Congressional Outlook

Week of July 14th

The House and Senate are in session this week. The House Rules Committee meets at 5:00 p.m. today to consider H.R. 5021, the $11 billion Highway Trust Fund bailout that also extends highway and mass transit funding through May 31, 2015. The bill may be on the House floor for a vote as early as Tuesday. Meanwhile, the Senate Finance Committee and the Legislative Counsel have not yet turned the legislative outline of its own $11 billion bailout approved by the panel last week into actual bill language. Additionally, Senate Environment and Public Works (for highways), Banking, Housing and Urban Affairs (for mass transit) and Commerce, Science and Transportation (for everything else) must also produce their parts of the extension to complete the package.

The House will also take up the FY 2015 Financial Services Appropriations bill (funding the Internal Revenue Service, federal payments for the District of Columbia, financial regulators, the White House, federal courts, and the Small Business Administration. The House also may bring up a bill to make the internet tax moratorium permanent (this law bars federal, state and local governments from taxing internet access and from imposing discriminatory internet-only taxes such as bit taxes, bandwidth taxes, and email taxes). The internet bill is on the suspension calendar, which indicates that the House leadership believes that it has the two thirds support necessary to pass.

Week in Review

Highway Trust Fund Solution Moves Closer

As the August deadline to secure funding for the Highway Trust Fund and prevent transportation projects around the country from being abandoned looms, a short term bailout is in the works. H.R 5021, the $11 billion package that extends highway funding through May 2015, advanced
through the House Ways and Means Committee last week. The House bill offsets HTF funding by extending customs fees on importers, transfers from the Leaking Underground Storage Tank (LUST) Trust Fund, and makes changes in private pension contributions that would increase tax revenue over the next 10 years by lowering required contributions. In the Senate, a legislative outline of its own $11 billion package advanced last week that also uses those offsets, but cuts back on the pension changes and replaces that revenue with a series of tax compliance enforcement measures.

**White House Requests Emergency Funds to Address Child Migration**

Last Tuesday, President Obama issued a request to the House Appropriations Committee for $3.7 billion in emergency funding to address the increase in unaccompanied minors and Central American migrants crossing the US/Mexico border and a $615 million increase in wildfire funding. At a Senate Appropriations Committee hearing regarding the request on Thursday, Department of Homeland Security Secretary Jeh Johnson testified that U.S Immigration and Customs Enforcement and U.S Customs and Border Protection will run out of funds by mid-August and mid-September if the flow of unaccompanied minors continues at the same rate and emergency funding is not provided. Republicans last week spoke out against the request, including House Appropriations Committee Chairman Hal Rogers, who said the spending request was “too much” while some Democrats voiced concerns that the White House is overlooking the rights and protections of migrant children in order to expedite deportations.

**EPA Administrator Reaches Out to Farmers on WOTUS Rule**

The Administrator of the Environmental Protection Agency (EPA) Gina McCarthy attempted last week to ease farmers’ and ranchers’ fears about the agency’s major Clean Water Act (CWA) proposed rule redefining which waters are jurisdictional under the CWA and an interpretive rule on 56 Natural Resource Conservation Service (NRCS)-approved conservation practices that would be considered exempt from CWA jurisdiction. However, the Administrator herself conceded that there are “legitimate concerns” from agriculture on the effort. Click here to read more.

**Legislation Introduced in the House to Halt EPA Proposed Water Rule**

Several bills have been introduced in the House that would specifically prohibit proposed regulations by the EPA. H.R. 5034, sponsored by Rep. Sam Graves (R-MO), would prevent the agency from moving forward any proposed rules until it completes a review of all existing regulations. Under the legislation, all new regulations that would have an annual impact of $50 million or more on the U.S. economy would need to be approved by Congress. Rules could bypass the congressional approval process only if the president issues an executive order showing they are necessary to halt an imminent threat, for national security reasons or to implement a trade agreement.

H.R. 5078 is a bipartisan bill sponsored by Rep. Steve Southerland II (R-FL) that would prohibit the finalization of the current EPA proposed rulemaking on the definition of jurisdictional “waters of the U.S.” under the Clean Water Act. The bill would also prohibit the crafting of any guidance that would implement changes to jurisdictional waters under the CWA. Finally, the legislation would direct the EPA to commence a consultation with the states and their local governments in
developing a consensus-based rule on CWA regulation that would be released for public comment and submitted to the Congress. H.R. 5078 will be marked up by the House Transportation and Infrastructure Committee this Wednesday, July 16.

**House Interior and Environment Appropriations Subcommittee Approves FY 2015 Funding Bill**

The House Interior and Environment Appropriations subcommittee last week approved along party lines a bill funding the Interior Department and the EPA for FY 2015, with Republicans touting new investments in wildfire fighting and rural school districts and Democrats criticizing the bill's deep cuts in EPA's budget and restrictive environmental policy riders. The $30.22 billion bill passed the Subcommittee by voice vote, with at least two Democrats vocally dissenting. The measure represents a half-percent increase over enacted levels, but much of its increased funding will go to pay the escalating cost of firefighting and to Interior's payment-in-lieu-of-taxes (PILT) program for rural communities. [Click here](#) to read more.

**House Passes FY 2015 Energy and Water Spending Bill**

The House last week passed its $34 billion energy and water spending bill after two days of debate that included floor votes to maintain funding for the Department of Energy's (DOE's) newly revised loan guarantee program, continue to block enforcement of a light-bulb efficiency regulation and undermine parts of President Obama's climate and regulatory agenda. [Click here](#) to read more.

**Bipartisan Sportsman Bill Dies in Senate**

A bipartisan bill to expand hunting on public lands died in the Senate last week due to political gridlock over controversial amendments restricting pending federal environmental regulations. The bill died after failing to win the 60 votes needed to move forward in the Senate.

The "Bipartisan Sportsmen's Act" (S. 2363) was a popular bill that many observers saw as a "win-win" for Democrats and Republicans. But despite 46 co-sponsors, it could not overcome an ongoing fight between Democrats and Republicans over the amendment process. The bill's death was all but guaranteed when Majority Leader Harry Reid (D-NV) "filled the amendment tree," blocking unwanted amendments from coming to the floor. That angered Republicans, who wanted to force politically tough votes by vulnerable Democratic Senators on a bevy of amendments, including those blocking Clean Water Act regulatory changes and groundwater directives on National Forest lands. Similar impasses over amendments have killed several popular bills, including the energy efficiency measure by Sens. Jeanne Shaheen (D-NH) and Rob Portman (R-OH).

**EPA to Launch WIFIA Program Despite FY 2015 Funding Uncertainties**

EPA officials are planning to begin efforts to set up the new water infrastructure financing pilot program, the Water Infrastructure Finance and Innovation Act (WIFIA) recently enacted into law by the Water Resources Reform and Development Act (WRRDA), despite the fact the program is unlikely to be funded in FY 2015, because the agency wants to start promoting the program to prospective loan applicants. The agency will move forward this year on making internal hires and seeking outside assistance to launch the program. EPA acknowledges that the program will logistically be a tough challenge for the agency to accomplish. As part of the program's
implementation, agency officials plan to hold stakeholder meetings for state and regional officials July 21-22 in Chicago, to coincide with a Water Environment Federation (WEF) conference.

Click here to read more.

**Senate Confirms OMB Director Donovan, HUD Secretary Castro**

Shaun Donovan is the new Director of the White House Office of Management and Budget (OMB). The former secretary of Housing and Urban Development easily won Senate approval last week with a vote of 75-22. He replaces Sylvia Mathews Burwell, who took over as head of the Department of Health and Human Services after Kathleen Sebelius stepped down. Also, now former San Antonio Mayor Julian Castro won Senate confirmation last week to be President Obama's new head of Housing and Urban Development.

**Speaker Boehner's Lawsuit Moving Forward**

House Speaker John Boehner released more details on the lawsuit he plans to file against President Obama. The apparent basis of the case is that the president violated the law by issuing executive orders delaying or revising deadlines and mandates in the Affordable Care Act without a vote of Congress. The House is expected to vote on a resolution authorizing legal action against the President over Obamacare at the end of the month, just before lawmakers head home for August to campaign for midterm votes. Speaker Boehner then is expected to hire attorneys to actually file the suit in federal court.

**Congressional Schedule**

**Monday, July 14**

**Tuesday, July 15**
- House Transportation and Infrastructure Committee Subcommittee on Water Resources and Environment hearing on "EPA's Expanded Interpretation of its Permit Veto Authority under the Clean Water Act."
- House Education and the Workforce Committee Subcommittee on Early Childhood, Elementary, and Secondary Education hearing on "Protecting America's Youth: An Update from the National Center for Missing and Exploited Children."
- Senate Appropriations Committee Subcommittee on Department of Defense markup of FY 2015 Department of Defense Appropriations bill.
- Senate Energy and Natural Resources Full Committee hearing to examine wildland fire preparedness and to consider the President's proposed budget request for FY 2015 for the Forest Service.

**Wednesday, July 16**
- House Rules Full Committee meeting on H. Res. ____, Providing for authority to initiate litigation for actions by the President inconsistent with his duties under the Constitution of the United States.
- House Transportation and Infrastructure Full Committee hearing on the following bills: H. Con. Res. 103 - Authorizing the use of the Capitol Grounds for the District of Columbia Special Olympics Law Enforcement Torch Run; H.R. 3044 - to approve the transfer of Yellow Creek Port properties in Iuka, Mississippi; H.R. 5078 - Waters of the United States Regulatory Overreach Protection Act of 2014; H.R. 4854 - Regulatory Certainty Act; and H.R. 5077 - Coal Jobs Protection Act of 2014.
- House Natural Resources Full Committee markup of the following bills: H.R. __ - The Federal Lands Recreation Enhancement Act; H.R. 277 - to revise the boundaries of John H. Chafee Coastal Barrier Resources System Sachuest Point Unit RI-04P, Easton Beach Unit RI-05P, Almy Pond Unit RI-06, and Hazards Beach Unit RI-07 in Rhode Island; H.R. 916 - to improve Federal land management, resource conservation, environmental protection, and use of Federal real property, by requiring the Secretary of the Interior to develop a multipurpose cadastre of Federal real property and identifying inaccurate, duplicate, and out-of-date Federal land inventories, and for other purposes; Federal Land Asset Inventory Reform Act of 2013; H.R. 1810 - to revise the boundaries of John H. Chafee Coastal Barrier Resources System Gasparilla Island Unit in Florida; H.R. 2158 - Expedited Departure of Certain Snake Species Act; H.R. 3572 - to revise the boundaries of certain John H. Chafee Coastal Barrier Resources System units in North Carolina; H.R. 3806 - Great Smoky Mountains National Park Agreement Act of 2013; and H.R. 4751 - to make technical corrections to Public Law 110-229 to reflect the renaming of the Bainbridge Island Japanese American Exclusion Memorial, and for other purposes.
- House Science, Space and Technology Committee Subcommittee on Oversight hearing on the "Status of Reforms to EPA's Integrated Risk Information System."
- Senate Environment and Public Works Committee Subcommittee on Water and Wildlife hearing on the following bills: S. 571, Great Lakes Water Protection Act; S. 1153, Invasive Fish and Wildlife Prevention Act; S. 1175, Infrastructure Facilitation and Habitat Conservation Act of 2013; S. 1202, SAFE Act; S. 1232, Great Lakes Ecological and Economic Protection Act of 2013; H.R. 1300, to amend the Fish and Wildlife Act of 1956 to reauthorize the volunteer programs and community partnerships for the benefit of national wildlife refuges, and for other purposes; S. 1381, Big Cats and Public Safety Protection Act; S. 1650, a bill to amend the Migratory Bird Treaty Act to exempt certain Alaska Native articles from prohibitions against sale of items containing nonedible migratory bird parts, and for other purposes; S. 2225, Smart Water Resource Management Conservation and Efficiency Act of 2014; S. 2530, a bill to amend title 18, United States Code, to prohibit the importation or exportation of mussels of certain genus, and for other purposes; and S. 2560, United States Fish and Wildlife Service Resource Protection Act.
- Senate Appropriations Committee Subcommittee on Department of Homeland Security hearing to examine strengthening trade enforcement to protect American enterprise and grow American jobs.

Thursday, July 17
- Senate Commerce, Science, and Transportation Committee Subcommittee on Consumer Protection, Product safety, and Insurance hearings to examine accountability and corporate culture in wake of the General Motors recalls.
- Senate Finance Full Committee hearing to examine the role of trade and technology in 21st century manufacturing.
Senate Appropriations Full Committee markup of FY 2015 Department of Defense Appropriations bill.