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## Weekly Legislative Update Week of July 10, 2017

### Congressional Outlook

The House and Senate are both in session this week. The Senate is scheduled to reconvene on Monday, when it will vote on the nomination of Neomi Rao to be Administrator of the Office of Information and Regulatory Affairs. The House reconvenes on Tuesday and will consider 12 bills. Later in the week, the House plans to consider five other bills, including the [FY 2018 National Defense Authorization Act](#) (NDAA) and [H.R. 23](#), the "Gaining Responsibility on Water Act of 2017," which would make changes to California's Central Valley and State Water projects and streamline permitting processes, among other things.

This week, House Republicans are hoping to reach an agreement on spending levels for the stalled fiscal year (FY) 2018 budget resolution, which would pave the way for a Budget Committee markup later this week. Republicans need to pass a budget resolution for the coming fiscal year to carry out their plan to consider legislation to overhaul the tax code under reconciliation procedures. However, consensus will be difficult to achieve. House leaders still have to contend with opposition from moderate and conservative Republicans in the Tuesday Group and the Freedom Caucus, but they hope to resolve the remaining dispute by tomorrow in order to schedule a markup on Thursday.

Despite not having a budget resolution, the FY 2018 appropriations process is underway in both the House and Senate, with markups scheduled in both appropriations committees. We expect much of the debate over spending levels to unfold on the floor this week when the House considers its FY 2018 \$621.5 billion NDAA bill. That level is \$72 billion higher than the \$549 billion military spending cap set by the 2011 Budget Control Act.

On Wednesday, Christopher Wray, the President's pick to head the Federal Bureau of Investigation (FBI), will face the Senate Judiciary Committee for a confirmation hearing. If confirmed, Wray will fill the vacancy created by President Trump in May when he fired FBI Director James Comey. Wray is a former federal prosecutor who once headed the Justice Department's Criminal Division. We expect both Democrats and Republicans to question Wray

about special counsel Robert Mueller's investigation of Russian involvement in the 2016 election, and Wray's ability to stay independent of the White House.

The health care debate will continue this week as Senate Republicans try to pick up more support for its health care bill, the "Better Care Reconciliation Act." It is possible that we will see a revised version of the bill this week. No votes on the revised bill are expected this week.

## Week in Review

### **McConnell Signals Bipartisan Health Care Solution Possible**

At a Rotary Club luncheon in his home state of Kentucky last week, Senate Majority Leader Mitch McConnell (R-KY) signaled that a bipartisan effort on the Senate Republican's health care bill may be possible. McConnell said that if Republicans can't "agree on an adequate replacement, then some kind of action with regard to the private health insurance market must occur." Two White House officials said Friday they were taken surprised by McConnell's comments, which conflicted with President Donald Trump's statement a week earlier expressing support for a backup proposal favored by hardline conservatives to pass a standalone repeal bill, with a replacement to come later. [Read more...](#)

### **Grid Hackers Target Nuclear Plants**

According to multiple U.S. authorities, hackers have targeted U.S. nuclear plants, manufacturing plants, and other energy facilities in the U.S. and elsewhere in a wide-ranging cyberattack campaign since at least May, according to multiple U.S. authorities. The New York Times obtained a joint report issued by the Department of Homeland Security and the Federal Bureau of Investigation last week that carried an urgent amber warning, the second-highest rating for the sensitivity of the threat. According to the New York Times, the report did not indicate if the cyberattacks were an attempt at or part of a plan to cause disruptions. Among the nuclear companies targeted in the cyberattack was the Wolf Creek Nuclear Operating Corporation, which runs a nuclear power plant near Burlington, Kansas. Wolf Creek confirmed that there was "absolutely no operation impact to Wolf Creek;" the breach only occurred in the administrative part of the system. [Read more...](#)

### **Court Blocks EPA Efforts to Shelve Obama-Era Methane Regulations**

A U.S. appeals court rebuked the Environmental Protection Agency (EPA) for unilaterally suspending Obama-era methane emissions regulations while the regulator reviewed the rule. The Washington, DC-based panel's 2-1 majority called the EPA's move both unauthorized and unreasonable. It granted a request from six environmental groups to allow the rule to remain in place. An EPA spokeswoman said the agency was "reviewing the opinion and examining our options." [Read more...](#)

### **Ninth Circuit Denies Hawaii's Motion on Travel Ban**

On June 7, the Ninth Circuit Court of Appeals denied an emergency motion filed by the State of Hawaii seeking to immediately block parts of the revised "travel ban" issued by the Trump Administration. This action followed a Thursday night ruling from a lower court judge who declined to clarify the scope of the Supreme Court's June 26 ruling regarding who is and is not permitted entry into the US. Two weeks ago, the Supreme Court allowed the Trump Administration to begin implementation of the travel ban for foreign nationals from six predominately Muslim countries who lack any "bona fide relationship with any person or entity in the United States." Hawaii must now wait for the Supreme Court to hear the travel ban case when it returns for the fall term, which begins in October. [Read more...](#)