# Window On Washington - January 7, 2019, Vol. 3, Issue 2

Jan 07, 2019

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

The 116th Congress. The 116th Congress begins its first full week of activity with the House floor activity focused upon completion of its rules package. continued debate about how best to end the Government shutdown, and passage of a collection of bipartisan measures from the previous Congress. Meanwhile, House and Senate leaders will continue work on finalizing Committee assignments - which appear to be more than a week away from being settled, though Senate Majority leader McConnell issued the upper chamber's initial GOP snapshot of committee rosters. Speculation continues as to how far and wide House Democrats will investigate the Trump Administration. Anxiety continues to rise as to whether the President will use a "national emergency" declaration to redirect Pentagon or other agencies funds to construct the Border Wall, triggering political and legal challenges about Executive Branch discretion to act without Congressional approval. (NBC News)

Government Shutdown Day 17. The Government shutdown is into its third full week and if it reaches Friday without an end will be the longest such shutdown in US history. Despite four bipartisan discussion meetings between principals or staff from the Executive Branch and Congress, there is no immediate path to re-opening the Federal Government before January 11, when federal workers would miss their first paycheck. Government contractors increasingly face pressure as well due to suspended payments from federal agencies - even for work already performed. House Democrats, having last week passed a compilation of appropriations bills nearly identical to measures considered in the GOP-controlled Senate last year, announced over the weekend that they would begin to pass these measures individually to highlight specific agencies whose services and programs are important to millions of Americans. If TSA airport screeners begin to have sickouts due to no pay, look for lawmakers of both parties to be under increasing pressure, along with the White House, to reopen government and reach agreement on border security. Until then, the impasse will almost certainly continue.

North Carolina House Race to be investigated by House Committee. GOP Congressional Candidate Mark Harris was not seated on Thursday as reported in last week's Window since his election was not certified by the NC Board of elections. His campaign has filed suit to force a judge to make such a certification but a decision on the litigation is still at least several weeks away. (CNN). Meanwhile the Chairman of the House Oversight and Reform Committee, Rep. Elijah Cummings (D-MD), announced that his Committee would open its own investigation into the NC-9 election results. (WSOC TV)

#### CONGRESS

Federal Budget & Appropriations

Democrats Skeptical Weekend Talks Will Hold Beyond Next Trump Tweet: Congressional leaders deployed senior aides for Saturday talks in Vice President Mike Pence's office on ending a partial government. But Democrats remain skeptical that any discussions will last beyond the next presidential tweet, in part because they believe that no one on the president's staff - up to the vice president — speaks for the president, except the president himself. Three hours before the talks were set to begin in the Eisenhower Executive Office Building across the street from the White House, the president fired off a series of eyebrow-raising tweets. Several kept up his harsh criticism of Democrats and another painted them as missing in action even though the president himself on Friday predicted progress during the weekend talks. (Roll Call)

House Appropriations Top Democrats Transition to Cardinal Posts: All Democrats who served as ranking members on House spending subcommittees in the 115th Congress are expected to chair their respective panels now. The House Appropriations Committee's revamped website now lists the names of former ranking members as chairpersons, though a spokesperson for the committee noted that the panel has yet to make those posts official and that the lawmakers are currently "chair-designates."

Labor and Workforce

Renamed House Education and Labor Committee Under New Management: Representative Bobby Scott (D-VA) will now chair the U.S. House of Representatives Committee on Education and Labor. Scott will undoubtedly use his new authority to scrutinize policymaking at the National Labor Relations Board (NLRB) and the Department of Labor (DOL), as well as to further legislative debates on matters such as the minimum wage, paid leave, and sexual harassment. On the other hand, the Republican-led Senate will likely continue to focus on nominations, many of which expired with the adjournment of the 115th Congress. (National Law Review)

Energy/DOE

House Democrats Vow to Push Back on Trump's War on Energy and Environmental Regulation: During his first two years in office, President Trump set in motion a vast rollback of energy, climate and environmental regulations. Now that Democrats have taken control of the House and the committees that conduct government oversight, those actions will face intense scrutiny. Within the first few months of the year, incoming committee chairs intend to hold a series of hearings to pick apart Trump's energy policies and what role industry insiders played in crafting them. When House Republicans wielded committee gavels during the first two years of the Trump administration, the president's deregulatory agenda proceeded with minimal scrutiny. Now, administration officials and energy industry executives are bracing for a grilling on Capitol Hill. (CNBC)

Energy: A Rare Political Moment for Climate: After taking a backseat on Washington's priority list for most of the past decade, climate and energy policy

are set to be in the limelight with the start of the new Congress. This week, House Democrats created a special committee to focus on climate change, which could likely include consideration of a progressive "Green New Deal" policy championed by Rep. Alexandria Ocasio-Cortez (D-NY). Other issues include a bipartisan carbon tax bill from late last year that's likely to be re-introduced, and an infrastructure bill, in which Democrats are pushing to include climate reform, after President Trump cited it as potential common ground. Watch for business lobby groups, chiefly the U.S. Chamber of Commerce, to ramp up pressure to raise the gasoline tax as a way to pay for infrastructure improvements. (Axios)

#### Defense/DOD

Calvert to be Top Defense Appropriations Republican: Rep. Ken Calvert (R-CA) will serve as the top Republican on the House Defense Appropriations Subcommittee in the 116th Congress, the full committee's incoming ranking Republican, Rep. Kay Granger (R-TX) said on Thursday. The Texas congresswoman, who chaired the Defense subcommittee in the last Congress, said Calvert was her choice to lead the influential panel.

Visclosky Selected to Chair House Defense Appropriations: On the Democratic side, Rep. Pete Visclosky (D-IN) is expected to chair the Defense Subcommittee after serving as the panel's ranking member. After six years as the panel's ranking Democrat, the 17-term Indiana congressman is in line to chair the powerful subcommittee in the new Democratic-controlled House that will be seated in January. (NWITimes)

#### Cyber

First House Bill to Tackle Election Security: H.R. 1, the gargantuan first bill the new House Democratic majority unveiled on Friday, is largely made up of anti-corruption measures that address campaign finance, sexual harassment and voting rights. But election cybersecurity will also play a major role in the bill, too. Though details aren't final, and the bill will likely clear the House and then die in the Senate, the bill will likely authorize \$1.7 billion in grants for states to purchase more secure election equipment, along with funds for training, security testing, maintenance and shoring up the security of the election infrastructure. The bill also requires the White House to create and formalize an election cybersecurity strategy, and that equipment vendors be owned by US citizens/residents who are required to disclose where components of their systems are made. (Axios)

#### Tax Reform

House Democrats Unveil Bill to Obtain Trump's Tax Returns: Along with other checks on the White House, House Democrats' ethics reform package H.R. 1 includes a mandate that requires the president and vice president to release 10 years of their tax returns. It would also enhance ethics rules for White House employees and give the Office of Government Ethics more enforcement power. "[Voters'] cynicism is deep, their skepticism is broad, they don't know if they can get their democracy back," Rep. John Sarbanes (D-MD), who is spearheading the bill, said Friday. "The Democratic majority wants to give you your voice back." The legislation is unlikely to be approved by the GOP-held Senate. (Politico)

## Agriculture/USDA

House Agriculture Democrats Plan Farm Bill Oversight, Farm Economy: According to a list of potential hearings and oversight priorities circulated this week, House Ag Democrats aim to spend much of this year overseeing implementation of the 2018 farm bill. The committee is also planning hearings on the state of the farm economy, the implementation of the Renewable Fuel Standard, and a review of USDA's SNAP waiver rulemaking. (Politico)

## Environment/EPA/Interior

House Establishes New Select Committee on Climate Change: On Thursday, The House agreed to a 60-page set of rules that established a new select committee on climate change, even as some liberals worry it could get in the way of a Green New Deal. The legislative action lays out the foundation for the "Select Committee on the Climate Crisis" that will be chaired by Rep. Kathy Castor. However, the panel lacks many of the priorities sought by progressives, including subpoena power and an explicit mandate to develop Green New Deal legislation. One Republican interested in the ranking member slot on the climate panel is Wisconsin's Sensenbrenner, who led an earlier iteration of it between 2007 and 2011.

## Justice/DOJ

Senate Judiciary Gets New Members, Sets AG Hearing Date: The Senate Judiciary Committee's chairman will start the new Congress at a sprint this week, as the panel will have three new members, an attorney general hearing to prepare for and likely dozens of judicial nominations on its plate. Before officially taking over the committee, Sen. Lindsey Graham, R-S.C., announced Wednesday night that the panel would have a nomination hearing for President Donald Trump's pick for attorney general, Kirkland & Ellis LLP's William Barr, on Jan. 15 and 16. The hearing will be tight timing for a panel that will be bringing three new members up to speed as well as handling dozens of judicial nominations that failed to advance in the last Congress. (Law360)

Democrats Won't Wait for Mueller Report to Investigate Trump: House Judiciary Committee Chairman Jerry Nadler said Democrats are not going to wait for special counsel Robert Mueller to conclude his investigation to move forward with their investigations into President Donald Trump. Nadler told CNN that once the House Judiciary Committee receives Mueller's final report on his investigation into Russian interference in the 2016 presidential election that "we will make sure it is public." (CNN)

## Homeland Security/DHS

House Votes to End Shutdown Amid Trump Veto Threat Over Wall: The new House Democratic majority voted Thursday to end the partial government shutdown but brought Congress no closer to resolving the impasse over President Donald Trump's demand to pay for a border wall. The president and

Senate Republicans oppose the Democrats' plan, and the next effort to reopen the closed agencies will come when leaders of both parties meet with Trump at the White House Friday morning. (Bloomberg)

Deal to End Shutdown Still Out of Reach as Lawmakers Meet with Trump: Congressional leaders are returning to the White House Friday to try to jump-start negotiations to reopen the government, but there's little movement toward a solution. President Donald Trump will sit down with top leaders in both parties just two days after their last unproductive session in the Situation Room, but with a big shift in the power dynamic — a newly emboldened Speaker Nancy Pelosi who now officially controls the House. (Politico)

#### Immigration

Senators Warm to Immigration Deal as Shutdown Solution: Lawmakers are opening the door to reviving deeply polarizing immigration negotiations as they search for a way out of the partial government shutdown, which hit the two-week mark on Friday. An agreement to overhaul the nation's immigration laws has eluded Congress for years, underscoring the difficult path awaiting lawmakers and the White House if they decide to broaden the divisive border wall fight. But with President Trump and congressional Democrats at a stalemate with no signs of reaching an agreement to reopen roughly 25 percent of the government, making immigration reform part of the negotiations is gaining traction among senators on both sides of the aisle who are eager for a way out of the shutdown. (The Hill)

#### Education

Senate GOP Taps Romney and Braun for HELP Committee: Senate Republicans plan to add Sen. Mitt Romney (R-UT) and Sen. Mike Braun (R-IN) to join the HELP Committee in the 116th Congress. Sen. Lamar Alexander (R-TN) will continue to serve as chairman of the panel, as expected. For the Democrats, Sen. Jacky Rosen (D-NV) will take the spot on the panel previously held by Sen. Michael Bennet (D-CO), and Sen. Patty Murray (D-WA) will keep her post as the top Democrat on the panel.

Democrats Scott, Takano Officially Take Over House Chairmanships: Reps. Bobby Scott (D-VA) and Mark Takano (D-CA) were chosen on Friday by their House Democratic colleagues to chair congressional committees with jurisdiction over education issues. Both Scott and Takano have said the forprofit college sector is ripe for oversight and have criticized Education Secretary Betsy DeVos' handling of matters related to the industry.

#### Space/NASA & NOAA

Aderholt Eyes Top GOP Slot on Commerce-Justice-Science: Rep. Robert B. Aderholt (R-AL) told CQ Friday he's vying to become ranking member of the House Appropriations Commerce-Justice-Science subcommittee now that he's termed out on the Agriculture subcommittee. Aderholt, currently a member of the Commerce-Justice-Science Subcommittee, is a big NASA booster. On his website Aderholt says his "primary responsibility" on the subcommittee "will be to work with my colleagues determining funding for NASA and particularly Marshall Space Flight Center in Huntsville." The decision will officially be made by Republican leaders in conference. (CQ)

#### FEC

Bipartisan Constitutional Amendment to Overturn Citizens United Introduced: On Thursday, Congressman Ted Deutch (D-FL), Congressman Jim McGovern (D-MA), Congressman Jamie Raskin (D-MD), and Congressman John Katko (R-NY) introduced a bipartisan constitutional amendment to weaken big money's role in politics and restore democratic power to the American people. The Democracy for All Amendment affirms the right of states and the federal government to pass laws that regulate spending in elections, reversing the concentration of political influence held by the wealthiest Americans and large corporations capable of spending millions of dollars in our elections. This legislation comes days before the ninth anniversary of the US Supreme Court's controversial ruling in the Citizens United case.

## **EXECUTIVE BRANCH**

## Space/NASA & NOAA

Government Shutdown Delaying Commercial Launches: The ongoing partial government shutdown has led one company to delay an upcoming launch and could affect other commercial launches in the near future, including a key commercial crew mission. Several companies are starting to run into problems with the inability to get new or modified launch licenses from the Federal Aviation Administration's Office of Commercial Space Transportation. While launches are continuing at Vandenburg AFB in California (because DOD is funded) NASA supported missions from the Kennedy Space Center in Florida, such as an upcoming SpaceX first commercial crew demonstration mission, DM-1, on Jan. 17, may likely be delayed because of furloughed NASA employees, delaying the launch, even if the spacecraft and launch vehicle are ready. (Space News)

Why the Far Side of the Moon Matters So Much: China set down a spacecraft on the far side of the moon last week, an impressive feat for a nation that took so long to catch up to the US and USSR efforts in space. The spacecraft, named Chang'e 4, after the Chinese goddess of the moon, unlocked a hatch and released a rover onto the lunar soil. The rover carries tools designed to explore the uncharted terrain, which, thanks to a lifetime of facing the cosmos, is covered in craters. In coming years China has even grander ambitions in exploration, including a mission to Mars in 2021. These efforts may eventually influence more decisions at NASA and the ESA, some speculate. (The Atlantic)

NASA Invite to Sanctioned Russian Official Postponed Indefinitely: The Trump administration has indefinitely postponed a proposed visit by a

sanctioned Russian official to the U.S., a spokeswoman for NASA said on Friday. The indefinite postponement could throw a wrench in U.S.-Russia space cooperation and represents a setback for Vladimir Putin's efforts to undermine U.S. sanctions. The proposed visit, which was supposed to have taken place some time early this year, faced mounting backlash this week from Senate Democrats who threatened congressional action to block it. The invitation was from new NASA administrator Jim Bridenstine to his Russian counterpart, ultranationalist Dmitry Rogozin, the head of Roscosmos, - Rogozin, a former deputy prime minister who has also gained notoriety for racist and harshly anti-American rhetoric, was sanctioned in 2014 for his role in the Crimea annexation. (Politico)

New Horizons Reveals Kuiper Belt Object is a Contact Binary: At a Jan. 2 press conference at the Johns Hopkins University Applied Physics Laboratory, a Clark Hill Client, scientists working on the New Horizons mission released new images showing that the Kuiper Belt object nicknamed Ultima Thule, is a "contact binary," two objects touching one another, with an appearance some likened to a snowman. That means that Ultima Thule is likely an object that dates back to the formation of the solar system, as scientists suspects prior to the flyby. "What we're looking at is basically the first planetesimals," said Jeff Moore of NASA's Ames Research Center. "These are the only remaining basic building blocks." (Space News)

#### Defense/DOD

White House Considers Jim Webb, Ex-Democratic Senator, as Next Defense Secretary: The Trump administration is considering Jim Webb, a former Democratic senator and Reagan-era secretary of the Navy, to be the next defense secretary, according to three officials, potentially bypassing more hawkish Republicans whose names have been floated to replace Jim Mattis. It's unclear how seriously he's being considered, as President Trump likes to float names as he considers his options for various openings in the government - sometimes to test responses and sometimes to keep the press guessing. But Webb's views align closely with Trump's drive to pull American troops from the Middle East and confront China more aggressively. (NYTimes)

DARPA Hosts Preliminary Competition Before SC2 Grand Finale: Defense Advanced Research Projects Agency (DARPA) officials held a second preliminary event of the Spectrum Collaboration Challenge (SC2) in December. Fifteen teams represented by members from across the academic, commercial, and defense industries gathered at Johns Hopkins University Applied Physics Laboratory (APL), a Clark Hill client, to pit their intelligent radio designs against each other in a head-to-head competition. (Military Embedded Systems)

Shanahan Keeps Tight Grip on Space Force Planning: Even with a packed agenda as acting defense secretary, Acting Secretary of Defense Patrick Shanahan plans to remain hands-on in formulating a proposal to establish a new military branch for space. The Space Working Group, which Shanahan established last year to hash out the details of standing up a new service, met as scheduled last week, and will continue to meet "at least weekly," according to a Sept. 10 memo directed by Shanahan. (Space News)

## Transportation/DOT

US Aviation System Feeling Stress of Shutdown, Labor Leaders Say: Union leaders say cracks are showing in the US aviation system as 3,000 support workers have been furloughed and about 10,500 air traffic controllers continue to work without pay due to the government shutdown. Federal Aviation Administration (FAA) workers say that about 6,300 projects, many of them safety-related, have been stalled by the shutdown. The National Air Traffic Controllers Association is also concerned about the supply of controllers. The air traffic controller academy, which trains and staffs new controllers, may soon be forced to shut down. (Chicago Tribune)

Autonomous Vehicles: Smarter Cars, Like It or Not: Even if fully autonomous vehicles are still years away, automakers are rolling out automatic braking, computer-guided lane changing and other features that try to make conventional cars smarter and safer. With the Consumer Electrics Show this coming week and the North American International Auto Show a week later, there will be plenty of new technology to look out for that could change the AV industry. (Axios)

## Agriculture/USDA

US Delays Key Agriculture Reports Due to Government Shutdown: On Friday, the US Department of Agriculture (USDA) delayed several major domestic and world crop reports because of the two-week-old partial government shutdown. New release dates for the monthly World Agricultural Supply and Demand Estimates report and other data originally scheduled for Friday, Jan. 11, will be set once government funding is restored, USDA said. "This all just adds to uncertainty," said Dan Basse, president of AgResource Co in Chicago. "Whether it's sales or Chinese demand or anything, we are shooting in the dark." (CNBC)

## Environment/EPA/Interior

Justice Dept. Investigating Whether Zinke Lied to Inspector General: The Justice Department's public integrity section is examining whether newly departed Interior Secretary Ryan Zinke lied to his agency's inspector general investigators, a potential criminal violation that would exacerbate Zinke's legal troubles. Zinke, who left the Trump administration last week, was facing two inspector general inquiries regarding potential ethics violations. In the course of that work, inspector general investigators came to believe Zinke had lied to them, and they referred the matter to the Justice Department to consider whether any laws were violated. The department's public integrity section has since been exploring the case. (Washington Post)

New Acting Interior Secretary is an Agency Insider and Ex-Oil Lobbyist: Following Ryan Zinke's resignation as Secretary of Interior, Deputy Secretary David Bernhardt, a lawyer and former lobbyist for the oil industry has taken over. From 2001 to 2009, Bernhardt held a number of positions at the Department of the Interior, including solicitor. He also has experience in the fossil fuel industry, and worked for a DC-based lobbying firm where E&E News reported that his clients included Cobalt International Energy and the Independent Petroleum Association of America. (NPR)

## Education

Career Education Corp. Settles With States, Forgives Student Debt: On Thursday, Career Education Corp. announced that it had settled with attorneys general from 48 states and Washington, DC, over a five-year investigation. The AGs had been probing "unfair and deceptive practices," including allegations about the for-profit college company "misleading prospective students about actual costs, the transferability of credits, accreditation, program offerings and accurate job placement rates." The company denied any allegations of wrongdoing or liability under the settlement's terms. Career Education will forgo collecting \$556 million in debt for "old accounts receivable" for roughly 180,000 students who attended more than 100 of the company's campuses over 30 years. All but \$1.3 million of that debt had been written off previously, said the company, which will notify eligible borrowers by mail. (Inside Higher Ed)

Congress in 2019: Democrat-Led House Oversight is Likely in Store for DeVos: In the past two years, with Secretary of Education Betsy DeVos' leadership, the department has taken a number of steps to roll back federal regulations, in lockstep with the Trump administration's broader playbook. As a result, during the midterm elections, Ms. DeVos was an easy and often-invoked target for Democrats. Although Democrats took control of the House, with the Senate and White House still under Republican control, it seems unlikely that there will be much in the way of legislation that undermines or changes policies implemented by DeVos. Nonetheless, with control of committee chairs in the House, Democrats could make life difficult for DeVos starting in 2019. Indeed, several incoming chairs have signaled plans to use their oversight authority to examine DeVos' policies. What might we see in the way of congressional oversight of education during the 116th Congress? (Brookings)

#### Banking

FDIC Chair says No Concerns about US Bank Health Amid Market Turmoil: Federal Deposit Insurance Corporation (FDIC) Chairman Jelena McWilliams said on Thursday she had no concerns that volatility in the equities and futures markets posed a threat to the banking system. She said that the country's lenders have plenty of capital to weather further market swings, and that banking regulators had begun a review of the so-called CAMELS rating system used to assess the health of the nation's banks. (CNBC)

Powell says Fed will be 'Patient' on Rate Hikes, Won't Resign if Trump Asks: Federal Reserve Chair Jerome H. Powell had a new message for markets on Friday: The U.S. economy has "good momentum," but the central bank will be "patient" about raising interest rates in 2019. Stocks surged after Powell's remarks, with the Dow Jones industrial average leaping more than 600 points in late-morning trading. The Fed has forecast two interest rate hikes this year, but Wall Street traders and President Trump don't want any. Powell's comments signal the Fed might be revising its views. (Washington Post)

## Housing/HUD

How the Government Shutdown is Hurting Some of America's Poorest Families: The Department of Housing and Urban Development (HUD) is one of the seven agencies most directly affected by the standoff between President Donald Trump, who is demanding \$5 billion in border wall funding, and congressional Democrats, who want to reopen the government without it. Since Dec. 22, the vast majority of federal housing employees have been forced to stay home without pay — prohibited from doing any work, including responding to emails. (NBC)

IRS

What the Federal Shutdown Could Mean for Tax Season: As the partial shutdown of the federal government closes in on the two-week mark, a new worry has emerged: the possibility that some tax refunds may be delayed. (CNBC)

#### Energy/DOE

Senate Confirms Nominee in Last-Minute Vote: The Senate voted to confirm Daniel Simmons as Assistant Secretary of Energy to lead DOE's Office of Energy Efficiency and Renewable Energy. (Huffington Post)

## HHS/NIH/Health

The Opioid Crisis: What We Should Learn from the AIDS Epidemic: There are important lessons to be learned from the successes and failures of the AIDS response that could inform our response to the opioid epidemic, according to a new paper by researchers at the Columbia University Mailman School of Public Health. Decades of HIV research have demonstrated that the existence of an effective biomedical treatment is rarely, in and of itself, sufficient to combat an epidemic, suggesting that both a social as well as a biomedical response to the opioid crisis are necessary in order to be effective. The paper is published in the New England Journal of Medicine. (Columbia Mailman School of Health)

Better Mouse Model Built to Enable Precision-Medicine Research for Alzheimer's: Incorporating genetic diversity into a mouse model of Alzheimer's disease resulted in greater overlap with the genetic, molecular and clinical features of this pervasive human disease, according to a study funded by the National Institute on Aging (NIA), part of the National Institutes of Health. The study also suggests that adding genetic diversity may be key to improving the predictive power of studies using mouse models and increasing their usability for precision medicine research for Alzheimer's. This research comes out of the newly established Resilience-Alzheimer's Disease Consortium (Resilience-AD) and was published online Dec. 27, 2018 in the journal Neuron. (NIH)

Trade

Competitive Enterprises Institute Encourages New Congress to Repeal all of Trump's New Tariffs ASAP: In two years, President Trump has doubled tariffs in the United States. Allies and adversaries alike have reciprocated, and the economic effects are already visible, with growth slowing nearly 2 percentage points in the third quarter—meaning 3.4 percent growth could have been around an even more impressive 5.4 percent. Will the trade war deescalate in 2019? Probably not, which is bad news for consumers and the economy. But there is hope for the long term. The next two big events on the trade calendar are a congressional vote on the new NAFTA agreement (U.S.-Mexico-Canada Agreement, otherwise known as the USMCA) and a looming tariff increase against China. (Fox Business)