

This Week in Washington

May 11, 2012

DOMESTIC POLICY MATTERS

Fiscal Year (FY) 2013 Budget/Appropriations. The House Appropriations Subcommittees on Defense and Military Construction/Veterans Affairs both advanced FY 2013 spending bills on Tuesday. The bills are expected to come before the full House Appropriations Committee next week. On Wednesday, the House Homeland Security Appropriations Subcommittee advanced its FY 2013 spending bill. After days of debate on amendments, including a 206-204 vote to restore \$126 million to the Community Oriented Policing Services (COPS) grant program, the House passed (247-163) the FY 2013 Commerce-Justice-Science appropriations bill on Thursday. The \$51.1 billion bill appropriates about \$1.6 billion less than FY 2012 and \$730 million less than the President's request. The White House has threatened a veto because the bill aligns with a top-line spending limit below the amount agreed to in last summer's *Budget Control Act*.

On Thursday, the House passed (218-199) the **Sequester Replacement Act of 2012**. The Republican-backed legislation replaces the mandatory spending cuts under sequestration with a \$19 billion reduction in the discretionary spending cap for FY 2013 and more than \$310 billion in cuts over ten years. The cuts would affect non-defense domestic programs like the Supplemental Nutrition Assistance Program (SNAP) and the Social Services Block Grant, as well as major changes to the 2010 fiscal regulatory and health care overhauls. Democrats have opposed the legislation, which Senate Majority Leader Harry Reid (D-Nevada) has said avoids a "balanced approach" of spending cuts and new revenue. Secretary of Defense Leon Panetta added Thursday, "Defense should not be exempt from doing its share to reduce the deficit."

On Monday, the Congressional Budget Office (CBO) released its projection that the **U.S. Treasury will run a surplus** for April 2012 for the first time since September 2008 – a result of both lower spending than previously estimated and shifts in the timing of certain payments. After Vice President Biden and Secretary of Education Arne Duncan both expressed publicly their comfort with **same-sex marriage** during appearances on Sunday news shows, President Obama announced Wednesday that he also believes "same-sex couples should be allowed to marry." Tuesday, Republican Senators blocked a Democratic proposal to extend the current 3.4 percent **student loan interest rate** for one year (currently set to expire July 1st) by eliminating a tax break for S corporations. Senate Democrats vowed to continue fighting for their proposal. The House Armed Services Committee (HASC) held its mark up of the **FY 2013 National Defense Authorization Act (NDAA)** on Wednesday. Although the 16-hour mark up addressed gay marriage, missile defense, and base closures, some amendments – including Ranking Member Adam Smith's (D-Washington) proposals on detainee language and the drawdown in Afghanistan – were withheld and will instead be offered and debated next week on the House floor. Defense Secretary Panetta voiced disapproval of the House bill during a press conference Thursday, accusing HASC Republicans of putting the needs of their districts ahead of national security. On Thursday, the Obama Administration unveiled its **National Tourism and Travel Strategy**, a blueprint for expanding travel to and within the United States. Also on Thursday, the White House announced an **Executive Order** to eliminate unjustified requirements, including traffic control rules, railroad control systems, hospital reporting requirements, and air pollution control technologies. A Federal Drug Administration (FDA) advisory panel for the first time on Thursday recommended the **approval of a drug designed to prevent HIV** infections. Following House passage (330-93) of a bill Wednesday aimed at reauthorizing the **Export-Import Bank**, Majority Leader Reid filed cloture – setting up a vote on the issue on Monday – and then took to the Senate floor Thursday to advocate for limitations on the chamber's use of **filibusters**.

Political News. On Tuesday, six-term Senator and Ranking Member of the Senate Foreign Relations Committee Richard Lugar lost the Indiana Republican Senate primary to tea party-backed state Treasurer Richard Mourdock, who now faces Democratic Congressman Joe Donnelly this November. President Obama released a statement commending Senator Lugar for his bipartisanship and distinguished service. Former Republican Presidential candidate Rick Santorum endorsed front-runner Mitt Romney for the Republican presidential nomination on Monday. Governor Romney won the Indiana, North Carolina and West Virginia Republican presidential primaries on Tuesday. North Carolina voters also approved a constitutional amendment banning same-sex marriage and civil unions on Tuesday.

FOREIGN POLICY MATTERS

On Monday, the Associated Press reported the Central Intelligence Agency, working with Saudi Arabian intelligence, had **successfully thwarted a bomb plot** by al Qaeda in the Arabian Peninsula operatives in

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Yemen. While the intelligence operation was lauded by numerous lawmakers, House Intelligence Committee Chair Mike Rogers (R-Michigan) said Wednesday the Committee has opened a preliminary investigation into the possibility that classified information was leaked to the Associated Press.

By voice vote along party lines Wednesday, the House State-Foreign Operations Appropriations Subcommittee approved the House **FY 2013 State-Foreign Operations (SFOPs) spending bill**, which includes \$40.1 billion for the base budget of the State Department, USAID and international affairs programs. The approved bill is more than \$6 billion below President Obama's request and \$2 billion less than FY 2012 levels, but fully funds the President's request of \$8.2 billion for the Overseas Contingency Operations (OCO) account, which would sustain programs in Afghanistan, Pakistan and Iraq. The House Republican SFOPs bill cuts the U.S. contribution to multilateral organizations, such as the United Nations, and zeros out funds dedicated to mitigating/combatting climate change. House Republicans maintained FY 2012 level funding for the Peace Corps and the Millennium Challenge Corporation.

Syria. The State Department strongly condemned the attacks, reportedly by suicide bombers, Thursday morning in Damascus, saying "[A]ny and all violence that results in the indiscriminate killing and injury of civilians is reprehensible and cannot be justified," although Administration officials blamed Syrian President Bashar al-Assad for initially escalating the violence. The State Department further expressed concern over whether the *Annan Plan* can be implemented, echoing U.N. Secretary General Ban Ki-moon. Also Thursday, Senate Foreign Relations Committee (SFRC) Chair John Kerry (D-Massachusetts) indicated a willingness to consider the establishment of safe zones and possibly arming the opposition in Syria. Meanwhile, Defense Secretary Panetta confirmed the Pentagon is planning for a number of Syria-related contingencies and will be prepared to implement any of them, if asked by the President.

In advance of the May 20-21 NATO Summit in Chicago, President Obama and Secretary Clinton met Wednesday with **NATO Secretary General** Anders Fogh Rasmussen. They agreed the Summit would focus on: (1) Afghanistan, (2) the defense capabilities of member countries, and (3) partnerships with non-NATO countries. Also Wednesday, President Obama spoke with newly sworn-in **Russian President** Vladimir Putin, who will be unable to attend the G-8 Summit at Camp David May 18-19. The leaders agreed to hold a bilateral meeting at the June G-20 Summit in Mexico. Earlier this week, the State Department expressed it was "troubled" by reports of violence and subsequent arrests during protests in Moscow on May 6th.

This weekend and next week, U.S. officials will host the 12th round of the **Trans Pacific Partnership (TPP) negotiations** in Dallas, Texas. Speaker of the House John Boehner (R-Ohio) said this week the Administration's lack of a request to Congress for fast-track trade promotional authority is "disappointing", especially since it would help speed Congressional consideration of TPP.

This week, the State Department reiterated that diplomatic efforts should be utilized to resolve the **South China Sea dispute**. The House Armed Services Committee adopted an amendment (32-26 vote) sponsored by Representative Trent Franks (R-Arizona) to the FY 2013 National Defense Authorization bill that authorizes "steps to deploy additional conventional forces of the United States and **redeploy tactical nuclear weapons to the Western Pacific region**." Meanwhile, in response to reports of another possible long-range missile launch, the State Department reiterated Wednesday that **North Korea** should cease provocative behavior and adhere to its international obligations.

On Wednesday, Secretary of Defense Panetta called for Congress to ratify the **U.N. Convention on the Law of the Sea** at a Washington symposium. The Secretary said U.S. accession to the treaty would: (1) ensure freedom of navigation for U.S. ships, (2) allow the United States to secure mineral rights in a larger geographical area, and (3) give the country better leverage in the Arctic.

Last Saturday, Secretary Clinton concluded her trip to China, traveling on to **Bangladesh** and meeting with Foreign Minister Dipu Moni and Prime Minister Sheikh Hasina. The Secretary then travelled to **India**, meeting Monday with National Security Advisor Shivshankar Menon and Indian Prime Minister Manmohan Singh. Back in Washington Wednesday, Secretary Clinton met with **Bahrain Sheikh** Salman bin Hamad bin Isa Al-Khalifa. The State Department welcomed the **International Criminal Tribunal for Rwanda's** decisions Tuesday that upheld convictions for genocide and crimes against humanity. Last Sunday, President Obama called and congratulated **French President-elect** Francois Hollande, also calling outgoing **French President** Nicolas Sarkozy, on Monday, to thank him for his strong partnership. This week, President Obama announced his **intention to nominate** the following individuals: Deborah Malac to be U.S. Ambassador to Liberia, and Caitlin Durkovich to be Assistant Secretary of Homeland Security for Infrastructure Protection.