



## LYNCH CONFIRMED

On Thursday, the Senate - by a vote of 56 to 43 - finally voted to confirm Loretta Lynch as attorney general. Lynch replaces Eric Holder.

Forty-four Democrats and two independents voted in support of Lynch, while 10 Republicans, including Senate Majority Leader Mitch McConnell crossed party lines to back her confirmation. Republican Senators Kelly Ayotte, Thad Cochran, Susan Collins, Jeff Flake, Lindsey Graham, Orrin Hatch, Ron Johnson, Mark Kirk, and Rob Portman also voted for Lynch.

Lynch will become the 83rd attorney general and the first African-American woman to hold the post. Democrats have vocally supported Lynch and seized on her delay in confirmation to accuse Republican leadership of slow-walking the nomination to spite the president.

"What should have been a quick confirmation will be anything but that," Senate Majority Leader Harry Reid said Thursday on the floor. "Her nomination dragged on, has dragged on, for months."

"Doesn't get any uglier than this," Democratic Senator Claire McCaskill said ahead of confirmation. "It doesn't matter if you are one of the most qualified nominees for attorney general in the history of our country. ... We have a new test. You must disagree with the president who nominates you."

Republicans have pushed back, warning that Lynch will uphold Obama's executive action on immigration, which could temporarily shield millions of undocumented immigrants from deportation.

Republican presidential candidate and Senator Ted Cruz strongly criticized Lynch's nomination on Thursday, but was absent from the final vote.

## DEAL CLEARED PATH FOR LYNCH VOTE

The Lynch vote finally took place after a deal was reached to broach an impasse over human trafficking legislation.

The human trafficking bill, which had held up a final vote on the attorney general nomination, was mired in a debate over abortion-related language. But after weeks of a near legislative freeze in the Senate over the trafficking bill, leaders of both parties sat down last week to begin hashing out a deal.

The solution turned out to be a fairly simple one. The handshake agreement on trafficking gives Republicans what they sought: assurances that none of the funds provided to trafficking victims will be used for abortions, under the Hyde amendment.

But Democrats also got what they wanted: A path forward without expanding the Hyde language. The fees collected from convicted traffickers will be used for legal services and other concerns, but under the new language, it cannot be used for medical services. Separate money appropriated by Congress, and thus subject to Hyde, will then be used for medical services.

The bipartisan trafficking bill had the overwhelming support of members from both parties—it is, after all, legislation to set up a fund to help the victims of modern slavery—was nearly killed last month over abortion language that Republican members put into the bill and Democrats hadn't noticed.

But the deal was rescued over the last week, as Republican Sen. John Cornyn, who has championed the bill, sat down with Democratic leaders, including Sen. Patty Murray, to hash out a compromise.

**Watch this week's *Washington Business Brief* video, *The Legislative Thaw in Washington*.**

## FAST TRACK AUTHORITY MOVES FORWARD IN SENATE

Even decades after the North American Free Trade Agreement passed, trade continues to be a thorny issue for Democrats and Republicans. This week, supporters of expanded free trade agreements won an important victory when the Senate Finance Committee voted to give President Obama so-called "fast track" authority to negotiate the final details of a trade deal with a group of Asia-Pacific nations.

The committee vote, which was 20 to 6, was delayed for hours after Senator Bernie Sanders (I-VT), an outspoken opponent, used a parliamentary procedure to delay the vote.

While Sanders and other progressives oppose the fast track authority, not all Democrats are against it. Indeed ranking member Senator Ron Wyden (D-OR) co-authored the bill and Senators Maria Cantwell (D-WA), Tom Carper (D-DE) and Mark Warner (D-VA) all voted in favor of the legislation.

The fast track authority and the eventual Trans-Pacific Partnership will test Democratic loyalties: President Obama is pushing for this, while organized labor and some environmental activists oppose it.

Senate Minority Leader Harry Reid (D-NV) made it clear where he stood on the issue this week: "I have never, ever in my 33 years in Congress ever supported a trade agreement, and I'm not going to start now," Reid said, "So the answer is not only no, but hell no."

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On Thursday night, the House Ways and Means Committee also passed fast track authority for President Obama. The House committee voted 25 to 13 in favor of the bill with only two of the committee's 15 Democrats voting for it.

## HOUSE PASSES CYBERSECURITY BILL

On Wednesday, the House passed major legislation intended to improve the nation's defenses against cyberattacks. The legislation, which passed by a vote of 307 to 116, is intended to limit the type of attacks like those against Sony Pictures a few months ago that dominated the news.

The bill would provide companies with expanded legal liability protections if they choose to voluntarily share certain kinds of digital data through a government "cyber portal."

The measure is supported by a wide array of business and financial interests, including the U.S. Chamber of Commerce. But privacy advocates continue to insist that the info-sharing regime is too broad and could strengthen the National Security Agency's spying capabilities.

To combat those fears, the bill's authors included numerous sections that explicitly state that the law prohibits the use of any data collected for government surveillance. Despite those assurances, privacy advocates contend that the pooled data, which must be shared with other government agencies— including the NSA—still could be used for a variety of law-enforcement purposes not related to cybersecurity.

Since the Sony breach, which U.S. officials publicly blamed on North Korea, President Obama has declared cyberattacks a "national emergency" and signed an executive order that makes it easier for the government to impose sanctions against foreign hackers. The administration also announced in February that it would create the Cyber Threat Intelligence Integration Center to help "connect the dots" among potential cyberthreats facing the U.S.

## TRANSPORTATION IN FOCUS

### The highway bill: The rubber meets the road

The law authorizing money for roads and transit expires May 31. After months of public and private conversation and debate - the rubber is about to meet the road. If Congress does not act, construction projects across the country will be halted and jobs will be lost. No one in Congress wants to start the summer on that note.

Everyone wants to pass a new highway bill, but that's where agreement ends - and nothing divides Congress more than questions over how to pay the bill. It will cost about \$10 billion just to extend the law until the end of the calendar year. It will cost some \$89 billion to authorize the same level of funding for five or six years.

In order to find the money, the Transportation Committee is waiting on the tax writers. House Ways and Means Committee Chairman Paul Ryan is working on a tax package that is expected to raise enough money to cover the costs of a long-term bill. Aides from both Republican and Democratic transportation offices say they are ready to go with their part of the bill as soon as they get the funding green light.

Ryan is engaging in his own balancing act. To appease conservatives who don't like the idea of revenue raisers, Ryan's tax package will need to put forth at least a few long overdue changes to the corporate tax code. To appease Democrats, whose votes will be needed, the tax package needs to benefit more than just big corporations.

This is a sea change in the transportation policy world. In the past, the Transportation Committee was responsible for formulas that distributed billions to states for interstate highways and railroads. The source of the money wasn't an issue. Most of it came from the highway trust fund, which draws in money from a federal gas tax. More lenient budgeting rules allowed lawmakers to draw from general coffers to cover shortfalls. Back then, the trick of passing a bill was writing the formulas such that everybody was happy, or at least not ridiculously unhappy. For those who threatened to oppose it, an earmark or two might bring them around to a "yes."

Now all those legislative tools are gone.

Other challenges exist - particularly from the right where groups like Heritage Action are likely to oppose an \$89 billion price tag. Indeed, many of these groups on the right not only are likely to oppose the final price tag but actually support devolving much of the federal highway program to the states.

Supporters of going big on the highway bill fear that it could become a lightning rod - like the Export-Import Bank - for conservative opposition.

## **POLITICAL BITS**

### **House**

Florida 22nd Congressional District: Businessman Joseph Bensmihen (R-FL) is considering challenging Rep. Lois Frankel (D-FL).

### **Senate**

California: Rep. Loretta Sanchez (D-CA) has begun fundraising for a potential Senate bid. She has told allies that she believes she would be a better candidate than Attorney General Kamala Harris (D-CA) the current front-runner for the Democratic nomination.

Florida: Rep. Tom Rooney (R-FL) announced that he would not seek the GOP nomination for the seat currently being held by Senator Marco Rubio (R-FL).

### **Governor**

West Virginia Governor: Senator Joe Manchin (D-WV) announced he would not run for governor in 2016, choosing instead to run for re-election to the U.S. Senate.

### **President**

Scott Walker (R-WI): At a fundraiser this week, GOP mega-donor David Koch said he and his brother believed that Governor Scott Walker would be the Republican nominee for President in 2016.

Jeb Bush (R-FL): Long-time operative Mike Murphy is expected to head former Governor Bush's super PAC.

Rick Snyder (R-MI): Michigan Governor Rick Snyder is reportedly mulling a run for president in 2016.

Lindsey Graham (R-SC): Senator Graham told FOX News Sunday that there was a "91 percent chance" he would run for president.

Hillary Clinton (D-NY): Next week, after two listening tours in Iowa and New Hampshire, former Secretary of State Clinton will begin a fundraising swing.

## **A LOOK AHEAD**

### **House**

#### **Wednesday, April 29**

8:30 a.m. House Appropriations Committee – Hearing. Labor, Health and Human Services, Education and Related Agencies Subcommittee hearing on the FY2016 appropriations for agencies under its jurisdiction.

10:00 a.m. House Financial Services Committee – Hearing. Housing and Insurance Subcommittee hearing on "The Impact of International Regulatory Standards on the

Competitiveness of U.S. Insurers."

10:00 a.m. House Judiciary Committee – Hearing. Full committee hearing on "The Register's Perspective on Copyright Review."

10:00 a.m. House Armed Services Committee – Markup. Full committee markup of H.R.1735, the "National Defense Authorization Act for FY2016."

12:00 p.m. House Homeland Security Committee – Hearing. Counterterrorism and Intelligence Subcommittee hearing on "Terrorism in Africa: The Imminent Threat to the United States."

1:00 p.m. House Judiciary Committee – Hearing. Immigration and Border Security Subcommittee hearing on "Birthright Citizenship: Is it the Right Policy for America?"

1:00 p.m. House Education and the Workforce Committee – Hearing. Health, Employment, Labor, and Pensions Subcommittee hearing on "Examining Reforms to Modernize the Multiemployer Pension System."

1:30 p.m. House Agriculture Committee – Hearing. Conservation and Forestry Subcommittee hearing on review of the National Forest System and active forest management.

2:00 p.m. House Financial Services Committee – Hearing. Capital Markets and Government Sponsored Enterprises Subcommittee hearing on "Legislative Proposals to Enhance Capital Formation and Reduce Regulatory Burdens."

2:00 p.m. House Natural Resources Committee – Hearing. Oversight and Investigations Subcommittee hearing on "Zero Accountability: The Consequences of Politically Driven Science."

2:00 p.m. House Transportation and Infrastructure Committee – Hearing. Highways and Transit Subcommittee hearing on "The Future of Commercial Motor Vehicle Safety: Technology, Safety Initiatives, and the Role of Federal Regulation."

3:00 p.m. House Judiciary Committee – Hearing. Constitution and Civil Justice Subcommittee hearing on H.R.1927, the "Fairness in Class Action Litigation Act of 2015."

## Thursday, April 30

10:30 a.m. House Veterans' Affairs Committee – Hearing. Full committee hearing on "Examining Access and Quality of Care and Services for Women Veterans."

2:00 p.m. House Energy and Commerce Committee – Hearing. Communications and Technology Subcommittee hearing on "FCC Reauthorization: Improving Commission Transparency."

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2:00 p.m. House Homeland Security Committee – Hearing. Transportation Security Subcommittee hearing on "A Review of Access Control Measures at Our Nation's Airports, Part II."

## Senate

### Monday, April 27

10:00 a.m. Senate Energy and Natural Resources Committee - Hearing. Full committee hearing on the Energy Information Administration's annual energy outlook for 2015.

### Tuesday, April 28

9:30 a.m. Senate Armed Services Committee - Hearing. Full committee hearing on "United States Security Policy in Europe."

10:00 a.m. Senate Commerce, Science and Transportation Committee - Hearing. Oceans, Atmosphere, Fisheries, and Coast Guard Subcommittee hearing on resources and priorities of the U.S. Coast Guard.

10:00 a.m. Senate Finance Committee - Hearing. Full committee hearing on "Creating a More Efficient and Level Playing Field: Audit and Appeals Issues in Medicare."

10:00 a.m. Senate Homeland Security and Governmental Affairs Committee - Hearing. Full committee hearing on "Examining the Proper Role of Judicial Review in the Federal Regulatory Process."

10:00 a.m. Senate Energy and Natural Resources Committee - Hearing. Full committee hearing on "The Quadrennial Energy Review."

10:00 a.m. Senate Health, Education, Labor and Pensions Committee - Hearing. Full committee hearing on "Continuing America's Leadership: The Future of Medical Innovation for Patients."

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10:00 a.m. Senate Judiciary Committee - Hearing. Full committee hearing on "Oversight of the Department of Homeland Security."

10:00 a.m. Senate Banking, Housing and Urban Affairs Committee - Hearing. Full committee hearing on "The State of the Insurance Industry and Insurance Regulation."

2:30 p.m. Senate Commerce, Science and Transportation Committee - Hearing. Aviation Operations, Safety, and Security Subcommittee hearing on "FAA Reauthorization: Aviation Safety and General Aviation."

2:30 p.m. Senate Homeland Security and Governmental Affairs Committee - Meeting. Full committee meeting on "Roundtable - Securing the Border: Biometric Entry and Exit at our Ports of Entry."

### Wednesday, April 29

9:00 a.m. Senate Appropriations Committee - Hearing. Defense Subcommittee hearing on the proposed budget estimates and justification for FY2016 for the National Guard and Reserve.

9:00 a.m. Senate Homeland Security and Governmental Affairs Committee - Hearing. Full committee hearing on "The Homeland Security Department's Budget Submission for FY2016."

9:30 a.m. Senate Banking, Housing and Urban Affairs Committee - Hearing. Housing, Transportation, and Community Development Subcommittee hearing on "Exploring Opportunities for Private Investment in Public Infrastructure."

9:30 a.m. Senate Small Business and Entrepreneurship Committee - Hearing. Full committee hearing on "King vs Burwell Supreme Court Case and Congressional Action that can be taken to Protect Small Businesses and their Employees."

2:00 p.m. Senate Appropriations Committee - Hearing. Homeland Security Subcommittee hearing on the proposed budget estimates and justification for FY2016 for the Department of Homeland Security.

2:30 p.m. Senate Appropriations Committee - Hearing. Interior, Environment, and Related Agencies Subcommittee hearing on the proposed budget estimates and justification for FY2016 for the Environmental Protection Agency.

2:30 p.m. Senate Veterans' Affairs Committee - Hearing. Full committee hearing on "GAO's High Risk List and the Veterans Health Administration."

2:30 p.m. Senate Indian Affairs Committee - Hearing. Full committee hearing on S.248, the "Tribal Labor Sovereignty Act of 2015," to clarify the rights of Indians and Indian tribes on Indian lands under the National Labor Relations Act.

#### **Thursday, April 30**

9:30 a.m. Senate Armed Services Committee - Hearing. Full committee hearing on "United States European Command Programs and Budget."

10:00 a.m. Senate Energy and Natural Resources Committee - Hearing. Full committee hearing on S.703, the "Weatherization Enhancement and Local Energy Efficiency Investment and Accountability Act"; S.720, the "Energy Savings and Industrial Competitiveness Act of 2015"; and S.858, the "Energy Savings Through Public-Private Partnerships Act of 2015."

2:30 p.m. Senate Energy and Natural Resources Committee - Hearing. Public Lands, Forests and Mining Subcommittee hearing on the Bureau of Land Management's final rule on hydraulic fracturing.

#### **WASHINGTON BY THE NUMBERS**

**91 percent** - The odds South Carolina Senator Lindsey Graham (R) gave that he would seek the GOP nomination for president in 2016.

**43 percent** - The percentage of Americans who say they have a favorable opinion of the Affordable Care Act - better known as Obamacare. Almost as many, 42 percent, say they have a negative opinion of it.

#### **THEY SAID WHAT?**

"You don't try to have a conversation with a snake. You get a .410 shotgun or a shovel or a hoe, and you take the snake's head off before he bites you." - Former Governor and likely presidential candidate Mike Huckabee (R-AR) on dealing with Iran.

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