



PAACC Federal Update

May 2018

Major Washington News

Food Fight

The House is headed for a spirited debate on a farm bill that would impose work requirements on food-stamp recipients -- changes opposed by Democrats -- and reauthorize a crop insurance program that is disliked by a segment of Republicans.

Agriculture and nutrition programs would be reauthorized for five years under H.R. 2, the House farm bill. The legislation covers nutrition assistance, commodity support, crop insurance, conservation, farm credit, rural development, forestry, horticulture, trade programs, and more. The most significant changes in the bill would be to the Supplemental Nutrition Assistance Program (SNAP), which would be subject to expanded work requirements, and conservation programs, some of which would be consolidated. The bill also would ease environmental rules for pesticide registrations and certain forest management activities. The House Agriculture Committee approved the bill by a 26-20 party-line vote on April 18.

More than 100 farm bill amendments have been filed, including one that would inject market forces into the sugar market by scaling back domestic production quotas and another to bar food-stamp recipients from using benefits to buy carbonated soda, blamed for diabetes and obesity.

Pennsylvania Primary

Retirements and a new congressional map are about to create significant turnover in Pennsylvania's House delegation, beginning with primaries May 15. In seven of the state's 18 districts, no incumbent is running.

State Rep. Rick Saccone and state Sen. Guy Reschenthaler are competing for the strongly Republican 14th District in the state's southwestern corner. Saccone lost a March special election to Rep. Conor Lamb (D), who chose to challenge Rep. Keith Rothfus (R) after redistricting. Neither Lamb nor Rothfus is opposed in the primary.

There are also multi-candidate Republican primaries in the eastern 9th District, where Rep. Lou Barletta is instead seeking the Republican nomination to oppose Sen. Bob Casey (D), and in the south-central 13th District, where Transportation and Infrastructure Committee Chairman Bill Shuster (R) did not seek re-election. The resignation of Charlie Dent (R-Pa.) will lead Gov. Tom Wolf to set a special election later this year, probably Nov. 6, the same date of the general election as well as another special election to replace Patrick Meehan (R-Pa.), who resigned last month.

NAFTA Trio Set to Miss Ryan's May 17 Target Without Deal

NAFTA negotiators from the U.S., Canada and Mexico are poised to miss the deadline this week cited by House Speaker Paul Ryan, the latest blown marker for reworking the 24-year-old deal.

U.S. Trade Representative Robert Lighthizer, Mexican Economy Minister Ildefonso Guajardo and Canadian Foreign Affairs Minister Chrystia Freeland aren't scheduled to meet together in person this week.

U.S. President Donald Trump and Canadian Prime Minister Justin Trudeau addressed the talks in a phone call May 14 -- with the White House saying that Trump pushed for a quick deal while Trudeau's office said they discussed the "possibility" of one. The Trump administration is increasingly preoccupied with its efforts to reach a peace deal with North Korea and avoid a trade war with China. Vice Premier Liu He -- who is President Xi Jinping's top aide for economic matters -- will be in Washington this week for talks with the administration on ways to resolve the trade dispute between the two countries.

States Can Legalize Sports Gambling, U.S. Supreme Court Rules

The U.S. Supreme Court freed states to legalize gambling on individual sporting events, unleashing a race to attract billions of dollars in wagers and heralding a new era for the nation's sports leagues.

The justices on May 14 struck down the federal law that had barred single-game gambling in most of the country, saying it unconstitutionally forced states to maintain their prohibitions. Nevada has been the only state with legal single-game wagering.

Sports gambling could begin in a matter of weeks in casinos and racetracks in New Jersey, which instigated the legal fight by repealing its gambling ban. Mississippi, Pennsylvania, New York, Delaware, and West Virginia could follow soon, and the number of states might reach double digits by the end of the year.

House Lawmakers Add More Opioid Bills, Set May 16 Markup

House lawmakers added 21 bills to the list of opioid legislation expected to be passed this year.

The House Ways and Means Committee will review four packages of opioids bills, most of them focused on altering Medicare's rules for prescribing painkillers and reimbursement for drug treatment, which contain 21 separate measures, Rep. Kevin Brady (R-Texas), head of the panel, announced May 11. All four packages have Republican and Democratic supporters. In addition to the new measures, more than 60 opioid bills are being considered by the House Energy and Commerce Committee.

Separately, Ways and Means announced May 14 that it will hold a markup of opioid legislation on the afternoon of May 16.

One of the measures would expand access to medication management services for Medicare beneficiaries who are at risk for prescription drug abuse. Another would standardize electronic prior authorization for Medicare Part D beneficiaries.

The House Energy and Commerce Committee, led by Rep. Greg Walden (R-Ore.), has spent months reviewing dozens of opioids bills. They are mostly modest measures, but some would alter privacy rules for drug treatment bills and expand Medicaid reimbursement for inpatient substance use treatment services.

Energy & Environment

House Energy, Water Spending Bill Rebukes Trump Budget Cuts

A House panel laid out its vision for funding federal energy and water agencies for the next fiscal year, and it differs significantly from a White House proposal earlier this year.

The House Appropriations Subcommittee on Energy and Water Development approved a more than \$44 billion spending bill in a voice vote at a May 7 markup. The bill would fund the Energy Department, the Army Corps of Engineers, and other agencies for the coming fiscal year.

The Republican-drafted bill rejects many of the budget cuts the Trump administration proposed in its annual budget request. It funds the Corps at \$7.28 billion, 50 percent more than the administration's request, and the Yucca Mountain nuclear storage project at \$267.7 million, 37 percent above what was sought. The bill now advances to the full Appropriations Committee.

Energy Programs

The bill would provide \$146 million for the Energy Department's new Office of Cybersecurity, Energy Security, and Emergency Response, which is being split off from within the existing Office of Electricity Delivery and Energy Reliability. The new office was proposed by the Trump administration in its FY 2019 budget request.

The funding would be an increase from the \$96 million requested in the Trump budget. The office would be led by a new assistant secretary and oversee energy infrastructure security to address the increasing frequency of cyber and physical attacks on the U.S. electric grid, as well as natural disasters.

The bill would also cut the Energy Department's Energy Efficiency and Renewable Energy Office at more than \$2 billion, an almost 11 percent cut. Renewable energy and energy efficiency programs "have already received significant investments in recent years," according to a May 6 statement from the House appropriations subcommittee.

However, it was not all cuts for the Energy Department. The bill would also boost funding for the its Office of Fossil Energy to \$785 million, \$58 million more than current levels. The fossil energy office is responsible for advanced coal, natural gas, and oil technologies.

Additionally, the bill would fund the Energy Department's Advanced Research Projects Agency-Energy program, which focuses on emerging energy technologies that are not far enough along to attract private-sector investment, at \$325 million. The White House has proposed eliminating the program altogether.

Army Corps

The outlook is much rosier for the Army Corps, which would get more than \$7 billion under the House bill. This is not only far beyond what the Trump administration asked for but is almost 7 percent more than its current funding levels.

Defense

\$717 Billion House Defense Bill

The Pentagon would be allowed to spend \$686 billion in fiscal 2019 and buy an additional Ford-class aircraft carrier under the House Armed Services Committee's defense authorization measure.

The annual defense policy bill, approved on a 60 to one vote by the Armed Services panel just after midnight early May 10, would authorize a 2.6 percent pay raise for troops and back President Donald Trump's plan for a large military parade in the nation's capital.

With an appropriations agreement in place that sets discretionary national security spending at \$716 billion for 2019, the committee focused on boosting everything from military training and aircraft to ships and spare parts. Under newly loosened budget caps this year, negotiations have swirled around more controversial issues, such as using Pentagon money to build a wall on the southern border, spending on a military parade, and a proposal by Chairman Mac Thornberry (R-Texas) to cut down Defense Department support agencies. The efforts did not amount to more than debate during the bill's marathon consideration as amendments offered mostly by Democrats failed.

The bill backs the Pentagon's plan to buy 77 Lockheed F-35 Joint Strike Fighters and 24 Boeing Co. F/A-18 E/F Super Hornet aircraft. It would also allow the Navy to enter into new multiyear contracts for Boeing's Super Hornet jets and radar-jamming Growler aircraft.

The legislation also would require changes to Boeing's naval fighter aircraft to reduce instances of hypoxia—a deficiency in the amount of oxygen reaching the body's tissues. The Navy has linked the deaths of four F/A-18 pilots over the last 10 years to hypoxia-like symptoms or similar physiological episodes.

Lawmakers also decided to keep the Air Force from scrapping the E-8 Joint Surveillance Target Attack Radar System overhaul and are directing the service to continue with plans to modernize that surveillance capability. To that purpose, the committee authorized \$623 million.

Veterans' Funding Overhaul Rules May Ease Privatization Concerns

Democrats fear a Trump administration proposal to rearrange Department of Veterans Affairs funding would drain resources, leaving veterans without access to specialized health care. The new chair of the Senate panel on VA spending hopes to ease those concerns with rules on how the department can use its money.

Sen. John Boozman (R-Ark.) plans to meet with Democrats, VA officials, heads of hospitals and heads of health-care providers to develop rules that would govern how the VA sends money to VA and non-VA health facilities, he said in an interview last week. Democrats have said the White House plan to combine the department's accounts for private and VA facilities would siphon funds away from VA hospitals and ultimately privatize the department.

The House's Military Construction-VA Subcommittee rejected the administration's plan when it approved its fiscal 2019 spending bill for the department, and Boozman said he is open to Democrats' concerns.

Transportation Bill Likely to Mirror FY2018

Money for the Gateway bridge and tunnel projects in New York and New Jersey could again cause heated debate during consideration of the fiscal 2019 transportation and housing spending bill, which probably will closely follow along the lines of its 2018 version. There was “Gateway heavy” language included in the omnibus bill approved out of committee last year, but the language was stripped from the final spending bill when it proved controversial, Rep. Mario Diaz-Balart (R-Fla.), chair of the House Appropriations Committee’s transportation and housing panel, told reporters May 10.

“It may be in or not, but all of those things, we’re looking at” he said when asked if the same Gateway language would reemerge. Transportation and housing programs will probably be funded at a level similar to the current year when appropriators meet, Diaz-Balart said.

Diaz-Balart’s subcommittee will probably meet at about 5 p.m. EDT May 16, following a separate meeting of the full Appropriations Committee, he said. Inflation for the Section 8 housing assistance program and other expenses must come off the top to the tune of just more than \$1 billion, meaning there will need to be some cuts in other areas from the previous year’s spending levels, Diaz-Balart said.

“There are things that will get increases and there are things that will get decreases, but I think the FY18 bill is a good starting point,” Diaz-Balart said. The fiscal 2018 funding bill totaled \$70.3 billion.

Diaz-Balart said there is strong bipartisan backing for rail and transit.

“There is very strong support to make sure that those projects that are in the pipeline, that they are dealt with and are dealt with expeditiously,” he said about pending Capital Improvement Grants requests from transit agencies.

Trump Infrastructure Plan Ailing, But Not Dead, In Senate

A water resources bill under consideration in the Senate appears to reject the White House’s \$1.5 trillion infrastructure plan, but top Republicans say parts of the Trump proposal may eventually make it into the legislation later this month.

The Senate Environment and Public Works Committee plans to mark up the bill, S. 2800, later in May, Sen. John Barrasso (R-Wyo.), the committee chair, told reporters after a May 9 hearing on the bill. And Sen. James Inhofe (R-Okla.), the panel’s second-ranking Republican, said senators may modify the bill then to insert provisions from the infrastructure plan, which has stalled on Capitol Hill since the White House unveiled it in February.

As of now, however, the bipartisan bill shies away from the more contentious items in the Trump plan—specifically its calls to speed up the permitting process for big federal infrastructure projects by stripping some environmental review requirements. Inhofe told reporters the committee has already accomplished much on this issue, but that he may use the water resources bill as a vehicle to push further.

Inhofe’s plans to amend the bill with environmental permitting measures could jeopardize its bipartisan support. Democrats have strongly opposed legislation in the past that sought to remove federal agencies’ obligations to study the ecological impacts of their decisions.

Aviation

Chairman Thune Seeks Senate FAA Bill Passage by Fourth of July

The Senate should vote to reauthorize federal aviation programs before the July Fourth recess, a top transportation lawmaker, Sen. John Thune (R-S.D.), told reporters.

The Federal Aviation Administration reauthorization would extend aviation programs, includes language protecting airline passengers, and addresses drone access to airspace, among other items.

The House FAA bill (H.R. 4) passed 393-13 on April 27. The Senate Commerce, Science, and Transportation Committee approved an FAA reauthorization bill (S. 1405) by voice vote on June 29, 2017. The current authorization expires Sept. 30.

"I'd like to have it across the floor before the July Fourth break and I'm hoping that can still happen," said Thune, the Senate Commerce, Science, and Transportation Committee chair.

Senate Majority Leader Mitch McConnell (R-Ky.) took steps May 7 to tee up the House-passed bill for consideration. McConnell placed the bill on the calendar under the Rule 14 process, which bypasses the committee.

House FAA Reauthorization

The Federal Aviation Administration (FAA) would be reauthorized through fiscal 2023 under H.R. 4. The bill would establish a remote air traffic control tower pilot program, modify the FAA's safety certification procedures, require new regulations and studies on drones, and introduce new consumer protections for commercial airline passengers. The measure does not include language to privatize air traffic control, as proposed under the FAA reauthorization bill (H.R. 2997) that the committee approved largely along party lines last year.

The bill would authorize the following amounts, in millions:

FY	Airport & Noise Grants	Civil Aviation R&D	EAS	Facilities & Equipment	Salaries, Operations, & Maintenance
2018	\$3,350	\$181	\$153	\$2,920	\$10,231
2019	\$3,350	\$186	\$156	\$2,984	\$10,434
2020	\$3,350	\$190	\$159	\$3,049	\$10,639
2021	\$3,350	\$195	\$162	\$3,118	\$10,861
2022	\$3,350	\$200	\$165	\$3,190	\$11,095
2023	\$3,350	\$204	\$168	\$3,263	\$11,329

The bill would extend the taxes on aviation fuel, tickets, and air freight that fund the Airport and Airway Trust Fund through Sept. 30, 2023.

It would extend tax exemptions for commercial aviation fuel and fractional ownership aircraft until Sept. 30, 2023.

Congressional Schedule

May

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7 House & Senate in Session	8 House & Senate in Session	9 House & Senate in Session	10 House & Senate in Session	11 Senate in Session	12
13	14 Senate in Session	15 House & Senate in Session	16 House & Senate in Session	17 House & Senate in Session	18 House & Senate in Session	19
20	21 House & Senate in Session	22 House & Senate in Session	23 House & Senate in Session	24 House & Senate in Session	25 Senate in Session	26
27	28	29	30	31		

June

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 Senate in Session	5 House & Senate in Session	6 House & Senate in Session	7 House & Senate in Session	8 House & Senate in Session	9
10	11 Senate in Session	12 House & Senate in Session	13 House & Senate in Session	14 House & Senate in Session	15 House & Senate in Session	16
17	18 Senate in Session	19 House & Senate in Session	20 House & Senate in Session	21 House & Senate in Session	22 House & Senate in Session	23
24	25 House & Senate in Session	26 House & Senate in Session	27 House & Senate in Session	28 House & Senate in Session	29 Senate in Session	30

Out of Session



Both in Session



One Chamber in Session

