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WASHINGTON UPDATE

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APPROPRIATIONS UPDATE

Fiscal Year (FY) 2017 begins on October 1, 2016. At this time it is not likely that the twelve (12) appropriations bills will be enacted into law. The appropriations bills fund the day-to-day government operations.

Senate Republican Whip John Cornyn (R-TX) indicated July 14 that Republicans might move a stopgap funding measure that extends into next year rather than trying to wrap up fiscal 2017 spending legislation in a catchall omnibus in December. Other senior Senate Republicans, including Orin Hatch (R-UT) and John Thune (R-SD) echoed those sentiments. Most of the rumors indicate that a continuing resolution (CR) would go into March.

Senate Majority Leader Mitch McConnell (R-KY) has not tipped his hand on his preference. Senate Republicans insist that the Senate Democrats want an end of the year omnibus spending package.

An omnibus could put all the 12 spending measure into one bill and fund the government for a year. A growing number of Senate Republicans would prefer to give a new Congress and a new administration the chance to negotiate funding priorities and prevent the Obama administration from placing its mark on the spending measure.

The Speaker of the House Paul Ryan (R-WI) has not indicated what his intentions are at this time. He was still saying he prefers to move the 12 bills through "regular order." Members of the conservative House Freedom Caucus have been pushing for a six-month CR, along with members of the conservative Republican Study Committee.

The House has passed 6 of the 12 spending bills. They are: Defense, Energy-Water Development, Financial Services, Interior and the Environment, Legislative Branch and Military Construction-VA.

The Senate has passed 3 of its spending measures. They are: Energy-Water Development, Military Construction-VA and Transportation-HUD. All the appropriations measures have been reported out of both the House and Senate Committee on Appropriations.

UNFINISHED BUSINESS

When the House and Senate return from their August recess after Labor Day, they will have less than three weeks of legislative business days before they adjourn for the November elections – not much time to finish a host of pressing legislative items. Here is a short list of pending legislation that has been put on hold or sidetracked for the summer break:

Zika Funding – Shortly before leaving for the conventions and their summer break, House and Senate Republicans tried to force through a partisan conference report that would provide \$1.1 billion to help fight this mosquito-borne virus. The House passed the measure along a party-line vote but Senate Democrats, who oppose proposed cuts to Planned Parenthood and Obamacare, have held up its final passage. President Obama, moreover, opposes the GOP funding cuts attached to the conference report and has threatened to veto the measure. Meanwhile, the American public, particularly in southeastern states, are bearing the brunt of the mosquito borne illness.

Gun Control – Congress left town without addressing gun control legislation, which has reemerged as a hot button issue in light of mass killing in San Bernardino, California, Orlando, Florida, Dallas, Texas and Baton Rouge, Louisiana. The Senate earlier this month failed to pass four separate amendments tightening background checks and keeping terror suspects from buying guns. Maine Republican Senator Susan Collins has offered a compromise provision that may come up for a vote in September. However, in the wake of high profile killings this past month across the country, the congressional focus may shift to a greater emphasis on promoting community policing.

Flint Water Relief – The Flint water debacle has been playing out in public over the last year but Congress appears to be in no rush to address the problem. Democratic Michigan Congressman Dan Kildee sent a letter, joined by 136 of his colleagues, to Speaker Paul Ryan requesting congressional action before the August recess. As it stands now, Flint residents will have to wait until September, in not longer, as Congress continues to deliberate on a funding package.

Criminal Justice Reform – One of the few issues pending before Congress that has broad bipartisan support this term is criminal justice reform. Republicans and Democrats alike appear to be genuinely interested in revisiting the mandatory sentencing provisions that were enacted in the early 1990s in response to the crack cocaine epidemic. Nevertheless, even with White House and bipartisan support, legislation reducing some mandatory minimum criminal sentences and easing the return of ex-felons into society has hit a road block. A handful of conservative senators have expressed significant doubts about modifying federal sentencing guidelines out of concern for letting violent criminals back onto the streets. Whether congressional members can find common ground before the end of this Congress is an open question.

Mental Health – Earlier this month, the House adopted H.R. 2646, the Helping Families in Mental Health Crisis Act, by a vote of 422 to 2. The bill promotes much anticipated reforms to federal mental health policy to increase access to effective and evidence-based care. Some of the measure's provision include: increased access to Medicaid mental health services; authorizes for the first time the National Suicide Prevention Lifeline program and increases funds for preventing adult suicide; funds a workforce program to train health service psychologists to work in

community mental health settings; and establishes grants to support the development of statewide child telemental health care access program with networks of child and adolescent psychologist and psychiatrists to work with pediatric primary care providers. The Senate has a similar bill working through its chamber. In light of the congressional support behind this initiative, we can expect Congress to adopt this legislation by the end of the year, possibly in a lame duck session.

Defense Authorization – The National Defense Authorization Act for FY 2017 is one of the few bills expected to secure congressional passage later this year. The House and Senate have each passed their respective military authorization bills. A conference report is expected to be reported out of conference committee in September or shortly after the November elections. Major policy decisions on new weapons acquisition systems, personnel levels and force structure are being kicked down the road for a new Administration and Congress to handle. One of the major sticking points between the House and Senate involves whether women have to register for the draft, like their male counterparts, when they turn 18.

Appropriations – As discussed above, the House and Senate are careening towards either passing a mammoth omnibus appropriations bill in a lame duck session or adopting a long-term continuing resolution funding the federal government through March of next year. Either way, it is not going to be pretty and we should expect to see a lot of twists and turns before Republicans and Democrats find a path forward out of spending box they put themselves into each year.

Supreme Court Nomination – Following the death of Antonin Scalia, President Obama nominated Merrick Garland to the US Supreme Court. Senate GOP leaders have announced that they will not hold a hearing on Mr. Garland's nomination and have no plans to do so before the end of the Obama Administration. We will have to see whether this position changes after the November elections. Senate Majority Leader Mitch McConnell (R-KY), however, has been crystal clear that filling the current vacancy on the Court will have to wait until a new president is sworn into office.

CONGRESSIONAL CALENDAR

Both the House of Representatives and the Senate have been in recess since July 15. They are scheduled to return on September 6. This seven week break includes the national Presidential nominating conventions which are being held: July 18-21 for the Republicans in Cleveland, Ohio and July 25-28 for the Democrats in Philadelphia, Pennsylvania.