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MARCH 7-11: THIS WEEK

The Senate followed votes on two judicial nominees and unanimous-consent consideration of another with a cloture vote on a patent overhaul bill.

The House and Senate met jointly to receive Australian Prime Minister Julia Gillard.

The House voted on bills to include dentists in disaster response and make veterinarians eligible for public health grants and loan repayment.

The House considered bills to end two foreclosure mitigation programs.

Defense

The Democratic **Senate Appropriations Committee**, in a Friday, March 4 release about its draft fiscal 2011 spending bill, highlighted a series of significant differences between it and the House-passed fiscal 2011 spending measure on the national security front. Democratic appropriators carved out a far broader view of what qualifies as national security activities than did House Republicans, who lumped funding for diplomacy, foreign aid and nuclear and weapons-of-mass-destruction nonproliferation efforts

into their non-security discretionary spending bill. The Democrats' bill would seek to preserve much — but not all — of the money the House wants to cut in those areas. The Senate bill would eliminate the House's cuts to the Customs and Border Protection and Immigrations and Customs Enforcement arms of the **Homeland Security Department**. Senators on both sides of the aisle have criticized those cuts.

Education

On Thursday, March 3, a group of five Republican Senators led by **Sen. Jim Risch (R-Idaho)** introduced **S 460, the Education for All Act of 2011** that would prevent the Department of Education from implementing what's known as the "gainful employment" regulation. This would eliminate federal

financial aid for programs with high proportions of students who are not repaying the principal on their student loans, or who end up with excessive debt loads compared with the salaries they can earn.

Energy/Environment/Climate Change

Senate Democrats who oppose **Environmental Protection Agency (EPA)** regulation of greenhouse gases gave a cool reception Thursday, March 3, to a GOP bill that would permanently block the rules, signaling the effort is likely to fall short of the 60 votes needed to defeat a filibuster. The bill, introduced by **Sen. James M. Inhofe (R-Okla.)**,

ranking Republican on the Environment and Public Works Committee, would strip EPA of its regulatory powers over carbon dioxide and other greenhouse gases under the Clean Air Act. **Rep. Fred Upton, (R-Mich.)**, chairman of the **House Energy and Commerce Committee**, introduced a companion bill in that chamber.

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Health Care

Some Republican lawmakers are signaling they will not insist on barring funding of the health care law as a make-or-break issue in negotiations over a fiscal 2011 spending bill. **Rep. Joe Pitts (R-Pa.)**, chairman of the **House Energy and Commerce Health Subcommittee**, has scheduled a hearing Wednesday, March 9, on a proposal to reclassify the law's mandatory funding to discretionary through separate legislation, which could make it easier to choke off the money in later appropriations bills. Other opponents of the health care law are publicly questioning whether they have the votes to force the issue as part of the broader negotiation over a bill to fund the government through September.

A group of Republican governors are demanding Congress give them more flexibility to make changes under the health care program for the poor. Their requests gained momentum in Congress last week as

GOP lawmakers promised legislation to help states ease budget crises that governors say will only be exacerbated by the health care overhaul's expansion of Medicaid. House Republicans are floating proposals to cull Medicaid's rolls by converting it into a block grant program — a priority for GOP governors — and tightening eligibility standards, known as maintenance-of-effort requirements, that were included in the health care overhaul.

The House backed a bill Thursday, March 3, that would repeal a controversial tax-reporting provision in the 2010 health care overhaul, in what amounts to the most significant attempt yet to change the landmark law. The House voted 314-112 in favor of eliminating the requirement, known as the 1099 provision, which was expected to help pay for the health care overhaul, and 76 Democrats voted for the bill.

Insurance

It has been reported that Michael McRaith, Illinois Director of Insurance, could soon be named the first director of the **Federal Insurance Office (FIO)**. The Dodd-Frank Act established the FIO within the Treasury Department and provides that the Director of the FIO is a non-voting member of the Financial Stability Oversight Council. In addition to being the Illinois Director of Insurance, Mr. McRaith is the Secretary-Treasurer of the **National Association of Insurance Commissioners (NAIC)**.

The NAIC Executive Committee Task Force on Professional Health Insurance Advisors recently posted draft legislation (Access to Professional Health Insurance Advisors Act of 2011) that excludes licensed independent insurance producer remuneration from the Medical Loss Ratio calculation of the Patient Protection and Affordable Care Act. The

NAIC established the Task Force to address potential adverse impacts on the role of licensed health insurance agents and brokers resulting from the new federal health care reform law. It has been reported that the NAIC draft legislation is similar to the legislation that **Rep. Mike Rogers (R-Mich.)** is planning to introduce.

The **House Insurance, Housing and Community Opportunity Subcommittee** has scheduled a hearing on Wednesday, March 9, to discuss draft legislation that would extend the **National Flood Insurance Program (NFIP)**, achieve reforms to improve the financial integrity and stability of the program, and to increase the role of private markets in the management of flood insurance risks. The Subcommittee is chaired by **Rep. Judy Biggert (R-Ill.)**.

Transportation and Infrastructure

Following Senate passage Thursday, March 3, **HR 662, the Surface Transportation Extension Act of 2011**, the latest in a series of extensions of surface transportation programs is headed to President Obama's desk. In a change from past consideration of extensions, the Senate cleared the measure by a voice vote rather than by unanimous consent. The

House passed the measure Wednesday, March 2, 421-4. The bill would extend through September 30, 2011, the authorization for highway, transit and road safety programs, which was set to expire on Friday, March 4, under the most recent extension. Obama is expected to quickly sign the extension into law.