

This Week in Washington

May 18, 2012

DOMESTIC POLICY MATTERS

Fiscal Year (FY) 2013 Budget/Appropriations/Debt Ceiling. The House Appropriations Committee marked up the FY 2013 Defense, State-Foreign Operations, Military Construction-Veterans Affairs, and Homeland Security appropriations bills this week. Chairman Harold Rogers (R-Kentucky) said Thursday that he expects some spending bills to come to the floor after the House returns May 30th. The House Legislative Branch Appropriations Subcommittee also approved its FY 2013 spending measure. Meanwhile, on Tuesday, the Senate Appropriations Military Construction-Veterans Affairs Subcommittee approved its FY 2013 draft spending measure, which is very similar to the House's draft bill. The Senate on Wednesday voted down the House-adopted budget resolution championed by House Budget Chairman Paul Ryan (R-Wisconsin) and a Republican-introduced budget resolution based on President Obama's budget proposal. The votes were considered symbolic by Senate Democrats, who assert that spending levels for FY 2013 have already been set by last year's Budget Control Act. On Tuesday, Speaker of the House John Boehner (R-Ohio) asserted he will not allow a future increase in the federal borrowing limit without equal cuts in spending and with no tax increases. President Obama then reportedly called for a "clean" debt ceiling increase during a meeting with Speaker Boehner and other Congressional leaders on Wednesday. According to the Treasury Department, the federal government is projected to hit its \$16.39 trillion debt ceiling around the end of the calendar year.

On Monday, the nonprofit Common Cause **sued the U.S. Senate**, challenging the constitutionality of the filibuster rules that routinely require 60 votes for legislation to pass. On Tuesday, the Senate passed (78-20) a measure (H.R. 2072) **reauthorizing the Export-Import Bank**, sending the bill to President Obama for his expected signature after staving off several Republican amendments to eliminate the bank or curtail its activities. The legislation allows for a 40 percent increase in the Bank's lending limit over the next four years, reaching a cap of \$140 billion. Speaker Boehner announced Tuesday that the House will vote before the November elections on legislation extending the 2001 and 2003 **"Bush tax cuts,"** which are due to expire at the end of the year. Also on Tuesday, the Justice Department initiated a criminal investigation into the \$2 billion trading loss at **JPMorgan Chase**. On Wednesday, the Senate Homeland Security and Government Affairs Committee sent to the Senate floor bills to authorize federal employee benefits for couples in **same-sex domestic partnerships** (S. 1910) and to **prohibit consideration of political activities** when selecting bids for new federal contracts (S. 1100). On Thursday, the House passed legislation to reauthorize **the Violence Against Women Act (VAWA)**, which differs from the VAWA reauthorization bill that a bipartisan Senate coalition passed in April that includes certain domestic violence protections for undocumented immigrants, gays, lesbians and American Indians. The White House and most Congressional Democrats have expressed their opposition to the House-passed version of VAWA. Senate Majority Leader Harry Reid (D-Nevada) took procedural steps Thursday on legislation to **reauthorize Food and Drug Administration (FDA) user fee programs** for five years, aiming to set up floor consideration next week. The White House expressed strong support for the Senate bill Thursday, highlighting its focus on addressing shortages for drugs that treat serious diseases. The House is expected to take up its version after the Memorial Day recess. Conference negotiations continue on the **surface transportation reauthorization** bill, as the House is set to vote Friday afternoon on a requirement to include the Keystone pipeline permit as part of the conference package. However, the Administration renewed its veto threat over the Keystone provision because it asserts the revised pipeline application needs further review.

Political News. Congressman Ron Paul (R-Texas) announced Monday he will suspend his campaign for the Republican presidential nomination but will continue to collect convention delegates. On Tuesday, presumptive Republican presidential nominee Mitt Romney won primaries in Nebraska and Oregon. Also Tuesday, Nebraska state legislator Deb Fischer won the Republican nomination for the U.S. Senate seat held by retiring Democrat Ben Nelson. Fischer will face former Senator Bob Kerrey (D-Nebraska) in November.

FOREIGN POLICY MATTERS

U.S.-Burma Developments. On Thursday, President Obama and Secretary of State Clinton announced the United States will ease its bans on new investment in and financial exports to Burma, stating recent reforms warrant such a response. The President also announced U.S. Special Envoy to Burma Derek Mitchell as his nominee to be U.S. Ambassador to Burma, pending confirmation by the Senate. Thursday afternoon, Secretary Clinton held a bilateral meeting with Burmese Foreign Minister U Wunna Maung Lwin.

Syria. On Friday, Syrian opposition forces reported the Syrian regime was shelling the city of Homs and targeting Rastan, while Major General Robert Mood, the head of the 200-person U.N. observer team in Syria, cautioned that an end to the violence will not happen "if the commitment to give dialogue a chance is not genuine from all internal and external actors." The day before, U.N. Secretary-General Ban Ki-moon said al-Qaeda may have been behind the May 10th suicide bombing attacks in Damascus that left at least 55 dead and over 400 injured. Meanwhile, the media reported evidence Thursday of close cooperation between Syria and Iran to subvert oil embargos.

Iran. Thursday afternoon, Senate Majority Leader Harry Reid (D-Nevada) attempted, for the second time, to pass the *Johnson-Shelby Iran Sanctions, Accountability and Human Rights Act of 2012*, a bill that provides for new sanctions to punish shipping and financial services concerns involved in Iranian oil exports and any entity providing Iran with equipment or technology that facilitates censorship or the suppression of human rights. Senate Minority Leader Mitch McConnell (R-Kentucky) objected, after Senator Lindsey Graham (R-South Carolina), Senator Roy Blunt (R-Missouri), and other Republicans asked for more time to consider proposing several changes. Senator Reid and others had hoped to pass the new sanctions legislation before next week's P-5+1 nuclear talks with Iran in Iraq. Senator McConnell acknowledged a compromise may be found in the "coming days". Meanwhile, from Prague Friday, Israeli Prime Minister Benjamin Netanyahu expressed doubts that Iran will stop its nuclear program or take the upcoming talks seriously.

The House debated the **FY 2013 Defense Authorization Act (NDAA)** and voted to include provisions mandating the sale of new F-16 fighter jets to Taiwan and directing the Defense Department to hold detainee trials at Guantánamo Bay. The House rejected an amendment by Congressman Adam Smith (D-Washington) and Congressman Justin Amash (R-Michigan) to prevent indefinite detentions of detainees without trial and Democratic-led attempts to scale back the F-35B and V-22 Osprey military aircraft programs. The House also passed a provision that would streamline commercial satellite export controls by transferring licensing authority from the State Department to the Commerce Department. Overall, the House NDAA would authorize \$554 billion for the Defense Department and national security programs and \$88.5 billion for overseas contingency operations, primarily for Afghanistan, exceeding by \$8 billion the caps in place under the Budget Control Act. The House is expected to pass the final bill Friday afternoon.

Thursday, the House Appropriations Committee advanced by voice vote its **FY 2013 State Department-Foreign Operations (SFOPs) spending bill**. The House bill includes a provision by Congressman Charlie Dent (R-Pennsylvania) that would direct the State Department to report whether **Boko Haram**, an organization known for several violent attacks in Nigeria, should be designated as a terrorist organization. Also included is a provision by Congressman Frank Wolf (R-Virginia) to **block bilateral economic aid** to countries that allow Sudanese President Omar al-Bashir to enter, unless doing so would help bring him to justice or further the peace process between **Sudan** and **South Sudan**. On Friday, South Sudan urged the U.N. Security Council to impose sanctions on Sudan for its alleged failure to comply with the May 2nd U.N. resolution urging talks.

Monday, Secretary Clinton swore in U.S. Ambassador to Libya Christopher Stevens. The Secretary met Wednesday with **Tajikistan Foreign Minister** Hamrokhon Zarifi. Also Wednesday, Secretary Clinton addressed the **Strategic Dialogue with Civil Society 2012 Summit**, saying the State Department will better access "the ideas and opinions of local civil society groups" around the world. On Thursday, Secretary Clinton met with **Israeli Defense Minister** Ehud Barak and participated in a signing ceremony with the **Tunisian Ambassador** to Washington Mohamed Salah Tekaya. Friday, the Secretary held separate bilateral meetings with **Sri Lankan Foreign Minister** Gamini Lakshman Peiris and new **French Foreign Minister** Laurent Fabius. Secretary Clinton later provided remarks at the launch of the **G-8 Food Security Agenda**.

On Tuesday, President Obama spoke with **Italian Prime Minister** Mario Monti, discussing Afghanistan, the current economic situation in Europe, and the **G-8 Summit at Camp David this weekend**. The President also called **Australian Prime Minister** Julia Gillard, to continue their regular consultations on Afghanistan ahead of the ISAF meeting at the NATO Summit, which the United States will host May 20-21 in Chicago. Also Tuesday, the **U.S.-Colombia Free Trade Agreement** entered into force. President Obama issued a new Executive Order Wednesday blocking the property of persons threatening **Yemen's** peace, security, and stability. In **France** Tuesday, Francois Hollande was sworn in as President and was in Washington Friday for a bilateral meeting with President Obama, with Secretary Clinton joining. Also Friday, President Obama addressed the **Symposium on Global Agriculture and Food Security** before heading to Camp David. Late last Friday (11th), President Obama announced his **intention to nominate** the following individuals as U.S. Ambassadors: Thomas Hart Armbruster (Marshall Islands) and David Bruce Wharton (Zimbabwe).