

# Gray & Oscar LLC

**TO:** FRANK WALL / JIM GAFFNEY / CATIE SCOTT  
**FR:** MICHAEL OSCAR  
**DT:** 12/12/18  
**RE:** CONGRESSIONAL UPDATE

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***This Week in Congress:*** Members of Congress are facing an end-of-the-year traffic jam with legislation piling up and a tight schedule that leaves them little wiggle room. Currently, leadership is juggling a backlog of must-pass bills and nominations as well as eleventh-hour requests from rank-and-file members as legislators try to cram as much as possible into the final days of the work year. Republicans, in particular, are feeling pressure to make a last-ditch effort as they prepare to cede control of the House to Democrats in January. Additionally, Wednesday was a national day of mourning for the 41st President, who used the military acronym (CAVU) ceiling and visibility unlimited to his approach to life. Federal departments and agencies, as well as the Supreme Court, were closed. The state funeral began at 11:00 A.M. at the Washington National Cathedral. Finally, earlier in the week, congressional leaders unveiled a bill that extends government funding for two weeks and averts a partial government shutdown this Friday.

**CONTINUING RESOLUTION (Avoids Government Shutdown):** Members of Congress sent a two-week continuing resolution (CR) to the President before the current CR runs out at midnight on Friday, December 7th. The bill would push the deadline by which Congress needs to pass a spending package for the remaining seven appropriations bills from December 7th to December 21st and would provide a temporary extension of the National Flood Insurance Program until the same date. Also, it would continue an extension for the Violence Against Women Act. While Democrats would have preferred a one-week bill, they will not object to approving the two-week CR. Senate Appropriations Chairman Shelby said that the new funding deadline has "raised the stakes" for negotiators working on the remaining spending bills.

**FARM BILL (Legalizes Hemp):** The conference report on the farm bill (HR 2) has been delayed because of the funeral services for former President Bush. The conference report is now expected on December 10<sup>th</sup> and the bill is a win for hemp producers and for hemp advocate Senate Majority Leader McConnell, as it would make the agricultural production of hemp legal; McConnell sponsored the language in the bill. Rep. Comer, who is a member of the farm bill conference committee, said negotiators reached a compromise on language from the Senate version that would ban, from growing hemp, people who have served a prison term for drug possession and other drug offenses.

**RECORDABLE INJURIES (Decline):** Per the Bureau of Labor Statistics, private-sector employers reported 2.8 recordable injuries per 100 workers in 2017; all measures -- including missed workdays, OSHA recordable incidents, injury-caused work restrictions -- have declined steadily this century. Additionally, the industrial internet of things (IIoT) has significantly impacted safety for workers and entire companies, and many results are undoubtedly positive. Since IIoT devices connect to the internet, organizations must follow cybersecurity best practices to ensure cybercriminals do not infiltrate systems and cause dangerous malfunctions. Companies are rapidly implementing the IIoT, but they cannot overlook safety. To date, 64 percent of respondents reported they already started digitally transforming their workplaces with the IIoT and similar equipment or were planning to do so within a year. The resultant technology should allow workers to do their jobs more safely than they could without it, but safety-related advantages could become less apparent if organizations do not update their safety plans to incorporate IIoT equipment.

**HOUSE DEMOCRATIC LEADERSHIP ELECTION RESULTS:**

**SPEAKER:**

Nancy Pelosi (D-CA)\*

**MAJORITY LEADER:**

Steny Hoyer (D-MD)

**MAJORITY WHIP:**

Jim Clyburn (D-SC)

**ASST. LEADER:**

Ben Ray Lujan (D-NM)

**DEM. CAUCUS CHAIR:**

Hakeem Jeffries (D-NY)

**DEM. CAUCUS VICE CHAIR:**

Katherine Clark (D-MA)

**DCCC CHAIR:**

Cheri Bustos (D-IL)

**DPCC CHAIR:**

David Cicilline (D-RI)

**DPCC CO-CHAIRS (3 positions):**

Debbie Dingell (D-MI)

Matt Cartwright (D-PA)

Ted Lieu (D-CA)

**LEADERSHIP POSITION FOR JUNIOR**

**MEMBER:\*\***

Tony Cardenas (D-CA)

\*A final determining vote will happen in January on the House floor.

\*\*This position was created in 2016 to give lawmakers with five terms or less a seat at the table.

## **TRADE:**

- **China** - President Donald Trump and Chinese President Xi Jinping have agreed to a 90 day ceasefire on trade, with Trump agreeing not to raise tariffs further while negotiations continue. China will agree to purchase more U.S. agricultural, energy and other products. The move means that U.S. tariffs on \$200 billion worth of goods will not rise to 25 percent on January 1st, from 10 percent currently, as Trump had previously threatened. The two leaders struck the agreement in Buenos Aires on the sidelines of the annual G-20 leaders summit. It follows months of escalating trade friction as the U.S. complained about Beijing's intellectual property practices.
- **USMCA** - After leaving Buenos Aires this weekend, **President** Trump told reporters aboard Air Force One that in "a relatively short period of time" he will notify Canada and Mexico that the U.S. will exit the trade pact in six months, which would leave Congress with a choice: approve the U.S.-Mexico-Canada Agreement (USMCA) or allow things to revert to the pre-NAFTA trade landscape, with all the economic disruption that would entail. Ultimately, House Democrats in the new 116<sup>th</sup> Congress will effectively decide the fate of President Trump's trade achievement, who have questioned whether labor and environmental provisions in the USMCA are enforceable or tough enough. Withdrawal would mean extra pressure to sign off on the deal.

**NORTH AMERICAN SHALE GAS EXPLORATION: *Mexico Increases U.S. Natural Gas Volumes:*** The Energy Information Administration says exports of American natural gas to Mexico reached an all-time high of about 6 billion cubic feet per day in August, of which roughly 5.1 billion cubic feet per day was shipped via pipelines. The record stream of gas flowing across the border comes as Mexico is seeing demand surge amid declining gas production.