

Window on Washington - May 24, 2021, Vol. 5, Issue 21

May 24, 2021

Outlook for This Week in the Nation's Capital

Congress. The House is in a committee work period this week, though the Senate returns today and will resume consideration of Senate Majority Leader Chuck Schumer's (D-NY) U.S. Innovation and Competition Act ([S. 1260](#)), a broadened bill that includes the Endless Frontier Act and that aims to address the United States' future competitiveness and economic needs. [Hearings](#) for this week include Senate Banking and House Financial Services hearings with the heads of the country's largest banks, a House Armed Services hearing on national security space programs, a House Energy and Commerce hearing on drinking water legislation, a House Agriculture hearing on nutrition support after the pandemic, a House Science hearing on the science and energy research enterprise, and a House Veterans' Affairs hearing on VA infrastructure needs.

FY22 Budget and Appropriations. President Biden is expected to release his full FY22 budget request on Friday. Additionally, the House Appropriations Committee released its markup schedule, though they have not specified which dates belong to which subcommittee/bill. Subcommittees will mark up their appropriations bills beginning on June 24 and going through July 12, while full committee markups will be held each day from June 29 through July 1, as well as on July 13, 15, and 16. In preparation for the budget release and markups, the House Appropriations Committee has numerous [FY22 budget hearings](#) this week, including on the U.S. Army Corps of Engineers, the National Institutes of Health (NIH), defense health and medical readiness, the Centers for Disease Control and Prevention (CDC), and the Department of Defense (DoD). Similarly, the Senate Appropriations Committee will hold [FY22 budget hearings](#) on the NIH, Department of Homeland Security (DHS), and Department of Commerce.

Infrastructure Package. President Biden reduced his infrastructure package proposal by \$500 billion in hopes of gathering bipartisan support by Memorial Day, but Senate Republicans rejected his offer. Biden has indicated it is now up to Republicans to come back with another counteroffer to continue the negotiations. With the target date rapidly approaching, there is a chance the White House will be flexible with this informal deadline if it means they can find common ground with Republicans. However, should a stalemate continue, it is likely that Democrats may change their course of action in order to make progress on securing bipartisan support for parts of the package.

Biden Administration. The White House has backed off from its original May 25 deadline to pass police reform legislation, leaving the timing for passage up to Congress. Though President Biden will not be able to sign the George Floyd Justice in Policing Act into law tomorrow, Biden plans to mark the day by hosting members of George Floyd's family at the White House. Separately, Biden will travel to Cleveland, Ohio on Thursday to discuss the economy. This will be his second trip to Ohio since taking office.

Last Week in the Nation's Capital

CONGRESS

Budget & Appropriations

House Passes \$1.9 Billion Capitol Security Bill That Faces Senate Roadblocks: The Democratic-held chamber approved the measure by the thinnest of margins a day after it passed a bill to set up an independent commission to investigate the attack on the legislature. Opposition from Republican leaders has raised doubts about whether either proposal can get through the evenly split Senate. ([CNBC](#))

Health

House Passes Drug Bill That Stalled Over Jan. 6 Tensions: The House last Wednesday overwhelmingly passed a previously noncontroversial drug bill meant to help more opioid treatments go on the market, after the bill stalled two weeks ago because of unrelated tensions over the Jan. 6 insurrection. ([The Hill](#))

Labor & Workforce

Democrats Offer Bill to Encourage Hiring of Groups Hard-Hit by Pandemic: The legislation would expand the work opportunity tax credit — a tax break designed to incentivize employers to hire people from groups who often face barriers to employment, such as the long-term unemployed, veterans, ex-felons and recipients of certain federal benefits. ([The Hill](#))

Banking & Housing

Fudge, Buttigieg Pitch Housing Infrastructure Push to Skeptical GOP: Two of President Biden's top Cabinet officials leading his infrastructure push pitched lawmakers last Thursday on the importance of major investment in affordable housing as Democrats and Republicans attempt to strike a bipartisan deal. ([The Hill](#))

Crypto/Blockchain

Washington Wakes up to Covid-fueled Investment Risks as Crypto, SPACs Tank: A wave of pandemic-era speculation in Bitcoin and new shell corporations known as SPACs is crashing, and Washington policymakers are scrambling to come to the rescue of investors. ([Politico](#))

Transportation

Carper Sets 'Aggressive' Timeline for Marking Up Senate Highway Bill: The Senate Environment and Public Works Committee tentatively plans to mark up its highway bill this Wednesday, a schedule that the chairman acknowledges is "a bit aggressive" – the House Committee has signaled that they will wait until after Memorial Day to introduce their bill. ([Roll Call](#))

Trade

Senators Reintroduce Legislation to Lift Cuba Embargo: Sens. Amy Klobuchar (D-MN), Jerry Moran (R-KS), and Patrick Leahy (D-VT) reintroduced the Freedom to Export to Cuba Act on May 20. The law would not repeal trade restrictions surrounding human rights violations but would eliminate "key provisions of previous laws that block" U.S. exports to Cuba and would provide U.S. producers and farmers with additional market opportunities. ([Office of Sen. Leahy](#))

Space/NASA & NOAA

Melroy, Spinrad Sail Through Confirmation Hearing: President Biden's nominees for Administrator of NOAA and Deputy Administrator of NASA sailed through their nomination hearing last week in the Senate, where the issue of Chinese

ambitions in space was raised by several Senators. ([Space Policy Online](#))

Defense

Senators Introducing Bill to Penalize Pentagon for Failed Audits: The Audit the Pentagon Act of 2021, an effort being led by Senate Budget Committee Chairman Bernie Sanders (I-VT) and joined by several Republicans, centers around the Pentagon's failure to pass an independent financial audit for the past several decades. ([The Hill](#))

Homeland Security & Immigration

Current Funds 'Unlikely' to Sustain DHS Border Agency: U.S. Customs and Border Protection appears "unlikely" to have enough money for the remainder of the fiscal year, a top House appropriator said last Wednesday, raising the prospect of another supplemental funding bill as the country deals with high migration levels. ([Roll Call](#))

Judiciary/Justice

Senate Judiciary Sends D.C. Circuit, Other Judicial Nominations to the Floor: The Senate Judiciary Committee sent the first slate of President Joe Biden's judicial nominees to the Senate floor last Thursday, in a relatively subdued debate compared with partisan clashes over appeals court picks in previous years. ([Roll Call](#))

Cyber

Colonial Pipeline CEO to Testify on Capitol Hill in June Following Cyberattack: Colonial Pipeline CEO Joseph Blount will testify on June 9 before the House Homeland Security Committee at a hearing, one month after the company was forced to shut down operations due to a devastating ransomware attack. ([The Hill](#))

Energy

The Lucrative Climate Proposal That's Going Nowhere in Washington: Support for putting a price on carbon dioxide pollution is steadily spreading — from environmental advocates who have long promoted it and the states already reaping billions of dollars from the idea to the business groups and free-market economists who see it as one of the most cost-effective ways to confront climate change. Everywhere except Washington, D.C. ([Politico](#))

EXECUTIVE BRANCH

Budget & Appropriations

Biden Expected to Unveil Full Budget Proposal this Week: President Biden is poised to submit his full fiscal 2022 budget request this week, despite not having a permanent budget director or even a nominee for the position yet. Shalanda Young has been serving as acting OMB director since she was confirmed as deputy director on March 23. Many lawmakers called for her to be the director nominee; however, the White House has not announced a nominee yet. ([GovExec](#))

White House Willing to Let Infrastructure Talks 'Play Out,' Richmond Says: White House senior adviser Cedric Richmond said yesterday that President Joe Biden was still eager for an infrastructure deal but was willing to let negotiations go on a bit longer. ([Politico](#))

Department of Education

Judge Rules DeVos Must Testify in Lawsuit over Student Loan Forgiveness: A federal judge last Wednesday said that former Education Secretary Betsy DeVos must testify in a class-action lawsuit over her handling of student loan forgiveness claims, ruling that "exceptional circumstances" justify the rare deposition of a former Cabinet secretary. ([Politico](#))

Crypto/Blockchain

New OCC Chief Signals Greater Caution on Crypto: The U.S. Office of the Comptroller of the Currency (OCC) will review its crypto-related guidance issued over the past year, its new chief said. ([Coindesk](#))

U.S. Treasury Calls for Stricter Cryptocurrency Compliance with IRS, Says They Pose Tax Evasion Risk: The Treasury Department last Thursday announced that it is taking steps to crack down on cryptocurrency markets and transactions, and said it will require any transfer worth \$10,000 or more to be reported to the Internal Revenue Service. ([CNBC](#))

Transportation/DOT

Is Ford's 'Watershed' F-150 an EV Breakthrough?: Ford Motor Co. last week introduced an electric version of its bestselling F-150 truck, instantly becoming a pivotal player in whether electric vehicles get popular and help fend off climate change. ([E&E News](#))

Trade

FEMA Lifts Export Restrictions on Four PPE Items: As domestic cases of COVID-19 continue to decline, FEMA is lifting import restrictions on four items of personal protective equipment and medical supplies. Industrial N95 respirators, PPE surgical masks, piston syringes, and hypodermic single lumen needles are now allowed to be exported under normal customs and FDA guidance. ([FEMA](#))

Space/NASA & NOAA

NASA Seeking More Than \$10 Billion in Infrastructure Bill: NASA Administrator Bill Nelson told House appropriators May 19 that the agency is requesting more than \$11 billion in an upcoming infrastructure bill that would go for the agency's Human Landing System program and upgrading center facilities. ([Space News](#))

Private Sector Seeks Bigger Role in NASA Earth Science Programs: Companies and organizations used a House hearing May 18 to advocate for a larger role in NASA's Earth science programs, arguing their capabilities can complement NASA spacecraft. The hearing by the House space subcommittee on NASA's Earth science programs devoted much of its attention to how commercial Earth imaging spacecraft could supplement NASA missions to study climate change, a growing priority for both the agency and the Biden administration. ([Space News](#))

Racing the Sun to Protect America: The nation's defense and economy are highly dependent on the GPS system, which is highly vulnerable to intense solar storms that scientists now believe happen more often than we thought – despite this vulnerability and its importance to the nation, the U.S. has no backup or alternative plan if GPS is not available. ([Defense One](#))

Defense/DOD

FBI Investigates Defense Contractor's Senate Campaign Donations: U.S. authorities are investigating allegations that a Hawaii-based defense contractor illegally donated \$150,000 to the reelection fund of a Maine senator who advocated for an \$8 million Navy contract with the company, according to court documents unsealed this week. ([Defense News](#))

DoD Wants to Pay More Attention to Weapon Sustainment, Seeing Successes in New Acquisition Policies: Over the last couple years, the Defense Department worked on overhauling its main guidelines for how it buys weapons and goods, and as part of this effort it is putting a greater emphasis on the sustainment of weapons systems and also considering expected climate change impacts. ([Federal News Network](#))

Judiciary/DOJ

White House Commission on Supreme Court to Seek Comments, Debate Changes: The new White House commission on the Supreme Court will hold two days of public testimony in late June and late July, and then four other hearings at

which it will debate expanding the court beyond its current nine members and other topics that could directly affect Congress. ([Roll Call](#))

Agriculture/USDA

The Red Meat Issue Biden Won't Touch: The Agriculture Department's newly published "climate-smart agriculture and forestry" outline says almost nothing about how Biden aims to curb methane emissions from livestock operations. There's also not much appetite in Congress for stricter regulations. Sens. John Thune (R-SD) and Kyrsten Sinema (D-AZ) recently filed legislation that would prohibit the government from requiring livestock emission permits. ([Politico](#))

EPA & DOI

G-7 Countries Commit to Restrict International Coal Funding: The officials from the U.S., United Kingdom, Canada, France, Germany, Italy and Japan also reaffirmed their country's 2016 commitment to phase out "inefficient" fossil fuel subsidies by 2025. ([The Hill](#))

Department of Energy

All New Fossil Fuel Exploration Needs to End This Year, IEA Says: If global leaders started following the report's recommendations aimed at boosting investment in renewable and minimizing warming tomorrow, the most significant—and immediate—impact would be the cessation of all new fossil fuel projects starting next year. ([Ars Technica](#))

