



ML Strategies Update

FOLLOW US ON TWITTER: [@MLStrategies](https://twitter.com/MLStrategies)

ML Strategies, LLC
701 Pennsylvania Avenue, N.W.
Washington, DC 20004 USA
202 296 3622
www.mlstrategies.com

OCTOBER 2, 2015

Now to End of 2015 – What to Expect?

Funding Crisis Averted & New Leadership in the House

A week ago no one could have predicted that the biggest story in Washington this week would not be the last minute avoidance of a government shutdown by passage of a Continuing Resolution (CR) funding federal activities through December 11th. However, as we all know, in politics as in life, events can turn on a dime and the announcement by Speaker Boehner that he would be resigning from Congress at the end of October has set the stage for a remarkable transition of power in the House of Representatives that could have an unforeseen impact for the end-of-year legislative calendar – and for the second session of the 114th Congress. While it is always difficult to predict with full certainty what issues Congress will tackle over a certain period of time, we can assume that some variation of the following will play out over the coming months, regardless of who is elected into new GOP leadership.

Fiscal Year 2016 Appropriations – Round Two

Despite objections from some in the Republican caucus that the CR did not strip Planned Parenthood of federal funding, Congress passed a CR that will fund the government until December 11th, so the Fiscal Year 2016 appropriations process will continue to be a focus. The CR has simply pushed the issue off until just before the holiday season when members of congress will be working to wrap up efforts for the year and head for home. The two most likely scenarios for addressing FY16 spending are an Omnibus spending bill that will set new spending levels for federal activities through the end of the fiscal year, or a long-term CR that simply funds the federal government at current, or potentially lower levels, through the remainder of the fiscal year. However, we cannot discount the possibility that GOP opponents to Planned Parenthood funding will dig in on their position and force a government shutdown come December. Much will depend on the new slate of Republican leadership. It should also be noted that Republican leaders are in negotiation with the Administration on a two year budget plan that, if successful, would avoid a December government shutdown and also help to avert a similar crisis come October 1, 2016 – one month before the next elections. This would be along the lines of the Bipartisan Budget Act of 2013 (the Ryan-Murray agreement) that raised sequestration caps for 2014 and 2015.

Measures Most Likely to Move

Aside from funding the federal government, several measures have already made significant progress and could see final action before the end of 2015.

The National Defense Authorization Act (NDAA) has already been conferenced to reconcile differences between the House and Senate, and despite a veto threat from President Obama, the House has approved the final bill with the Senate scheduled to take it up next week.

Customs Reauthorization has been approved by the House and Senate and is awaiting conference to reconcile differences between the two measures.

Toxic Substances Control Act (TSCA) Reform legislation in the Senate now has 60 cosponsors – a filibuster proof majority – and could be brought up for a vote at any time, while the House has already passed its reform bill 398-1 earlier this year.

There are two other measures which have made significant progress but may not make it across the finish line by the end of the year:

The Elementary and Secondary Education Act (ESEA) Reauthorization has been approved by both chambers and is awaiting conference to reconcile differences.

Cybersecurity made significant progress in the Senate over the summer and could be brought up for floor debate this fall, while the House has already passed its Cybersecurity bill.

One or More Major Legislative Packages

There are also a number of other measures that could be folded into what could be one or more large legislative packages between now and the end of the year.

Issues that could possibly be included these potential legislative packages include:

- an increase in the debt limit (*November 5th is the latest deadline from Treasury*)
- a highway bill
- a tax extenders package
- renewal of the Export-Import Bank (*unless passed as a stand-alone bill in October*)
- a deadline extension for the positive train control (PTC) mandate, and
- a proposal to lift the crude oil export ban.

Various other smaller legislative proposals could also be included.

It is unclear what bills would be used for the legislative vehicle for these packages, but two of the leading contenders have to be the highway bill or debt limit measures.

View ML Strategies professionals.

Boston · Washington www.mlstrategies.com