

## Government Strategies Advisory: This Week in Washington -- September 11, 2015

| Friday, September 11, 2015

### Remembering Sept. 11

“Today’s Week in Review comes out on the 14th anniversary of the horrible events of Sept. 11, 2001. As someone who was in his office on Capitol Hill when the planes started hitting their targets, it is a day I shall never forget. It was a day that changed the world forever, and ended for me singing and holding hands with my colleagues while we sang ‘God Bless America’. I hope you will join in taking a minute today in remembering that day, its many heroes and the great resilience of our country.” – Former Rep. Steve LaTourette (R-OH), President of McDonald Hopkins Government Strategies

### Messy September for Congress

August recess may prove to be the calm before the storm for Republican majorities in both the House and the Senate. Leaders in both chambers are facing an array of divisive issues, unhappiness with the rank and file, and a looming date with a possible government shutdown.

And as dissatisfaction with their leadership peaks on the right, it remains unclear what consequences could arise for top Republicans if they fail to deliver on sought-after conservative demands, particularly stripping Planned Parenthood of roughly \$500 million in annual federal funding.

Republican leaders have signaled they’re willing to push off defunding Planned Parenthood until there’s a president who won’t veto that plan. (Mitch McConnell called it “an issue that awaits a new president.”) But Ted Cruz and Jim Jordan have indicated they’ll dig in their heels on the issue, insisting on a spending plan that defunds the group. If there’s no agreement by the end of September, Congress will have another government shutdown on its hands.

Conservatives are also pressing to stop the president’s nuclear deal with Iran, but given the number of supporters of the bill in the Senate, any effort to stop it looks doomed from the start. Nonetheless, Senate Majority Leader Mitch McConnell has promised a lengthy floor debate beginning next week, in which members of the Senate will be required to hold their seats on the floor while colleagues debate a bill whose fate appears to be decided already. The deadline for opponents to pass a resolution disapproving of the deal is Sept. 17.

Meanwhile, the fight over Planned Parenthood was delayed by the August recess, but is likely to come to a head again as Congress debates how to prevent a shutdown on Oct. 1, when the government’s funding expires. Neither chamber has a funding plan in place (though a short-term continuing resolution appears likely) and conservative leaders are still seething over undercover videos that allege that the organization illegally sold fetal tissue, allegations the group vigorously denies.

Senate leaders remain highly skeptical of plans to couple the two issues, particularly after a bill to defund Planned Parenthood failed to pass the upper chamber just before members broke for the August recess. Leaders have pledged repeatedly to keep the government’s doors open at the end of September, regardless of conservative plans to hold funding hostage to a Planned Parenthood vote.

Still, Republican leaders are not ignoring the issue entirely. McConnell and Cornyn have emphasized repeatedly that their committee chairmen, including Sens. Chuck Grassley and Ron Johnson, are

conducting investigations into the matter. In the House, leaders have pledged a vote on the issue, perhaps in the form of a bill from Rep. Diane Black that strips the funding but is not tied to the appropriations process.

But more may be at stake, particularly for House leadership, this time around. Before the recess, Rep. Mark Meadows offered a resolution to strip Speaker John Boehner of his title and force a vote for another speaker. His stated grievances included that Boehner governed by crisis and has not been inclusive of conservative viewpoints. It was set aside for the time being, but if members are jilted by the fall's agenda, he or someone else could bring the resolution in a privileged way, meaning it would force a vote to dispose of Boehner.

Meadows, for his part, said in an interview that he is "certainly not foreclosing the possibility, if things do not change, that the motion could be brought up in a privileged way." Though actually ditching Boehner would be a long shot, the ordeal would be embarrassing and time consuming for leaders.

### **Obama's Iran deal is safe**

This week, conservatives—led by Ted Cruz and Donald Trump—held a rally against the Obama administration's nuclear deal with Iran. Ironically, as thousands gathered on the mall to urge Congress to reject the deal, President Obama had already secured the support necessary to all but guarantee its implementation.

On Tuesday morning, Senators Ron Wyden of Oregon, Richard Blumenthal of Connecticut, and Gary Peters of Michigan all came out in favor of the deal, giving the president the 41 senators necessary to filibuster a bill to stop implementation of the deal. Later that day, Senator Maria Cantwell of Washington also came out in favor of the deal, bringing the total to 42.

Republicans in both chambers were pushing a resolution of disapproval, which would imperil the deal by barring the Obama administration from lifting congressional sanctions.

Over the August recess, supporters of the Iran deal had secured enough votes to protect against an override of a veto by President Obama, but this week he was able to rally enough Democrats in the Senate to avoid needing a presidential veto.

On Thursday night, the Senate voted on the resolution of disapproval and came up two votes short, giving the president a much-needed win and the ability to begin implementing the Iran deal.

### **Republicans eye Social Security changes**

In late 2016, the Social Security disability insurance trust fund is expected to lack the funds necessary to pay full benefits, resulting in a potential 20 percent cut to nine million disabled workers and their families.

Ways and Means Chairman Rep. Paul Ryan (R-WI) is promising to push reforms to the Social Security program that will avert those cuts, but as is almost always the case when it comes to Social Security, those reforms could become a political lightning rod in Congress.

Under discussion is a plan to gradually phase out benefits, sources said, while allowing disabled workers to earn more money than they currently can. But if the proposal hits those making the least amount of money, as some fear it might, Democrats are expected to balk.

Ryan's office is emphasizing that nothing has been finalized and that negotiations are on-going.

If changes aren't made before the insurance trust fund becomes insolvent, money would likely need to be

moved from the general Social Security trust fund as a loan. Republicans, however, insist that changes should be made before agreeing to such a move. Indeed, House Republicans passed a rule in January stipulating that they must improve Social Security's overall solvency before agreeing to shift any funds around.

The general idea behind the Ryan proposal would be to increase the amount of money that disabled workers can make without risking the loss of their Social Security benefits. The current threshold is \$1,090 per month, and Republicans have criticized the so-called cliff as a disincentive to work. (The average Social Security check for disabled workers is \$1,165 per month.)

But a straight increase in the cap would cost the federal government money because more people would receive disability insurance. The proposal under discussion would help off-set the costs by introducing a tiered system. At the bottom threshold, people would start to lose some of their benefits, but beneficiaries would be able to keep receiving at least a small disability check while making more than the current \$1,090 cutoff. The benefit losses would progress on a gradual scale up the income ladder.

### **21st Century Cures bill stalled in Senate**

The 21st Century Cures bill, championed by Rep. Fred Upton (R-MI) in the House, looked like it was on the fast-track to President Obama's desk after a rare moment of bipartisan cooperation. The bill soared through Upton's Energy and Commerce Committee with a 51-0 vote. It then moved to the House floor, where a last-minute hiccup over funding cost it 70 votes from Upton's fellow Republicans, but it ultimately overwhelmingly passed with 344 votes.

The bill's future, however, now looks much more perilous.

House budget hawks balked at the price tag for the bill—upwards of \$8.75 billion—something that Senate budget hawks are also concerned about. It's not just the cost of the bill that now imperils its future, but also the proposed pay-fors.

In particular, the single largest pay-for—revenue generated by tapping the Strategic Petroleum Reserve (SPR)—may not end up being available when all is said and done. SPR cash was included in the Senate version of highway legislation right before recess. Although the House passed its own short-term version of the highway measure, the issue will have to be litigated again in the fall.

Additionally, the Senate committee working on medical innovation—Health, Education, Labor, and Pensions—has said it will take up its own medical-innovation bill in the fall. Outside of the committee, Senate Democratic Whip Dick Durbin has an alternative medical innovation bill substantially different than Cures in several ways, including the amount of funding it gives to the National Institutes of Health (\$26.6 billion over the next five years versus Cures's \$8.75 billion).

While the Upton bill may be in peril, the Energy and Commerce committee remains optimistic about passing some type of medical innovation bill.

Senate HELP Chairman Lamar Alexander has said all along that the Senate is on a “parallel track” with the House, and he hopes to get his committee's version of the bill done before the end of the year.

But Alexander has also been clear that the Senate is not just going to take up the House version, allowing for differences between the two bills and guaranteeing a conference over the two different versions. It is Senate Republicans' preference that the funding remains discretionary, rather than mandatory.

While going to conference is usually a difficult process, it may actually work to the advantage of the Upton

bill. By pushing back an implementation date of the bill to 2017, the bill may find a more flexible funding environment on the Hill, particularly if spending caps have been increased between now and then.

### **Organized labor keeps pressure on Dems on trade**

AFL-CIO leader Richard Trumka has a message for Democrats, who regularly rely on union support come election time: organized labor has no plans on backing down when it comes to trade deals.

In particular, Trumka and others in the labor movement intend to continue fighting against the Trans-Pacific Partnership (TPP) deal, despite a high profile loss on the issue earlier this summer.

During debate over Trade Promotion Authority (TPA)—so called "Fast Track" authority, which was seen as an essential step for final passage of TPP—organized labor threatened to spend big money in primary campaigns against supporters of the measure. Ultimately, TPA passed with the support of 28 Democrats in the House and 13 Democrats in the Senate.

While President Obama has said he will fight to include measures in the Pacific trade deal that are important to labor, like currency manipulation, Trumka said he doubts the changes will be made to make the deal pro-worker—setting up another showdown between labor and the Obama administration.

### **Transportation in focus**

#### **Bikes: The new front in the transportation war**

There is a new front in the fight over the highway bill. Democrats in the House are pledging to fight any effort by Republicans to cut funding for bicycle and pedestrian projects as part of the transportation re-authorization.

The Transportation Alternatives Program (TAP), which funds bicycle and pedestrian projects, has long been a target for Republicans looking for ways to cut spending, particularly as the highway trust fund has become less and less solvent.

This week, Democratic members of the House Transportation and Infrastructure Committee, led by Rep. Rick Larsen (D-WA), made it clear that they will fight to protect TAP funding and that funding for bicycle and pedestrian projects is key to winning over Democratic support for any transportation bill.

Supporters of the program say that it funds projects that provide lower-cost transportation options, reduce road congestion, improve safety, and boost the quality of life for communities.

Republican opponents of TAP say that the program is wasteful, particularly when the highway trust fund already faces an existential funding crisis. They point out that the federal government spends roughly \$50 billion a year on transportation projects but the highway trust fund—which comes from an 18.4 cents per gallon gas tax—only brings in \$34 billion a year.

Congress has until Oct. 29 to act before the temporary extension that they passed in July expires. However, lawmakers' transfer of \$8.1 billion into the Highway Trust Fund in July will keep the fund solvent until June 2016 according to a new estimate by the Department of Transportation.

## **POLITICAL BITS**

### **House**

Florida 23rd Congressional District: Miami-Dade School Board member Martin Karp (D-FL) is considering a

primary challenge to Rep. Debbie Wasserman Schultz (D-FL) after she announced Sunday that she'll support the Iran deal.

Minnesota 2nd Congressional District: Rep. John Kline (R-MN) announced that he would not seek re-election in 2016. President Obama carried the district narrowly twice, winning it 50 percent-48 percent in 2008 and then besting Mitt Romney by just 226 votes there in 2012. Two Democrats were already running to oppose Kline: Former medical executive Angie Craig (D-MN) and physician Mary Lawrence (D-MN). Lawrence already had over \$1 million banked at the end of the second quarter (\$800,000 of which was a candidate loan), while Craig had \$231,000 banked.

Nevada 4th Congressional District: Senate Minority Leader Harry Reid (D-NV) endorsed state Sen. Ruben Kihuen's (D-NV) campaign for Congress. Kihuen is running in a crowded primary for Rep. Crescent Hardy's (R-NV) seat. He faces former Assembly Speaker John Oceguera (D-NV), former state Assemblywoman Lucy Flores (D-NV) and nonprofit executive Susie Lee (D-NV).

### **Senate**

Colorado Senate: Colorado Springs businessman Robert Blaha (R-CO) said he intends to enter the U.S. Senate race after Sen. Michael Bennet (D-CO) declared his support for the Iran deal. In an interview Tuesday, the Republican said he would formally announce his bid for the GOP nomination in early October.

### **Governor**

New Hampshire: Executive Councilor Chris Sununu (R-NH), a member of the politically powerful Sununu family, will run for governor of New Hampshire.

North Dakota: Senator Heidi Heitkamp (D-ND) announced she would not run for governor in 2016.

### **President**

Hillary Clinton (D-NY): Former Secretary of State Hillary Clinton's campaign is planning a "strategic reset" aimed at showing voters a warmer side of the candidate.

Joe Biden (D-DE): Vice President Biden continues to mull a run for president. A series of new polls have shown the vice president's standing improving in the early battleground states of Iowa and New Hampshire.

Mike Huckabee (R-AR): Former Governor Mike Huckabee has been among the loudest supporters of Kim Davis, the Rowan County Kentucky Clerk who has refused to issue marriage licenses in the wake of the Supreme Court's ruling on same-sex marriage because of what she says are her religious beliefs.

Donald Trump (R-NY): Businessman Donald Trump agreed to sign an RNC "loyalty pledge" over the weekend. In it, Trump pledges to endorse the eventual Republican nominee and to not mount an independent or third party bid for the presidency. Experts point out that the pledge is not legally binding on Trump.

Rick Perry (R-TX): Former Governor Rick Perry closed his South Carolina campaign office.

### **A LOOK AHEAD**

#### **House**

Tuesday, Sept. 15

1:30 PM, 1300 Longworth, Committee on Agriculture—Hearing to review USDA organization and program administration—part 1.

Wednesday, Sept. 16

10:00 AM, 1300 Longworth, Committee on Agriculture—Hearing to review USDA organization and program administration—part 2.

Thursday, Sept. 17

10:00 AM, 2154 Rayburn, Committee on Natural Resources—Joint oversight hearing on EPA's Animas spill.

10:30 AM, 334 Canon, Committee on Veterans Affairs—Markup of pending legislation.

1:00 PM, TBA, Committee on Small Business—Hearing on Financing Main Street: How Dodd-Frank is crippling small lenders and access to capital.

2:00 PM, 311 Canon, Committee on Homeland Security, Subcommittee on Transportation Security—Hearing on safeguarding our nations surface transportation systems against evolving terrorist threats.

3:00 PM, 2123 Rayburn, Committee on Energy and Commerce—Hearing on protecting infants and ending taxpayer funding for abortion providers who violate the law.

Friday, Sept. 18

10:00 AM, 311 Canon, Homeland Security, Subcommittee on Oversight and Management Efficiency—Hearing "Marking DHS more efficient: Industry recommendations to improve Homeland Security."

### **Senate**

Wednesday Sept. 16

10:00 AM, SD-406, Environment and Public Works—An oversight hearing to examine the cause, response, and impacts of EPA's Gold King Mine spill.

10:00 AM, SD-342, Homeland Security and Governmental Affairs—Hearings to examine regulatory reform proposals.

10:00 AM, SD-430, Health, Education, Labor and Pensions—Hearings to examine achieving the promise of health information technology, focusing on improving care through patient access to their records.

10:15 AM, SD-226, Judiciary—Hearings to examine reforming the Electronic Communications Privacy Act.

2:15 PM, SD-628, Indian Affairs—An oversight hearing to examine EPA's Gold King Mine disaster, focusing on the harmful impacts to Indian country.

2:30 PM, SD-419, Foreign Relations—Hearings to examine Syria, Iraq and the fight against ISIS.

2:30 PM, SR-418, Veterans Affairs—Hearings to examine S.290, to amend title 38, United States Code, to improve the accountability of employees of the Department of Veterans Affairs, S.563, to amend title 38, United States Code, to establish the Physician Ambassadors Helping Veterans program to seek to employ physicians at the Department of Veterans Affairs on a without compensation basis in practice areas and specialties with staffing shortages and long appointment waiting times, S.564, to amend title 38, United States Code, to include licensed hearing aid specialists as eligible for appointment in the Veterans Health Administration of the Department of Veterans Affairs, S.1450, to amend title 38, United States Code, to allow the Secretary of Veterans Affairs to modify the hours of employment of physicians and physician assistants employed on a full-time basis by the Department of Veterans Affairs, S.1451, to amend title 38,

United States Code, to authorize the Secretary of Veterans Affairs to adjudicate and pay survivor's benefits without requiring the filing of a formal claim, S.1460, to amend title 38, United States Code, to extend the Yellow Ribbon G.I. Education Enhancement Program to cover recipients of the Marine Gunnery Sergeant John David Fry scholarship, S.1693, to amend title 38, United States Code, to expand eligibility for reimbursement for emergency medical treatment to certain veterans that were unable to receive care from the Department of Veterans Affairs in the 24-month period preceding the furnishing of such emergency treatment, S.1856, to amend title 38, United States Code, to provide for suspension and removal of employees of the Department of Veterans Affairs for performance or misconduct that is a threat to public health or safety and to improve accountability of employees of the Department, S.1938, to amend title 38, United States Code, to improve the approval of certain programs of education for purposes of educational assistance provided by the Department of Veterans Affairs, and other pending calendar business.

Thursday Sept. 17

9:45 AM, SR-253, Commerce, Science and Transportation—Hearings to examine the nomination of Sarah Elizabeth Feinberg, of West Virginia, to be administrator of the Federal Railroad Administration, Department of Transportation.

10:00 AM, SH-216, Armed Services—Hearings to examine maritime security strategy in the Asia-Pacific region.

10:00 AM, SD-538, Banking, Housing and Urban Affairs—Hearings to examine the nomination of Adam J. Szubin, of the District of Columbia, to be Under Secretary for Terrorism and Financial Crimes, Department of the Treasury.

10:00 AM, SD-366, Energy and Natural Resources—Hearings to examine reauthorization of and potential reforms to the Federal Land Recreation Enhancement Act.

10:00 AM, SD-430, Health, Educations, Labor and Pensions: Subcommittee on Primary Health and Retirement Security—Hearings to examine biosimilar implementation, focusing on a progress report from FDA.

10:00 AM, SD-226, Judiciary—Business meeting to consider S.1814, to withhold certain Federal funding from sanctuary cities, S.32, to provide the Department of Justice with additional tools to target extraterritorial drug trafficking activity, and the nominations of John Michael Vazquez, to be United States District Judge for the District of New Jersey, Wilhelmina Marie Wright, to be United States District Judge for the District of Minnesota, and Paula Xinis, to be United States District Judge for the District of Maryland.

### **WASHINGTON BY THE NUMBERS**

**0**—The number of events former Governor Jim Gilmore (R-VA) has held on his own since announcing his bid for president.

**4**—Only four GOP presidential candidates—Bush, Cruz, Rubio and Walker—have named campaign chairmen in Virginia, one of the March 1 Super Tuesday primary states.

**74**—Senator Bernie Sanders (I-VT), the self-described socialist who is mounting a surprisingly strong bid for the Democratic nomination for president, turned 74 this week.

### **IN THEIR OWN WORDS**

"You have to talk to my wife about that; I've got to talk to my wife about that." – Vice President Joe Biden,

in response to shouted calls for him to run for president during a Labor Day parade in Pittsburgh, PA.

"Why would a very low ratings radio talk show host like Hugh Hewitt be doing the next debate on @CNN. He is just a 3rd rate 'gotcha' guy!" – Donald Trump, on Twitter, after an appearance on the Hugh Hewitt show where the businessman flubbed several foreign policy-related questions.

"Donald Trump speaks in colorful language. That's not the language I use. But I don't think insulting or attacking him, or worse, insulting and attacking his voters, is in any way, shape, or form beneficial if the object is to win and actually turn the country around." – Sen. Ted Cruz (R-TX).

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