Schedules: White House and Congress

WHITE HOUSE

- 11:15am: President Trump speaks at White House summit on childcare and paid leave
- Noon: Trump receives intelligence briefing
- 7pm: Trump, first lady Melania Trump attend congressional ball
- Trump is expected to meet with his trade team to discuss Dec. 15 China tariffs
  - Trade teams from China and the U.S. remain in close touch, a Chinese government spokesman said, as a Sunday deadline for higher U.S. tariffs on Chinese goods approaches

CONGRESS

- 9am: House Judiciary Committee resumes considering impeachment resolution against Trump
- House meets at 9am; to consider H.R.3, measure to lower drug prices
- Senate meets at 10am; to vote on John Sullivan to be U.S. ambassador to Russia
- 12:30pm: U.S. Trade Rep. Robert Lighthizer to brief Republican senators on the USMCA trade deal

Congressional, Health Policy, and Political News

- **Tax Panel Unveils Rival Surprise Medical Billing Deal**: House Ways and Means Committee leaders released their own proposal to address surprise medical bills as lawmakers debate whether to put a separate measure on the same issue into a government spending bill. The lawmakers’ last-minute entrance into the debate over how to address unexpectedly large medical bills could delay the legislation until next year. Authors of the first bipartisan proposal, unveiled last week, are aiming to pass it by the end of next week.
  - Chairman Richard Neal (D-Mass.) and ranking member Kevin Brady (R-Texas) announced they’d reached an agreement on surprise medical billing legislation. Their bill, released as just an outline, appears to differ from one backed by the heads of the House Energy and Commerce Committee by relying more on a dispute resolution or arbitration system to settle billing disputes between doctors and insurers, the source of many surprise bills.

- **Medicare Diversity**: Racial and ethnic disparities in health care, specifically in Medicare, remain and are fueled by a lack of diversity among health-care providers, according to a new report from the Better Medicare Alliance.
The group says simply expanding Medicare Advantage, a favorite program of the Trump administration that relies on private insurers, isn’t enough to address the health disparities. They suggest the administration and lawmakers consider ways to expand “medical and health professional education opportunities across disciplines to racial and ethnic minority populations.”

- **Push for Quick Senate Trial:** Senate Republicans say there is an early consensus building within their ranks for a short impeachment trial that could see the GOP-led chamber vote on a likely acquittal of Trump without hearing from any witnesses. Sen. Ron Johnson (R-Wis.) said a growing number of the Senate’s 53 GOP members want to simply let House Democrats make their case to impeach the president and then hear a rebuttal from Trump’s team before moving immediately to a vote on the articles of impeachment.
  - “I think people are starting to realize that could be a pretty messy and unproductive process,” said Johnson, who just days ago said he thought witnesses should be brought into the proceedings. Johnson said “that’s generally where people are heading toward.”

- **Parnas Got $1 Million From Russia, U.S. Says:** Rudy Giuliani’s associate Lev Parnas got $1 million from an account in Russia in September, a month before he was charged with conspiring to funnel foreign money into U.S. political campaigns, according to U.S. prosecutors who asked a judge to jail him for understating his income and assets. “The majority of that money appears to have been used on personal expenses and to purchase a home,” prosecutors said in a court filing yesterday. Parnas failed to disclose the payment to the government, prosecutors said.
  - The payment raises provocative new questions about the nature of the work Parnas and his associate Igor Fruman were doing and who they were doing it for. Much about what they did remains unclear.

- **House Urges Court for Quick Access to Trump Records:** The House urged the U.S. Supreme Court to move quickly to let lawmakers see Trump’s financial documents, asking the justices to reject a pair of presidential requests to shield the records. The filings yesterday set up the Supreme Court to act as soon as Friday on three cases involving subpoenas for Trump documents being held by his accountants and banks. Trump is counting on the conservative-controlled court to block, or at least delay, those records from being turned over. The cases coincide with the House push to impeach Trump but aren’t directly connected.

- **House Passes Defense Authorization Bill:** The House yesterday passed a sweeping defense-policy conference report, which would authorize a new branch of the military—the Space Force—and give all government workers 12 weeks of parental leave, by a vote of 377-48, after Democrats gave up on several of their priorities to reach an agreement with Senate Republicans and Trump. A Senate vote is next for the bill, though it hasn’t been set. Trump is then poised to sign the measure into law.
• **House Passes Undocumented Farm Workers Status Bill**: The House passed a bill yesterday that would allow thousands of undocumented agricultural workers to qualify for a new temporary immigration status or permanent legal status. The bill was approved by a vote of 260 to 165, with more than 30 Republicans supporting it, but it faces an uphill climb in the GOP-controlled Senate. House lawmakers from both parties who developed the bill said they hoped it would be a marker for potential bipartisan action in the future. Republican immigration hardliners in the Senate, however, are unlikely to back the legislation. Trump is seeking a merit-based immigration system.

• **Fish and Wildlife Nominee Heads to Confirmation Vote**: Trump’s pick to head the U.S. Fish and Wildlife Service is set for a confirmation vote today, after the Senate yesterday voted 53-41 to limit debate on the nomination. The nominee, Aurelia Skipwith, is currently deputy assistant secretary for fish, wildlife and parks, which oversees lands and waters within wildlife refuges and national park systems. Environmental groups and some Democrats argue Skipwith lacks enough experience in wildlife management to be qualified for the top Fish and Wildlife job. Republicans, however, say they hope the former Monsanto executive can bring an innovative approach to managing the agency.

• **Trump Fills 50th Appeals Court Seat**: Lawrence VanDyke became Trump’s 50th appellate court appointment yesterday despite an American Bar Association assessment in which his peers called him “lazy, arrogant” and “an ideologue” in finding him unqualified for the job. The Republican-led Senate voted 51 to 44 to confirm VanDyke to a lifetime appointment, achieving a milestone for the president and adding to his push to reshape the judiciary with conservatives. Susan Collins of Maine was the only Republican to join Democrats in voting no on VanDyke, who will fill a Nevada seat on the U.S. Court of Appeals for the Ninth Circuit.

• **FAA’s Oversight of Boeing Slammed**: Lawmakers peppered Federal Aviation Administration officials with questions about how the agency approved the now-grounded Boeing 737 Max jet and kept it flying after the first of two deadly crashes despite doubts about its safety. An internal FAA risk assessment conducted after a Lion Air flight crashed off the coast of Indonesia in October 2018 predicted another 15 of the jets would crash over the next 45 years without a fix, according to documents released by the House Transportation and Infrastructure Committee. FAA Administrator Steve Dickson, appearing for the first time before the committee, had refrained from criticizing the agency’s actions before his swearing in in August, saying officials acted in good faith by not grounding the plane until after a second fatal accident March 10.

• **Warren Works to Curb Taste for Combat Over Compromise**: Bashing Wall Street propelled Elizabeth Warren (D-Mass.) to the Senate, where she has continued to battle bankers, administration officials, Republicans and at times, fellow Democrats. Yet while her zeal for combat over compromise has made Warren a hero to progressives and raised her profile as a 2020 presidential contender, it hasn’t yielded substantial
legislative wins -- suggesting it could be difficult for her as president to deliver on her big proposals that need bipartisan support.

- **Warren’s Wealth Tax May Fall $1 Trillion Short:** Warren is overestimating the proceeds of her wealth tax by at least $1 trillion, according to a new study, raising questions about the Democratic presidential candidate’s plans to fund her sweeping proposals to reshape the U.S. economy. Warren’s wealth tax would raise between $2.3 trillion and $2.7 trillion over a decade, far short of the $3.75 trillion her campaign has said the levy on the accumulated wealth of millionaires and billionaires would raise in that period, according to new estimates from the Penn Wharton Budget Model.

- **Bloomberg Brings California a Housing Plan:** Former New York Mayor Michael Bloomberg yesterday used his first presidential campaign visit to the make-or-break state of California to offer his plan to address the problems of poverty and housing affordability plaguing the Golden State. Bloomberg is skipping the four initial nominating contests in February and focusing on California, Texas, North Carolina and the other delegate-rich states voting March 3 on Super Tuesday and beyond.
  - California is struggling with a housing affordability crisis that is fueling homelessness. Bloomberg released a proposal in Stockton to expand the Low-Income Housing Tax Credit, a public-private partnership that pairs federal funding with private investment, which he says could add hundreds of thousands of units over 10 years. He would also expand the Earned Income Tax Credit, increase the child tax credit and raise the minimum wage to $15 an hour by 2025.

- **New NAFTA Leaves Winners and Losers:** Companies, workers and lawmakers in three countries have spent the past year in limbo awaiting final touches on the U.S.-Mexico-Canada free-trade agreement. Now they have a better sense of who won -- and who lost. The accord awaits a vote next week in the House, where Democrats successfully wrung last-minute revisions to ensure its passage. The Senate plans to vote in 2020, while legislatures in Mexico and Canada will also have to ratify the updated agreement.
  - While the USMCA deal marks a political win for Trump as he seeks re-election, the overall benefit to U.S. GDP is small: a 0.35% increase in the agreement’s sixth year, according to official U.S. estimates. Yet, like all trade deals, this one creates winners and losers in the business community. The countries’ political leaders, steel industries and online shoppers stand to benefit, while U.S. drug companies, Mexican businesses, and Canadian dairy farmers come off second-best.

- **White House Summit on Childcare and Family Leave:** The White House is hosting a summit on childcare and family leave today, part of a push that administration officials say could help move forward legislation improving access to assistance for working parents. White House officials, speaking to reporters yesterday, said they want the summit -- which will feature a presentation by Trump’s daughter and senior adviser Ivanka Trump -- to spark a bipartisan effort to address childcare. The administration is
also asking lawmakers to reauthorize and overhaul a block-grant program that provides childcare subsidies to low-income working families.

- **McDonald’s Has White House Allies in Labor Showdown:** Trump’s appointees are poised to deliver a high-stakes political victory for McDonald’s in one of the most important labor disputes in decades. Labor- and management-side lawyers expect the national board that referees unionization drives to issue a crucial decision soon related to alleged illegal firings of pro-union McDonald’s workers. Trump’s appointees to the board could effectively relieve the company of responsibility. Such a victory, which eluded McDonald’s during Obama’s presidency, could help the fast-food giant close a bruising chapter in its history that imperiled its valuable brand as well as the franchise structure it’s built on. Separately, top administration officials, including acting White House Chief of Staff Mick Mulvaney, are pushing to enact new, more lenient rules that would help insulate McDonald’s and similar chains from liability for the conduct of their franchisees.

- **Powell Signals Long Policy Pause Amid Low Inflation:** As head of the Federal Reserve, the late Paul Volcker earned a reputation as an inflation fighter. Current Chairman Jerome Powell wants to be known as a job crusader. In a roughly 50-minute press conference after the Fed left interest rates unchanged yesterday, Powell repeatedly stressed his belief that the labor market can improve further despite unemployment being at a half-century low. The bottom line for policy: The Fed will be in no rush to reverse its three recent interest rate cuts, even if the economy picks up steam and the odds of recession recede.

- **Fuel Economy Rule Release Delayed:** The Trump administration won’t complete its overhaul of federal fuel economy standards for automobiles until at least the first quarter of next year, according to people familiar with the matter. The rules, being crafted by the Environmental Protection Agency and the Department of Transportation, are expected to weaken stringent requirements enacted under the Obama administration. They are likely to be completed by February at the earliest, according to four people, who requested anonymity to discuss non-public deliberations. A fifth person said it’s still possible the rule could be finalized next month.

- **Trump’s Former Lawyer Cohen Asks Judge to Cut His Sentence:** Trump’s longtime lawyer Michael Cohen asked a federal judge to cut his three-year prison sentence for the “substantial assistance” he provided to Congress and prosecutors. Cohen was also the president’s former personal fixer who bullied Trump’s enemies and was an intimate witness to his business dealings. He pleaded guilty to financial fraud and lying to Congress after coming under scrutiny by federal prosecutors in New York.