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SEPTEMBER 27 – OCTOBER 1: THIS WEEK

Senate Democrats have set up a pair of votes aimed at sparking a pre-election floor debate over how best to prevent manufacturing jobs from moving overseas. **Senate Majority Leader Harry Reid (D-Nev.)** has scheduled a cloture vote on the motion to proceed to the **Fiscal 2010 State-Foreign Operations Appropriations bill (HR 3081)**, which will likely be the

vehicle for the continuing resolution to keep the government funded after September 30.

The House has another abbreviated week but is scheduled to consider several measures under suspension of the rules. The chamber is expected to take up the continuing resolution.

Appropriations

On Friday, September 24, Majority Leader Reid filed for cloture on a shell bill, HR 3081, that could be used as a vehicle for the fiscal 2011 continuing resolution. The continuing resolution would keep the government functioning until early December after the new fiscal year begins on Friday, October 1. HR 3081 was passed by the House, but not

considered in the Senate. Instead, the Senate stripped the language from HR 3081 and replaced it with their continuing resolution. All spending bills must originate in the House, but by using a House bill as a shell (HR 3081), the Senate is able to originate the continuing resolution in the Senate, pass it and send it to the House.

Banking/Financial Services

Congressional democrats hope to include in the continuing resolution, a provision that would allow **Fannie Mae, Freddie Mac** and the **Federal Housing Administration (FHA)** to purchase or guarantee mortgages up to \$729,500 through 2011. The limit for those entities is normally \$417,000, but Congress increased the ceiling in July 2008 for high-cost housing markets. The higher limit will expire at the end of this year unless lawmakers agree to an extension. Lawmakers will wait until next year to determine the fate of Fannie and Freddie.

On Thursday, September 23, the House approved, by voice vote, **S 3717**, a bill that would rescind an exemption from public disclosure laws granted to the SEC in the financial overhaul enacted earlier this year. The bill would clarify that hedge funds and other new entities the SEC will regulate under the financial overhaul would be considered "financial institutions" for the purposes of applying an existing **Freedom of Information Act** exemption that allows regulators to withhold sensitive information about financial institutions.

Cuba

House Foreign Affairs Committee Chairman Howard Berman (D-Calif.) postponed the mark-up previously scheduled for Wednesday, September 29, of **HR 4645, the Travel Restriction Reform and Export Enhancement Act**, due to the large amount of votes taking place on the House floor. The bill would end a

ban on most travel to Cuba that was first put in place as part of an economic embargo in 1961. The act also would end a requirement embedded in federal law that restricts some agricultural exports to Cuba. However, just because it is on the schedule does not mean that Berman has the votes to pass it.

Defense

On Monday, September 27, the Senate passed an amended version of **HR 553, the Reducing Over-Classification Act of 2009**. The bill would reduce over-classification of information by the Homeland Security

Department and promote the sharing of unclassified information. As amended by the Senate, the disclosure provisions would apply to agencies in addition to the **Department of Homeland Security** that also are

Defense (cont'd.)

involved in the classification process. The bill, which originally passed in the House in February 2009, now goes back to that chamber.

Informal discussions on the defense spending bill will not occur until October, with formal efforts launching when lawmakers return after the November elections. The **Senate Appropriations Committee** approved its \$669.9 billion Defense spending bill (**S 3800**) in September, but the full House Appropriations panel does not intend to mark up its version of the bill until some time in November. The **House Defense Appropriations Subcommittee** marked up its \$681.8 billion bill in late July.

Energy/Environment/Climate Change

On Thursday, September 23, the **House Science and Technology Committee** approved, by voice vote, **HR 6160**, a bill aimed at jump-starting the domestic production of rare-earth materials. House and Senate members also are considering a federal loan guarantee program that would increase domestic production of those materials that are crucial to clean energy and defense technologies.

HR 5866, the **Nuclear Energy Research and Development Act of 2010** also was approved to revamp the **Energy Department's** nuclear research and development activities to turn more attention to the reduction of the high capital costs and radioactive waste from rich uranium that come with nuclear energy production. The legislation would hone the department's nuclear objectives and create two new programs. One would develop advanced nuclear reactor technologies that are more efficient and less wasteful, expensive and dangerous than current models; the other would allow the department to enter into cost-sharing projects for improved small modular reactor designs.

Health Care

On Thursday, September 23, the House passed, **417-1**, **HR 1745**, the **Family Health Care Accessibility Act of 2010**. The bill would deem any health professional volunteer an employee of the Public Health Service for purposes of civil actions related to treating patients, if the volunteer was providing services eligible for funding under the community health center grant program. Extending liability protections to volunteer practitioners would encourage more physicians to assist the increasing number of patients visiting community health centers — especially at a time of doctor shortages, say the bill's supporters.

HR 5710, the **National All Schedules Prescription Electronic Reporting Reauthorization Act of 2010**, passed in the House on Thursday, September 23, by a vote of 384-32. The bill would provide grants to states to track drug prescriptions. The bill would authorize \$15 million for fiscal 2011 and \$10 million annually from fiscal 2012-2013. A companion bill (**S 3575**) was introduced in the Senate by **Sen. Richard J. Durbin, (D-Ill.)**, and has bipartisan support.

On Wednesday, September 29, the House passed, by voice vote, **HR 6130**, the **Strengthening Medicare Anti-Fraud Measures Act of 2010**. The bill would give the **Department of Health and Human Services** the ability to ban parent corporations of companies convicted of health care fraud from participating in Medicare and other federal health care programs.

Immigration

Sen. Robert Menendez (D-N.J.), said he would introduce a broad immigration bill later this week that will follow the contours of a Democratic blueprint released last spring, including giving the estimated 11 million undocumented immigrants already living in

Insurance

On September 22, 34 members of the **National Association of Insurance Commissioners (NAIC)** met with **President Obama** to discuss implementation of the **Patient Protection and Affordable Care Act**. The meeting also included **HHS Secretary Kathleen Sebelius** and **Labor Secretary Hilda Solis** as well as top Administration advisors. During the meeting, the President stressed the need for consumers to have adequate information on changes as they occur and he acknowledged the important role of state regulators in implementing reform and educating the public.

The **Financial Stability Oversight Council** established in the **Dodd-Frank Wall Street Reform and Consumer Protection Act** has scheduled its first meeting for October 1. The NAIC selected **Missouri Insurance Commissioner John Huff** as the state regulatory nonvoting member of the council. The director of the Federal Insurance Office, who will be an automatic member of the council, has not yet been chosen.

On Thursday, September 23, the House passed by voice vote, **S. 3814**, the **National Flood Insurance Program Reextension Act of 2010**, sending the bill to President Obama, who is expected to sign it into law. **S. 3814**, introduced by **Sen. David Vitter (R-La.)**, extends the **National Flood Insurance Program (NFIP)** until September 30, 2011.

The **Senate Banking Committee** held a hearing on reauthorization of the NFIP. The Committee explored options to strengthen the program and ensure the program's future financial stability. Witnesses included representatives from the Government Accountability Office (GAO), Taxpayers for Common Sense, Association of State Floodplain Managers and the National Association of Realtors. A GAO official stressed the need for multiple NFIP reforms. According to GAO testimony: the NFIP's challenges have increased the Federal Government's and U.S. Taxpayers' financial exposure from flood losses; NFIP's premium rates do not reflect the full risk of flooding; the Federal Emergency Management Agency (FEMA) lacks an effective system to manage flood insurance policy, claims data and Write Your Own contractor activities; addressing NFIP's challenges would require actions from FEMA and Congress.

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Immigration (cont'd.)

the U.S. a path to citizenship, putting in place workplace enforcement featuring biometric identification cards and setting up a temporary-

worker program. By introducing the bill this week, it will allow Senate leaders to bring it up during a lame-duck session.

Labor, Pensions And Retirements

Senate Democrats set up a pair of votes for Monday, September 27, and Tuesday, September 28, aimed at sparking a debate on how best to keep manufacturing jobs from moving overseas. **S 3816, the Creating American Jobs and Ending Offshoring Act** did not pass the motion to invoke cloture on Tuesday.

Senate Democrats decided after a caucus meeting last week to put off votes on expiring 2001 and 2003 tax cuts that carried uncertain political consequences in favor of using what may be their final week in session to focus on the protection of American jobs — a matter with little political downside.

Tax

House Speaker Nancy Pelosi (D-Calif.) and other House Democratic leaders are considering calling up this week, under expedited procedures, a bill that would extend the expiring 2001 and 2003 tax cuts for most middle-class taxpayers. Under the proposal

being discussed, Democrats would place a tax extension bill on the floor on September 29 or 30, under suspension of the rules, a procedure that forbids amendments and requires a two-thirds majority for passage. No final decision has been made.

Telecommunications

Chairman of the House Energy and Commerce Committee Henry Waxman (D-Calif.) may introduce legislation this week on “network neutrality,” with the goal of engineering House passage, before Congress adjourns for the midterm election campaign. The prospective bill would short-circuit a months-long effort at the **Federal Communications Committee** to write regulations on net neutrality, as well as a related commission move to shift its jurisdictional rationale for regulating broadband Internet access, taking both issues off the table for two years.

The Senate Commerce, Science, and Transportation and Homeland Security and Governmental Affairs Committees merged their two bills to address the nation’s first comprehensive law on cyber security. The latest version has not yet been made public, but it was reported that the sponsors have compromised on several thorny questions, including deciding to split the primary responsibility for cyber security between the White House and the Department of Homeland Security. It also outlines some of the powers the executive branch would have available in response to an emergency.

Trade

On Friday, September 24, the **House Ways and Means Committee** approved, by voice vote, **HR 2378, the Currency Reform for Fair Trade Act**. The legislation would allow the Commerce Department to impose

countervailing duties on behalf of an U.S. industry that could demonstrate that it has been materially injured by Chinese goods. A floor vote is expected on Wednesday, September 29.

Transportation and Infrastructure

On Friday, September 24, the Senate sent **HR 6190, the Airport and Airway Extension Act of 2010**, to the President for signature. The bill would extend federal aviation programs for three months. Congress has been trying for months to finish a long-term

authorization, but was stalled on issues such as expanding the number of long-distance flights to and from Ronald Reagan Washington National Airport, and allowing FedEx Corp. ground workers to organize locally, making union representation easier.