Schedules: White House and Congress

WHITE HOUSE

- 1:20pm: President Trump departs White House for Pittsburgh
- 3:40pm: Trump delivers remarks at the 9th Annual Shale Insight Conference in Pittsburgh, Pa.
- 6:30pm: Trump arrives back at White House
- Vice President Mike Pence travels to Menominee, Michigan; tours the USS St. Louis in Marinette, Wis. at 11:40am before departing for Waukegan, Illinois
  - 3pm: Pence delivers remarks on USMCA trade deal at Uline Headquarters in Waukegan, Ill.

CONGRESS

- Senate convenes at 9:30am; resumes consideration of S.J. Res. 50, which would overturn a Treasury Dept rule that blocked states from creating workarounds to the 2017 tax overhaul’s limit on SALT deductions
- House meets at 10am; set to consider H.R. 4617, under which candidates and campaigns would have to report improper offers of assistance by foreign officials or their lobbyists
- Impeachment investigators will hear from Laura Cooper, deputy assistant secretary of Defense, before pausing Thursday and Friday during ceremonies and the funeral for the late House Oversight Chairman Elijah Cummings

Congressional, Health Policy, and Political News

- **Ways & Means OKs Pelosi Drug Bill**: A third House committee signed off on a bill to direct the government to negotiate the price of some costly medicines, teeing up the measure for a full House vote next week. The House Ways and Means Committee approved the bill (H.R. 3) yesterday along a party-line vote of 24-7. Democratic leaders have said they plan to hold a vote on the House floor the last week in October on the measure.

- **Biogen to Take Alzheimer’s Treatment to FDA**: Biogen will ask U.S. drug regulators to approve the company’s experimental Alzheimer’s therapy, reviving the nearly abandoned treatment after a new analysis of more data from two failed clinical trials showed promising results. The move by Biogen, if successful, would be the drug industry’s most dramatic reversal of fortune in history. The company said it made the decision after talking with the
FDA and reviewing data showing the therapy helped Alzheimer’s patients’ cognitive function and their ability to perform basic tasks.

- **Surprise Medical Billing Fight Leads to Lobbying Surge:** The fight between insurers and physicians over how to address surprise medical billing led the largest change in health industry lobbying spending over the past three months, according to the latest disclosures on Capitol Hill. Physicians for Fair Coverage, a group backed by health-care specialty firms, reported spending $4.12 million on its own lobbying operations during the third quarter of 2019, more than the group has ever spent to date. The group spent $120,000 on such internal lobbying in the second quarter of 2019 and less than $5,000 on its own lobbying in the third quarter of 2018.

- **Senate Spending Package Inches Forward:** The Senate voted yesterday to advance four fiscal 2020 spending bills that had unanimous bipartisan backing in the Appropriations Committee. A procedural vote to proceed to the package passed on a 92-2 vote. Senate Appropriations Chairman Richard Shelby (R-Ala.) is substituting the four Senate bills into the package, including Agriculture-FDA, Commerce-Justice-Science, Interior-Environment and Transportation-HUD spending. The Senate will continue consideration of the measure today.

- **Taylor Emerges as Biggest Threat:** Taylor provided House investigators with a meticulously detailed statement, chronicling an “irregular policy channel” with Kyiv, in which Trump associates circumvented traditional diplomatic paths to pressure the country’s new president to investigate White House political rivals. His chronology, based on firsthand conversations and contemporaneous notes, offered a clear account of a president who saw congressionally allocated foreign aid and an Oval Office visit as leverage to extract political favors. And his danger to Trump goes well beyond that of the anonymous whistleblower.

- **Sondland Return Possible:** The House committees leading the inquiry could call Gordon Sondland, a Trump donor and the U.S. ambassador to the European Union, back to revise his testimony after Taylor contradicted some of his previous statements. Although Sondland previously sought to distance himself from Trump and Giuliani, part of his account was at odds with Taylor’s private deposition.

- **Democrats Find Few Republican Allies on SALT:** Democrats are staging a long-shot attempt to chip away at the Republican tax law’s limit on state and local tax deductions, finding few GOP allies despite potential benefit for Republican-led states. Senate Minority Leader Chuck Schumer (D-N.Y.) plans to force a vote today that would invalidate Treasury Department regulations prohibiting proposals in high tax states to get around the cap on the state and local tax, or SALT, deductions that was part of the 2017 GOP tax law. Republicans have resisted helping Democrats score a political win by undermining regulations written by Trump’s Treasury Department.

- **Boeing CEO to Testify:** Boeing’s CEO will testify before a Senate committee next week to answer questions about the planemaker’s design and certification of a jet involved in two deadly crashes. Dennis Muilenburg will appear at a Senate Commerce Committee hearing Tuesday, a day before his expected appearance
before the House’s Transportation Committee, according to two people familiar with the hearing who spoke on the condition they not be named.

- **EPA’s Halted Labor Talks**: The Environmental Protection Agency is being asked by 41 Senate Democrats—including six senators who are running for president—to explain why the agency walked away from labor talks with a union that represents about 7,500 EPA workers. After failing to agree on ground rules for further discussions with Council 238 of the American Federation of Government Employees, the agency then “abruptly announced earlier this year that it would forego further negotiations, and instead opted to implement a contract over union objections,” the lawmakers said in a letter to EPA Administrator Andrew Wheeler.

- **Pregnant Worker Accommodation**: Legislation sponsored by a Democrat that would require employers to provide reasonable accommodations to pregnant workers is finding some support across the aisle, but many Republicans are still reluctant to get behind it. The bill, reintroduced by Rep. Jerrold Nadler (D-N.Y.) in May, was the subject of a House Education and Labor subcommittee hearing yesterday. Nadler said after testifying that he believes there will be a markup on the bill soon.

- **Slow Emergency Response at HUD**: House lawmakers angered by the slow pace of disaster recovery efforts focused much of their ire yesterday at the Department of Housing and Urban Development and mulled ways to compel the agency to move more quickly. The hearing before a Transportation and Infrastructure Committee panel was the second in a week to criticize the housing department’s missed deadlines in releasing aid for disaster victims.

- **Money Laundering Bill Passes**: The House yesterday passed legislation to strengthen anti-money-laundering rules, moving closer to a victory for Wall Street banks. The bill, which passed 249-173 yesterday, would make it harder to use anonymous shell companies to break the law. A similar Senate bill has yet to get a hearing, which would be the next step before a vote on the Senate floor. Big banks favor the bill, sponsored by Rep. Carolyn Maloney (D-N.Y.), because they would no longer shoulder the full burden of reporting customer wrongdoing to law enforcement.

- **Lobbying Spending Up in Third Quarter**: The 20 top-spending associations reported $92 million in expenditures the third quarter, a 16.2% increase from the previous quarter. Despite the increase, 11 of the 20 associations in the list reported a decrease in spending. Among companies, 20 of the top spenders reported $55.8 million in expenditures in the third quarter, a 5.5% increase from the previous three months. Technology and telecommunications companies, as well as prime contractors, make up 11 of the 15 top spenders.

- **Facebook’s Washington Strategy Falters**: Facebook CEO Mark Zuckerberg will face the House Financial Services Committee today with a legion of lobbyists backing him up. Despite spending record amounts of money to influence Washington policy, the social media company’s efforts to ingratiate itself so far have done little to assuage policy makers’ privacy and antitrust concerns and in some cases have even made the company’s challenges worse, according to first-hand accounts of its efforts. Facebook’s struggles to gain traction in Washington aren’t for a lack of resources.
**Biden Promises to Raise Wages**: Joe Biden aims to cut into Trump’s appeal to middle-class voters with a speech today in which he’ll argue that the president has favored policies that benefit corporations and the super-rich. Biden plans to return to his hometown of Scranton, Pa., to deliver the latest in a series of policy addresses. Biden promised to raise the federal minimum wage to $15 an hour. “Donald Trump doesn’t know what it means to be part of the middle class. I do,” Biden said in a statement about the speech provided to Bloomberg News.

- Separately, before Biden blasted Trump yesterday for calling his possible impeachment a “lynching,” he decried Bill Clinton’s impeachment using the same racially tinged term. “Even if the president should be impeached,” the then-senator says in a CNN clip from 1998, “history is going to question whether or not this was just a partisan lynching or whether or not it was something that in fact met the standard, the very high bar, that was set by the founders as to what constituted an impeachable offense.”

**Trump Inaugural Donor Charged**: A Southern California venture capitalist who contributed $900,000 to Trump’s inaugural committee agreed to plead guilty to making almost $1 million in illegal campaign contributions from 2012 to 2016. Imaad Shah Zuberi, 49, also admitted he hid his work for foreign nationals while he lobbied U.S. government officials and evaded paying taxes, according to the U.S. attorney in Los Angeles. The charges don’t appear linked to contributions made to the Trump campaign, but Zuberi has been linked to numerous people in Trump’s orbit who’ve come under the scrutiny of federal prosecutors, such as the president’s ex-lawyer Michael Cohen.

**Pentagon Eyes Commercial 5G Experiments**: The Pentagon will invite companies to experiment with fifth-generation, or 5G, cellular networks on military bases as the U.S. ramps up competition with China to dominate the new high-speed data networks. The military plans to issue a draft public request next month and a final request in December for industry to pitch 5G prototypes and demonstrations with high-powered, mid-band radars at four installations, according to a senior defense official, who asked not to be named because the decision isn’t public yet.

**Supreme Court Won’t Halt Climate Cases**: State court cases targeting oil companies for their role in climate change are set to move forward after the Supreme Court on Oct. 22 rebuffed the industry’s efforts to halt them. The high court denied applications from BP, Chevron, Suncor Energy, Exxon Mobil, and other companies seeking to freeze proceedings in high-stakes cases from Baltimore, Rhode Island, and Colorado municipalities that accuse the industry of creating a public nuisance by producing and selling planet-warming fossil fuels.

**White House Sides With EPA on Biofuel**: Administration officials warned that an EPA plan for boosting biofuel-blending requirements violated the spirit of a deal brokered by Trump. The White House blessed it anyway. The back and forth is revealed in newly released documents from a White House review of the EPA’s biofuel proposal before its public release Oct. 15.
• **IRS Reorg Isn’t a Foregone Conclusion, Rettig Says:** The IRS “may or may not” reorganize in the near future, but the issue is getting close consideration, the agency’s leader said. The last major IRS reorganization occurred in the late 1990s. Since then the economy has shifted from a paper to a digital one, IRS Commissioner Charles Rettig said yesterday at a tax conference in Beverly Hills, Calif.

• **Tax Refunds During Shutdown:** The IRS broke the law when it processed tax returns and issued refunds during the government shutdown, according to the U.S. Government Accountability Office. Congressional leaders asked the office in May for an opinion on whether the agency violated the Antideficiency Act during the government shutdown, which lasted from Dec. 22, 2018, to Jan. 25, 2019. That law bars agencies from creating obligations or spending resources without appropriations unless they are legally authorized to do so.

• **Ivanka Trump Talks Parental Leave:** Trump’s daughter and top adviser Ivanka Trump met with Reddit co-founder Alexis Ohanian at the White House yesterday as part of the push by the entrepreneur to promote paid family leave. Ohanian, who also co-founded Initialized Capital, met with Ivanka Trump as part of a trip to lobby for federal legislation to provide additional paid leave to mothers and fathers after the birth of a child. He has said previously that he was drawn to the effort after the birth of his daughter in 2017. His wife, tennis superstar Serena Williams, nearly died from complications and was confined to bed for some six weeks.