



PAACC FEDERAL UPDATE

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Major Washington News

Congress Plans to Delay Major Actions

While the Senate returned from its August recess early, the House returned right after Labor Day. With the mid-term elections less than two months away, Congress is planning to delay many of its most pressing and political actions until after the election. However, Congress will need to address some authorizations that will expire at the end of the fiscal year on September 30, including the Federal Aviation Administration reauthorization. Congress was able to pass an appropriations bill that funds the Defense, Labor, Health and Human Services and Education departments for Fiscal Year 2019. Along with it, they passed a continuing resolution that funds the rest of the government, including the Department of Homeland Security (DHS), and extends the Violence Against Women Act, through Dec. 7. With the House taking a weeklong recess, there are very few legislative days remaining before the new fiscal year begins on October 1.

Supreme Court Nominee Hearings

The Senate Judiciary Committee is scheduled to vote on the nomination of President Trump's Supreme Court nominee on Thursday, September 20. However, Committee Chairman Senator Chuck Grassley is getting pressure to delay that vote since Dr. Christine Blasey Ford came forward to accuse Kavanaugh of sexual misconduct. Grassley is attempting to schedule follow-up calls for members of the Judiciary Committee to speak with both Kavanaugh and Dr. Ford, while reviewing precedent for the situation. So far, the Democrats on the committee have refused to schedule the calls, instead pushing for another round of public hearings including Kavanaugh and Dr. Ford. Both Kavanaugh and Dr. Ford have said that they are willing to testify publicly; Kavanaugh has issued a statement denying the allegations.

Appropriations Update

In late August, the Senate passed the Defense and Labor, HHS, and Education funding bills by a vote of 85-7. The bill represents a majority of the federal government's spending at a combined \$786 billion. The House also passed a mini-bus spending bill on Thursday, September 13 that includes bills for military construction and veterans' affairs, the legislative branch and energy and water. The \$147 billion bill was sent to President

Trump, who has indicated that he will sign it. Finally, the House and Senate also announced on Thursday, September 13 that they reached a deal on the remaining spending bills that includes a continuing resolution (CR) to fund the government through December 7, as part of the Defense and Labor-HHS-Ed appropriations package. By including the CR, Congress has moved to ensure that President Trump will sign the bill rather than force a government shutdown over funding for the border wall. The border wall funding is included in the Department of Homeland Security's appropriation bill. To veto the continuing resolution, President Trump would also need to veto the Defense bill. If signed into law, the package would avert a government shutdown.

Farm Bill Update

After passing their respective versions of the Farm Bill, the House and Senate have now set a conferee committee to work out the differences before the current authorization expires on September 30. The House Farm Bill included reforms on the Supplemental Nutrition Assistance Program (SNAP)-they eliminated the Conservation Stewardship Program-and the Conservation Reserve Program (CRP) increased from 24 million acres to 29 million. There were different changes in the Senate bill. For example, they reduced the Adjusted Gross Income cap for the Title 1 program payment eligibility from \$900,000 to \$700,000, and they increased the CRP from 24 million acres to 25 million. Recently, negotiations have stalled due to additions that would make it more difficult for states to waive work requirements for participating in the Supplemental Nutrition Assistance Program (SNAP), which provides food stamps for low-income Americans. Democrats strongly oppose these additions, while Republicans say they are close to compromise on the bill.

Business & Industry

National Labor Relations Board Rule

On Thursday, September 13, the National Labor Relations Board (NLRB) released a new proposed rule regarding the joint employer standard. The rule will seek to determine when companies can be held liable for employment violations committed by subcontractors. The goal is to make the lines of joint employers clearer and more consistent.

In 2015, the NLRB had voted to broaden the definition of a joint employer to include "indirect control." When President Trump took office, the NLRB reversed course and reverted to a definition of "direct control." However, that decision was vacated when the board's ethics official determined that one of the board members should have recused himself. This back-and-forth has caused confusion in businesses and the International Franchise Association praised the NLRB's new rule for providing clarity. The rule will be open for public comment for 60 days.

Tax Reform 2.0

On Thursday, September 13, the House Ways and Means Committee advanced legislation that would make permanent the individual tax cuts included in the 2017 tax law. The cuts include lower tax rates, larger standard deduction, deduction for income

from noncorporate businesses and the \$10,000 cap on the state and local tax (SALT) deduction, which are scheduled to expire in 2025. The bill passed along partisan lines in the committee by a vote of 21-15. The full House is expected to vote on it later this month. However, it likely won't go anywhere in the Senate because it would need 60 votes to pass.

China Tariffs

President Trump may add another \$200 billion on Chinese goods. The White House had previously suggested they would implement a 25% tariff but have reduced that to 10%. The threat of additional tariffs comes after both China and the United States have already placed tariffs of \$50 billion on each other's products. Opponents say that the tariffs do nothing to curb China's unfair trade practices and that a trade war hurts everyone. Treasury Secretary Mnuchin had proposed another round of talks with China regarding trade for later in September, but that meeting looks unlikely to happen.

North American Free Trade Agreement (NAFTA)

The United States, Canada, and Mexico are working to revise NAFTA by the end of September to provide a deal for Congress to consider next year. On Tuesday, September 11, trade representatives from the U.S. and Canada held another round of talks that they described as positive. Canadian Foreign Minister Chrystia Freeland told reporters that a deal is "eminently possible." A few weeks ago, the White House announced it came to an agreement with Mexico over the terms of a revised agreement but threatened to exclude Canada from NAFTA if they couldn't come to an agreement. Most legislators would prefer to consider a deal that includes all three countries, so they are hopeful that talks with Canada will progress. Congress must approve any changes to NAFTA.

Paid Leave Legislation

In August, Senator Marco Rubio introduced legislation that would give new parents up to three months paid leave. The bill would fund the paid leave by borrowing from the worker's social security, delaying the retirement date by three to six months. Representative Ann Wagner plans to introduce a similar bill in the House. The plan is based on a proposal by the Independent Women's Forum. Critics say that the bill only provides paid leave for new parents and not people who need leave for other personal or family medical issues. Senator Kristen Gillibrand has also introduced a paid leave bill that Democrats prefer, which pays for leave with a slight payroll tax increase. None of the bills are likely to move this year.

Aviation

FAA Reauthorization

The current Federal Aviation Administration (FAA) reauthorization extension that was passed in March will expire on September 30. Leaders hope to avoid passing another short-term extension, but with the prospect of debating several amendments on the Senate floor, there may not be enough time before the expiration to pass a long-term reauthorization. Several Senators have been pushing to include uniformity measures for

breaks for track drivers. With many Democrats opposing the measure, it's stalling the reauthorization further. Even though the Senate has yet to bring its version of the bill to the floor, the House and Senate are trying to engage in pre-emptive negotiations to hammer out a long-term bill to avoid a short-term extension.

Energy & Environment

Affordable Clean Energy Plan

In August, the Environmental Protection Agency (EPA) announced its proposal for the Affordable Clean Energy (ACE) plan, which will replace the Obama administration's Clean Power Plan. ACE would give states guidelines for how to reduce their coal plants' carbon dioxide emissions, mainly by making them more efficient. States would be given wide latitude in formulating plans as they see fit. Opponents say the new rule will do little to reduce emissions because it sets no parameters for carbon emissions. Proponents say that the rule ends the war on coal. The EPA will hold one public hearing on the rule on Oct. 1 in Chicago, although it says it may consider additional hearings in the future. Public comments on the proposed rule are due in late October.

Congressional Schedule

September

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

Out of Session

Both in Session

One Chamber in Session

