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# Window On Washington - February 25, 2019, Vol. 3, Issue 9

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## Outlook for This Week in the Nation's Capital

**Congress.** The House and Senate return to action this week, after a much needed “time out” from the rancor that has marked the rocky beginning of the 116th Congress. The House will take up a huge bipartisan public lands package that the Senate has already overwhelmingly passed prior to the recess, and President Trump is expected to sign the bill. The House may also take up (and pass) a bill that would declare the President’s Emergency Declaration regarding the border invalid, which is obviously a measure the President has said he would veto should it somehow also make it through the Republican controlled Senate. Democrats also threatened in coming weeks to subpoena various Trump Administration officials, to subpoena the full report of special counsel Robert S. Mueller III if the Justice Department only discloses certain parts of it, and to ramp up efforts to gain access to Trump’s tax returns, so no let down in the near future in the ongoing battle between Congressional Democrats and the Executive.

**White House.** On Sunday the President announced he would delay the imposition of further tariffs on imports from China pending additional negotiations between the two countries. This week will also feature two days of economic testimony from Federal Reserve Chairman Jerome Powell before the Senate Banking Committee on Tuesday, and then a House committee Wednesday. Trump will be busy with a number of scheduled activities, most notably a trip to Vietnam for a summit with North Korean leader Kim Jong Un on Wednesday and Thursday.

**Budget & Appropriations.** The White House’s new science advisor, atmospheric scientist Kelvin Droegemeier spoke publicly for the first time since being confirmed by the Senate, to a packed session of the American Association for the Advancement of Science (AAAS) annual meeting in Washington DC. He said science and technology are ‘alive and well in the Trump administration’ but did not answer questions at the end of his remarks nor suggest how the FY20 budget request will reflect administration science priorities. Still no word on how behind the scenes talks on restoring earmarks for the FY20 Appropriations process are advancing (or not) and what the exact schedule for agency hearings and Appropriations Committee deadlines for Representatives and Senators will be, but with the return of Congress and the merciful conclusion to the FY19 process we expect announcements on both these items in the next week or two.

## Last Week in the Nation's Capital

### CONGRESS

#### *Tax Reform*

**Tax Law Helped Boost 2018 Bank Profits to Record Level:** The new tax law drove double-digit profit growth at U.S. banks last year, a federal regulator said Thursday, boosting the industry’s earnings, which would have hit a record even without the tax changes. ([Wall Street Journal](#))

#### *Health*

**Powerful Senate Committee Launches Bipartisan Probe into Insulin Pricing:** The heads of the influential Senate Finance Committee last week launched an investigation into the high price of insulin, demanding answers from the three manufacturers that control most of the global market for the drug: Eli Lilly, Sanofi and Novo Nordisk. The bipartisan investigation is the latest sign of Washington’s growing interest in the rising price of prescription drugs and highlights in particular the increasingly central role the Finance Committee is playing in that debate under its new chairman, Sen. Chuck Grassley (R-IA). The same panel will hear from seven drug industry CEOs — including Sanofi’s CEO Olivier Brandicourt — about the rising cost of drugs Tuesday. ([Stat News](#))

**Three Obamacare Tweaks That Both Parties Can Love:** The Republican loss of the House last November brought an official end (at least through 2020) to the party’s long campaign to repeal and replace the Affordable Care Act. The Democrats, despite their new majority, won’t be able to pass their health care agenda either, because the Republican president and Senate will block it. That political stalemate could mean nothing gets done on health care for several years. But it doesn’t have to be that way. There are pressing problems that need attention—problems both parties agree on, such as inadequate coverage for many people below the poverty line, high premiums and an unstable market for individual insurance, and rising costs across the board. ([Politico](#))

#### *Space/NASA & NOAA*

**New House Space Subcommittee Chair Plans to Address Commercial Space Issues:** In a Feb. 13 speech at the Commercial Space Transportation Conference, Rep. Kendra Horn (D-OK) said she wants to take on a number of issues that affect the industry as the new chair of the House Science Committee’s space subcommittee. Horn, elected to her first term in Congress last November, is not new to space issues. She worked for several years at the Space Foundation a decade ago as director of communications and manager of government affairs. One issue she touched on in her remarks is oversight of what are often called “non-traditional” space activities, like satellite servicing and commercial lunar missions. Unlike communications and remote sensing satellites, and launches and reentries, no government agency has formal oversight of them to provide the authorization and continuing supervision needed by Article 6 of the Outer Space Treaty. ([Space News](#))

#### *Immigration*

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**Democrats Pursue Subpoenas on Trump Separations of Immigrant Families:** In what is likely to be their first public use of subpoena power since taking over the U.S. House of Representatives in January, Democrats were set to vote on Tuesday on subpoenaing documents on the Trump administration's migrant family separation policy. If approved, the subpoenas by the House Oversight Committee would show Democrats beginning to invoke the investigative clout they obtained when voters in November handed them majority control of the House and took it away from Republicans. ([Reuters](#))

#### *Agriculture*

**McConnell Urges USDA to Swiftly Implement Hemp Farming Act:** Senate Majority Leader Mitch McConnell (R-KY) and Senator Ron Wyden (D-OR), authors of the Hemp Farming Act, are urging the USDA to ensure its "expeditious and prompt implementation." McConnell and Wyden wrote in a letter to U.S. Secretary of Agriculture Sonny Perdue: "We specifically drafted the Hemp Farming Act in a way that allows hemp pilot states to build upon the progress and investments made through the pilots established by the 2014 Farm Bill. Our states have seen tremendous success in researching and developing market opportunities for hemp through the state pilot programs, and we are hopeful that the growth and innovation we've seen through the pilots will continue to expand now that the domestic production of hemp and hemp products is legal." ([WBKO](#))

#### *Education*

**Democrats Want Answers from DeVos Over Removing, Reinstating of Education Inspector General:** House and Senate Democrats said Tuesday that the Education Department's decision to replace its acting inspector general was "preceded by demands" that she "drop an investigation" into Secretary Betsy DeVos' reinstatement of a troubled accrediting agency that was stripped of its powers during the Obama administration. ([CNN](#))

#### *Energy*

**House Expected to Vote on Broad Public Lands Package:** House lawmakers are expected to vote next week on a broad public lands package, S. 47 (116), containing a permanent reauthorization of the Land and Water Conservation Fund. The top duo on the Natural Resources Committee — Reps. Raúl Grijalva (D-AZ) and Rob Bishop (R-UT) — negotiated the compromise package last year with their Senate counterparts, Sens. Lisa Murkowski (R-AK) and Maria Cantwell (D-WA). The legislation passed the Senate on Feb. 12 on a 92-8 vote. ([Clark Hill Insight](#))

### **EXECUTIVE BRANCH**

#### *Health/HHS/NIH*

**Trump Administration Issues Rule to Strip Millions From Planned Parenthood:** The Trump administration issued a final rule on Friday that could effectively cut off tens of millions of federal family planning dollars to Planned Parenthood and steer some of that funding towards anti-abortion, faith-based care providers. While the revamp of the Title X program does not accomplish the full defunding of Planned Parenthood that Republicans have called for, it is a major step in that direction, and marks another major policy win for social conservatives looking to prohibit access to abortion, however the organization has vowed to fight in court to block or overturn the rule. ([Politico](#))

#### *Space/NASA & NOAA*

**NASA Picks Payloads to Be Toted by 1st Private Moon Landers:** We know now what NASA science gear will fly on the first private moon landers, which could launch as early as this year. The 12 selected payloads consist of 10 scientific instruments and two technology demonstrations developed by researchers at multiple NASA field centers. The gear will gauge the abundance of hydrogen on the lunar surface; gather critical entry, descent and landing data; measure radiation levels; and test out advanced solar arrays that could enable longer surface missions, among other things. ([Space.com](#))

**Partnerships Between NASA and Industry Can Support Lunar Exploration, Say Two New Reports:** Renewed interest in exploration of the moon has the potential to benefit lunar science greatly and could evolve into a program facilitated by partnerships between commercial companies and NASA's Science Mission Directorate (SMD), say companion reports by the National Academies of Sciences, Engineering, and Medicine. The reports laud the rapid and effective steps the agency's science directorate has taken in responding to a 2017 presidential directive to lead an innovative and sustainable program of exploration with commercial and international partners, beginning with a near-term focus on the moon. ([The National Academies](#))

#### *Defense*

**Trump Signs Order to Begin Creation of Space Force:** President Trump moved forward with his planned United States Space Force on Tuesday, signing an order to begin the process for establishing a new branch of the military that would be dedicated to handling threats in space. ([New York Times](#))

**White House Prepares to Scrutinize Intelligence Agencies' Finding that Climate Change Threatens National Security:** The White House is working to assemble a panel to assess whether climate change poses a national security threat, according to documents obtained by The Washington Post, a conclusion that federal intelligence agencies have affirmed several times since President Trump took office. ([Washington Post](#))

**Air Force Awards \$739 Million in Launch Contracts to ULA and SpaceX:** The Air Force has divided launch contracts between United Launch Alliance and SpaceX for six national security missions slated for 2021-2022. ULA will receive \$441.76 million under a fixed-price contract to launch SBIRS GEO-5, SBIRS GEO-6 and Silent Barker, a classified space situational awareness mission. SpaceX will receive \$297 million to launch AFSPC-44, NROL-85, and

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NROL-87. ([Space News](#))

*Justice*

**Mueller Won't Deliver Report to Justice Dept. This Week:** Special counsel Robert Mueller will not deliver his report to the Justice Department this week, a Justice Department official told The Hill. The news comes amid broad speculation that Mueller's probe into Russia's electoral interference is wrapping up, with several news outlets reporting that newly confirmed Attorney General William Barr was preparing to receive Mueller's final report as soon as this week. ([The Hill](#))

*Trade*

**Trump Raises Hopes of Trade Deal on Final Day of U.S.-China Talks:** President Trump on Sunday raised hopes that the United States and China would settle their trade dispute ahead of a March 1 deadline as negotiators met to wrap up the latest round of talks. Talks were extended through the weekend in a bid to iron out differences on changes to China's treatment of state-owned enterprises, subsidies, forced technology transfers and cyber theft. ([Reuters](#))

*Transportation/DOT*

**Trump Administration Ends Talks with California Over Car Emissions Rule:** The Trump administration says it has cut off negotiations with California officials over the future of the nation's greenhouse gas emissions and fuel efficiency rules for cars. ([The Hill](#))

**GM Extends Production at Detroit Factory Until Early 2020:** General Motors Co said on Friday it had extended the production at its Detroit Hamtramck plant until January 2020, against an earlier plan to discontinue production in June this year. ([Reuters](#))

*CFPB*

**States, Consumer Groups Blast CFPB's Fintech Protections:** State attorneys general, consumer advocates, community activists, and banking regulators are criticizing proposed legal protections for banks and technology firms that develop "innovative" financial products. The protections would come from the Consumer Financial Protection Bureau, which in December unveiled what it calls a "regulatory sandbox" that will allow firms to develop untested fintech products and services without fear of reprisals from regulators. While the criticism rolls in, financial industry groups are rallying behind the plan, even asking the CFPB to expand the legal safe havens. ([Roll Call](#))

*EPA*

**EPA will Study Ethanol's Impact on Air Quality After Long Delay:** The Environmental Protection Agency has agreed to conduct a long-delayed study to assess the impact that burning ethanol as a motor vehicle fuel has on air quality. The Sierra Club had filed a lawsuit against the EPA late last year in an effort to compel the agency to conduct the study, which the group said was supposed to be done roughly eight years ago. The two parties reached a partial agreement and the EPA said it will conduct the so-called anti-backsliding study by March of 2020. ([Reuters](#))

*Homeland Security*

**H-1B Spouse Work Ban Pushed Forward by Homeland Security:** A planned employment ban for an estimated 100,000 spouses of H-1B visa holders has moved ahead with the Department of Homeland Security sending the proposed rule to the Office of Management and Budget. The prohibition would affect the spouses of H-1B visa holders on track for green cards. University of Tennessee researchers have estimated that 93 percent of the about 100,000 spouses, who are in the U.S. on H-4 visas, are women from India. ([Seattle Times](#))

*Labor & Workforce*

**Trump Calls for New AI Workforce-Development Efforts, but Offers No New Money:** President Donald Trump on Monday signed a new executive order directing federal agencies to focus their attention on artificial intelligence, including new workforce-preparation efforts that could reach down into K-12. Experts from the burgeoning field of AI-education said they're pleased the issue is getting high-level federal attention, but described Trump's order as scant on details, especially when it comes to new money. But the order also does not touch on larger questions around the future of work, including the need to ensure smoother transitions for the employees who will inevitably be displaced by AI-related automation. ([Education Week](#))

**White House 'Looking Into' Acosta's Role in Sex Offender's Illegal Plea Deal:** White House press secretary Sarah Huckabee Sanders on Friday declined to say whether President Donald Trump still has confidence in Labor Secretary Alexander Acosta a day after a federal judge ruled the Justice Department broke the law while Acosta was a U.S. attorney. Florida-based U.S. District Judge Kenneth A. Marra ruled Thursday that Acosta — then the U.S. attorney in Miami — signed off on a 2008 plea deal with Jeffrey Epstein, the Palm Beach billionaire and serial sex abuser, without informing victims about what they were doing. ([Roll Call](#))

*FEC*

**New Federal Election Chair Vows to Unleash 'Nuclear Option' To Force Violations Crackdown:** The new Democratic head of the Federal Election Commission is reportedly launching a "nuclear option" to thwart Republican stonewallers on the panel battling against enforcement of campaign

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regulations. ([Huff Post](#))

*Energy*

**Regulators Approve Louisiana Natural Gas Export Terminal:** The Federal Energy Regulatory Commission (FERC) approved a natural gas export terminal after reaching a compromise on how to account for the operation's greenhouse gas emissions. FERC, a federal body independent of the Trump administration, voted 3 to 1 Thursday night to approve construction of the Calcasieu Pass liquefied natural gas (LNG) terminal, which Venture Global LNG plans to build in Cameron Parish in coastal Louisiana. ([The Hill](#))

*Cyber*

**Chinese and Iranian Hackers Renew Their Attacks on U.S. Companies:** Businesses and government agencies in the United States have been targeted in aggressive attacks by Iranian and Chinese hackers who security experts believe have been energized by President Trump's withdrawal from the Iran nuclear deal last year and his trade conflicts with China. ([New York Times](#))

**'Sustained and Ongoing' Disinformation Assault Targets Dem Presidential Candidates:** A wide-ranging disinformation campaign aimed at Democratic 2020 candidates is already underway on social media, with signs that foreign state actors are driving at least some of the activity. The main targets appear to be Sens. Kamala Harris (D-CA), Elizabeth Warren (D-MA) and Bernie Sanders (I-VT), and former Rep. Beto O'Rourke (D-TX), four of the most prominent announced or prospective candidates for president. ([Politico](#))