

Legislative Forecast for the 115th Congress

October 3, 2017

Producers

Owen Minott, Christine Yan, Justin Brown, Claire Carter, Madelaine Pisani, Claire Garney, Shruthi Ashok, Katy Pentz, Michael Brady, Adriana Morton, Adam Aldrich, Taryn MacKinney & Theo Goetemann

Director

Alistair Taylor

Key dates and prospective items on the legislative agenda in the 115th Congress

August 2017 – January 2018

Aug	Sept	Oct	Nov	Dec	Jan
<ul style="list-style-type: none"> • Congress on Summer recess • NAFTA renegotiations begin 	<ul style="list-style-type: none"> • Tax reform legislation • FAA authorization expires • US will hit debt limit by Sept. 29 	<ul style="list-style-type: none"> • End of Fiscal Year 2017 	<ul style="list-style-type: none"> • Special elections 2017 • Deadline for Senate Finance Committee to report out tax reform on Nov. 13 	<ul style="list-style-type: none"> • Budget deadline on Dec. 8 • Debt ceiling reinstated on Dec. 8 • 2017 session ends on Dec. 15 	<ul style="list-style-type: none"> • President Trump reaches one full year in office

Possible actions, timing unknown

- **Affordable Care Act:** After Graham-Cassidy failed to pass the Senate, it is unclear whether Republicans will push a vote on another repeal bill
- **Defense appropriations:** Debate over the defense budget is likely to be contentious, given the defense appropriations bill is \$41.9 billion under the levels set by the FY18 NDAA
- **Energy & environment:** Negotiations for a comprehensive energy bill are expected to resume in the 115th Congress
- **Financial regulation:** Despite the passage of the CHOICE Act in the House in June, analysts say it is unlikely to move forward in the Senate in its current form
- **Iran nuclear deal:** Trump reportedly has assigned a team to develop a case that Iran has violated the agreement
- **Medicare:** Congressional Republicans have expressed an interest in reforming Medicare and turning it into a “premium support” system
- **Tech:** The FCC is likely to move forward with its proposal to rescind net neutrality, which the Trump administration has supported

Sources: National Journal research.

A guide to this month's legislative forecast

Issues covered in this month's legislative forecast

-
- Affordable Care Act
 - Appropriations
 - Conflict in Iraq and Syria
 - Criminal justice reform*
 - Cybersecurity
 - Debt ceiling
 - Defense appropriations
 - Education
 - Energy and environment
 - Farm Bill
 - Financial regulation
 - Immigration
 - International trade
 - Iran nuclear negotiations
 - LGBT rights
 - Medicare
 - North Korea
 - Opioid abuse and heroin epidemic
 - Tax reform
 - Technology

**These legislative issues have not changed over the course of the past month*

Archived issues (Major legislative or administration actions in 2015 and 2016)

-
- Chemical reform
 - Export-Import (Ex-Im) Bank
 - Federal Reserve
 - Gun control
 - Highway Trust Fund
 - Keystone XL
 - Medical research funding
 - Mental health
 - PATRIOT Act/USA FREEDOM Act
 - Puerto Rico bailout
 - Zika funding

Please see previous legislative forecasts or contact the Presentation Center for details on these topics.



The Affordable Care Act

Recent key developments on the ACA and potential future actions



May 2017:

House passes the AHCA narrowly, along party lines: After much debate, the Upton and MacArthur Amendments helped to convince Republican members to vote to pass the AHCA; CBO estimates of the passed bill suggest 23 million will be uninsured by 2026.



July 2017:

BCRA fails the Senate vote: After motion to proceed passed, full repeal without replacement, the BCRA and ‘skinny repeal’ fail to pass, with Senators Susan Collins, Lisa Murkowski and John McCain voting no.



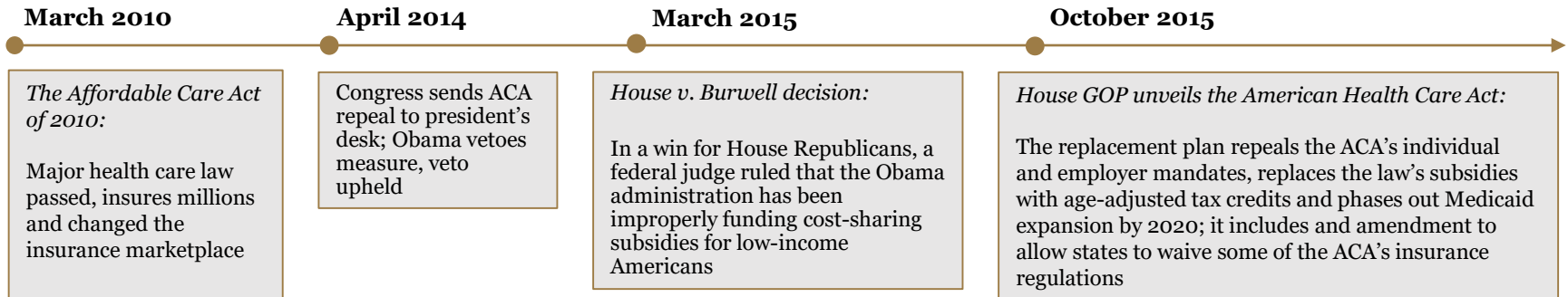
September 2017:

Graham-Cassidy fails in the Senate: The latest GOP health care reform bill, authored by Lindsey Graham and Bill Cassidy would have made deep cuts to Medicaid, eventually phasing out the program. The bill was killed when 3 GOP senators declared their intent to vote no.

Potential actions

- Many Republican senators represent states that have benefitted from Medicaid expansion, suggesting they would oppose the Medicaid cuts
- The “Problem Solvers” caucus in the House has been working on a bipartisan path forward for health care reform
- The HELP committee is also working on proposals to alleviate the opioid epidemic and keep insurers in the individual marketplace
- The reconciliation deadline passed September 30th, but health care reform could still be passed simultaneously along with tax reform
- Although 16 Democrats support Sanders’ new Medicare for all legislation, it is unlikely to pass; however it does reflect the public’s increasing view that it is the government’s responsibility to provide health care

Legislative timeline



National Journal Research, 2017; Mark J. Mazur, “Continuing to Implement the ACA in a Careful, Thoughtful Manner,” Department of the Treasury, July 2, 2013; Lyle Denniston, “Argument Analysis: Setting up the private debate on the ACA,” SCOTUSblog, Mar 4, 2015; Susan Ferrehio, “Congress joint budget deal could pave path to Obamacare repeal,” Washington Examiner, April 20, 2015; Sen. Mike Enzi and Rep. Tom Price, “FY2016 Conference Agreement,” House Budget Committee, May 2015; MaryBeth Musumeci, “A Guide to the Supreme Court’s Affordable Care Act Decision,” The Kaiser Family Foundation, July 2012; Josh Gerstein and Lauren French, “House Files Obamacare lawsuit,” Politico, November 21, 2014, Skadden, “King v. Burwell: Round 2 for the Affordable Care Act,” July 10, 2015; National Association of Community Health Centers, “Victory for the ACA: Moving Forward After King V. Burwell,” June 30, 2015.

\$ Appropriations

Recent key developments on the FY18 appropriations and potential future actions



July 2017:

Senate Appropriations Committee passes six appropriations bills: The full committee approved the following bills during the month of July: Agriculture, Commerce/Justice/Science, Energy/Water, Legislative Branch, MilCon-VA and Transportation/HUD.



September 2017:

House passes all approps. bills through the “Make America Secure and Prosperous Appropriations Act”: The legislation (H.R. 3354) was passed by a vote of 211-198 and provides discretionary funding for all 12 appropriations bills totaling \$1.2 trillion.

Dec. 8 *September 2017:*



FY18 budget deadline extended: Congress passed a bill that extended the budget deadline until Dec. 8 while also increasing the federal borrowing limit and providing extra federal disaster aid.

Potential actions

- Since Republicans are aiming to use the reconciliation process to address tax reform, Congress is currently in the process of crafting a budget resolution
- When asked, House Speaker Paul Ryan did not rule out the possibility of a “shell” budget that would allow them to address tax reform without a concrete fiscal roadmap for appropriations
- The Senate has yet to vote on its first appropriations bill

Legislative timeline

May 2017

President’s FY18 budget request:

In his first budget request as president, Donald Trump asked for \$576 billion for non-defense discretionary programs and \$574.5 billion for defense, along with \$76.0 billion for Overseas Contingency Operations (OCO) funding

July 2017

House passes the “Department of Defense Appropriations Act”:

The legislation (H.R. 3219) was passed on a vote of 235-192 and provided funding for four of the 12 annual approps. bills: Defense, MilCon-VA, Energy & Water, and Legislative Branch

Source: US House Committee on Appropriations, 2017; US Senate Committee on Appropriations, 2017; Mike DeBonis and Kelsey Snell, “Trump signs \$15 billion Harvey aid package and Republicans booed top White House officials,” The Washington Post, September 8, 2017; James Arkin, “Ryan ‘Confident’ House Will Pass Budget, Defends Agenda,” RealClearPolitics, June 30, 2017; National Journal Research, 2017; Office of Management and Budget, “A new foundation for American greatness,” May 22, 2017; Office of Management and Budget, “Major savings and reforms: Budget of the U.S. Government,” May 22, 2017.

Conflict in Iraq and Syria

Key recent federal actions on the Iraq and Syria conflict and potential future actions

July 2017:



NDAA introduced by Rep. Mac Thornberry (R-TX) passes the House:

Passing 344-81, this act would provide additional US support to train and equip Syrian fighters and other forces under Operation Inherent Resolve and to recover territory from ISIS in Iraq and Syria.

July 2017:



2001 and 2002 Authorized Use of Military Force (AUMF) remain in tact:

After amendments fail in both the defense authorization and appropriations bills, the war authorizations established after 9/11 remains. Currently, joint resolutions have replaced failed amendments in trying to establish a new war authorization.

September 2017:

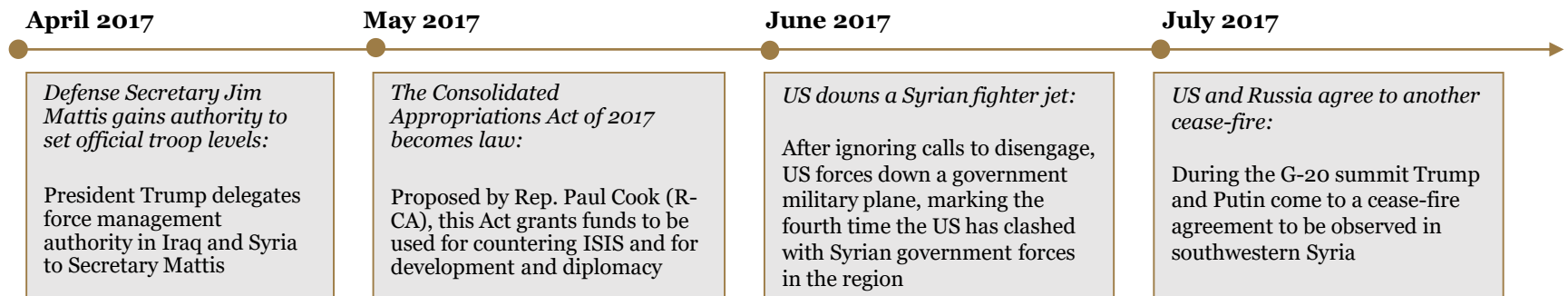


NDAA passes the Senate 89-8: The bill introduced by John McCain (R-AZ) and Rep. Mac Thornberry's (R-TX) authorizes \$1,769,000 in Overseas Contingency Operation funds to counter ISIS in Iraq and Syria. The House and Senate will form a joint conference committee to reconcile differences in the bills.

Potential actions

- The budget disparities between the NDAA and the Defense Appropriations Act will spark debate over funding as FY2018 begins
- Congress begins to see an end to the conflict. The focus shifts from war tactics to legislation regarding the long-term stability of the region as multiple hearings addressing Iraq and Syria post-ISIS are on the House and Senate calendars

Legislative timeline



Sources: National Journal Research, 2017; GovTrack.us research, July 2017; Christopher Woody "Congress may repeal the post 9/11 act the US military used to justify the fight against ISIS" Business Insider, June 29, 2017; "Morning Defense" Politico, July 31, 2017; Joe Gould, "As GOP's Obamacare repeal fails, optimism for NDAA" July 28, 2017; The U.S. House of Representatives Committee on Appropriations, "House Appropriations Committee Releases Fiscal Year 2018 Defense Bill"

Criminal justice reform

Recent key developments on criminal justice reform and potential future actions

August 1, 2017:



Cory Booker introduced the Marijuana Justice Act

The bill seeks to remove marijuana from the federal Controlled Substances Act and challenges states that have not legalized the drug, but have racially disproportionate incarceration and arrest rates by withholding some criminal justice funding.

August 27, 2017:



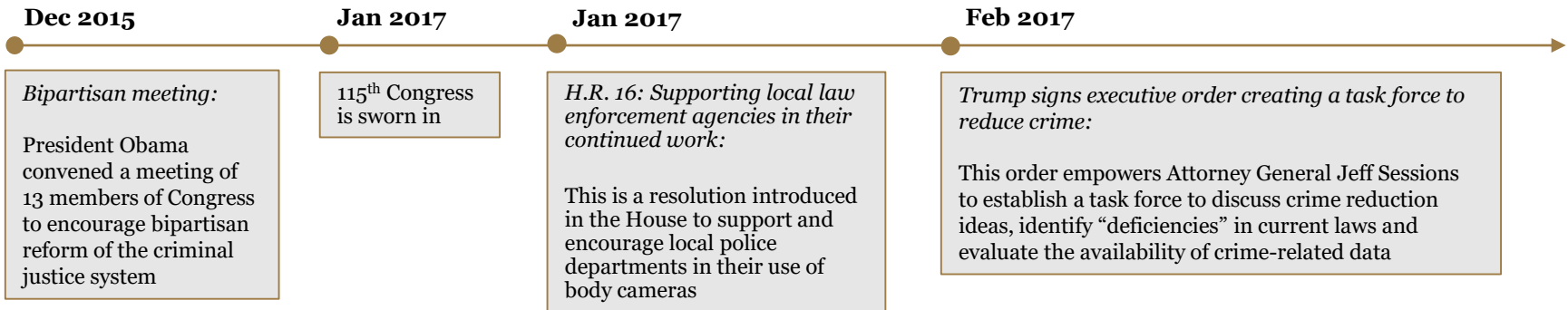
Trump lifted a ban on military gear for local police forces

Trump lifted this Obama-era executive order, which banned the transfer of some surplus military equipment to police departments; this was in response to battlefield-style policing that took place in 2014 during riots in a St. Louis suburb.

Potential actions

- In the 114th Congress there was some bipartisan support for reducing sentencing for certain crimes
- Some Republicans in the Senate lead by Jeff Sessions opposed this effort and expectations about how Sessions' role as attorney general in the Trump administration will impact this are mixed
- On the one hand, Sessions is no longer on the Senate Judiciary Committee to oppose such a move, but on the other he is President Trump's top advisor on the issue
- Jared Kushner had a meeting on Capitol Hill in mid-April to discuss the future of criminal justice reform with House and Senate leaders
- Legislators aiming for reform appear to be waiting for support from the White House before introducing a bipartisan criminal justice reform bill

Legislative timeline



Sources: *Congress.gov*, “S.2123—Sentencing Reform and Corrections Act of 2015,” 114th Congress (2015–2016), October 2015; Jack Martinez, “Senators Announce Bipartisan Criminal Justice Reform Legislation,” *Newsweek*, October 1, 2015; Seung Min, Kim, “Compromise Struck on Criminal Justice Reform,” *Politico*, April 28, 2016; Mark Disler, “From intellectual property to criminal justice reform: what you need to know for the Judiciary Committees in the 115th Congress,” *Prime Policy Group*, December 16, 2016; *Govtrack.us*.

Cybersecurity

Recent key federal actions on cybersecurity and potential future actions

July 2017:



House Science, Space and Technology Committee: The committee sent letters to 22 government agencies requesting information on Kaspersky Lab and use of its software as part of their investigation into the antivirus company.

August 2017:



Internet of Things Cybersecurity Improvement Act of 2017 (IoT-CIA): Senators from both parties submitted a bill that would create a set of standards for devices in U.S. government networks.

September 2017:

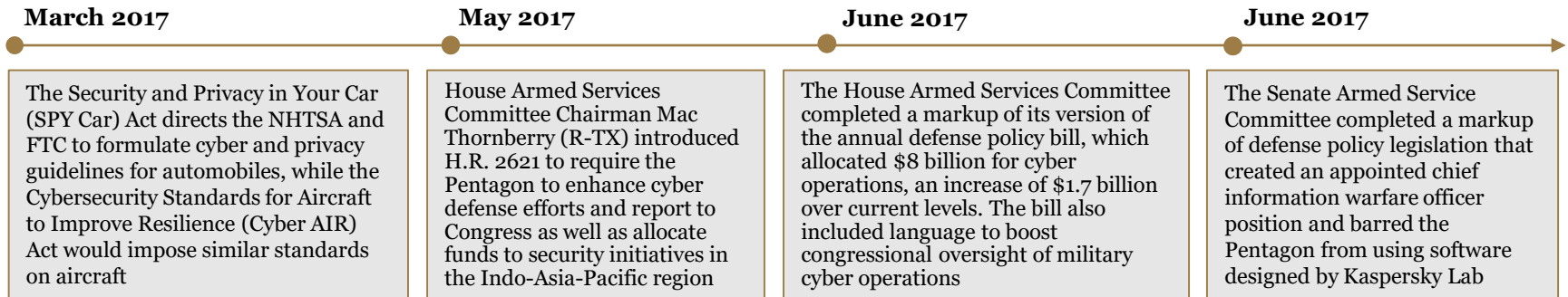


Help for small businesses: The Senate passed legislation at the end of September that would require the National Institute of Standards and Technology to provide more tools to small businesses to help protect their networks from cyber threats.

Potential actions

- The Senate has a potential bill that would reauthorize FISA, which allows the federal government to collect digital information on foreign citizens; it has been referred to the Judiciary Committee
- Congress will need to address how the 2018 presidential budget proposal boosts cyber defense funding at DHS and allocates money to help law enforcement fight cyber criminals while cutting funding for cyber research and development and eliminating funding for a digital forensics training center for state and local police
- The first week of October, the Senate Banking Committee will hold a hearing on the Equifax hack, but it remains to be seen if legislation will be put forward on standards for how companies should inform customers when their private data has been stolen

Legislative timeline



Sources: National Journal Research, 2017; Edward Graham, "Lawmakers rethink federal use of Kaspersky Lab products," Morning Consult, July 31, 2017; Nicholas Weaver, "The Internet of Things Cybersecurity Improvement Act: A good start on IoT security," Lawfare blog, August 2, 2017; Morgan Chalfant, "Senate panel advances bill to boost federal cyber scholarships," The Hill, August 2, 2017; Michaela Ross, "Capitol Hill watch: IP, cybersecurity, privacy, tech & telecom," Bloomberg BNA, August 29, 2017; Morgan Chalfant, "Senate passes small business cybersecurity legislation," The Hill, September 28, 2017; Morgan Chalfant, "Week ahead: Lawmakers await Equifax testimony," The Hill, October 2, 2017; Tony Romm, "The U.S. Congress is going to hold two hearings on the massive Equifax data breach," Recode, September 8, 2017.

Debt ceiling

Recent key developments on the debt ceiling and potential future actions



November 2015:

Bipartisan Budget Act of 2015: In a budget compromise between congressional leaders and the White House, the debt ceiling was suspended until March 2017, allowing normal borrowing to resume.



March 2017:

Debt ceiling reinstated: The debt limit was automatically raised to the debt level on March 16, 2017; the CBO estimated that the Treasury would be able to use extraordinary measures to fund essential payments until sometime in the fall of 2017.



September 2017:

Debt ceiling suspended: The debt limit was suspended until December 2017, in a deal Trump made with Congressional Democrats to pass a package of bills including emergency funding for Hurricane Harvey and a continuing resolution to keep the government funded through December 8.

Potential actions

- Democrats want to use the debt ceiling December deadline as leverage for upcoming tax reform legislation and spending negotiations
- However, Senate Majority Leader Mitch McConnell believes the Treasury will be able to use extraordinary measures when the debt limit is reinstated to keep paying the United States' bills potentially through March of 2018

Legislative timeline

February 2013

No Budget, No Pay Act of 2013:

A bill which temporarily suspended the debt limit until May 28, 2013 and put congressional pay on hold until a budget resolution could be passed

October 2013

Continuing Appropriations Act, 2014:

A continuing resolution passed in fiscal year 2014, which funded the government and suspended the debt limit until February 2015 to give lawmakers more time to negotiate a compromise proposal

February 2015

Temporary Debt Limit Extension Act:

Both houses of Congress passed a debt ceiling extension, suspending the ceiling until March 15, 2015

March 2015

Debt limit reinstated:

The suspension of the debt ceiling was lifted in March; the Treasury took extraordinary measures to allow the government to pay its bills through November

Source: Chris Matthews, "Let the debt ceiling games begin!" Fortune, March 16, 2015; Ben White, "US to hit debt ceiling again, and this time could be worse," CNBC, March 16, 2015; Jim Garamone, "Defense Department Prepares Plans for Sequestration," American Forces Press Service, December 5, 2012; Lisa Mascaro and Kathleen Hennessey, "U.S. leaders strike debt deal to avoid default," Los Angeles Times, August 1, 2011; Pete Kasperowicz, "House approves clean debt hike," The Hill, February 11, 2014; Lisa Montgomery and Rosalind S. Helderman, "Congress sends Obama bill to end shutdown," October 17, 2013; Office of the Press Secretary, "Statement by the Press Secretary on H.R. 325," The White House, February 4, 2013; Peter Schroeder and Bernie Becker, "What bills can lame-duck Boehner move?" The Hill, September 29, 2015; Joseph Lawler, "Deal Would Suspend Debt Ceiling until after 2017 Inauguration," October 27, 2015; Rebecca Shabad, "Debt ceiling will be hit in October, CBO estimates," CBS News, June 29, 2017; Carl Hulse, "McConnell says Democrats' glee on debt limit deal was premature," New York Times, September 11, 2017.

Defense appropriations

Key recent federal actions on defense appropriations and potential future actions



July 2017:

House passes National Defense Authorization Act (NDAA) 344-81: The House NDAA authorizes \$613.5 billion for base defense spending and \$74.6 billion for Overseas Contingency Operations (OCO) funding; with the mandatory defense spending of \$7.5 billion, the total authorized to be appropriated is \$695.9 billion



July 2017:

House passes Defense Appropriations Act for FY18 235-192: Appropriations total \$658.1 billion for the Department of Defense, and the bill included a proposed amendment revoking the AUMF issued after the 9/11 attacks



September 2017:

Senate passes National Defense Authorization Act 89-8: The House and Senate will form a joint conference committee to reconcile the two versions of the legislation.

Potential actions

- Although the defense authorization passed both houses of Congress, the broader debate over the defense budget is likely to be contentious, with Sen. John McCain (R-AZ) and Rep. Mac Thornberry (R-TX) proposed total defense budget topline of \$700 billion, according to the Senate Armed Services Committee report. The defense appropriations bill is \$41.9 billion under the defense authorization levels.
- According to an algorithm developed by John Nay that uses congressional data from 1993, H.R. 3219, Making America Secure Appropriations Act that contains defense appropriations for FY18, has a 59% chance of passing the Senate and being signed into law

Legislative timeline

May 2017

Trump releases his FY18 budget request:

President Trump requested a \$54 billion increase to the sequestration level budget cap for FY18. If Congress does not agree to a budget resolution by the start of the fiscal year, they will have to pass another continuing resolution

June 2017

House Appropriations Committee approves FY18 defense appropriations bill:

The House bill includes a total of \$658.1 billion for the Department of Defense: \$584.2 billion in discretionary funding, an increase of \$68.1 billion above the FY17 enacted level, and \$73.9 billion in Overseas Contingency Operations (OCO) funding

June 2017

House Appropriations Committee approves an amendment repealing the 2001 AUMF:

The 2001 authorization is still used to wage war against ISIS and al Qaeda. Proponents on the panel argue that the 2001 authorization is overly broad and advocate for a new authorization more tailored to the current conflict

Sources: National Journal Research, 2017; Jeremy Herb and Deirdre Walsh, "House panel votes to repeal war authorization for fight against ISIS and al Qaeda," CNN, June 29, 2017; Leo Shane III, "Senate unveils \$700B defense authorization plan," Military Times, June 28, 2017; US House Armed Services Committee, 2017; US Senate Armed Services Committee, 2017; H.R. 3219 —115th Congress, GovTrack.us.

Education

Recent key developments on education policy and potential actions



July 2017:

The House Approps. Committee **approved a bill** that would cut \$2.4 billion from the Education Dept., a decrease from the administration’s proposed cut of \$9.2 billion



August 2017:

An internal memo by the administration announced that the Justice Dept. was seeking lawyers for “investigations and possible litigation” relating to **university affirmative action policies**; the DOJ later denied a broad attack on affirmative action



September 2017:

The administration announced a plan **to invest \$200 million from the Department of Education** and \$300 million in private sector funding in STEM programs. Betsy DeVos announced that the administration would be **rewriting Obama-era campus sexual assault policy**. The House approved an education bill that would cut \$2.3 billion from the Ed Department. The Senate Approps. Committee approved an education bill that would boost department spending by \$29 million.

Potential actions

- **Every Student Succeeds Act:** The first deadline for ESSA state plans was Apr. 3, and the second deadline was Sept. 18. 32 states declared that they would submit their plans by the Sept. 18 deadline; the Department of Education has begun reviewing these state plans
- The Senate has yet to vote on its Approps. Committee education bill; Congress will need to reconcile the Senate and House budget proposals

Legislative timeline

Jan. 2017

House GOP introduced the *Choices in Education Act*, which would federally fund education vouchers, limit the ED’s authority and repeal school cafeteria nutritional standards.

Feb. 2017

Betsy DeVos confirmed as education secretary in a historically close 51-50 vote. A controversial figure, she advocates school choice and opposes government regulation of education.

May 2017

Trump administration announces a proposed budget cut of \$9.2 billion from the Department of Education for FY 2018, a cut representing 13.5% of the department’s existing budget.

Jun. 2017

The dept. released new guidelines for transgender students’ rights, which don’t address bathroom usage and state that complaints could be dismissed based on jurisdiction. The dept. also began disassembling two consumer protection rules for students.

Sources: Pete Kasperowicz, “House votes 221-207 to limit federal control over education,” The Hill, Jul. 13, 2015; Jennifer C. Kerr, “What Your Need to Know About the No Child Left Behind Rewrite,” Huffington Post, Nov. 20, 2015; Gregory Korte, “The Every Student Succeeds Act vs. No Child Left Behind: What’s Changed?” USA Today, Dec 11, 2015; PR Newswire, “Bipartisan Child Nutrition Bill Passes Senate Committee,” Jan. 20, 2016; Joy Resmovits, “DeVos’ new transgender student guidance changes course on bathroom access cases,” LA Times, Jun. 16, 2017; Lyllia Wheeler, “DeVos charges ahead on school choice,” The Hill, Aug. 16, 2017; Valerie Strauss, “Like it or not, Betsy DeVos has made a mark in six months as education secretary,” The Washington Post, Aug. 14, 2017; Michael Hansen et al., “Reflecting on education policy during Trump’s first 100 days—and predicting what’s next,” Brookings Institute, May 2, 2017; “ESSA State Plan Submission,” US Department of Education; Andrew Ujifusa, “With White House Backing, Senate Overturns ESSA Accountability Rules,” EdWeek, Mar. 9, 2017; Stephanie Saul & Kate Taylor, “Betsy DeVos Reverses Obama-era Policy on Campus Sexual Assault Investigations,” NY Times, Sept. 22, 2017; Andrew Ujifusa, “House OKs Bill to Slash Education Budget as School Choice Push Loses Out,” Sept. 14, 2017.

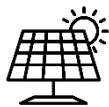
Energy & environment

Recent key developments on energy and environment and potential future actions



June 21, 2017:

New comprehensive energy bill: Senators Murkowski (R-AK) and Cantwell (D-WA) introduced legislation that mirrors the comprehensive energy bill from 2016 and it was fast-tracked by Majority Leader McConnell, meaning it could receive a floor vote in early fall.



August 2017:

Suniva solar tariff debates: Two U.S. based solar companies filed a complaint with the ITC that imported solar panels were unfair competition and asked for a duty and price floor for imported modules. The ITC held a hearing on August 15th and soon after President Trump backed the idea of implementing tariffs.



September 2017:

ITC determines that imported solar has disrupted market: The panel unanimously determined that the market had been disrupted and now has until November to come up with recommendations to deliver to President Trump so that he can make a final decision.

Potential actions

- President Trump’s budget request drastically reduced funding across DOE and EPA, including cutting most funding for research
- Congress will have to decide how to allocate funding in response to Trump’s request
- The Trump administration has begun the process of creating a new five-year offshore drilling plan by opening it for public comment
- Congress may attempt to complete negotiations on legislation for nuclear waste repositories, including a bill that would allow for the storage of nuclear waste in Yucca Mountain
- Significant damages from Several hurricanes caused significant damage in September, flooding refineries and disrupting water supplies, and this could lead to a renewed push for drinking water legislation

Legislative timeline



National Journal Research, 2017; Mark J. Mazur, "Continuing to Implement the ACA in a Careful, Thoughtful Manner," Department of the Treasury, July 2, 2013; Lyle Denniston, "Argument Analysis: Setting up the private debate on the ACA," SCOTUSblog, Mar 4, 2015; Susan Ferrechio, "Congress joint budget deal could pave path to Obamacare repeal," Washington Examiner, April 20, 2015; Sen. Mike Enzi and Rep. Tom Price, "FY2016 Conference Agreement," House Budget Committee, May 2015; MaryBeth Musumeci, "A Guide to the Supreme Court's Affordable Care Act Decision," The Kaiser Family Foundation, July 2012; Josh Gerstein and Lauren French, "House Files Obamacare lawsuit," Politico, November 21, 2014; Skadden, "King v. Burwell: Round 2 for the Affordable Care Act," July 10, 2015; National Association of Community Health Centers, "Victory for the ACA: Moving Forward After King V. Burwell," June 30, 2015.



The 2018 Farm Bill

Recent key developments on the 2018 Farm Bill and potential future actions



August 29, 2017:

GAO publishes report on crop insurance: Their analysis said that the government could save up to \$464 million a year by reducing the amount paid by the federal government as subsidies to private crop insurance companies.



October 4, 2017:

Farm Bill forum for critics: Hosted by multiple free market think tanks, the event hopes to bring in critics of the Farm Bill from across the political spectrum, with remarks by Rep. Earl Blumenauer (D-OR03) and Sen. Jeff Flake (R-AZ).



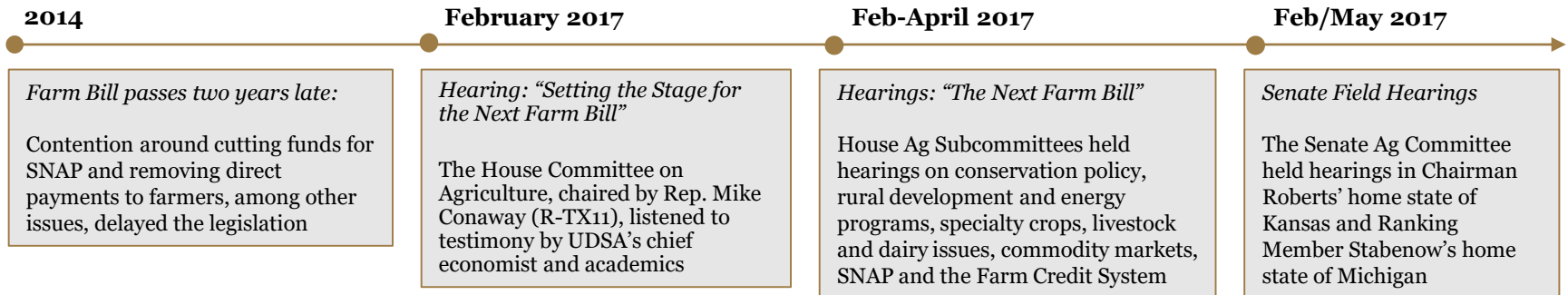
October 11-15, 2017:

Fourth round of NAFTA negotiations: USTR Lighthizer is expected to revisit contentious issues relating to seasonal agricultural products in the upcoming round of negotiations in DC. The US has proposed to open seasonal products, such as fruits, to the same dispute-resolution mechanisms that apply to other products.

Potential actions

- The current farm bill expires in September 2018
- Leaders of the both the House and Senate agriculture committees have expressed dedication to maintaining a unified bill with nutrition and farm programs
- Free market and environmentalist groups may team up to oppose maintaining commodity supports
- A depressed commodity market will likely produce support across the aisle for maintaining crop insurance programs
- OMB Director Mulvaney voted against the 2014 bill and may try to influence the president to call for more stringent cuts to crop insurance and SNAP

Legislative timeline





Financial regulation

Key developments on financial regulation and potential future actions

July 2017:



House voted to repeal CFPB arbitration rule: Under the Congressional Review Act, the House votes to repeal the new rule, which bans companies from using mandatory arbitration clauses to deny consumers the opportunity to file joint class-action lawsuits against financial institutions. Sen. Mike Crapo (R-ID) has co-sponsored similar legislation in the Senate.

September 8, 2017:



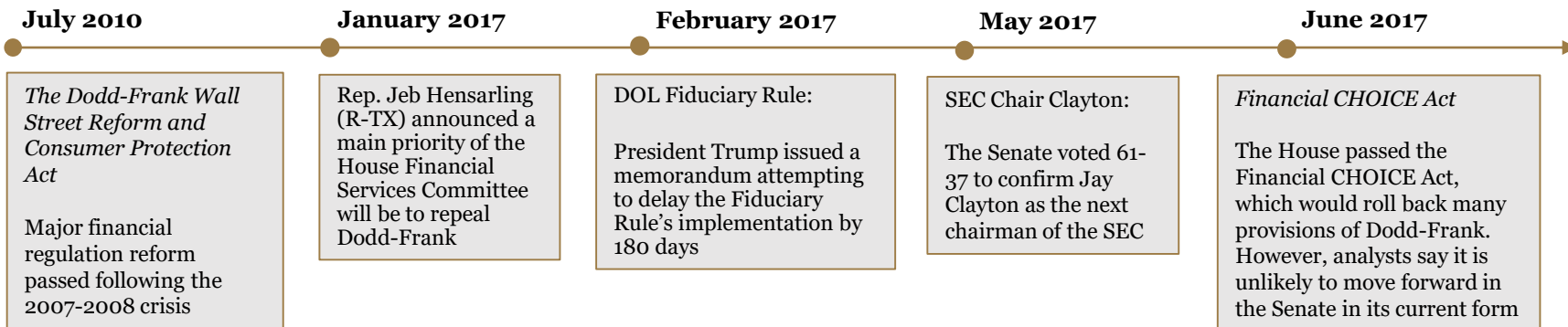
Flood insurance reform: With the National Flood Insurance Program set to expire on September 30, President Trump signed a three-month extension to the program, giving Congress until December 8 to come up with a long-term solution.

September 28, 2017:



Dodd-Frank reform: The Senate introduced the Systemic Risk Designation Improvement Act of 2017, which gives the Federal Reserve the power to exempt certain banks with over \$50 billion in assets from Dodd-Frank regulations. The bill is designed to revive America's struggling regional banks by freeing them from the same strict rules applied to trillion-dollar banks and the Fed, FDIC and OCC have released an additional proposal that simplifies capital requirements for small banks.

Legislative timeline



Potential actions

- With Mnuchin and Clayton leading two of the major financial regulators, analysts expect that these institutions will start passing more rules that are deregulatory in nature
- Analysts are also interested in whether or not the administration's tax plan and infrastructure package will be passed; the two bills are expected to have a significant impact on small business growth and could determine whether the US reaches Trump's target growth rate of 3%
- Following the review period, certain provisions of the Fiduciary Rule took effect on June 9, 2017; however, in early August, the DOL proposed an 18-month delay to the rule's compliance deadline and the OMB is currently reviewing the proposal
- The Senate is expected to vote in coming weeks on a resolution to revoke the CFPB's arbitration rule; as Sen. Lindsey Graham (R-SC) has already stated he will vote against it, Republicans can't afford to lose another vote to ensure the rule is repealed

Sources: Reuters, "US consumers financial watchdog's chief makes case for embattled agency," May 31, 2017; ACA International, "Financial CHOICE Act expected on house floor for vote in early June," May 31, 2017; CNN Money, "Senate ok's Jay Clayton, Trump's pick for SEC chairman," May 2, 2017; DavisPolk, "Financial CHOICE act 2.0 passes House Financial Services Committee," May 8, 2017; CNBC, "Watch: Treasury Secretary Mnuchin addresses Senate Banking Committee," May 18, 2017; J.D. Prose, "Rothfus' legislation would overturn 'anti-consumer' rule," The Times, July 31, 2017.



Immigration

Recent key federal actions on immigration and potential future actions

September 5, 2017:



Trump administration ends DACA: The Trump administration announced it will be rescinding the Deferred Action on Childhood Arrivals program started under President Obama; the memo that rescinds President Obama’s executive order does not go into effect until March 5, 2018.

September 24, 2017:



Trump administration releases updated travel restrictions: President Trump updated the travel restrictions created under his executive order from March 6, 2017; the updated restrictions suspend entry for individuals from Chad, Iran, Libya, North Korea, Somalia, Syria, Venezuela and Yemen.

September 27, 2017:



Trump administration limits number of refugees admitted to the US: The Trump administration has told Congress that it will not allow more than 45,000 refugees into the United States in 2018. The Trump administration claims that by lowering the cap 22,000 below its lowest level to date, it will be able to ensure that all refugees entering the US are properly vetted.

Potential actions

- Congress will need to address DACA before President Trump’s memo goes into effect March 5, 2018; however, the president’s deal with Democrats in September that allowed for a three-month spending plan and pushed the debt-ceiling crisis back till December will give Democrats significant leverage in pushing for legislation on DACA
- The Trump administration’s revised travel restrictions caused the Supreme Court to cancel its October hearing on the ban’s first iteration; nevertheless, the administration can expect a number of organizations to launch legal challenges to the revised ban in upcoming months

Legislative timeline



Sources: Bob Dane, "Davis-Oliver Act would make Trump's immigration agenda law of the land," The Hill, June 1, 2017; Josh Gerstein, "Trump Justice budget targets illegal immigration," Politico, May 23, 2017; Richard Wolf and Alan Gomez, "Supreme Court reinstates Trump's travel ban, but only for some immigrants," USA Today, June 26, 2017; Priscilla Alvarez, "Could Trump's immigration agenda ever get through Congress?," The Atlantic, July 28, 2017; Jordan Fabian and Jordain Carney, "Trump, GOP senators unveil measure to cut legal immigration," The Hill, August 2, 2017; Julie Hirschfeld Davis and Maggie Haberman, "Trump pardons Joe Arpaio, who became face of crackdown on illegal immigration," The New York Times, August 25, 2017; Tal Kopan, "Trump's DACA decision looms," CNN, August 29, 2017. "Timeline of federal policy on immigration, 2017-2020," Ballotpedia.



International trade

Key developments on international trade and potential future actions



July 2017:

US Trade Representative Lighthizer begins talks with the UK: The USTR met with British International Trade Secretary Liam Fox for the first meeting of the US-UK Trade and Investment Working Group to discuss potential bilateral trade agreements following Brexit.



August 2017:

First round of NAFTA renegotiation and increased pressure on China: Representatives from Canada, Mexico and the US met in Washington, DC to begin discussions to renegotiate NAFTA. The USTR announced the initiation of a Section 301 Investigation into Chinese intellectual property theft.



September 2017:

Second and third rounds of NAFTA renegotiation completed: Trade talks continued in Mexico City and Ottawa. Negotiators agreed on certain provisions to modernize small business regulations, but could not yet resolve differences on labor standards and dispute settlement.

Potential actions

- The administration will participate in the fourth round of NAFTA renegotiations from October 11-15, with goals including:
 - Raising rules of origin, the level of a good produced in North America needed to qualify for zero tariffs under NAFTA
 - Eliminating Chapter 19, which allows private companies to challenge trade rulings made by NAFTA countries
 - Implementing a sunset clause, which would end NAFTA in five years unless each country agrees to its renewal
- Trump has the power to negotiate tariffs on specific goods without congressional approval, but more substantial changes to NAFTA may have to pass through Congress
- Trump has indicated he is willing to withdraw from NAFTA if a satisfactory agreement isn't reached
- Trump is expected to withdraw from TTIP negotiations with the EU

Legislative timeline



Source: GovTrack.us, "H.R. 1314: Trade Act of 2015," June 15, 2015; Megan Cassella and Brent Griffiths, "Trump signs executive order to withdraw from Trans-Pacific trade deal," Politico, January 23, 2017; Zeeshan Aleem, "Trump is ready to renegotiate NAFTA. Here's what that might look like," Vox, February 9, 2017; Adam Behsudi, "U.S., Japan to start special trade dialogue," Politico, February 10, 2017; Doug Palmer, "Probe could lead to duties on all steel imports," Politico, April 20, 2017; "USTR Releases NAFTA Negotiating Objectives," July 17, 2017, USTR; Jacob Schlesinger and Bob Davis, "U.S. Plans Trade Measures Against China," August 1, 2017, Wall Street Journal; Office of the USTR, Press Releases, 2017; Ana Swanson, "How the Trump Administration is Doing Renegotiating NAFTA," NY Times, September 28, 2017.

Iran nuclear negotiations

Recent key developments on the Iran nuclear deal and potential future actions



August 2, 2017:

Trump signs new sanctions against Iran: As part of the package of sanctions against Russia, North Korea and Iran, the president signed new sanctions against Iran for its ballistic missile program and its state-sponsorship of terrorism.



August 23, 2017:

Ambassador Haley meets with the IAEA in Vienna: The US permanent representative to the UN met with the IAEA directorate to discuss the agency's monitoring of Iran's nuclear program and to request that they also monitor Iran's military facilities, which prompted a strong reaction from the Iranian government



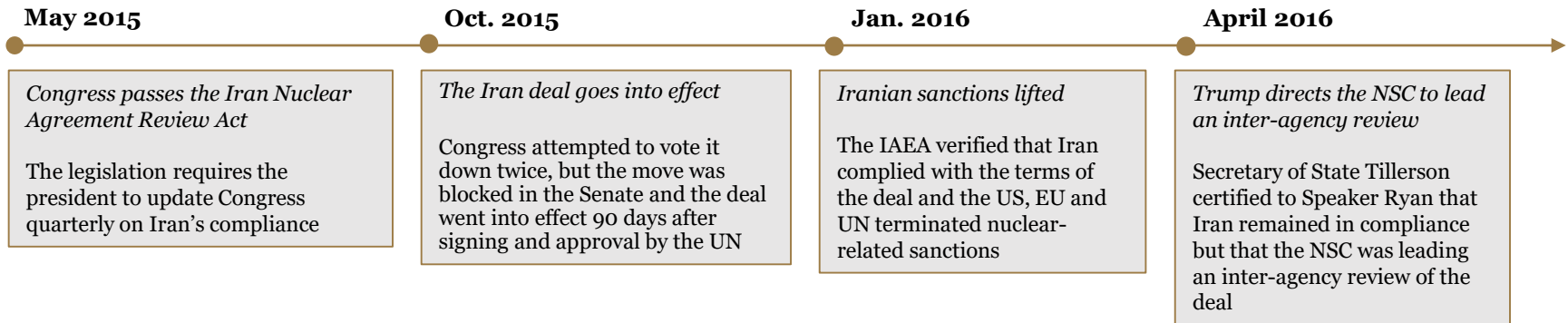
September 19, 2017:

Trump delivers remarks at the UN General Assembly: In his first speech at the international body, Trump accused Iran of supporting terrorists and destabilizing the Middle East. He called the nuclear deal an "embarrassment to the US," and he faces another deadline to certify Iran's compliance in mid-October.

Potential actions

- President Trump could pull the US out of the nuclear deal and reimpose pre-deal sanctions as he has stated he wishes to do
- In mid-October, President Trump could choose not to recertify Iran's compliance as former UN Ambassador John Bolton has argued
- President Trump could leave the deal in place and continue to certify that Iran is in compliance
- European leaders in P5+1 group have all expressed their desire for the deal to remain in place
- The Iranian government has said that if Trump does not recertify their compliance, they would explore options ranging from cancelling the deal to working with European allies

Legislative timeline




National Journal Research, 2017;



LGBT rights


Recent key developments on LGBT rights and potential future actions

July 2017:



Trump bans transgender people from the military: In a series of tweets, President Trump announced that transgender people will not be allowed to serve in the military, citing the “tremendous medical costs and disruption.”

July 2017:



Trump’s Justice Department argued in a private lawsuit that the Civil Rights Act of 1964 provision prohibiting gender discrimination **does not protect workers on the basis of sexual orientation.**

Potential actions

- In July the Supreme Court announce that it will weigh in on whether businesses can refuse service to LGBT couples on the basis of freedom of religion
- The Equality Act establishes federal protections against discrimination based on sexual orientation or gender identity; however, federal LGBT rights are unlikely to advance with the GOP maintaining control of both the House and Senate
- Congressional Republicans have signaled an interest in passing the First Amendment Defense Act, which prohibits the federal government from penalizing any person who acts according to their belief that marriage should be exclusively heterosexual; Trump has pledged to sign the bill

Legislative timeline

April-May 2016

Rep. Steve Russell (R-OK) slipped an amendment into the National Defense Authorization Act to **legalize anti-LGBT discrimination by government contractors**, and it was approved; Rep. Sean Patrick Maloney (D-NY) put forth an amendment to nullify Russell’s amendment, but it failed in dramatic fashion when 7 Republicans changed their votes at the last minute

May 2016

President Obama issued a directive defending the rights of transgender students to use bathrooms that align with their gender identity

February 2017

Trump Administration reverses Obama’s support for trans students:

Trump’s justice and education departments sent a letter to schools rescinding the requirement that students be allowed to use the bathroom that matches their gender identity

Sources: Mark Joseph Stern, “Chaos in the House as Republicans Bend Rules to Save Anti-LGBTQ Bill,” Slate, May 19, 2016; Cristina Marcos and Mike Lillis, “Chaos in House After GOP Votes Down LGBT Measure,” The Hill, May 19, 2016. Rachel Bade and John Bresnahan, “LGBT Fight Sinks House Spending Bill,” Politico, May 26, 2016; National Journal Research, 2017; Nelson Tebbe, Micah Schwartzman and Richard Schragger, “Trump wasn’t elected as a culture warrior. He may govern as one,” Vox, December 30 2016; Camila Domonoske, “Repeal of North Carolina’s HB2 law fails as legislature adjourns special session,” NPR, December 21, 2016.

Medicare

Recent key developments on Medicare and potential future actions



May 2017:

AHCA passed the House: The GOP proposed replacement bill was passed in the House, but does not specifically target Medicare – Trump’s proposed budget also keeps Medicare funding intact.



July 2017:

The Better Care Reconciliation Act fails vote in Senate: Murkowski, Collins & McCain vote no on ‘skinny repeal,’ dooming the BCRA. Medicare funding still up in the air.



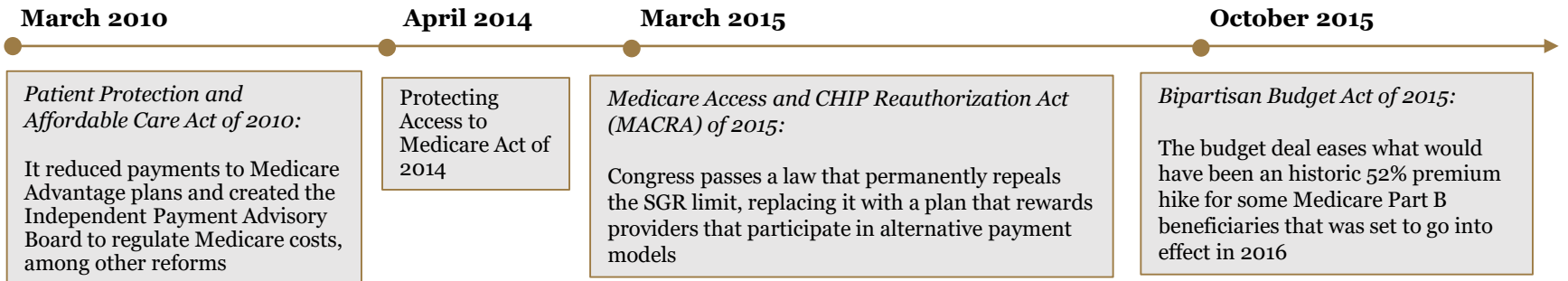
September 2017:

Senate Budget Committee proposed reducing Medicare spending: The proposal cuts Medicare by approximately \$450 billion over the next 10 years. This represent a clear break from Trump, who has repeatedly insisted that his Republican-led administration would not make changes to Medicare.

Potential actions

- Following the 2016 elections, the outlook for Medicare reform changed, as Speaker Paul Ryan and former HHS Secretary Tom Price have advocated sweeping changes to Medicare
- President Trump previously expressed opposition to such large changes to the popular Medicare program
- Trump’s budget request did not include any cuts to Medicare, but Congress and traditional Republicans have shown a clear division from the White House regarding the role of Medicare in the current health care model
- Bernie Sanders’ Medicare for all bill is unlikely to pass, but it would restructure the American health care system along the lines of the current Medicare program

Legislative timeline



Source: National Journal Research, 2017; U.S. House of Representatives, “H.R. 2, the Medicare Access and CHIP Reauthorization Act of 2015- Sections 101, 301, 401, 402, and 523” 2015; U.S. Code, “Title 42, Chapter 7, Subchapter XVIII, Part B, Subsection 1395r. Amount of premiums for individuals enrolled under this part, (1)(1-6),” 2015.; Paul Demko, “GOP budget would repeal ACA but steps back from Medicare, Medicaid restructuring,” Modern Healthcare, May 1, 2015; Eric Dundon, “From Washington: Graces introduces bill to reform the Medicare audit system,” Hannibal Courier-Post, May 5, 2015; Phillip Moeller, “How the Budget Deal Will Change Medicare and Social Security,” Time Money, Oct 30, 2015; Mike DeBonis, “Is Paul Ryan already eying Medicare cuts?” The Washington Post, November 11, 2016; Virgil Dickson, “Outlook for 2017: Republicans target Medicaid, Medicare for big changes,” Modern Healthcare, December 31, 2016.



North Korea

Key recent federal actions on the North Korea and potential future actions



April 2017:

The North Korea State Sponsor of Terrorism Designation Act of 2017 introduced by Rep. Ted Poe (R-TX) passes the House and moves to the Senate: The same designation was given to the DPRK in 1988 and rescinded in 2008 after the government promised to dismantle its weapons program.

August 2017:



The UN Security Council unanimously approves sanctions against North Korea: Responding to sanctions, North Korea threatens it will launch “thousands fold” revenge against the US.

August 2017:



Sanctions legislation enacted: The Countering America’s Adversaries Through Sanctions Act introduced by Rep. Ed Royce (R-CA) in July and signed by the president in August imposes sanctions on North Korean leaders, prohibits US financial institutions from providing financial services to North Korea, and places an embargo on certain goods from the DPRK.

Potential actions

- Other legislation in Congress regarding North Korea ranges from requiring the Director of National Intelligence (DNI) to form a DPRK-specific intelligence gathering cell to establishing diplomatic channels to discuss North Korea
- Congressional action depends largely on that of the president. If President Trump does opt for a military option, he will need approval from Congress

Legislative timeline



Sources: National Journal Research, 2017; Govtrack.us, 2017.

Opioid abuse and heroin epidemic

Recent key federal actions on the opioid abuse and heroin epidemic and potential future actions



August 2017:

President Trump declares the opioid crisis a national emergency: Taking the advice of his opioid commission, the president declares the crisis a national emergency, but does not invoke a specific law to allocate funds to fight the crisis.



August 2017:

Senate passes Jessie's Law: The Senate voted unanimously on a bill that will require HHS to develop and disseminate standards for hospitals and physicians regarding displaying the history of opioid addiction in the medical records of patients who have provided information about their addiction to a health care provider.



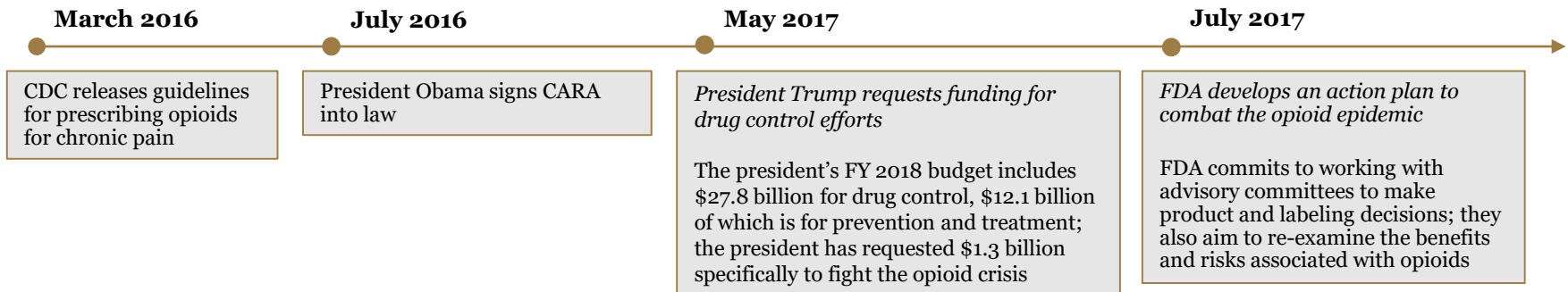
October 2017:

The President's Commission on Combating Drug Addiction and the Opioid Crisis postpones deadline for final report: The commission, set to issue a report on the state of the opioid crisis on October 1st, announced that they will instead be releasing the final report on November 1, 2017.

Potential actions

- President Trump can invoke either the Stafford Act or the Public Health Service Act (PHSA)
 - The Stafford Act frees up FEMA funds, which are typically reserved in case of a natural disaster
 - (PHSA) would allow HHS to reallocate funds to fight the opioid crisis as well as waive state licensing requirements, allowing physicians to more easily move to underserved areas
- Several House bills would result in more funding and resources dedicated to addiction research
 - Most of these are still in the introductory stages and have not yet been passed in either the House or the Senate
- The Trump administration has begun to take the interim steps that the President's Opioid Commission has recommended
 - The commission may release more suggestions and guidelines in their final report in November

Legislative timeline



Sources: National Journal Research 2016; Mary Ellen McIntire, "Senate's Opioid Bill Authors Advise Conferees on Final Bill," Morning Consult, June 28, 2016; FDA.gov; Congress.gov; Whitehouse.gov; Goodnough, "\$45 Billion to Fight Opioid Abuse? That's Much Too Little, Experts Say," NYT, June 30, 2017; Drash, "Opioid commission tells Trump to declare state of emergency," CNN, August 1, 2017; Jonathan D. Salant, "How Trump administration reacted to Christie opioid commission," NJ.com, September 28, 2017.



Tax reform

Key developments on tax reform and potential future actions



April 2017:

Trump administration’s tax plan: The White House released an outline of a tax reform plan, featuring three tax brackets and a 15% corporate tax rate.



September 2017:

“Big six” releases tax plan: Republican leadership from the White House, Senate and House released their proposal to reform the U.S. tax code. The plan sets the corporate tax rate at 20%, cuts individual rates and doubles standard deductions; it also eliminates the alternative minimum tax and estate tax, and would limit interest deductibility.

Potential actions

- The reform is behind schedule, as White House Legislative Director Marc Short expected markups of a House bill to begin in early September
- Trump’s tax plan was only just released at the end of September; now the House and Senate must hammer out the details of tax reform in committee
- Senate Majority Leader Mitch McConnell (R-KY) has stated that tax reform will likely need to be passed through budget reconciliation rather than as a bipartisan bill
- In order to trigger the process to bypass a Senate filibuster, a budget must be passed with reconciliation instructions; Republicans will look to make this quickly happen to ensure a smooth tax reform process

Legislative timeline



Source: Seung Min Kim, “Funding bill becomes immigration battle,” Politico, September 18, 2014; Steve Vladek, “National Security and the 2014 Midterms: A Preview of Monday’s CQ Roll Call/Just Security Event,” Just Security, September 21, 2014; Billy House and Sarah Mimms, “Spending, Immigration, and Tax Fights Will Dominate Final Days of Session,” National Journal, November 30, 2014; Squire Patton Boggs, “A Better Way or a Conversation Starter: The GOP Tax Reform ‘Blueprint,’” Lexology, June 29, 2016; Margaret Talev, “White House: Cohn-led tax plan is real and it’s phenomenal,” Bloomberg, February 10, 2017; Rachael Bade and Josh Dawsey, “Ryan likely to get rolled on tax reform,” Politico, April 25, 2017; Aaron Lorenzo, “White House to give detailed tax reform plan to Congress in September, Cohn says,” Politico, June 2, 2017; Aaron Lorenzo, “White House sees tax reform zipping through Congress in October, November,” Politico, July 31, 2017; Dan Zerbe, “Yes, Tax Reform Is Possible. Here Are The Next Steps After The Release Of The Big 6 Framework,” Forbes, September 27, 2017.

Technology

Recent key developments on technology policy and potential future actions



August 2017:

The FCC received over 20 million comments on a proposal to roll back net neutrality, though there is speculation that many of the responses were fraudulent.



September 2017:

Facebook disclosed that **Russian fake accounts ran 3,000 political ads** on their social media platform during the 2016 election. Twitter also briefed the Senate Intelligence Committee on Russian social media campaigns to influence the election.



September 2017:

The White House launched an initiative to invest in tech and computer science, with major tech companies donating \$300 million to the proposal.

Potential actions

- Twitter, Facebook and Alphabet will publicly testify before the Senate Intelligence Committee on Russian interference in the 2016 election
- The FCC is expected to move forward with its proposal to rescind net neutrality
- Rep. Marsha Blackburn (R-TN) introduced H.R. 2520, which would authorize the FTC to enforce information privacy protections that require broadband companies to allow users to opt in or out of disclosing their information
- The Email Privacy Act (H.R. 387), amending the Electronic Communications Privacy Act of 1986, passed the House and could see a vote in the Senate

Legislative timeline

April 2017

S.J.Res. 34: Under the Congressional Review Act, this resolution was passed by both the House and the Senate and signed by President Trump, repealing FCC broadband privacy rules and removing privacy oversight from the agency

May 2017

Modernizing Technology Act of 2017: H.R. 2227, which would start the process of updating federal information technology systems, passed the House

August 2017

Sen. Rob Portman (R-OH) introduced the Stop Enabling Sex Traffickers Act (S. 1693), which would hold companies liable if the “knowingly facilitate” sex trafficking; some in the tech community are concerned about the implications the bill would have for civil liberties

Sources: Congress.gov, 2017; Ryan Hagemann and Andrew Chang, “Encryption showdown: Burr-Feinstein vs McCaul-Warner,” The Hill, April 25, 2016; Amir Nasr, “A tale of two encryption bills,” Morning Consult, March 23, 2016; Horia Ungureanu, “President Obama pledges to veto House passage of H.R. 2666 anti-net neutrality bill,” Tech Times, April 15, 2016; Li Zhou, “What tech should watch for during the lame duck,” Politico, November 14, 2016; Brendan Bordelon, “Thune plans ‘step-by-step’ Comms Act rewrite in new Congress,” Morning Consult, January 4, 2017; “Presidential Executive Order Expanding Apprenticeships in America,” The White House, June 15, 2017.