
Window on Washington - This Week in the Nation's Capital - July 7, 2017 Vol. 1, Issue 16

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CONGRESS

Budget

- **Rep. Diane Black Fighting Budget Headwinds:** Rep. Diane Black is facing a revolt over her plans to cut \$200 billion from entitlement spending. The Tennessee Republican heads the House Budget Committee. A group of 20 GOP moderates last week signed a letter saying they oppose Black's proposed budget. The letter from the moderates says Black's cuts are "not practical" ([WMOT](#)).
 - When congress returns next week they will continue action on the FY2018 appropriations process, including mark-ups in the House related to transportation and housing finance, and possibly full committee action on a number of bills reported by other appropriations subcommittees prior to the July 4th recess. The Senate will begin marking-up their appropriations bills late next week, mirroring the house, moving first on the military construction and veterans affairs measures. It should be noted, however, that without an overall agreement on the FY2018 budget resolution, or alternatively a resolution that deems a topline discretionary spending total for defense and non-defense appropriations, it remains unclear how either chamber will move measures to their respective floors for action.
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Ethics

- **Ethics Office Director Walter Shaub Resigns, Saying Rules Need To Be Tougher:** Office of Government Ethics Director Walter Shaub Jr. is turning in his resignation. The move follows months of clashes with the White House over issues such as President Trump's refusal to divest his businesses and the administration's delay in disclosing ethics waivers for appointees ([NPR](#)).
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Financial Reform

- **House Republicans Look to Overhaul SEC Market Structure Rule:** House Republicans are eyeing potential changes to a 2005 SEC regulation that rewrote U.S. market structure pricing and data rules, now that their signature Dodd-Frank Act rollback has moved through the chamber ([Bloomberg](#)).
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Hacking

- **Russians Are Suspects in Nuclear Site Hackings:** Hackers working for a foreign government recently breached at least a dozen U.S. power plants, including the Wolf Creek nuclear facility in Kansas, according to current and former U.S. officials, sparking concerns the attackers were searching for vulnerabilities in the electrical grid ([Bloomberg](#)).
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Healthcare

- **Senate Obamacare Repeal Vote Unlikely Next Week:** Senate Republicans are highly unlikely to vote next week to repeal Obamacare and are tentatively preparing for a vote in approximately two weeks, according to senators and officials on Capitol Hill and in the White House ([Politico](#)).
 - **Senate Health-Care Stabilization Funds Could Offset Premium Hikes:** Funds included in the Senate's health-care bill to stabilize the individual health insurance market could at least partly offset premium increases from eliminating the Obamacare individual mandate ([Bloomberg](#)).
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Immigration

- **Hawaii Judge Declines to Clarify Scope of the Travel Ban Ruling:** A federal district court judge on Thursday night declined a request from Hawaii to clarify a ruling by the Supreme Court on the scope of the travel ban, telling lawyers for the state that they must seek such clarification with the Supreme Court ([CNN](#)).
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Nominations

- **Hearing Set Before Senate Committee on NLRB Nominations:** As expected, President Trump nominated Marvin Kaplan and William Emanuel to fill the two currently-vacant seats on the National Labor Relations Board. A hearing on their nominations is now scheduled for July 13 before the Senate Health, Education, Labor & Pensions (HELP) Committee ([National Law Review](#)).
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Tax Reform

- **Border Tax Could Be Negotiating Position for GOP Leaders:** House Ways and Means Committee Chairman Kevin Brady (R-Texas) and House Speaker Paul D. Ryan (R-Wis.) may be hoping that by continuing to push the tax, they will stake out a stronger negotiating position as Republican lawmakers and the White House work on a tax reform bill ([Bloomberg](#)).
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Trade

- **Polish Trade:** President Donald Trump expressed great confidence in an export deal with Poland for U.S. liquefied natural gas, though Polish President Andrzej Duda said private companies would ultimately negotiate the deal - not presidents ([The Hill](#)).

EXECUTIVE BRANCH

Department of Education

- **19 AGs Sue DeVos for Delaying For-Profit College Rules:** Democratic attorneys general in 18 states and the District of Columbia are suing Education Secretary Betsy DeVos over her decision to suspend rules meant to protect students from abuses by for-profit colleges ([Detroit News](#)).
 - **Michigan Judge Extends Freeze on Private School Aid:** A Michigan judge on Wednesday extended her temporary freeze on state funding for private schools as she continues to consider a request for a longer injunction ([Detroit News](#)).
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EPA

- **Fuel Standards:** The Environmental Protection Agency released its 2018 renewable fuel standards, which maintain this year's level of corn-based ethanol and decrease the use of biofuels from grasses, algae and plants ([The Des Moines Register](#)).
 - **Methane Emissions:** A federal court ruled that the Environmental Protection Agency lacked authority under the Clean Air Act to issue the 90-day administrative stay of the Obama administration's rule to curb methane emissions in drilling operations ([The New York Times](#)).
 - **Climate Change:** EPA Administrator Scott Pruitt announced a formal program to question climate change despite scientific consensus. A back-and-forth critique will be employed to evaluate the status of the EPA's legal foundation to regulate greenhouse gas emissions ([E&E News](#)).
 - **Dental Waste:** On June 14, 2017, EPA published in the Federal Register the final dental amalgam rule, the first EPA environmental rule finalized in the Trump Administration. The rule requires dental offices to capture dental amalgam used by dentists to restore teeth (and which consists of 50% elemental mercury) before it is discharged into local sewer systems ([Inside EPA](#)).
 - **Texas Violators:** Advocacy groups looked to the Environmental Protection Agency to enforce the Clean Air Act after reporting that Texas penalized less than three percent of air polluting companies between 2011 and 2016 ([The Guardian](#)).
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Department of Interior

- **NPS Backlog:** Interior Secretary Ryan Zinke proposed funding the maintenance backlog in the National Park Service through royalties from offshore drilling leases ([The Hill](#)).
 - **Drilling:** The Interior Department began accepting public comments on the five-year plan to open up the Outer Continental Shelf to offshore drilling ([The Hill](#)).
 - **Interior Secretary Ryan Zinke Pledges to Streamline Oil and Gas Permits:** President Donald Trump's efforts to increase U.S. energy production got a boost Thursday from Interior Secretary Ryan Zinke, who pledged to streamline permitting for oil and gas drilling and hold more frequent sales of drilling rights on federal lands ([Denver Post](#)).
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Department of Labor

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- **DOL Defends Fiduciary Rule, Drops Anti-Arbitration Condition:** The DOL is urging a federal appeals court to uphold its fiduciary rule with one big exception—the agency says it will no longer defend the rule’s anti-arbitration condition that’s intended to prohibit investors from pursuing class litigation against financial advisers (Chamber of Commerce v. U.S. Department of Labor, 5th Cir., No. 17-10238, brief for appellees 7/3/17) ([Bloomberg](#)).
 - **US Nonfarm Payrolls Total 222,000 in June vs 179,000 Expected:** The U.S. job market roared back to life in June, with a better-than-expected 222,000 new positions created in June while the unemployment rate held at 4.4 percent, according to a government report Friday ([CNBC](#)).

CFPB

- **NCUA Chairman Seeks CFPB Exam Exemption For Big Credit Unions:** Three, very large state-chartered credit unions – out of six federally insured credit unions with \$10 billion or more in assets -- would receive a conditional exemption from CFPB exam and enforcement authority under a request made by NCUA Board Chairman J. Mark McWatters ([NASCUS](#)).

G20 Summit

- **G20 Discusses Steel Overcapacity as Tensions Simmer Over U.S. Tariff Plan:** G20 leaders discussed steel overcapacity at the summit in Germany, as tensions rise over U.S. President Donald Trump’s plan to use a Cold War-era law to restrict steel imports for national security reasons ([Reuters](#)).
- **Theresa May to Discuss Paris Accord with Donald Trump at G20:** Theresa May raised the issue of climate change with Donald Trump when the pair met for the first time since she lost her majority in the general election ([The Guardian](#)).
- **E-Commerce and Cybersecurity Remain Priorities for G-20 Leaders:** Leaders of the world’s 20 major economies are expected to break new ground this year in their focus on digital trade, cybersecurity, and the internet’s growing impact on the global economy ([Bloomberg](#)).
- **China Blasts G-20 Over Trade:** Chinese President Xi Jinping took a swipe at the U.S. for retreating from globalization, exposing the tensions before a meeting of world leaders divided over everything from trade and climate change to handling North Korea’s provocations ([Bloomberg](#)).
- **Trump and Putin Shake Hands:** As Group of 20 leaders met in Hamburg at the start of one of the most highly-anticipated summits in years, U.S. President Donald Trump and Russia’s Vladimir Putin shook hands, a symbolic initial encounter ahead of their first bilateral meeting later Friday ([Bloomberg](#)).

NASA

- **Pence Says NASA to Reorient Towards Human Spaceflight:** Vice President Mike Pence said that the U.S. space program would refocus on human spaceflight, including missions to the moon and Mars, but offered few other details about what such a shift would entail ([Space News](#)).
- **Air Force Asks SpaceX, ULA to Bid on a Five-Launch Contract:** The Air Force announced it is soliciting proposals for five upcoming launches — the largest group it has posted since certifying SpaceX to compete with United Launch Alliance for launch contracts ([Space News](#)).
- **SpaceX Crests Double-Digit Marker, Notching Tenth Launch This Year:** SpaceX continues to outperform its launch cadence from earlier years, conducting its tenth successful launch this year with a mission for Intelsat ([Space News](#)).
- **Long March 5 Launch Fails:** The second launch of China’s most powerful rocket, the Long March 5, ended in failure July 2, the second incident involving a Chinese launch vehicle in as many weeks ([Space News](#)).
- **NASA Reviews Options for Dawn Extended Mission:** NASA expects to make a decision within the next two months whether to keep the Dawn spacecraft in orbit around the largest body in the main asteroid belt or have it fly past another asteroid ([Space News](#)).
- **DARPA Trying to Launch Smallsat Experiment on an Indian Rocket:** Citing delays with its original launch on a SpaceX Falcon 9 rocket, the U.S. Defense Advanced Research Projects Agency is trying to launch an experimental small satellite mission on a Polar Satellite Launch Vehicle from India ([Space News](#)).
- **President Trump Reestablishes National Space Council:** U.S. President Donald Trump signed a long-awaited executive order June 30 re-establishing the National Space Council ([Space News](#)).

White House

- **Trump Commission—American Voters Do Not Have Right to ‘Informational Privacy’:** President Trump’s voting integrity commission fired back at critics saying the Supreme Court has never recognized a constitutional right to “informational privacy” that would prevent the panel from collecting and studying voter registration data from all 50 states ([Washington Times](#)).

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