

Window on Washington – September 19, 2022, Vol. 6, Issue 35

September 19, 2022

Outlook for This Week in the Nation's Capital

Congress. The House and Senate are both in session this week. Senate Majority Leader Chuck Schumer (D-NY) filed cloture last week on the Kigali amendment to the Montreal Protocol, setting up a vote on Tuesday. The House will [vote](#) on more than two dozen bills under suspension. In addition to that large series, the House may also hold a vote on the Presidential Election Reform Act, as well as a continuing resolution (CR) for FY23 appropriations. [Hearings](#) for the include week a markup for a Social Security Benefits bill and hearings on Russia sanctions, U.S. nuclear policy, Clean Water Act, Farm Bill, arctic science, undercounted jail deaths, banking oversight, and infrastructure implementation.

FY23 Appropriations. According to House Majority Leader Steny Hoyer (D-MD), the House might act on a Continuing Resolution (CR) this week, but it is also possible this legislation won't pass until next week, right before the end of the fiscal year (September 30) when current funding expires. The length of the CR may also change, leaders want it to go until at least Dec. 16, while others are pushing for it to last until the end of the calendar year. Democratic leaders have made progress in negotiating supplementals to add to the CR; additional military aid to Ukraine looks increasingly likely, though Democrats are struggling to secure progressive support for permitting reform. The roughly \$27B requested by the White House for COVID and monkeypox looks unlikely to be included. Additional potential riders include universal school meal waivers and FDA user fee reauthorization.

Defense Authorizations. Despite pressure from Republicans and fellow Democrats, the Senate is unlikely to consider the FY23 National Defense Authorization Act until after the midterms.

November Elections. There were primaries held in New Hampshire, Delaware, and Rhode Island last week, marking the end of primary season. In what is now a seven-week sprint to the general election, forecasts have tightened. Most political analysts predict the Republicans will still win control of the House of Representatives, albeit by a narrower margin than expected earlier this summer. Control for the 50-50 Senate is a toss-up. ([2022 Midterm Election Toolbox](#)) A new [NBC News poll](#) conducted by a bipartisan team of pollsters found Americans equally divided on which party should control Congress. Its data further revealed that each party is using a distinctively different strategy, with Republicans focused on the economy (i.e., inflation), crime, and border security, while Democrats are focused on abortion (i.e., health care), the future of democracy, and climate change. The 2022 mid-term is now characterized by some as a “waves” election with different pockets of the electorate being energized to vote in higher numbers based upon their focus on specific issues. Who prevails in this political battle over the next 50 days will likely determine control of Congress next year. ([Politico Playbook](#))

Biden Administration. President Biden is in England today for the funeral of Queen Elizabeth II. On Wednesday, Biden will address the United Nations General Assembly in New York. Biden will also meet with U.K. Prime Minister Liz Truss while in New York.

Last Week in the Nation's Capital

CONGRESS

Budget & Appropriations

Conservatives' Ire over Stopgap Spending Presages Budget Wars to Come: Rising GOP pushback against a short-term stopgap funding bill into December that would pave the way for a lame-duck omnibus package is at minimum a political headache for party leaders, and at worst points to market-rattling brinkmanship around fiscal deadlines next year. A small group of Senate Republicans and larger number of conservatives in the House backed by former President Donald Trump are opposing the general plan to run a continuing resolution to mid-December. Their general view is that the House at least will change hands, with the Senate a possibility as well, and final decisions on fiscal 2023 spending should wait until early next year when the new majority is seated. ([Roll Call](#))

Pandemic Fatigue Threatens COVID-19, Monkeypox Funding Requests: As the Biden administration asks Congress for additional federal dollars to fight infectious diseases, it faces a conundrum: pandemic fatigue. The White House has asked for \$22.4 billion for COVID-19 and \$4.5 billion for monkeypox as part of the upcoming short-term government funding bill, but its prospects are unclear, with Republicans reluctant to support yet another infusion of new public health funding. ([Roll Call](#))

Labor & Workforce

Deployed FEMA Responders Will Receive New Job Protections Now That Congress Has Passed Much Hailed Reform: Federal emergency responders who leave their day jobs to address disasters will soon have the same protections as members of the armed forces deployed to active duty, with Congress on Wednesday sending a long sought-after reform to President Biden's desk. ([GovExec](#))

Senate Dems 'Pushing to Follow Suit' After House Passes Bill to Block Any Future Schedule F: The Preventing a Patronage System Act cleared the full House in a vote of 225-204, showcasing an effort to prevent the possible return of the Trump-era Schedule F executive order. The bill would prohibit future White House administrations from creating any new federal job classification without congressional approval, but the timing on the Senate's version of the legislation remains uncertain. ([Federal News Network](#))

Education

House Democrats Introduce Bill to Double Pell Grant, Rework Federal Loan System: Two prominent House Democrats introduced a bill that would double the maximum Pell Grant award and substantially rework the federal student loan system, including changes to the troubled Public Service Loan Forgiveness program. The Lowering Obstacles to Achievement Now, or LOAN, Act, would also make certain unauthorized immigrant students eligible for federal financial aid, and it would attempt to lower interest rates on student loans so they would not exceed 5%. ([HigherEd Dive](#))

Banking & Housing

Senate Democrats say Buy Now, Pay Later Products Lack Oversight: Senate Banking Democrats see the specter of the 2008 financial crisis in emerging technology-based lending products that lack the consumer protections applied to traditional forms of credit, including buy now, pay later services. Sen. Mark Warner (D-VA) warned that unregulated financial products have migrated from the commercial to the retail sector since the last crisis. ([Roll Call](#))

SEC Chair Spars with Senators over Climate Rules: Securities and Exchange Commission (SEC) Chairman Gary Gensler faced a grilling on Capitol Hill on Thursday, with the agency head defending the SEC's approach to issues including climate disclosure and cryptocurrency regulation. The SEC's proposed climate disclosure rules — which it released in March — would require publicly traded companies to calculate and publish the risks that climate change poses to their operations and what they are doing to address it. ([The Hill](#))

Crypto/Blockchain

CFTC Testifies It Is Preparing to Be Crypto Watchdog: At a Senate Agriculture Committee hearing, Rostin Behnam, the head of the U.S. Commodity Futures Trading Commission, said he has already directed his agency to begin preparing to be the major, fully funded regulator for much of the crypto market. A bill being pushed by committee leaders to create new rules for the crypto industry, putting Behnam's agency at the center of federal oversight, recognizes "the CFTC's expertise and experience make it the right regulator for the digital asset commodity market," he added. ([CoinDesk](#))

Senate Republicans Grills SEC's Gensler over Crypto Stance, Climate Rule: U.S. Securities and Exchange Commission (SEC) Chair Gary Gensler defended his agency's position on cryptocurrencies and its push to include climate risks into public company disclosures before the U.S. Senate Banking Committee. Republicans claim he has overstepped his authority with a broad assault on U.S. capital markets and adopted a hostile stance toward the financial industry. ([Reuters](#))

Trade

Sanders Blocks Senate Measure to Avert Rail Stoppage: Sen. Bernie Sanders (I-VT) objected last Wednesday to an effort to get unanimous Senate consent to a measure that would seek to avert a work stoppage in the freight rail industry that could begin as early as Friday. Sen. Richard M. Burr (R-NC), came to the Senate floor to seek unanimous consent to a joint resolution that would require the unions and railroads to accept the recommendations of a presidential emergency board to avoid a strike or lockout. The effort came as the Friday expiration approaches of a 30-day cooling off period that began when the board made the recommendations on Aug. 16. ([Roll Call](#))

Space/NASA & NOAA

Four Key Senators Introduce Legislation to Reduce Space Debris: The Orbital Sustainability (ORBITS) Act calls on NASA to establish a program to demonstrate technologies for Active Debris Removal, authorizing \$150 million over 5 years. The bill also requires various agencies to publish a list of the debris that poses the greatest threat, update orbital debris standards, and encourage development of practices for coordinating space traffic to avoid collisions that create even more debris. ([Space Policy Online](#))

Defense

Senate Panel Advances Taiwan Policy Overhaul: The Senate Foreign Relations committee on Wednesday advanced bipartisan legislation aimed at strengthening U.S. policy toward Taiwan. The panel advanced the Taiwan Policy Act of 2022 by a vote of 17-5, coming amid rising U.S. tensions with China over Taiwan's independence and [despite unspecified concerns](#) about the legislation from the White House. ([The Hill](#))

Senate Republicans Demand Schumer Bring Defense Authorization Bill to Floor: Two dozen Republicans are pressing Senate Majority Leader Chuck Schumer (D-NY) to bring the fiscal 2023 National Defense Authorization Act to the floor for a vote before the September work period closes. "At the founding of our nation, then-General George Washington penned, 'When the civil and military powers cooperate, and afford mutual aid to each other there can be little doubt of things going well.' Two centuries later, that still rings true." the lawmakers, led by Sen. Tommy Tuberville (R-AL), wrote in a letter to Schumer. ([The Hill](#))

Homeland Security & Immigration

Senators Urge Halt to ICE Facial Rec Use, Citing ‘Dragnet Surveillance’: Two Democratic senators are urging the Department of Homeland Security’s (DHS) Immigration and Customs Enforcement (ICE) component to end its use of facial recognition technology and purchases from data brokers to carry out deportation proceedings. Sens. Ed Markey (D-MA) – an architect of early internet privacy laws – and Ron Wyden (D-OR) said in a [letter](#) to the agency they are concerned about ICE’s ability to create a “dragnet surveillance system” that has enabled the Federal agency to obtain “detailed information” about the vast majority of people living in the U.S. ([MeriTalk](#))

Senate Confirms Pecoske to Another Term as TSA Chief: The Senate confirmed Transportation Security Administration (TSA) Administrator David Pecoske to a second term on Thursday. In a 77-18 vote, the upper chamber confirmed Pecoske to a second five-year term after previously confirming him to the post in August 2017 by unanimous consent. ([The Hill](#))

Congressional Inquiry Reveals Secret Customs and Border Protection Database of U.S. Phone Records: Customs and Border Protection is conducting warrantless searches of the phones and other electronic devices of up to 10,000 Americans each year and uploading information from those devices to a massive government database, according to information shared by the agency with Sen. Ron Wyden (D-OR). The database, which retains records for up to 15 years, includes text messages, call logs, contact lists, photos and other sensitive records. ([CyberScoop](#))

Judiciary/Justice

Same-Sex Marriage Bill Stalls in Senate amid GOP Opposition: Senate Democrats on Thursday punted a vote on a bill to bolster same-sex marriage rights until after the midterm elections, after a group of bipartisan negotiators said they did not have the votes to overcome Republican opposition. ([Roll Call](#))

Graham Eyes National Abortion Ban: A proposal by Sen. Lindsey Graham (R-SC) to ban abortion after 15 weeks has highlighted the stark differences among Senate Republicans on abortion, with Senate Minority Leader Mitch McConnell (R-KY) telling reporters Tuesday that most members of his conference would prefer the issue “be dealt with on a state level.” ([Roll Call](#))

Panels in Both Chambers to Take Up Presidential Elector Overhauls: With the calendar winding down on a 117th Congress that began with rioters storming the Capitol, lawmakers in both chambers on Friday announced plans to take up bills that overhaul a 135-year-old law governing the counting of presidential electoral votes. The House Rules Committee will take up a still-unseen bill Tuesday dubbed the Presidential Election Reform Act, and Majority Leader Steny H. Hoyer (D-MD) said a floor vote could happen this week. ([Roll Call](#))

Environment & Interior

Markey Opposes Manchin Push to Include Permitting Reform in Stopgap Funding Bill: Sen. Ed Markey (D-MA) is joining a group of liberal House members in opposing Sen. Joe Manchin’s (D-WV) push to pass changes to the environmental review process in a stopgap funding bill. Markey became the second Democratic-caucusing senator to call for the issues to be separated. Sen. Bernie Sanders (I-VT) has previously expressed opposition to the West Virginia senator’s reforms. ([The Hill](#))

House Democrats Seek Diplomatic Solution to Permitting Impasse: House Democrats opposed to attaching an energy infrastructure permitting measure to the continuing resolution aren’t yet threatening to vote against the must-pass government funding bill. Most hope it won’t come to that. House Natural Resources Chair Raúl M. Grijalva (D-AZ) on Wednesday sent meeting requests to Speaker Nancy Pelosi (D-CA) and Senate Majority Leader Charles E. Schumer (D-NY) to discuss the push to separate the two issues. ([Roll Call](#))

Senate Democrats Set Action on Kigali Climate Treaty: Senate Majority Leader Chuck Schumer on Thursday moved to take up the so-called Kigali Amendment next week, putting the chamber on track to ratify its first climate treaty in decades. The Obama administration supported the Kigali Amendment to the Montreal Protocol to phase down hydrofluorocarbons,

or HFCs, which are potent greenhouse gases. Stemming from air conditioning and refrigeration appliances, HFCs have a warming effect more potent than carbon dioxide. ([E&E News](#))

Energy

House Democrats Push Biden to Unleash Even More Emergency Oil: A group of Democrats in Congress is calling on President Joe Biden to keep releasing oil from America's emergency stockpile through at least the end of the year. In a letter, eight House Democrats urged Biden on Friday to immediately scrap his current plan to halt releases from the Strategic Petroleum Reserve next month. ([CNN](#))

EXECUTIVE BRANCH

Budget & Appropriations

White House Pushes for Monkeypox Funding as Cases Fall: Monkeypox cases are declining in many areas of the country, but the Biden administration is warning that the virus still poses a danger and pushing for lawmakers to approve its multibillion-dollar funding request to combat it. More than 23,000 infections have been confirmed in the U.S. during the outbreak, but the growth has slowed. Cases have dropped about 50 percent in the past month, according to the Centers for Disease Control and Prevention (CDC), from an average of 440 cases a day on Aug. 16 to 170 cases a day on Sept. 14. ([The Hill](#))

Health/HHS/NIH

HHS to Drop Universal Masking Requirements for Head Start Grantees: The Office of Head Start (OHS), the federal program within the Department of Health and Human Services (HHS) that provides preschool and child care services to low-income families, announced that it will soon be dropping its universal masking rule for its grant recipients. ([The Hill](#))

Biden Spurs U.S. Biotechnology with New Order: The Biden administration announced the launch of a new national program dedicated to fortifying America's biotechnology manufacturing industry in the latest executive effort to keep U.S. supply chains competitive. Introduced via executive order, the Biotechnology and Biomanufacturing Initiative focuses on a specific biomanufacturing process that uses microorganisms to create chemicals and compounds that contribute to make medicines, fuels and other input materials. ([NextGov](#))

Biden Administration Officials Take Bipartisan Flak on Monkeypox Response: Senators from both parties slammed the federal government's response to the monkeypox outbreak during a congressional hearing on Wednesday, criticizing the slow vaccine rollout in the critical early stages of the spread and the enduring vaccination gaps in communities of color. "After almost three years of the Covid pandemic, you would think that the public health agencies responsible for our preparedness and response would be prepared for anything — particularly a threat like monkeypox, which we've known about for decades and for which we have vaccines and treatments," said Sen. Richard Burr (R-NC), the ranking member of the Senate HELP Committee. "By every measure, the response from the Biden administration on the monkeypox crisis has been a catastrophic failure." ([Politico](#))

Labor & Workforce

Deal Averting Railroad Strike has Potential to Fall Apart: The White House-brokered agreement to avert a railroad strike has the potential to fall apart, threatening widespread economic disruption right before the midterm elections. Rail workers are set to vote on the tentative deal reached between unions and railroads Thursday morning. If any of the 12 rail unions fail to ratify a new contract, nearly 125,000 rail workers could be headed for a strike. ([The Hill](#))

Banking & Housing/HUD

U.S. Consumer Watchdog Plans to Regulate ‘Buy-Now, Pay-Later’ Companies: The U.S. Consumer Financial Protection Bureau (CFPB) plans to start regulating “buy-now, pay-later” (BNPL) companies like Klarna and Affirm Holdings due to worries their fast-growing financing products are harming consumers, the agency said on Thursday. The watchdog, which does not currently oversee BNPL companies or products, will issue guidance or a rule to align sector standards with those of credit card companies, it said. ([Reuters](#))

U.S. SEC Proposes Clearing Reforms to Boost Resilience of \$24 Trillion Treasury Market: The U.S. Securities and Exchange Commission (SEC) proposed draft rules to boost the use of central clearing in the \$24 trillion Treasury market in a bid to boost its resilience. The proposals, which would apply to cash Treasury and repurchase agreements traded by a range of firms including broker dealers and hedge funds, follow liquidity crunches in recent years which have raised regulatory concerns about the Treasury market’s ability to function during times of stress. ([Reuters](#))

Crypto/Blockchain

White House Calls for More Cryptocurrency Regulations: President Biden’s administration is pushing for more regulations on digital assets such as cryptocurrencies and advocating for tougher oversight. In a series of new reports that lay out recommendations, the White House pointed to the volatility of virtual currencies and a recent slump that has led to trouble across the crypto landscape. Among other directives, the new reports call on financial regulators to crack down on unlawful practices and to “address current and emergent risks.” ([NPR](#))

Treasury Recommends Exploring Creation of a Digital Dollar: In response to the White House’s call to federal agencies on how to regulate digital assets, the Treasury Department submitted a recommendation that the U.S. “advance policy and technical work on a potential central bank digital currency, or CBDC, so that the United States is prepared if CBDC is determined to be in the national interest.” ([AP](#))

Tax Reform/IRS

Yellen Defends IRS Cash Infusion, Plugs Customer Service Plans: The IRS will use part of its new \$80 billion influx of cash to fully staff in-person help centers, increase phone and online services and assemble a team of experts to guide the agency’s customer service efforts. ([Roll Call](#))

Transportation/DOT

Money Approved for States to Build Car-Charging Network: The Biden administration said Wednesday it has approved ambitious plans by 34 states and Puerto Rico to create a national electric vehicle charging network as the U.S. begins in earnest its transition away from gas-powered transportation. ([Associated Press](#))

Biden’s FAA Nominee Named in Search Warrant amid California Political Spat: Whistleblower allegations involving President Joe Biden’s pick to head the Federal Aviation Administration turned up in a search warrant executed Wednesday by Los Angeles County sheriff’s investigators — part of a local political feud that threatens to complicate the president’s efforts to fill a key slot in his administration. ([Politico](#))

Trade

Biden Signs Order Blocking Chinese Investment in U.S. Tech: President Biden signed an executive order Thursday bolstering a regulatory committee’s powers to review and take action on foreign investment in the U.S. economy, including in the tech sector where officials are increasingly concerned about Chinese actors. ([The Hill](#))

U.S., Mexico to Cooperate on Semiconductors, Electric Vehicles: Mexico and the United States plan to take advantage of the Biden administration’s massive investment in semiconductor production to push the integration of their supply chains and cooperate on expanding the production of electric vehicles through Mexico’s nationalized lithium industry. ([Associated Press](#))

Space/NASA & NOAA

Satellite Radar Startups Spar Over Commercial Market Importance, Role of Government Business: Satellite radar startups disagree over how much of their resources should be moved to meet anticipated demand from commercial customers and away from serving primarily the needs of governments, which today provide the bulk of revenues via the defense and intelligence market. ([Space News](#))

Defense/DOD

Negotiations on Whether to Send F-16s and Patriots to Ukraine Continue — but Quietly: Ukraine has stopped publicly asking for high-end U.S. weapons such as Patriot air defense systems, F-16 fighter jets and Gray Eagle drones. But behind the scenes, the push hasn't stopped for weapons that could turn the tide of the war. Kyiv's just getting savvier about its requests. ([Politico](#))

Defense, Justice Call for FCC Rulemaking to Secure Internet Routing, Opposing NTIA: A well-crafted rule would be the best way to increase industry adoption of measures that can effectively mitigate security vulnerabilities in the internet's routing protocol, the departments of Defense and Justice told the Federal Communications Commission, highlighting a rift within the administration. ([NextGov](#))

'SkyRange' Uncrewed Aircraft to Speed Hypersonic Testing by 2024: The Pentagon expects to complete the transfer of 24 decommissioned Global Hawk drones this month, advancing its plan to use the systems to support hypersonic testing as soon as 2024. The RQ-4s are part of the SkyRange program, which aims to use unmanned aircraft to track hypersonic systems during flight tests. ([Defense News](#))

DHS & Immigration

Biden Urges Mexico to Take Migrants under COVID Expulsion Order He Promised to End: As border crossings have soared to record highs, U.S. President Joe Biden's administration is quietly pressing Mexico to accept more migrants from Cuba, Nicaragua and Venezuela under a COVID-19 expulsion order that the White House has publicly sought to end. ([Reuters](#))

Friction Between White House and Senior Homeland Security Officials Mounts as Migrant Border Crossings Soar: Friction between the Biden White House and senior officials at the Department of Homeland Security over how to handle immigration is mounting, according to internal documents and communications reviewed by NBC News, as the number of undocumented migrants crossing the southern border keeps rising and Republican governors send migrants to more Democratic-run cities. ([NBC News](#))

Judiciary/DOJ

Biden Signs Bill Eliminating Civil Statute of Limitations for Child Sex Abuse Victims: President Biden on Friday signed a bill that will eliminate the statute of limitations for people who were sexually abused as minors to file civil claims. The Eliminating Limits to Justice for Child Sex Abuse Victims Act was passed by the House by voice vote on Tuesday after passing the Senate by unanimous consent in March. ([The Hill](#))

Cyber

White House Tightens Rules on Federal Software Purchases: The Office of Management and Budget issued new guidelines that require all federal agencies to buy and use only software that complies with development and security processes approved by the federal government. ([Roll Call](#))

Federal IT Modernization Fund's Financial Needs Draw Lawmaker Scrutiny: The United States federal government continues to struggle with outdated IT systems—causing cybersecurity risks, unmet mission needs and staffing issues—as

well as efforts to modernize them, despite initiatives like the Technology Modernization Fund. At a House subcommittee hearing last week featuring Federal CIO Clare Martorana, members clashed over funding and oversight for these issues. ([Next Gov](#))

DHS Rolls Out \$1 Billion Investment in Cybersecurity for State and Local Governments: The Department of Homeland Security (DHS) [announced on Friday](#) a \$1 billion investment over the next 4 years that will help fund its first-ever cyber grant program tailored specifically for state, local and territorial governments across the U.S. The funds will help these governments address cybersecurity risks, including identifying key vulnerabilities, mitigating threats and strengthening critical infrastructure. ([The Hill](#))

EPA & DOI

EPA Watchdog to Probe Jackson Water Crisis: The Environmental Protection Agency's (EPA) Office of Inspector General on Tuesday announced a probe into the recent water emergency in Jackson, MS that left tens of thousands of residents in the state capital without access to safe drinking water. ([The Hill](#))

Department of Energy

Biden Eyes Additional Offshore Wind Development in Deeper Waters: The Biden administration is seeking to develop additional offshore wind energy in deeper waters and will auction off leases to spur such energy development by the end of the year. ([The Hill](#))

