Schedules: White House and Congress

WHITE HOUSE

- 11am: President Trump welcomes 2019 College Football champions LSU Tigers to White House
- 2:30pm: Trump departs White House en route to Palm Springs, Florida
- 6:30pm: Trump participates in roundtable with supporters in at his Mar-a-Lago resort in Palm Beach
  - 7pm: Trump delivers remarks at joint finance committee dinner

CONGRESS

- Senate returns Tuesday to begin impeachment trial against President Trump
- Next House votes expected Monday at 6:30pm

Congressional, Health Policy, and Political News

- **Surprise Billing:** Speaker Nancy Pelosi (D-Calif.) said yesterday the House will address the issue of surprise medical billing when it returns from a week-long recess, Kathleen Miller reports. The heads of the House Ways and Means and Energy and Commerce committees have been working on competing versions of surprise billing legislation.

- **Quick ACA Review Has Pitfalls for GOP:** Democrats don’t want to wait for a Texas federal judge to strike down Obamacare for a second time. They want the Supreme Court to intervene now and decide once and for all the fate of a law millions of people have come to rely on, signaling they see a political advantage to a ruling in the case ahead of the 2020 presidential election even if they lose in court. Major hospital, health insurance, disease research, and patient advocacy groups are also asking the high court to move quickly.
  - The justices could decide to take the case or let it go back to the Texas federal judge for another review, which is what the U.S. Court of Appeals for the Fifth Circuit had ordered. If the latter happens, a final answer will be delayed. Judge Reed O’Connor of the U.S. District Court for the Northern District of Texas has already declared the entire law unconstitutional before. But if the Supreme Court rules this year that the ACA is unconstitutional, it could pose major problems for policymakers and elected officials. Without a replacement plan ready, Republicans would likely see backlash at the ballot box.

- **Giuliani’s Tangled Role Skirts Conflicts, Tests Laws:** Sometimes Giuliani says he’s “private counsel” to private citizen Trump. Other times the president says Giuliani is acting on the White House’s behalf. And on occasion, he’s a political surrogate hitting the trail for Trump’s 2020 campaign. Giuliani’s overlapping efforts helped trigger Trump’s
impeachment by the Democratic-controlled House and are sure to come up during the impeachment trial.

- Complicating it all, Giuliani says he’s working for Trump at no charge, but he continues to represent law clients domestically and internationally, deliver paid speeches and perform consulting work. Whether everything Giuliani did was legal is a separate issue that will fall to the Justice Department.

- **Pelosi, McConnell Guide Infrastructure Push:** Impeachment has dominated House and Senate leadership discussions this month, but there are plans in both chambers to move soon on infrastructure proposals that promise lawmakers running for re-election billions in projects. Speaker Nancy Pelosi (D-Calif.) said yesterday she wants to unveil a long-awaited infrastructure plan when lawmakers return from recess the week of Jan. 27. Senate Majority Leader Mitch McConnell (R-Ky.) has told Republican chairmen to ready for the floor a highway and transit bill on hold since last summer.

- The behind-the-scenes effort, which Pelosi peeled back the curtain on, is underway to finally pursue the other “I-word” that received early interest from Trump, even as an impeachment trial starts in the Senate. Both sides want to give their members more to campaign on next fall, and bills that promote transportation and other projects are seen as sure winners with voters, lawmakers and other insiders said.

- **Senate Extends Power to List Fentanyl Among Dangerous Drugs:** Senators moved to extend the Justice Department’s authority to place fentanyl-like substances on the list of most-strictly controlled drugs into 2021. The Senate passed legislation yesterday by unanimous consent that would extend for 15 months the Drug Enforcement Administration’s expiring order that has allowed the government to classify all new fentanyl-like substances as the most dangerous and stringently regulated Schedule I drugs. The order is set to expire in February.

- **Lawmakers Warn Against Africa Pullout:** Senate Armed Services Chairman Jim Inhofe (R-Okla.) warned that reducing U.S. troop presence on the African continent is “shortsighted,” would undermine counter-terrorism efforts and make room for China and Russia. “Recent actions by China and Russia clearly demonstrate that both countries view Africa as a critical battlefield to fulfill their global ambitions and challenge U.S. interests,” Inhofe said on the Senate floor yesterday.

- Inhofe’s call follows a bipartisan House letter to Defense Secretary Mark Esper raising alarm about a possible drawdown of forces in Africa. Inhofe is also calling for assigning U.S. troops to Africa Command on an “enduring basis” and providing predictable resources.

- Separately, Sens. Lindsey Graham (R-S.C.) and Chris Coons (D-Del.) said they have “serious concern” about reports of a possible withdrawal of American troops from West Africa. The forces in the region serve “as a check against the growing presence of near-peer competitors like China and Russia,” the lawmakers wrote in a letter to Esper released yesterday. “We must not forget the continued threat from violent extremist to our interests and our homeland,” they wrote.
**FBI Will Report Cyber Breaches to States:** The FBI plans to notify both state and local officials if election systems are breached, marking a change from past elections when only local officials needed to be notified. “The FBI’s new policy mandates the notification of a chief state election official and local election officials of cyber threats to local election infrastructure,” the bureau said in a statement yesterday.

**Georgia’s Election Systems Feared at Risk in 2020:** The state of Georgia’s new voting system may be at risk of a cyber-attack leading up to the 2020 election because the state failed to eradicate malware that exposed sensitive data six years ago, a cybersecurity expert said as part of a lawsuit against the state. A server central to Georgia’s election system was infiltrated and taken over by a hacker in 2014, according to Logan Lamb, a cybersecurity expert who is part of a lawsuit between voting integrity advocates and the state over the election system. The server was wiped and taken offline in 2017, but the contract between Georgia and its new vendor, Dominion Voting Systems, indicates old data was “imported” into the new system.

**Pompeo, Esper Press South Korea for Troop Costs:** The Trump administration told South Korea it needed to pay more for hosting U.S. troops, delivering its message in the Wall Street Journal about a day after talks between the two failed to strike a new funding deal. “We must find a better way to share the costs of defense with South Korea and secure a stable and prosperous future for the Korean people,” Secretary of State Michael Pompeo and Secretary of Defense Mark Esper wrote in an op-ed published under the headline “South Korea Is an Ally, Not a Dependent.” “As a global economic powerhouse and an equal partner in the preservation of peace on the Korean Peninsula, South Korea can and should contribute more to its defense.”

**U.S. Warship Sails Taiwan Strait:** A U.S. warship sailed through the Taiwan Strait, after Trump signed a trade deal with China and Taiwan re-elected a leader seeking greater American military support to counter a threat from Beijing. The U.S. Navy’s trip through the narrow waterway separating the island from the Chinese mainland yesterday was announced in a statement by the Taiwanese Ministry of National Defense. The U.S. Seventh Fleet confirmed that a “routine” Taiwan Strait transit was conducted by the USS Shiloh, a Ticonderoga-class guided-missile cruiser.

**Khamenei Says Iran Strike Dealt Severe Blow to U.S.:** Supreme Leader Ayatollah Ali Khamenei said Iran had delivered a “slap to the U.S.’s image as a superpower” in this month’s military confrontation, seeking to rally Iranians around an embattled establishment as he led Friday prayers in Tehran for the first time in eight years. His comments came amid unprecedented international scrutiny over the Islamic Revolutionary Guard’s unintentional shooting down of a Ukrainian passenger plane just hours after Iran had fired missiles into bases in Iraq housing American troops, without causing casualties. That attack was in retaliation for the killing of a top Iranian commander by the U.S.
• **Counter-Narcotics Funds for Wall:** The Homeland Security Department asked to use the Pentagon’s counter-narcotics funds to pay for the construction of 270 miles of border wall, the Associated Press reported yesterday, citing defense officials. The Pentagon is starting a two-week assessment to determine what will be approved, officials told the AP. Officials didn’t provide a cost estimate.

• **Trump Pushes Mexico on Drug Gangs:** Trump is pushing Mexico to do more to confront drug cartels over concerns about narcotics and violence coming from the U.S. southern border, topics that lead the agenda for a visit by his top law enforcement official yesterday. Mexican officials hosted U.S. Attorney General William Barr in Mexico City for the second time in as many months, the latest instance of an ongoing conversation between the two countries. A Department of Justice official said the purpose of Barr’s trip is to have high-level meetings on joint counter-narcotics efforts.

• **Army Pauses $45B Program That Got 1 Bid:** The Army is declaring a “tactical pause” in its projected $45 billion program to replace the Bradley Fighting Vehicle after General Dynamics was deemed the only qualified bidder and the service acknowledged its requirements were too hard to meet. “The Army asked for a great deal of capability on a very aggressive schedule,” Army weapons buyer Bruce Jette told reporters at the Pentagon yesterday.

• **Trump Signs Puerto Rico Aid:** Trump designated Puerto Rico a major disaster area after a series of earthquakes shocked the bankrupt island, damaging power plants, school buildings and homes, according to Rep. Jenniffer Gonzalez, Puerto Rico’s non-voting member in the House. Trump signed the declaration yesterday, Gonzalez said in a tweet. Trump’s support arrives the same day that House Democrats released a $3.35 billion supplemental funding bill to assist Puerto Rico with earthquake recovery.

• **Trump Taps Two for Fed Board:** Trump announced in a statement yesterday of his intention to nominate Judy Shelton and Christopher Waller to be members of the board of governors of the Federal Reserve. Trump nominated Shelton for the remainder of a 14-year term expiring in January 2024. Waller was nominated for the remainder of a 14-year term expiring in January 2030.

• **Work Rule May Cost 850,000 Food Benefits:** As many as 850,000 Americans could lose access to nutrition benefits under a new Trump administration rule, the District of Columbia, New York City, and 14 state attorneys general say in a multi-state lawsuit. The complaint filed yesterday against the Agriculture Department and Secretary Sonny Perdue claims states are being illegally barred from waiving work requirements for Supplemental Nutrition Assistance Program, or SNAP, recipients living in areas with high unemployment. SNAP benefits, formerly known as food stamps, would effectively be unavailable to those populations if the rule takes effect on April 1, according to the complaint.
• **Bailout Means Farmers Emerge Optimistic:** Trump is boasting that he’s made farmers “really happy.” He’s not wrong, but it’s not just the trade deal that’s left farmers optimistic for 2020. Analysts are saying the accord signed this week mostly just takes trade back to normal for American agriculture. China has committed to $32 billion in additional purchases over two years, but that buying will be market dependent and retaliatory tariffs are still in place. Even the status quo is still a welcome relief after more than a year of escalating tensions. The thing that’s really moved the needle for farmers is Trump’s $28 billion farm bailout. The trade aid meant incomes rose in a year when they were widely expected to fall.

• **U.S. to Tighten Control Over Economic Data:** The U.S. Labor Department said it will ban computers from the room where journalists receive advance access to major economic reports such as employment and inflation figures, in an effort to ensure a level playing field. Currently, the department hosts “lockups” in Washington for major reports lasting 30 to 60 minutes, where journalists receive the data in a secure room, write stories on computers disconnected from the internet, and transmit them when connections are restored at the release time. Other electronic devices such as smartphones were already prohibited.