

Legislative Forecast for the 115th Congress

April 3, 2018

Producers

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

February – June 2018

Feb.	March	April	May	June	July
<ul style="list-style-type: none"> President's budget request 	<ul style="list-style-type: none"> Debt limit deadline DACA benefits begin to expire (if not for injunction) Omnibus bill passed 	<ul style="list-style-type: none"> Congress traditionally completes action on the concurrent resolution Opioid crisis' status as public emergency expires 	<ul style="list-style-type: none"> Annual appropriation bills may be considered in the House 		<ul style="list-style-type: none"> Congress in recess 7/2-7/6

Possible actions, timing unknown

- Affordable Care Act:** Bipartisan discussions on stabilizing the ACA were derailed by a fight over abortion
- Defense appropriations:** Congress increased defense spending in the FY18 omnibus bill
- Energy & environment:** Negotiations for a comprehensive energy bill are expected to resume in the 115th Congress
- Financial regulation:** The CHOICE Act is unlikely to move forward in the Senate in its current form, but it is set to take up a bipartisan bill that would raise the "too big to fail" asset threshold from \$50B to \$250B
- Immigration:** Democrats are pushing for a vote to reinstate DACA
- Medicare:** Congressional Republicans have expressed an interest in reforming Medicare and turning it into a "premium support" system
- Technology:** A bill to hold internet companies liable for facilitating online sex trafficking passed through Congress and is on its way to the president

Sources: National Journal research.

Key dates & priorities for the 115th Congress

March 2018 – May 2018

MAR.

Debt limit deadline
DACA program begins to expire
Omnibus bill passed



APR.

Congress traditionally completes action on the concurrent resolution on the budget



MAY

Annual appropriation bills may be considered in the House



What's happening in Washington

- A New York Times report revealed that Cambridge Analytica, a political data firm hired by Trump's campaign in the 2016 election, gained access to the private information of over 50 million Facebook users
- After a school shooting in Florida, the debate over gun control has also taken center stage

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
 - Technology

Archived issues *(Major legislative or administration actions in 2015-17)*

-
- 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
 - Tax reform
 - Zika funding

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

\$ Appropriations

Recent key developments on the FY18 appropriations and potential future actions



October 2017:

Congress approves FY18 joint budget resolution: The House and Senate passed a joint budget resolution allowing Republicans to use the reconciliation process to address tax reform. No Democrats voted for the resolution.



January 2018:

FY18 budget deadline extended: Congress passed a bill that extended the budget deadline until Feb. 8 after a three-day shutdown. This is the fourth continuing resolution passed for the FY18 budget.



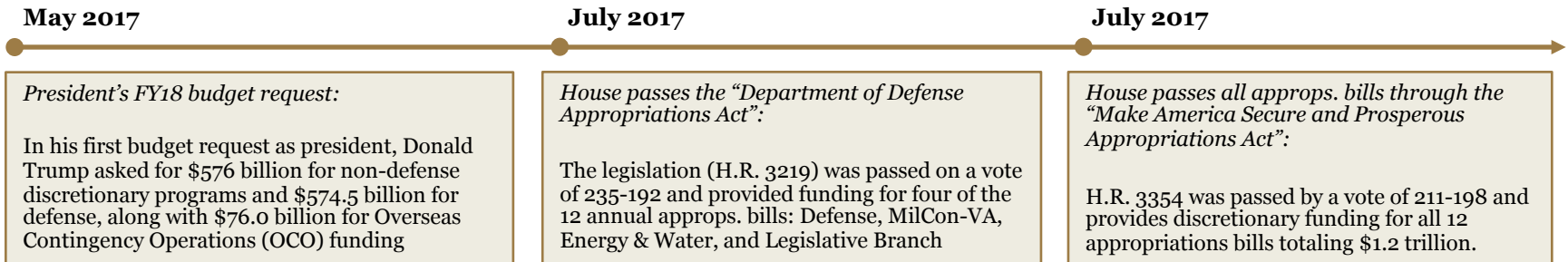
March 2018:

FY18 omnibus: Congress completed action on [omnibus appropriations legislation](#). The House and Senate passed the omnibus bill, and President Trump signed the measure, avoiding the March 23 spending deadline put in place after a fifth continuing resolution. The spending bill funds the government for the remainder of the fiscal year – through September 30.

Potential actions

- Congress must now begin evaluating the president’s FY19 budget request

Legislative timeline

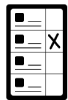


Sources: Source: US House Committee on Appropriations, 2017; US Senate Committee on Appropriations, 2017; Mike DeBonis and Kelsey Snell, “Trump signs \$15 billion Harvey aid package and Republicans booed top White House officials,” The Washington Post, September 8, 2017; James Arkin, “Ryan ‘Confident’ 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; Jessica Taylor, “Congress paves way for tax legislation by passing budget resolution,” NPR, October 26, 2017.



The Affordable Care Act

Recent key developments on the ACA and potential future actions



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.



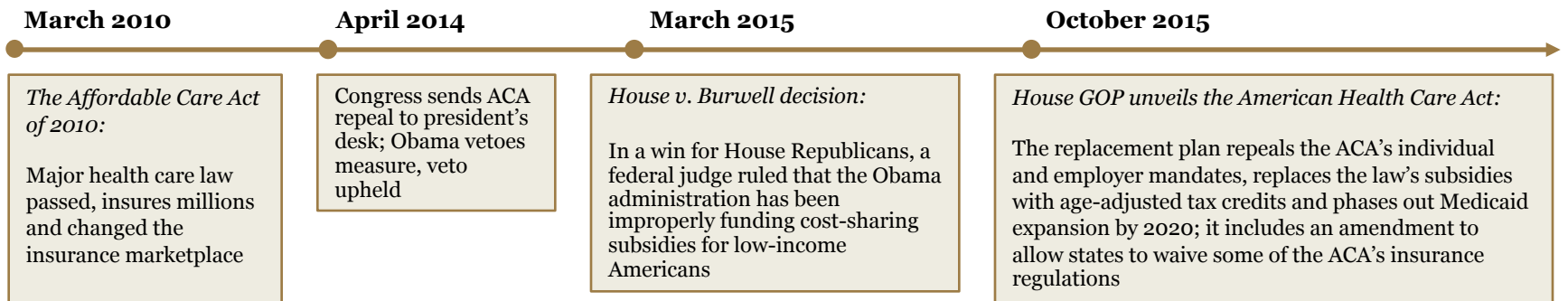
December 2017:

Senate & House pass the tax bill: The latest GOP tax reform bill includes an amendment to repeal the individual mandate of the ACA. Experts believe that repealing the individual mandate will lead to higher premiums and a decrease in access to health insurance.

Potential actions

- Many Republican senators represent states that have benefitted from Medicaid expansion, suggesting they would oppose the Medicaid cuts
- 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
- Senators Alexander and Murray of the HELP committee released their bipartisan bill to stabilize the ACA markets, with all Democrats and 12 GOP senators signed on to support it
- An initial analysis shows that 84% of all enrollees are from states that Trump carried in the 2016 election

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.

Conflict in Iraq and Syria

Recent key developments on the Iraq and Syria conflict and potential future actions

January 2018:



Russia hosts Syria peace talks: Russia organized a Syrian peace conference in Sochi, Russia, but key opposition leaders boycotted the conference. A new constitution was agreed upon over the course of the talks, but it is unclear if the agreement will hold without the support of the opposition. Fighting erupted in northern Syria as well, further undermining the talks.

February 2018:



Russian actions in Syria “undermines international security,” says the Pentagon: The UN Security Council unanimously voted for an immediate 30-day cease-fire in Syria, but the Pentagon claims Syrian President al-Assad continues to attack citizens. Pentagon spokeswoman calls on Russia to “restrain” Bashar al-Assad.

March 2018:



Congress passes an omnibus spending bill: The bill includes \$1.77 billion to fund the Counter-ISIL Train and Equip Fund; \$500 million for relief and recovery for states liberated, at risk, or under the control of ISIS in the Middle East and Africa; and \$5 million for programs to promote accountability for genocide, war crimes and crimes against humanity

Potential actions

- 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
- The President’s off-script comment in late March that the US could pull troops out of Syria “very soon” has started to worry some military leaders who stress the importance of continuing a US presence in Syria until a peace agreement is reached

Legislative timeline

April 2017

Defense Secretary Jim Mattis gains authority to set official troop levels:

President Trump delegates force management authority in Iraq and Syria to Secretary Mattis

May 2017

The Consolidated Appropriations Act of 2017 becomes law:

Proposed by Rep. Paul Cook (R-CA), this act grants funds to be used for countering ISIS and for development and diplomacy

November 2017

The House and Senate reach an agreement on the FY2018 NDAA:

The \$692 billion defense authorization bill does not extend the “train and equip” program, which is set to expire at the end of 2018

October 2017

Russia declares victory:

Putin visits Bashar al-Assad at a Russian base in Syria and declares victory over ISIS in the region. The US military estimated fewer than 1,000 ISIS militants remain in Iraq and Syria as of December

Sources: National Journal Research, 2018; GovTrack.us research, July 2017;; The U.S. House of Representatives Committee on Appropriations, “House Appropriations Committee Releases Fiscal Year 2018 Defense Bill,” June 25, 2017; Scott R. Anderson, “Some Highlights from the likely NDAA for FY 2018,” Lawfare; November 15, 2017. Dan Carden, “Indiana senator wants Congress to specifically include ISIS in new authorization for use of military force,” the Times of Northwest Indiana, November 4 2017; Nataliya Vasilyeva and Vladimir Isachenkov, “Russia’s Syria talks end with plan to draft new constitution” Associated Press via Washington Post, January 30, 2018; Congress.gov, 2018.

Criminal Justice

Recent key developments on criminal justice and potential future actions



August 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 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.



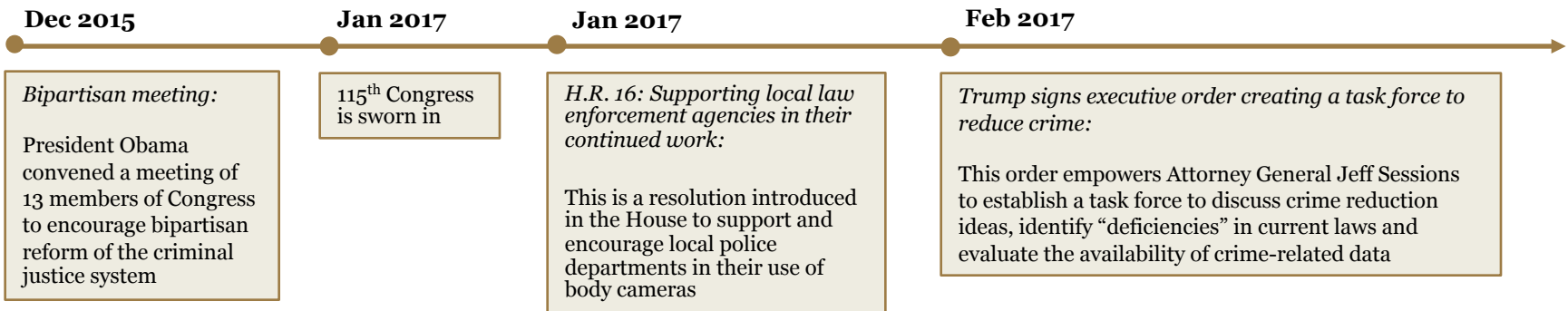
January 2018:

DOJ will no longer follow Obama-era rules of non-interference in states where marijuana is legal: It's not immediately clear whether Jeff Sessions will issue new guidance or simply revert back to older policies.

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 developments on cybersecurity and potential future actions



December 2017:

While you were following tax reform: A group of six senators from both sides of the aisle introduced the Secure Elections Act, which would provide grants to modernize local and state elections systems, cybersecurity guidelines for elections, access to information for voting officials, and information sharing across federal and state agencies.



December 2017:

FISA reauthorization: The House passed the FISA Amendment Reauthorization Act 256-164. Two loopholes known as “backdoor search” and “about collection” allow the intelligence community to surveil Americans without a warrant. Before passing the reconciled version of the House and Senate bill, the Senate went into a filibuster led by Senators Rand Paul (R-KY) and Ron Wyden (D-OR).



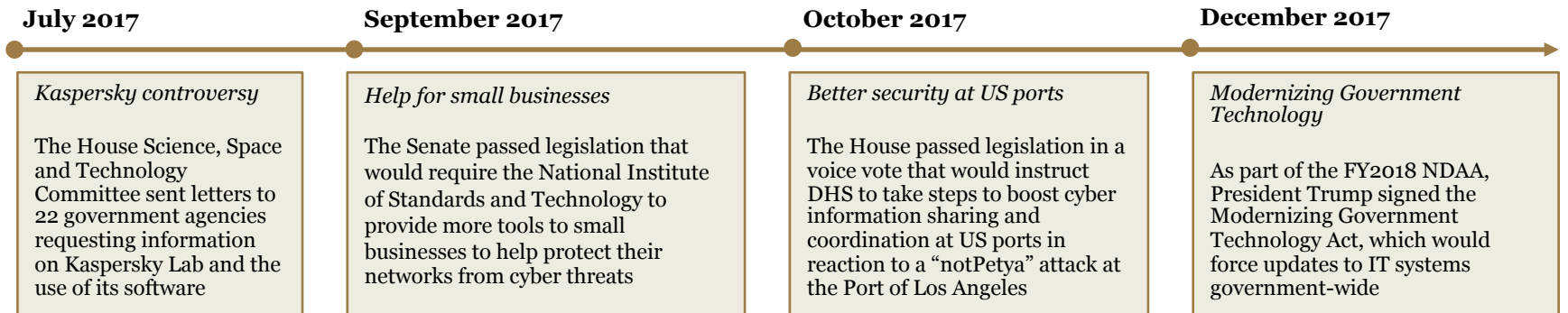
March 2018:

Congress provides funds for election security: In the 2018 Omnibus spending bill, Congress included \$380 million for states to upgrade election machines and implement post-election audit systems. The charge, led by Sen. Richard Blumenthal (D-CT), makes these funds immediately available to states to be implemented before the 2018 midterms.

Potential actions

- The Equifax data breach, which exposed millions of American’s sensitive personal information, was expected to result in congressional action in 2017
- Sens. Amy Klobuchar (D-MN) and John Kennedy (R-LA) called on Facebook CEO Mark Zuckerberg to answer questions about Facebook’s privacy and security practices following the news the Cambridge Analytica, a firm hired by the Trump campaign, used information on more than 50 million Facebook users without their knowledge and permission
- With four months until the August recess, Congress faces pressure to pass multiple cyber-centric bills, including data breach notification requirements, DHS reauthorization and reorganization, cyber workforce issues, and social media platform regulation

Legislative timeline



Sources: National Journal Research, 2018; Justin Sink, Erik Wasson, Anna Edgerton, “Trump, Congress Spoil for Fight With Shutdown Again at Stake,” BloombergPolitics January 2, 2018; Conner Forrest, “Trump signs bill to modernize government IT and cybersecurity,” TechRepublica, Dec 13, 2017; Martin Matishak, “After Equifax breach, anger but no action in Congress,” Politico, January, 1 2018; Blumenthal Secures \$380 million election security investment in omnibus,” Blumenthal.senate.gov, March 23, 2018.

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 - December 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.

February 2018:

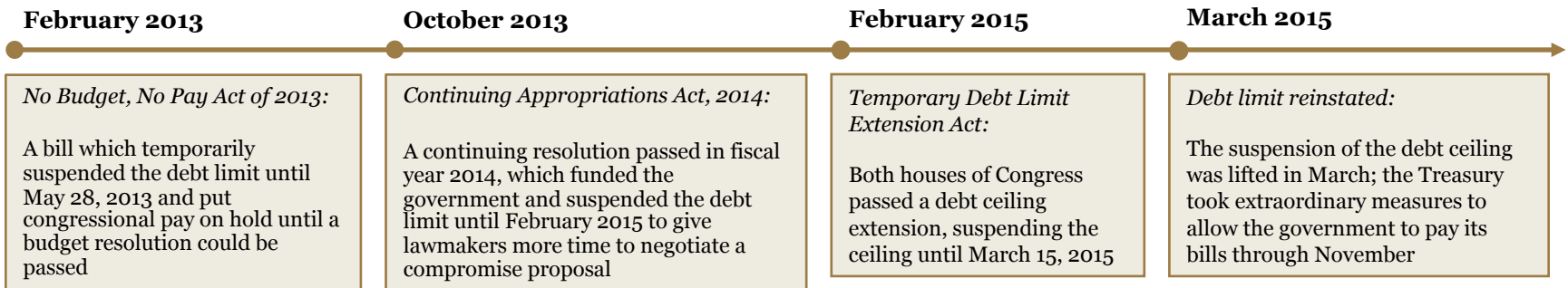


Debt ceiling suspended: After the debt ceiling was reinstated in December, lawmakers struck a budget deal that suspended it again until March 1, 2019

Potential actions

- Republicans and Democrats have a year to borrow money without limitations
- Before March 2019, the government must cut spending and pay off current debts, or Congress must act again to raise or suspend the debt ceiling

Legislative timeline



Source: Kayla Tausche, "GOP group assembles debt ceiling wish list — for 2018," CNBC, November 29, 2017; 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; Jeff Cox, "Budget deficit projected to pass \$1 trillion even sooner than expected," CNBC, October 24, 2017; Kristina Peterson, "Congress Passes Short-Term Spending Bill to Avoid Government Shutdown," WSJ, December 22, 2017; Kimberly Amadeo, "U.S. Debt Ceiling: Current Status and Looming Crisis," The Balance, February 8, 2018.

Defense appropriations

Recent key developments on defense appropriations and potential future actions

Potential actions

- Congress has begun hearings on the president’s FY2019 budget request and will continue to assess the effects of funding levels on the military moving into FY2019 appropriations legislation

February 2018:



Congress passes defense appropriations for FY2018: After four continuing resolutions for FY2018 appropriations, a fifth continuing resolution, the Bipartisan Budget Act (BBA) of 2018, was passed to fund the government until March 23. Negotiated by Majority Leader Mitch McConnell and Minority Leader Chuck Schumer, the BBA raises budget caps for defense and non-defense spending for FY2018 by \$80 billion and \$63 billion respectively. It does not specify how the funds will be allocated within the DoD.

February 2018:



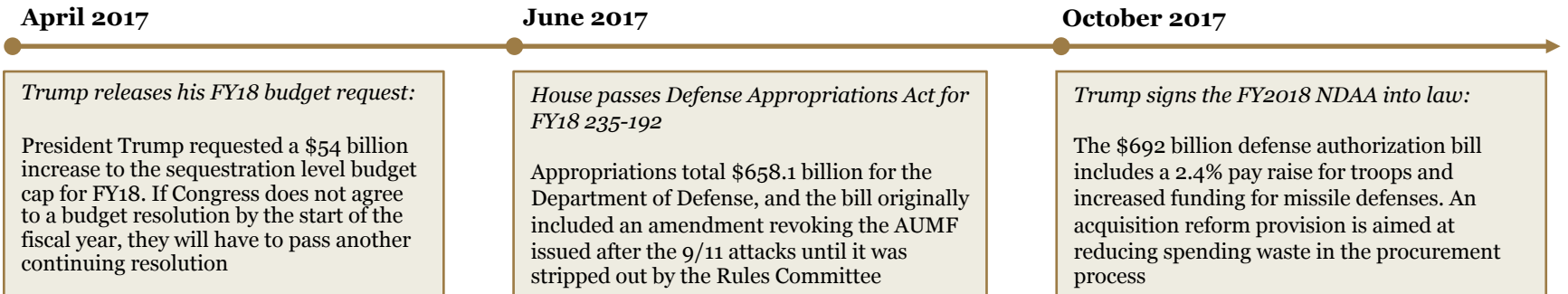
Trump releases his FY2019 budget request: President Trump requested \$597.1 billion for the Department of Defense for FY2019, a 14% increase from 2017 enacted levels.

March 2018:



Congress allocates funding for specific defense programs for FY2018: Defense spending outlined in the omnibus agreement totals \$654.7 billion, and supports an active duty force of over 1.3 million. This \$61 billion increase over FY2017 enacted levels is the biggest year-over-year increase in defense funding in 15 years

Legislative timeline



Sources: National Journal Research, 2018; 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; Jane Edwards, “House-Senate Conference Committee to Begin Negotiations on Fiscal 2018 NDAA Reconciliation,” ExecutiveGov, October 18, 2017.

Education

Recent key developments on education policy and potential future actions



February 2018:

On Feb. 14, **14 people were murdered** by a gunman at a Parkland, FL high school. Student survivors spoke out, demanding that Congress keep schools safe by adopting gun control measures. On Feb. 22, Trump suggested that schools should arm some teachers – a controversial stance that has propelled gun control into the national spotlight.



February 2018:

Congress passed the **Bipartisan Budget Act of 2018**. The bill – which largely disregarded the White House’s budget proposal – included an extra **\$4 billion for “student-centered programs** that aid college completion and affordability.” It also increased NIH funding by \$2 billion, most of which goes to colleges and universities, but did not provide a solution for DACA recipients, many of whom are students.



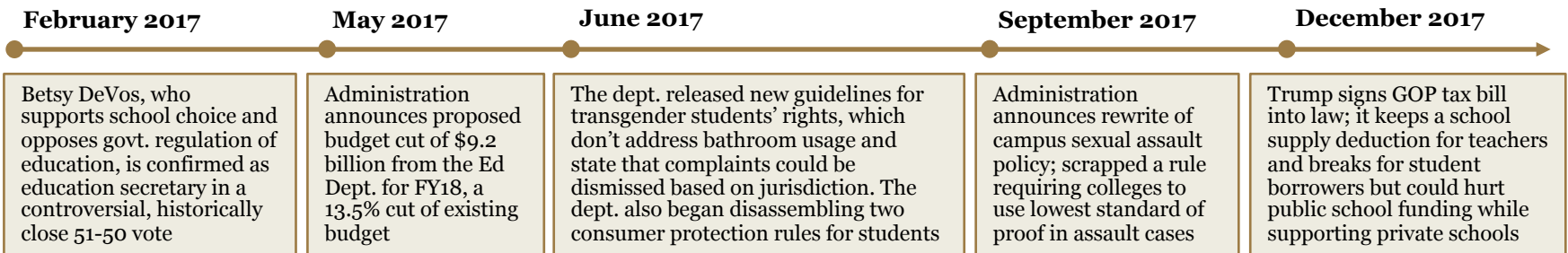
March 2018:

Congress passed the **FY2018 omnibus**. The bill funds the Ed Dept. at \$70.9 billion, \$2.6 billion more than the FY2017 enacted level; generally, the president’s FY2018 budget request was disregarded by Congress. A number of programs – including TRIO, Gear Up, special education grants, and Pell grants – saw substantial funding increases.

Potential actions

- Every Student Succeeds Act: All states and DC have submitted ESSA plans; the Ed Dept. has begun reviewing these, and DeVos has approved 34 states’, DC’s, and Puerto Rico’s plans so far
- DACA: With 241,000 DACA recipients enrolled in college, the March deadline for DACA’s phase-out has significant implications for students. Congress can re-instate the program, find another way to protect recipients, or allow DACA protections to end; no solution was included in the 2018 budget deal
- Budget: In March, Sec. Betsy DeVos defended the department’s budget proposal for FY2019 after department staff members said she had tried to withhold vital information from Congress about the budget; controversy surrounding the budget continues, although it is likely the president’s budget for FY19 will be disregarded

Legislative timeline



Sources: 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 Resmovers, "DeVos' new transgender student guidance changes course on bathroom access cases," LA Times, Jun. 16, 2017; Lydia 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; Valerie Strauss, "Education Department withdrawing nearly 600 policy documents it says are outdated," WashPo, Oct. 27, 2017. Moriah Balingit & Danielle Douglas-Gabriel, "Here's what the GOP's proposal to overhaul the tax code means for schools, students and parents," Washington Post, Dec. 18, 2017.



Energy & environment

Recent key developments on energy and environment and potential future actions



January 2018:

The EPA announced that it would **relax regulatory compliance standards for air pollution** sources that were previously considered “major” hazardous pollutants



February 2018:

Senators met with President Trump in an attempt to iron out a deal on how to reform the ethanol mandate. However, no deal was made as there have been tensions surrounding a proposal to cap the price of RINs, which is supported by Sen. Ted Cruz, but opposed by many others, including Senator Grassley, a leader on RFS policy



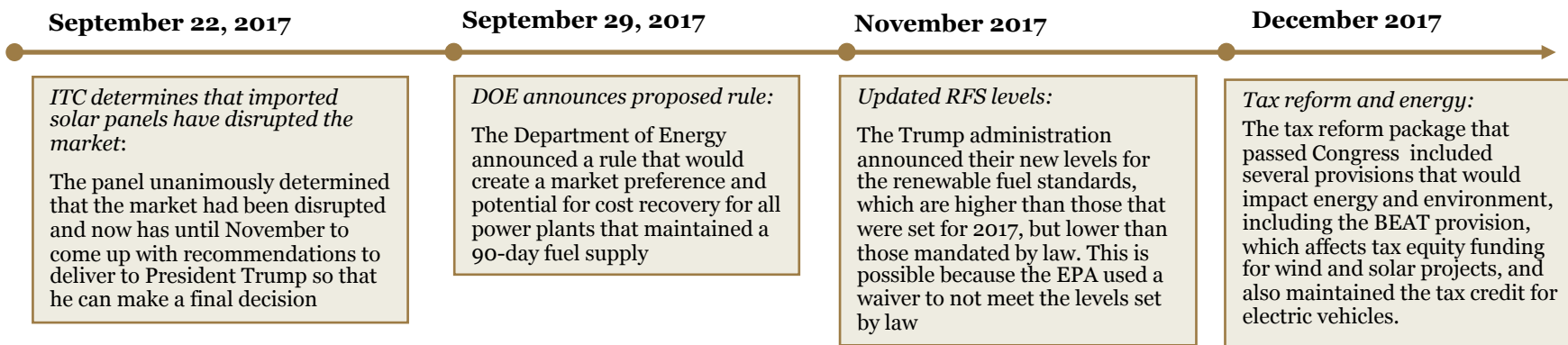
March 2018:

Funding for FY2018 was finally passed and signed by the president. Many of the changes that President Trump had requested were ignored. Most notable were large increases for renewables, nuclear power and research funding in the final funding bill

Potential actions

- President Trump’s budget request drastically reduced funding across DOE and EPA, including cutting most funding for research
- 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
- 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



Sources: National Journal Research, 2017; EPA, 2017; Department of Energy, 2017; Lacey Johnson and Julia Pyper, “Solar tariff case advances as ITC finds injury,” Greentech Media, September 22, 2017; Timothy Cama, “Senators introduce new bipartisan energy bill,” The Hill, June 29, 2017; Michael Shear, “Trump will withdraw U.S. from Paris Climate Agreement,” The New York Times, June 1, 2017.

The 2018 Farm Bill

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

January 30, 2018



Sec. Perdue releases “Farm Bill legislative principles”: The document broadly outlines what the administration would like to see in the next farm bill, including no increases to farm subsidy programs, giving states flexibility in managing SNAP, and promoting youth and veterans to get into agriculture. They also want a farm bill that “reflects the administration’s budget goals,” which last year called for major cuts.

February 12, 2018



OMB releases Trump’s FY2019 budget proposal: The proposal calls for less cuts than the FY2018 proposal, but maintains requests for new inspection fees, cuts to SNAP and limits on farm insurance subsidies. The proposal was met with condemnation by Democratic members of Congress and mostly dismissal by Republicans. A proposal to create a new shelf-stable food distribution program in SNAP was also introduced.

March 19, 2018



House Dems cease Farm Bill negotiations over SNAP: Ranking Member Colin Peterson, at the behest of minority committee members, announced he would no longer negotiate with Chairman Conaway until text of the Farm Bill draft is released. At issue are potential changes to SNAP related to work requirements.

Potential actions

- The current Farm Bill expires in September 2018
- Congress could pass a continuing resolution to push the deadline into 2019
- A House bill is currently being analyzed by CBO and may be released in March
- House and Senate agriculture leaders 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
- 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

Recent key developments on financial regulation and potential future actions

November 28, 2017:



Mick Mulvaney takes over as acting director of the CFPB: A harsh critic of the CFPB under former director Richard Cordray, Mulvaney has shifted the agency's regulatory approach from protecting consumers to identifying and addressing burdensome regulations. Mulvaney requested a \$0 budget for the agency for Q1 2018, halted the agency's enforcement actions and plans to roll back several Obama-era rules

March 14, 2018:



Dodd-Frank reform: The Senate passed the Economic Growth, Regulatory Relief, and Consumer Protection Act. The bill has significant bipartisan support and would raise the threshold for heightened federal oversight from \$50 billion in assets to \$250 billion. In addition, it would exempt many community banks from Dodd-Frank requirements for loans, mortgages, and trading.

March 15, 2018:

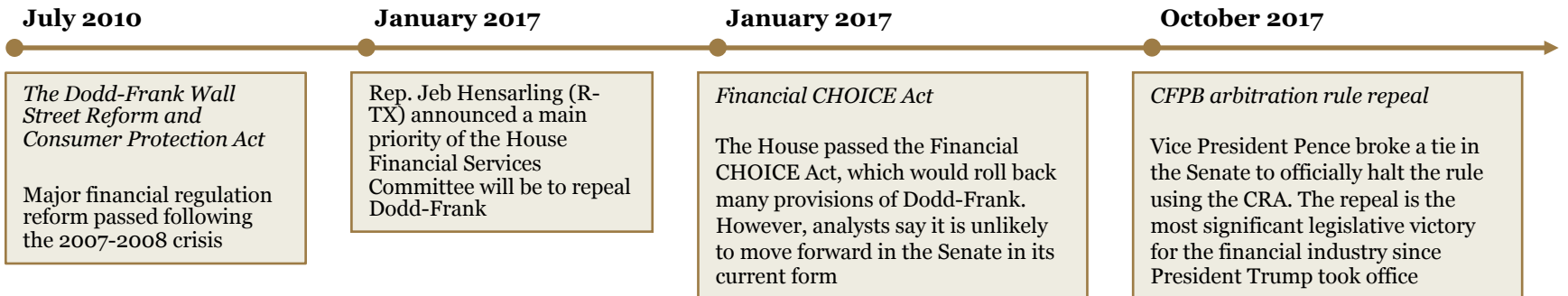


Circuit court strikes down DOL fiduciary rule: The fifth Circuit Court ruled that the DOL overstepped its authority by issuing the Obama-era rule, which would require brokers to act in the best interests of retirement savers. The decision is not necessarily the end of the rule, but its future is highly uncertain. In November 2017 the DOL announced a 18-month delay to July 1, 2019 for the key provisions of the rule.

Potential actions

- Trump has appointed regulators to the SEC, CFTC and Federal Reserve that will likely advance his plans to relax Wall Street supervision
- The Treasury Department has released three reports under Trump's February executive order calling for an extensive review of existing financial rules; the reports include deregulatory policy recommendations, such as relaxed capital requirements for smaller banks, expanded access to credit and further modifications to Dodd-Frank
- While Republicans lack the Senate votes to pass the CHOICE Act, Congress is moving forward to repeal individual provisions of Dodd-Frank, including modifying the Volcker rule, easing bank capital requirements and reducing the frequency of regulator stress tests
- Jerome Powell replaced Janet Yellen as Fed chair on Feb. 4; the Fed currently has four vacancies

Legislative timeline



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; Andrew Ackerman and Christina Rexrode, "Senate Readies Rollback of Bank Rules," The Wall Street Journal, March 21 2018.



Immigration

Recent key developments on immigration and potential future actions



February 15, 2018

The Senate rejects four immigration reform proposals that included a legislative fix for the expiring Deferred Action for Childhood Arrivals (DACA) program as well as border security measures.



February 26, 2018

The US Supreme Court denied the Trump administration's request to immediately review a US district court ruling that temporarily blocked the administration's order ending the DACA program. The Supreme court's refusal to hear the appeal leaves the district court's ruling in place for now, meaning DACA recipients can continue to renew their permits while the Trump administration pursues its case in the courts.



March 6, 2018

The US Department of Justice filed a lawsuit against the State of California, Governor of California Jerry Brown and Attorney General of California Xavier Becerra for passing three state laws that the DOJ said prevent officials from enforcing federal immigration laws.

Potential actions

- Although the Senate rejected four immigration reform proposals in February, Congress will still need to address DACA while the Trump administration appeals the district court ruling that blocked Trump's September memo from going into effect
- Congress has until July 2019 to reverse the Trump administration's decision to end protected status for Haitians residing in the United States
- Since the Supreme Court denied the Trump administration's request without prejudice, the administration may appeal again to SCOTUS after the circuit court of appeals has a chance to consider the case.

Legislative timeline

January 2017

Trump issues executive orders that begin the process of building the Mexico-US border wall, expand the powers of ICE, deny federal funding to sanctuary cities, suspend immigration from seven Muslim-majority countries and limit the number of refugees admitted to US; these EOs are later blocked by federal judges

September 2017

The Trump administration announces it will be rescinding the Deferred Action on Childhood Arrivals program started under President Obama. The memo rescinding the program does not go into effect until March 5, 2018

October 2017

Senior US officials said that the US will resume refugee admissions from 11 "high risk" countries after halting admissions from those countries last October in order to conduct a 90-day security review.

Sources: National Journal Research; Ballotpedia; Yeganeh Torbati, "US to resume refugee admissions from 11 'high-risk' countries," Reuters, January 29, 2018; "Trump administration officials on immigration," Ballotpedia; Michael Shear, "Trump immigration plan demands tough concessions from Democrats," New York Times, January 25, 2018.

International trade

Recent key developments on international trade and potential future actions



January 2018:

Sixth round of NAFTA renegotiation completed: Negotiators met in Montreal and discussed rules of origin provisions, corruption provisions and treatment of trade with other countries outside of NAFTA.



February 2018:

New tariffs and seventh round of NAFTA talks: President Trump announced new tariffs on steel and aluminum and tweeted that the tariffs would only be removed if Canada and Mexico agree to a revised NAFTA agreement.

March 2018:

White House Economic Adviser Gary Cohn resigned, reportedly in response to President Trump's decision to impose tariffs; Cohn was replaced by CNBC contributor Larry Kudlow.

Potential actions

- NAFTA renegotiations will continue in Washington D.C. in late March for the eighth round
- Goals include:
 - 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
 - A sunset clause to 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 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: Doug Palmer, "Probe could lead to duties on steel imports," Politico, April 20, 2017; Office of the USTR, Press Releases, 2017; Ann Campoy, "The North American Free Trade Agreement is at an impasse because the US is tired of free trade," Quartz, October 17, 2017; Ana Swanson, "Nafta Round Closes With Talks Bugged Down by Conflict," NY Times, Nov. 21, 2017; Michael Tatarski, "Countries agree on Pacific trade pact that excludes the US," Politico, November 10, 2017; Doug Palmer, "Trump's trade chief clashes with Canada, Mexico in NAFTA talks," Politico, January 29, 2018; USTR Press Releases, 2018; Eric Martin, Andrew Mayeda, Josh Wingrove, "Trump says no Mexico, Canada steel break without fair Nafta," Bloomberg, March 5, 2018.

Iran nuclear negotiations

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

January, 2018:



Iranian protests and Trump threatens May ultimatum: Demonstrations in Iran began on December 28 protesting slow economic growth and high prices for basic goods despite the lifting of international sanctions. Trump waved sanctions a third time, but said he would not again in May if significant progress was not made on renegotiation.

March 2018:



High-level negotiations begin between US and Europe: European leaders have all expressed their desire to maintain the accord, and have suggested maintaining sanctions relief from Iran even if the United States withdraws from the accord. They are facing a May deadline when the US waiver for sanctions will expire, although Trump could extend that deadline by waiving them again.

March 2018:



Another opponent of the deal in the Trump White House: Trump announces John Bolton, former Bush administration official, will serve as Trump's third national security advisor. Bolton is a harsh opponent of the Iran nuclear deal and has advocated for military strikes to destroy Iran's nuclear infrastructure. Iran is gearing up for the US to leave the agreement

Potential actions

- May 12 is the deadline for extending waivers for US sanctions on Iran
- President Trump could waive sanctions again in May if he believes progress is being made
- He could decide no progress will be made and unilaterally reimpose sanctions
- Congress could pass legislation that calls for renegotiation or codifies the 2015 agreement into law
- President Trump could leave the deal in place and continue to certify that Iran is in compliance
- European leaders in the 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, 2018; Suzanne Maloney, "Trump's new national security team likely spells disaster for the Iran nuclear deal," Brookings Institution, April 2, 2018.

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.”

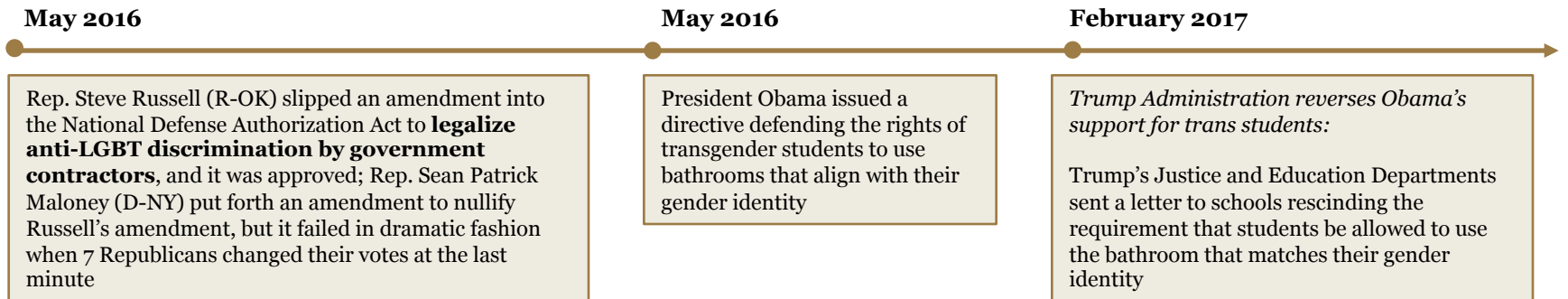
 *July 2017:*
 Trump’s Justice Department argued in a private lawsuit that the Civil Rights Act of 1964 provision prohibiting gender discrimination **does not protect workers on the basis of sexual orientation.**

 *December 2017*
 After a federal judge **blocked President Trump’s memorandum** banning transgender people from serving in the military, the Justice Department announced that a ban on such recruits was on hold. Transgender troops are allowed to enlist as of January 1, 2018.

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
- The Justice Department is evaluating whether it will appeal the federal judge’s decision to block key provisions of the military transgender ban

Legislative timeline



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



February 2018:

President Trump's FY19 budget proposal includes billions in Medicare cuts: The president's budget proposal includes \$266 billion in cuts to Medicare, which provides health insurance to 58 million Americans aged 65 and older



March 2018:

Reports suggest Walmart is in preliminary talks to purchase Humana: Walmart may be taking preliminary steps to purchase Humana, one of the leading health insurers offering Medicare Advantage plans



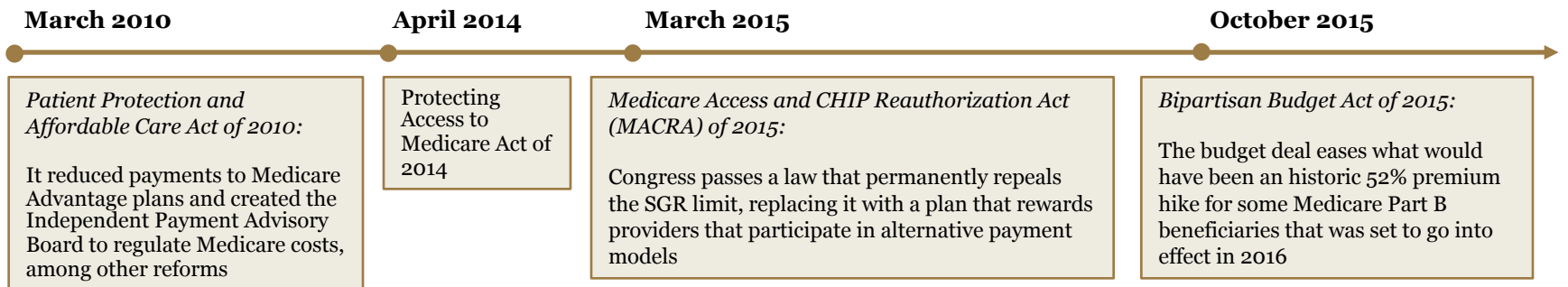
April 2018:

Federal Medicare officials to vote on new opioid-related rules: Medicare officials will vote on new rules aimed at mitigating the opioid crisis that would discontinue payment for long-term, high-dose opioid therapy beginning in 2019

Potential actions

- Bernie Sanders' Medicare for all bill would restructure the American health care system along the lines of the current Medicare program, but it is unlikely to receive enough support to pass
- A purchase of Humana, which is particularly strong in offering insurance and services to seniors, would allow Walmart to enter the health insurance and drug benefit business, enabling it to compete with major rivals like CVS Health and potentially Amazon
- HHS Secretary Alex Azar has supported shifting Medicare payments to a value- or outcome-based payment system
- House Minority Leader Nancy Pelosi (D-CA) has urged Democrats to emphasize to their constituents how the GOP tax overhaul bill passed in December 2018 will result in cuts to Medicare

Legislative timeline



Source: National Journal Research, 2018; Bruce Japsen, "Buying Humana Would Put Walmart In The Booming Medicare Senior Market," Forbes, March 30, 2018; Alex Azar, "Remarks on Value-Based Transformation to the Federation of American Hospitals," HHS, March 5, 2018; Naomi Jagoda, "Pelosi urges Dems to link GOP tax law to Medicare cuts," The Hill, March 28, 2018;



North Korea

Recent key developments on North Korea and potential future actions



November 2017:

North Korea breaks two-month lull in missile launches: Two weeks after Trump’s visit to Asia and one week after the Trump administration designated North Korea as a state sponsor of terrorism, Pyongyang launches the Hwasong-15, an ICBM with the furthest reach of any missile launched by the country to date. South Korea responded by firing pinpoint missiles into the water in a show of deterrence capabilities.



February 2018:

Tensions between North and South Korea cool; tensions between US and North Korea remain: As the 2018 Winter Olympics approached, the North and South Korea entered into dialogue on Olympic participation. Over the course of the Games, Vice President Mike Pence and Ivanka Trump were rumored to have scheduled talks with North Korean leadership. Neither US official met with North Koreans.



March 2018:

North Korea in the 2018 omnibus bill: Congress approved \$8 million to promote human rights in North Korea, provided funds under “Migration and Refugee Assistance” for refugees from the DPRK, and allocated money to maintain a database on prisons and gulags in North Korea.

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
- Trump agreed to meet with North Korean leader Kim Jong-Un sometime in May. After the ousting of Secretary of State Rex Tillerson, the new secretary of state and former CIA director, Mike Pompeo, will help craft a plan for diplomacy and possible denuclearization of the Korean Peninsula
- Congress has no real influence over the Trump-Kim meeting, but many members have expressed concerns about the optics of rewarding and elevating the North Korean leader, while others are optimistic about the potential, however unlikely, that it might lead to a diplomatic solution for the region

Legislative timeline



Sources: National Journal Research, 2018; Congress.gov, 2018; Ambar Phillips, “Why Congress is cautiously optimistic on Trump’s talks with North Korea,” The Washington Post, March 9, 2018

Opioid abuse and heroin epidemic

Recent key developments on the opioid crisis and potential future actions



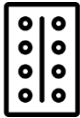
February 2018:

Justice Department announces it will join states in lawsuits against opioid distributors and manufacturers: AG Jeff Sessions announces that the DOJ will submit a statement of interest “in a lawsuit against a number of opioid manufacturers and distributors for allegedly using false, deceptive, and unfair marketing” of opioids



March 2018:

The White House holds a summit on the opioid crisis: The summit was meant to function as a “progress report” for Cabinet secretaries to detail their efforts to combat the epidemic



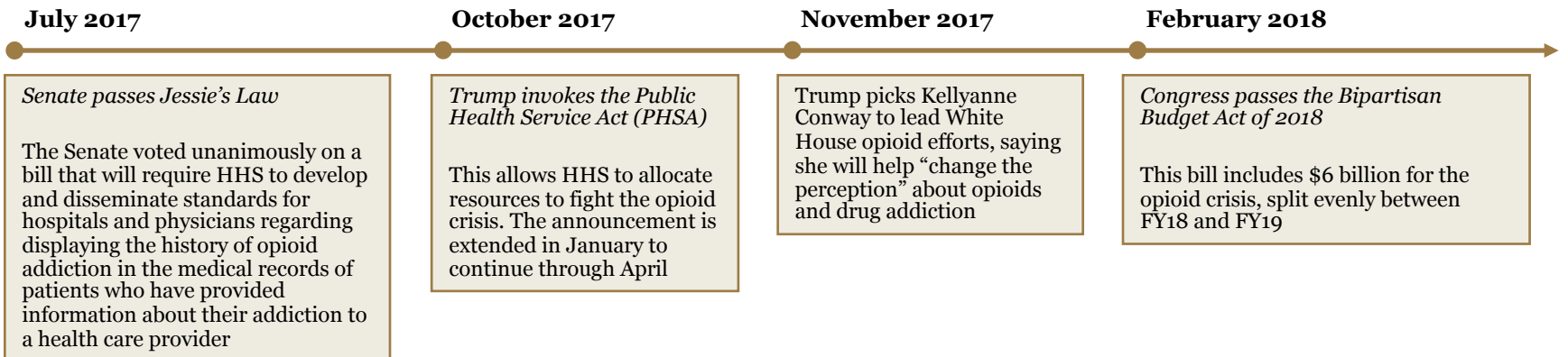
March 2018:

Medicare officials announce new plan to help address the opioid crisis: Medicare officials are considering rules, to be voted on April 2, that would discontinue payment for long-term, high-dose opioid therapy beginning in 2019

Potential actions

- The opioid crisis’s status as a public health emergency will expire on April 23
- The DOJ joining states in their lawsuits against opioid manufacturers is a significant step, mimicking the legal action taken against tobacco companies in the 90s
- A budget deal signed at the end of March will provide an additional \$1.6 billion for the opioid crisis in FY18, bringing the total 2018 federal spending on the opioid crisis to \$4.6 billion
- Experts worry that Medicare cutting payments to some opioid prescriptions will result in hundreds of thousands of patients with chronic pain developing withdrawal, craving and poor pain control
- Trump’s nominee to lead the ONDCP, Jim Carroll, has not yet been confirmed

Legislative timeline



Sources: National Journal Research, 2018; Lev Facher, “Justice Department sides with states in nationwide opioid lawsuit against distributors, manufacturers,” STAT, February 27, 2018

Technology

Recent key developments on technology policy and potential future actions



December 2017:

The FCC voted 3-2 in favor of **repealing net neutrality**, an Obama-era requirement that Internet service providers treat all web traffic equally.



January 2017:

In the wake of the net neutrality repeal, **more than 20 states sued the FCC** over the decision; governors in New York and Montana issued executive orders mandating that ISPs uphold net neutrality principles.



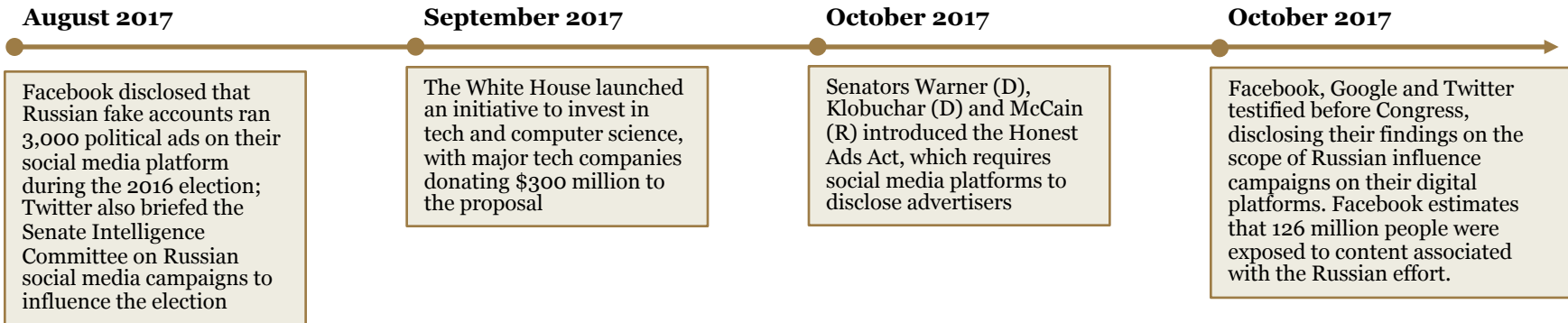
March 2018:

Congress passed legislation that would **hold internet companies liable for facilitating sex trafficking**.

Potential actions

- If the repeal of net neutrality survives the legal challenges, Democrats in Congress could push for legislation to require 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
- The Supreme Court is set to hear two cases on cell phone privacy: *Carpenter v. US* and *Microsoft v. US*

Legislative timeline



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.