Schedules: White House and Congress

WHITE HOUSE

- 11:45am: President Trump receives his intelligence briefing
- 2pm: Trump participates in a roundtable on small business and red tape reduction accomplishments

CONGRESS

- House meets at 9am; set to consider H.Res. 326, a resolution on resolving the Israeli-Palestinian conflict through a negotiated two-state solution
- Senate returns Monday

Congressional, Health Policy, and Political News

- **Health Spending Rises With Insurance Costs**: U.S. health-care spending grew to $3.6 trillion in 2018, or $11,172 a person, HHS reported yesterday. The 4.6% growth rate, faster than the 4.2% growth rate in 2017, was driven by spending for health insurance, much due to the reinstatement of the Obamacare tax on health plans after a moratorium in 2017, according to the authors of a report from the Centers for Medicare and Medicaid Services. The report will likely be used by insurers who have pushed to get rid of the Affordable Care Act’s fee on health insurance providers, arguing that the tax inflates premiums.

- **Liberals Seek Changes to Drug Pricing Bill**: The announcement the House will vote next week on a Democratic Medicare drug-pricing negotiation measure has left leaders of the party’s liberal wing aiming to make a few changes before the bill hits the chamber floor. Leaders of the Congressional Progressive Caucus, which represents liberal Democratic members of the House, say they’ve got only a few short days to convince House Democratic leadership to accept amendments the group has been pushing for months now.
  - They want to expand the number of drugs for which the U.S. government would negotiate the price each year, extend discounted prices to the uninsured and open the door for group insurance plans to get rebates for any increase in drug prices above inflation. Rep. Mark Pocan (D-Wis.), one of the co-chairs of the CPC, said he’s hoping to meet with leadership and make a final case for the changes to the bill. “We just want to make sure we have a last crack at addressing some things we want to see,” Pocan said.
• **Ukraine Officials Avoid Giuliani in Kyiv:** Rudy Giuliani, whose work in Ukraine is at the heart of U.S. impeachment proceedings, is back in the country—and officials in Kyiv appear to be keeping their distance. People with knowledge of his trip say Giuliani flew into Kyiv from Budapest on Wednesday, the same day that U.S. hearings stemming from his shadow diplomacy in Ukraine kicked over to the House Judiciary Committee. Social media postings show him meeting with current and previous Ukrainian political figures as part of a cable documentary series that’s critical of the impeachment inquiry.
  - But President Volodymyr Zelenskiy of Ukraine won’t be meeting with him, the president’s spokeswoman said. Igor Kolomoisky, a Ukrainian billionaire with ties to Zelenskiy, also said he wasn’t planning to meet with Giuliani. And Zelenskiy’s predecessor, Petro Poroshenko, who met Giuliani twice in Kyiv in 2017 said he had no plans to see Giuliani during his trip. Andriy Yermak, an aide to Zelenskiy who figured prominently in the House’s impeachment report, was in London for a conference on Ukraine. He also said he wasn’t meeting Giuliani.

• **Pelosi Optimistic on USMCA, Avoiding Shutdown:** Pelosi said the U.S.-Mexico-Canada Agreement, Trump’s signature trade deal to replace the North American Free Trade Agreement, will be passed by Congress when “we have the language with enforcement in it.” Pelosi told CNN at a town hall last night she’s optimistic it will be done before Congress departs for the holiday recess later this month.
  - On government funding, Pelosi said she doesn’t think the U.S. is headed for a shutdown. Lawmakers face a Dec. 20 deadline to continue funding the government and are currently negotiating a path forward for the 122 annual appropriations bills. If they cannot reach an agreement on those bills, or a package containing the measures, the government could shut down or another short-term, stopgap continuing resolution could be necessary.
    - “We are on a good path, if not, we will go to a continuing resolution until after Christmas,” she said. “I hope we don’t have to do that.”

• **Voting Rights Bill:** The House will vote today on new federal standards for state voting law changes. The Voting Rights Advancement Act of 2019 would prohibit places with a history of voter discrimination from implementing new voting laws without federal approval. For Democrats, the bill is a “very important piece of legislation to try to address the Shelby v. Holder Supreme Court case” House Majority Leader Steny Hoyer (D-Md.) told reporters on Wednesday. Republicans oppose the measure.

• **Defense Bill Negotiations:** Provisions to tighten the regulation of “forever chemicals” via the annual defense authorization bill appeared to be in trouble yesterday as House leaders considered cutting much of the strong regulatory language from the bill. House Energy and Commerce Committee Chairman Frank Pallone (D-N.J.) agreed to drop the language, according to one House Democrat, angering dozens of more liberal Democrats. The tougher provisions included in the House-passed version of the fiscal 2020 defense authorization measure, but not in the Senate’s bill, had been dropped by last night, according to people familiar with the talks. House leadership was still weighing what PFAS language should ultimately be included in the bill, and no final
decision had been made, according to House Democratic aides. A deal on the final bill could come as early as today.

- **Corporate Tax Disclosures:** Tax fairness advocates and Sen. Chris Van Hollen (D-Md.) are urging multinational corporations to publicly report where and how much they pay in taxes. They’re backing a corporate reporting standard released yesterday by the Global Reporting Initiative, an independent organization that provides sustainable reporting standards. The initiative aims to shed light on corporations’ tax strategies, governance, and risk management. With the initiative’s standard the public will be able to see how corporations are “using tax havens and whether the tax code is creating incentives for them to ship jobs overseas,” Van Hollen said.

- **New Chairman of Financial Services Subcommittee:** Rep. Brad Sherman (D-Calif.) will serve as the next chairman of the House Financial Services Subcommittee on Investor Protection, Entrepreneurship and Capital Markets, according to the full committee’s chairwoman Maxine Waters (D-Calif.) in a statement. Sherman will replace Rep. Carolyn Maloney (D-N.Y.), who was named chairwoman of the House Oversight and Reform Committee earlier this year.

- **Hunter Warned Not to Vote in House After Guilty Plea:** Rep. Duncan Hunter’s (R-Calif.) recent guilty plea means he should refrain from voting in the House, the Ethics Committee said in a letter. While the provision in House rules “is not mandatory, we emphasize in the strongest possible terms that if you violate the clear principles of this provision - that is for example, by voting in the House, you risk subjecting yourself to action by this committee, and by the House,” according to the letter.
  - Hunter, who represents San Diego, pleaded guilty in federal court to a single count of conspiracy. His plea came seven weeks before he was to go on trial on charges that he and his wife, Margaret, spent almost $250k in campaign money for expenses ranging from family vacations to school tuition and dental work.

- **GOP Unity Faces Possible 2020 Election Peril:** Trump likes to boast that he has unwavering Republican support even as the House impeachment advances, yet that backing is softer than he suggests, creating a potential risk for the president heading into 2020. “We have tremendous support. Probably the most united that our party has ever been,” Trump said Tuesday at a news conference during the NATO summit in London. “I just had a 95 percent approval rating. It’s the highest in the history of the Republican Party.”
  - There’s no evidence for that. Trump has consistently had support in the high 80s among Republicans -- strong, but not a record for a president of that party. George W. Bush had an approval rating of 99% after the Sept. 11 attacks, and his father, George H.W. Bush, saw 97% approval ratings after the Gulf War. And, more important, polls show that even Republicans who profess to support him harbor doubts.
Warren Calls On Buttigieg to Disclose McKinsey Clients: Sen. Elizabeth Warren (D-Mass.) called on her Democratic rival Pete Buttigieg to disclose the names of his consulting clients while working at McKinsey & Co. and “open the doors” of his fundraisers to the press. Speaking to reporters at a Democratic National Committee fundraiser in Boston yesterday, Warren also urged Buttigieg to release more details about the financing of his campaign. Buttigieg has moved into the top spot in many recent Iowa polls as Warren has slid.

- “The mayor should be releasing who’s on his finance committee, who are the bundlers who are raising big money for him, who he’s given a title to and made promises to,” Warren said. “And he should open up the doors so that the press can follow the promises that he’s making in these big-dollar fundraisers.”
- “If Elizabeth Warren wants to have a debate about transparency, she can start by opening up the doors to the decades of tax returns she’s hiding from her work as a corporate lawyer - often defending the types of corporate bad actors she now denounces,” Lis Smith, Buttigieg’s senior communications adviser, wrote on Twitter.

Bloomberg Says He Supports Trump's Impeachment: Michael Bloomberg, in his first television interview since he entered the presidential race, said that he supports the impeachment of Trump. “I think it’s a very serious thing. But I was before opposed to it, but after looking at all the evidence, I think yes, sad but yes,” Bloomberg told Gayle King of CBS News in an excerpt from the interview that will be broadcast this morning. Michael Bloomberg is the majority owner of Bloomberg Government's parent company.

EPA Chief Says Agency Aims to Set Biofuel Quotas: The EPA is seeking to issue a final rule setting 2020 biofuel blending quotas by Dec. 20, the agency’s chief told industry representatives in phone calls yesterday. Environmental Protection Agency Administrator Andrew Wheeler gave the update to renewable fuel producers amid industry concerns the EPA’s existing proposal does not do enough to offset waivers exempting refineries from the mandates, according to three people familiar with the matter who asked not to be named describing private conversations. The EPA was set to send its draft of the final rule to the White House Office of Management and Budget for an interagency review late yesterday, Wheeler said, according to four people familiar with the timing.

T-Mobile Girds for Decisive Battle With States: The future of the U.S. wireless industry hinges on a court battle kicking off Monday in federal court in Manhattan, a case that could end with T-Mobile buying Sprint, and Dish Network getting the go-ahead to enter the market. U.S. Judge Victor Marrero will weigh arguments from a group of states that say he should block the $26.5 billion Sprint deal because it will raise prices on consumers by eliminating competition between the two carriers. T-Mobile says the opposite: By combining with Sprint, it can reduce costs and lower prices.

- A win for the companies would create a new wireless giant that would overtake AT&T to become the No. 2 carrier in terms of monthly regular subscribers
behind Verizon. A loss would leave Sprint a distant No. 4 in the market, weighed down by a debt load that threatens to cripple the company.

- **North Korea Turns Up Heat on Trump:** North Korea may be preparing to conduct engine tests at a long-range rocket launch site, stepping up pressure on Trump ahead of a year-end deadline it imposed to get a better deal from the U.S. in nuclear disarmament talks.
  - A satellite image from yesterday shows activity at its Sohae Launch Facility, which leader Kim Jong Un had once said he dismantled in a concession to Trump. The move comes as the two sides have revisited old insults -- “Rocket Man” from Trump and “dotard” from North Korea -- while Pyongyang said Washington’s behavior will determine what “Christmas gift” it gets from Kim. The commercial satellite image shows activity at the Sohae facility that includes what appears to be a newly arrived shipping container at the engine test stand, according to Jeffrey Lewis, director of the East Asia Nonproliferation Program at the Middlebury Institute of International Studies, who works with the U.S.-based imaging company Planet Labs.

- **EU Trade Chief Hogan, Lighthizer to Discuss French Tariff Threat:** The European Union’s chief trade negotiator Phil Hogan will sit down with U.S. Trade Representative Robert Lighthizer next month to discuss an American threat to hit France with tariffs on $2.4 billion of its exports. “We are looking at all possibilities, but we prefer to have a negotiated settlement,” Hogan said in an interview in Kildare, Ireland, referring to what actions the EU may take if the U.S. follows through with the levies. “I will be visiting the U.S. in January to meet with my counterpart Ambassador Lighthizer in order to explore possible avenues where we could reach agreement rather than engage in confrontation.”