Weekly Legislative Update
Week of June 2, 2014

Congressional Outlook

Week of June 2nd

The Senate is back in Session this week and the House is out. The scandal involving delays in medical care for veterans will be high on the agenda of returning senators this week. The Senate Veterans’ Affairs Committee plans a hearing on wide-ranging draft legislation that would permit the Department of Veterans Affairs to immediately fire poorly performing senior executives; authorize the leasing of more health centers; and allow college loan forgiveness for VA doctors and nurses. Also this week, Senate appropriators plan to mark up two fiscal year 2015 spending bills - Transportation, HUD and Commerce, Justice, Science. Confirmation votes are planned on a series of nominations, including Sylvia Mathews Burwell for Secretary of Health and Human Services.

The Environmental Protection Agency is unveiling a proposed rule today that would impact hundreds of fossil-fuel power plants across the country. Under the federal regulation, states would be tasked with implementing their own reduction standards, with the national average reaching 25 percent by 2020 and 30 percent by 2030.

Week in Review

New Proposal to Boost Highway Trust Fund

House leadership plans to use savings from postal reform as the primary mechanism to provide enough funding for an extension of current highway and transit programs through May 2015. A memo sent to House Republicans details leadership’s plan eliminate Saturday delivery as a way to generate enough funding to keep the Highway Trust Fund solvent for the next year. A full-year patch of the trust fund would cost around $15 billion. The post office changes would save $10.7 billion. The memo also suggests using the remaining balance in the Leaking Underground Storage Trust - about $1.3 billion - to pay for a patch. Combined, the two pay-fors would be
enough to carry the trust fund until May 2015. Senator Chris Murphy (D-CT) proposes to increase the federal gas tax over two years as a way to shore up the Highway Trust Fund. Senator Murphy said the gas tax should be increased and indexed to inflation, citing “political cowardice” in the House and Senate for failing to raise the tax since 1993.

House Passes Commerce, Justice, Science Appropriations Bill

The House passed a $51.2 billion CJS spending measure early Friday morning after two days of debate that included adoption of a medical marijuana proposal backers hope will serve as a watershed moment for federal drug policy. With a 321-87 vote, the bill would provide $51.2 billion in discretionary funding, which is $398 million less than the fiscal year 2014 level. Democrats targeted some of those funding cuts during the lengthy debate on the bill. However, only relatively small changes were accepted, like an to increase COPS funding by $3 million with an offset from Census Fund money. It was approved 306 to 106. The House appropriations bill (H.R. 4660) cuts the Census Bureau's budget request by $238 million, a reduction of 20 percent from the president's request of $1.2 billion, and also makes completion of the American Community Survey voluntary.

This marks the third appropriations bill passed by the House, following Military Construction, Veterans Affairs and Legislative Branch.

House Appropriations Committee Approves Agriculture Appropriations Bill

Last Thursday, the House Appropriations Committee approved the FY 2015 agriculture spending bill that would allocate $20.8 billion in discretionary funding for agriculture and food safety programs, after rejecting amendments to increase transparency in livestock contracts and to exclude white potatoes from being included in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC).

The FY 2015 bill would allocate roughly $19.1 billion in discretionary funds for the USDA and $2.6 billion for the Food and Drug Administration.

Homeland Security Appropriations Subcommittee Approves FY 15 Spending Bill

On Wednesday, the House Appropriations Subcommittee approved legislation to provide the Department of Homeland Security with $39.2 billion in discretionary funding for FY 2015, a decrease of $50 million from FY 2014. Despite cuts in areas such as cybersecurity, DHS would receive $887.8 million above President Obama's request. The legislation, still in draft form, was approved by voice vote, without any changes.

House Ways and Means Committee Makes Another Tax Extender Permanent

Last Thursday, the House Ways and Means committee approved legislation to permanently extend bonus depreciation, which lets corporations write off expenses more quickly. The panel voted 23-11 to send the measure to the House floor. The bill would also make it easier for companies to tap corporate alternative minimum tax credits in lieu of bonus depreciation.
Lawmakers split along party lines with Democrats objecting to the nearly $300 billion cost. Capital-intensive companies in sectors including telecom, energy and manufacturing benefit most from the break. A Senate panel has approved a two-year extension, as part of its so-called tax extenders package.

**Congressional Schedule**

**Tuesday, June 3**
- Senate Commerce Science and Transportation Committee's Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security hearing to examine the surface transportation reauthorization, focusing on examining the safety and effectiveness of our transportation systems.
- Senate Environment and Public Works Committee's Subcommittee on Green Jobs and the New Economy hearing to examine farming, fishing, forestry and hunting in the era of changing climate.
- Senate Appropriations Committee's Subcommittee on Transportation and Housing and Urban Development, and Related Agencies markup of the FY 15 Transportation, Housing and Urban Development, and Related Agencies appropriations bill.
- Senate Energy and Natural Resources Committee's Subcommittee on Water and Power hearing to examine S. 2379, to approve and implement the Klamath Basin agreements, to improve natural resource management, support economic development, and sustain agricultural production in the Klamath River Basin.

**Wednesday, June 4**
- Senate Budget Committee Full Committee hearing to examine the impact of student loan debt on borrowers and the economy.
- Senate Homeland Security and Governmental Affairs Full Committee hearing to examine evaluating port security, focusing on progress made and challenges ahead.
- Senate Judiciary Committee's Subcommittee on Privacy, Technology and the Law hearing to examine the "Locating Privacy Protection Act of 2014."
- Senate Small Business and Entrepreneurship Full Committee hearing to examine military service to small business owners, focusing on supporting America's veteran entrepreneurs.

**Thursday, June 5**
- Senate Appropriations Full Committee markup of the FY 15 Commerce, Justice, Sciences and Related Agencies appropriations bill.
- Senate Commerce, Science, and Transportation Committee's Subcommittee on Communications, Technology, and the Internet hearings to examine preserving public safety and network reliability in the Internet Protocol (IP) transitions.
- Senate Homeland Security and Governmental Affairs Committee's Subcommittee on Emergency Management, Intergovernmental Relations, and the District of Columbia hearing to examine wildfires, focusing on assessing first responder training and capabilities.