

November 3, 2017

Washington Update

This Week in Congress

- **House** – The House passed the “**Encouraging Public Offerings Act of 2017**” (H.R. 3903); the “**Helium Extraction Act of 2017**” (H.R. 3279); the “**Resilient Federal Forests Act of 2017**” (H.R. 2936); the “**Protecting Seniors Access to Medicare Act (IPAB repeal)**” (H.R. 849); and the “**CHAMPIONING HEALTHY KIDS Act (CHIP extension)**” (H.R. 3922).
- **Senate** – The Senate confirmed **Trevor N. McFadden**, to be United States District Judge for the District of Columbia; **Amy Barrett**, to be U.S. Circuit Judge for the Seventh Circuit; **Joan Larsen**, to be U. S. Circuit Judge for the Sixth Circuit; **Allison Eid**, to be U.S. Circuit Judge for the Tenth Circuit; **Stephanos Bibas**, to be U.S. Circuit Judge for the Third Circuit.

Next Week in Congress

- **House** – The House is expected to take up the “**Hydropower Policy Modernization Act of 2017**” (H.R. 3043); the “**Micro Offering Safe Harbor Act**” (H.R. 3441) and the “**Save Local Business Act**” (H.R. 3441).
- **Senate** – The Senate is expected to take up the nominations of **Steven Andrew Engel**, to be an Assistant Attorney General and **William L. Wehrum**, to be an Assistant Administrator of the Environmental Protection Agency.

TAX

House Unveils Tax Legislation

Key Points:

- *House reveals H.R. 1, the “Tax Cuts and Jobs Act.”*
- *President Trump supports the bill and calls for legislation to be signed into law by Thanksgiving.*
- *House Ways and Means Committee Chairman Kevin Brady (R-TX) will release his chairman’s mark today and the Committee markup process is set to begin on Monday.*
- *The Senate is expected to release its own tax bill next Wednesday with a Senate Finance Committee markup possibly beginning the week of November 13.*

On Thursday, the House released [H.R. 1, The Tax Cuts and Jobs Act](#), its version of tax reform. For businesses, the bill would lower the corporate rate to 20 percent, temporarily allow for immediate expensing of investments and limit interest deductions. The legislation proposes to move to a dividend exemption or

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territorial tax regime, but would impose a new 20 percent excise tax on outgoing deductible payments and also tax certain foreign earnings of U.S. companies. The Congressional Joint Committee on Taxation released an analysis shortly after the tax bill was unveiled. The report revealed that the House tax bill would yield a \$1.49 trillion net revenue loss over ten years—staying below the allowed \$1.5 trillion which was approved last week in the FY 2018 budget. Chairman Kevin Brady (R-TX) released an [updated version](#) of the legislation today known as the “Chairman’s mark”. The House Ways and Means Committee markup of the legislation is scheduled to begin on Monday, with the bill moving for consideration on the House floor during the week of November 13th. A section-by-section summary can be found [here](#).

White House National Economic Council Director Gary Cohn told the Economic Club of Washington that President Trump supports the bill and wants legislation to be signed into law as soon as possible. The President himself told House Ways and Means Committee Chairman Kevin Brady (R-TX) that his goal is to have a bill signed into law by Thanksgiving, or November 23. Trump, speaking to reporters at the White House, also predicts the bill will receive bipartisan support and said members of the cabinet will be traveling around the country to promote the legislation.

Senator Bob Corker (R-TN) said it is possible that the Senate could release its tax legislation sometime next week. It has been reported that the Senate Finance Committee is considering holding a markup of its own tax bill on the week of November 13.

For more information about tax issues you may [email](#) or call Christopher Hatcher at 202-659-8201. Nick Karellas, Ryan Schnepf, and Henry Homans contributed to this section.

FINANCIAL SERVICES

President Trump Signs Resolution to Repeal the CFPB Arbitration Rule

Key Point:

- *The resolution effectively repeals the CFPB rule banning the inclusion of mandatory arbitration clauses in certain financial products contracts.*

On November 1, President Trump signed into law H.J.Res.111, which provides for congressional disapproval and repeal of the Consumer Financial Protection Bureau’s (CFPB) rule banning the inclusion of mandatory arbitration clauses in certain financial products contracts. On October 24, the Senate passed the resolution by a vote of 51-50, with Vice President Mike Pence casting the tie-breaking vote. The resolution passed the House by a 231-190 vote on July 25. The resolution repeals the CFPB rule and prohibits the reissuance of a rule in substantially the same form unless otherwise authorized by Congress.

House Financial Services Committee Chairman Jeb Hensarling (R-TX) issued a press release in support of the resolution, which stated:

Overtaking the CFPB’s harmful regulation is a decisive victory for consumers and our economy. For far too long, the burden of Washington’s top-down regulations became so severe and so excessive they slowed our economy down and robbed Main Street Americans of opportunities to get ahead. Thankfully, we now have a Congress and a President who understand that more complicated and excessive regulations are the last thing our economy needs, and that no one

unelected and unaccountable government bureaucrat should have so much power to unilaterally impose such sweeping policy on the economy. As we have worked together to take these economically damaging regulations off the books, the result has been stronger economic growth and consumer confidence at its highest level in 17 years.

Senate Banking Committee Approves SEC Commissioner and U.S. Mint Nominees

Key Point:

- *The Committee favorably reported the nominations of Hester Peirce and Robert Jackson to be SEC Commissioners.*

On November 1, the Senate Banking Committee held an executive session and approved the following nominations en bloc, by voice vote:

- Mr. David J. Ryder, to be Director of the United States Mint.
- Ms. Hester M. Peirce, to be a Member of the Securities and Exchange Commission.
- Mr. Robert J. Jackson Jr., to be a Member of the Securities and Exchange Commission.

Chairman Mike Crapo (R-ID) commended Peirce and Jackson's expertise and urged the Senate to confirm them. Ranking Member Sherrod Brown (D-OH) said it is crucial for the Committee to act on nominees in a timely manner. He stated that the SEC should have a full commission, in order to ensure the integrity of the markets. He raised concerns with reports that the SEC enforcement focus will be less on obtaining admissions of guilt and more on fraud targeting retail investors. He asserted that the SEC should pursue both goals. He stated

that the SEC should make the case for more enforcement funding if it is needed.

It is unclear when the full Senate might attempt to vote on the nominees.

Senate Banking Committee Holds Hearing on Export-Import Bank Nominees

Key Point:

- *Several Members of the Senate Banking Committee raised concerns with the nomination of Scott Garrett to be President of the Export-Import (Ex-Im) Bank, pointing to his previous support for terminating the Bank.*

On November 1, the Senate Banking Committee held a [hearing](#) to discuss nominations for the Export-Import Bank (Ex-Im Bank): (1) The Honorable Scott Garrett, Nominee to be President of the Ex-Im Bank; (2) Ms. Kimberly Reed, Nominee to be First Vice President of the Ex-Im Bank; (3) The Honorable Spencer Bachus III, Nominee to be a Member of the Board of Directors of the Ex-Im Bank; (4) Ms. Judith Delzoppo Pryor, Nominee to be a Member of the Board of Directors of the Ex-Im Bank; (5) Ms. Claudia Slacik, Nominee to be a Member of the Board of Directors of the Ex-Im Bank; and (6) Mr. Mark L. Greenblatt, Nominee to be Inspector General of the Ex-Im Bank.

Chairman Mike Crapo (R-ID) said President Trump has expressed support for the Ex-Im Bank, noting that Garrett has said he shares this support. He suggested that Garrett will bring efficiency to the Bank's operations. He said Garrett has asserted that Ex-Im will remain functional under his leadership, and he stressed the need to prudently manage the Bank's portfolio.

Ranking Member Sherrod Brown (D-OH) entered a number of letters in opposition to

Garrett's nomination into the record, including from the National Association of Manufacturers (NAM) and the U.S. Chamber of Commerce. He commended President Trump for recognizing the need for a fully functioning Ex-Im Bank. He said Congress has "starved" the Ex-Im Bank of the board members it needs to fully operate. He said Ex-Im has had to delay \$30 billion worth of transactions due to the lack of a quorum. He noted that foreign export credit agencies (ECA) are expanding and competing vigorously. He stated that Garrett has been an opponent of the Bank, suggesting that Garrett ignored "facts" and "common sense." Brown said confirming Garrett as the President of Ex-Im would be like "putting an arsonist in charge of the fire department." He said there is overwhelming opposition to Garrett's nomination. He disputed Garrett's claims that he has had a "change of heart".

Senators Pat Toomey (R-PA) and Richard Shelby (R-AL) expressed support for Garrett's nomination, stressing the need to reform the Bank. Both stated that they would support confirming all of the nominees as a group, but would oppose restoring a quorum to the Bank if Garrett is not confirmed.

Ranking Member Sherrod Brown (D-OH) and Senators Elizabeth Warren (D-MA), Heidi Heitkamp (D-ND), Joe Donnelly (D-IN), Jon Tester (D-MT), Catherine Cortez-Masto (D-NV) and Mike Rounds (R-SD) raised concerns with Garrett's prior statements regarding Ex-Im. They noted that during his time as a member of the House Garrett referred to the Bank as "cronyism," "corporate welfare," "a biased actor" and an opponent of the "American Dream." Garrett said his past statements are a matter of public record. He stated that he would operate the Bank in full compliance with the law and the 2015 reforms. He said there is a new administration and a new

agenda at Ex-Im. He said the new administration is committed to ensuring that the economy grows, which is a change from 2015.

President Trump Nominates Jerome Powell to Serve as Federal Reserve Board Chairman

Key Points:

- *The President announced his intention to nominate current Federal Reserve Board Governor Jerome Powell to serve as chairman.*
- *Chair Janet Yellen's term is scheduled to expire on February 3, 2018.*

On November 2, President Trump announced that he would nominate Jerome Powell to serve as Chairman of the Federal Reserve. Powell has served as a member of the Board of Governors of the Federal Reserve since 2012. He was reappointed for a fourteen year term in 2014 and his nomination was approved in the Senate by a vote of 67-24. Chair Janet Yellen's term is scheduled to expire on February 3, 2018.

Powell issued a [statement](#) thanking the President for his nomination, in which he stated:

Our financial system is without doubt far stronger and more resilient than it was before the crisis. Our banks have much higher capital and liquidity, are more aware of the risks they run, and are better able to manage those risks. While post-crisis improvements in regulation and supervision have helped us to achieve these gains, I will continue to work with my colleagues to ensure that the Federal Reserve remains vigilant and prepared to respond to changes in markets and evolving risks.

House Financial Services Panel Discusses CDBG Disaster Relief Program

Key Points:

- Chairman Ann Wagner (R-MO) noted that the Inspector General has found that \$11.5 billion in disaster assistance remains unspent.
- Ranking Member Al Green (D-TX) asked that HUD Secretary Carson come before the Subcommittee to answer questions about “questionable” HUD policies.

On November 1, the House Financial Services Committee’s Subcommittee on Oversight and Investigations held a hearing entitled “Examining the Community Development Block Grant-Disaster Recovery Program.” Chairman Ann Wagner (R-MO) stated when a disaster strikes the federal government plays an important role in providing aid. She stated it is critical to ensure that taxpayer money on disaster relief is spent smartly, efficiently and effectively. Wagner stated the Housing and Urban Development (HUD) Inspector General (IG) has routinely identified problems with the Community Development Block Grant (CDBG) Disaster Relief program. She noted a 2017 report on Superstorm Sandy found hundreds of improper costs, improper documentation, as well as duplicate awards or ineligible assistance. She explained the Office of Inspector General (OIG) work identified \$11.5 billion in funds which remain unspent. She suggested Congress should do a better job recouping this money and disaster funds should go to who needs them the most. Ranking Member Al Green (D-TX) suggested that Secretary Carson needs to come before this Committee again to answer questions about certain HUD policies. He noted areas of concern such as options for long-term and short-term housing following a disaster, options for housing in areas where disasters occur more often, the state of the housing

stock, and whether the income ratio should be waived in the face of disasters.

Chairman Wagner noted that states submit action plans for disaster funds and HUD has provided a number of waivers for these plans. She asked what problems occur when these actions plans are altered and whether unused funds should be returned. Helen Albert (Office of the Inspector General, HUD) stated when waivers are allowed the intended purpose of the program is lost. She stated as time passes funds are more likely to be used for improper uses. She suggested some funding after a specific time should be recaptured or repurposed. Representative Scott Tipton (R-CO) asked whether the CDBG Disaster Relief program should be codified. Albert stated that the CDBG Disaster Relief program is not part of HUD’s main mission. She explained HUD writes Federal Register notices in order to run the program. She stated the program needs a codification and some clarification. Albert stated that the disaster recovery “scheme” is an “alphabet soup” of agencies and some clarification of the system is needed so that money can be used efficiently and no duplications occur.

UPCOMING EVENTS

November 7

Housing Finance: The House Financial Services Committee’s Subcommittee on Housing and Insurance will hold a hearing entitled “Sustainable Housing Finance: Private Sector Perspectives on Housing Finance Reform, Part III.”

Federal Reserve: The House Financial Services Committee’s Subcommittee on Monetary Policy and Trade will hold a hearing entitled “Examining Federal Reserve Reform Proposals.”

North Korea Sanctions: The Senate Banking Committee will hold an executive session to consider the Banking Restrictions Involving North Korea (BRINK) Act ([S. 1591](#)).

November 8

International Financial Institutions: The House Financial Services Committee’s Subcommittee on Monetary Policy and Trade will hold a hearing entitled “Administration Priorities for the International Financial Institutions.” The Honorable David Malpass, Under Secretary for International Affairs, U.S. Department of the Treasury will testify at the hearing.

Financial Intelligence: The House Financial Services Committee’s Subcommittee on Terrorism and Illicit Finance will hold a hearing entitled “Financial Intelligence and Enforcement: Treasury’s Role in Safeguarding the American Financial System.” The Honorable Sigal Mandelker, Under Secretary for Terrorism and Financial Intelligence, U.S. Department of the Treasury will testify at the hearing.

November 9

Housing Finance: The House Financial Services Committee’s Subcommittee on Housing and Insurance will hold a hearing entitled “Sustainable Housing Finance: The Role of Ginnie Mae in the Housing Finance System.”

For more information about financial services issues you may [email](#) or call Joel Oswald at 202-659-8201. Alex Barcham and Rebecca Konst contributed to the articles.

ENERGY & ENVIRONMENT

FERC Nominees Confirmed

Key Points:

- On November 2, the Senate, by voice vote, confirmed the nominations of Kevin McIntyre and Richard Glick to serve as FERC commissioners.
- McIntyre and Glick will complete FERC’s roster of five commissioners, with McIntyre set to serve as Chairman.

On Thursday, the Senate confirmed the nominations of Kevin McIntyre and Richard Glick to serve as Federal Energy Regulatory Commission (FERC) commissioners. President Trump has stated that he will name McIntyre as Chairman upon his swearing-in. Commissioner Neil Chatterjee has been serving as Chairman since August. Once Glick and McIntyre are sworn-in, the Commission will be restored to its full complement of five members. From February through August, FERC lacked a quorum, which the Senate restored by confirming Chatterjee and Robert Powelson.

As noted in a FERC [press release](#), McIntyre will serve the balance of a term ending June 30, 2018, and will also serve a full term through June 30, 2023. Glick will serve out the remainder of a term through June 30, 2022.

Committee Spars over Alaska Drilling

Key Points:

- This week, the Senate Energy and Natural Resources Committee heard testimony on opening part of the Arctic National Wildlife Refuge to oil and gas development.
- Republicans expressed support for the proposal, which is directed in the recently-passed Fiscal Year 2018 Budget Resolution. Democrats raised strong objections to any oil and gas activity in ANWR.

On Thursday, the Senate Energy and Natural Resources Committee held a hearing “on the potential for oil and gas exploration and development in the non-wilderness portion of

the Arctic National Wildlife Refuge, known as the ‘1002 Area’ or Coastal Plain...” A provision in the Fiscal Year 2018 Budget Resolution ([H.Con.Res. 71](#)) directs the Committee to report legislation that will raise revenue through leasing in the 1002 Area of the Arctic National Wildlife Refuge (ANWR).

In her [opening statement](#), Chairman Lisa Murkowski (R-AK) emphasized the distinction between the 1002 Area, where drilling would be permitted, and the larger ANWR area: “ANWR itself is 19 million acres, approximately the size of South Carolina. The non-wilderness area, the 1002 Area, is 1.5 million acres, approximately the size of Delaware.” Murkowski also described the benefits of authorizing oil and gas activities within the 1002 Area, asserting that it would create “thousands of new jobs, and...substantial revenues for every level of government.” She also stressed that “[f]or over 40 years now Alaskans have repeatedly proven that we can develop safely and responsibly, and development in the 1002 Area will be no different.”

Ranking Member Maria Cantwell (D-WA) argued in her [opening statement](#) that drilling should not be allowed in the 1002 Area because it “is the biological heart of the Refuge and supports more than 250 species, including caribou, polar bears, grizzly bears, wolves, muskoxen, wolverines, and migratory birds.” She also contended that the “notion that wildlife can exist in this unique environment in the same way with this development is just wrong”.

Upcoming Hearings and Events

November 7

Energy Star and Ceiling Fan Conservation Legislation: The House Energy and Commerce Committee’s Energy Subcommittee

will hold a [hearing](#) on the following legislation: “[Discussion Draft, Energy Star Reform Act of 2017](#)”; and the “Ceiling Fan Energy Conservation Harmonization Act” ([H.R. 3477](#)). Scheduled witnesses are: Kateri Callahan, President, Alliance to Save Energy; Christopher Drew, Chairman, Air-Conditioning, Heating and Refrigeration Institute; Douglas Johnson, Vice President, Technology Policy, Consumer Technology Association; Joseph McGuire President and CEO, Association of Home Appliance Manufacturers; and Greg Merritt, Vice President, Marketing and Public Affairs, Cree.

Federal Oil and Gas Legislation: The House Natural Resources Committee’s Energy and Mineral Resources Subcommittee will hold a [hearing](#) on the “Accessing Strategic Resources Offshore Act” ([Discussion Draft of H.R. ___](#)). The legislation would “distribute revenues from oil and gas leasing on the Outer Continental Shelf to certain coastal States, to require sale of approved and scheduled offshore oil and gas leases, to establish offshore wind lease sale requirements, and to empower States to manage the development and production of oil and gas on available Federal land...”

November 8

EPA and CEQ Nominations: The Senate Environment and Public Works Committee will hold a [hearing](#) on the nominations of Kathleen Hartnett White to be a Member of the Council on Environmental Quality and Andrew Wheeler to be Deputy Administrator of the Environmental Protection Agency.

November 14

Puerto Rico and Virgin Islands Recovery Efforts: The Senate Energy and Natural Resources Committee will hold a [hearing](#) on “hurricane recovery efforts in Puerto Rico and the U.S. Virgin Islands.”

November 16

FERC Meeting: The Federal Energy Regulatory Commission (FERC) will hold its monthly [open meeting](#).

November 17

Pipelines and Coastal Areas: The Pipeline and Hazardous Materials Safety Administration (PHMSA) will hold “a one-day [public meeting](#) to discuss applicable definitions and available geospatial information system (GIS) data sources for marine coastal waters, coastal beaches and the Great Lakes, pertaining to Coastal Ecological Unusually Sensitive Areas (USA).”

November 29-30

Pipeline Safety Information-Sharing: The Pipeline and Hazardous Materials Safety Administration’s (PHMSA) Voluntary Information-Sharing (VIS) System Working Group will hold a [meeting](#) “to discuss the objective and scope of the VIS effort, lessons learned from past incidents, best practices, examples of existing information-sharing systems, safety management systems, and the establishment of subcommittees.”

December 13-15

Pipeline Safety: The Pipeline and Hazardous Materials Safety Administration (PHMSA) will hold [meetings](#) of its Gas Pipeline Advisory Committee (GPAC) and its Liquid Pipeline Advisory Committee (LPAC). The GPAC meeting will “discuss topics and provisions of the proposed rule titled ‘Safety of Gas Transmission and Gathering Pipelines’”. A joint meeting of the GPAC and LPAC will “discuss a variety of policy issues and topics relative to pipeline safety.”

For more information about energy and environment issues you may [email](#) or call Frank Vlossak at 202-659-8201. Ryan Schnepf contributed to this report.

Updates on energy and environment issues are also available on [twitter](#).

DEFENSE**AUMF Hearing***Key Points:*

- *The Secretaries of State and Defense told the Foreign Relations Committee what the Administration would like to see in any new AUMF*
- *Members appear split between those willing to provide a broader AUMF and those looking to circumscribe the authority to wage operations, casting in doubt the chances the Congress will revisit the 2001 and 2002 AUMFs*

On October 30, the Senate Foreign Relations Committee held a [hearing](#) titled “The Authorizations for the Use of Military Force: Administration Perspective” with testimony Secretary of Defense Jim Mattis and Secretary of State Rex Tillerson.

Chairman Bob Corker (R-TN) remarked that “[o]versight and debate of the 2000-’01 Authorization for the Use of Military Force (AUMF) is something in which this Committee has been engaged for as long as I’ve helped lead it, beginning as ranking member in 2013.” He added that “many of us from both parties sought to craft a revised authority to enable the President to address the threats we face from terrorism while ensuring an appropriate role for Congress.” The President’s defacto ability to initiate conflict has grown in an age of advanced technology, including the use of unmanned drones and war from a distance, where large numbers of boots on the ground are not necessary to conduct a very significant military engagement.” Corker said that “[t]he President, just like President [Barack] Obama, believes he has the legal authority he needs

under the 2001 AUMF to fight the Islamic State of Iraq and Syria (ISIS), Al Qaeda, and other terrorist groups.” He asserted that “I agree with the Obama administration and I agree with this Administration that they currently have that authority. Corker stated that “[a]t the same time, I also believe we should update the AUMF to reflect the current conflict and reassert Congress’ constitutional role, but we cannot risk undermining the legal foundation for this critical fight.” Corker noted that “[s]o far Congress has been unable to bridge the gap between those who see a new AUMF as primarily an opportunity to limit the President and those who believe constraining the Commander in Chief in wartime is unwise.”

Ranking Member Ben Cardin (D-MD) said that he hopes the Committee will soon “be considering the repeal of the existing overextended authorizations for the use of military force from 9/11 and the Iraq War and a new AUMF tailored to the current terrorist threats.” He stated that “America faces unprecedented crises around the world, from ISIS in multiple countries and Al-Qaeda affiliates continuing to plot attacks against the United States to a worsening nuclear crisis with North Korea and a newly manufactured crisis with Iran.” Cardin stated that “I am deeply concerned about President [Donald] Trump’s inclination to go to war rather than find diplomatic solutions to these crises.” He added that “[i]t seems we have U.S. troops deployed almost everywhere in the world.”

Tillerson asserted that “[t]he 2001 AUMF provides statutory authority for ongoing U.S. military operations against Al Qaeda, the Taliban, and associated forces including against ISIS.” He said that “[t]he Administration relies on the 2001 AUMF as a domestic legal authority for our own military actions against these entities as well as the military actions we take in conjunction with our partners in the

coalition to defeat ISIS.[and] provides a domestic legal basis for our detention operations at Guantanamo Bay where the United States currently detains members of Al Qaeda, the Taliban, and associated forces.” Tillerson claimed that “[i]n addition to authorities granted to the President by statute, the President has the power under Article 2 of the Constitution to use military force in certain circumstances to advance important U. S. national interest, including to defend the United States against terrorist attacks.” He said that “should Congress decide to write new AUMF legislation, I submit to you several recommendations that the Administration would consider necessary to a new AUMF:

- First, a new AUMF authority must be in place prior to or simultaneous with the repeal of old ones.
- Second, any new authorization should not be time-constrained.
- Third, a new AUMF must not be geographically restricted.

Mattis asserted that “[t]hrough a statement of continued congressional support would be welcome, a new AUMF is not legally required to address the continuing threat posed by al Qaeda, the Taliban and ISIS.” He claimed that “Article II of our Constitution, the 2001 and 2002 AUMFs, provide sufficient legal authority for us to engage and defeat the current threat, which we are doing by working by, with and through our allies and partners.” Mattis said that “any new congressional expression of unity, whether or not an AUMF, would present a strong statement to the world of America’s determination, demonstrating, as Senator [Tim] Kaine (D-VA) has stated, quote, ‘An important message of resolve to the American public and our troops, that we stand behind them in their mission.’”

CBO Estimates Updating Nuclear Weapons Programs Will Cost More than \$1 Trillion

Key Points:

- *The CBO examined the Obama Administration's 2017 plans to modernize the nation's nuclear defense weapons programs and found that over 30 years the final price would be more than \$1.2 trillion*
- *CBO acknowledged that the Trump Administration may alter or scrap these plans*
- *CBO found that major weapons platforms would cost almost \$400 billion, including the Columbia class submarine, a new ICBM, and new long-range bomber*

This week, the Congressional Budget Office (CBO) released its estimates “that the most recent detailed plans for nuclear forces, which were incorporated in the Obama Administration’s 2017 budget request, would cost \$1.2 trillion in 2017 dollars over the 2017–2046 period: more than \$800 billion to operate and sustain (that is, incrementally upgrade) nuclear forces and about \$400 billion to modernize them.” The CBO noted that “the Trump Administration began a new Nuclear Posture Review to determine a nuclear policy and force structure ‘appropriately tailored to deter 21st century threats.’” The CBO acknowledged that the “review may recommend changing modernization plans and force sizes inherited from the Obama Administration to reflect the Trump Administration’s priorities for nuclear forces or to shift resources to address other defense priorities in the face of long-term budgetary pressures.” The CBO offered “nine options that could be pursued to lower or delay the costs of planned modernization.”

In the “[Approaches for Managing the Costs of U.S. Nuclear Forces, 2017 to 2046](#),” the CBO explained its projections “that the 2017 plan for

nuclear forces would cost a total of \$1.2 trillion from 2017 to 2046...[and] [o]f that amount:

- \$772 billion would be allocated for the operation, sustainment, and modernization of strategic nuclear delivery systems and weapons—the long-range aircraft, missiles, and submarines that launch nuclear weapons; the nuclear weapons they carry; and the nuclear reactors that power the submarines.
- \$25 billion would be allocated for the operation, sustainment, and modernization of tactical nuclear delivery systems—the aircraft capable of delivering nuclear weapons over shorter ranges—and the weapons they carry.
- \$445 billion would be allocated for the complex of laboratories and production facilities that support nuclear weapons activities and the command, control, communications, and early-warning systems that enable the safe and secure operation of nuclear forces.

Further CBO estimated that the “planned modernization would cost \$399 billion through 2046 and include these programs:

- A new ballistic missile submarine (SSBN), designated the Columbia class;
- A new silo-based intercontinental ballistic missile (ICBM) and refurbished silos and other supporting infrastructure for ICBMs through the Ground-Based Strategic Deterrent (GBSD) program;
- A new long-range stealthy bomber, designated the B-21;
- Refurbishment of the current-generation D5 submarine-launched ballistic missile (SLBM);
- A new SLBM to eventually replace the D5;

- A new air-launched nuclear cruise missile, the LongRange Standoff (LRSO) weapon;
- A life-extension program (LEP) for the B61 nuclear bomb that would combine several different varieties of that bomb into a single type, the B61-12;
- A LEP for the B61-12 bomb when it reaches the end of its service life, referred to as the Next B61;
- LEPs for the SSBN-related W76 and W88 warheads;
- A LEP to refurbish the W80 warhead that would be used on the LRSO; and
- A series of LEPs that would produce three interoperable warheads (called IW-1 through IW-3), each of which would be compatible with both ICBMs and SLBMs.”

Afghanistan OIG Assesses Operations

Key Points:

- *A special OIG issued its look at operations in Afghanistan and continues to express concerns about efforts to stand up, equip, and train self-sustaining Afghan security forces*
- *The OIG also considered the Trump Administration’s change in strategy including more frequent air strikes*
- *The OIG noted that the Pentagon denied it unclassified data on Afghan forces*

This week, the Special Inspector General for Afghanistan Reconstruction (SIGAR) released its 37th [quarterly report](#) regarding the reconstruction of Afghanistan and the first in eight years for which that the Department of Defense (DOD) would not provide classified information used by SIGAR to assess U.S. and Afghan efforts.

SIGAR stated that “Afghanistan is at a crossroads...[and] President Donald Trump’s new strategy has clarified that the Taliban and

Islamic State-Khorosan will not cause the United States to leave.” SIGAR stated that “[a]t the same time, the strategy requires the Afghan government to set the conditions that would allow America to stay the course.” SIGAR noted that “[e]fforts are already under way to implement the President’s strategy...[and] [b]efore determining new troop levels for Afghanistan, the Pentagon acknowledged in August that there are more than 11,000 U.S. personnel already on the ground, about 3,000 more than the 8,400 figure previously reported.” SIGAR stated that “[o]n August 31, Secretary [of Defense James] Mattis signed new deployment orders to add over 3,000 troops in Afghanistan, which will bring the total to 14,000–15,000 personnel, not including civilians and contractors.” SIGAR stated that “[t]he force increase is expected to expand the advising mission, increase training for Afghanistan’s special operations forces, and allow for increased provision of U.S. air and artillery strikes in support of Afghan forces.”

SIGAR explained that “[i]n a significant development this quarter, U.S. Forces-Afghanistan (USFOR-A) classified or otherwise restricted information SIGAR has until now publicly reported...[which] include important measures of Afghan National Defense and Security Forces (ANDSF) performance such as casualties, personnel strength, attrition, capability assessments, and operational readiness of equipment.” SIGAR Noted that “USFOR-A said the casualty data belonged to the Afghan government, and the government had requested that it be classified.” SIGAR observed that “[m]ore than 60% of the approximately \$121 billion in U.S. funding for reconstruction in Afghanistan since 2002 has gone to build up the ANDSF, so the increased classification of ANDSF data will hinder SIGAR’s ability to publicly report on progress or failure in a key reconstruction sector.”

SIGAR noted that “[e]fforts are already under way to implement the President’s strategy...[and] [b]efore determining new troop levels for Afghanistan, the Pentagon acknowledged in August that there are more than 11,000 U.S. personnel already on the ground, about 3,000 more than the 8,400 figure previously reported.” SIGAR stated that “[o]n August 31, Secretary [of Defense James] Mattis signed new deployment orders to add over 3,000 troops in Afghanistan, which will bring the total to 14,000–15,000 personnel, not including civilians and contractors.” SIGAR stated that “[t]he force increase is expected to expand the advising mission, increase training for Afghanistan’s special operations forces, and allow for increased provision of U.S. air and artillery strikes in support of Afghan forces.”

Upcoming Hearings and Events

November 7

Nominations: The Senate Armed Services Committee will hold a hearing to consider the following nominations: Robert F. Behler to be Director of Operational Test and Evaluation; Dean L. Winslow to be Assistant Secretary of Defense for Health Affairs; Thomas B. Modly to be Under Secretary of The Navy; and James F. Geurts to be Assistant Secretary of The Navy For Research, Development, And Acquisition.

Aviation Readiness: The House Armed Services Committee’s Readiness Subcommittee will hold a [hearing](#) titled “Aviation Readiness: What’s the Flight Plan?”

Russian Counterterrorism: The House Foreign Affairs Committee’s Terrorism, Nonproliferation, and Trade Europe, Eurasia, and Emerging Threats Subcommittees will hold a [joint hearing](#) titled “Russia: Counterterrorism Partner or Fanning the Flames?”

November 8

U.S. Strategy in Afghanistan and Pakistan:

The House Foreign Affairs Committee’s Middle East and North Africa and Asia and the Pacific Subcommittees will hold a [joint hearing](#) titled “The President’s Plan for Afghanistan and Pakistan: Objectives and Resources.”

November 9

Nominations: The Senate Armed Services Committee will hold a hearing on the following nominations: Robert McMahon to be an Assistant Defense Secretary; Bruce Jette to be an Assistant Army Secretary; and Shon Manasco to be an Assistant Air Force Secretary.

For more information on defense issues you may [email](#) or call Michael Kans at 202-659-8201.

HEALTH

President’s Commission on Opioids Releases Final Report

Key Points:

- *The President’s Commission on Combating Drug Addiction and the Opioid Crisis released its final report making a series of recommendations for prevention, treatment, and research.*
- *The report does not recommend any specific amount of additional funding to address the opioid epidemic.*

On November 1, the President’s Commission on Combating Drug Addiction and the Opioid Crisis released its final report providing 56 recommendations to address the opioid epidemic. These recommendations did not include any specific amount of funding that should be appropriated and instead call on Congress to determine the appropriate level. The report does recommend simplifying the federal grants to remove administrative

burdens for states and directs the Office of National Drug Control Policy to establish a coordinated system to track federal funding across agencies.

The Commission recommends the White House fund a wide reaching media campaign to address both the hazards and danger of opioids and stigma. It also recommends better education for providers to address prescription opioids. The Department of Health and Human Services should develop a curriculum and stand of care on prescribing prescription opioids that builds on previous guidelines issued by the Centers for Disease Control and Prevention. The Commission suggests there must be stronger control to prevent the entrance of fentanyl.

The report also focuses on the importance of improving access to treatment. It calls for all barriers to medication assisted treatment (MAT) to be removed. It also proposes several actions to help ensure screenings for addiction so individuals can be referred to appropriate treatment. The Commission recommends improving access to a range of recovery support services.

One of the Commission's recommendations in its interim report was for the Centers for Medicare and Medicaid Services to lift barriers to treatment. This week, CMS approved waivers in Utah and New Jersey allowing the states to design demonstration projects for Medicaid to pay for opioids use disorder treatments. In Utah, treatments will be expanded to up to 6,000 childless adults. The New Jersey waiver will allow Medicaid fund to pay for residential withdrawal management treatment, MAT, peer supports, and targeted case management.

The Commission's final report can be read [here](#).

Upcoming Hearings and Meetings

November 7

Opioids: The Hill will host a discussion on "America's Opioid Epidemic: Strategies for Prevention."

November 8

Drug Pricing: The Federal Trade Commission will hold a meeting on "Understanding Competition in Prescription Drug Markets: Entry and Supply Chain Dynamics."

MACRA: The House Energy and Commerce Committee will hold a hearing on "MACRA (Medicare Access and CHIP Reauthorization Act) and Alternative Payment Models: Developing Options for Value-based Care."

Opioids: The House Education and the Workforce Committee will hold a hearing on "Close to Home: How Opioids are Impacting Communities."

November 9

Health Workforce: The Alliance for Health Policy will hold a summit on "Care Delivery in the Future: The Role of the Health Care Workforce."

For more information about healthcare issues you may [email](#) or call Nicole Ruzinski Bertsch or George Olsen at 202-659-8201.

TRANSPORTATION

DOT and FAA Releases Details on UAS Pilot Program

Key Point:

- *The agencies roll out the new program to allow at least five jurisdictions to establish innovate drone programs that will likely inform future regulation of UAS*

On November 2, the Department of Transportation (DOT) and Federal Aviation Administration (FAA) have released the [“Notice of the Establishment of the Unmanned Aircraft Systems \(UAS\) Integration Pilot Program \(Program\) and Request for Applications”](#) per the President’s [Presidential Memorandum](#) last week on UAS. The agencies explained that they “are looking for visionary participants to demonstrate effective ways to meet these Program objectives, which will help the DOT to achieve the broader national policy objective of full UAS integration and United States leadership in unmanned aviation and automated technology.” State, local, and tribal jurisdictions that want to participate in the program “must declare an intent to participate in the Program no later than November 28, 2017” and applications will be accepted “through January 4, 2018.”

The agencies noted that “[c]onsistent with the Presidential Memorandum, the DOT has established four objectives for the Program:

- 1) to accelerate the safe integration of UAS into the National Air Space (NAS) by testing and validating new concepts of beyond visual line of sight operations in a controlled environment, focusing on detect and avoid technologies, command and control links, navigation, weather and human factors;
- 2) to address ongoing concerns regarding the potential security and safety risks associated with UAS operating in close proximity to human beings and critical infrastructure by ensuring that operators communicate

more effectively with Federal, State, local, and tribal law enforcement to enable law enforcement to determine if a UAS operation poses such a risk;

- 3) to promote innovation in and development of the United States unmanned aviation industry, especially in sectors such as agriculture, emergency management, inspection services, and transportation safety, in which there are significant public benefits to be gained from the deployment of UAS; and
- 4) to identify the most effective models of balancing local and national interests in UAS integration.

The FAA explained that it will use the lessons learned from the Program to alter UAS regulation going forward. The FAA stated that it “will use the data provided by the Program to advance the overall state of the industry, including the development of enabling regulations that will increase other types of routine drone operations, such as:

- 1) beyond line-of-sight flights – e.g., for pipeline inspections in remote areas and search and rescue operations;
- 2) operations over human beings – such as newsgathering or public safety; and
- 3) package delivery, including the delivery of consumer goods and medical supplies.

The FAA claimed that “[t]he operational experience gained through these partnerships will be used to enable the FAA to more quickly authorize operations that currently require special permission and will inform future policy development to help expand this burgeoning industry.”

For more information on transportation issues you may [email](#) or call Michael Kans at 202-659-8201.

TECHNOLOGY

Hearing On Protecting Consumers' Credit Data

Key Points:

- *A House committee of jurisdiction looks at filling statutory and regulatory gaps in how credit reporting agencies are governed, particularly their data security*
- *However, Republican Members advocate for approaches less sweeping than Democratic Members*

On November 1, the House Energy and Commerce Committee's Digital Commerce and Consumer Protection Subcommittee held a [hearing](#) on "Securing Consumers' Credit Data in the Age of Digital Commerce." Topics discussed in the hearing included: (1) Credit Reporting Agencies; (2) Regulations; (3) Equifax and OPM Breaches; (4) Credit-Freeze vs Credit-Lock; (5) Cybersecurity Recommendations; and (6) Collection of Non-Financial Data.

Subcommittee Chairman Bob Latta (R-OH) asserted that the Equifax data breach was a "stark" demonstration of the responsibilities that credit bureaus have when holding sensitive information. He noted the uncertainty involved in credit reports and said the Committee is looking to examine areas of vulnerability. He recalled last month that the Internal Revenue Service (IRS) had awarded Equifax with a no-bid contract. He stated that a bipartisan [letter](#) was sent to the General Services Administration (GSA) about the agency's consideration of data security practices and awarding government contracts. Latta said there are important questions to be answered regarding the regulatory landscape as well as the relationship between data breaches and identity theft fraud.

Subcommittee Ranking Member Jan Schakowsky (D-IL) said the three credit bureaus are under-regulated, which puts consumer data at risk. She stated that there has been little action in the wake of the Equifax data breach and she asserted that Congress must intervene to ensure changes are made. She noted the "Secure and Protect American Data Act" ([H.R. 3896](#)), which creates special limitations and requires meaningful remedies for breach victims. She called for the industry to engage with lawmakers and called for the passage of bipartisan legislation by the end of the year.

Full Committee Chairman Greg Walden (R-OR) stated that Equifax inexcusably failed to protect consumer information. He emphasized the importance of creating meaningful regulations to ensure that a similar incident is not repeated. He said he is interested in hearing about gaps in regulatory laws and where there is room for improvement.

Full Committee Ranking Member Frank Pallone (D-NJ) said there are too many questions left unanswered regarding the Equifax breach and called for additional hearings with Equifax executives. He argued that credit bureaus profit on the sale of consumer data and stressed the need for improved regulations. He reiterated Schakowsky's comments on the proposed legislation and said the government needs to evaluate additional gaps in the industry.

Consumer Data Industry Association President and CEO Francis Creighton stated that consumer reporting is an important aspect of improving the financial lives of consumers. He argued that the industry is highly regulated and is subject under the Fair Credit Reporting Act (FCRA) and the Federal Trade Commission's (FTC) Safeguards Rule. He stated that current

credit system is one that is envied by other nations and argued that it is the most efficient, fair, and cost-effective credit system in the world. He said individual consumers have the ability to access credit at any time from a wide range of vendors. He said credit reports give vendors facts on consumer behavior and argued that without the system, vendors would make subjective judgements.

Johns Hopkins University Zanvyl Krieger School of Arts and Sciences Adjunct Lecturer James Norton argued that cybersecurity protections have not kept pace with the sophistication of bad actors. He called for a public-private partnership along with the federal government taking the lead for relevant stakeholder meetings; government officials and private sector leaders taking action to ensure that consumers have the necessary tools to protect their own data; and businesses integrating additional cybersecurity measures into their business platforms.

Harvard Kennedy School Adjunct Lecturer in Public Policy Bruce Schneier questioned the current state of the credit industry today. He said consumers are the products of credit bureaus and not the customers—thus putting consumers at risk. He called for a nation-wide credit freeze and free lifetime credit monitoring services; a type of data minimization standard that ensures that only necessary data is being collected; and for Congress to give the FTC authority to set minimum security standards for data brokers and to give consumers more control over their credit data. He said there are potential consequences for foreign trade and national security. He explained that the European Union is currently under a regulatory shift in regards to privacy laws and he argued that breaches in the U.S. provides Europe with an argument that consumer data is not safe in the U.S.

Data Security Hearing

Key Points:

- *A House committee examines issues related to data security arising from the Equifax breach and contemplates legislation*

On November 1, the House Financial Services Committee's Financial Institutions and Consumer Credit Subcommittee held a [hearing](#) entitled "Data Security: Vulnerabilities and Opportunities for Improvement." Topics discussed in the hearing included: (1) Harmonization of Standards; (2) NIST Standards; (3) Gramm-Leach-Bliley; (4) Consolidated Audit Trail; (5) Breach Notification; (6) Title Insurance; (7) Data Collection and Retention; (8) Costs from Data Breaches; (9) Federal Agency Cybersecurity; and (10) Privacy.

Chairman Blaine Luetkemeyer (R-MO) stated more than 15 million Americans were victims of cyber breaches or fraud last year. He noted this was before the Equifax breach. He explained year after year Americans deal with breaches of personal information. Luetkemeyer noted financial firms deal with attempted breaches every day. He suggested data security has turned into a crisis and he suggested the American public deserves better. Luetkemeyer stated Congress needs to discuss how data security liabilities are assessed, how breaches are disclosed, and who is responsible for oversight. He stated he intends to produce data security legislation in the future.

Securities Industry and Financial Markets Association President and Chief Executive Officer Kenneth Bentsen, Jr. stated there is likely no greater threat to financial stability than a large scale cyber threat. He stated cybercrime is now a larger global enterprise than the drug trade. Bentsen stated no single sector has the resources to protect the markets on their own.

He stressed the need for collaboration and partnerships between the public and private sector. He stated regulators have proposed or implemented over 30 new cyber rules. He stated some of these regulations are duplicative or overlap. Bentsen noted that SIFMA has identified a number of best practices for data protection. He stated that firms need to review the need for sensitive data, review their controls for this sensitive data, and should destroy sensitive data once it is no longer needed. Bentsen noted the development of the Consolidated Audit Trail (CAT) and he suggested it will be important that this database not pose additional risk. He stated the current plan raises serious data security concerns as the database will include personally identifiable information (PII). He expressed skepticism that the current plan will be able to properly protect PII. Bentsen suggested that proper cybersecurity measures should be in place before the CAT goes on line.

U.S. Public Interest Research Group Consumer Program Director Edmund Mierzwinski noted the Minority day hearing on Equifax. He stated Equifax failed to protect data then failed to disclose the breach. He explained Equifax is in a highly regulated industry but is also a data broker. He suggested there are thousands of under regulated data brokers in the industry. Mierzwinski noted that consumers have no control over their personal information. He explained consumers are not the clients but are the product. He suggested without controls, consumers can do little to protect their data. Mierzwinski stated the credit freeze laws were intended to provide some consumer controls. He suggested expanding the availability of free credit freezes. He noted Ranking Member Maxine Water's (D-CA) bill to reform the credit agencies. He stated the flaw in Gramm-Leach-Bliley (GLB) needs to be reviewed as the CFPB should have authority over the credit bureaus. He stated the states are privacy

innovators and first responders. He expressed support for protecting the rights of the states and narrow federal breach laws should not supersede stronger state laws.

Mission Federal Credit Union President and Chief Executive Officer Debra Schwartz (on behalf of the National Association of Federally-Insured Credit Unions) stated data security needs to be everyone's responsibility. She noted NAFCU supports data security measures to properly protect personal information. She stated there is no similar structure as that created under the Gramm-Leach-Bliley Act. Schwartz stated Gramm-Leach-Bliley requires businesses to install controls based on the risks of their business. She explained data security breaches can result in fraudulent losses, damaged credit scores, and identity theft. She noted when credit unions have to respond to data breaches this costs money which cannot be used for other services. Schwartz stated NAFCU has established guiding principles for data security such as: payment of breach costs by the breached entities; national standards for safekeeping information; data security policy disclosure; notification of the account servicer; disclosure of breached entity; enforcement of prohibition on data retention; and burden of proof in data breach cases. She suggested that consumers have the right to be notified in a timely manner. She expressed support for the "Data Security Act of 2015" ([H.R. 2205](#) in the 114th Congress) which would have set a national data security standard.

Health IT Hearing

Key Points:

- *The Senate HELP Committee begins oversight of the 21st Century Cures Act by assessing how well the health information technology provisions have been implemented, including blocking and interoperability*

On October 31, the Senate Health, Education, and Labor Committee held a [hearing](#) entitled “Implementation of the 21st Century Cures Act: Achieving the Promise of Health Information Technology.” Topics discussed in the hearing included, but were not limited to: (1) electronic health records; (2) Trusted Exchange Framework; (3) medical devices; (4) President’s Budget; (5) information blocking; (6) interoperability; (7) telehealth; and (8) value-based payments.

Chairman Lamar Alexander (R-TN) said the “21st Century Cures Act” (the Cures Act or Cures) (P.L. 114-255) was passed last year and the Committee was holding its first hearing on its implementation and noted that the hearing would focus on the health information technology (IT) provisions of Cures. Alexander said electronic health records (EHR) are essential to many portions of Cures, including the Precision Medicine initiative. He stated that in working on Cures the Committee found that the nation’s system of EHR was “in a ditch.” He said since 2011 the U.S. has spent \$37 billion incenting hospitals and doctors to install EHR systems through the Meaningful Use program in Medicare and Medicaid. He said Meaningful Use Stage 3 was described as “terrifying,” as the program was moving too fast. He emphasized the importance of interoperability. He said the Committee held six hearings in 2015 on EHR. Alexander explained that the goal of the health IT provisions in Cures was to make it easier for patients to access their records and for doctors and hospitals to get the information they need. He said Cures set clear deadlines for the administration to meet and he was interested in learning about the status of implementation.

Ranking Member Patty Murray (D-WA) asserted that the Committee found common ground on the need to improve EHR. She emphasized the importance of modernizing

health IT and noted that some progress has been made. She stated Cures provided additional tools to advance this effort and Cures empowers providers and patients with more information. She contended the Committee must ensure that the administration is implementing Cures in the way Congress intended, which includes making strong investments. She expressed concern about the President’s request for Congress to slash the Office of the National Coordinator’s (ONC) operating budget, suggesting that this would impede efforts to improve EHR. She noted that the President’s budget did not include any provisions related to information blocking and contended the agencies involved must have the funding they need to continue this effort. She acknowledged that the Trump Administration has continued the Obama Administration’s effort to support the development of a framework for trusted exchange of health information.

Deputy National Coordinator for Health Information Technology Jon White, M.D. expressed gratitude to Congress for its leadership in passing Cures. He said ONC is focused on three framing questions: (1) can patients access their data in a secure, straight forward, and consumer-friendly way; (2) can payers assess the quality and value of the care they purchased and can clinicians provide outstanding care for entire populations; and (3) how to define an openly published application programming interface (API) which gets information to the right people without special effort. White asserted that ONC is deeply engaged in supporting the implementation of Cures, particularly Title IV. He said they will work with the Secretary of Health and Human Services (HHS) to establish a goal, a strategy, and recommendations to reduce regulatory or administrative burdens. He noted that the Trusted Exchange Framework and Common Agreement (TEFCA) will be a critical

component of nationwide network-to-network of information exchange. White said ONC is working to implement the information blocking provisions in Title IV and is working to improve the ease with which patients and providers can provide and receive medical information.

HHS Office of Inspector General (OIG) Senior Counselor for Health Information Technology James A. Cannatti III asserted that while the OIG's mission is to protect the integrity of HHS programs, he noted that historically OIG had not authority to take action on information blocking alone. He explained that the Cures Act empowered the OIG to directly address information blocking and noted that ONC has been tasked with rulemaking in this area. He claimed that the OIG intends leverage its new authorities to change behavior in the industry, which can be accomplished through clear rules of the road and targeted enforcement. Cannatti said the Cures Act information blocking provisions cover a wide range of behaviors and noted that the OIG has held more than a dozen stakeholder meetings on information blocking. He said OIG has been working diligently to prepare to enforce the information blocking provisions of the Cures Act.

Upcoming Hearings and Events

November 7

IOT & Rural Areas: The Senate Commerce, Science & Transportation Committee's Communications, Technology, Innovation, and the Internet Subcommittee will hold a [hearing](#) titled "Advancing the Internet of Things in Rural America."

DHS Science and Technology Directorate: The House Homeland Security Committee's Emergency Preparedness, Response, and Communications Subcommittee will hold a

[hearing](#) titled "How Effective Is The Science And Technology Directorate?: Stakeholder Perspectives."

November 8

Data Security: The Senate Commerce, Science & Transportation Committee will hold a [hearing](#) titled "Protecting Consumers in the Era of Major Data Breaches."

DHS Secretary Nomination: The Senate Homeland Security & Governmental Affairs Committee will hold a [hearing](#) to consider Kirstjen Nielsen's nomination to be the Secretary of Homeland Security.

November 9

DHS Secretary Nomination: The Senate Homeland Security & Governmental Affairs Committee will hold a business meeting to vote on Kirstjen Nielsen's nomination to be the Secretary of Homeland Security.

For more information on technology issues you may [email](#) or call Michael Kans at 202-659-8201. Rebecca Konst, Alex Barcham, Henry F. Homans, Cullen Neely, and Michaela Boudreaux contributed to this section.

TRADE

ITC Recommends Remedies for Solar 201 Case

Key Point:

- The ITC recommended various trade remedies and suggested that President Trump should negotiate with China to address the root of the problem.

On Tuesday, the U.S. International Trade Commission (ITC) proposed various remedies for President Trump to consider. The ITC proposed a four-year tariff-rate quota of 10

percent, with the tariff to be raised to 30 percent should the quota be exceeded. The ITC also suggested that President Trump begin negotiations with various countries “to address the underlying cause of the increase in imports of crystalline silicon photovoltaic cells (CSPV) and alleviate the serious injury thereof.” Commissioner Meredith Broadbent encouraged President Trump to begin negotiations with China, which is the primary contributor to global solar excess capacity. The ITC also proposed that imports from Australia, Canada, Colombia, Israel, Jordan, Panama, Peru, Singapore, and members of the Central American and Dominican Republic FTA and the Caribbean Basin Economic Recovery Act be excluded from remedies. President Trump will consult with the U.S. Trade Representative (USTR) to determine which remedies should be put in place. The USTR will hold a hearing on remedies on December 6 and President Trump has until January 12 to announce his decision.

Sixth Round of NAFTA Scheduled for December

Key Points:

- The fifth round of talks are scheduled for November 17-21 in Mexico City.
- The sixth round of NAFTA negotiations will take place in Washington, D.C. during December.

The three NAFTA countries agreed that the sixth round of negotiations will take place in December but will not be attended by USTR Robert Lighthizer, Canadian Foreign Affairs Minister Chrystia Freeland, and Mexican Economy Secretary Ildefonso Guajardo. They will not attend because of a scheduling conflict with the World Trade Organization ministerial that will take place from December 10 to 13.

During the sixth round, the parties will determine a schedule for talks in 2018.

For more information on trade issues you may [email](#) or call Christopher Hatcher at 202-659-8201. Riyad Carey contributed to this section.

This Week in Congress was written by Ryan Schnepf.