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Outlook for This Week in the Nation's Capital

Congress: House Democrats are gearing up for what's likely to be their first subpoena fight with the Trump administration — targeting the Treasury Department's decision to lift sanctions on companies tied to a billionaire Russian oligarch. The Republican Senate at the end of last week also pushed back on President Trump, passing a motion to debate a nonbinding sense of the Senate provision as part of a Middle East policy bill that if passed effectively opposes Trump's plans to withdraw the bulk of U.S. troops from their long-running overseas fight against terrorism in Syria and Afghanistan. The final handful of remaining committees that have not done so should finish their organizational activities this week, and the House and Senate Appropriations Committees will continue to meet throughout the week to work towards a deal on border funding and the final seven FY19 Appropriations bills which remain unfinished.

White House: The President is continuing to prepare for Tuesday's State of the Union address, and sources have hinted it will push back strongly on the issue of abortion, among other areas of emphasis. Although it comes amid an ongoing standoff with congressional Democrats over a wall Trump wants to build along the southern border, people familiar with its contents say it will range widely and include a call for bipartisanship (albeit the President has also hinted he could announce a "national emergency" on immigration at the SOTU as well).

2020 Elections: Barely a month into the 2020 Democratic primary, rifts between the party's liberal and moderate factions burst open this week — pried loose by an intraparty feud over health care and taxes that could define the battle to take on President Trump. Several more U.S. senators also announced their candidacies, including Senators Corey Booker of New Jersey and Kamala Harris of California, who joined an increasingly crowded field. On the other side, President Trump's campaign went on a massive spending blitz at the end of 2018 — a sharp increase in outlays (\$23 million in the final 3 months of the year), driven by midterm election rallies and digital advertising, that marks an unofficial kickoff to his 2020 reelection effort.

Last Week in the Nation's Capital

CONGRESS

Tax Reform

Grassley: Lawmakers Hope to Attach Extenders to Funding Legislation: Senate Finance Committee Chairman Chuck Grassley said lawmakers hope to attach a rump group of so-called tax extenders to legislation needed to avert a government shutdown. Twenty-eight temporary tax provisions expired at the end of 2017. Congress would need to retroactively extend them into 2018, so people could claim them on returns filed this year.

Fixing Glitches in TCJA Will Take "A Lot of Negotiation" with Democrats, Aide Says: Fixes that Republicans want to their 2017 tax overhaul (the Tax Cuts and Jobs Act, or TCJA) will require "a lot of negotiation" with Democrats, a top Senate Finance Committee staffer said today. Congress' Joint Committee on Taxation has identified more than 70 technical corrections that may be needed in the Tax Cuts and Jobs Act, [H.R. 1 \(115\)](#). Former House Ways and Means Committee Chairman Kevin Brady (R-TX), an architect of the law, released a draft of a corrections plan the day before Democrats took control of the House early this month.

Health

Senator Sherrod Brown: Medicare For All Not "Practical": Sen. Sherrod Brown of Ohio took a shot at some of his fellow Democrats on Friday, saying that "Medicare for all" is not a practical idea, saying that he instead prefers a "Medicare at 55" approach. Brown, who may run for president himself, made his health care remarks while he spoke during a roundtable discussion with the Clear Lake Chamber Of Commerce in Iowa. ([The Hill](#))

Defense

Bipartisan House Group Introduces Bills to Stall Syria, South Korea Troop Withdrawals: A bipartisan group of eight House lawmakers on Wednesday introduced two bills to make it more difficult for the Trump administration to withdraw troops from Syria and South Korea. The bills, introduced by freshman Reps. Tom Malinowski (D-NJ), and Van Taylor (R-TX), would limit the funds the administration may use to pull troops from the countries. ([The Hill](#))

Labor & Workforce

House Labor Committee's Subcommittee Chairs Chosen, Agenda Previewed: Subcommittee chairs for the U.S. House of Representatives Committee on Education and Labor in the current 116th Congress have been announced by Chairman Bobby Scott (D-VA). He also announced the committee's first four hearings will concern protections for workers with pre-existing conditions, gradually raising the federal minimum wage to \$15, investing in America's public schools, and preventing gender-based wage discrimination. The Subcommittee on Higher Education and Workforce Investment will be chaired by Rep. Susan Davis (D-CA) and the Ranking Member is now Rep. Lloyd Smucker (R-PA). ([Occupational Health & Safety](#))

Homeland Security

Democrats' Opening Offer: More Customs Officers and Technology, but No Wall: One thousand new customs officers at ports of entry, imaging technology to scan every vehicle coming into the country, increased spending on the Coast Guard, Secret Service and other agencies, and new technology at mail processing facilities to find fentanyl and other opioids — but nothing for a wall at the southwestern border. ([New York Times](#))

Space/NASA & NOAA

House Science, Space, and Technology Committee Now Set for 116th Congress: The House Science, Space, and Technology Committee will hold its organizational meeting for the 116th Congress next week. The committee's jurisdiction includes NASA, NOAA, and commercial space offices at the FAA and Department of Commerce. Rep. Eddie Bernice Johnson (D-TX) is the new chairwoman of the full committee and a newly-elected Representative from Oklahoma will chair the Space and Aeronautics subcommittee. ([Space Policy Online](#))

EXECUTIVE BRANCH

Health/HHS/NIH

A New NIH Rule Won't be Enough to Make Clinical Research More Inclusive: Under the National Institutes of Health's new Inclusion Across the Lifespan policy, federally supported medical research must include patients of all relevant ages or explain their exclusion. Since most studies already include adults, and a mandate to include children has existed since 1998, the novelty in this policy is the stipulation that clinical research include people age 65 and older. Actually implementing the change however will require that our country's health researchers make some fundamental changes in how they do business. ([Stat News](#))

Space/NASA & NOAA

Maxar's Exit From DARPA Satellite Servicing Program a Cautionary Tale: The news on Wednesday that Maxar Technologies bowed out of a partnership with the Defense Advanced Research Projects Agency to build an orbiting satellite servicing vehicle is a reminder of the risks that the government and private companies take on when they sign cost-sharing deals. Maxar's SSL division cited business and financial reasons in ending its participation in the Robotic Servicing of Geosynchronous Satellites, or RSGS, program. DARPA launched the project in 2016 and in 2017 selected SSL as its commercial partner under an agreement known as Other Transaction Authority. In OTAs, the government and contractors commit to sharing the cost of a project, with the expectation that both parties end up benefiting from the investments. ([Space News](#))

European Space Junk Cleanup Concept Gets New Mission: Refuel and Repair: The European Space Agency (ESA) has redesigned its active space-debris-removal demonstration mission concept e.Deorbit as a multipurpose, in-orbit servicing vehicle that could be used to refuel, refurbish or re-boost satellites. According to Luisa Innocenti, head of ESA's Clean Space initiative, the agency found it would have been difficult to raise money for a single-case mission. The original goal for e.Deorbit was to remove the defunct satellite Envisat from low Earth orbit. ([Space.com](#))

Defense

Pompeo Announces Suspension of Nuclear Arms Treaty with Russia: Secretary of State Mike Pompeo announced Friday that the U.S. is suspending the Intermediate-Range Nuclear Forces Treaty, a key pact with Russia that has been a centerpiece of European security since the Cold War. The long-expected suspension, which has raised concerns about a renewed arms race with Moscow and put European allies on edge, goes into effect on Saturday. Pompeo's announcement starts a 180-day clock to complete withdrawal unless Russia returns to compliance with the 1987 agreement. ([CNN](#))

Energy/DOE

California Power Provider PG&E Files for Bankruptcy in Wake of Fire Lawsuits: Faced with billions of dollars in potential liabilities from two years of devastating Northern California wildfires as well as the specter of future catastrophic blazes, California's Pacific Gas and Electric, one of the nation's largest utilities, filed for Chapter 11 bankruptcy protection on Tuesday. ([NPR](#))

Trump Rollbacks for Fossil Fuel Industries Carry Steep Cost: As the Trump administration rolls back environmental and safety rules for the energy sector, government projections show billions of dollars in savings reaped by companies will come at a steep cost: more premature deaths and illnesses from air pollution, a jump in climate-warming emissions and more severe derailments of trains carrying explosive fuels. ([AP](#))

With Rise of Electric Vehicles, a New Foreign Energy Dependence Looms: Department of Energy Secretary Rick Perry earlier this month said he would put more federal money into developing processes to recycle the raw materials used to make lithium-ion batteries, raising the question of whether Americans should be worried about shortages of the key ingredients for batteries that power everything from smartphones to electric cars. ([Houston Chronicle](#))

Cyber

Intelligence Chiefs Single Out China in Threat Hearing: The U.S. intelligence community took aim at China during its annual assessment of worldwide threats, accusing the East Asian giant of blistering cyberattacks that are the foundation of a prolonged espionage campaign. ([Fifth Domain](#))

Treasury

Trump Approves Sanctions on Venezuelan Oil Company: The U.S. last week sanctioned Venezuela's state-owned oil company, bringing to bear the most significant financial pressure so far on Venezuela's embattled President Nicolas Maduro. Treasury Secretary Steve Mnuchin and national security adviser John Bolton announced the sanctions against Petroleos de Venezuela, S.A. – the parent company of the U.S.-based Citgo oil company – on Monday afternoon from the White House briefing room. The measure blocks about \$7 billion in assets and would result in more than \$11 billion in lost assets over the next year, Bolton said. ([CNN](#))

Banking

Government Gets Ready for Fintech: As innovation creates more opportunities for secure digital transactions, financial technology, or fintech, is taking root in the public sector. Fintech, which the Brookings Institution defines as “the merger of finance and technology,” covers blockchain and digital ledgers, online marketplace lending, crowdfunding, automated investment advice and initial coin offerings. Many large, well-established firms involved in data, software, cloud computing, internet search, mobile devices, retail e-commerce, payments, and telecommunications have begun to engage in activities directly or indirectly related to financial services,” according to a [July 31, 2018 report](#) from the Treasury Department. “The availability of capital, the large size of the financial services market, and continued advancements in technology make accelerating innovation nearly inevitable.” ([GCN](#))

Homeland Security/DHS

Homeland Security Set Up Fake University in Immigration Sting: The Department of Homeland Security set up a fake university in Michigan to crack down on illicit operations allowing foreign citizens to stay in the U.S. illegally, according to federal indictments unsealed Wednesday. Starting in 2015, the fake university was part of an undercover operation to identify recruiters and others engaging in immigration fraud, the indictments say, according to The Detroit News. ([US News](#))

Hundreds Show up for Immigration Court Hearings that Turn out not to Exist: Hundreds of immigrants carrying official notices ordering them to appear for deportation hearings showed up in at courthouses across the country Thursday, only to discover that the hearings had not actually been scheduled. Immigrants stood in long lines in San Francisco, packed Arlington, Virginia's immigration court, and battled traffic in Miami before court officials at a folding table turned them away. ([Chicago Tribune](#))

Intel Chiefs Challenge Trump's National Security Claims: America's top intelligence officials last week appeared to challenge some of President Trump's most prominent claims about global national security issues, warning lawmakers that ISIS is still a serious threat to U.S. interests around the world, acknowledging that Iran has -- at least temporarily -- abandoned its efforts to build nuclear weapons, and insisting that North Korea is "unlikely to give up" its own nuclear arsenal. ([ABC News](#))

Border Wall Debate Ignores Biggest Source of Illegal Immigration: Visa Overstays: When police approached 22-year-old Xiangyu Zhang at a gas station near his home in La Marque, Texas, last July, they found him sitting in his vehicle with two loaded rifles, including an AM-15 semiautomatic. Zhang, an undocumented immigrant from China, had threatened in an online chatroom for troubled military veterans to shoot schoolchildren, and in December he pleaded guilty to possessing a firearm while in the country without papers. ([Roll Call](#))

Trade

Trump's Trade Talks with China Could Decide the Fate of the Trade War and the U.S. Economy's Future: As the deadline to reach a deal rapidly approaches, the Trump team, led by U.S. Trade Representative Robert Lighthizer, is set to sit down with a Chinese delegation led by Vice Premier Liu He, the country's top economic official, to end the U.S.-China trade war. The two sides are facing down a March 1 deadline to find an agreement that would put a permanent pause on the escalation of a trade war that has seen tariffs slapped on \$360 billion worth of goods sent between the two nations. ([Bloomberg](#))

Transportation/DOT

Trump to Sign Order Boosting Federal Purchases of Iron, Steel: Last week, President Trump signed an executive order designed to boost the amount of American steel and iron used in infrastructure projects. The order, titled “Strengthening Buy American Preferences for Infrastructure Projects” will reinforce the administration’s “Buy American” preferences, but does not include any enforcement mechanisms or specific purchasing targets. ([The Hill](#))

EPA

Waterkeeper Groups Sue EPA for Missing Drinking-Water Deadlines: The Environmental Protection Agency is putting public health and safety at risk by ignoring deadlines to review and revise standards for chromium, solvents, the Legionella bacteria and other pathogens in the nation's drinking water, a trio of conservation groups alleged last week. The nonprofit Waterkeeper Alliance filed suit in federal court in Manhattan along with two of its 300-plus members, the Maryland-based Waterkeepers Chesapeake and the California Coastkeeper Alliance. They seek to force the EPA to comply with deadlines that Congress wrote into the Safe Drinking Water Act in 1996, after an outbreak of water-borne illnesses caused more than 100 deaths nationwide. ([Reuters](#))

Interior

Trump May Nominate Former Wyoming Lawmaker for Interior Post, Succeeding Zinke: Former U.S. Rep. Cynthia Lummis has emerged as a serious

contender to become President Trump's next Interior secretary, according to reports. Lummis, 64, a Wyoming cattle rancher and champion of oil, gas and coal, is reportedly the top pick to lead the \$11 billion agency and its 70,000 employees. ([Fox News](#))

DOJ

Acting Attorney General Whitaker Announces National Security Related Criminal Charge Against Chinese Telecommunications Conglomerate Huawei:

According to the indictment, in 2012 Huawei began a concerted effort to steal information about a robot that T-Mobile used to test mobile phones. In an effort to build their own robot, Huawei's engineers allegedly violated confidentiality and non-disclosure agreements with T-Mobile by secretly taking photos of the robot, measuring it, and even stealing a piece of it. ([Justice.gov](#))

Why Trump's DOJ doesn't Want to Break up Facebook: Facebook should be anxious about a lot of potential government regulations this year, but the Department of Justice (DOJ) doesn't seem to be one of them. Speaking at a conference in Washington on Tuesday, assistant attorney general Makan Delrahim, who heads the DOJ's antitrust division, essentially ruled out the remedy many Facebook skeptics endorse—a forced breakup of the firm that would undo its acquisitions of Instagram and WhatsApp. ([Yahoo! Finance](#))

Labor & Workforce

Economy Added 304,000 Jobs in January, Despite Longest Government Shutdown in History: The surge in hiring comes despite the longest government shutdown in U.S. history, mounting concern about a global economic slowdown, and a lack of key economic data being generated while some government agencies were not fully operational. ([NBC News](#))

FEC

Trump Campaign Owes Treasury over \$1 Million in Travel Expenses: The Trump campaign owes the Treasury Department over \$1 million in travel expenses, according to a new filing released by the Federal Election Commission. The filing reveals that the campaign owed the government an estimated \$1,006,954 and is still indebted to other organizations for smaller amounts regarding event staging, video production services and other miscellaneous expenses. It owes a total of \$1,035,597.62. ([The Hill](#))

Education

DeVos's Proposal to Change Campus Sexual Assault Guidelines Draws over 100,000 Responses: Education Department Secretary Betsy DeVos's proposal to change guidelines on how universities handle sexual assault and misconduct drew more than 100,000 messages during the public comment period. ([The Hill](#))