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# Window on Washington - This Week in the Nation's Capital - August 18, 2017, Vol. 1, Issue 22

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## CONGRESS

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### *Budget*

- **House Rules Committee Posts Text of Spending Bills, Striking DACA Provision:** House Rules Committee posts text for eight appropriations bills, striking language in the financial services spending bill allowing participants in the Deferred Action for Childhood Arrivals program for undocumented immigrants to be employed by the federal government. The committee set an Aug. 25 deadline for amendments to be submitted ([House Rules Committee](#)).
  - **No Deals in Sight as Spending, Debt Limit Deadlines Loom:** House Republican leaders may be planning to force action on a \$1.1 trillion, 12-bill omnibus spending package in early September, but this year's fiscal follies marking the budget process are expected to last weeks—if not months—before a final plan to fund federal agencies is set ([Bloomberg](#)).
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### *Debt Ceiling*

- **Looming Debt Limit Fight Rattles Wall Street:** Wall Street is nervous that political deadlock in Washington and a looming debt ceiling fight could lead to the unthinkable—a U.S. debt default ([The Hill](#)).
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### *Energy/Environment*

**Solar Tariffs:** Solar industry and government officials urged the U.S. International Trade Commission to reject a petition for tariffs and minimum price guarantees on solar imports, arguing the future of the industry was at stake. An unusual procedure could leave President Donald Trump with the final say on what could be one of his biggest trade decisions ([The New York Times](#)).

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### *Healthcare*

- **Pulling Obamacare Subsidies Would Drive Up Premiums, Increase Deficit:** Scrapping Obamacare's cost-sharing subsidies would increase premiums on the most popular plans by 20 percent next year and swell the deficit by \$194 billion over a decade, according to an analysis by the Congressional Budget Office ([Politico](#)).
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### *Immigration*

- **Jeff Sessions Slams 'State of Lawlessness' in Chicago:** Attorney General Jeff Sessions heaped praise upon Miami-Dade County for coming into compliance with federal immigration law, and called on Chicago to do the same ([Washington Examiner](#)).
  - **Rep. Luis Gutierrez Arrested Outside White House During DACA Rally:** The Illinois Democrat was taking part in a sit-in on the sidewalk outside 1600 Pennsylvania Avenue -- organized to coincide with the fifth anniversary of the initiative's introduction -- at the time of his arrest ([Washington Examiner](#)).
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### *Infrastructure*

- **Trump Wants to Shrink Federal Role in Infrastructure Review:** The federal government should shrink its environmental oversight role and reduce its permitting timeline to two years for infrastructure projects, President Donald Trump said when signing an executive order Aug. 15. The executive order also rescinds an Obama-era order that required federally funded projects to meet flood risk reduction standards. The policy was created based on concerns over climate change effects on infrastructure ([The Washington Post](#)).
  - **Trump Drops Plan to Create Infrastructure Council:** U.S. President Donald Trump has abandoned plans to create an infrastructure advisory council, the day after two other advisory groups were dismantled over the furor caused by Trump's remarks on white supremacists ([Reuters](#)).
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## Nominations

- **Department of Energy:** Sources said White House and GOP officials are considering Sen. Joe Manchin (D-W.Va.) to lead the Energy Department, as deliberations continue about the potential to appoint Energy Secretary Rick Perry to the Homeland Security Department. Perry's stance remains unclear ([Bloomberg](#)).

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## Tax Reform

- **Fed Official—Tax Reform Would Increase Growth, but Tax Cuts Would Not:** "I would hope that as a country, we're pursuing tax reform rather than a deficit-financed tax cut," Federal Reserve Bank of Minneapolis President Neel Kashkari said at a Rotary event in Minnesota ([Washington Examiner](#)).
- **Some Democrats See Tax Overhaul as a Path to Taxing Carbon:** Senators Sheldon Whitehouse (D-R.I.) and Brian Schatz (D-Hawaii) hope to earn White House and colleague support by proposing a carbon tax that would be used to reduce the top marginal corporate tax income rate. Their plan, to use the tax code overhaul to levy a \$49 per metric ton fee on greenhouse gas emissions, has been called a longshot. ([The New York Times](#)).

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## Trade

- **Trump Serves Notice on NAFTA—The U.S. Will Not Accept a Touchup:** President Donald Trump does not want a fresh coat of paint on the North American Free Trade Agreement. He wants to strip the house down to the studs ([Bloomberg](#)).
- **Clean Energy Trade:** The Business Council for Sustainable Energy, a coalition of electric utility representatives, wrote to Trump administration trade negotiators asking to support clean energy commercial technologies in talks with Canada and Mexico for a reworked North American Free Trade Agreement. The group hopes the new agreement will maintain a zero tariff for North American products and promote U.S. clean energy standards for products. ([Washington Examiner](#))
- **NAFTA Negotiators Aim for 'Ambitious' Start to Talks:** Negotiators from Canada, Mexico and the United States are aiming for an "ambitious" first round of trade talks, a senior U.S. official said, as the countries try to fast-track a deal to modernize the 23-year-old pact by early next year ([Reuters](#)).

## EXECUTIVE BRANCH

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### Department of Defense

- **Jim Mattis Calls Looming Stop-Gap Budget 'As Unwise As Can Be' for Military:** The Pentagon would be hamstrung in dealing with new advances in electronic, space, and drone warfare if Congress passes another stop-gap budget measure this fall, according to Defense Secretary Jim Mattis. Lawmakers are heading into the fall with no clear path to passing proposed increases in defense spending, and analysts say it is likely they will pass a months' long continuing resolution at the end of September that would hold military spending to current levels ([Washington Examiner](#)).
- **North Korea Puts Spotlight on U.S. Space-based Missile Defense:** North Korea's threat to strike Guam with a salvo of ballistic missiles has raised the stakes for a U.S. missile shield some see as compromised by potentially exploitable seams in its all-important space layer ([Space News](#)).
- **U.S. Army Launches Kestrel Eye Satellite Atop Falcon 9:** The U.S. Army launched its Kestrel Eye electro-optical microsatellite atop a SpaceX Falcon 9 rocket. The Kestrel Eye satellite, built by Adcole Maryland Aerospace, was part of a cargo resupply mission to the International Space Station ([Space News](#)).
- **Nuclear Command and Control Problems Dominate U.S. Air Force Focus:** While the U.S. Air Force is taking more steps to oversee nuclear command, control, and communications (NC3), the service must focus more on short-term problems than long-term issues, the Government Accountability Office (GAO) says in its report, "Nuclear Command, Control, and Communications: Update on Air Force Oversight Effort and Selected Acquisition Programs" ([Space News](#)).

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### Department of Energy

- **Oil Reserve:** The Department of Energy announced plans to sell 14 million barrels from its 680 million-barrel crude oil reserve in the Gulf of Mexico in order to raise revenue for the 21st Century Cures Act and a budget measure passed by Congress two years ago ([Washington Examiner](#)).
- **Nuclear Reservation:** Energy Secretary Rick Perry said the budget for the Hanford Nuclear Reservation will be enough, despite the proposed cuts from the White House budget proposal. Perry toured the Hanford Site and the Pacific Northwest National Laboratory with Sen. Maria Cantwell (D-Wash.) as part of his visit to the Northwest, which included other energy infrastructure facilities in the region ([NW News Network](#)).

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- **Grid Reliability:** U.S. Federal Energy Regulatory Commission Chairman Neil Chatterjee said he will prioritize the coal and nuclear power fleet to ensure the reliability of the electric system ([Platts](#)).
  - **Sierra Club Sues Energy Department Over Long-Awaited Grid Study:** The Sierra Club on Monday sued the Department of Energy (DOE) for its “secrecy” over a key study on the reliability of the electric grid. In its lawsuit, the Sierra Club said the agency did not respond to open records requests seeking information about internal deliberations and outside communications over the study ([The Hill](#)).

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#### EPA

- **Regulations:** Environmental Protection Agency Administrator Scott Pruitt confirmed he will roll back an Obama-era regulation on water pollution from coal-fired plants. Pruitt released a letter filed with the Fifth Circuit U.S. Court of Appeals in New Orleans, asking the court to freeze the legal challenges related to the rule ([The Associated Press](#)).

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#### Department of Interior

- **Historic Preservation:** Interior deputy secretary David Bernhardt announced a \$21 million package for historical preservation to states and territories, following President Donald Trump's tweets about the removal of Confederate statues. The funds derived from royalty fees paid to the Interior Department from offshore federal drilling leases ([Washington Examiner](#)).
- **Interior Senior Executives Left in the Dark Amid Reorg, Reassignments:** Multiple sources from the Interior Department said the administration's gaps will be filled through reassignments of senior executives. Executive leadership has not sought any internal input, review or consultation of the massive reorganization from the long-term career staffers ([Federal News Radio](#)).

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#### Department of Labor

- **Labor Department Urges Overturn of Pro-Insurer Case Law:** An insurer-friendly court decision making it harder for individuals to challenge benefit denials in court should be overturned, the Labor Department told a federal appeals court (*Ariana M. v. Humana Health Plans of Tex., Inc.*, 5th Cir., No. 16-20174, amicus brief filed 8/15/17 ) ([Bloomberg](#)).

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#### Federal Reserve

- **Central Bank Split Over Path of Rate Hikes:** A fissure appears to be developing at the Federal Reserve over when to raise interest rates. One side is preaching caution in a low-inflation environment while another worries over the price of delaying. The divide appeared in minutes released from the Federal Open Market Committee's July meeting, when central bank policymakers voted to hold the target rate to a range of 1 percent to 1.25 percent ([CNBC](#)).

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#### NASA

- **Google Lunar X Prize Teams Get Extra Time to Win Competition:** After months of stating that it would offer no further extensions of the Google Lunar X Prize competition, the X Prize Foundation announced it was effectively giving the five remaining teams a little extra time ([Space News](#)).
- **Smallsat Developers Propose Self-regulation to Address Orbital Debris Concerns:** As the number of cubesats and other small satellites grows, experts advise that some degree of industry self-regulation will be needed to avoid collisions that could lead to more restrictive government regulations ([Space News](#)).
- **UrtheCast Building Precursor Radar Satellite, Delays OptiSAR Constellation by a Year:** An unnamed backer of Canadian Earth observation company UrtheCast's proposed radar and optical satellite constellation has asked for UrtheCast to develop a standalone radar satellite ahead of the rest of its constellation ([Space News](#)).

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#### NIH

- **NIH Study Uncovers Specialized Mouse Neurons That Play a Unique Role in Pain:** Researchers from the National Institutes of Health have identified a class of sensory neurons (nerve cells that electrically send and receive messages between the body and brain) that can be activated by stimuli as precise as the pulling of a single hair. Understanding basic mechanisms underlying these different types of responses will be an important step toward the rational design of new approaches to pain therapy ([NIH](#)).
- **Scientists Give Star Treatment to Lesser-Known Cells Crucial for Brain Development:** After decades of relative neglect, star-shaped brain cells

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called astrocytes are finally getting their due. To gather insight into a critical aspect of brain development, a team of scientists examined the maturation of astrocytes in 3-D structures grown in culture dishes to resemble human brain tissue ([NIH](#)).

- **NIH Herpesvirus Study in Mice Leads to Discovery of Potential Broad-Spectrum Antiviral:** After herpesviruses infect a cell, their genomes are assembled into specialized protein structures called nucleosomes. Many cellular enzyme complexes can modulate these structures to either promote or inhibit the progression of infection. Scientists studying how one of these complexes (EZH2/1) regulated herpes simplex virus (HSV) infection unexpectedly found that inhibiting EZH2/1 suppressed viral infection. The research group, from the National Institute of Allergy and Infectious Diseases (NIAID) at the National Institutes of Health, then demonstrated that EZH2/1 inhibitors also enhanced the cellular antiviral response in cultured cells and in mice ([NIH](#)).

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#### *White House*

- **Trump's Business Councils Dissolve After CEOs Turn Against Him:** Only a day after President Donald Trump labeled as "grandstanders" the growing number of CEOs quitting his business council to protest his response to a white-supremacist rally that turned violent, the president abolished the advisory groups rather than put pressure on executives to stay ([Bloomberg](#)).
- **GOP Senator—Trump Lacking 'Stability,' 'Competence' To Succeed:** A leading Republican senator told reporters that President Trump "has not yet been able to demonstrate the stability, nor some of the competence that he needs to demonstrate in order to be successful" ([NPR](#)).
- **Trump Calls Removal of Confederate Monuments 'So Foolish':** President Donald Trump denounced the removal of monuments to Confederate figures as "sad" and "so foolish," days after white supremacists and neo-Nazis took to Charlottesville, Virginia, to violently protest the planned removal of a statue of the Confederate Gen. Robert E. Lee ([CNN](#)).
- **Big Companies Failed to Report Contributions to Trump Inaugural:** Forty-five companies reported giving large contributions totaling more than \$15 million to help fund the inaugural ceremonies making Donald Trump the 45th U.S. president. Several other big companies, however, were listed as contributors by the 58th Presidential Inaugural Committee but neglected to report their contributions as required by the federal lobbying law, the Lobbying Disclosure Act. These included such major corporations as Ford Motor Co., Wal-Mart Stores, Quicken Loans, Northrop Grumman and Travelers ([Bloomberg](#)).

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