Schedules: White House and Congress

WHITE HOUSE

- 12:15pm: President Trump delivers remarks at White House Summit on Human Trafficking
- 4pm: Trump departs White House for his resort in West Palm Beach, Florida

CONGRESS

- Senate resumes at court of impeachment; will start with two hours of arguments from each side, then the Senate is likely to vote on the question of calling witnesses
  - Republican Sen. Lamar Alexander said he will vote against calling witnesses in impeachment trial, all but closing off chances that Democrats can secure new evidence and making it increasingly likely trial will wrap up as soon as today
  - If the witness vote fails, the chamber would likely move toward a vote on final judgment on the two impeachment articles against Trump

Congressional, Health Policy, and Political News

- Medicaid Block Grants for States: States could start receiving a set amount of federal funding for Medicaid under a new plan announced by the White House. The plan, announced in a letter released yesterday, lets the federal government give states a lump sum to spend on Medicaid instead of the currently unlimited amount of funding it can provide, which grows and shrinks based on state need. Block grant proponents say that providing states a set amount of funding could better control rising costs and enrollment in the Medicaid program. Opponents, including patient advocates and some Democrats, worry it could lead to big cuts in the program and a reduction in the number of people able to get care.
  - Seema Verma, administrator of the Centers for Medicare and Medicaid, said in a statement the proposal is “designed to promote the program’s objectives while furthering its sustainability for current and future beneficiaries, and achieving better health outcomes by increasing the accountability for delivering results.” But top congressional Democrats and some attorneys say such a policy would conflict with the federal Medicaid law and other statutes because they argue it would adjust the amount of federal funding given to states.
  - States would need to seek permission from the CMS in the form of a waiver to receive the block grants, according to the letter. They will be able to get lump sums under the plan only for people who got Medicaid through Obamacare or other non-
disabled adults. Verma told reporters that the policy doesn’t waive any requirements under the law or change how states receive federal funding. The White House feels it is on “very strong legal standing,” she said. The policy received review and approval from the Office of Management and Budget, she said.

- **New Surprise Billing Measure Sought:** House Education and Labor Chairman Bobby Scott (D-Va.) said yesterday that his panel is planning to mark up new legislation in two weeks that deals with unexpected medical costs. Scott in an interview said a new bill will be drafted, as opposed to taking up a bill from the House Energy and Commerce Committee. Scott added that his aides are in discussions with the Senate Health, Education, Labor, and Pensions Committee for a “bipartisan, bicameral” deal that could win over Chairman Lamar Alexander (R-Tenn.).

- **Parnas Says He Can Offer Evidence:** Lev Parnas, an associate of Rudy Giuliani, withdrew his request for permission to provide government evidence from his criminal prosecution to House Democrats pursuing Trump’s removal, saying he no longer needed the court’s approval. Parnas said at a hearing in federal court in Manhattan yesterday he was able to access the material directly from Apple’s iCloud without relying on a version produced by prosecutors.
  - Parnas, who is charged with breaking campaign finance law, has been turning over evidence in his case to the House Intelligence Committee in response to a subpoena he received before he was arrested in October. He’s given Congress two sets of evidence produced by prosecutors from his iPhone and earlier this month sought permission to disclose a third set from his iCloud account.

- **Pompeo Affirms U.S. Support for Ukraine:** Secretary of State Michael Pompeo sought to reassure Ukraine that it retains America’s unwavering support, despite Trump’s impeachment saga and his own recent remarks about the eastern European nation. “Ukraine is an important country,” Pompeo said today in Kyiv alongside Ukraine President Volodymyr Zelenskiy. He called the nation a “bulwark between freedom and authoritarianism.” The top U.S. diplomat is visiting Kyiv as Trump’s impeachment trial continues following revelations last year that the president withheld military aid to pressure Ukraine into investigating the family of former Vice President Joe Biden, a potential rival in the 2020 election.

- **A Sanders Iowa Win Could Prolong Primary Fight:** The increasing likelihood that Sen. Bernie Sanders (I-Vt.) could win Monday’s first-in-the-nation caucus threatens to fundamentally redraw the path to the Democratic presidential nomination and challenge the conventional wisdom that there are only “three tickets out of Iowa.” Iowa often acts more as a bar bouncer than a kingmaker, culling the field but not anointing a leader. Candidates strive to finish in at least the top three to seize some momentum as they speed toward later nominating contests. But there are reasons to question whether that thinking still applies. Four candidates are closely clustered at the top of the polls. National front-runner Joe Biden, Pete Buttigieg and Sen. Elizabeth Warren (D-Mass.) are all polling well enough to have a chance at securing delegates.
• **Super PAC Attack on Sanders Backfires:** A Democratic Super PAC’s attacks on Sanders has helped him raise more money in a day than they spent criticizing him. The Democratic Majority for Israel paid $800,000 for TV ads asserting Sanders would be unable to beat Trump in November due to a recent heart attack and his progressive platform. But in the first 24 hours after the ad, Sanders had raised $1.3 million, as first reported in The New York Times.

• **Biden Highlights Sanders Gun Record:** Biden took the chance to highlight Sanders’ history of votes in favor of the gun industry yesterday, an issue that’s one of Sanders’ biggest vulnerabilities with progressive voters. Asked if Sanders’s public change of heart on the issue was genuine, Biden said he believed it was, but then offered a reminder of some of the votes Sanders has taken that aligned him with the NRA.

• **Bloomberg Won’t Try to Qualify:** Michael Bloomberg reaffirmed yesterday he won’t be accepting contributions just to qualify for the Democratic presidential debates. The Democratic National Committee has required candidates to have a certain number of individual donors to qualify for debates, and the former New York mayor is self-funding his campaign. The DNC has said candidates will make the Feb. 7 debate in New Hampshire by winning at least one pledged delegate in Monday’s Iowa caucuses, but Bloomberg isn’t competing in the early nominating contests.

• **Democratic Super PAC Raises $32.8 Million:** The super PAC supporting House Democrats raised $32.8 million in the second half last year, and ended the year with $37.7 million cash on hand, according to its filing with the Federal Election Commission. Longtime Democratic donor Fred Eychaner gave the super PAC $4 million, and hedge-fund operator S. Donald Sussman gave $2 million. Billionaire Haim Saban and real estate developer George Marcus each gave $1 million, while Joshua Bekenstein of Bain Capital gave $900,000. The biggest contribution to the House Majority PAC was from Michael Bloomberg, who gave $10 million.

• **U.K. Confirms First Cases of Virus:** The U.K. confirmed its first two cases of coronavirus today, while the U.S. and Japan advised citizens to avoid traveling to China. That came hours after the World Health Organization declared the outbreak a global health emergency. Cases around the world have now risen to more than 9,800, surpassing the number officially reported during the SARS epidemic.
  - The U.S. State Department last night warned Americans not to travel to China because of the spreading coronavirus outbreak. “Those currently in China should consider departing using commercial means,” the department said in the advisory, which was Level 4, the most severe travel warning category.

• **U.S.-China Frayed Scientific Ties:** Containing the coronavirus outbreak offers an opportunity for U.S. and Chinese researchers to repair a relationship that has frayed since joining forces to fight SARS in 2003. Since that initial “honeymoon stage” from 2004 to 2009, relations between the two nations deteriorated over the past few years amid allegations that
Chinese scientists have stolen medical breakthroughs from the U.S., Jennifer Huang Bouey, the chairwoman in Chinese policy studies for the think tank RAND, said.

Meanwhile, Sen. Amy Klobuchar (D-Minn.) released a plan to fight global pandemics amid the outbreak. Klobuchar said she’d work with allies and groups like the WHO to bolster local health resources, recommit to the Obama-era Global Health Security Agenda and fully fund U.S. departments focused on preventing and addressing health epidemics like the CDC.

- **Afghan Enemy Attacks Hit Record:** Enemy-initiated attacks in Afghanistan reached their highest fourth-quarter number since a Pentagon watchdog began collecting data a decade ago on what has become America’s longest war and one of its costliest. There were 8,204 attacks in the final three months of 2019, the U.S. Special Inspector General for Afghanistan Reconstruction, or Sigar, said in a report published late yesterday. That was up from 6,974 in the same period a year earlier and followed a surge of attacks in September, the month of the Afghan presidential election. That coincided with the most enemy-initiated attacks in any month since June 2016.

- **U.S. Injury Count From Iran Strike Rises to 64:** At least 64 U.S. military personnel in Iraq suffered brain trauma in an Iranian missile attack launched in retaliation after Trump’s ordered the killing of an Iranian general. The 64 service members -- 14 more than previously reported -- have been diagnosed with mild traumatic brain injuries, Lieutenant Colonel Thomas Campbell, a Defense Department spokesman, said in a statement last night. Of those, 39 have returned to duty; at least 21 have gone to Germany for “further evaluation and treatment.”

- **DOD Said at Risk of Cyber Disruption:** Pentagon testers during 2019 exercises saw “very few instances where cyber penetrations or disruptions were followed by rapid detections and effective” responses, a new report says. DOD is applying resources towards improvements, but cybersecurity capabilities continue to be fielded with inadequate defense and poor reactions to cyber-attacks, Director of Operational Testing Robert Behler writes in the report. Leadership decisions to improve cybersecurity “frequently focus more on what can be achieved quickly and cheaply, with less emphasis on actual performance,” the report says.

- **DHS Gives Notice Plan to Election Officials:** State election officials yesterday got an updated notification plan from the Department of Homeland Security’s Cybersecurity and Infrastructure Security Agency for use in the event that local systems suffer a cyber attack, Chris Krebs, the agency’s director, said yesterday. The plan was updated to ensure DHS is in lock step with the FBI, which introduced a new communication plan earlier this month after complaints from lawmakers that the bureau didn’t notify relevant parties about attacks in the 2016 election in states like Florida.

- **Justice Department Eyes Changes to Legal Shield Praised by Tech:** The Justice Department next month plans to explore changes to a legal shield that protects big tech platforms such
as Google and Facebook from lawsuits for content posted by third parties. The department yesterday announced a Feb. 19 meeting to examine the “expansive interpretation by the courts” of the provision, known as Section 230 of the Communications Decency Act. Speakers “will include thought leaders on Section 230 from a variety of perspectives, including attorneys with experience litigating Section 230, academics, victims’ representatives, industry representatives, and other experts,” according to an invitation.

- **FBI Targets Drones Before Super Bowl:** The FBI is done issuing warnings to drone operators violating temporary flight restrictions around Super Bowl venues in Miami and has started confiscating the devices. A drone flying inside a restricted zone in Miami Beach last night was the first to be seized. The FBI said in an email it would expand enforcement operations that may include seizure, civil penalties and criminal charges. “The warning phase of NO DRONE ZONE enforcement has concluded,” the FBI’s Miami division said in a statement.

- **SEC Republican Defends Corporate Voting Overhaul:** A Republican member of the Securities and Exchange Commission is firing back at critics who say the regulator’s plan for overhauling corporate voting rules would stifle shareholder rights. SEC Commissioner Elad Roisman said yesterday that some of the attacks are “based entirely on misinformation” and riddled with “myths.” He specifically rejected claims that the agency is doing the bidding of corporate lobbyists.

- **FERC Backs Stalled $1 Billion Gas Pipeline:** A controversial $1 billion shale gas pipeline that’s been stalled by a dispute over whether it can seize state-owned land for construction won the backing of the federal energy regulator. PennEast had sought the support of the Federal Energy Regulatory Commission after a court decision prevented it from exercising eminent domain in New Jersey. Its developers, which include Enbridge and Southern Co., argued that the decision overturned 80 years of industry practice.

- **EPA Chief of Staff Is Headed to National Mining Association:** Environmental Protection Agency Administrator Andrew Wheeler’s chief of staff is leaving the U.S. agency to work for the nation’s top coal mining trade group. Ryan Jackson is stepping down from his post after three years to become the National Mining Association’s senior vice president of government affairs, the trade group said last night. “Mr. Jackson’s in-depth knowledge of the issues and nearly 20 years of working in the U.S. Senate demonstrate a reputation for persistence, integrity, working in a bipartisan fashion,” said Ashley Burke, a spokeswoman for the association, which represents companies such as Peabody Energy and Alliance Coal.