Weekly Legislative Update
Week of June 23, 2014

Congressional Outlook

Week of June 23rd

The House and Senate are in session this week, and both chambers are taking a break from floor action on appropriations. The House plans to take up bills that would increase drilling in Alaska and off both coasts; ease permits for pipelines that cross the international border; and expedite permits for exports of liquefied natural gas.

The Senate has scheduled votes on judicial nominees and has an agreement to take up legislation that would consolidate job-training programs.

Conferees will meet tomorrow on legislation intended to remedy wait times for patients at Department of Veterans Affairs facilities. The bill, H.R. 3230, would make it easier to fire top officials for incompetence and provide emergency spending for health facilities and hiring more doctors and nurses. The bill's cost and whether spending increases should be offset will be the major point of dispute for the conference committee.

Week in Review

New Leadership Anointed in the House

Representative Kevin McCarthy was elected last week as the new House Majority Leader. McCarthy beat back a challenge from conservative Idaho Congressman Raúl Labrador to replace outgoing Majority Leader Eric Cantor of Virginia, who unexpectedly lost in a primary the previous week. Republicans tapped Louisiana Congressman Steve Scalise as House majority whip, electing him to the No. 3 position in GOP leadership after a highly competitive race. Scalise got a majority of the House Republican Conference's votes on the first ballot, defeating Rep. Peter Roskam (R-IL) and Rep. Marlin Stutzman (R-IN).
Senators Propose 12 Cent Gas Tax Hike

On June 18 Senators Chris Murphy (D-CT) and Bob Corker (R-TN) released their proposal to increase the fuel tax by 12 cents over two years to create revenue necessary to shore up the Highway Trust Fund and pay for a long term transportation authorization bill.

Senator Murphy wrote notes in a press release "...the purchasing power of the gas tax is approximately 63 percent of what it was in 1993..." when last the tax was increased. The Senators’ proposal would increase the federal gasoline and diesel taxes by six cents in each of the next two years. According to the Senators, this increase would provide enough funding to offset current MAP-21 spending levels over the next 10 years and replace all of the buying power the federal gas tax has lost since it was last raised in 1993. The plan also would index the gas tax to inflation, using the Consumer Price Index (CPI), to ensure that it remains viable into the future.

Over the weekend the new House Majority Leader Kevin McCarthy (R-CA) rejected the idea of raising the gas tax and noted his interest in alternative revenue raisers such as increasing oil and gas drilling with leasing fees directed to transportation infrastructure

For an overview of the current proposals to shore up the HTF, click here.

President Obama Unveils New Disaster Resilience Funding Program

Last week, President Barack Obama launched the National Disaster Resilience Competition, patterned after the Rebuild by Design competition. States that experienced natural disasters between 2011 and 2013 can vie for roughly $820 million in funding for reconstruction projects or improvements aimed at infrastructure resiliency, and states hit by Superstorm Sandy can go after about $180 million to "address critical housing needs."

Senate Puts "Minibus" Appropriations Package on Hold

Work on the Senate’s three-bill appropriations “minibus” (Transportation-HUD, Commerce, Justice, Science, and Agriculture) is moving behind the scenes, as key lawmakers try to broker a compromise that could still revive the measure and permit it to advance again to the floor. Lawmakers said the spending bill package will be on hold this week but private talks will continue over possible amendment strategies that could allow debate on the measure to resume later. Last week, Republicans rejected an offer from Majority Leader Harry Reid to require 60 votes to adopt all amendments.

House Defense Spending Bill Passes with Broad Support

The House passed its $570.4 billion Defense spending bill for FY 2015 on Friday with a 340-73 vote. A majority of Democrats joined with Republicans to back the legislation, despite the White House expressing strong opposition without threatening a veto. The House adopted a provision that would bar the NSA from funding the controversial practice of "backdoor" surveillance, requiring or requesting the redesign of a product to facilitate the electronic surveillance of a person who uses it. The bill would also prohibit the retirement of several weapons systems that are popular among lawmakers, including the A-10 aircraft and the KC-10 refueling tanker. The Pentagon has said the retirements would free up billions of dollars.

Senator Heitkamp Introduced Bill on First Responders in
**Railroad Accidents**

Though many states, large cities, and Federal agencies have the training and resources to respond to hazmat rail incidents, the very first responders to an incident are often local emergency personnel, as was the case in the 2013 derailment of a train carrying crude oil near Casselton, North Dakota. The Railroad Emergency Services Preparedness, Operational Needs, and Safety Evaluation (RESPONSE) Act would create a subcommittee tasked with conducting a review of training and resources for local emergency responders to railroad hazmat incidents, with a focus on crude oil transport. [Read More...](#)

**Nine Governors Ask EPA to Scrap Proposed Rules**

Nine Republican governors asked President Obama last week to scrap the EPA's climate rule proposal for existing power plants, blasting it as an unprecedented infringement on state authority. The governors also asked that the EPA/Corps proposed CWA rule that would bring more bodies of water under CWA regulation be withdrawn as well. By "redefining" what waters can be regulated, they wrote, EPA and the Army Corps of Engineers are guilty of another sweeping act of overreach. The governors stated that their "best available data" shows the proposed rules would cost millions of jobs and billions of dollars. The letter was signed by the governors of Alaska, Indiana, Louisiana, Mississippi, North Carolina, North Dakota, Pennsylvania, Texas and Wyoming.

**House Appropriations Committee Approves $34B FY 2015 Bill**

The House Appropriations Committee last week approved its $34 billion FY2015 appropriations bill for the Department of Energy, Army Corps of Engineers, Bureau of Reclamation, and other agencies, after a markup dominated by discussion of two water policy riders. One rider would prevent an expansion of the Clean Water Act's (CWA's) jurisdiction and another would block the Army Corps from imposing stricter rules governing when waste can be dumped into rivers or streams. The CWA jurisdiction rulemaking has been underway since announced in April at the Corps and EPA (which is funded under the separate Interior and Environment appropriations bill). But the Obama administration has said it is not planning to ratchet up regulation on waste disposal by changing the definition of "fill material" under the CWA.

The overall bill passed on a voice vote with relatively few modifications, including the policy riders. No changes were made to spending levels outlined in the bill. The Army Corps would receive $5.5 billion, Reclamation about $1 billion, and Department of Energy offices in charge of energy and scientific programs about $10.3 billion, among other spending levels set by the bill for FY2015.

**Senate Passes Algae Bill; Senate Energy and NR Committee Moves Water Bills**

The full Senate last week passed S. 1254, the "Harmful Algal Bloom and Hypoxia Research and Control Amendments Act", introduced by Sen. Bill Nelson (D-FL) that would create a program to focus algae blooms in known hypoxia (or "dead") zones in the northern Gulf of Mexico and the Great Lakes caused by excess nutrient loading to those waters. The bill authorizes $20.5 million per year through 2018 for the program.

The Senate Energy and Natural Resource Committee also last week approved a number of
water-related bills for Senate floor consideration, and they can be seen here.

**FEMA Continues to Implement Homeowner Flood Insurance Affordability Act**

Since the passage of the Homeowner Flood Insurance Affordability Act on March 21, 2014, the Federal Emergency Management Agency (FEMA) has been working to implement the various changes to the National Flood Insurance Program (NFIP) that were included in the legislation. To help educate those impacted by the new law, FEMA regularly posts updates on a special section of its website. Last week, FEMA provided an updated copy of the new rate tables for NFIP policies. These new rates apply to policies purchased on or after October 1, 2014 and will also be used to calculate refunds for some qualifying policyholders. Past updates also include a review of the legislative changes under the new law and how FEMA plans to implement them. To learn more, go directly to the Flood Insurance Reform page on FEMA's website by clicking here.

**White House Hosts First Maker Faire, Invites Mayors to Discuss Future of American Manufacturing**

More than 100 inventors and manufacturers from 25 states were invited to the White House on June 18th to showcase their inventions at the first White House Maker Faire. Maker Faires are held in cities and towns around the world, bringing together tech enthusiasts, crafters, educators, tinkerers, hobbyists, engineers, science clubs, authors, artists, students, and entrepreneurs to show their projects and to talk about what they have learned. In addition to the Faire, top Administration officials hosted a Roundtable with 20 mayors from manufacturing communities across the country to discuss some specific ways the Administration can further promote American manufacturing by supporting local governments. Read More...

**Congressional Schedule**

**Monday, June 23**


**Tuesday, June 24**

- House Energy and Commerce Committee's Subcommittee on Health hearing on "21st Century Cures Roundtable: Digital Health Care."
- House Natural Resources Full Committee oversight hearing on "American Energy Jobs: Opportunities for Education."
- House Natural Resources Committee's Subcommittee on Water and Power oversight hearing on "New Federal Schemes to Soak Up Water Authority: Impacts on States, Water Users, Recreation, and Jobs."
- House Judiciary Committee's Subcommittee on Regulatory Reform, Commercial, and Antitrust Law hearing on the proposed merger of AT&T and DIRECTV.
- Joint Economic Committee hearing to examine the economic impact of increased natural gas production.
- Senate Finance Full Committee hearing to examine less student debt from the start, focusing on what role the tax system should play.
- Senate Commerce, Science, and Transportation Committee Full Committee business meeting to consider the following bills: S. 1804, the Aviation Security Stakeholder Participation Act of 2013; S. 1893, the Transportation Security Acquisition Reform Act; S. 2030, the National Sea Grant College Program Amendments Act of 2014; S. 2338, United States Anti-Doping Agency Reauthorization Act of 2014; S. 2444, the Coast Guard Authorization Act for Fiscal Years 2015 and 2016; S. 2482, the North Pacific Fisheries Convention Implementation Act; S. 2484, the South Pacific Fisheries Convention Implementation Act; and S. 2485, the Northwest Atlantic Fisheries Convention Amendments Act. It is possible that additional bills and nominations will be added to the agenda.
- Senate Judiciary Committee's Subcommittee on Antitrust, Competition Policy and Consumer Rights hearing to examine the AT&T and DIRECTV merger, focusing on the impact on competition and consumers in the video market and beyond.

**Wednesday, June 25**

- House Rules Committee's Subcommittee on Legislative and Budget Process hearing on H.R. 1869, the Biennial Budgeting and Enhanced Oversight Act of 2014.
- House Agriculture Committee's Subcommittee on Livestock, Rural Development, and Credit hearing to review credit availability in rural America.
- House Natural Resources Committee's Subcommittee on Public Lands and Environmental Regulation oversight hearing on "Increasing Carbon Soil Sequestration on Public Lands."
- Senate Homeland Security and Government Affairs Full Committee business meeting to consider the following bills: S. ___, the Federal Information Security Modernization Act; S. ___, the National Cybersecurity and Communications Integration Center Act; S. ___, Protection American Chemical Facilities from Attack Act; H.R. 1232, the Federal Information Technology Acquisition Reform Act; S. 1691, the Border Patrol Agency Pay Reform Act, H.R. 4194, the Government Reports Elimination Act; S. 2061, Preventing Conflicts of Interest with Contractors Act; S. 231, the Multinational Species Conservation Funds Semipostal stamp Reauthorization Act; S. 1214, the All-American Flag Act; S. 2117, the Smart Savings Act; and S. 1347, the Conference Accountability Act.
- Senate Judiciary Full Committee hearing to examine S. 1945, to amend the Voting Rights Act of 1965 to revise the criteria for determining which State and political subdivisions are subject to section 4 of the Act, focusing on updating the "Voting Rights Act" in response to Shelby County v. Holder.
- Senate Commerce, Science and Transportation Committee's Subcommittee on Aviation Operations, Safety, and Security hearing on to examine NextGen, focusing on a review of progress, challenges, and opportunities for improving aviation safety and efficiency.
- Senate Banking, Housing, and Urban Affairs Committee's Subcommittee on Economic Policy hearing to examine young workers and recent graduates in the United States economy.
- Senate Energy and Natural Resources Committee's Subcommittee on Water and Power
hearing on examine S. 1971, to establish an interagency coordination committee or subcommittee with the leadership of the Department of Energy and the Department of Interior, focused on the nexus between energy and water production, use, and efficiency.

- Senate Homeland Security and Governmental Affairs Committee's Subcommittee on Emergency management, Intergovernmental relations, and the District of Columbia hearing to examine the path to efficiency, focusing on making FEMA more effective for streamlines disaster operations.

**Thursday, June 26**