
Window on Washington - This week in the Nation's Capital - June 16, 2017 Vol. 1, Issue 13

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CONGRESS

Budget

- **Internal House GOP Budget Feud Threatens Agenda:** House GOP efforts to write a fiscal 2018 budget are deadlocked amid Republican infighting, a divide that threatens to undermine President Donald Trump's agenda by stalling tax reform and delaying progress on appropriations ([Politico](#)).
 - **Appropriators Share Misgivings About Transportation Budget:** Appropriators on both sides of the aisle expressed misgivings about transportation cuts, air traffic control changes, and funding for the infrastructure plan included in the White House's proposed fiscal 2018 budget during a subcommittee hearing June 15 ([Bloomberg](#)).
 - **Appropriations Committee Approves Fiscal Year 2018 Military Construction and Veterans Affairs Legislation:** The House Appropriations Committee today approved the fiscal year 2018 Military Construction and Veterans Affairs Appropriations bill on a voice vote. The legislation meets the goals outlined by the White House to rebuild the military, providing funding to house, train, and equip military personnel, for housing and services to military families, and to help maintain base infrastructure. The bill also funds veterans' benefits and programs ([Committee on Appropriations](#)).
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Debt Ceiling

- **White House Without a Plan to Address Debt Ceiling:** The White House lacks a unified plan to increase the government's borrowing cap as a likely September deadline is drawing near, said Mick Mulvaney, director of the Office of Management and Budget ([Fox Business](#)).
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Energy/Environment

- **House Panel Votes to Extend Tax Credit for Nuclear Power:** The House Ways and Means Committee approved a bipartisan bill that would lift a deadline for the nuclear power production tax credit ([The Hill](#)).
 - **Bills:** A House committee advanced a bill supporting the Yucca Mountain nuclear waste repository, a bill delaying implementation of ozone standards, and a bill to reauthorize the Environmental Protection Agency's Brownfields program for contaminated plots of land ([The Hill](#)).
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Flood Insurance

- **Bipartisan Group of Senators Seeks Caps on Flood Insurance Premiums:** A bipartisan group of six senators proposed overhauling the National Flood Insurance Program to cap premium increases, use advanced radar to make more accurate flood maps, and offer some homeowners vouchers to pay for coverage and loans to elevate buildings ([USA Today](#)).
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Healthcare

- **House Passes Fix to Veterans Health Care Tax Credit Controversy:** House lawmakers quietly passed a fix regarding veterans status under the proposed new health care bill that Republican supporters hope will silence one part of the opposition to the measure ([Military Times](#)).
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Immigration

- **9th Circuit Deals Trump Travel Ban Another Defeat:** Another federal court has ruled against President Donald Trump's revised executive order limiting travel from six predominately Muslim countries -- and like other courts, used his tweets against him ([CNN](#)).
 - **Court Orders DHS to Reinstate Amnesty for Georgia Dreamer:** A federal judge ordered Homeland Security to reinstate an amnesty for a Dreamer and blasted the government for "running roughshod" over a young woman in a ruling that breaks new ground in legal rights for illegal immigrants ([Washington Times](#)).
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Infrastructure/Transportation

- **Slashing Permit Wait Time Key to Fixing Infrastructure:** President Donald Trump called for major changes to the infrastructure approval process, vowing to ease the “excruciating wait time” for federally funded projects ([Bloomberg](#)).
- **Self-Driving Car Bills Likely to Be Introduced Before August:** Legislation on self-driving cars could be formally introduced in both the House and Senate before the August recess. “Ideally we would like to have it done before we leave,” Sen. Gary Peters (D-Mich.) told reporters after a hearing on the subject at the Senate Commerce, Science, and Transportation Committee ([Bloomberg](#)).
- **Former Air Traffic Control Chiefs Back Trump’s Privatization Plan:** Three former heads of the nation’s air traffic control operations endorsed a White House proposal to spin off air traffic management into a non-governmental entity, in a letter to Transportation and Infrastructure Committee Chairman Bill Shuster (R-Pa.) ([Bloomberg](#)).

Nominations

- **Trump to Nominate Ex-NYSE Euronext VP Dawn DeBerry Stump to CFTC:** U.S. President Donald Trump intends to nominate Dawn DeBerry Stump, a former vice president at NYSE Euronext, to serve as commissioner on the Commodity Futures Trading Commission ([Reuters](#)).
- **President Trump Taps Russ Vought to Be OMB Deputy Director:** President Donald Trump tapped Russ Vought, who has a strong background in housing finance, serving on both the House Financial Services Committee as well as the House Oversight and Government Reform Committee to serve as deputy director of the Office of Management and Budget ([Housing Wire](#)).
- **Panel Backs Trump’s Pick to Lead Immigration Agency:** The Senate Judiciary Committee voted to approve President Trump’s pick to lead the immigration benefits agency, rejecting complaints from advocacy groups who had complained that he was too conservative and too inexperienced to take the important bureaucratic post. Lee Francis Cissna, the nominee for director of U.S. Citizenship and Immigration Services, cleared committee on a strong bipartisan vote, with just two Democrats voting against him, setting him up for a final confirmation vote in the whole Senate ([Washington Times](#)).
- **Slate of Trump Economic Nominees Head to Senate Floor:** The Senate took a step toward reinforcing the Trump administration’s economic team, advancing several candidates out of two committees. The Banking Committee advanced the candidacies of Kevin Hassett for chairman of the Council of Economic Advisers and Pam Patenaude to be the deputy secretary of the Department of Housing and Urban Development ([Washington Examiner](#)).

Press

- **Television Reporters Told to Stop Filming in Senate Hallways:** Television reporters covering the Capitol were told midday Tuesday to stop filming interviews in Senate hallways, a dramatic and unexplained break with tradition that was soon reversed amid wide rebuke from journalists, Democratic lawmakers and advocacy organizations ([Washington Post](#)).

Sanctions

- **Senate Overwhelmingly Passes New Russia and Iran Sanctions:** The Senate overwhelmingly passed a bill that would step up sanctions against Iran and Russia, delivering in the process a rebuke to President Trump’s policies toward Russia and Europe with a veto-proof majority ([Washington Post](#)).

Supreme Court

- **Gorsuch’s Debut Opinion Unanimously Backs Debt Collectors:** The U.S. Supreme Court limited a federal law that protects consumers from overaggressive debt collectors, as Justice Neil Gorsuch wrote his first majority opinion. Writing for a unanimous court, Gorsuch said the Fair Debt Collection Practices Act does not authorize lawsuits against companies that buy defaulted loans from another lender ([Daily Record](#)).

Tax Reform

- **Brady Tries to Soften Border Tax by Proposing Five-Year Phase-In:** House Ways and Means Chairman Kevin Brady floated a five-year phase-in for his controversial border-adjusted tax on domestic sales and imported goods as a way to ease its negative impact ([Bloomberg](#)).

EXECUTIVE BRANCH

Department of Agriculture

- **Perdue Breaks With Trump on International Food Aid Cuts:** Agriculture Secretary Sonny Perdue appeared to break with White House budget recommendations to eliminate a major international food aid program. President Donald Trump's fiscal 2018 budget recommended ending the McGovern-Dole International Food for Education program, which donates U.S. crops, as well as technical and financial assistance, to school meal and child nutrition programs in developing countries. The budget proposal says the program "lacks evidence that it is being effectively implemented to reduce food insecurity" ([Bloomberg](#)).

Department of Defense

- **Navy's \$13 Billion Carrier Struggles to Fly and Land Planes:** The newest and costliest U.S. aircraft carrier, praised by President Donald Trump and delivered to the Navy on May 31 with fanfare, has been dogged by trouble with fundamentals: launching jets from its deck and catching them when they land ([The Washington Post](#)).

Department of Education

- **Department of Education Freezes Obama-era Rules Meant to Protect Student Borrowers:** The Department of Education will halt two Obama-era rules that would have protected student borrowers and held for-profit colleges accountable ([CNN](#)).
- **Memo Outlines Department of Education Plans to Scale Back Civil-Rights Efforts:** The U.S. Department of Education plans to weaken requirements for investigating civil-rights complaints. Candice Jackson, the department's acting assistant secretary for civil rights, announced the changes in a memo sent to her staff on June 8. "Effective immediately, there is no mandate that any one type of complaint is automatically treated differently than any other type of complaint with respect to the scope of the investigation, the type or amount of data needed to conduct the investigation, or the amount or type of review or oversight needed for the investigation by headquarters" ([The Chronicle of Higher Education](#)).

Department of Energy

- **Office of International Climate and Technology:** The Department of Energy will eliminate its Office of International Climate and Technology, which works with other countries to develop clean-energy technology ([The New York Times](#)).
- **Energy Department Climate Office Closure One of 'Many' Planned:** The Energy Department's closure of its Office of International Climate and Technology, which works on global emission reductions, is one of many program offices the agency is eyeing to cut as part of fiscal year 2018 budget reductions ([Bloomberg](#)).

EPA

- **Scott Pruitt Makes Brief Appearance at G7 Environment Summit:** Top environment officials from the Group of Seven wealthy democracies met in Italy amid ongoing differences between the U.S. and other members of the club over how to deal with climate change ([Business Insider](#)).
- **Pruitt Delays Chemical Plant Regulation Changes to 2019:** Chemical companies, oil refiners and other industrial sites will see a reprieve from an Obama administration regulation that would have imposed new safety requirements. EPA Administrator Scott Pruitt signed a final rule delaying the risk management program regulations (RIN:2050-AG82) to Feb. 19, 2019 ([Bloomberg](#)).
- **Dakota Access:** A federal judge ruled that the Trump administration has to conduct further environmental reviews on the Dakota Access pipeline, but he did not halt the pipeline's operations ([The Washington Post](#)).

Department of Interior

- **Zinke Recommends Shrinking Size of Utah's Bears Ears Monument:** Interior Secretary Ryan Zinke recommended President Donald Trump shrink the size of the 1.3-million-acre Bears Ears National Monument in Utah and give more authority to managing the smaller area to tribal leaders ([Las Vegas Review-Journal](#)).
- **Methane Rule:** The Department of the Interior is preparing to delay implementation of a rule on methane emissions on federal lands, following news that the Environmental Protection Agency would also pause implementation of its rule on methane emissions ([The Hill](#)).

Department of Labor

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- **Trump Orders U.S. Regulatory Review to Boost Apprenticeship Programs:** The Trump administration asked federal agencies and departments to remove regulations that could be an obstacle to apprenticeship programs as part of a White House effort to improve workforce development ([Bloomberg](#)).

Department of Treasury/Federal Reserve

- **Treasury Releases First Report on Core Principles:** The U.S. Department of the Treasury issued its first in a series of reports to President Donald J. Trump examining the United States' financial regulatory system and detailing executive actions and regulatory changes that can be immediately undertaken to provide much-needed relief ([Treasury](#)).
- **Lawmakers Remain Split as Regional Banks Press for Relief:** Senate Banking Committee Chairman Mike Crapo sounded optimistic about reaching a bipartisan deal for regulatory relief, but a hearing with regional and large-bank representatives once again emphasized the gulf between what lawmakers are likely to pass and what the industry is seeking ([American Banker](#)).
- **Yellen Is 'Sympathetic' to Treasury's Recent Regulatory Recommendations:** Federal Reserve Chair Janet Yellen said she's "sympathetic" to the Treasury Department's goal of easing regulations on financial institutions, but stressed that there are areas where the Fed's priorities likely diverge from the Trump administration's ([Morning Consult](#)).

CFPB

- **Administration Looks to Curb CFPB Powers, Change Bank Rules:** The Trump administration is proposing to curb the authority of the consumer finance agency that was created following the economic crisis as it drives toward easing restrictions on banks and financial institutions. Accordingly, the Treasury Department issued the first part of a review that was ordered by President Donald Trump in one of his earliest acts as president ([Associated Press](#)).
- **CFPB Revises Prepaid Rule in Response to Industry Complaints:** The Consumer Financial Protection Bureau is revising its pending prepaid-card rule in response to concerns raised by industry, including mobile-wallet providers such as Google and PayPal whose products are covered by the regulation ([Bloomberg](#)).

FDA

- **FDA Could Act to Pull More Opioid Pain Pills From the U.S. Market:** The Food and Drug Administration is examining the abuse potential of several more opioid pain pills amid an ongoing review of health risks from the drugs, which have been tied to thousands of overdose deaths a year ([Bloomberg](#)).
- **FDA Delays Rolling Out New Nutrition Facts Label:** The U.S. Food & Drug Administration delayed indefinitely implementation of a new nutrition facts label that would enlarge calorie counts, itemize added sugar and bring serving sizes in line with actual average portions. The rule, which had been championed by former first lady Michelle Obama, had been scheduled to go into effect on July 26, 2018 ([Reuters](#)).

FEC

- **FEC Dismisses Lawmakers' Complaint Against Super PACs:** The Federal Election Commission has dismissed an administrative complaint filed by members of Congress against the nation's leading super political action committees. However another court challenge will continue arguing that super PACs illegally allow unlimited contributions to influence federal elections ([Bloomberg](#)).

NASA

- **NASA Closing Out Asteroid Redirect Mission:** With administration plans to cancel it announced earlier this year, and a lack of congressional support, NASA is in an "orderly closeout" phase of its Asteroid Redirect Mission (ARM) while keeping alive some of its key technologies for other applications ([Space News](#)).
- **SpaceX Hopes to Resume Launches from Cape Canaveral Launch Pad Later This Summer:** Space Launch Complex 40 was damaged last September when a Falcon 9 exploded during preparations for a static fire test. Repairs to the pad are in progress, with Space Florida contributing \$5 million to pay for upgrades that will allow for a higher launch rate ([Space News](#)).
- **Boeing, DARPA Will Base XS-1 Experimental Spaceplane at Cape Canaveral When it Begins Testing in a Few Years:** Boeing and DARPA will base the XS-1 experimental spaceplane at Cape Canaveral when it begins testing in a few years. The XS-1 vehicle, known as Phantom Express, will launch vertically from an unspecified pad at Cape Canaveral and make a landing at one of two runways there. Boeing already has facilities at the Kennedy Space Center for refurbishing the Air Force's X-37B spaceplane between launches ([Space News](#)).

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- **Amendment to Senate Bill Allows Continued Imports of Russian Rocket Engines:** Senators overwhelmingly passed an amendment to an Iran-Russia sanctions bill to fix language some argued could have prevented NASA and others from launching missions on rockets that use Russian engines. In discussion on the Senate floor June 15, several senators said a provision of S. 722, a bill that imposes sanctions on both Iran and Russia for their destabilizing actions in the Middle East and elsewhere, would have prevented the importation of Russian rocket engines for use on civil and commercial launches ([Space News](#)).
 - **Panasonic Avionics: “Jury’s Still Out” on Profitability of In-Flight Connectivity”:** Panasonic Avionics, one of the largest providers of satellite-enabled broadband to aircraft, says the long-term viability of inflight connectivity as a moneymaker remains an open question. Lower capacity costs, something buyers have typically praised, are acting as a double-edged sword, according to David Bruner, Panasonic Avionics’ vice president of global sales and marketing, thinning profit margins to the point of concern ([Space News](#)).
 - **Upcoming SpaceX Launch Will Be First West Coast Test of Automated Flight-Termination System:** An upcoming SpaceX launch will be the first West Coast test of an automated flight-termination system. The Autonomous Flight Safety System will be used on the Falcon 9 launch of 10 Iridium Next satellites scheduled for June 25 from Vandenberg Air Force Base ([Space News](#)).
 - **Planetary Resources Sets Aside Earth Observation System:** Year after announcing plans to develop a constellation of Earth observation satellites, Planetary Resources has set that effort aside to focus on its core mission of asteroid prospecting. The company announced in May 2016 a satellite system called Ceres that would ultimately include 10 small satellites capable of providing hyperspectral and mid-wave infrared imagery. That announcement was tied to a \$21.1 million funding round for the Redmond, Washington-based company ([Space News](#)).
 - **World View Signs Up Unconventional Customer for Stratospheric Balloon Test Flight:** World View, the company developing high-altitude long-lived balloons for communications, remote sensing and other applications frequently provided by satellites, has found a very different customer for its next test flight ([Space News](#)).

White House

- **Hill Democrats Sue Trump Over Foreign Business Ties:** President Donald Trump is facing yet another lawsuit over the profits his far-flung business empire brings in from dealings with foreign governments. The latest legal salvo came from nearly 200 Democratic members of the House and Senate, who joined in a suit filed early Wednesday in federal court in Washington ([Politico](#)).
- **Trump May Issue Executive Order to Lower Drug Prices:** The White House is now drafting an executive order instructing executive agencies to use value-based contracts for drug purchases, while also protecting the intellectual property rights of drug companies abroad ([Consumer Affairs](#)).
- **Trump’s Cuban Policy Reversal:** President Trump will announce Friday a drastic change in the U.S.-Cuba relationship, swapping a policy of cultural exchange to bring about democratic ideals for something closer to the embargo-style policies from past decades. White House officials said Trump plans to cut off income to the Castro regime, with the hopes of bringing about free elections, by once again limiting tourism and trade to the island ([The Atlantic](#)).
- **OMB Eliminates 59 Data Reporting Requirements for Agencies:** The Office of Management and Budget is cleaning out its policy closet and in its first sweep found 59 data reporting requirements that are no longer necessary. Of those 59 requirements, 50 have been rescinded and nine have been modified or suspended for the near future ([Federal News Radio](#)).

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