Schedules: White House and Congress

WHITE HOUSE

- 3:15pm: President Trump signs exec. orders on transparency in federal guidance and enforcement
  - The orders would limit the use of memos, letters, and other guidance that federal agencies use to help individuals and companies comply with regulations, a person briefed on the plans said
- Vice President Mike Pence travels to Des Moines, Iowa, to deliver remarks on USMCA trade deal at 3pm; delivers remarks at a Joni Ernst Victory Reception at 6pm

CONGRESS

- House, Senate on recess
- Next steps in impeachment inquiry after the White House said it would halt all participation in the inquiry, including declining to provide documents, even those sought by subpoena, or make officials available to give testimony

Congressional, Health Policy, and Political News

- **DOJ Asked to Review Purdue Pharma**: House lawmakers called for the Justice Department to seek more information on Purdue Pharma’s plan to pay at least $38 million in employee bonus and severance payments while it’s in bankruptcy brought on by its role in the nation’s opioid crisis. Reps. Cheri Bustos (D-Ill.) and Tim Burchett (R-Tenn.), who have been critics of executives bonuses in bankruptcy, said they urged the Justice Department to find out “the number and amount of bonuses wished to be paid to company insiders, highly-paid employees, their annual salaries and the justification for paying these bonuses.”

- **Trump’s Plan to Import Drugs Under Review**: The Trump administration’s plan to import drugs to the U.S. that were originally intended for a foreign market is undergoing review by the White House Office of Management and Budget. The guidance follows on the Trump administration’s plan that creates two pathways to import drugs. One would detail how states, wholesalers, or pharmacists can submit plans for how they would import certain Canadian-approved drugs. The other would outline how pharmaceutical companies who already have Food and Drug Administration-approved drugs can bring foreign versions of those medications into the U.S.
• **Kickback, Referral Rules Coming**: The Trump administration is on the verge of issuing two rules attorneys hope will allow health-care providers, drugmakers, and medical device manufacturers more easily coordinate care for patients. The Health and Human Services Department is expected to come out with proposed changes to its implementation of two laws—the physician self-referral law and anti-kickback statute—as early as this week, as both rules cleared the Office of Management and Budget Oct. 3. The changes will need to go through a notice-and-comment period before being finalized.

• **Democrats Exploring Drug Pricing Options**: The Blue Dog Coalition, a group of moderate House Democrats, are urging colleagues to take up additional prescription drug pricing measures on top of H.R. 3, the Medicare negotiation bill endorsed by Speaker Nancy Pelosi (D-Calif.). The group highlighted seven measures it says could pass both the House and Senate, including H.R. 965, which aims to stop drugmakers from committing anti-competitive practices.

• **Most Favor Trump Inquiry But Wary of Removal**: A majority of Americans support the House Democratic impeachment inquiry into Trump, a sharp pivot in opinion from the first two and a half years of his presidency, but are also wary about removing him from office, according to three recent polls. The surveys were published yesterday by the Washington Post-Schar, Quinnipiac and NBC/Wall Street Journal. Over Trump’s time in office, survey after survey had showed the American public opposed to impeachment proceedings, even as he remained deeply unpopular.
  - The Washington Post-Schar poll found that 58% of Americans approve of an impeachment inquiry, while 38% disapprove. The approval includes 28% of Republicans. In a July survey, just 37% backed an inquiry. A Quinnipiac poll found that 53% approve, while 43% disapprove — but just 9% of Republicans said they approve. In July, just 32% overall supported proceedings. And an NBC/Wall Street Journal poll found that 55% of Americans either support an inquiry or believe there’s already enough evidence to impeach and remove the president, while 39% say there’s insufficient evidence for Congress to hold an inquiry.

• **USMCA Said to Hinge on Mexico Labor Law**: A group of House Democrats who visited Mexico City yesterday said U.S. approval of the U.S.-Mexico-Canada trade agreement hinges on Mexico’s full implementation of a new labor law. The five Democratic lawmakers met with President Andrés Manuel López Obrador amid intensifying talks with Trump’s administration on getting congressional approval in the coming weeks for the trade accord known as USMCA. “Our meeting with President López Obrador shed further light on the Mexican government’s desire and intentions to carry out its labor justice reform, but the United States needs to see those assurances put into action,” said House Ways and Means Chairman Richard Neal (D-Mass.), who’s leading USMCA talks.

• **FISA Court Opinion Revealed ‘Abuses’**: A declassified opinion by the Foreign Intelligence Surveillance Court reveals “serious abuses in the FBI’s backdoor searches,
underscoring the need for the government to seek a warrant before searching through mountains of private data on Americans,” Sen. Ron Wyden (D-Ore.) wrote in a statement yesterday. The FISA court’s ruling shows that the FBI is able to count the number times it searches for Americans within its Section 702 foreign surveillance database, even though it told lawmakers it couldn’t, said Wyden, a Senate Intelligence Committee member.

- **Senators Urge Caution on Libra Membership:** Two Senate Democrats are urging three payment processing companies to reconsider their involvement with the Libra cryptocurrency project envisioned by Facebook and a coalition of other groups. Libra poses risks not only to global financial systems, but also to the companies’ broader payments business, Sens. Sherrod Brown (D-Ohio) and Brian Schatz (D-Hawaii) said in a letter yesterday to Visa, Mastercard and Stripe. In the letter, the lawmakers cited news reports on the difficulty some of Libra Association members have faced in obtaining details on the organization’s management and risks.

- **Sanders Says He’ll Scale Back After Heart Attack:** Sen. Bernie Sanders (I-Vt.) said yesterday he plans to “change the nature” of his campaign after he had a heart attack last week, scaling back his vigorous schedule to ensure he has the stamina to continue his candidacy. “We were doing, in some cases, five or six meetings a day, three or four rallies and town meetings, and meeting with groups of people. I don’t think I’m going to do that,” he told reporters outside of his Burlington, Vermont, home after visiting his cardiologist. “But I certainly intend to be actively campaigning.” He said he’ll “probably not do three or four rallies a day — do two, or do other things.”

- **Democrats’ November Debate Will Be in Georgia:** The fifth Democratic presidential debate will be held in Georgia on Nov. 20, the Democratic National Committee said yesterday. The forum co-hosted by the Washington Post and MSNBC will have a higher bar to qualify than previous debates. Candidates must have contributions from 165,000 donors, up from the 135,000 threshold for the Oct. 15 debates in Ohio. And the donors must be geographically dispersed, with a minimum of 600 per state in at least 20 states.

- **Trump to Sign Order on ‘Rogue Agencies’ Rules:** Trump is expected to sign a pair of executive orders today that would limit the use of memos, letters, and other guidance that federal agencies use to help individuals and companies comply with regulations, a person briefed on the plans said. Conservatives and business groups have long complained that the agencies use the process to establish “stealth regulation” that circumvents Congress and avoids public scrutiny. Unlike formal government rules the interpretations are issued without the typical notice and comment period required by law.
  - “Americans deserve to have their side of the story properly considered by the government and not punished by rogue agencies who use fear and costly court cases to force Americans into following their directives,” the White House said in talking points on the executive orders distributed to supporters yesterday.
• **Volcker Rule Overhaul Gets Final Approval**: The Federal Reserve signed off on an overhauled Volcker Rule, making it the last of five agencies to approve changes that will dial back the regulation’s restrictions on Wall Street banks’ speculative investments. The rewrite, which takes full effect at the start of 2021, is meant to provide lenders a clearer picture of which trades are prohibited by Volcker. Four other financial agencies had already signed off on the effort and had waited weeks for the Fed to add its approval.

• **U.S.-China Relationship Is Worsening**: This was supposed to be the week U.S.-China trade talks got back on track and the two sides found a way to avoid sending more unsettling signals to financial markets and a global economy that looks increasingly fragile. But that didn’t take long to change. If the state of relations between the world’s two largest economies was a tangled mess before the latest round of Chinese negotiations get underway tomorrow and Friday, the tangle has only gotten worse.
  o Meanwhile, China is still open to agreeing a partial trade deal with the U.S., an official with direct knowledge of the talks said, signaling that Beijing is focused on limiting the damage to the world’s second-largest economy. Negotiators aren’t optimistic about securing a broad agreement that would end the trade war between the two nations for good, said the official, who asked not to be named as the discussions are private. But China would accept a limited deal as long as no more tariffs are imposed.

• **Trump’s Appeal of N.Y. Tax Case Set**: A federal court on Oct. 23 will hear the president’s appeal of this week’s verdict that threw out his challenge against a subpoena that ordered his accountants turn over tax filings and other financial documents to New York state prosecutors. U.S. District Judge Victor Marrero on Monday dismissed the case, ruling it should be heard in New York state court. He added he will deny Trump’s request for an order blocking the accountants, Mazars USA, from complying with the subpoena.
  o Meanwhile, a team of investigators from Manhattan District Attorney Cyrus Vance Jr.’s office visited former Trump lawyer Michael Cohen in prison about a month ago and asked a broad set of questions about the president’s business that went beyond the payments made to silence Stormy Daniels, according to two people familiar with the matter. Vance’s team is planning to follow up with another interview of Cohen this month, the people said. CNN reported that Cohen would be brought from his upstate New York prison to New York City for that meeting.

• **Judge Balks at Avenatti’s Complaint**: The federal judge overseeing celebrity attorney Michael Avenatti’s prosecution for allegedly stealing a book advance from the porn star Stormy Daniels, his most famous client, balked at his claim that he was charged simply to please Trump. Avenatti’s lawyer, Dean Steward, said at a hearing in Manhattan he may seek to have the case dismissed on the grounds that it was brought to settle a personal score by the president, just as he has in a related case in which Avenatti is
accused of trying to extort millions of dollars from Nike. Avenatti “made some very powerful enemies,” Steward said, including Attorney General William Barr, whom the lawyer described as “Trump’s lap dog.”

- **U.S. Loses Top Spot in Competitiveness Rankings:** The U.S. dropped from the top spot in the World Economic Forum’s annual competitiveness report, losing out to Singapore. Hong Kong, the Netherlands and Switzerland made up the rest of the top five, according to the WEF survey published on Wednesday. On the U.S., it noted growing uncertainty among business leaders and said trade openness has declined.