



McDonald Hopkins Government Strategies Advisory: This Week in Washington -- August 15, 2014

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MCCARTHY MEMO LAYS OUT SEPTEMBER AGENDA

Newly elected House Majority Leader Kevin McCarthy (R-CA) released a memo to House Republicans last Friday titled "Initial September Outlook".

McCarthy's memo focuses on three items which, he says, members might "wish to factor into your district events" over this summer recess—including a package that deals with the Keystone XL pipeline and other energy matters.

McCarthy does write that he plans to provide more details of the House's September agenda later this month—and the list of three items in his memo Friday certainly does not appear to be a complete rundown of what the House will do. For example, Speaker John Boehner has already said the House will take up a continuing resolution when it gets back to keep government funded beyond the Oct. 1 start of the new fiscal year.

The memo, however, does not make any mention of Congress extending the Export-Import Bank's charter – opposing the bank's re-authorization has become a cause celebre for many conservative groups.

The omission is sure to add to the speculation over whether he plans to stick to his claim in June that he intends to let its charter expire this fall. Such a move would appease many House conservatives—including Financial Services Committee Chairman Jeb Hensarling of Texas—who are demanding that the bank not be reauthorized.

But others in the Republican conference are calling for its reauthorization. The Financial Services panel continues to discuss and hold hearings on the Ex-Im Bank's future.

The Ex-Im bank makes taxpayer-backed loans to help overseas entities buy U.S. products, authorizing roughly \$27 billion in fiscal 2013 to back about \$37 billion in export sales. Its charter comes due for renewal on Sept. 30.

The three items McCarthy writes that the House will take up and send to the Senate after the return to session, beginning on Sept. 8, are:

- A consolidated energy package "that will, among other things, open federal lands, support the Keystone XL pipeline, and prevent environmental regulations that are killing American-made energy;"
- A "single package of our jobs bills," designed, says McCarthy, to increase pressure on Senate Majority Leader Harry Reid to finally put American workers and economic growth first; and
- A bill already reported out of the Energy and Commerce Committee that would, according to the memo, allow those who purchase health care on the group market to keep the plans they had, "just as the president promised." The memo says last year millions of Americans in the individual insurance market found that wasn't true, and lost access to the plans they had.

RIOTS IN FERGUSON AFTER POLICE SHOOTING

In the days after a police officer shot and killed an unarmed 18-year-old man, rioting has broken out in the St. Louis suburb where it happened, prompting the federal government to get more involved.

President Obama released a statement late Tuesday afternoon, calling the shooting death of Michael Brown by a Ferguson, Missouri, police officer on Saturday "heartbreaking."

"I know the events of the past few days have prompted strong passions, but as details unfold, I urge everyone in Ferguson, Missouri, and across the country, to remember this young man through reflection and understanding," the president said. "We should comfort each other and talk with one another in a way that heals, not in a way that wounds."

Also on Tuesday afternoon, the Federal Aviation Administration announced flight restrictions over Ferguson, banning pilots from flying less than 3,000 feet above the St. Louis suburb until Monday. The reason given for the no-fly was "to provide a safe environment for law enforcement activities."

An explanation from the department's helicopter dispatcher to ThinkProgress suggests that the restriction was meant to, at least in part, clear the air of reporters. "It's just for a no-fly zone because we have multiple helicopters maneuvering in the area and we were having some problems with news aircrafts flying around there," the dispatcher said.

Brown's death has sparked a series of protests by Ferguson residents, and law enforcement has responded with crowd-control practices like the use of tear gas and rubber bullets.

The Justice Department announced Monday that FBI agents were helping local law enforcement in its investigation of the shooting. The circumstances of Brown's death remain unclear. Local police say Brown assaulted the officer. Eyewitnesses, including a friend of the victim who was there at the time of the shooting, say Brown was running away from the officer when he was killed.

OBAMA VS. THE SUPREME COURT

Continuing a pattern followed by former President George W. Bush, President Barack Obama is relying heavily on executive orders and new agency regulations rather than legislation to implement his policy agenda.

While Obama's approach, like Bush's, does an end around an otherwise uncooperative Congress, it does face another potential roadblock in the form of the courts. In particular, the

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likelihood that the Supreme Court, which has five Republican-appointed justices, will block his actions.

This dynamic didn't start with Obama and won't likely end with him. As polarization stalemates Congress, it's inevitable that presidents will rely more on executive action—as Bush did on national security, and Obama is now doing on domestic issues.

While this is nothing new, there is no question that Obama is acting alone on more consequential issues than earlier Presidents, including climate change and health care—with the potential looming for a historic executive order to provide legal status for millions of undocumented immigrants.

It is certainly possible that the current Supreme Court could intervene more than its predecessors to limit executive power. It rebuffed Bush's unilateral action on security issues like establishing military tribunals to try suspected terrorists. And it recently blocked Obama's reach for greater authority on recess appointments. But Obama nonetheless may be better off taking his chances with the Court than the House.

With presidents from each party likely to assert more executive power, the stakes will rise for both sides in controlling the courts that limit that power. That's why one of the most relevant facts in the 2016 presidential election may be that three Supreme Court Justices—Republican appointees Antonin Scalia and Anthony Kennedy and Democratic-appointed Ruth Bader Ginsburg—will be at least 80 when Obama's successor is sworn in.

TRANSPORTATION IN FOCUS

The Uber GOP?

The GOP wants to be known as the party of Uber. Last week the Republican National Committee blasted out an email encouraging supporters to sign a new petition in support of "innovative companies like Uber," a popular ride-sharing service that has sprung up in more than 160 cities worldwide, much to the chagrin of more traditional taxi fleets.

Uber allows those in need of a quick lift to use a mobile app to order a driver. It and similar ride-sharing companies have become hugely popular among young urbanites, but they are barred or restricted in a number of cities. Local officials in Seattle passed a law earlier this year limiting the number of alternative taxi drivers allowed on the road at any given time.

Those sort of laws are derided in the email, written by RNC Finance Director Katie Walsh, as attempts "to block Uber from providing services simply because it's cutting into the taxi unions' profits."

Wednesday's petition was assembled without Uber's knowledge, and the company is (for now) choosing to remain mum about the GOP's sudden embrace, other than to say in a statement: "Everyone loves Uber!"

Several large cities across the country are grappling with how, or whether, to change their taxi codes to address the growing encroachment of alternative transportation companies, including Uber, Lyft, and Sidecar.

The timing of the petition coincides with the GOP's summer meeting in Chicago, where Illinois Gov. Pat Quinn, a Democrat, is weighing legislation on his desk that would create statewide restrictions on ride-sharing companies.

Top T&I aide leaving

Early this week, *Politico* reported that Stephen Martinko, a longtime aide to House Transportation Chairman Bill Shuster (R-PA), is leaving the committee. Martinko will become the new executive director at the Port of Pittsburgh Commission starting Sept. 8. Martinko has been serving as the deputy staff director for the committee and previously served as Shuster's Chief of Staff.

Martinko has been an important staffer on the committee, whose policy and politics expertise proved invaluable in winning approval for tricky legislation like water resources and the highway extension bill.

Political bits

House

Minnesota 6th Congressional District: Former state Rep. Tom Emmer (R-MN) won the Republican primary with 73 percent in the race to succeed retiring Rep. Michele Bachmann.

Wisconsin 6th Congressional District: The race for the GOP nomination is too close to call. State Sen. Glenn Grothman (R-MN) leads by just 215 votes over State Sen. Joe Leibham (R-MN).

Virginia 10th Congressional District: Former GOP Sen. John Warner is endorsing Republican Barbara Comstock, the House candidate's campaign said.

Senate

Hawaii: Rep. Colleen Hanabusa (D-HI) said Tuesday that she is considering a legal challenge to block Friday's vote in two Puna precincts that could decide her Democratic primary against Sen. Brian Schatz (D-HI).

Kentucky: Senator Mitch McConnell (R-KY) has a four-point edge on Alison Lundergan Grimes (D-KY), 44 to 40 percent, according to a survey by the Democratic firm Public Policy Polling.

Minnesota: Businessman Mike McFadden (R-MN) easily won the GOP nomination with 72 percent and will now face Senator Al Franken (D-MN) in November.

Governor

Connecticut: 2010 nominee Tom Foley (R-CT) defeated state Senate Minority Leader John McKinney (R-CT) 56 to 44 percent.

Minnesota: Hennepin County Commissioner Jeff Johnson (R-MN) emerged from a five-candidate primary field with 30 percent to secure the Republican nomination.

A look ahead

The House and Senate are not in session next week.

Washington by the numbers

20 million - Number of employed Americans **between ages 16 and 24**, the first time in six years the country has surpassed that number.

24 - Consecutive **quarters** of economic contraction in Greece.

They said what?

"Great nations need organizing principles, and 'Don't do stupid stuff' is not an organizing principle." -- Hillary Clinton, on the Obama administration's foreign policy (**The Atlantic**)

Washington humor

"President Obama turned 53 years old today. Obama blew out his candles and made a wish. But when he opened his eyes, he was still president." -- Jimmy Fallon

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