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Outlook for This Week in the Nation's Capital

Appropriations Update. The next minibus package vote will be on the Defense and Labor-HHS appropriations bills and could also include a continuing resolution for the Commerce-Justice-Science, Homeland Security, and State-Foreign Operations appropriations bills. The continuing resolution is expected to run through December 7. The Senate could hold a vote this week and the House would do so the following after it returns from recess. Members of the House Freedom Caucus have expressed opposition to this strategy.

Opioid Bill. The Senate is expected to vote on its opioid package this week after a scheduling delay last week related to the hurricane. After the bill passes the Senate, it will have to be conferenced with the House version.

Senate Election Forecast. Last week, FiveThirtyEight released its [Senate forecast model](#). The model found Republicans have somewhere between a 2 in 3 and 7 in 10 chance to hold the Senate depending on the version. But, several individual races like West Virginia, Nevada, and Arizona presently look good for Democrats.

Last Week in the Nation's Capital

CONGRESS

Budget

Congress Sends First Spending Package to Trump in Push to Avert Shutdown: The House passed a \$147 billion "minibus" spending package and sent it to President Trump for a signature, taking initial steps to avert another possible government shutdown. The package passed includes bills for military construction and veterans' affairs, the legislative branch and energy and water. ([The Hill](#))

Conference Report for DOD, Labor and Education Spending Approved: Senate and House appropriations committees agreed on the conference report for the second of three "minibus" bills for 2019. The package covers spending for the departments of Defense, Labor and Education. Together the three bills fund roughly 90 percent of annual spending. ([Federal News Radio](#))

Democrats Weighing Earmark Revival if They Take Back House: At the end of a speech outlining what he billed as congressional Democrats' vision to renew the country's faith in government, House Minority Whip Steny H. Hoyer called for lawmakers to bring back earmarks. It was a noteworthy mention from the Democrats' No. 2 in House during a talk that focused on his party's plans — should it win control in the midterms — to overhaul campaign finance and government ethics laws and to weed out the perception of corruption on Capitol Hill and in the executive branch. ([Roll Call](#))

Judiciary

Flake Opposes Quick Vote on Kavanaugh, Putting Confirmation in Doubt: Brett Kavanaugh's nomination to the Supreme Court hit a serious roadblock Sunday night, as GOP Senate Judiciary Committee member Jeff Flake said he is uncomfortable voting to advance Kavanaugh's nomination later this week after the nominee's sexual assault accuser went public. Sen. Bob Corker (R-Tenn.), who is not a member of the committee but whose vote is critical to Kavanaugh's confirmation, similarly said late Sunday that the committee should pause. ([Politico](#))

Health

Congressional Appropriators Approve \$90.5 billion for the Department of Health and Human Services: House and Senate Appropriations Committee reached an agreement on funding for the Labor-HHS appropriations bill as part of a package that also includes the Defense appropriations bill. The bill includes \$39.1 billion for the National Institutes of Health (NIH), an increase of \$2 billion, and \$3.8 billion to combat the opioid crisis, an increase of \$206 million. ([Senate Appropriations Committee](#))

House GOP Blocks Trump-Supported Drug Pricing Provision from Spending Bill: House Republicans blocked a drug pricing amendment supported by President Trump from inclusion in a health-care spending bill. The provision, which passed the Senate on a bipartisan basis last month, would require drug prices to be disclosed in television advertisements for drugs in an effort to increase transparency and bring down prices. ([The Hill](#))

Tax Reform

House Committee Advances Key Bill in New Round of GOP Tax Cuts: The House Ways and Means Committee on Thursday advanced legislation to cement the individual tax changes in President Trump's tax law as House Republicans seek to shine a light on their biggest recent legislative accomplishment ahead of the midterm elections. The bill, part of a package Republicans are calling "Tax Reform 2.0," passed the committee on a party-line vote of 21-15 after hours of debate between Democrats and Republicans over the value of the measure and the 2017 tax law. The bill is expected to get a vote on the House floor later this month but isn't expected to be taken up by the Senate, where it would need 60 votes to pass. ([The Hill](#))

Why Filing Taxes Isn't Easy: The Trump administration earlier this summer unveiled a "postcard-sized" tax form that will supposedly make it easier for

Americans to do their own taxes. The move was nothing more than a publicity stunt—as a number of commentators noted, the administration achieved its postcard-sized ambitions only by requiring millions of Americans to submit supplementary worksheets that actually complicate the task of tax preparation. The real action on tax filing right now is happening on the other end of Pennsylvania Avenue, where Congress is working hard to ensure that doing your taxes remains a time-consuming and expensive endeavor. ([Politico](#))

Defense

Pentagon Set to Win First On-Time Budget Since 2008: Congress is poised to pass the defense budget on time for the first time in a decade. A bipartisan group of House and Senate lawmakers formally announced a deal Thursday September 13th, for a \$674 billion defense appropriations bill, packaged with funding for the departments of Education, Health and Human Services, Labor and other government agencies, or Labor-HHS. ([Defense News](#))

Justice

Marijuana Bill Scheduled for Congressional Vote This Week: The U.S. House panel that oversees federal drug enforcement is scheduled to vote this week on a bill to dramatically expand opportunities for research on the medical benefits of marijuana. Sponsored by Representative Matt Gaetz (R-FL) and 40 bipartisan cosponsors, the Medical Cannabis Research Act would require that the federal government issue more licenses to grow marijuana to be used in scientific studies, among other changes. ([Forbes](#))

Agriculture

Farm Bill Crunch Time: House and Senate ag leaders huddled Wednesday night in what was by all accounts a crucial meeting if they hope to strike a farm bill deal and produce a conference report before the Sept. 30 deadline. How much ground the “Big Four” made during the late-night meeting could determine whether they’ll finish in time or be forced to fall back on a temporary extension of current farm and food policies set in 2014. ([Politico](#))

Infrastructure

House Sends Water Resources Infrastructure Bill to Senate with Unanimous Vote: The House of Representatives today unanimously approved bipartisan, comprehensive water resources infrastructure legislation, which includes the Water Resources Development Act of 2018. The bill will improve America’s harbors, ports, waterways, flood protection, and other vital water infrastructure. ([American Journal of Transportation](#))

Labor & Workforce

Improving Skills Through America’s Workforce Development System: The American Enterprise Institute has released a new report last week regarding the nation’s workforce development system and how it can better address the “skills-gap”. The report notes that Congress allocates roughly \$4.8 billion annually for WIOA programs that serve six million participants and that while smaller than other postsecondary aid programs, job seekers can combine WIOA funding with other state and federal aid to pay for training—although relatively few individuals navigate eligibility requirements needed to do so, which is a system that needs reforming. ([AEI](#))

DOE

Congress Sends Trump Energy Spending Bill that Includes Healthy Boost for Science: Congress sent President Trump a 2019 spending bill that boosts funding for the Department of Energy’s basic research efforts—and rejects deep cuts to the department’s applied research programs that the White House had proposed. If Trump signs the bill into law—as many observers expect—DOE’s Office of Science would get a 5.2% spending boost, to \$6.585 billion, in fiscal year 2019, which begins 1 October. In contrast, the Trump administration had proposed slashing the Office of Science budget by 13.9% to \$5.39 billion. ([Science Magazine](#))

EXECUTIVE BRANCH

HHS

AHA Suing HHS Over Delay in Implementing Drug Pricing Rule for 340B: The American Hospital Association and America’s Essential Hospitals have joined five other 340B stakeholders in a lawsuit against the Department of Health and Human Services over its delay in implementing a final rule for drug pricing transparency that includes monetary penalties for overcharging. HHS has delayed implementation five times. ([Healthcare Finance](#))

Medicaid Rolls Set to Be Slashed under Trump-approved Work Rules: The thousands of people who lost Medicaid coverage this month in Arkansas for not following newly implemented work requirements may be a sign of what’s to come in other GOP-led states. Indiana and New Hampshire are slated to implement their Medicaid work requirements next year, and a slew of other states are awaiting approval from the Trump administration to do so. ([The Hill](#))

Junior Investigators Successfully Compete for Extra NIH Grants: More than half of early-career scientists who received their first research project (R01) grants from the National Institute of Allergy and Infectious Diseases (NIAID) are successful in obtaining subsequent funding from the National Institutes of Health (NIH), according to a study published PLOS ONE. ([Phys.org](#))

Defense

GPS III Satellites are Nearly Ready to Launch, but What's Being Done on Terra Firma to Support Them?: The U.S. Air Force is getting ready to deliver the first of its next-generation GPS III satellites into orbit later this year, and expects the new satellites to deliver significant capability improvements. But much work also needs to be done on Earth to make sure the Air Force is able to get the most out of the platform. That's why Lockheed Martin will begin a series of updates to the architecture's ground control system following the initial launch, according to a statement from the company. ([C4ISR](#))

Banking & Housing

After the Crisis, a New Generation Puts Its Trust in Tech Over Traditional Banks: Fintech may be one of the few industries looking back fondly at what happened to Wall Street after 2008. The chaos and disruption of the credit crisis instilled lack of trust in existing banks and brought on new regulations and the rise of technologies that would allow scrappy Silicon Valley start-ups to reshape consumer finance. These new financial technology companies have made serious competitive inroads in areas banks have backed away from, and billions of dollars in venture capital money has followed. A key reason fintech companies have flourished, analysts say, is a lingering distrust in banks. ([CNBC](#))

Labor & Workforce

President Trump Announces Association Retirement Plans; DOL Publishes New ACA Notices: It has been a big week for employee benefits issues. First, President Trump signed an executive order asking the Treasury to investigate several aspects of retirement plans for small businesses, including the creation of Association Retirement Plans (ARPs) that could be established by associations for their members. Second, the Department of Labor updated the Affordable Care Act marketplace notices to provide more information to employees. These notices are required even when an employer does not provide insurance coverage. Employers that do not provide insurance coverage should begin providing the updated notices immediately. ([Clark Hill Insight](#))

DOE

U.S. Department of Energy Provides \$2 Million Grant for Robotics: Plug Power, a leader in providing energy solutions that change the way the world moves, in partnership with Rensselaer Polytechnic Institute Center for Automation Technologies & Systems and the Department of Energy's National Renewable Energy Laboratory, is innovating in the space of robotics and automation, specifically with a first-of-its-kind robotic hydrogen fueling technology for motive power applications. The immediate goal of the robotic fueling station is to increase the ease and efficiency of fueling hydrogen-powered vehicles in warehouse settings, where every second amounts to more than \$1,000 in annual cost impact for medium to large sites. ([Modern Material Handling](#))

Cybersecurity

Is the U.S. Where it Needs to be on Cyber?: The recently departed director of the National Security Agency and former head of U.S. Cyber Command believes the U.S. structure and organization against cyber threats isn't up to snuff. Following his time in government, and after observing several high-level and senior discussions, Michael Rogers said one of the fundamental conclusions he's come to is "the current structure is not working and it's not going to work. It's just suboptimal to me." ([Fifth Domain](#))

GAO Slams Lack of Cyber Progress as Congress Gets Involved: A new High Risk series report from the Government Accountability Office took the federal government to task over its lack of action on cybersecurity issues. The report said that, since 2010, agencies still have not enacted a third of the 3,000 actions GAO has recommended to improve the government's cyber posture. The report also laid out four major cybersecurity challenges, and 10 actions agencies can take to address them. The four major challenges identified by GAO are: (1) establishing a comprehensive cybersecurity strategy and performing effective oversight, (2) securing federal systems and information, (3) protecting cyber critical infrastructure, and (3) protecting privacy and sensitive data. ([Federal News Radio](#))

On 9/11 Anniversary, DHS Says Cyber Threat has Eclipsed Terrorism: Twice in the past week, including on the anniversary of the Sept. 11 terrorist attacks, leaders from the Department of Homeland Security have said the largest threat to the U.S. is no longer terrorism, but cyberattacks. On Sept. 5, Homeland Security chief Kirstjen Nielsen said during a speech at George Washington University that her agency "was founded 15 years ago to prevent another 9/11. I believe an attack of that magnitude is now more likely to reach us online than on an airplane." ([Fifth Domain](#))

CFPB

Trump's Controversial Pick for Banking Watchdog Clears First Hurdle: The Senate Banking Committee advanced Thursday the controversial nomination of Kathy Kraninger to be director of the Consumer Financial Protection Bureau. The vote split on party lines, 13-12. The panel's chairman, Michael D. Crapo of Idaho, said Kraninger was "well prepared" to lead the bureau, and that it's no surprise her nomination is contentious because the CFPB was the most disputed aspect of the 2010 Dodd-Frank Act financial overhaul. But Democrats blasted her as a "protégé" of acting chief Mick Mulvaney who would continue his policies to rein in the enforcement actions and investigations of the bureau. ([Roll Call](#))

Space, NASA & NOAA

New Pentagon Memo Lays out Action Plan to Establish Space Force by 2020: Deputy Defense Secretary Patrick Shanahan this week issued a detailed plan for how the Pentagon will move forward to create a Space Force as the sixth branch of the armed forces by fiscal year 2020. The plan, laid out in a Sept. 10 memo titled "Space Reorganization and Management Tasks," includes actions that the Pentagon will pursue using executive branch

authorities — standing up a unified command for space, a Space Development Agency and Space Operations Forces. These proposals were presented to Congress in a report on Aug. 9. ([Space News](#))

Space Force Rebellion: Even before the Trump administration has made its official pitch for what a Space Force would look like (and what it would cost), lawmakers from both sides of the aisle are gearing up to bat it down. As Bryan Bender and Jacqueline Klimas explain, those skeptics fear that building a new military branch would take resources away from other defense programs. ([Politico](#))

“Golden Period” for Space Startup Investment Continues: Venture capitalists see no sign of a slowdown in funding of space-related startups even though only a handful of those companies have provided significant returns to their investors. Funding of space ventures has grown significantly over the last 18 months, said Mark Boggett, managing director of Seraphim Capital, during a panel discussion Sept. 12 at Euroconsult’s World Satellite Business Week here, from \$500 million in the first quarter of 2017 to \$1 billion in the second quarter of 2018. ([Space News](#))

Hubble Goes Wide to Seek Out Far-Flung Galaxies: The universe is a big place. The Hubble Space Telescope’s views burrow deep into space and time, but cover an area a fraction the angular size of the full Moon. The challenge is that these “core samples” of the sky may not fully represent the universe at large. This dilemma for cosmologists is called cosmic variance. By expanding the survey area, such uncertainties in the structure of the universe can be reduced. A new Hubble observing campaign, called Beyond Ultra-deep Frontier Fields And Legacy Observations, will boldly expand the space telescope’s view into regions that are adjacent to huge galaxy clusters previously photographed by NASA’s Spitzer and Hubble space telescopes under a program called Frontier Fields. ([Space Ref](#))

Trade

Trump Reportedly Wants to Push Forward with Tariffs on \$200 Billion Worth of Chinese Goods Despite New Trade Talks: President Trump wants to move forward with tariffs on \$200 billion worth of Chinese goods despite new overtures to China from the Treasury Department. According to Bloomberg, the president instructed aides to move forward with the tariffs despite a recent Treasury letter to Chinese officials requesting a new round of trade talks. The final imposition of the tariffs has been delayed because the U.S. Office of the Trade Representative has been tweaking the final details of the tariffs in response to comments from U.S. businesses. ([Business Insider](#))

DHS

DHS Transferred \$169 million from Other Programs to ICE for Migrant Detention: The Department of Homeland Security transferred \$169 million from other agencies to Immigration and Customs Enforcement for the detention and removal of migrants this year, according to a document sent to Congress by DHS. Many of the transfers came from key national security programs, including \$1.8 million from the Domestic Nuclear Detection Office, \$9.8 million from FEMA, \$29 million from the U.S. Coast Guard and more than \$34 million from several TSA programs. DHS also transferred \$33 million from other ICE programs to pay for detention and removal, making the total amount of money transferred \$202 million. ([NBC News](#))

DOT

Chao Calls on Industry to Help DOT Resolve Pilot Shortage: US Department of Transportation secretary Elaine Chao has called on a cross-section of aviation stakeholders to team up to tackle the ongoing dearth of qualified pilots, technicians and mechanics. Boeing forecasts show that 754,000 new aircraft technicians and 641,000 new pilots will be needed worldwide over the next two decades. That comes as passengers are expected to nearly double worldwide from 4 billion in 2017 to 7.8 billion during the same period. ([ATW Online](#))