
Window On Washington - This Week in the Nation's Capital - March 31, 2017 Vol. 1, Issue 2

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Congress

Budget/Appropriations

- **April Deadline:** The first deal Trump must cut is one to keep the government open past April 28, and here Republicans and Democrats mostly want him to get out of the way. Senate appropriators in both parties are planning to push off Trump's plans to fund his border wall and dismiss out of hand his proposal to cut domestic agencies by \$18 billion ([USA Today](#)).
- **Rep. Frelinghuysen - Omnibus Spending Bill Expected after Easter:** House lawmakers will consider a catch-all bill to fund the federal government this fiscal year during the "first week" following the congressional Easter recess, according to Rep. Rodney Frelinghuysen, chairman of the Appropriations Committee ([The Atlantic](#)).
- **Scrapping Filibuster Could Change Calculus for Budgets:** Scrapping the filibuster in the Senate would not necessarily give lawmakers less incentive to adopt budgets, but that is a possibility, senators and budget experts say ([Bloomberg](#)).
- **Education:** Republican Sen. Roy Blunt on Tuesday ruled out the Trump administration's push to cut nearly \$18 billion in domestic programs in fiscal 2017, including \$3 billion at the Education Department - the deepest reduction proposed for any federal agency. Blunt, who serves as chairman of the Appropriations subcommittee that handles funding for the departments of Labor, Health and Human Services, and Education, said GOP leaders plan to keep the same spending levels that "we all understand we were working at" over the last year ([Politico](#)).
- **CBO Report:** CBO has released a report with its latest long-term budget forecast, offering another grim reminder that the nation's debt is approaching record levels with scant congressional interest in doing something about it. Federal debt is expected to reach 150 percent of GDP within 30 years, the highest rate in history, and there's not exactly a bright economic horizon. CBO is lowering its long-term economic outlook after looking at recent trends in productivity and the labor force, projecting now that real GDP will grow by 1.9 percent through 2047, a slight decline compared to the 2.1 percent projected growth last year ([CNBC](#)).

Defense

- **Extra Defense Funding in Trouble as Appropriators Talk Omnibus:** President Donald Trump's chances of getting \$33 billion in extra money this fiscal year for defense and building a border wall just got more remote. Appropriators say the best way to avoid a government shutdown next month is to pass an omnibus spending bill without it ([Bloomberg](#)).

Dodd Frank

- **Capital Markets:** The House Financial Services Capital Markets, Securities and Investments Subcommittee has scheduled a hearing on the effect of the Volcker Rule -- a provision of the Dodd-Frank law that restricts U.S. banks from making certain kinds of speculative investments that do not benefit their customers -- on markets, businesses, investors and job creators ([Bloomberg](#)).
- **Investigation:** Sen. Elizabeth Warren and three other lawmakers demanded an investigation of the acting head of the SEC for possibly overstepping his authority in preparing two of the agency's Dodd-Frank Act rules for repeal. In a letter to the SEC's inspector general, the four Democratic senators asked for a probe into whether Republican Michael Piwowar had the authority to ask SEC staffers to recommend changes to the agency's conflict minerals and CEO pay ratio provisions of the landmark 2010 Dodd-Frank law" ([Politico](#)).

Energy/Environment

- **Clean Power Plan:** President Donald Trump signed an executive order that will start to rein in the greenhouse gas-cutting Clean Power Plan, Environmental Protection Agency Administrator Scott Pruitt said Sunday on ABC's "This Week" ([Bloomberg](#)).
- **TVA:** Sen. Lamar Alexander (R-Tenn.) criticized a Tennessee Valley Authority plan to buy electricity from an Oklahoma wind-energy transmission project, prompting complaints from a clean-energy group ([Memphis Commercial Appeal](#)).
- **Senate Democrats Introduce Bill to Rescind Trump Climate Order:** The "Clean Air Healthy Kids Act" would block federal agencies from implementing President Trump's executive order on energy independence. Legislation was introduced by Sen. Tom Carper, top Democrat on Senate Environment and Public Works Committee, and also sponsored by more than 30 Democrats ([MassLive](#)).
- **House Passes Bill Requiring Science in EPA Rules to Be Public:** A House-passed bill would require science and data used in EPA regulations or assessments to be made public. Supporters say it would provide more transparency, while critics worry it would bog down the regulatory process ([Bloomberg](#)).

Health Care

- **Opioids Investigation:** Senator Claire McCaskill has launched an investigation into how five drugmakers promoted prescription pain pills whose abuse has become epidemic in the U.S. and led to thousands of overdoses and deaths a year. McCaskill wrote the chief executive officers of Johnson & Johnson, Purdue Pharma, Mylan, Insys Therapeutics, and Depomed, demanding documents and information related to the sales,

- marketing and education strategies the companies used to promote opioid painkillers ([CNN](#)).
- **Bannon Trying to Bring Back Republican Health Bill:** President Trump's chief strategist Steve Bannon is involved in talks to bring back failed Republican health bill ([Politico](#)).
- **House GOP Said to Weigh Another Try on Obamacare Vote Next Week:** House Republicans are considering making another run next week at passing the health-care bill they abruptly pulled from the floor in an embarrassing setback to their efforts to repeal Obamacare ([CNBC](#)).
- **Pence Casts Tie-Break Vote to Advance Planned Parenthood Measure:** Senate votes to advance measure to nullify Dec. 9 Obama administration regulation that prohibits states from denying public-health grants to providers simply because they perform abortions. Vice President Pence casts tie-breaking vote to advance measure after 50 senators voted no. Vote on H.J. Res. 43 is 51-50 ([Syracuse.com](#)).
- **Ryan Says Shares Trump's Frustration, Won't Set Health Timeline:** House Speaker Paul Ryan, asked about a tweet from President Trump vowing to fight Freedom Caucus, tells reporters he understands and shares the president's frustration. Ryan at news conference says 90% of House Republicans support the Obamacare repeal bill that was pulled last week because it didn't have enough backing ([Bloomberg](#)).

Fannie and Freddie

- **Fannie and Freddie Fix Is the Focus of Bipartisan Push:** Two senators are making a rare push across party lines to solve a persistent riddle with huge implications for the U.S. housing market. Aides to Tennessee Republican Bob Corker and Virginia Democrat Mark Warner have begun meeting with industry groups and former government officials to discuss ideas on Fannie and Freddie. Senate Banking Committee Chairman Mike Crapo, whose panel would have to shepherd any bill to overhaul the mortgage finance giants, has also begun to hold housing-finance briefings with the idea of building toward a compromise.

A Fannie-Freddie fix, promised since they were seized by regulators in 2008 and sustained with \$187.5 billion in Treasury funds, has taken on increased urgency as the companies face the threat of needing more aid. Under the terms of their bailout, they cannot retain any capital starting next year, meaning taxpayers would have to cover any losses.

Immigration

- **Sanctuary Cities:** Attorney General Jeff Sessions announced that local governments seeking federal funding must certify that they are not "sanctuary cities" and are in compliance with federal-immigration law ([ABCNews](#)).
- **Durbin favors new DACA enrollment:** Sen. Dick Durbin (D-Ill.) said that he would still encourage undocumented immigrants to enroll in the Deferred Action for Childhood Arrivals program despite several recent arrests of DREAMers ([Politico](#)).
- **Travel Ban:** A federal judge in Hawaii who temporarily blocked President Donald Trump's revised travel ban hours before it was set to take effect issued a longer-lasting order ([AP](#)).

Infrastructure

- **Infrastructure Funding Bill in Flux after Health Care Debacle:** The failure of the Republicans' health-care bill is having a ripple effect on the congressional schedule, including potential consideration of an infrastructure financing package that could boost funding for the nation's crumbling water and wastewater pipes, pumps and treatment plants, according to lawmakers ([BNA](#)).

Regulations

- **McConnell Says Congress Will Keep Undoing Obama Regulations:** Administration of former President Obama enacted unfair regulations that hindered economic growth and shifted power away from the people, Senate Majority Leader Mitch McConnell says in opening floor comments ([Bloomberg](#)).

Nominations

- **By the Numbers:** Since his inauguration, Trump has confirmed 21 positions, but there are 41 positions in total awaiting confirmation and 491 still waiting on a nomination. That's out of the 553 key positions requiring a Senate confirmation. Historical data from the Partnership for Public Service show former President Barack Obama confirmed 39 positions that needed Senate confirmation by this time in 2009 and former President George W. Bush had confirmed 27 by this point in 2001. Former President Bill Clinton had confirmed 29 by this date in 1993 and George H.W. Bush had confirmed 27 by this date in 1989, putting Trump a bit behind the pack ([Washington Post](#)).
- **Labor Secretary Nominee Alexander Acosta Approved by Senate Committee:** A Senate committee approved Labor secretary nominee Alexander Acosta on Thursday, advancing the confirmation process for one of President Trump's last remaining Cabinet slots. Members of the Senate Health, Education, Labor and Pensions Committee voted 12-11 along party lines in favor of Acosta, a former U.S. attorney from Miami. Republicans supported his nomination and Democrats opposed it. The approval means that Acosta's nomination must now be voted on by the full Senate. The date for that vote has not been set.
- **Perdue Gets Committee Nod:** President Donald Trump's nominee for Agriculture secretary was recommended favorably by the Senate Agriculture Committee by voice vote on Thursday ([Politico](#)).
- **SEC Nominee:** Jay Clayton, President Donald Trump's nominee to chair the SEC, is awaiting a confirmation vote by the Senate Banking Committee and then the full Senate ([Politico](#)).

Supreme Court Nominee

- **Will Gorsuch Fight Go 'Nuclear'?:** Neil Gorsuch will have a "real uphill climb" to win confirmation to the Supreme Court, Sen. Chuck Schumer has said, as more party members are determined to block the nominee even if it leads to a "nuclear" fight with Republicans. In the end, the matter may come down to McConnell, who again guaranteed to reporters that Gorsuch will be confirmed and said the vote will be held April 7. "It's almost amusing to watch our Democratic friends try to come up with some rationale for opposition," he said ([Bloomberg](#)).

Tax Reform

- **Trump Threatens to Take Tax Breaks Away From Wealthy Universities:** Trump stated that colleges and universities that do not spend their endowments to directly benefit students should lose the tax breaks on those endowments ([Politico](#)).
- **Trump's Team Eager to Woo Democrats on Tax Reform:** When Treasury Secretary Steven Mnuchin launched his outreach earlier this month to lawmakers on an overhaul to the country's tax system, one of his first meetings was with the newly created Problem Solvers Caucus, a group of 20 Democrats and 20 Republicans trying to vote together on issues such as taxes and infrastructure ([Politico](#)).

Telecommunications

- **Broadband Rule:** The House voted 215-205 to clear a resolution that would rescind the FCC's rules requiring providers such as Comcast and AT&T to get affirmative consent, known as "opt-in," from subscribers before collecting or selling their personal information. Trump is expected to sign it. The White House issued a statement before the vote backing the resolution, which the Senate passed last week ([Bloomberg](#)).

Executive Branch

Department of Defense

- **Military Says Deployments, Training Suffer without FY17 Funding:** The Navy would cancel deployment of ships and shut down four air wings; Air Force would cut non-war related aircraft refueling missions; Army would halt one of its key training rotations; these reductions would occur if Congress approves stopgap measure instead of regular Pentagon funding for FY17, military leaders tell Congress ([Bloomberg](#)).
- **Extra Defense Funding in Trouble as Appropriators Talk Omnibus:** President Donald Trump's chances of getting \$33 billion in extra money this fiscal year for defense and building a border wall just got more remote. Appropriators say the best way to avoid a government shutdown next month is to pass an omnibus spending bill without it ([Bloomberg](#)).

Department of Education

- **Charter School Leaders Condemn Trump Blue-Print:** Three charter school leaders say in an op-ed for USA Today that they appreciate that President Donald Trump's "skinny budget" proposes \$168 million in new funds for charter schools, but they cannot support it because of its cuts to Pell Grants, which help low-income students afford college, as well as to teacher recruitment, training and preparation, among other programs ([USA Today](#)).
- **Trump considers tax credit to channel public money to private schools:** The Trump administration is considering a first-of-its-kind federal tax credit scholarship program that would channel billions of dollars to working class families to enable their children to attend private schools, including religious schools ([Politico](#)).
- **DeVos:** Education Department may use ESSA plans to encourage school choice: Education Secretary Betsy DeVos said today that the Education Department may push school choice policies as it reviews and approves state plans under the Every Student Succeeds Act ([Politico](#)).
- **Education Department opens four new Title IX investigations:** The Education Department's Office for Civil Rights opened four new investigations into allegations that universities mishandled sexual assault cases ([LATimes](#)).
- **Feds Say FAFSA Tool Will Remain Shut Down Until Fall:** The online tool that helps students apply for federal financial aid will remain unavailable until later this year, the Education Department and Internal Revenue Service announced ([Politico](#)).

Department of Energy

- **Forbidden Phrases:** A Department of Energy supervisor told employees not to use the phrases "climate change," "emissions reduction" or "Paris Agreement" in written communications, some sources said. Others said there was an implied message to avoid hot-button terms. ([Politico](#)).

Environmental Protection Agency

- **Paris:** Exxon Mobil Corp. urged Trump to keep the U.S. in the Paris climate agreement, calling it "an effective framework for addressing the risks of climate change." ([Financial Times](#)).
- **House Votes to Require EPA to Publish Science Behind Rules:** House passes legislation that would bar the EPA from taking regulatory action unless it publishes online any scientific research associated with the action. Vote on H.R. 1430 is 228-194 ([Politico](#)).
- **White House and Paris:** White House Press Secretary Sean Spicer said aides are reviewing the Paris climate agreement and President Donald Trump plans to decide by late May whether to keep the U.S. in the deal. ([The Hill](#))

Department of Homeland Security

- **Border Wall Update:** The federal government is still accepting plans for design of the wall, and has pushed the deadline back from today until April

4. Companies that want to help build the wall along the border with Mexico have to give up any expectation of keeping their design secrets, U.S. Customs and Border Protection said yesterday on a government website. Prototype designs for the wall "shall not include the use of proprietary design" or equipment, CBP wrote in a posting ([Construction Dive](#)).

Department of Interior

- **Federal Land Royalties:** Interior Secretary Ryan Zinke is kick-starting a process that could lead to companies paying higher royalties for oil, gas and other energy resources they extract from federal land. The two-year review, to be formally authorized today, is designed to determine whether Americans are getting a fair return for those natural resources, he said in an interview ([Reuters](#)).
- **Zinke Ends Coal-Lease Moratorium, Quiet on Jobs Impact:** Interior Secretary Ryan Zinke signed an order Wednesday to end the Obama administration's moratorium on new coal leases on federal land, but was reluctant to make big promises to the coal industry ([Morning Consult](#)).
- **Keystone:** Opponents of the Keystone XL pipeline filed a legal brief arguing the Trump administration illegally overlooked endangered species regulations and renewable energy alternatives when it approved the project ([Washington Examiner](#)).

Department of Justice

- **Seattle Sues Trump Over 'Sanctuary Cities':** Seattle filed a lawsuit against the Trump administration Wednesday, charging that President Donald Trump's executive order threatening funding for "sanctuary cities" is "unconstitutional and ambiguous," and violates the 10th Amendment of the Constitution ([NPR](#)).

Department of Labor

- **Senate Clears Measure to Undo Obama Rule on Retirement Programs:** Senate passes legislation that would nullify a Labor Dept. rule that allows large cities and counties to set up auto-enrollment retirement savings programs. Vote on H.J. Res. 67 is 50-49; action sends measure to President Trump ([Boston Globe](#)).

National Aeronautics and Space Administration

- **NASA Administrator:** No firm word yet on who it will be, but Representative Jim Bridenstine (R-OK) had another interview at the White House, so he continues to be mentioned as a likely future appointee ([NASA Watch](#)).
- **Juno Makes 5th Successful Orbit of Jupiter:** Clark Hill client SouthWest Research Institute celebrated another successful milestone for the Juno mission they are leading for NASA - the spacecraft completed a 5th orbit of the gas giant and is returning excellent data so far from its observations ([NASA](#)).
- **SpaceX Disrupts Launch Industry Again:** The company successfully flew a once used first stage to launch a commercial communications satellite yesterday, and recaptured that same first stage again after a successful landing on their sea-borne recovery barge. This marks the first successful demonstration of a reusable first stage booster, which holds the possibility of driving down launch costs significantly in the future ([Space News](#)).
- **Air Force Secretary Hearing:** President Donald Trump's nominee for Air Force secretary came under scrutiny Thursday as Democrats questioned her work as a defense industry consultant and a conversation she had a decade ago with a federal prosecutor during a corruption probe. During her confirmation hearing before the Senate Armed Services Committee, Heather Wilson defended her performance, telling the panel she did nothing improper. To avoid any potential conflicts of interest, Wilson has committed to selling stocks she holds in more than a dozen companies that have Defense Department contracts ([Stars and Stripes](#)).

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