuclear Work with Saudi Arabia: A bipartisan pair of senators is pressing for more information on the Trump administration's approval for companies to share certain nuclear energy technology with Saudi Arabia. ([The Hill](#))

EXECUTIVE BRANCH

Health/HHS/NIH

One in Four Americans Are Skipping Medical Treatment Because They Worry About the Cost: One in four Americans chose not to receive treatment for a health issue over the last year due to its high cost, according to a new survey released by Gallup and West Health, a health care nonprofit. Not only that, but 45% of Americans worry a major health issue could send them into bankruptcy and 19% have delayed purchasing medicine due to its cost. The results of this survey come as lawmakers continue to spar over health care policy. ([Money](#))

PBM Group Says HHS Drug Rebate Proposal Would Increase Costs More Than Predicted: The lobby group for pharmacy benefit managers argues in a new report the HHS proposal to eliminate prescription drug rebates for some managed Medicare and Medicaid plans is "poorly conceived" and would result in higher premiums and increased federal spending. It echoes concerns from payers, which have increasingly purchased PBMs to bring the function in-house. But not all in healthcare oppose the change. A white paper, commissioned by Pharmaceutical Research and Manufacturers of America, the drugmaker lobby, suggested the proposal would improve "competitive incentives" in Part D. ([Healthcare Dive](#))

Space/NASA & NOAA

Amazon Planning 3,236-Satellite Constellation for Internet Connectivity: Amazon is joining the list of companies planning a constellation of thousands of satellites for broadband internet connectivity. The internet shopping giant has asked international spectrum regulators to provide spectrum rights for a constellation of 3,236 satellites. Amazon hasn't disclosed who would build the satellites or when they would be launched, and hasn't yet filed with the FCC for U.S. market access for the system. ([Space News](#))

Justice/DOJ

DOJ Says Lawsuit Seeking Mueller Report Shouldn't 'Circumvent this Orderly Process' of Barr's Planned Release: The Justice Department on Friday hit back at the first lawsuit seeking the full release of special counsel Robert Mueller's report on Russian interference in the 2016 election, saying, in essence, that they're already working on it. ([CNN](#))

Labor & Workforce

Labor Department Proposes Updates to 'Regular Rate' and 'Joint Employer': Over the past week, the Department of Labor's announced proposals for significant regulatory updates to the definitions of "regular rate" and "joint employer." This proposed change to the "regular rate", if finalized, would be significant, as it would exclude a list of items of compensations from non-exempt employees' overtime pay. ([Workforce](#))

Rewriting America's Manufacturing Narrative: Deloitte's most recent data predicts 2.4 million unfilled manufacturing jobs by 2028, citing a "misperception of manufacturing" as a key culprit. Some employers are working with youth trying to get them interested in robotics manufacturing to

highlight these job opportunities and fight back against the narrative that there are no future jobs in the sector. ([Industry Week](#))

Energy

Perry Doesn't Rule Out Further Help for Coal, Nuclear: During a Senate Energy Committee hearing, Energy Secretary Rick Perry defended his support for intervening in power markets to prop up struggling coal and nuclear power in the name of resilience. Sen. Martin Heinrich (D-NM) asked Perry whether such interventions were necessary given declining costs of renewable power and batteries and the lack of any major disruptions to the electric grid. Perry said it showed "leadership" to make sure that reliable power plants can stay online, and he pointed out that the "government picks winners and loser every day" with its energy policies. ([Clark Hill Insight](#))

Transportation/DOT

Dems Release Government Report on TSA Vulnerabilities: Democrats released a [report](#) from the Government Accountability Office (GAO) highlighting what it said are vulnerabilities within the Transportation Security Administration (TSA) security systems. ([The Hill](#))

Additional Software Problem Detected in Boeing 737 Max Flight Control System, Officials Say: Federal aviation regulators have ordered Boeing to fix a second problem with the flight-control system of its grounded 737 Max, the company acknowledged Thursday, as new details emerged showing that the pilots of two planes weren't able to counteract a malfunction of the system using the company's recommended procedures. ([Washington Post](#))

Immigration

'Our Country is Full': Trump Says Migrants Straining System: Declaring "our country is full," President Donald Trump on Friday insisted the U.S. immigration system was overburdened and illegal crossings must be stopped as he inspected a refurbished section of fencing at the Mexican border. ([AP News](#))

Banking & Financial Services

FDCPA Annual Report Released: The Bureau of Consumer Financial Protection and the Federal Trade Commission reported their 2018 activities about combating illegal debt collection practices in the eighth annual Fair Debt Collection Practices Report. ([BCFP Annual Report 2019](#))

Trade

U.S., China to Keep Working on Trade Deal After Latest Talks: China and the U.S. made progress toward a much-anticipated trade deal in their latest meetings and will keep talking on the remaining issues, the state-run Xinhua news agency reported. High-level U.S. and Chinese officials met in Washington over the past few days, hard on the heels of discussions in Beijing the previous week. Future talks will be conducted in "various ways," Xinhua reported on Saturday, without providing details. ([Bloomberg](#))

Homeland Security

Department of Homeland Security Admits that it "Restructured" Domestic Terror Team: Amid reports that it "disbanded" the unit that was focused on domestic terrorism, the Department of Homeland Security (DHS) admitted Tuesday that it has "restructured" the team that once fed information about domestic terrorism and white supremacist groups to local police departments. ([CBS News](#))

FEC

Ted Cruz Sues Federal Election Commission: A new lawsuit by Sen. Ted Cruz, R-Texas, targets an obscure provision of campaign finance law. At issue is loophole-closing language that restricts how much money lawmakers can accept from donors after Election Day as they seek to recoup loans they made to their campaigns. ([NPR](#))