

Window on Washington – May 16, 2022, Vol. 6, Issue 19

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Outlook for This Week in the Nation's Capital

Congress. Both chambers are in session this week. The House will [vote](#) on numerous Homeland Security, Judiciary, and Veterans Affairs bills, as well as the Workforce Innovation and Opportunity Act of 2022 and a bill designed to address the gouging of fuel prices. The House might also vote on legislation to address supply chain disruptions and recalls related to baby formula. The Senate hopes to pass the Ukraine aid package to President Joe Biden's desk this week. Congress is still working on the COVID-19 relief package, and the updated legislation will originate in the House. [Hearings](#) for the week include examining nominations, FY23 agency budget requests, the Shipyard Infrastructure Optimization Program, strategy to reduce veteran suicide, innovative care delivery at the VA, quality of life at army installations, healthy aging of older adults, and workforce needs of the aviation and aerospace industry.

FY23 Appropriations. Senate Appropriations Ranking Member Richard Shelby (R-AL) is hopeful a bipartisan deal will soon be reached on defense and non-defense topline if both parties can agree on certain conditions, such as dealing with inflation and boosting national security funding. Separately, the [Senate](#) Appropriations Committee will hold a handful of FY23 hearings this week, including on the National Institutes of Health (NIH), the Air Force and Space Force, Environmental Protection Agency (EPA), National Nuclear Security Administration (NNSA), and Military Construction. The [House](#) Appropriations Committee will also hold various FY23 hearings, including on the agency requests for the National Aeronautics and Space Administration (NASA), the Department of Labor (DOL), the Army, Immigration and Customs Enforcement (ICE), the Navy and Marine Corps, the Transportation Security Administration (TSA), and the Food and Drug Administration (FDA). The Committee will also hold a few member days this week, including for the Agriculture and Commerce, Justice, and Science subcommittees.

Russia-Ukraine. Senate Minority Leader Mitch McConnell (R-KY) led an unannounced trip to Kyiv, Ukraine this past weekend to meet with Ukrainian President Volodymyr Zelenskyy. McConnell was joined by Senators Susan Collins (R-ME), John Barrasso (R-WY), and John Cornyn (R-TX). Following the meeting, Zelenskyy expressed hope that the Senate will soon approve an aid package.

Biden Administration. President Joe Biden will visit South Korea and Japan from May 20 to May 24. This will be his first trip to the region since taking office last year. Vice President Kamala Harris will travel to Abu Dhabi, United Arab Emirates (UAE) today to lead a Presidential Delegation and offer condolences on the passing of His Highness Sheikh Khalifa bin Zayed Al Nahyan.

Last Week in the Nation's Capital

CONGRESS

Budget & Appropriations

Rand Paul Objection Delays \$40 Billion Ukraine Aid Package: Sen. Rand Paul (R-KY) hit the brakes last Thursday on bipartisan hopes that the Senate could quickly pass nearly \$40 billion in Ukraine aid before leaving town. Paul objected to a deal offered by Senate Majority Leader Charles Schumer (D-NY) and Minority Leader Mitch McConnell (R-KY) that would have set up votes last Thursday afternoon on the funding and on an amendment from Paul, who wanted to include language in the bill to expand an Afghanistan inspector general role to include oversight of the Ukraine funds. ([The Hill](#))

No Clear Path Forward for COVID-19 Funding: The House is now taking the lead on the stalled COVID-19 package, and they will likely make changes to the Senate's version from April. It remains to be seen how Title 42 will be addressed, but it is becoming increasingly likely that Congress will vote on a measure that would prevent the Biden Administration from rescinding the policy as part of the efforts to pass the COVID-19 package. (Clark Hill Insight)

Health

States Pick Up Tatters of Democrats' Paid Leave, Child Care Agenda: As Democrats in Congress struggle to deliver on their campaign promises to working parents, their counterparts on the state level are picking up the mantle. From Connecticut to New Mexico, progressive elected officials in recent months have moved to defray the high cost of child care, create paid leave programs for new parents or those caring for loved ones, and salvage other parts of the Democratic agenda at risk of dying from inaction in Congress as November's midterm elections get closer. ([Politico](#))

Lawmakers Discuss Push for Rare Disease Prevention, Support: Lawmakers last Friday pushed for improving the production and access of lifesaving drugs for rare diseases at The Hill's Improving Rare Disease Diagnostics & Care event. Rep. Rodney Davis (R-IL), whose wife suffered from colon cancer and Lynch syndrome, said rare disease prevention is personal for many lawmakers. "There are so many people that I have met over my career in Congress whose families have been impacted by so many of those thousands of rare diseases and this is personal to all of us," Davis said during the event Friday, which was sponsored by AstraZeneca Rare Disease and moderated by The Hill's contributing editor Steve Scully. ([The Hill](#))

Banking & Housing

Senate Confirms Powell to Second Term as Fed Chairman: Jerome Powell sailed through the Senate last Thursday with strong bipartisan support for a second term as chairman of the Federal Reserve Board. The Senate voted 80-19 to confirm Powell, who will preside over the Fed as it makes decisions about how to tackle inflation that has reached a level not seen since the early 1980s. Powell, who has been acting chairman since February, drew praise from senators during the confirmation process for his handling of the economic fallout in the early months of the pandemic. But he now faces the task of reining in inflation that is running at its fastest pace in 40 years. ([Roll Call](#))

Senate Confirms Jefferson, Fourth Black Man to Join Fed Board: The Senate voted 91-7 last Wednesday to confirm Philip Jefferson as a member of the Federal Reserve Board, making him the fourth Black man to join the body. Jefferson, an economics professor and vice president for academic affairs at Davidson College in North Carolina, received strong bipartisan Senate support after the Senate Banking Committee voted unanimously in March to advance his nomination. ([Roll Call](#))

First Black Woman Confirmed for Fed as Central Bank Enters Biden Era: The Senate last Tuesday gave President Joe Biden his first official stamp on the Federal Reserve at a pivotal moment for the central bank. Lisa Cook, a Michigan State University economist, was approved on a party-line vote to become the first Black woman ever to get a vote on U.S. interest rate policy, two weeks after Lael Brainard, a Fed board member since 2014, was confirmed for the No. 2 job. Two

more nominees, including Chair Jerome Powell, are expected to be easily confirmed soon. The vote for Cook was 51-50, with Vice President Kamala Harris casting the tie-breaking vote. ([Politico](#))

Congress Stalls on Stock Trading Ban for Lawmakers: Three months ago, Speaker Nancy Pelosi (D-CA) and Senate Majority Leader Chuck Schumer (D-NY) backed efforts to curb stock trading by members of Congress. The two Democratic leaders were responding to a barrage of media reports on stock trading by lawmakers and aides, often in companies that had business before Congress. Dozens of lawmakers failed to disclose their transactions in a timely manner, with the value of trades running into the millions of dollars over multiple years. The House Ethics Committee has opened several investigations into these allegations following reviews by the Office of Congressional Ethics, the independent watchdog agency. Yet since that time, nothing has happened on the legislative front. ([Punchbowl News](#))

Crypto/Blockchain

Crypto Reckoning Looms in Washington as Investors Lose Billions: A major downturn in Bitcoin and Ether prices and the flailing death spiral of a popular stablecoin, TerraUSD, have erased hundreds of billions of dollars from investor portfolios in less than a week. Crypto lobbyists, executives and prominent investors are warning that last week's turmoil — which coincided with steep losses in traditional financial markets — will serve as a wake-up call to Congress about the dangers of a largely unregulated digital asset ecosystem. As small investors are wiped out, it could also force a harsh examination of venture capitalists and other financiers behind crypto projects that are now failing. ([Politico](#))

Transportation

House Passes Bill to Improve Working Conditions for TSA Employees Despite GOP Opposition: The House passed a bill last Thursday that seeks to improve working conditions for employees of the Transportation Security Administration (TSA). The bill, dubbed the Rights for the TSA Workforce Act, passed in a 220-201 vote that mainly broke along party lines. Four Republicans crossed the aisle to join Democrats in supporting the measure. Four Democrats and three Republicans did not vote. ([The Hill](#))

Congress Critical of Rail Service Failures, Asks STB to Move Faster to Solve Problems: Members of a key congressional committee last Wednesday expressed frustration with widespread railroad service problems and the Surface Transportation Board's response. "The facts are undeniable. Freight service in the United States of America ... is abysmal," said Rep. Peter DeFazio (D-OR), who chairs the House Transportation and Infrastructure Committee. ([Trains](#))

Challenge to USPS Fleet Cost Analysis Advances to House Floor after Committee Vote: The Postal Service is facing yet another challenge to plans for its next-generation vehicle fleet — this time from Congress. Democrats on the House Oversight and Reform Committee last Wednesday approved a bill that would require USPS to conduct a new environmental impact statement (EIS), which accounts for the costs and benefits of electric and gas-powered vehicles in its future fleet. The Ensuring an Accurate Postal Fleet Electrification Act passed out of committee in a 20-15 vote along party lines, with no Republican member voting for the legislation. The bill now heads to the full House for a floor vote. ([Federal News Network](#))

Trade

Senate Confirms Biden's FTC Nominee Despite Republican Opposition: The Senate voted 51-50 last Wednesday to confirm Alvaro Bedoya as a member of the Federal Trade Commission, adding a progressive privacy advocate to the agency and restoring a Democratic majority at a time when the FTC is poised to take on corporate giants in industries such as tech. ([Politico](#))

Space/NASA & NOAA

Manchin Introduces Bipartisan Bill to Establish Space National Guard: Senator Joe Manchin (D-WV) on May 12 announced he and a group of senators have introduced legislation to create a National Guard for the U.S. Space Force. The bill would allow Army and Air National Guard members currently supporting Space Force operations to join the Space National Guard. ([Space News](#))

Judiciary/Justice

House Judiciary Committee Approves Supreme Court Ethics Overhaul: The House Judiciary Committee advanced a Supreme Court ethics bill last Wednesday, as Democrats raised concerns about Justice Clarence Thomas and cases related to the House investigation into the Jan. 6, 2021, attack on the Capitol Building. Backers argued the measure, passed on a 22-16 vote along party lines, would impose limits on the Supreme Court justices, such as new recusal standards for when a judge should not sit on a case because of a conflict. ([Roll Call](#))

Democrats Split on Big Tech Measures in Congress: Lawmakers could consider a slate of antitrust legislation in Congress ahead of the 2022 midterms. But conversations with Reps. Pramila Jayapal (D-WA) and Eric Swalwell (D-CA) signaled disagreement even among Democrats on the impact of those bills. Lawmakers are working against the clock on bipartisan efforts to broadly reshape the Big Tech landscape. Insiders told Axios the outlook is bleak for the proposals if they're not put for votes ahead of Congress's August recess. Swalwell said he's concerned the reforms "would throw the baby out with the bathwater" and put U.S. national security at risk for the sake of reining in Big Tech. ([Axios](#))

House Judiciary Committee Passes Lofgren's Legislation to Reform the U.S. Immigration Court System: The Judiciary Committee-passed Real Courts, Rule of Law Act of 2022 will ensure that the immigration courts are administered by qualified, impartial judges; have adequate court resources and support services; are defined by transparency and integrity; and are financially independent. ([Clark Hill Insight](#))

Senators Quickly Pass Bill to Expand Security for Families of Supreme Court Justices: Members of the U.S. Senate passed a bipartisan bill last Monday that would expand security protection to the immediate family members of Supreme Court justices, following recent protests at some justices' homes. The Supreme Court Police Parity Act was approved by unanimous consent, meaning no senators objected to its quick passage. The legislation must also be passed by the House before going to President Joe Biden's desk for his signature. ([CNN](#))

Agriculture

Democratic Senators Press USDA on Baby Formula Shortage: Eight Democratic senators wrote to Agriculture Secretary Tom Vilsack last Friday, calling on him to do more to address corporate concentration within the infant formula industry as the United States suffers from a shortage of baby formula. The letter, which was led by Sens. Cory Booker (D-NJ), Amy Klobuchar (D-MN) and Tammy Duckworth (D-IL), noted that close to 90 percent of the infant formula market is dominated by four companies: Perrigo, Mead Johnson, Abbott Nutrition and Gerber. ([The Hill](#))

Environment & Interior

Lawmakers Battle Over Commerce Tariff Probe into Solar Panel Parts: Lawmakers are battling over a Commerce Department investigation into solar panel imports that could lead to heavy tariffs on Chinese imports that are critical to the solar panel industry. The issue is not a partisan one: Democrats and Republicans stand on both sides of the issue, with one bipartisan group arguing the investigation itself and the tariffs that could eventually come would devastate the solar sector. In an interview with The Hill, Sen. Jacky Rosen (D-NV) said that both the investigation and the tariffs themselves are "causing massive disruption" in the solar industry, particularly Nevada, which has the most per capita solar jobs of any state. ([The Hill](#))

Energy

House Plans to Vote on Energy Price-Gouging Bill: House Democrats will move legislation this week that would give the Federal Trade Commission expanded clout to crack down on allegations of price gouging by energy companies. Majority Leader Steny Hoyer (D-MD) said the House would vote on a bill, [H.R. 7688](#), introduced recently by Reps. Katie Porter (D-CA) and Kim Schrier (D-WA), as Democrats' first legislative effort to rein in gas prices that hit record highs in recent days. ([E&E News](#))

EXECUTIVE BRANCH

Health/HHS/NIH

U.S., Foreign Officials Pledge \$3.1B in New Covid Funding: U.S. and world leaders announced last Thursday \$3.1 billion in new funding for the global Covid fight. The announcement was part of the Biden administration's second Global Covid Summit, where top officials, including Vice President Kamala Harris, appeared with global organizations, nonprofits and foreign officials working to ramp up vaccinations and expand access to therapeutics to fight the virus across the world. ([Politico](#))

Department of Education

Income-Targeted Student Loan Forgiveness Invites A 'Train Wreck': President Joe Biden's advisers are looking at ways to limit student loan forgiveness based on borrowers' income to avoid sending benefits to higher-earning Americans. But that approach is already angering progressives and could be a nightmare to implement before the November elections. The first hurdle is within Biden's own administration, where Education Department officials have privately raised concerns about the complexity of adding an income test to student loan forgiveness. They're warning the White House that the agency lacks the data to automatically cancel loans based on a borrower's earnings, according to three people familiar with the discussions. ([Politico](#))

Banking & Housing/HUD

Biden Administration Unveils Action Plan to Boost Affordable Housing: The Biden administration is announcing an action plan today aimed at boosting the supply of affordable housing amid high inflation. Taken together, administration officials said, the actions announced will help close the affordable housing gap and "ease the burden of housing costs," noting that housing prices are a key driver of inflation. ([CNN](#))

SEC Gets Aggressive in Demanding Climate Data: Public companies may not have much time to get a handle on the risks posed to their bottom lines by a warmer planet. The Securities and Exchange Commission in March unveiled a landmark proposal that would push the business world to lay bare its exposure to rising temperatures — a controversial process that will take months to unfold. But the agency isn't waiting for the final rule to zero in on companies' climate-related disclosures. ([E&E News](#))

SEC Extends Deadline for Public to Comment on Climate Risk Proposal: The Securities and Exchange Commission (SEC) extended how long the public will have to weigh in on a proposal that would require companies to reveal their vulnerabilities and contributions to climate change. In a press release last Monday, the SEC said that people will now have until June 17 to comment on the proposal, which would require publicly traded companies to tell investors how climate-related risks like severe weather and efforts to limit their fossil fuel use may impact their business. ([The Hill](#))

Acting Comptroller Discusses Bank Mergers: Acting Comptroller of the Currency Michael J. Hsu last week discussed the need to update the framework used to analyze bank merger applications before the Brookings Institution. In his remarks, the Acting Comptroller discussed proposed mergers in the context of bank competition, financial stability, and facilitating the needs of communities. ([Clark Hill Insight](#))

Crypto/Blockchain

Bitcoin's Crashing, and Biden Administration Wants to Keep It Out of Your 401(K): A move by Fidelity Investments to let retirement savers add Bitcoin to their 401(k)s is becoming a new flash point in the fight over crypto regulation, pitting free-market Republicans against Democrats who say it's a threat to millions of consumers. The Biden Labor Department, which polices employer-sponsored 401(k)s, has warned the 76-year-old asset management firm that its foray into volatile crypto markets could endanger future retirees. Sen. Elizabeth Warren (D-MA) — where Fidelity is based — questioned the company's CEO about exposing investors to "a risky and speculative gamble." Democrats are raising red flags as the price of Bitcoin has tumbled more than 50 percent from its all-time high in November. ([Politico](#))

Transportation/DOT

White House Releases Plan Aimed at Improving Infrastructure Permitting Processes: The White House last Wednesday released a plan that it says will improve the permitting process for infrastructure projects. The plan, released by White House officials, seeks to balance speeding up the process while maintaining rigorous environmental reviews. ([The Hill](#))

NTSB Says Failure of FAA to Implement NTSB Recommendations Contributed to Fatal Air Tour Helicopter Crash: Decisions made by the Federal Aviation Administration not to implement National Transportation Safety Board safety recommendations contributed to the cause of a fatal air tour helicopter crash, the NTSB said in a report approved in a public meeting last Tuesday. ([Clark Hill Insight](#))

Trade

With China in Focus, Biden Makes \$150 Million Commitment to ASEAN Leaders: The new financial commitment includes a \$40 million investment in infrastructure intended to help decarbonize the region's power supply and \$60 million in maritime security, as well as some \$15 million in health funding to aid in early detection of COVID-19 and other respiratory pandemics. Additional funding will help the countries develop digital economy and artificial intelligence laws. ([Reuters](#))

Space/NASA & NOAA

JWST Getting Closer and Closer to Science Operations: The \$10 billion James Webb Space Telescope is getting closer and closer to beginning science operations. NASA released another engineering image today to illustrate the clarity JWST will bring to our understanding of the universe, but it is still another two months until everything is ready to deliver scientific-quality data. ([Space Policy Online](#))

Defense/DOD

Air Force Looking at Next Steps on Space Command Basing Decision: Alleging that the decision was improperly influenced by the former Trump administration, Colorado lawmakers asked GAO and the Defense Department's inspector general to review the process that led the Air Force in January 2021 to recommend Redstone Arsenal, in Huntsville, Alabama. The IG said in a report last week that investigators found no evidence of undue influence. Many of the details of how six candidate bases were scored, and comments made by senior U.S. military officials were redacted from the IG report. ([Space News](#))

Four Lessons that Should Upend the Pentagon's Five-Year Strategy: The DOD faces multiple looming challenges for this fiscal year and next, to include a non-resilient supply chain, reduced procurement of current weapons, balancing conventional forces and nuclear forces, and potentially underestimating inflation's impact – these issues could embolden the nation's adversaries, forcing Congress to act sooner than later to address such problems. ([Defense One](#))

DHS & Immigration

Treasury Department Opens Investigation into Gov. Greg Abbott's Use of Federal Funds for Border Mission: Texas Gov. Greg Abbott's use of COVID-19 relief dollars to support his border security mission has come under scrutiny in

Washington this week as questions grow about whether it's the proper use of the federal funds. The U.S. Treasury Department's inspector general opened an inquiry into the spending last Tuesday. The action came a day after a group of Texas Democrats in the U.S. House called on U.S. Treasury Secretary Janet Yellen to investigate. ([GovExec](#))

Judiciary/DOJ

Biden Urges Local Leaders to Boost Public Safety Spending: Flanked by law enforcement officials and local leaders in the Rose Garden, President Joe Biden said last Friday his administration's \$1.9 trillion coronavirus relief package is boosting public safety by investing in police departments. "The answer is not to defund the police," he said. "The answer is to fund the police with the resources and training they need to protect our communities." ([AP](#))

Biden Eyes New Ways to Bar China from Scooping Up U.S. Data: The Biden administration has drafted an executive order that would give the Department of Justice vast powers to stop foreign adversaries like China accessing Americans' personal data. The proposal, which is being reviewed by government agencies, would also direct the Department of Health and Human Services (HHS) to prevent federal funding from supporting the transfer of U.S. health data to foreign adversaries, according to the excerpts. ([Reuters](#))

Cyber

Office of the National Cyber Director Hires Microsoft Exec, CIA Official: The new office (ONCD) was formed last year after the Biden administration confronted a series of major incidents, including the Russian hack that used SolarWinds software to break into several federal agencies, and Kemba Walden will serve as the first principal deputy national cyber director and Neal Higgins and Rob Knake as deputy national cyber directors. ([Cyberscoop](#))

Key Convener Releases Plan for Securing Open Source Software with White House: Deputy National Security Advisor for Cyber and Emerging Tech Anne Neuberger and other relevant government officials received a plan that major companies have agreed to help fund and support, in the interest of securing the open source software undergirding their technology. The Linux Foundation, and the Open Source Security Foundation which it supports, released a [white paper](#) describing the full plan. A summary provided in the press release points to areas requiring attention before, during and after the software development process. ([Next Gov](#))

Federal Agencies Issue Warning to Third-Party Security Firms: The FBI, CISA, and the NSA said they expect malicious cyber actors to increase their targeting of managed service providers, third-party companies that remotely manage and update information technology systems and provide technical support to clients. The advisory provided several steps that organizations can take to minimize the risks of falling victim to malicious cyber activity. ([The Hill](#))

Agriculture/USDA

Biden Poised to Fill Long Vacant Agricultural Trade Role: The White House will tap Alexis Taylor to fill the Agriculture Department's undersecretary of trade and foreign agricultural affairs. Taylor is currently director of the Oregon Department of Agriculture, a role she has served in since 2016. ([Politico](#))

EPA & DOI

Seventeen States Sue EPA for Letting California Set Vehicle Standards: Seventeen Republican state attorneys general last Friday announced a lawsuit against the Environmental Protection Agency (EPA) for allowing California to set its own vehicle emissions standards. The lawsuit alleges EPA Administrator Michael Regan violated the Constitution's doctrine of equal sovereignty by allowing California an exemption from the Clean Air Act, which the Golden State used to impose more stringent emissions limits than the nationwide limit. ([The Hill](#))