

# Window on Washington - June 14, 2021, Vol. 5, Issue 24

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## Outlook for This Week in the Nation's Capital

**Congress.** The House and Senate are both in session this week. The Senate will continue voting on President Biden's nominees, and the House is set to vote on multiple pieces of [legislation](#), including a resolution to end the 2002 authorization for use of military force in Iraq. The House has a busy June floor schedule ahead, as they plan to vote to overturn a slate of Trump administration regulatory actions and to vote on the House surface transportation package, the INVEST in America Act ([H.R. 3684](#)).

[Hearings](#) for this week include one from the Senate Banking, Housing, and Urban Affairs Committee focusing on the infrastructure needs facing America's states, cities, and towns, a Senate Finance Committee hearing on mental health care, and a House Science, Space, and Technology markup on the National Science Foundation for the Future Act ([H.R. 2225](#)) and the Department of Energy Science for the Future Act ([H.R. 3593](#)).

**FY22 Budget and Appropriations.** House Budget Committee Chairman John Yarmuth (D-KY) will soon introduce a "deeming resolution" to allow for \$1.5 trillion in government spending in FY2022. The measure would allow House appropriators to work on the 12 appropriations bills in late June, allowing Democratic leaders to meet their goal of passing annual spending bills on the House floor by the end of July. Yarmuth's deeming resolution, which sets spending caps for floor consideration without the need of a full budget resolution, could come as soon as this week. Infrastructure legislation may need a separate budget resolution that allows Democrats to pass the package through reconciliation, letting them bypass a Senate filibuster amid Republican opposition. Senate Budget Committee Chairman Bernie Sanders (I-VT) has also indicated he might offer a budget blueprint next month that would allow for a reconciliation bill combining Biden's infrastructure proposals. The National Journal has more details on the lay of the land [here](#).

Separately, the Senate Appropriations Committee has [hearings](#) this week on the FY22 budget requests for the Department of Agriculture (USDA), Department of Education, the National Aeronautics and Space Administration (NASA), Department of Interior, military construction and family housing, Department of Transportation (DOT), and Department of Defense (DOD). Other committees will hold [hearings](#) on the budget request for the Department of Treasury, the Department of Homeland Security (DHS), and the president's budget request overall.

**Infrastructure Package.** A group of 10 Democratic and Republican senators, which includes Senator Joe Manchin (D-WV), have put forward an eight-year infrastructure framework that would cost roughly \$1.2 trillion, though it amounts to only \$579 billion in new funding. The White House is assessing the proposal and has not yet expressed where they stand on the plan. Sources familiar with the framework said it would provide \$974 billion over five years, is focused on "core, physical infrastructure," and would not increase taxes, though it includes an option to index the gas tax to inflation. The proposal

came two days after President Biden and Senator Shelley Moore Capito (R-WV) ended their infrastructure talks. Senate Majority Leader Chuck Schumer (D-NY) said that infrastructure work was still progressing on two tracks – one a bipartisan infrastructure bill and the other a measure that if brought to the floor, could pass through reconciliation.

**Biden Administration.** President Joe Biden is set to attend the NATO summit in Brussels today and the U.S.-E.U. summit tomorrow before traveling to Geneva for his meeting with Russian President Vladimir Putin on Wednesday.

## Last Week in the Nation's Capital

### CONGRESS

#### Budget & Appropriations

**With Infrastructure Talks in Overtime, Dems Move to Keep Government Funding on Track:** Budget Chair John Yarmuth (D-KY) plans to introduce a measure within the next week or so that sets forth about \$1.5 trillion in government funding for fiscal year 2022 — which starts Oct. 1 — so appropriators can finish bills to boost federal agency budgets. That so-called deeming resolution would cut through hours of debate, allowing Democratic leaders to meet their goal of passing annual spending bills on the House floor by the end of July. ([Politico](#))

#### Health

**Senate Crafts Pelosi Alternative on Drug Prices:** Senate Democrats are crafting their own proposal to lower prescription drug prices, an alternative to Speaker Nancy Pelosi's (D-CA) plan, amid doubts about whether the far-reaching House bill can get all 50 Senate Democrats on board. ([The Hill](#))

#### Banking & Housing

**Senators Press Fudge to Rebuild HUD's Depleted Staff:** Housing and Urban Development Secretary Marcia L. Fudge faced questions from both parties about how she plans to replace departed staff, a personnel gap that she said has undermined the implementation of department programs. Fudge said low capacity at the department had slowed the rollout of pandemic housing relief to local governments. Without the staff available to provide technical assistance to grantees, many local governments that received funds were reluctant to spend them, she added. ([Roll Call](#))

#### Crypto/Blockchain

**Emmer, Congressional Blockchain Group Ask IRS to Revise Guidance on Charitable Crypto Donations:** U.S. Rep. Tom Emmer (R-MN) and a bipartisan group from the House Blockchain Caucus want IRS Commissioner Charles Rettig to change the federal agency's guidance on how it considers charitable, cryptocurrency donations of more than \$5,000, according to a letter sent last Thursday. ([CoinDesk](#))

#### Transportation

**House Panel Advances \$547 billion Surface Transportation Bill:** The House Transportation and Infrastructure Committee advanced in a 38-26 vote a five-year, \$547 billion surface transportation bill largely along party lines early Thursday morning. The sweeping bill includes provisions aimed at fighting climate change and supporting racial equity in the transportation system. Democrats hope the legislation will become a cornerstone of President Joe Biden's \$2 trillion-plus infrastructure package. ([Roll Call](#))

#### Space/NASA & NOAA

**Senate Passes NASA Authorization as Part of Sweeping China Competition Bill:** The huge bill now also includes the 2021 NASA Authorization Act and the SPACE Act. The SPACE Act is the same as what cleared the committee last year, but

the NASA authorization act has a few changes, one of which is somewhat controversial. ([Space Policy Online](#))

## Defense

**House Tees Up War Authorization Repeal While Senate Waits on White House:** The House will vote on a repeal of the Iraq-focused 2002 war authorization this week, but similar legislation is on a slower track on the other side of the Capitol, where lawmakers were still negotiating with the White House last week. ([Defense News](#))

## Judiciary/Justice

**Democrats Demand Barr, Sessions Testify on Apple Data Subpoenas:** The top two Senate Democrats last Friday called for multiple investigations into the Department of Justice's (DOJ) decisions in 2017 and 2018 to issue subpoenas seeking metadata records of House Intelligence Committee members as the Trump administration pursued leak investigations. ([The Hill](#))

## Cyber

**Congress Asks JBS Why it Paid Ransom Over Cyberattack:** The Chairwoman of the House Oversight and Reform Committee, Rep. Carolyn Maloney (D-NY), is pressing JBS USA to explain why it paid \$11 million in ransom to a criminal group earlier this year and requesting that they turn over key documents. ([The Hill](#))

## Agriculture

**Agriculture Panel Sends USDA General Counsel Nomination to Full Senate:** The Senate Agriculture Committee last Thursday sent the nomination of Janie Simms Hipp to the full Senate by voice vote and with bipartisan praise. Chairwoman Debbie Stabenow (D-MI) said she hoped the Senate would confirm Hipp by unanimous consent as it did with Jewel H. Brounagh's confirmation for deputy Agriculture secretary in May. ([Roll Call](#))

**Senators Seek USDA Special Investigator After Meatpacking Disruptions:** Senior farm-state senators are pushing to designate a special investigator at the Agriculture Department to focus on antitrust issues and national security concerns in the meatpacking industry. The effort stems from the recent ransomware cyberattack against JBS, the world's largest meat packer, which controls almost a quarter of U.S. beef processing. ([Politico](#))

## EXECUTIVE BRANCH

### Health/HHS/NIH

**HHS Gives Providers Flexibility on Spending COVID-19 Relief Funds, Updates Reporting Requirements:** The Department of Health and Human Services (HHS) set up new deadlines for when providers must use funding based on when they got it, rather than the June 30 deadline for all payments to be expended. ([Fierce Healthcare](#))

### Labor & Workforce

**OSHA Issues Safeguards for Health Workers, But Goals for Others:** The Occupational Safety and Health Administration, after months of delay, released standards to protect essential workers from COVID-19 last Thursday, but those policies were scaled back significantly to apply only to health care settings. ([Roll Call](#))

### Department of Education

**Biden's Education Dept. Laid Out its Priorities for Student-Loan Relief:** The Department said it would review the Public Service Loan Forgiveness (PSLF) program and "plans to look at these regulations for improvements," along with amending the "borrower defense to repayment," which forgives loans for students who were defrauded by for-profit schools. ([Business Insider](#))

## Banking & Housing/HUD

**HUD Restores Obama-era Fair Housing Rule:** The Department of Housing and Urban Development reinstated a 2015 rule which lets the agency suspend housing grants to municipalities that don't actively combat housing discrimination, but eased compliance requirements for grant recipients. HUD issued an interim final rule reinstating its Affirmatively Furthering Fair Housing regulation, which Trump repealed with fanfare during his 2020 presidential bid. ([Bloomberg Law](#))

**SBA Vows to Fix Plagued Relief Program for Live-Event Businesses:** The Small Business Administration has essentially ousted the leaders of a deeply troubled \$16 billion relief effort for live-events businesses, bringing in a new team to take over and fix the program. More than six weeks after the long-delayed program started taking applications, 14,000 businesses have applied for a Shuttered Venue Operators Grant. Only 90 have been awarded one. ([New York Times](#))

## Crypto/Blockchain

**DeFi Derivatives May Be Illegal: CFTC Commissioner:** DeFi markets for derivative instruments – meaning futures contracts, for example – may not be legal under the Commodity Exchange Act, a U.S. law that governs such products and requires them to trade only on regulated designated contract markets (DCMs), Commodity Futures Trading Commission (CFTC) Commissioner Dan Berkovitz said in a speech to the Asset Management Derivatives Forum. ([CoinDesk](#))

## Transportation/DOT

**Biden's Zero-Emission Federal Fleet Hits Roadblocks:** Acting GSA Administrator Katy Kale is urging agencies to work with the GSA fleet program and its Public Buildings Service as they develop agency-specific plans to transition to electric fleets and install charging stations, plans which faces numerous obstacles. ([Federal News Network](#))

## Trade

**100 Day Supply Chain Review Report Released:** The White House has issued a multi-agency report after 100-day review of U.S. supply chain vulnerabilities that recommends reshoring into the United States and support of manufacturing in four key industry areas: semiconductors, large capacity batteries, critical minerals and materials, and pharmaceuticals. The recommendations fall into six categories: 1) Rebuilding production and innovation capabilities; 2) supporting the development of markets with high road production models, labor standards, and product quality; 3) leveraging the government's role as a market actor; 4) strengthening international trade rules, including trade enforcement mechanisms; 5) working with allies and partners to decrease vulnerabilities in the global supply chains; and 6) partnering with industry to take immediate action to address existing shortages. ([White House](#))

## Space/NASA & NOAA

**Chief Scientist Says NOAA is '\$12 billion Agency Trapped in a \$5.5 billion Budget':** During a House Science Committee hearing last week, Craig McLean, the acting chief scientist for the National Oceanic and Atmospheric Administration (NOAA), last Monday lamented what he said was insufficient funding for the agency to achieve its mandate. ([The Hill](#))

**Orbital Debris Creates a New Problem – Light Pollution:** Satellites and space debris are increasing the brightness of the night sky by at least 10 percent over natural light levels, exceeding a threshold set by astronomers in 1979 defining a location as "light polluted." ([Air & Space Magazine](#))

**Bill Nelson's NASA Agenda:** NASA Administrator Bill Nelson is leveraging his nearly four decades in Congress to lobby hard for additional funding to plug a major hole in the Artemis program to return astronauts to the moon and also give aging facilities a facelift, he told Politico recently in a wide-ranging interview. ([Politico Space](#))

## Defense/DOD

**Pentagon to Redirect \$2.2B in Border Wall Funds Back to Military Projects:** The Pentagon will restore \$2.2 billion to military construction projects that were stripped by the Trump administration to pay for a wall along the U.S.-Mexico border, the Defense Department announced last Friday. The money will go to 66 projects in 16 countries, 11 U.S. states and three U.S. territories in fiscal 2021. ([The Hill](#))

## Judiciary/DOJ

**DOJ to Probe Trump-Era Subpoenas of Lawmaker Records:** The Justice Department's internal watchdog will investigate the secret seizure of data from Democratic lawmakers and reporters during leak investigations initiated under the Trump administration. ([The Hill](#))

## Cyber

**Biden's Cyber Nominees Promise 'Coherence' Among Agencies to Prevent Future Breaches:** In the fallout of several major cybersecurity incidents affecting both government and industry, three of the Biden administration's leading nominees for IT and cyber positions say they'll work from the same playbook to make federal networks more resilient. ([Federal News Network](#))

## Agriculture/USDA

**U.S. Farmers of Color Were About to Get Loan Forgiveness – Now the Program is on Hold:** A new federal program created by the Biden administration to reverse years of economic discrimination against U.S. farmers of color has ground to a halt. Last Thursday, a federal judge in Wisconsin ordered the U.S. Department of Agriculture to stop forgiving loans on the basis of race under a novel effort included in the American Rescue Plan relief package. ([NPR](#))

## EPA & DOI

**Biden EPA to Reverse Trump's Sweeping Clean Water Act Rollback:** EPA Administrator Michael Regan announced last Wednesday that his agency will formally repeal the 2020 Navigable Waters Protection Rule, which removed federal pollution oversight from tributaries of iconic waterways and broad swaths of the arid West. ([Politico](#))

## Department of Energy

**How Biden Might Transform Nuclear Power:** Industry hopes for a "renaissance" are rising with President Biden's endorsement of subsidies for old reactors and new designs as vital contributors to unprecedented federal clean energy goals. ([E&E News](#))

**Biden Administration Proposes its First Offshore Wind Lease Sale:** The Biden administration has revealed that an area between the coasts of New York and New Jersey will be the location of its first proposed offshore wind lease sale, and the federal government's ninth overall. It estimated that up to 7 gigawatts of energy could be generated in the expansive areas the federal government is trying to lease — enough energy to power more than 2.6 million homes. ([The Hill](#))