

Window on Washington – September 13, 2021, Vol. 5, Issue 37

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Outlook for This Week in the Nation's Capital

Congress. The Senate is back in session this week and is resuming its work on nominations. While the House is in recess until next week, it's continuing its [committee](#) work on the reconciliation package. Additionally, a narrower elections and voting rights bill that aims to gather bipartisan support and is endorsed by Sen. Joe Manchin (D-WV) is expected to be introduced in the Senate this week.

Reconciliation Package. Last week's Committee markups included [Natural Resources, Education and Labor, Science, Space, and Technology, Small Business, Agriculture, and Ways and Means](#). This week's reconciliation markups will include Energy and Commerce, Financial Services, Homeland Security, Veterans Affairs, Judiciary, Transportation and Infrastructure, and a continuation of Ways and Means and Agriculture. House Committees will wrap up their markups by Wednesday, after which each piece of legislation will head to the House Budget Committee to be assembled into one large package. House Democratic leadership's goal continues to be to pass the bill later this month, but it remains to be seen how concerns over the size of the package from moderate Democrats will impact this timeline or scope of the final assembled package. Centrist Democratic Senators Senator Joe Manchin (D-WV) and Mark Warner (D-VA) poured cold water on the \$3.5 billion package yesterday, with Manchin saying he would only support a final amount between \$1-\$1.5 trillion and [Warner threatening to vote against the package](#) if money for housing assistance isn't included.

FY22 Appropriations. The Senate Appropriations Committee is tentatively planning to hold FY22 markups next week for the Transportation, Housing and Urban Development (THUD) and Legislative Branch bills. However, the Senate still has a long way to go with their appropriations process, having not yet finished markups on all twelve bills and not yet having floor votes for any of them. The House has yet to vote on all of its FY22 appropriations bills as well. With the end of the fiscal year around the corner on September 30, House Majority Leader Steny Hoyer (D-MD) plans to bring a stopgap spending bill to the House floor sometime next week, though it is still unknown publicly how long the continuing resolution (CR) would go for and what else will be added to it. As of now, the White House has [requested](#) that the CR include \$14 billion to respond to natural disasters that occurred before Hurricane Ida, \$6.4 billion to help pay for the relocation of Afghan refugees, as well as include several other programs that need additional funding or reauthorization. There will likely also be a request for additional funding in the CR to respond to Hurricane Ida. Outside of the White House anomalies, Democrats and the White House are still weighing whether to pair debt limit action with the CR as well.

Biden Administration. President Joe Biden will visit three Western states today. He will start the trip in Boise, Idaho, where he will visit the National Interagency Fire Center. From there he will head to Sacramento to survey wildfire damage and then Long Beach to participate in an event with California Governor Gavin Newsom ahead of the recall election. After

California he will head to Denver, Colorado to participate in a Build Back Better event. Separately, First Lady Jill Biden will visit Milwaukee, Wisconsin and Des Moines, Iowa on Wednesday but it is not yet known what the trip will entail.

Last Week in the Nation's Capital

CONGRESS

Budget & Appropriations

Manchin Says He Can't Support Biden's \$3.5 Trillion Spending Plan: Sen. Joe Manchin (D-WV) said yesterday that he can't support President Biden's \$3.5 trillion spending plan. On CNN's "State of the Union," Manchin told host Dana Bash that he didn't support the timeline of voting on the measure this week so that the House could pass it by Sept. 27. ([The Hill](#))

Stephanie Murphy to Oppose Her Party's 'Rushed' Budget Package in Committee: Rep. Stephanie Murphy (D-FL) voted against the Ways and Means Committee's reconciliation provisions last week and plans to do so again for this week's markup, citing concerns that her party leadership isn't giving lawmakers enough time or information to assess how the individual components fit into the broader \$3.5 trillion reconciliation package. Her remarks represent an early warning shot to Democratic leaders that they will likely need to slow down the reconciliation process if they want to produce a package that moderate Democrats can support. ([Roll Call](#))

Agriculture/USDA

House Ag Heads Toward Finish Line on Reconciliation: The House Agriculture Committee spent nine hours last Friday debating \$66 billion in provisions that would increase spending on agricultural research, renewable energy, rural development, and forestry. Votes on the measure and 30 amendments were postponed from Friday to today. ([Agri-Pulse](#))

Health

House Democrats Propose Making Permanent Expanded Obamacare Subsidies: House Democrats late Friday night proposed making permanent enhanced ObamaCare subsidies that give people greater help in affording their premiums. The American Rescue Plan signed by President Biden earlier this year provided larger financial assistance to help with health insurance premiums for Affordable Care Act enrollees but only until 2022. The House Ways and Means Committee's proposal released late Friday would make that larger financial assistance permanent as part of Democrats' \$3.5 trillion social spending package. ([The Hill](#))

Trade

Ways and Means Democrats Advance Trade Aid in Reconciliation: The panel voted 24-19 to provide \$22 billion to expand the Trade Adjustment Assistance Program (TAA) and to make it easier for workers and communities hurt by international trade to qualify for aid. ([Clark Hill Insight](#))

Tax Reform

House Democrats Plan 26.5 Percent Corporate Rate as Part of Multitrillion Tax Hike: House Democrats want to raise the corporate rate to 26.5 percent as part of nearly \$3 trillion in tax increases to defray the cost of their next big spending package. The Ways and Means Committee is also planning to call for a new 3 percent surtax on people making more than \$5 million, sources familiar with Chair Richard Neal's plan say, as well as increasing the top capital gains rate to 28.8 percent from 23.8 percent. ([Politico](#))

Wyden Releases New Tax Proposals as Democrats Work on \$3.5T Bill: One of the proposals would create a 2 percent tax on the amount that publicly traded companies spend on buying back their own stock. ([The Hill](#))

House Democrats Unveil Plans for Array of New Tax Incentives: House Democrats are proposing \$1.2 trillion in new tax breaks for universities, caring for the elderly, buying electric bicycles and a host of other incentives as part of the far-reaching spending package they are assembling. ([Politico](#))

Transportation

DeFazio, Napolitano, and Pappas Applaud the EPA's Plans to Limit Discharge of "Forever Chemicals" While Calling for the Agency to Go Further to Protect Public Health: On Wednesday, the U.S. Environmental Protection Agency (EPA) announced it will begin rewriting safeguards against polyfluoroalkyl substances (PFAS), commonly known as "forever chemicals," in wastewater pollution to better protect public health and the environment. Specifically, the agency plans to revise its effluent limitations guidelines (ELGs) and pretreatment standards in the organic chemicals, plastics and synthetic fibers category to address PFAS from industrial discharge. ([Clark Hill Insight](#))

Space/NASA & NOAA

House Budget Reconciliation Package Funds NASA Infrastructure But Not Lunar Lander Work: An updated draft of the bill offered good and bad news for NASA. It includes \$4 billion for "repair, recapitalization, and modernization of physical infrastructure and facilities" across the agency. But the bill does not assign amounts to specific projects or centers, nor provide extra funding for a second lunar lander. ([Space News](#))

Judiciary/Justice

White House Yanks its Pick as Top Guns Regulator: The White House last Thursday withdrew David Chipman's nomination to lead the Bureau of Alcohol, Tobacco and Firearms after resistance from Senate Democratic centrists imperiled his bid. ([Politico](#))

Cyber

Lawmakers Question Impact of SolarWinds Hack on US Attorneys' Offices: A bipartisan group of House and Senate lawmakers from Florida are looking for more answers relating to the breadth of last year's SolarWinds breach on U.S. Attorneys' Offices (USAOs) around the country, and on the way the Justice Department has changed its approaches to cybersecurity. ([The Hill](#))

Congress Seeks to Compel Infrastructure Operators to Report Cyberattacks: Congress is moving to compel companies that operate critical infrastructure to inform federal officials of cyberattacks after years of relying on a patchy — and voluntary — reporting system that often left U.S. agencies in the dark. ([Roll Call](#))

Defense/DOD

House Committee Demands Answers on Afghanistan: The House Armed Services Committee is worried about "catastrophic" consequences if the Taliban has obtained biometric information about Afghans who helped the U.S. war effort, and would require a report its "current integrity". ([Roll Call](#))

Homeland Security & Immigration

Democrats Make Immigration Case to Senate Parliamentarian: The Senate parliamentarian heard arguments Friday on a plan by Democrats to include immigration provisions in a budget reconciliation bill, bringing Congress one step closer to passing a path to legal status for millions of undocumented immigrants for the first time in decades. ([Roll Call](#))

Environment & Interior

House Panel Puts Forth Solar, Environmental Justice Tax Credits: The House Ways and Means Committee's portion of Democrats' \$3.5 trillion spending package includes increased tax incentives for clean energy and the creation of new tax

credits for electric-vehicle owners, according to text released by Chairman Richard Neal (D-Mass.) late last Friday night. The committee's portion would increase the production tax credit rate for wind and solar power to the full applicable rate through the end of 2031, which would then phase down to 80 percent in 2032 and 60 percent in 2033. ([The Hill](#))

EXECUTIVE BRANCH

Budget/Appropriations

White House Pitches Billions in Supplemental Funding for Upcoming Continuing Resolution: The White House is proposing billions of dollars in supplemental funding for disaster relief and other programs, which it's asking Congress to attach to a short-term continuing resolution that will be critical toward avoiding a government shutdown at the end of the month. ([Federal News Network](#))

Health/HHS/NIH

Surgeon General: New Vaccine Policies Neither Illegal Nor Unusual: Surgeon General Vivek Murthy on Sunday defended the administration's new Covid vaccine requirements, calling them "an appropriate legal measure" that fit in with traditional safety requirements in schools and workplaces. "We have to put this in context. There are requirements that we put in workplaces and in schools every day to make sure that workplaces and schools are safe," Murthy said on ABC's "This Week." ([Politico](#))

Biden Administration Releases \$25B in COVID-19 Relief for Providers: The Biden administration last Friday said it plans to release more than \$25.5 billion in funding to help hospitals and other health providers with costs associated with the COVID-19 pandemic. The money comes from the \$178 billion Provider Relief Fund, which was created last year. But it's been 11 months since the last round of funding was released, and bipartisan lawmakers and industry groups have been pressuring the Department of Health and Human Services (HHS) to release more. ([The Hill](#))

Banking & Housing/HUD

Yellen Says Treasury Could Hit Debt Ceiling in October Without Congressional Action: Lawmakers may need to raise or suspend the statutory debt limit sometime before the end of October in order to avoid missed payments on U.S. financial commitments, which could have sweeping effects throughout the economy. Treasury Secretary Janet L. Yellen wrote to congressional leaders last Wednesday that the "most likely outcome" is the agency's cash balance and so-called extraordinary measures to remain under the statutory debt ceiling will be "exhausted during the month of October." ([Roll Call](#))

U.S. Banking Regulator Proposes Removal of Updated Fair Lending Regulations: The U.S. Office of the Comptroller of the Currency on Wednesday proposed rescinding recently updated fair lending rules, as the agency begins work on drafting a new, unified regulation with other bank watchdogs. ([Reuters](#))

HUD Cuts 'Red Tape' for Hurricane Ida Victims: The Housing and Urban Development Department announced on Tuesday how it's cutting "red tape" to help victims of Hurricane Ida. ([GovExec](#))

Labor/DOL

Biden Steps into Legal Fight with Vaccine Mandates: President Biden is barreling toward a fight with GOP-led states over his mandate for many private businesses to require employees get vaccinated against COVID-19. Biden on Thursday announced the sweeping rule, which applies to businesses with 100 or more workers, and issued similar requirements for most federal employees and for health care settings that receive federal Medicare and Medicaid funding. ([The Hill](#))

Crypto/Blockchain

CFTC's Berkovitz to Step Down Next Month: The regulator has warned in the past that certain products built on decentralized finance (DeFi) may violate federal laws, pointing to derivatives in particular. ([Coindesk](#))

Transportation/DOT

Biden Administration Advances the Future of Sustainable Fuels in American Aviation: On Thursday, President Biden announced steps to coordinate leadership and innovation across the federal government, aircraft manufacturers, airlines, fuel producers, airports, and non-governmental organizations to advance the use of cleaner and more sustainable fuels in American aviation. ([Clark Hill Insight](#))

Cyber

30 Industry Leaders Meet at White House & Announce Cybersecurity Initiatives: Driven by significant increases of data breaches targeting the public sector in the past year, President Biden met recently with private sector industry leaders in Tech, Education, Energy, Finance and Insurance private sector companies to discuss how the public and private sectors can collaborate to improve the nation's cybersecurity. ([Security Boulevard](#))

Defense/DOD

Next Pentagon Budget Will Detail Climate Change Related Spending: The Pentagon's fiscal year 2023 budget proposal will more clearly than in the past delineate how the U.S. military proposes to pay for climate change mitigation efforts that are affecting their bases and operations, according to Deputy Defense Secretary Kathleen Hicks. ([Defense News](#))

USAF Wants Wearables to Spot Outbreaks Faster: Members of the U.S. Air Force and its Readiness Management Agency are again exploring commercially provided proximity tracing options, data integration services, and biometric-capturing wearable devices that can alert people to possible sickness early on. ([Defense One](#))

Space/NASA & NOAA

National Space Council Priorities Begin to Emerge: The Council's Executive Secretary, Chirag Parikh, told a satellite conference last week that continuity on major missions, international cooperation, Space Traffic Management, and STEM education are at the top of the list for the Vice President's priorities. ([Space Policy Online](#))

DHS & Immigration

White House Approves Partnership with Vets Evacuating U.S. Citizens, Afghan Allies: The White House has approved a recommendation by the nation's top military officer that the administration intensify cooperation with the ad hoc groups that have been working to evacuate American citizens and at-risk Afghans from the country. ([Politico](#))

Judiciary/DOJ

Justice Department Sues Texas Over New Abortion Ban: The lawsuit says the state enacted the law "in open defiance of the Constitution." ([NPR](#))

Biden Likely to Nominate New ATF Head After First One Pulled: Hours after formally pulling the president's nominee to lead the Bureau of Alcohol, Tobacco, Firearms and Explosives, White House officials said on Thursday that they would name a new candidate for the post. But it's unclear when. ([Politico](#))

Environment/DOI

Biden Administration: Nearly Half of U.S. Power Could Come from Solar by 2050: The Biden administration said last Wednesday the U.S. could get nearly half its electricity from solar power by 2050 if the country can squeeze carbon emissions out of the power grid and quickly electrify other segments of the economy that rely on fossil fuels. The figures

come from a new study released by the Energy Department, and do not reflect a new plan or goal of the Biden administration, but instead underscore the potential for solar energy to help the administration reach its ambitious goal to eliminate carbon dioxide pollution by mid-century. ([Politico](#))

Department of Energy

Biden Taps D.C. Utility Regulator Phillips for FERC: President Joe Biden said on Thursday he would nominate Washington, D.C., utility regulator Willie Phillips to the Federal Energy Regulatory Commission, a move that could boost Chair Richard Glick's efforts to speed deployment of renewable energy, fight climate change and address environmental threats to low-income areas and communities of color. ([Politico](#))

FERC's Clements says U.S. Faces 'Once-in-a-Generation Moment' to Overhaul Transmission System: During her first Federal Energy Regulatory Commission meeting in December, Commissioner Allison Clements (D) said in her opening salvo that "the grave threat of climate change" would underlie her approach to the role. Nine months — and several tests of the grid via extreme weather — later, FERC's balance of power is in the process of shifting left, moving Clements from a minority to a majority decision-maker, and her priorities remain the same. ([Morning Consult](#))

Methane Rule to Eclipse Past Regulations, Including Obama's: EPA plans to propose the nation's strongest rules against methane emissions this month, escalating the Biden administration's use of regulatory tools to reduce greenhouse gases from fossil fuel companies. EPA Administrator Michael Regan confirmed last week that his agency will meet President Biden's September deadline to propose methane regulations for the oil and gas sector, as laid out in one of the president's first executive orders. ([E&E News](#))

