Congressional Outlook

Week of December 23rd

The Senate and House of Representatives are in recess through the holidays and will return January 6 and 7, respectively. You will receive our next Weekly Update on Monday, January 6.

NATaT wishes you a happy holiday season and a healthy, prosperous New Year.

Week in Review

Senate Sends Two Year Budget Deal to the President

Just over a week after House Budget Committee Chairman Paul Ryan (R-WI) and Senate Budget Committee Chairwoman Patty Murray (D-WA) struck a budget deal, both the House and Senate approved the measure and sent it to the White House.

National Defense Authorization Act Passes the Senate

The Senate approved the $632.8 billion defense authorization on an 84-15 vote Thursday night. The measure, which will now be sent to the President for signature, funds combat pay, military installations and equipment, and revises the procedures for handling sexual assault in the armed forces. Additionally, while the bill provides the Administration with greater flexibility in deciding the fate of prisoners at Guantanamo Bay, Cuba, it prohibits the Administration from closing the detention center.

Senate Confirms a Slate of Presidential Nominees

Last week the Senate confirmed the following Presidential nominees:
- Jeh Johnson to be the Secretary of Homeland Security,
- Alejandro Mayorkas to be Deputy Secretary of Homeland Security
- John Koskinen to be Internal Revenue Service Commissioner
- Brian Davis to sit on the U.S. District Court for the Middle District of Florida

A vote on Janet Yellen's nod to be the next Federal Reserve Chair was postponed to January 6.

**Big Changes in Congress**

House Members Frank Wolf (R-VA), Tom Latham (R-IA) and Jim Matheson (D-UT) announced last week that they are retiring next year. Wolf and Latham will both be battleground districts for a Democratic pick-up. Senator Max Baucus, Chairman of the Senate Finance Committee with jurisdiction over the tax code re-write, will not be retiring in 2014 as planned, but will be the next U.S. Ambassador to China. House Ways and Means Chairman Dave Camp (R-MI), who is working with Senator Baucus on the re-write, will step down from his Ways and Means post after the next session of Congress due to term limits. House Budget Chairman Paul Ryan (R-MN) is angling for Camp's seat, while Senator Jay Rockefeller (D-WV) is next in line to Chair the Senate Finance Committee. However, he is also retiring after next year, so the position will likely go to Senator Ron Wyden (D-OR).

**Senate Unable to Extend Tax Breaks**

Senate leadership attempted to fast track a package of tax breaks last Thursday, but Republicans blocked the effort. Democrats proposed extending 57 temporary tax provisions, which were last renewed during the January fiscal cliff deal. For more, click here.

**Your Fire Hydrants Are Now Legal**

Last Tuesday, the Senate unanimously passed legislation that exempts fire hydrants from an EPA requirement restricting the amount of lead in pipes and fixtures. For more, click here.

**Another Administrative Change to the Affordable Care Act**

The Obama Administration announced last Thursday that people losing their health insurance because it does not meet the standards under the Affordable Care Act will not be fined in the coming year, but may be eligible to receive catastrophic health insurance.