Schedules: White House and Congress

WHITE HOUSE

- 1:15pm: President Trump departs White House for Michigan
- 3:35pm: Trump arrives in Warren, Mich. to tour a manufacturing plant
- 4:20pm: Trump delivers remarks at USMCA event
- 7:10pm: Trump arrives in Des Moines
- 8pm: Trump holds campaign rally; arrives back at White House at 12:20am
- 10am: White House aide Kellyanne Conway, ONDCP Dir. Jim Carroll, Asst. Sec. of Public Health Brett Giroir hold press briefing
- 10:30am: VP Mike Pence holds campaign rally in Sioux City, Iowa; speaks at Veterans for Trump event at 2:30pm, speaks at Trump rally at 7:30pm

CONGRESS

- Senate resumes impeachment trial with second day of questions from senators; questions will continue for up to eight hours
- House meets at 9am; first votes expected 11:30am
- House to consider amendments to H.R. 550; one would prohibit federal funds from being used for military action against Iran unless Congress declares war or specifically authorizes it and another would repeal the 2002 Authorization for the Use of Military Force

Congressional, Health Policy, and Political News

- Uncertain Economic Outlook for Medicare for All: Democratic presidential candidate Bernie Sanders' "Medicare-for-All" plan could expand the economy or shrink it by nearly a quarter -- it all depends on how it is paid for, according to new analysis. If Sen. Sanders (I-Vt.) were to fund his universal health plan with premiums individuals pay to the government, the economy could grow by about 0.2% by 2060, according to estimates from the Penn Wharton Budget Model. Cut out dental and long-term care from the services covered and that figure increases to 12% gross domestic product growth thanks to overhead savings.
  - But, lawmakers beware: Medicare for All financing could also result in a decidedly different economic future. Paying for the program with a payroll tax increase could decrease GDP by 15% by 2060, the report said. If Congress didn’t come up with any offsets and financed the spending with debt, economic growth would contract by 24% over the next four decades.

- Azar Urged to Pull Foreign Drug Cost Plan: A coalition of Republican-aligned advocacy groups sent a letter to Azar today urging him not to finalize a plan to tie the prices for some
medications in the U.S. to their price tags overseas. The coalition, which includes influential organizations like Grover Norquist’s Americans for Tax Reform and FreedomWorks, said that the Trump administration’s proposed International Reference Pricing proposal bucks GOP ideology and could discourage investment in new medicines.

- **Surprise Billing**: House Ways and Means Chairman Richard Neal (D-Mass) Neal said yesterday that details of his panel’s surprise billing proposals will come out next week, followed by a hearing the week of Feb. 12.

- **HHS Nomination**: The Senate Finance Committee will hold a hearing on Feb. 5 to discuss the nomination of Sarah C. Arbes to be an assistant secretary of Health and Human Services, according to a statement yesterday from Chairman Chuck Grassley (R-Iowa).

- **More Questions Today**: Senators will have eight more hours today to question Trump’s lawyers and the House managers. The first day’s questions covered a variety of issues including whether abuse of power is an impeachable offense, when Trump began seeking an investigation of former Vice President Joe Biden, what witnesses could be called in addition to Bolton, and Chief Justice John Roberts’ role in handling witnesses’ testimony.

- **Standoff Over Ukraine Chapter in Bolton’s Book**: Bolton’s attorney said he is still waiting to hear back from the White House after asking last week to expedite the classification review for the Ukraine portion of his client’s book in case he’s called to testify in the impeachment trial. Attorney Chuck Cooper yesterday released a Jan. 24 email that told the National Security Council, “Given that Ambassador Bolton could be called to testify as early as next week, it is imperative that we have the results of your review of that chapter as soon as possible.”

- **House Clears Fentanyl Authority Bill**: The House yesterday cleared a bill that would extend into 2021 the government’s power to categorize new, illicit types of fentanyl as illegal in the hope it will help law enforcement curb the influx of the powerful synthetic opioid into the U.S. The House voted 320-88 to clear for Trump’s signature the Senate-passed bill (S. 3201) that will extend for 15 months the Justice Department’s temporary power to place fentanyl-adjacent substances on the list of most-strictly controlled drugs.
  - Justice officials have been urging lawmakers for months to extend the powers or make them permanent, a message that’s resonated with lawmakers from areas of the country hit hard by the national opioids epidemic. “I don’t want to leave my constituents vulnerable to a lethal substance that’s killing them on a day and weekly basis,” Rep. Ann McLane Kuster (D-N.H.) said.

- **House Passes Big Credit Reporting Changes Bill**: Credit reporting companies would have to remove negative data more quickly and give consumers more tools to dispute information they believe is inaccurate under a package of bills passed by the House yesterday. The legislation, passed by a 221-189 vote, calls for major changes in business practices by Equifax, Experian, TransUnion and rival firms. It would also expand the Consumer Financial Protection Bureau’s power to validate credit scores and prohibit certain
practices used to calculate them. The legislation faces long odds of passage by the Republican-controlled Senate, where some majority lawmakers say the government shouldn’t get involved in managing a private-sector process.

- **Bill Would Let Parents Sue Over Kids’ Privacy Violations:** Rep. Kathy Castor (D-Fla.) is trying to overhaul decades-old online protections for children by giving parents the right to sue companies and expanding privacy coverage to teenagers. Castor is introducing a bill today that would dramatically change the enforcement of the Children’s Online Privacy Protection Act (COPPA) that was signed into law in 1998. If it becomes law, it would affect large technology companies that host content directed toward children, including Google’s YouTube, which has faced fines for kids’ privacy violations. “Look at the size of the tech companies these days and the struggle that the FTC has had to keep them in line with the law,” Castor, a member of the House Energy and Commerce Committee, said in an interview.

- **Graham Proposal Could Expose Apple, Facebook to Lawsuits:** Sen. Lindsey Graham (R-S.C.) is also targeting giant internet platforms with a child protection measure that could threaten tech companies’ use of encryption and a liability exemption they prize. The draft bill from Graham, who chairs the Senate Judiciary Committee, mounts a double attack against encrypted services such as Apple’s iCloud and Facebook’s WhatsApp chat. It removes technology companies’ immunity to lawsuits by victims for violating child exploitation and abuse statutes and it lowers the standard to bring such cases.
  - The bipartisan measure, which hasn’t yet been formally introduced, would affect a wide range of social media companies, cloud service providers, email and text platforms and other technology services. It could put Facebook in the government’s crosshairs for its plans to encrypt all of its messaging apps and undercut Apple’s refusal to create back doors into its devices and services.

- **House Vote on Union-Backed Bill Sets Up Test for 2020 Elections:** A bill that would make the most significant changes to labor law in generations is shaping up to be a litmus test in the fall elections, as union and business lobbyists pressure lawmakers in both chambers ahead of a vote in the House next week. Support for the Protecting the Right to Organize Act (H.R. 2474) is a prerequisite for House lawmakers who want union support in reelection battles. The bill amounts to a union wish-list of legislative changes, including eliminating right-to-work laws, making it harder to classify workers as independent contractors, and imposing penalties against employers who retaliate against unionizing drives.

- **Student Loan System Target of Overhaul:** A task force of college presidents and former lawmakers called on Congress today to overhaul the federal student loan program in recommendations for reauthorizing the Higher Education Act. The Bipartisan Policy Task Force also urged a $5 billion state-federal matching grant program to improve student outcomes and a $9 billion increase in federal spending on the federal Pell grant program, among 45 recommendations to Congress. Congress hasn’t reauthorized the Higher
Education Act, the federal law governing student aid programs, in more than a decade, and leading lawmakers are in talks over a bipartisan deal to update the law.

- **Trump Counter-Programs Iowa Caucuses:** Trump doesn’t want Democrats to grab all the attention as the Iowa caucuses near, and is looking to steal back some of the political limelight. The Republican Party and the Trump campaign have planned days of counter-programming to the Democratic caucuses: Events spread all over the state, backed by cabinet secretaries and the president’s children and topped by a rally tonight headlined by the candidate himself. Trump isn’t facing a viable primary threat. Traditionally, unchallenged incumbents often stand back and let the opposing party’s candidates battle among themselves for the nomination. But Trump has decided to put himself front and center. Earlier this month, he held a Milwaukee rally on the same day as the Democratic candidates’ seventh debate, in Des Moines, Iowa, giving politically oriented viewers a choice of what to watch.

- **Biden Tries to Upstage Trump Before Rally:** Former Vice President Joe Biden will try to deflect some of the attention from Trump’s rally in Des Moines, with a pre-rally speech that’s also intended to convince Iowa Democrats that he’s best suited to represent the party’s standard-bearer in November. The speech is not expected to address the details of impeachment, a campaign official said on the condition of anonymity to preview the address. Rather, Biden will focus on the broader choice voters have in Monday’s caucuses, arguing that no progress can be made on the issues important to Democratic voters unless Trump is defeated.

- **Kochs vs. the Mercers in the Right’s Big Tech Brawl:** Not long ago, conservative lawmakers, think tanks, and trade groups were unified in their calls for a light regulatory approach to business. More recently, they’ve been waging a bitter war over whether and how to rein in Silicon Valley’s biggest companies. The fight has split the right wing into an anti-Big Tech camp made up mostly of social conservatives and a faction composed of more traditional pro-business groups that supports the internet giants. Such hammering could make it harder for the internet platforms under federal and state antitrust investigation to beat back legislation to break them apart or win over public opinion. It could also cause the platforms to lose a cherished legal immunity, called Section 230, that protects them from many lawsuits.

- **Coronavirus Outbreak Spreads to India:** The coronavirus death toll rose to 170 and confirmed cases in China soared past 7,700, as the outbreak spread to India and the Philippines for the first time. With the disease spreading across the globe, the World Health Organization is gathering today to consider issuing a health emergency.
  - The White House named members of the president’s Coronavirus Task Force, a 12-member group led by HHS Secretary Alex Azar and coordinated through the National Security Council. The task force has been meeting since Monday. The White House said the risk of infection for Americans remains low.
o China’s promises in its phase-one trade deal to increase purchases from the U.S. -- which experts already were calling “unrealistic” -- will be even tougher to fulfill now that the virus is hammering demand and interfering with supply chains. In the first year of the deal, which takes effect in mid-February, China committed to buy an extra $76.7 billion worth of American goods beyond what it purchased in 2017, and an additional $123.3 billion in the second year. As the coronavirus spreads, attention is focusing on Article 7.6 of the agreement, which states the U.S. and China will consult “in the event that a natural disaster or other unforeseeable event” delays either nation from complying with the agreement.

• **Navy Leader Seeks Drone Ships**: The U.S. Navy must do better at persuading skeptics on Capitol Hill to invest in a variety of unmanned ships, acting service Secretary Thomas Modly said. The service risks falling behind in what it hopes will be a crucial component of its fleet to counter rising powers such as China, Modly said at an event held yesterday by the Washington think tank Center for Strategic and Budgetary Assessments. “We are going as fast as we can in terms of the funding we are getting for it, and we’re trying to make the case for more of this,” Modly said.

• **Duterte Declines Trump Invite**: Philippine President Rodrigo Duterte said he declined Trump’s invitation for a summit with Southeast Asian leaders in March and is prohibiting his Cabinet officials from going to America. Duterte said his decision to skip the U.S.-Asean summit was “for strategic and geopolitical reasons.” He rejected criticisms that his decision to end the Visiting Forces Agreement with the U.S. was out of a whim after the U.S. visa of Senator Ronald dela Rosa, Duterte’s former police chief who oversaw the deadly drug war, was canceled.

• **Flynn Can Get Probation**: U.S. prosecutors pulled a surprising about-face by backing Trump’s former National Security Adviser Michael Flynn’s request for probation even though he didn’t provide substantial assistance to their probes. Flynn pleaded guilty to lying to federal agents about his contacts with a Russian ambassador. Only a few weeks ago the U.S. government’s position was that he should get as long six months in jail. But in a court filing yesterday, lawyers for the government wrote that the U.S. “agrees with the defendant that a sentence of probation is a reasonable sentence.”