
Window on Washington - This Week in the Nation's Capital - July 14, 2017, Vol. 1, Issue 17

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CONGRESS

Budget

- **EPA Appropriations Bill:** A House appropriations bill for fiscal year 2018 would trim the budget of the Environmental Protection Agency by \$500 million, as opposed to the \$2.6 billion cut requested by the White House. The spending measure also would provide the Interior Department and the Energy Department with more funds than the amounts in President Donald Trump's proposed budget ([Bloomberg](#)).
- **Agriculture Spending Riders Target Obama Food Safety Legacy:** Congressional Republicans are seeking to undo food safety and nutrition regulations from the Obama era, this time with policy riders tacked onto the agriculture spending bill ([Bloomberg](#)).
- **Senate Appropriators Approve First Bill, With No Budget in Sight:** The Senate Appropriations Committee approved its first spending bill for the 2018 fiscal year, despite the fact that no budget numbers have been set by the Budget Committee ([The Hill](#)).
- **Non-Defense Programs Take Hit as House Spending Bill Allocations Emerge:** The full picture of government funding in store under budget sequestration is beginning to emerge at the House Appropriations Committee, which revealed the last of the allocations for the 12 spending bills as it works to report all the measures by month's end ([Bloomberg](#)).
- **Fresh Freedom Caucus Demands Stall GOP Budget:** Republican plans to advance a budget bill have again stalled in the face of fresh demands from the House Freedom Caucus. The conservative lawmakers are now saying they will not back a budget until they know exactly what the House GOP's plan is on tax reform ([The Hill](#)).
- **CBO—Trump's Budget Would Reduce Deficit, But Not Balance Like White House Promised:** President Donald Trump's budget would reduce the federal deficit — but it would not balance the budget over a decade as the White House promised, the nonpartisan Congressional Budget Office said ([CNBC](#)).
- **House Appropriations Committee Approves Financial Services Bill:** The House Appropriations Committee today passed the fiscal year 2018 Financial Services and General Government Appropriations Bill, which was authored by Rep. Tom Graves (R-GA-14) who is chairman of the Financial Services and General Government Subcommittee. The bill provides annual funding for the Treasury Department, the Judiciary, the Small Business Administration, the Securities and Exchange Commission, the Federal Communications Commission, and other related agencies ([Northwest Georgia News](#)).

Congressional Security

- **FEC Could Allow Campaign Funds for Security:** Lawmakers could soon use campaign contributions for security, according to a draft advisory opinion released by the Federal Elections Commission ([Roll Call](#)).

Debt Ceiling

- **McConnell: 'Ideally' Debt Ceiling Vote is Before August Recess:** Senate Majority Leader Mitch McConnell (R-Ky.) signaled that he wants a vote on raising the debt ceiling before lawmakers leave for the August recess. "Ideally we'll deal with the debt ceiling before the August recess," he told reporters ([Roll Call](#)).

Energy/Environment

- **Russian Lobbying:** House Science, Space and Technology Committee Chairman Lamar Smith (R-Texas) and energy subcommittee chairman Randy Weber (R-Texas) called for an investigation into Russian foreign lobbying involvement in anti-fracking campaigns ([The Washington Times](#)).
- **House Republicans Reject Trump's Bid to Slash EPA's Funding:** House Republicans rejected Donald Trump's steep budgets cuts for the Environmental Protection Agency as members of the president's party instead offered a trim in spending for the environmental regulator ([Bloomberg](#)).
- **Nuclear Storage:** Backers and opponents of nuclear storage at Yucca Mountain are ramping up their efforts to influence House lawmakers on bipartisan legislation that would restart the permitting for the storage site in Nevada ([The Hill](#)).
- **Climate Change:** In a bipartisan effort to acknowledge the risk of climate change, House legislators voted to keep a provision in the National Defense Authorization Act that identifies climate change as a national security risk and requires impact research from the Department of Defense

(Axios).

Healthcare

- **Americans Do Not Want Senate's Health Care Plan:** Only 17 percent of U.S. adults approve of the health care bill, according to a recent NPR/Marist/PBS NewsHour poll. In fact, a majority of Americans now approve of Obamacare ([NPR](#)).
 - **Trump Presses Congressional Republicans to Pass Healthcare Plan:** President Donald Trump on Monday prodded the Republican-led U.S. Congress to pass major healthcare legislation but huge obstacles remained in the Senate as key lawmakers in his party voiced pessimism about the chances of rolling back the Obamacare law ([Reuters](#)).
 - **GOP to Keep Obamacare Taxes on Wealthy in Latest Healthcare Bill:** Senate Republican leaders dropped provisions that would repeal two taxes on high earners in a revised draft of their health-care bill sent to the Congressional Budget Office, according to GOP senators ([Investment News](#)).
 - **Leahy Joins Durbin And Other Senators In Urging DEA To Lower Opioid Quotas To Combat Prescription Drug Abuse:** U.S. Senator Patrick Leahy (D-Vt.) has joined Senator Dick Durbin (D-Ill.) and a group of 15 other senators in sending a letter to the Drug Enforcement Administration (DEA), urging the agency to better prevent painkillers from flooding the market by setting lower opioid production quotas for 2018 ([Leahy](#)).
 - **New GOP Health Care Bill Could Allow Cheaper Plans with Fewer Benefits:** Senate Republicans unveiled their newest health care bill as they continue to search for the majority needed to repeal and replace Obamacare. The revision includes a version of Texas Sen. Ted Cruz's amendment, which would allow insurers offering Obamacare plans to also offer cheaper, bare-bones policies. This is meant to appeal to conservatives, but could drive away moderates who are concerned the amendment would cause premiums to spike for those with pre-existing conditions ([CNN](#)).
 - **Graham, Cassidy Healthcare Offer Shifts Decisions to States:** An amendment to the GOP's healthcare plan written by two Republican senators would shift the majority of federal funding and decision-making on ObamaCare directly to the states ([The Hill](#)).
 - **Republican Health Bill Draft May Be Destined for a Rewrite:** Senate Majority Leader Mitch McConnell's latest health care draft almost certainly is headed to a rewrite again to find a way to appease the handful of Republican moderates worried about Medicaid cuts in their states ([Bloomberg](#)).
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Immigration

- **Trump's Delay of Foreign Entrepreneur Rule Likely to Face Litigation:** The Trump administration's move to delay and repeal a rule that would create a path for foreign entrepreneurs to launch startups in the U.S. - on border security grounds - likely faces litigation ([Bloomberg](#)).
 - **Hawaii Judge Expands List of Relatives Exempted From Order:** A federal judge in Hawaii expanded the list of "bona fide" family relationships needed by people seeking new visas from six majority Muslim countries to avoid President Trump's travel ban ([Fox News](#)).
 - **Trump: Border Wall Needs 'Transparency' to Protect Against Bags of Drugs Being Tossed Over:** During a flight aboard Air Force One, President Trump told reporters, "One of the things with the wall is you need transparency. You have to be able to see through it. In other words, if you can't see through that wall...so it could be a steel wall with openings, but you have to have openings because you have to see what's on the other side of the wall" ([AOL](#)).
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Nominations

- **Trump Names Randy Quarles as Fed's Bank Supervisor:** The White House announced Monday evening that it will nominate Randal Quarles, a former Treasury official and private equity investor, to fill a vacant seat on the Federal Reserve's Board of Governors in an influential position overseeing the banking system ([Washington Post](#)).
 - **NRC and EPA:** The Senate Environment and Public Works Committee approved two Nuclear Regulatory Commission nominees and an Environmental Protection Agency nominee, advancing the candidates to the full Senate for confirmation votes. Two Federal Energy Regulatory Commission nominees and the Energy Department's deputy secretary nominee are also awaiting Senate confirmation ([The Washington Examiner](#)).
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Russia

- **Chuck Grassley Will Call Paul Manafort to Testify:** U.S. Sen. Chuck Grassley said he intends to call former Trump campaign manager Paul Manafort to testify before the Senate Judiciary Committee, and will subpoena him if necessary ([Des Moines Register](#)).
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Recess

- **August Recess Delayed:** Senator Mitch McConnell said the Senate's August recess will be delayed by two weeks, "due to this unprecedented level of obstruction" by Democrats ([CNSNews](#)).
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Tax Reform

- **Tax Reform and Tax Cuts are Coming Even if Health-Care Bill Fails:** A corporate tax reform plan is likely to take shape sometime this fall and be signed into law next year, regardless of what happens with congressional efforts to replace Obamacare ([CNBC](#)).
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Trade

- **U.S. Farm Lobby Turns Up Heat on Trump Team as NAFTA Talks Near:** With talks to renegotiate the NAFTA trade pact just weeks away, U.S. farm groups and lawmakers from rural states are intensifying lobbying of President Donald Trump's administration with one central message: leave farming out of it ([Reuters](#)).
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Transportation

- **Transportation-Housing Spending Bill Wins House Subcommittee Backing:** The \$56.5 billion transportation-housing spending bill approved in the House appropriations subcommittee strikes a balance between supporting projects with bipartisan popularity and making cuts in the president's proposed budget. The bill would provide \$17.8 billion in discretionary spending for transportation programs in fiscal year 2018 and \$38.3 billion for housing programs ([Bloomberg](#)).
 - **Delta Softens Stance Against Air Traffic Control Privatization:** Delta, long an opponent to privatizing the U.S. air traffic control (ATC) system, appears to have softened its opposition to the proposal ([Travel Weekly](#)).
 - **Senate Self-Driving Car Proposal Would Up New Vehicle Design Allowance:** A draft Senate bill on autonomous vehicles would expand a federal program allowing for designs that do not meet current vehicle standards, according to three industry sources familiar with the text ([Bloomberg](#)).
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Yellen Testimony

- **Yellen Indicates That Fed May Not Need to Hike Rates Much More:** Interest rates may not have to rise that much for the Federal Reserve to meet its goals, central bank Chair Janet Yellen said. In prepared remarks to Congress, Yellen reiterated statements that Fed Gov. Lael Brainard gave, namely that rates are close to a "neutral" level and not in need of a significant move higher ([CNBC](#)).
- **Yellen Says 3 Percent U.S. Growth 'Quite Challenging' in Coming Years:** It would be "quite challenging" for the United States to reach the 3 percent growth target set by President Donald Trump, Federal Reserve Chair Janet Yellen told a Senate panel in a hearing focused on regulatory reform and a discussion of lagging productivity. Trump has pledged to boost annual growth to 3 percent, the average for much of the last 70 years, and predicated an earlier tax plan on reaching that figure ([Reuters](#)).

EXECUTIVE BRANCH

Department of Energy

- **Nuclear Threats:** Energy Secretary Rick Perry said the cybersecurity of U.S. nuclear labs continues to be prioritized. The federal government does not know if recent cyberattacks targeting such facilities were state-funded or carried out by individuals ([Fox Business](#)).
 - **Cross-Border Trading:** Energy Secretary Rick Perry discussed North American energy strategy on a diplomatic trip to Mexico City, encouraging Mexican Energy Secretary Pedro Joaquin Coldwell to support nuclear energy and changing regulations to favor cross-border electricity trading ([Reuters](#)).
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EPA

- **Methane Regulation:** The Environmental Protection Agency sought a delay from the appeals court ruling last week that would have stopped further delays from an Obama-era rule on methane regulation ([The Hill](#)).
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Department of Labor

- **Labor Force Participation Ticks Up:** According to the June jobs report, the labor force participation rate ticked up to 62.8%, slightly higher than the 62.7% reading in May ([Business Insider](#)).

CFPB

- **Senate Republican Kicks Off Attempt to Gut CFPB Arbitration Rule:** A Senate Republican has circulated a resolution to nullify the Consumer Financial Protection Bureau's arbitration rule, one day after the rule was adopted by the bureau ([Bloomberg](#)).

Regulations

- **Picture Becoming Clearer on New Trump Regulatory Policy:** The Office of Management and Budget will release the Spring 2017 Unified Agenda of Federal Regulatory and Deregulatory Actions, which will list for the first time the regulations that agencies intend to eliminate or modify to offset the costs of their new regulations ([Bloomberg](#)).

SEC

- **SEC Allows More Companies to Take "No Action" on Shareholder Proposals:** A greater number of companies excluded investor proposals this proxy season, as business groups and lawmakers turn up the heat on the U.S. Securities and Exchange Commission to revise shareholder proposal rules. Companies submitted 288 "no-action" requests to the SEC this year, and staff granted 78% of these requests for exclusions ([Wall Street Journal](#)).
- **SEC to Tailor Disclosure Regime Under New Chair Clayton:** The Securities and Exchange Commission is considering new disclosure measures that would improve on the information provided to investors and could ease reporting burdens for companies, Chairman Jay Clayton suggested ([Bloomberg](#)).

NASA

- **House Spending Bill Increases NASA Planetary Science, Cuts NOAA Weather Satellite Program:** A fiscal year 2018 spending bill that will be marked up by the House Appropriations Committee July 13 includes record funding levels for NASA's planetary science program, but severely cuts a NOAA weather satellite program. ([Space News](#)).
- **Moon Express Releases Details of its Lunar Lander Missions:** Moon Express, a company developing commercial lunar landers, said its first mission is still on schedule to launch by the end of this year in a bid to win the Google Lunar X Prize ([Space News](#)).
- **White House Objects to NDAA Provision That Would Prevent DoD from Using Commercial Satellites Launched on Russian Rockets:** The White House is objecting to language in a defense authorization bill that would prevent the Pentagon from buying satellite services from spacecraft launched on Russian rockets ([Space News](#)).
- **NASA Planning August Release of Mars Robotic Exploration Architecture:** With time running out to start work on a 2022 Mars orbiter, a NASA official said July 10 the agency plans to have a "coherent Mars architecture" for future robotic Mars missions ready for presentation at an August committee meeting ([Space News](#)).
- **Satellite Industry Generated More Than \$260 Billion in Revenues in 2016:** The satellite industry generated more than \$260 billion in revenues in 2016, according to a new report. The annual State of the Satellite Industry report by the Satellite industry Association found that overall revenues for the industry grew by 2 percent, although the Earth-observation market grew at a much faster clip ([Space News](#)).
- **Orbital ATK Wins \$48 Million Contract for Missile Defense Agency Rocket Motor Sustainment:** Satellite and rocket manufacturer Orbital ATK won a \$48 million follow-on contract from the U.S. Missile Defense Agency's Targets and Countermeasures Directorate, the company announced ([Space News](#)).
- **White House Not Expected to Rush Development of New Space Policy:** Two people who served on the NASA transition team for the Trump administration said they do not expect the White House to rush the development of a new national space policy ([Space News](#)).
- **House Offers Increase to FAA Commercial Space Office:** A spending bill marked up by House appropriators would provide a significant increase to the office responsible for licensing commercial launches, counteracting a planned cut ([Space News](#)).

White House

- **Trump's Son Met Russian Lawyer After Promise of Damaging Information on Clinton:** Donald Trump Jr. admitted to a meeting with a Russian lawyer who had close ties to the Kremlin mere weeks after his father clinched the Republican nomination for president. The meeting was also attended by then-campaign chairman Paul Manafort and the president's son-in-law Jared Kushner. It turns out President Donald Trump's eldest son only agreed to meet with the lawyer after she promised damaging information about Hillary Clinton and her campaign for the presidency ([Slate](#)).
- **Trump's Voter Commission Suspends Data Collection, Awaits Judge's Ruling:** President Trump's voter integrity commission has suspended collection of states' voter data until after a judge rules on whether the panel is abiding by data privacy laws ([Washington Times](#)).

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- **GOP Senator—Trump Jr. Will Testify Before Senate Intelligence Committee:** Sen. John Cornyn (R-TX) said that Donald Trump Jr. would testify in front of the Senate Intelligence Committee following his release of emails in which a family acquaintance promised dirt on Hillary Clinton as part of the Russian government's effort to help his father's presidential campaign ([Talking Points Memo](#)).

If you have any questions about this alert please contact your Clark Hill attorney.