Insight) receive $96.4 billion for the fiscal year. The bill also includes an additional $24.4 billion in COVID-19 emergency funding for public health. (Clark Hill

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House HHS Spending Bill Advanced to Floor: The House Appropriations Committee last Monday voted 30-22 to advance for floor consideration a $196.5 billion fiscal 2021 Health and Human Services, Labor, and Education spending bill, including $182.9 billion of discretionary funding. HHS would receive $96.4 billion for the fiscal year. The bill also includes an additional $24.4 billion in COVID-19 emergency funding for public health. (Clark Hill Insight)
Senate GOP Proposing Five-Year Shield from Coronavirus Lawsuits: The proposal would be retroactive from December 2019 through 2024, or the end of an emergency declaration issued by the Department of Health and Human Services if that is later, according to a draft summary obtained by The Hill. (The Hill)

House Panel Probes ‘Problematic’ Government Contracts for COVID-19 Supplies: Democrats on the House Select Subcommittee on the Coronavirus Crisis are asking Trump officials to explain contracts for personal protective equipment, testing supplies and other materials that they say went to companies with political ties to the administration or that were unprepared to fill the orders. (The Hill)

Labor & Workforce

House Labor Spending Bill Advanced to Floor: The House Appropriations Committee last Monday voted 30-22 to advance for floor consideration a $196.5 billion fiscal 2021 Health and Human Services, Labor, and Education spending bill, including $182.9 billion in discretionary funding. The Department of Labor would receive $12.7 billion for the fiscal year. The bill also includes an additional $925 million in COVID-19 emergency funding to help states with their unemployment insurance programs. (Clark Hill Insight)

Yellen, Bernanke Urge Congress to Extend Unemployment Benefit Boost: Former Federal Reserve chiefs Janet Yellen and Ben Bernanke urged lawmakers Friday not to let a boost to unemployment benefits expire at the end of July and spend generously while interest rates are low to power the U.S. through the coronavirus pandemic. (The Hill)

Transportation

House Appropriations Committee Approves FY21 THUD Bill: The FY21 THUD bill is consistent with the Investing in a New Vision for the Environment and Surface Transportation in America (INVEST in America) Act and includes budgetary resources for surface transportation programs totaling $78.7 billion. The INVEST in America Act, a five-year surface transportation proposal, passed the House and is awaiting action in the Senate. (Mass Transit)

Bipartisan WRDA 2020 Voted Favorably Out of Committee, Heads to House Floor for a Vote: Last week, the House Committee on Transportation and Infrastructure voted the Water Resources Development Act of 2020 (WRDA 2020) favorably out of Committee, where it now heads to the House Floor for a vote. This legislation provides authority for the U.S. Army Corps of Engineers (Corps) to carry out water resources development projects and studies, as well as policy direction to the Corps for implementation of its Civil Works missions. (House T&I)

Bipartisan Letter Urges Extension of Airline Payroll Support: House Transportation and Infrastructure Chairman Peter A. DeFazio (D-OR) and Subcommittee on Aviation Chairman Rick Larsen (D-WA) are spearheading circulation of a letter to colleagues that includes a draft letter to House and Senate leadership seeking support to extend the $32 billion Payroll Support Program to keep airline employees on the payroll. (Roll Call)

Agriculture

House Agriculture Spending Bill Included in Four-Bill Minibus: The package, H.R. 7608, will be considered this week and includes four FY 2021 spending bills: State-Foreign Operations, Agriculture-Rural Development-FDA, Interior-Environment, and Military Construction and Veterans Affairs, totaling $259.5 billion in discretionary funding. (House Appropriations Committee)

Push to Support ‘Double Up Food Bucks’ in Next Round of Aid: There’s a growing bipartisan coalition pushing for emergency funding for the Gus Schumacher Nutrition Incentive Program (now GusNIP, formerly known as FINI), which supports initiatives like “Double Up Food Bucks” to give SNAP participants extra benefits to spend on produce at grocery stores and farmers markets. (Politico)

Justice

House Panel Advances Funding Bill Mandating Police Reform: The spending bill would withhold certain funds from police departments that don’t implement reforms such as banning chokeholds. It also would fund a National Task Force on Law Enforcement Oversight and a National Police Misconduct Database, two key Democratic demands on police reform. (The Hill)

Defense

House Appropriations Advances Defense Spending Bill: The House Appropriations Committee approved a $694.6 billion bill to fund the Defense Department in a 30-22 vote. The committee entertained some light sparing over amendments regarding issues such as whether the president should be allowed to use money from the Defense budget for wall construction along the Southern border or be allowed to use a 2001 Authorization for the Use of Military Force against Iran, but eventually passed the bill with $133.6 billion in base funding for procurement and $104.3 billion in base funding for research development, test and evaluation, with $3.51 billion of the latter going to the Defense Advanced Research Projects Agency, according to a summary. (Next Gov)

Do Not Change O&M Spending Rules, Say Former Appropriators: Congress appropriates the amount it believes will be required based on the testimony and documents supplied by the Executive Branch to the Appropriations Committees of the House and Senate. If Congress were to loosen the restrictions on the use of funds it would only serve to weaken a system which is already far too short of discipline. (Breaking Defense)
House Rules Committee Meets to Tee Up Debate on NDAA: The House Rules Committee convened last Friday to wade through over 700 potential amendments to the mammoth fiscal 2021 defense authorization bill (HR 6395) before sending it to the House floor for a vote early this week. The majority of the 736 amendments will be discarded by the Rules Committee, but some will make it through and ultimately be debated on the floor. Some of the most controversial proposals include cutting the defense budget by 10 percent; competing provisions to stymie or accelerate a full withdrawal of U.S. troops from Afghanistan; and other proposals to rein in presidential war powers, remove Confederate symbols from military facilities and curtail the transfer of surplus military equipment to police departments. (Clark Hill Insight)

Space/NASA & NOAA

House Again Rejects Elevating Space Commerce Office: House appropriators are again rejecting the Trump Administration’s proposal to elevate the Office of Space Commerce at NOAA to the Secretary of Commerce’s level where it would be the nucleus for a new Bureau of Space Commerce. The Administration has not been successful in convincing Congress of the merits of the idea. Last year, Senate appropriators demanded an independent report on the pro and cons that has not been publicly released yet. (Space Policy Online)

Energy

House Committee Advances $49.6 Billion Energy and Water Appropriation: House appropriators approved a $49.6 billion funding bill for the Department of Energy, Army Corps of Engineers and related agencies by a party line vote of 30-21. The committee sent the measure to the floor after approving a manager’s amendment that would boost funding for Western water supply efforts, prioritize dredging projects with environmental benefits and make other minor changes. The committee also voted down two Republican amendments aimed at boosting controversial California water storage projects. Atypically for an energy and water appropriations bill, no member proposed an amendment to fund the long-term nuclear waste storage facility at Yucca Mountain, Nevada. The facility is not funded in the bill. Rep. Mike Simpson of Idaho, the top Republican on the Energy and Water Subcommittee, complained the funding was missing, but didn’t ask to change the bill. (Clark Hill Insight)

Environment/Interior

Democrats Target Confederate Monuments in Spending Bill: The fiscal 2021 spending bill for the Interior Department, which oversees the National Park Service, would require NPS to remove all Confederate statues, monuments and plaques unless prohibited by a law or policy. (The Hill)

Homeland Security/Immigration

Appropriations Committee Approves Fiscal Year 2021 Homeland Security Funding Bill: The bill provides $50.72 billion in discretionary funding, including $48.1 billion in nondefense discretionary funding, the same level as fiscal year 2020, and $2.8 billion in defense funding, $250 million more than in fiscal year 2020. (Clark Hill Insight)

Trump Administration Rescinds Rule for International Students with Only Online Courses: The announcement was made Tuesday in the U.S. District Court in Boston, where a lawsuit against the policy filed last week by Harvard University and Massachusetts Institute of Technology was scheduled to be heard. (Roll Call)

Tax Reform

More than 100 Lawmakers Urge IRS to Resolve Stimulus Payment Issues: A bipartisan group of more than 100 House members is urging the IRS to promptly resolve issues that their constituents are experiencing with obtaining their coronavirus stimulus payments. (The Hill)

Schumer Pushes for Elimination of SALT Deduction Cap in Next Coronavirus Relief Bill: Senate Minority Leader Charles Schumer (D-NY) on Tuesday pushed for the cap on the state and local tax (SALT) deduction to be undone in the next coronavirus relief package, as Democrats and Republicans are expected to start negotiations on another relief bill in the near future. (The Hill)

Cyber

Congressman Plans to Propose Cyber Director Amendment to NDAA: The push to create a post within the White House with budgetary and policy authority to coordinate cybersecurity across the government is alive and well. Rep. Jim Langevin (D-RI) expects to offer additional amendments to the National Defense Authorization Act when it comes to the floor today. (Next Gov)

Education

House Panel Advances Dems’ Education Spending Plan: It raises funding for higher education institutions by $81 million to $2.6 billion, $768 million more than what Trump proposed. Included in the proposal is $49 million more for historically Black colleges and universities and other institutions serving minorities. (Inside Higher Ed)

White House Blocks CDC Director from Testifying Before House Panel on Reopening Schools: House Education and Labor Committee Chairman Bobby Scott (D-VA) sent Redfield a letter last week asking him or a CDC designee to testify at a hearing on how K-12 public schools can reopen for in-person classroom instruction this fall. But on Friday, Chairman Scott said his panel had been informed that the Trump administration would not allow CDC testimony at the hearing planned for this week. (The Hill)
EXECUTIVE BRANCH

Budget and Appropriations

Trump Says He Might Not Sign Coronavirus Bill Without Payroll Tax Cut: President Trump said yesterday that he would consider not signing an upcoming coronavirus relief package if it doesn’t include a payroll tax cut. (The Hill)

Health/HHS/NIH

White House Strips CDC of Data Collection Role for COVID-19 Hospitalizations: The Trump Administration has mandated that hospitals sidestep the Centers for Disease Control and Prevention and send critical information about COVID-19 hospitalizations and equipment to a different federal database under HHS. (NPR)

Private White House Document Says Counties in ‘Red Zone’ Should Close Bars and Gyms: A document prepared for the White House coronavirus task force and obtained by the Center for Public Integrity says 18 states are in the “red zone” for new cases and suggests hard-hit areas should take steps to roll back reopening phases such as closing bars and gyms. (The Hill)

HHS Inspector General Says Medicare Chief Broke Rules on Her Publicity Contracts: Centers for Medicare and Medicaid Services Chief Seema Verma, a top Trump administration health official, violated federal contracting rules by steering millions of taxpayer dollars in contracts that ultimately benefited GOP-aligned communications consultants, according to an inspector general report released Thursday. (Politico)

Defense/DOD

The Pentagon Wants a $10B Defense Industry Cash Injection. Is Congress Listening?: Pentagon leaders need “around $10 billion” in the next pandemic aid package to cover defense contractors’ coronavirus-related costs, according to a top defense leader. But it’s unclear how the hefty funding handout will square with Republican skepticism of new deficit spending after already approving aid packages worth trillions. (Defense News)

Fight Over $7.2B Contract Could Delay Privatizing the System for Moving Troops’ Household Goods: Two unsuccessful bidders on a $7.2 billion contract that will outsource the management of service members’ household goods moves have filed more protests, in a fight that could ultimately push the start of the massive change until late in 2021. (Military Times)

Pentagon Effectively Bans Confederate Flags on All Military Property: The Pentagon on Friday unveiled a new policy that effectively bans the display of the Confederate flag — without actually naming it. The policy reflects an effort to find a compromise on the divisive issue, as Defense Secretary Mark Esper strives to satisfy military leaders without irking President Donald Trump, who has criticized NASCAR for banning the flag. (Politico)

Labor and Workforce

Weekly Jobless Claims Tick Down, But Remain Above 1 Million: Roughly 1.3 million Americans filed new claims for unemployment benefits during the second week of July, according to data released Thursday by the Labor Department. (The Hill)

Mnuchin Gives Hints of PPP Changes in Next COVID-19 Relief Bill: Mnuchin told the House Small Business Committee that the next round of coronavirus relief legislation, which the Senate is expected to begin negotiating in earnest next week, should amend the Paycheck Protection Program, or PPP, to allow the hardest hit companies to apply for a second loan. (Roll Call)

Agriculture/USDA

USDA Leader Says Farmers Can Expect CFAP Round Two Next Month: When farmers applied for relief payments through the Coronavirus Food Assistance Program (CFAP), farmers were only guaranteed 80% of the payment they were eligible for. According to Bill Northey, USDA’s undersecretary for farm production and conservation, farmers can expect to receive the remaining 20% by the end of August. (AgWeb)

Space/NASA & NOAA

NASA’s IG Report Roasts Lockheed Martin for Orion Fees and Misleading NASA Accounting: NASA’s inspector general last week released a detailed report that investigates the substantial time and money that the space agency has spent to develop its Orion spacecraft, and took issue with what it saw as very misleading accounting of the program’s true costs. (Ars Technica)

U.S. Space Force Creates Acquisition Command to Build Culture of Innovation: Gen. John “Jay” Raymond, the leader of the U.S. Space Force, talked recently about procurement reform and technology development goals in the newly forming organization. Space Force officials also said they are in talks with DoD, Army and Navy leaders about potentially transferring some space organizations in Alabama and California from those services to the Space Systems Command in the future. (Space News)

Top Russian Space Official Dismisses NASA’s Moon Plans, Considering a Lunar Base With China Instead: Dmitry Rogozin, the head of Russia’s space organization, declared that his country is not interested in participating in NASA’s Artemis moon program, which he dubbed “a big political project”. Emphasizing recent discussions with top Chinese officials, Rogozin said that Russia and China intend to lead the development of “a lunar scientific base.” (CNBC)
**EPA/Interior**

**Judge Rejects Trump Administration Challenge to California Cap-and-Trade Program:** The Justice Department last year challenged the cap-and-trade program, which aims to improve air quality and allows companies in the state to trade emissions credits with others in Quebec. ([The Hill](https://thehill.com))

**Banking & Housing/HUD**

**Small-Business Loan Funding Details Released:** The Paycheck Protection Program has provided loans to nearly 4.9 million small businesses employing 51.1 million workers in all corners of the country, according to newly released data from the Small Business Administration. ([Roll Call](https://rollcall.com))

**Mnuchin Says Congress Should Consider Forgiving Smaller Business Loans:** Treasury Secretary Steven Mnuchin told lawmakers late Friday that they should consider automatic forgiveness for many loans under the PPP. ([Politico](https://politico.com))

**Fed Opens Main Street Lending Program to Nonprofits:** The Federal Reserve has opened its Main Street Lending Program to nonprofit organizations, expanding the existing program intended to help businesses weather the coronavirus pandemic. ([American Banker](https://americanbanker.com))

**HUD Defies Calls to Withdraw Controversial Fair Housing Proposal:** The Trump administration is resisting calls — even from political allies — to withdraw a proposal to make it more difficult to bring discrimination claims under the Fair Housing Act, even as the nation reckons with racial unrest, according to a letter obtained by POLITICO. ([Politico](https://politico.com))

**Transportation/DOT**

**American Airlines Plans to Furlough Up to 25,000 Workers This Fall:** American Airlines Group Inc. told 25,000 workers that their jobs are at risk after federal aid expires Oct. 1, as air-travel demand falls again amid climbing coronavirus case numbers. ([Wall Street Journal](https://wsj.com))

**DHS/Homeland Security**

**Trump Admin Must Accept New DACA Applications, Court Rules:** U.S. District Judge Paul W. Grimm of the District of Maryland said his order "restores the DACA policy to its pre-September 5, 2017 status," a reference to the day the Trump administration announced the president would rescind the program. ([Roll Call](https://rollcall.com))

**IRS/Tax Reform**

**With Returns Due July 15, IRS Closes Out Its Most Taxing Season Ever:** Tax returns were due last Wednesday for millions of Americans who still haven’t filed, capping an unprecedented tax season upended by the coronavirus pandemic. The deadline is three months later than usual and arrives just as thousands of IRS employees are getting re-acclimated to their offices after an extended mass closure. The IRS has received 142.4 million individual returns since filing began Jan. 27, according to the agency’s most recent statistics. That would leave roughly 13 million more returns still to be filed, based on the total of 155.8 million the IRS took in through the end of last year. ([Clark Hill Insight](https://clarkhill.com))

**Department of Justice**

**Oregon Lawmakers Call for DOJ, DHS Inspectors General to Investigate Law Enforcement Presence in Portland:** Sens. Jeff Merkley (D-OR) and Ron Wyden (D-OR) and Reps. Earl Blumenauer (D-OR) and Suzanne Bonamici (D-OR) said they are making the request after federal officers shot a demonstrator in the head and reports emerged of unmarked federal agents detaining protesters and taking them to unmarked minivans. ([The Hill](https://thehill.com))

**Department of Education**

**Trump Sours on Online Learning that His Administration Evangelized:** As he presses schools and colleges to physically reopen their doors this fall, Trump has dismissed online learning as an acceptable strategy that local education leaders can employ as they face surging coronavirus cases in many parts of the country. ([Politico](https://politico.com))

**Trade**

**FTC May Depose Top Facebook Leaders in Antitrust Probe:** The Federal Trade Commission (FTC) is reportedly mulling deposing Facebook head Mark Zuckerberg and Chief Operating Officer Sheryl Sandberg as it probes whether the social media giant violated antitrust laws. ([The Hill](https://thehill.com))

**Cyber**

**Britain Bars Huawei from its 5G Wireless Networks, Part of a Growing Shift Away from the Chinese Tech Giant:** Britain will bar new deployments of Huawei equipment in its fledgling high-speed 5G network, the government said Tuesday, delivering a major blow to the Chinese technology giant and a significant win for the Trump administration, which has been pressing allies to shun the firm. ([Washington Post](https://washingtonpost.com))

**Twitter’s Security Holes are Now the Nation’s Problem:** Last Wednesday’s Twitter hack has exposed a gaping weakness for the U.S. and its most powerful leaders — their reliance on a private company to secure their communications with the public. ([Politico](https://politico.com))