Legislative Forecast for the 115th Congress

April 3, 2018

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Alistair Taylor
### Key dates and prospective items on the legislative agenda in the 115th Congress

**February – June 2018**

<table>
<thead>
<tr>
<th>Feb</th>
<th>March</th>
<th>April</th>
<th>May</th>
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<td>• President’s budget request</td>
<td>• Debt limit deadline</td>
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<td>• Annual appropriation</td>
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<td>• Congress in recess</td>
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**Possible actions, timing unknown**

- **Affordable Care Act**: Bipartisan discussions on stabilizing the ACA were derailed by a fight over abortion
- **Defense appropriations**: Congress increased defense spending in the FY18 omnibus bill
- **Energy & environment**: Negotiations for a comprehensive energy bill are expected to resume in the 115th Congress
- **Financial regulation**: The CHOICE Act is unlikely to move forward in the Senate in its current form, but it is set to take up a bipartisan bill that would raise the “too big to fail” asset threshold from $50B to $250B
- **Immigration**: Democrats are pushing for a vote to reinstate DACA
- **Medicare**: Congressional Republicans have expressed an interest in reforming Medicare and turning it into a “premium support” system
- **Technology**: A bill to hold internet companies liable for facilitating online sex trafficking passed through Congress and is on its way to the president

**Sources**: National Journal research.
Key dates & priorities for the 115th Congress

March 2018 – May 2018

- Debt limit deadline
- DACA program begins to expire
- Omnibus bill passed

What’s happening in Washington

- A New York Times report revealed that Cambridge Analytica, a political data firm hired by Trump’s campaign in the 2016 election, gained access to the private information of over 50 million Facebook users
- After a school shooting in Florida, the debate over gun control has also taken center stage

Sources: National Journal research.

April 3, 2018 | Taryn MacKinney and Owen Minott
A guide to this month’s legislative forecast

Issues covered in this month’s legislative forecast

- Affordable Care Act
- Appropriations
- Conflict in Iraq and Syria
- Criminal justice reform
- Cybersecurity
- Debt ceiling
- Defense appropriations
- Education
- Energy and environment
- Farm Bill
- Financial regulation
- Immigration
- International trade
- Iran nuclear negotiations
- LGBT rights
- Medicare
- North Korea
- Opioid abuse and heroin epidemic
- Technology

Archived issues
(Major legislative or administration actions in 2015-17)

- Chemical reform
- Export-Import (Ex-Im) Bank
- Federal Reserve
- Gun control
- Highway Trust Fund
- Keystone XL
- Medical research funding
- Mental health
- PATRIOT Act/USA FREEDOM Act
- Puerto Rico bailout
- Tax reform
- Zika funding

Please see previous legislative forecasts or contact the Presentation Center for details on these topics.

Sources: National Journal research.
$ Appropriations

Recent key developments on the FY18 appropriations and potential future actions

**October 2017:**
**Congress approves FY18 joint budget resolution:** The House and Senate passed a joint budget resolution allowing Republicans to use the reconciliation process to address tax reform. No Democrats voted for the resolution.

**January 2018:**
**FY18 budget deadline extended:** Congress passed a bill that extended the budget deadline until Feb. 8 after a three-day shutdown. This is the fourth continuing resolution passed for the FY18 budget.

**March 2018:**
**FY18 omnibus:** Congress completed action on omnibus appropriations legislation. The House and Senate passed the omnibus bill, and President Trump signed the measure, avoiding the March 23 spending deadline put in place after a fifth continuing resolution. The spending bill funds the government for the remainder of the fiscal year – through September 30.

**Legislative timeline**

**May 2017**

**President’s FY18 budget request:**
In his first budget request as president, Donald Trump asked for $576 billion for non-defense discretionary programs and $574.5 billion for defense, along with $76.0 billion for Overseas Contingency Operations (OCO) funding

**July 2017**

**House passes the “Department of Defense Appropriations Act”:**
The legislation (H.R. 3219) was passed on a vote of 235-192 and provided funding for four of the 12 annual approps. bills: Defense, MilCon-VA, Energy & Water, and Legislative Branch

**July 2017**

**House passes all approps. bills through the “Make America Secure and Prosperous Appropriations Act”:**
H.R. 3354 was passed by a vote of 211-198 and provides discretionary funding for all 12 approps. bills totaling $1.2 trillion.

The Affordable Care Act

Recent key developments on the ACA and potential future actions

**July 2017:**
BCRA fails the Senate vote: After motion to proceed passed, full repeal without replacement, the BCRA and ‘skinny repeal’ fail to pass, with Senators Susan Collins, Lisa Murkowski and John McCain voting no.

**September 2017:**
Graham-Cassidy fails in the Senate: The latest GOP health care reform bill, authored by Lindsey Graham and Bill Cassidy, would have made deep cuts to Medicaid, eventually phasing out the program. The bill was killed when 3 GOP senators declared their intent to vote no.

**December 2017:**
Senate & House pass the tax bill: The latest GOP tax reform bill includes an amendment to repeal the individual mandate of the ACA. Experts believe that repealing the individual mandate will lead to higher premiums and a decrease in access to health insurance.

Legislative timeline

<table>
<thead>
<tr>
<th>March 2010</th>
<th>April 2014</th>
<th>March 2015</th>
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<tbody>
<tr>
<td>The Affordable Care Act of 2010:</td>
<td>Congress sends ACA repeal to president’s desk; Obama vetoes measure, veto upheld</td>
<td>House v. Burwell decision:</td>
<td>House GOP unveils the American Health Care Act:</td>
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<td>Major health care law passed, insures millions and changed the insurance marketplace</td>
<td>In a win for House Republicans, a federal judge ruled that the Obama administration has been improperly funding cost-sharing subsidies for low-income Americans</td>
<td>The replacement plan repeals the ACA’s individual and employer mandates, replaces the law’s subsidies with age-adjusted tax credits and phases out Medicaid expansion by 2020; it includes an amendment to allow states to waive some of the ACA’s insurance regulations</td>
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Potential actions

- Many Republican senators represent states that have benefitted from Medicaid expansion, suggesting they would oppose the Medicaid cuts
- Although 16 Democrats support Sanders’ new Medicare for all legislation, it is unlikely to pass; however, it does reflect the public’s increasing view that it is the government’s responsibility to provide health care
- Senators Alexander and Murray of the HELP committee released their bipartisan bill to stabilize the ACA markets, with all Democrats and 12 GOP senators signed on to support it
- An initial analysis shows that 84% of all enrollees are from states that Trump carried in the 2016 election
Conflict in Iraq and Syria

Recent key developments on the Iraq and Syria conflict and potential future actions

January 2018:
**Russia hosts Syria peace talks:** Russia organized a Syrian peace conference in Sochi, Russia, but key opposition leaders boycotted the conference. A new constitution was agreed upon over the course of the talks, but it is unclear if the agreement will hold without the support of the opposition. Fighting erupted in northern Syria as well, further undermining the talks.

February 2018:
**Russian actions in Syria “undermines international security,” says the Pentagon:** The UN Security Council unanimously voted for an immediate 30-day cease-fire in Syria, but the Pentagon claims Syrian President al-Assad continues to attack citizens. Pentagon spokeswoman calls on Russia to “restrain” Bashar al-Assad.

March 2018:
**Congress passes an omnibus spending bill:** The bill includes $1.77 billion to fund the Counter-ISIL Train and Equip Fund; $500 million for relief and recovery for states liberated, at risk, or under the control of ISIS in the Middle East and Africa; and $5 million for programs to promote accountability for genocide, war crimes and crimes against humanity.

Legislative timeline

**April 2017**
- **Defense Secretary Jim Mattis gains authority to set official troop levels:** President Trump delegates force management authority in Iraq and Syria to Secretary Mattis

**May 2017**
- **The Consolidated Appropriations Act of 2017 becomes law:** Proposed by Rep. Paul Cook (R-CA), this act grants funds to be used for countering ISIS and for development and diplomacy

**November 2017**
- **The House and Senate reach an agreement on the FY2018 NDAA:** The $692 billion defense authorization bill does not extend the “train and equip” program, which is set to expire at the end of 2018

**October 2017**
- **Russia declares victory:** Putin visits Bashar al-Assad at a Russian base in Syria and declares victory over ISIS in the region. The US military estimated fewer than 1,000 ISIS militants remain in Iraq and Syria as of December

Potential actions

- Congress begins to see an end to the conflict. The focus shifts from war tactics to legislation regarding the long-term stability of the region
- The President’s off-script comment in late March that the US could pull troops out of Syria “very soon” has started to worry some military leaders who stress the importance of continuing a US presence in Syria until a peace agreement is reached

Criminal Justice

Recent key developments on criminal justice and potential future actions

August 2017:
Cory Booker introduced the Marijuana Justice Act: The bill seeks to remove marijuana from the federal Controlled Substances Act and challenges states that have not legalized the drug, but have racially disproportionate incarceration and arrest rates by withholding some criminal justice funding.

August 2017:
Trump lifted a ban on military gear for local police forces: Trump lifted this Obama-era executive order, which banned the transfer of some surplus military equipment to police departments; this was in response to battlefield-style policing that took place in 2014 during riots in a St. Louis suburb.

January 2018:
DOJ will no longer follow Obama-era rules of non-interference in states where marijuana is legal: It’s not immediately clear whether Jeff Sessions will issue new guidance or simply revert back to older policies.

Potential actions

• In the 114th Congress there was some bipartisan support for reducing sentencing for certain crimes
• Some Republicans in the Senate lead by Jeff Sessions opposed this effort and expectations about how Sessions’ role as attorney general in the Trump administration will impact this are mixed
• On the one hand, Sessions is no longer on the Senate Judiciary Committee to oppose such a move, but on the other he is President Trump’s top advisor on the issue

Legislative timeline

Dec 2015

Bipartisan meeting:
President Obama convened a meeting of 13 members of Congress to encourage bipartisan reform of the criminal justice system

Jan 2017

115th Congress is sworn in

Jan 2017

H.R. 16: Supporting local law enforcement agencies in their continued work:
This is a resolution introduced in the House to support and encourage local police departments in their use of body cameras

Feb 2017

Trump signs executive order creating a task force to reduce crime:
This order empowers Attorney General Jeff Sessions to establish a task force to discuss crime reduction ideas, identify “deficiencies” in current laws and evaluate the availability of crime-related data

Cybersecurity

Recent key developments on cybersecurity and potential future actions

**December 2017:**

**While you were following tax reform:** A group of six senators from both sides of the aisle introduced the Secure Elections Act, which would provide grants to modernize local and state elections systems, cybersecurity guidelines for elections, access to information for voting officials, and information sharing across federal and state agencies.

**December 2017:**

**FISA reauthorization:** The House passed the FISA Amendment Reauthorization Act 256-164. Two loopholes known as “backdoor search” and “about collection” allow the intelligence community to surveil Americans without a warrant. Before passing the reconciled version of the House and Senate bill, the Senate went into a filibuster led by Senators Rand Paul (R-KY) and Ron Wyden (D-OR).

**March 2018:**

**Congress provides funds for election security:** In the 2018 Omnibus spending bill, Congress included $380 million for states to upgrade election machines and implement post-election audit systems. The charge, led by Sen. Richard Blumenthal (D-CT), makes these funds immediately available to states to be implemented before the 2018 midterms.

Potential actions

- The Equifax data breach, which exposed millions of American’s sensitive personal information, was expected to result in congressional action in 2017
- Sens. Amy Klobuchar (D-MN) and John Kennedy (R-LA) called on Facebook CEO Mark Zuckerberg to answer questions about Facebook’s privacy and security practices following the news the Cambridge Analytica, a firm hired by the Trump campaign, used information on more than 50 million Facebook users without their knowledge and permission
- With four months until the August recess, Congress faces pressure to pass multiple cyber-centric bills, including data breach notification requirements, DHS reauthorization and reorganization, cyber workforce issues, and social media platform regulation

Kaspersky controversy

The House Science, Space and Technology Committee sent letters to 22 government agencies requesting information on Kaspersky Lab and the use of its software

**Help for small businesses**

The Senate passed legislation that would require the National Institute of Standards and Technology to provide more tools to small businesses to help protect their networks from cyber threats

**Better security at US ports**

The House passed legislation in a voice vote that would instruct DHS to take steps to boost cyber information sharing and coordination at US ports in reaction to a “notPetya” attack at the Port of Los Angeles

**Modernizing Government Technology**

As part of the FY2018 NDAA, President Trump signed the Modernizing Government Technology Act, which would force updates to IT systems government-wide

Debt ceiling

Recent key developments on the debt ceiling and potential future actions

**November 2015:**
**Bipartisan Budget Act of 2015:** In a budget compromise between congressional leaders and the White House, the debt ceiling was suspended until March 2017, allowing normal borrowing to resume.

**March 2017:**
**Debt ceiling reinstated:** The debt limit was automatically raised to the debt level on March 16, 2017; the CBO estimated that the Treasury would be able to use extraordinary measures to fund essential payments until sometime in the fall of 2017.

**September - December 2017:**
**Debt ceiling suspended:** The debt limit was suspended until December 2017, in a deal Trump made with congressional Democrats to pass a package of bills including emergency funding for Hurricane Harvey and a continuing resolution to keep the government funded through December 8.

**February 2018:**
**Debt ceiling suspended:** After the debt ceiling was reinstated in December, lawmakers struck a budget deal that suspended it again until March 1, 2019

### Legislative timeline

<table>
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<tr>
<th>February 2013</th>
<th>October 2013</th>
<th>February 2015</th>
<th>March 2015</th>
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<tbody>
<tr>
<td><strong>No Budget, No Pay Act of 2013:</strong> A bill which temporarily suspended the debt limit until May 28, 2013 and put congressional pay on hold until a budget resolution could be passed</td>
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<tr>
<td><strong>Continuing Appropriations Act, 2014:</strong> A continuing resolution passed in fiscal year 2014, which funded the government and suspended the debt limit until February 2015 to give lawmakers more time to negotiate a compromise proposal</td>
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<tr>
<td><strong>Temporary Debt Limit Extension Act:</strong> Both houses of Congress passed a debt ceiling extension, suspending the ceiling until March 15, 2015</td>
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<tr>
<td><strong>Debt limit reinstated:</strong> The suspension of the debt ceiling was lifted in March; the Treasury took extraordinary measures to allow the government to pay its bills through November</td>
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### Potential actions

- Republicans and Democrats have a year to borrow money without limitations
- Before March 2019, the government must cut spending and pay off current debts, or Congress must act again to raise or suspend the debt ceiling
Defense appropriations

Recent key developments on defense appropriations and potential future actions

February 2018:
Congress passes defense appropriations for FY2018: After four continuing resolutions for FY2018 appropriations, a fifth continuing resolution, the Bipartisan Budget Act (BBA) of 2018, was passed to fund the government until March 23. Negotiated by Majority Leader Mitch McConnell and Minority Leader Chuck Schumer, the BBA raises budget caps for defense and non-defense spending for FY2018 by $80 billion and $63 billion respectively. It does not specify how the funds will be allocated within the DoD.

February 2018:
Trump releases his FY2019 budget request: President Trump requested $597.1 billion for the Department of Defense for FY2019, a 14% increase from 2017 enacted levels.

March 2018:
Congress allocates funding for specific defense programs for FY2018: Defense spending outlined in the omnibus agreement totals $654.7 billion, and supports an active duty force of over 1.3 million. This $61 billion increase over FY2017 enacted levels is the biggest year-over-year increase in defense funding in 15 years.

Legislative timeline

April 2017

Trump releases his FY18 budget request: President Trump requested a $54 billion increase to the sequestration level budget cap for FY18. If Congress does not agree to a budget resolution by the start of the fiscal year, they will have to pass another continuing resolution.

June 2017

House passes Defense Appropriations Act for FY18 235-192
Appropriations total $658.1 billion for the Department of Defense, and the bill originally included an amendment revoking the AUMF issued after the 9/11 attacks until it was stripped out by the Rules Committee.

October 2017

Trump signs the FY2018 NDAA into law:
The $692 billion defense authorization bill includes a 2.4% pay raise for troops and increased funding for missile defenses. An acquisition reform provision is aimed at reducing spending waste in the procurement process.

Potential actions

- Congress has begun hearings on the president’s FY2019 budget request and will continue to assess the effects of funding levels on the military moving into FY2019 appropriations legislation.

Sources:
Education

Recent key developments on education policy and potential future actions

**February 2018:**
On Feb. 14, **14 people were murdered** by a gunman at a Parkland, FL high school. Student survivors spoke out, demanding that Congress keep schools safe by adopting gun control measures. On Feb. 22, Trump suggested that schools should arm some teachers – a controversial stance that has propelled gun control into the national spotlight.

**February 2018:**
Congress passed the **Bipartisan Budget Act of 2018**. The bill – which largely disregarded the White House’s budget proposal – included an extra **$4 billion for student-centered programs** that aid college completion and affordability. It also increased NIH funding by $2 billion, most of which goes to colleges and universities, but did not provide a solution for DACA recipients, many of whom are students.

**March 2018:**
Congress passed the **FY2018 omnibus**. The bill funds the Ed Dept. at $70.9 billion, $2.6 billion more than the FY2017 enacted level; generally, the president’s FY2018 budget request was disregarded by Congress. A number of programs – including TRIO, Gear Up, special education grants, and Pell grants – saw substantial funding increases.

Potential actions

- **Every Student Succeeds Act**: All states and DC have submitted ESSA plans; the Ed Dept. has begun reviewing these, and DeVos has approved 34 states', DC's, and Puerto Rico's plans so far
- **DACA**: With 241,000 DACA recipients enrolled in college, the March deadline for DACA’s phase-out has significant implications for students. Congress can re-instate the program, find another way to protect recipients, or allow DACA protections to end; no solution was included in the 2018 budget deal
- **Budget**: In March, Sec. Betsy DeVos defended the department’s budget proposal for FY2019 after department staff members said she had tried to withhold vital information from Congress about the budget; controversy surrounding the budget continues, although it is likely the president’s budget for FY19 will be disregarded

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<tr>
<td>Betsy DeVos, who supports school choice and opposes govt. regulation of education, is confirmed as education secretary in a controversial, historically close 51-50 vote</td>
<td>Administration announces proposed budget cut of $9.2 billion from the Ed Dept. for FY18, a 13.5% cut of existing budget</td>
<td>The dept. released new guidelines for transgender students’ rights, which don’t address bathroom usage and state that complaints could be dismissed based on jurisdiction. The dept. also began disassembling two consumer protection rules for students</td>
<td>Administration announces rewrite of campus sexual assault policy; scrapped a rule requiring colleges to use lowest standard of proof in assault cases</td>
<td>Trump signs GOP tax bill into law; it keeps a school supply deduction for teachers and breaks for student borrowers but could hurt public school funding while supporting private schools</td>
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Sources:
Energy & environment

Recent key developments on energy and environment and potential future actions

January 2018:
The EPA announced that it would relax regulatory compliance standards for air pollution sources that were previously considered “major” hazardous pollutants.

February 2018:
Senators met with President Trump in an attempt to iron out a deal on how to reform the ethanol mandate. However, no deal was made as there have been tensions surrounding a proposal to cap the price of RINs, which is supported by Sen. Ted Cruz, but opposed by many others, including Senator Grassley, a leader on RFS policy.

March 2018:
Funding for FY2018 was finally passed and signed by the president. Many of the changes that President Trump had requested were ignored. Most notable were large increases for renewables, nuclear power and research funding in the final funding bill.

Potential actions

- President Trump’s budget request drastically reduced funding across DOE and EPA, including cutting most funding for research.
- The Trump administration has begun the process of creating a new five-year offshore drilling plan by opening it for public comment.
- Congress may attempt to complete negotiations on legislation for nuclear waste repositories, including a bill that would allow for the storage of nuclear waste in Yucca Mountain.
- Several hurricanes caused significant damage in September, flooding refineries and disrupting water supplies, and this could lead to a renewed push for drinking water legislation.

Legislative timeline

September 22, 2017

ITC determines that imported solar panels have disrupted the market:
The panel unanimously determined that the market had been disrupted and now has until November to come up with recommendations to deliver to President Trump so that he can make a final decision.

September 29, 2017

DOE announces proposed rule:
The Department of Energy announced a rule that would create a market preference and potential for cost recovery for all power plants that maintained a 90-day fuel supply.

November 2017

Updated RFS levels:
The Trump administration announced their new levels for the renewable fuel standards, which are higher than those that were set for 2017, but lower than those mandated by law. This is possible because the EPA used a waiver to not meet the levels set by law.

December 2017

Tax reform and energy:
The tax reform package that passed Congress included several provisions that would impact energy and environment, including the BEAT provision, which affects tax equity funding for wind and solar projects, and also maintained the tax credit for electric vehicles.

Sources:
The 2018 Farm Bill

Recent key developments on the 2018 Farm Bill and potential future actions

January 30, 2018
Sec. Perdue releases “Farm Bill legislative principles”: The document broadly outlines what the administration would like to see in the next farm bill, including no increases to farm subsidy programs, giving states flexibility in managing SNAP, and promoting youth and veterans to get into agriculture. They also want a farm bill that “reflects the administration’s budget goals,” which last year called for major cuts.

February 12, 2018
OMB releases Trump’s FY2019 budget proposal: The proposal calls for less cuts than the FY2018 proposal, but maintains requests for new inspection fees, cuts to SNAP and limits on farm insurance subsidies. The proposal was met with condemnation by Democratic members of Congress and mostly dismissal by Republicans. A proposal to create a new shelf-stable food distribution program in SNAP was also introduced.

March 19, 2018
House Dems cease Farm Bill negotiations over SNAP: Ranking Member Colin Peterson, at the behest of minority committee members, announced he would no longer negotiate with Chairman Conaway until text of the Farm Bill draft is released. At issue are potential changes to SNAP related to work requirements.

Potential actions

• The current Farm Bill expires in September 2018
• Congress could pass a continuing resolution to push the deadline into 2019
• A House bill is currently being analyzed by CBO and may be released in March
• House and Senate agriculture leaders have expressed dedication to maintaining a unified bill with nutrition and farm programs
• Free market and environmentalist groups may team up to oppose maintaining commodity supports
• OMB Director Mulvaney voted against the 2014 bill and may try to influence the president to call for more stringent cuts to crop insurance and SNAP

Legislative timeline

2014

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<tr>
<th>February 2017</th>
<th>Feb-April 2017</th>
<th>Feb/May 2017</th>
<th>October 9, 2017</th>
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<tr>
<td><strong>Farm Bill passes two years late:</strong></td>
<td><strong>Hearing: “Setting the Stage for the Next Farm Bill”</strong></td>
<td><strong>House Ag Subcommittees held hearings on conservation policy, rural development and energy programs, specialty crops, livestock and dairy issues, commodity markets, SNAP and the Farm Credit System</strong></td>
<td><strong>Senate Ag Committee held hearings in Chairman Roberts’ home state of Kansas and Ranking Member Stabenow’s home state of Michigan</strong></td>
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<tr>
<td>Contention around cutting funds for SNAP and removing direct payments to farmers, among other issues, delayed the legislation</td>
<td>House Committee on Agriculture, chaired by Rep. Mike Conaway (R-TX11), listened to testimony by USDA’s chief economist and academics</td>
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<td>House Ag Committee listened to farmers in the major dairy and apple state of NY and is launching a weekly video series “highlighting the importance of a strong farm bill for all Americans”</td>
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Financial regulation

Recent key developments on financial regulation and potential future actions

November 28, 2017:

Mick Mulvaney takes over as acting director of the CFPB: A harsh critic of the CFPB under former director Richard Cordray, Mulvaney has shifted the agency’s regulatory approach from protecting consumers to identifying and addressing burdensome regulations. Mulvaney requested a $0 budget for the agency for Q1 2018, halted the agency’s enforcement actions and plans to roll back several Obama-era rules.

March 14, 2018:

Dodd-Frank reform: The Senate passed the Economic Growth, Regulatory Relief, and Consumer Protection Act. The bill has significant bipartisan support and would raise the threshold for heightened federal oversight from $50 billion in assets to $250 billion. In addition, it would exempt many community banks from Dodd-Frank requirements for loans, mortgages, and trading.

March 15, 2018:

Circuit court strikes down DOL fiduciary rule: The fifth Circuit Court ruled that the DOL overstepped its authority by issuing the Obama-era rule, which would require brokers to act in the best interests of retirement savers. The decision is not necessarily the end of the rule, but its future is highly uncertain. In November 2017 the DOL announced a 18-month delay to July 1, 2019 for the key provisions of the rule.

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<tr>
<td>The Dodd-Frank Wall Street Reform and Consumer Protection Act</td>
<td>Rep. Jeb Hensarling (R-TX) announced a main priority of the House Financial Services Committee will be to repeal Dodd-Frank</td>
<td>The House passed the Financial CHOICE Act, which would roll back many provisions of Dodd-Frank. However, analysts say it is unlikely to move forward in the Senate in its current form</td>
<td>CFPB arbitration rule repeal</td>
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Potential actions

- Trump has appointed regulators to the SEC, CFTC and Federal Reserve that will likely advance his plans to relax Wall Street supervision
- The Treasury Department has released three reports under Trump’s February executive order calling for an extensive review of existing financial rules; the reports include deregulatory policy recommendations, such as relaxed capital requirements for smaller banks, expanded access to credit and further modifications to Dodd-Frank
- While Republicans lack the Senate votes to pass the CHOICE Act, Congress is moving forward to repeal individual provisions of Dodd-Frank, including modifying the Volcker rule, easing bank capital requirements and reducing the frequency of regulator stress tests
- Jerome Powell replaced Janet Yellen as Fed chair on Feb. 4; the Fed currently has four vacancies

Immigration

Recent key developments on immigration and potential future actions

**February 15, 2018**
The Senate rejects four immigration reform proposals that included a legislative fix for the expiring Deferred Action for Childhood Arrivals (DACA) program as well as border security measures.

**February 26, 2018**
The US Supreme Court denied the Trump administration’s request to immediately review a US district court ruling that temporarily blocked the administration’s order ending the DACA program. The Supreme court’s refusal to hear the appeal leaves the district court’s ruling in place for now, meaning DACA recipients can continue to renew their permits while the Trump administration pursues its case in the courts.

**March 6, 2018**
The US Department of Justice filed a lawsuit against the State of California, Governor of California Jerry Brown and Attorney General of California Xavier Becerra for passing three state laws that the DOJ said prevent officials from enforcing federal immigration laws.

Potential actions

- Although the Senate rejected four immigration reform proposals in February, Congress will still need to address DACA while the Trump administration appeals the district court ruling that blocked Trump’s September memo from going into effect.

- Congress has until July 2019 to reverse the Trump administration’s decision to end protected status for Haitians residing in the United States.

- Since the Supreme Court denied the Trump administration’s request without prejudice, the administration may appeal again to SCOTUS after the circuit court of appeals has a chance to consider the case.

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<td>Trump issues executive orders that begin the process of building the Mexico-US border wall, expand the powers of ICE, deny federal funding to sanctuary cities, suspend immigration from seven Muslim-majority countries and limit the number of refugees admitted to US; these EOs are later blocked by federal judges</td>
<td>The Trump administration announces it will be rescinding the Deferred Action on Childhood Arrivals program started under President Obama. The memo rescinding the program does not go into effect until March 5, 2018</td>
<td>Senior US officials said that the US will resume refugee admissions from 11 “high risk” countries after halting admissions from those countries last October in order to conduct a 90-day security review.</td>
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International trade

Recent key developments on international trade and potential future actions

January 2018:
Sixth round of NAFTA renegotiation completed: Negotiators met in Montreal and discussed rules of origin provisions, corruption provisions and treatment of trade with other countries outside of NAFTA.

February 2018:
New tariffs and seventh round of NAFTA talks: President Trump announced new tariffs on steel and aluminum and tweeted that the tariffs would only be removed if Canada and Mexico agree to a revised NAFTA agreement.

March 2018:
White House Economic Adviser Gary Cohn resigned, reportedly in response to President Trump’s decision to impose tariffs; Cohn was replaced by CNBC contributor Larry Kudlow.

Potential actions
- NAFTA renegotiations will continue in Washington D.C. in late March for the eighth round
- Goals include:
  - Raising rules of origin, the level of a good produced in North America needed to qualify for zero tariffs under NAFTA
  - Eliminating Chapter 19, which allows private companies to challenge trade rulings made by NAFTA countries
  - A sunset clause to end NAFTA in five years unless each country agrees to its renewal
- Trump has the power to negotiate tariffs on specific goods without congressional approval, but more substantial changes have to pass through Congress
- Trump has indicated he is willing to withdraw from NAFTA if a satisfactory agreement isn’t reached
- Trump is expected to withdraw from TTIP negotiations with the EU

Legislative timeline

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<td>Trade policy executive orders: Trump signs two executive orders, one to study trade deficits and the other to order stricter enforcement of anti-dumping laws</td>
<td>Steel probe executive order: Trump signs an executive order to expedite an investigation of steel imports initiated by the Department of Commerce</td>
<td>Trump launches NAFTA renegotiation: Administration sends letter to Congress, officially starting 90-day waiting period before renegotiations can begin</td>
<td>First round of NAFTA renegotiations and pressure on China: Representatives from Canada, Mexico and the US meet in DC and the USTR announces Section 301 investigation in Chinese IP theft</td>
<td>Second – fourth rounds of NAFTA negotiations: Trade talks continued in Mexico City, Ottawa and Virginia with growing divide between Mexico/Canada and US</td>
<td>New TPP agreement: Former TPP member countries, excluding the US, signed on to a new trade agreement</td>
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Iran nuclear negotiations

Recent key developments on the Iran nuclear deal and potential future actions

January, 2018:
**Iranian protests and Trump threatens May ultimatum:** Demonstrations in Iran began on December 28 protesting slow economic growth and high prices for basic goods despite the lifting of international sanctions. Trump waved sanctions a third time, but said he would not again in May if significant progress was not made on renegotiation.

March 2018:
**High-level negotiations begin between US and Europe:** European leaders have all expressed their desire to maintain the accord, and have suggested maintaining sanctions relief from Iran even if the United States withdraws from the accord. They are facing a May deadline when the US waiver for sanctions will expire, although Trump could extend that deadline by waiving them again.

March 2018:
**Another opponent of the deal in the Trump White House:** Trump announces John Bolton, former Bush administration official, will serve as Trump’s third national security advisor. Bolton is a harsh opponent of the Iran nuclear deal and has advocated for military strikes to destroy Iran’s nuclear infrastructure. Iran is gearing up for the US to leave the agreement.

Legislative timeline

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<td>The Iran deal goes into effect: Congress attempted to vote it down twice, but the move was blocked in the Senate and the deal went into effect 90 days after signing and approval by the UN</td>
<td>Iranian sanctions lifted: The IAEA verified that Iran complied with the terms of the deal. The US, EU and UN terminated nuclear-related sanctions</td>
<td>Trump directs the NSC to lead an inter-agency review: Secretary of State Tillerson certified to Speaker Ryan that Iran remained in compliance but that the NSC was leading an inter-agency review of the deal</td>
<td>Trump signs new sanctions against Iran: As part of the package of sanctions against Russia, North Korea and Iran, the president signed new sanctions against Iran for its ballistic missile program and its state-sponsorship of terrorism</td>
<td>Trump declines to recertify Iran’s compliance: President Trump laid out a list of grievances against Iran and called on Congress to enact legislation that would define the terms under which the United States would reimpose sanctions. If Congress cannot pass legislation, Trump said he will terminate the agreement</td>
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Potential actions

- May 12 is the deadline for extending waivers for US sanctions on Iran
- President Trump could waive sanctions again in May if he believes progress is being made
- He could decide no progress will be made and unilaterally reimpose sanctions
- Congress could pass legislation that calls for renegotiation or codifies the 2015 agreement into law
- President Trump could leave the deal in place and continue to certify that Iran is in compliance
- European leaders in the P5+1 group have all expressed their desire for the deal to remain in place
- The Iranian government has said that if Trump does not recertify their compliance, they would explore options ranging from cancelling the deal to working with European allies

LGBT rights

Recent key developments on LGBT rights and potential future actions

**July 2017:**
Trump bans transgender people from the military: In a series of tweets, President Trump announced that transgender people will not be allowed to serve in the military, citing the “tremendous medical costs and disruption.”

**July 2017:**
Trump’s Justice Department argued in a private lawsuit that the Civil Rights Act of 1964 provision prohibiting gender discrimination does not protect workers on the basis of sexual orientation.

**December 2017**
After a federal judge blocked President Trump’s memorandum banning transgender people from serving in the military, the Justice Department announced that a ban on such recruits was on hold. Transgender troops are allowed to enlist as of January 1, 2018.

President Obama issued a directive defending the rights of transgender students to use bathrooms that align with their gender identity

Potential actions

- In July the Supreme Court announce that it will weigh in on whether businesses can refuse service to LGBT couples on the basis of freedom of religion
- The Equality Act establishes federal protections against discrimination based on sexual orientation or gender identity; however, federal LGBT rights are unlikely to advance with the GOP maintaining control of both the House and Senate
- Congressional Republicans have signaled an interest in passing the First Amendment Defense Act, which prohibits the federal government from penalizing any person who acts according to their belief that marriage should be exclusively heterosexual; Trump has pledged to sign the bill
- The Justice Department is evaluating whether it will appeal the federal judge’s decision to block key provisions of the military transgender ban

Legislative timeline

**May 2016**
Rep. Steve Russell (R-OK) slipped an amendment into the National Defense Authorization Act to legalize anti-LGBT discrimination by government contractors, and it was approved; Rep. Sean Patrick Maloney (D-NY) put forth an amendment to nullify Russell’s amendment, but it failed in dramatic fashion when 7 Republicans changed their votes at the last minute

**May 2016**
President Obama issued a directive defending the rights of transgender students to use bathrooms that align with their gender identity

**February 2017**
Trump Administration reverses Obama’s support for trans students:

Trump’s Justice and Education Departments sent a letter to schools rescinding the requirement that students be allowed to use the bathroom that matches their gender identity

Medicare

Recent key developments on Medicare and potential future actions

February 2018:
President Trump’s FY19 budget proposal includes billions in Medicare cuts:
The president’s budget proposal includes $266 billion in cuts to Medicare, which provides health insurance to 58 million Americans aged 65 and older

March 2018:
Reports suggest Walmart is in preliminary talks to purchase Humana:
Walmart may be taking preliminary steps to purchase Humana, one of the leading health insurers offering Medicare Advantage plans

April 2018:
Federal Medicare officials to vote on new opioid-related rules:
Medicare officials will vote on new rules aimed at mitigating the opioid crisis that would discontinue payment for long-term, high-dose opioid therapy beginning in 2019

Legislative timeline

March 2010

Patient Protection and Affordable Care Act of 2010:
It reduced payments to Medicare Advantage plans and created the Independent Payment Advisory Board to regulate Medicare costs, among other reforms

April 2014

Protecting Access to Medicare Act of 2014

March 2015

Medicare Access and CHIP Reauthorization Act (MACRA) of 2015:
Congress passes a law that permanently repeals the SGR limit, replacing it with a plan that rewards providers that participate in alternative payment models

October 2015

Bipartisan Budget Act of 2015:
The budget deal eases what would have been an historic 52% premium hike for some Medicare Part B beneficiaries that was set to go into effect in 2016

Potential actions

- Bernie Sanders’ Medicare for all bill would restructure the American health care system along the lines of the current Medicare program, but it is unlikely to receive enough support to pass
- A purchase of Humana, which is particularly strong in offering insurance and services to seniors, would allow Walmart to enter the health insurance and drug benefit business, enabling it to compete with major rivals like CVS Health and potentially Amazon
- HHS Secretary Alex Azar has supported shifting Medicare payments to a value- or outcome-based payment system
- House Minority Leader Nancy Pelosi (D-CA) has urged Democrats to emphasize to their constituents how the GOP tax overhaul bill passed in December 2018 will result in cuts to Medicare

November 2017:
North Korea breaks two-month lull in missile launches: Two weeks after Trump's visit to Asia and one week after the Trump administration designated North Korea as a state sponsor of terrorism, Pyongyang launches the Hwasong-15, an ICBM with the furthest reach of any missile launched by the country to date. South Korea responded by firing pinpoint missiles into the water in a show of deterrence capabilities.

February 2018:
Tensions between North and South Korea cool; tensions between US and North Korea remain: As the 2018 Winter Olympics approached, the North and South Korea entered into dialogue on Olympic participation. Over the course of the Games, Vice President Mike Pence and Ivanka Trump were rumored to have scheduled talks with North Korean leadership. Neither US official met with North Koreans.

March 2018:
North Korea in the 2018 omnibus bill: Congress approved $8 million to promote human rights in North Korea, provided funds under “Migration and Refugee Assistance” for refugees from the DPRK, and allocated money to maintain a database on prisons and gulags in North Korea.

Legislative timeline

February 2017
North Korea fires a new type of intermediate-range missile, its first missile test during Donald Trump’s presidency:
Rep. Joe Wilson (R-SC) introduces a resolution to condemn North Korea’s bellicose actions

April 2017
The North Korea State Sponsor of Terrorism Designation Act of 2017 introduced by Rep. Ted Poe (R-TX) passes the House and moves to the Senate:
The same designation was given to the DPRK in 1988 and rescinded in 2008 after the government promised to dismantle its weapons program.

August 2017
The UN Security Council unanimously approves sanctions against North Korea:
Responding to sanctions, North Korea threatens it will launch “thousands fold” revenge against the US.

The Countering America’s Adversaries Through Sanctions Act is enacted:
The act imposes sanctions on North Korean leaders, prohibits US financial institutions from providing financial services to North Korea, and places an embargo on certain goods from the DPRK.

Potential actions
- Other legislation in Congress regarding North Korea ranges from requiring the Director of National Intelligence (DNI) to form a DPRK-specific intelligence gathering cell to establishing diplomatic channels to discuss North Korea
- Trump agreed to meet with North Korean leader Kim Jong-Un sometime in May. After the ousting of Secretary of State Rex Tillerson, the new secretary of state and former CIA director, Mike Pompeo, will help craft a plan for diplomacy and possible denuclearization of the Korean Peninsula
- Congress has no real influence over the Trump-Kim meeting, but many members have expressed concerns about the optics of rewarding and elevating the North Korean leader, while others are optimistic about the potential, however unlikely, that it might lead to a diplomatic solution for the region

Sources: National Journal Research, 2018; Congress.gov, 2018; Ambar Phillips, “Why Congress is cautiously optimistic on Trump’s talks with North Korea,” The Washington Post, March 9, 2018

April 3, 2018 | Kathryn Pentz
Opioid abuse and heroin epidemic

Recent key developments on the opioid crisis and potential future actions

**February 2018:**
Justice Department announces it will join states in lawsuits against opioid distributors and manufacturers: AG Jeff Sessions announces that the DOJ will submit a statement of interest “in a lawsuit against a number of opioid manufacturers and distributors for allegedly using false, deceptive, and unfair marketing” of opioids.

**March 2018:**
The White House holds a summit on the opioid crisis: The summit was meant to function as a “progress report” for Cabinet secretaries to detail their efforts to combat the epidemic.

**March 2018:**
Medicare officials announce new plan to help address the opioid crisis: Medicare officials are considering rules, to be voted on April 2, that would discontinue payment for long-term, high-dose opioid therapy beginning in 2019.

Legislative timeline

**July 2017**
Senate passes Jessie’s Law
The Senate voted unanimously on a bill that will require HHS to develop and disseminate standards for hospitals and physicians regarding displaying the history of opioid addiction in the medical records of patients who have provided information about their addiction to a health care provider.

**October 2017**
Trump invokes the Public Health Service Act (PHSA)
This allows HHS to allocate resources to fight the opioid crisis. The announcement is extended in January to continue through April.

**November 2017**
Trump picks Kellyanne Conway to lead White House opioid efforts, saying she will help “change the perception” about opioids and drug addiction.

**February 2018**
Congress passes the Bipartisan Budget Act of 2018
This bill includes $6 billion for the opioid crisis, split evenly between FY18 and FY19.

Potential actions

- The opioid crisis’s status as a public health emergency will expire on April 23.
- The DOJ joining states in their lawsuits against opioid manufacturers is a significant step, mimicking the legal action taken against tobacco companies in the 90s.
- A budget deal signed at the end of March will provide an additional $1.6 billion for the opioid crisis in FY18, bringing the total 2018 federal spending on the opioid crisis to $4.6 billion.
- Experts worry that Medicare cutting payments to some opioid prescriptions will result in hundreds of thousands of patients with chronic pain developing withdrawal, craving and poor pain control.
- Trump’s nominee to lead the ONDCP, Jim Carroll, has not yet been confirmed.

Technology

Recent key developments on technology policy and potential future actions

December 2017:
The FCC voted 3-2 in favor of repealing net neutrality, an Obama-era requirement that Internet service providers treat all web traffic equally.

January 2017:
In the wake of the net neutrality repeal, more than 20 states sued the FCC over the decision; governors in New York and Montana issued executive orders mandating that ISPs uphold net neutrality principles.

March 2018:
Congress passed legislation that would hold internet companies liable for facilitating sex trafficking.

Potential actions

- If the repeal of net neutrality survives the legal challenges, Democrats in Congress could push for legislation to require net neutrality.
- Rep. Marsha Blackburn (R-TN) introduced H.R. 2520, which would authorize the FTC to enforce information privacy protections that require broadband companies to allow users to opt in or out of disclosing their information.
- The Email Privacy Act (H.R. 387), amending the Electronic Communications Privacy Act of 1986, passed the House and could see a vote in the Senate.
- The Supreme Court is set to hear two cases on cell phone privacy: Carpenter v. US and Microsoft v. US.

Legislative timeline

August 2017
Facebook disclosed that Russian fake accounts ran 3,000 political ads on their social media platform during the 2016 election; Twitter also briefed the Senate Intelligence Committee on Russian social media campaigns to influence the election.

September 2017
The White House launched an initiative to invest in tech and computer science, with major tech companies donating $300 million to the proposal.

October 2017
Senators Warner (D), Klobuchar (D) and McCain (R) introduced the Honest Ads Act, which requires social media platforms to disclose advertisers.

October 2017
Facebook, Google and Twitter testified before Congress, disclosing their findings on the scope of Russian influence campaigns on their digital platforms. Facebook estimates that 126 million people were exposed to content associated with the Russian effort.