Schedules: White House and Congress

WHITE HOUSE

- 11am: President Trump announces proposed National Environmental Policy Act regulations
- 2pm: Trump receives intelligence briefing
- 4:15pm: Trump departs White House for Toledo, Ohio
- 7pm: Trump holds rally in Toledo, Ohio

CONGRESS

- House meets at 10am; set to vote on resolution that would limit the president’s powers to engage in hostilities in or against Iran
  - House to also begin consideration of H.R. 535, a bill that would take action on toxic PFAS chemicals
- 10:45am: House Speaker Nancy Pelosi holds her weekly press conference amid growing pressure from Senate Democrats to end her standoff over the impeachment trial of President Trump
- Senate meets at 10am; to resume consideration of nomination of Paul Ray to lead OIRA

Congressional, Health Policy, and Political News

- **Extending Kidney Transplant Drug Coverage**: House lawmakers are weighing bipartisan legislation that would let kidney transplant patients keep Medicare coverage for drugs administered to prevent the rejection of their new organ. The bill (H.R. 5534), discussed yesterday by the House Energy and Commerce Subcommittee on Health, would remove the 36-month limit on Medicare coverage for transplant recipients. Medicare covers dialysis for all people who need it, but not all people who have received a kidney transplant are eligible to stay covered for immunosuppressant drugs.

- **Medical Testing Sector Awaits Court Clarity on Patents**: Medical companies that develop tests to diagnose neurological disorders, heart disease risk and fetal abnormalities have been in legal limbo since a 2012 Supreme Court ruling that limited the patenting of such tests, finding they occurred in nature and were not invented. The high court may signal as soon as tomorrow whether it will revisit the subject as such tests become critical to the burgeoning field of personalized medicine, in which doctors determine whether a patient is genetically susceptible to a particular disease or would respond to certain treatments.
• **Soleimani Hit Pays Off:** Trump took the biggest risk of his presidency by killing a top Iranian general, and for the moment the bet is paying off. The question now is: For how long? A retaliatory Iranian missile attack on two U.S. bases in Iraq early yesterday caused no casualties, allowing the president an opportunity to stand down from what looked like an escalation toward war. “We must all work together toward making a deal with Iran that makes the world a safer and more peaceful place,” Trump said in remarks to the nation.
  o The Jan. 2 strike that killed Soleimani was a show of strength that, at least for now, reset the power dynamic between the U.S. and Iran. Trump appears to believe Iran will now think twice about provoking the U.S. and the two nations could even begin to forge a new understanding to reshape fraught Middle East politics. But it’s not at all clear that Iran is done with its reprisals.
  o Trump yesterday vowed more sanctions as part of his “maximum pressure” campaign against Iran. The penalties are likely to target key regime figures and the country’s metals sector, a person familiar with U.S. plans said. The sanctions will likely be aimed at non-oil sectors of the Iranian economy and fit into a previously disclosed administration plan to choke off other sources of revenue now that the U.S. has clamped down on the nation’s oil exports, said the person.

• **House to Vote on PFAS Bill That’s DOA in Senate:** A far-reaching House bill that would force the federal government to address per- and polyfluoroalkyl substances, or PFAS, contamination has little hope of becoming law in its current form, according to the chairman of the Senate’s environment committee. “It has no prospects in the Senate,” Sen. John Barrasso (R-Wyo.) said in an interview. “None.”
  o Barrasso’s comments came as the House is swiftly moving toward passage of the bill, which would change the way these persistent and potentially toxic chemicals are regulated. In addition to forcing the EPA to set nationwide drinking water standards for the chemicals, the bill also would require the agency to add the chemicals to its hazardous substance list, which potentially could turn every contaminated location into a Superfund site.

• **Some Democrats Ask Pelosi to Let Trial Begin:** Pelosi will hold her weekly news conference today amid the standoff over sending the impeachment charges against Trump to the Senate. Several Democratic senators are pressuring Pelosi to transmit the impeachment articles and let the Senate trial begin, and one said the trial could start next week.
  o “If we’re going to do it, she should send them over. I don’t see what good delay does,” said Sen. Dianne Feinstein (D-Calif.).
  o Pelosi said she is holding back the articles of impeachment adopted by the House last month until Senate Majority Leader Mitch McConnell (R-Ky.) sets out his rules for the trial. But Sen. Chris Murphy (D-Conn.) suggested the House has little leverage in the matter. “My expectation is that we’ll be able to start this trial next week,” Murphy said. “The leverage over Republicans exists in the votes we take inside the trial.”
• **Sekulow to Join Trump Defense Team:** Attorney Jay Sekulow will be a member of Trump’s defense team for the Senate trial, according to a person familiar with the matter. Sekulow, who became one of Trump’s private lawyers in mid-2017, specialized in constitutional issues in the Mueller investigation. White House Counsel Pat Cipollone will lead Trump’s legal team for the trial. Separately, Rep. Jim Jordan (R-Ohio) is being recommended by some of the president’s allies to the White House as a possible member of his defense team.

• **Democrats Unveil Plan for 100% Clean Energy:** House Democrats yesterday released ideas for future bills aimed at getting the U.S. to 100% clean energy by 2050 and said they’d work to build support for it in the months ahead. House Energy and Commerce Chairman Frank Pallone (D-N.J.) called the ideas a framework for a measure that will be called the Climate Leadership and Environmental Action for Our Nation’s Future, or CLEAN Act. The bill hasn’t been introduced, and Pallone said draft text would be released around the end of the month.

• **IRS Asked to Advise Nonprofits on Refunds:** The IRS should issue guidance instructing tax-exempt organizations how they can claim refunds for overpaid taxes after Congress repealed a portion of the 2017 tax law, House Ways and Means Chairman Richard Neal (D-Mass.) and Rep. John Lewis (D-Ga.) wrote in a letter to the agency. The 2017 tax overhaul required nonprofits to pay a 21% tax on parking and transportation benefits that they offer to employees, but lawmakers repealed the provision in December.

• **FCC Pirate Radio Fines:** The Senate unanimously cleared legislation that would allow the Federal Communications Commission to impose up to $2 million in fines against unauthorized radio broadcasters, or so-called pirate radio stations. The bill from Rep. Paul Tonko (D-N.Y.), now heads to the president’s desk. The House passed the bill last February.

• **Trump’s Iran Strike Delights Supporters:** Trump’s loyal political base is standing by his decision to kill a top Iranian general, polls show, even though the move may undermine a key 2016 pledge to end U.S. military involvement in the Middle East. And recent polls show a clean partisan divide on the confrontation. About 67% of Republicans said they either strongly or somewhat approve of Trump’s handling of Iran in the days following the U.S. airstrike on Soleimani, according to a Reuters/Ipsos poll released Tuesday. About 69% of Democrats strongly disapprove.
  - But the political impact of the strike may be most telling among independent voters. About 48% of independents had a negative response to the president’s handling of Iran while roughly 36% answered positively, according to Reuters/Ipsos. And overall, a majority of Americans – 53% – disapproved of Trump’s handling of Iran following the strike, an increase of 9 percentage points from December.
• **Buttigieg Ad Highlights Black Support:** Pete Buttigieg is seeking to overcome low support from black voters in South Carolina with a new ad highlighting residents of South Bend, Ind. The 30-second spot avoids any direct mention of race, but it features four black residents praising Buttigieg’s record in the city. “He listened to our community,” says one resident. In recent weeks, Buttigieg has stepped up efforts to win over black voters, who make up the majority of Democrats in South Carolina, meeting with African-American leaders and holding smaller events.

• **DOJ Says Virginia’s Push for Equal Rights Amendment Futile:** The Virginia General Assembly’s new Democratic leadership has opened the legislature’s session with a pledge to adopt the Equal Rights Amendment. But a U.S. Justice Department official says in a newly released legal opinion that those efforts are in vain, as a 1979 ratification deadline set by the U.S. Congress has passed.
  o The ERA resolution “has expired and is no longer pending before the States,” according to Steven A. Engel, assistant attorney general with the Office of Legal Counsel. That deadline is binding and Congress has to restart the process, Engel said in the memo. Engel’s legal guidance was issued as Virginia appears to be poised to ratify the amendment. The commonwealth would become the 38th state to approve the ERA, which aims to set a broad guarantee of equal rights under the law, regardless of sex.

• **Facebook Will Give Users the Option to See Fewer Political Ads:** Responding to popular demand, Facebook will soon give users the option to see fewer political and social issue advertisements in their feed. This new setting, which will also be available in Instagram, is part of an effort to give people more control over what they see ahead of the 2020 U.S. presidential election.
  o Facebook announced the new option Thursday in a broader update about political ads on the service. The company did not, however, announce major changes or restrictions to the ad-targeting tools available to political campaigns. Facebook has discussed potential changes to ad targeting internally in recent months following restrictions from rivals Google and Twitter Inc. The social network decided against changing its targeting tools, which can be very granular and specific, after “extensive outreach and consultations” with third parties, the company said in a blog post.
  o Facebook is also sticking with a controversial policy that stipulates the company will not fact-check posts from politicians, including political ads.

• **Kuwaiti Cash Fuels Misleading U.S. Media Coverage:** A business executive accused of financial crimes in Kuwait is getting support from an all-star cast of famous Americans, including a son of the U.S. president who liberated the Gulf nation and several of Trump’s allies. They’ve helped generate a torrent of sympathetic media coverage from the Middle East to Washington. The boldface names are part of a $4.9 million campaign that also has been marked by subterfuge and deception, including a fake protest, thousands of dollars in payments to some U.S. opinion writers, misleading news reports and a correspondent who may not exist. A review of government filings and an
examination of dozens of articles shows just how easily money can warp U.S. press coverage.

- **China’s Liu He to Travel to U.S. for Trade Deal Signing**: China announced that Vice Premier Liu He will travel to Washington to sign the first phase of the trade deal with the U.S. next week, locking in Beijing’s commitment to a ceremony already announced by Trump. Liu, who has acted as Chinese President Xi Jinping’s top trade negotiator throughout the tariff conflict, will travel to the U.S. from Jan. 13 to Jan. 15 at the head of the delegation, Ministry of Commerce spokesman Gao Feng said today in Beijing. He said he has no more information to release about the trade talks, other than that the teams remain in close contact.

- **The Cost of IRS’s Failure to Collect From Tax Cheats**: The average U.S. household is paying an annual surtax of more than $3,000 to subsidize taxpayers who aren’t paying all they owe, a new report from the Taxpayer Advocate Service found. Reduced funding for the Internal Revenue Service has led to lower staffing levels and fewer audits, which has reduced the amount the IRS has been able to collect from taxpayers voluntarily or through enforcement, the Taxpayer Advocate, an independent branch of the IRS, said in its annual report to Congress yesterday.

- **Private Push for Trump Wall Hits Legal Snags**: An effort to build pieces of Trump’s Mexico border wall using private funding and land has run into an unlikely obstacle -- the federal government. The U.S. International Boundary and Water Commission isn’t exactly a core pillar of the Trump administration. But with help from the top federal prosecutor in southern Texas, the agency is pushing back against the likes of Steve Bannon and other Trump allies who are trying to put up an 18-foot tall bollard-style barrier along a 3 1/2-mile stretch of the Rio Grande that they claim is used for illegal border crossings and drug smuggling.