

This Week in Washington

April 27, 2012

DOMESTIC POLICY MATTERS

Fiscal Year (FY) 2013 Budget/Appropriations. On Wednesday, the House Appropriations Committee approved FY 2013 302(b) spending allocations that follow the \$1.028 trillion level set in the House Budget Resolution – \$19 billion lower than the \$1.047 trillion level set by last year's Budget Control Act and adopted by the Senate last week. The allocations for the State-Foreign Operations bill represent a \$5 billion cut from the funding levels enacted in FY 2012, although the House proposes to fully fund the President's Overseas Contingency Operations account. The House Appropriations Committee also approved the House version of the Energy and Water appropriations bill Wednesday and the Commerce-Justice-Science (C-J-S) bill on Thursday. After passage of the C-J-S bill, House Appropriations Chairman Hal Rogers (R-Kentucky) announced the legislation will be taken up on the House floor the week of May 7th. Also on Thursday, the Senate Appropriations Committee approved its Energy and Water and Agriculture appropriations bills.

Education. President Obama spent the week lobbying Congress to prevent the federally subsidized student loan interest rates from doubling in July, a position Republican presidential candidate Mitt Romney endorsed. Both chambers announced legislation at the end of the week to extend the current rate for one year, albeit differing on how to pay for the \$6 billion extension. The House passed a Republican-led measure Friday – despite a veto threat from the White House – and the Senate is expected to take up Majority Leader Harry Reid's (D-Nevada) bill when Congress returns on May 8th. Friday, President Obama signed an Executive Order to "require that colleges provide more transparent information about their outcomes and financial aid options for students".

On Tuesday, the U.S. Department of Justice announced the **first criminal charges in the 2010 Deepwater Horizon oil spill** have been filed against a former BP engineer who allegedly destroyed evidence. This week, Congress moved a step closer to finalizing legislation that would **reauthorize federal highway programs**, after the House agreed Wednesday to go to conference with the Senate to reconcile differences between the two chambers' measures. Majority Leader Reid announced Senate conferees on Tuesday, and Speaker John Boehner (R-Ohio) appointed House Members Wednesday to the conference committee, which will first meet May 8th. Oral arguments before the U.S. Supreme Court concerning the **2010 Arizona law designed to reduce illegal immigration** in the state concluded Wednesday, with a decision not expected until June. A day earlier, the Senate Judiciary's Subcommittee on Immigration, Refugees and Border Security held a hearing on the Arizona law, with Subcommittee Chair Chuck Schumer (D-New York) announcing he would introduce legislation to block states from enforcing immigration laws without explicit approval from the federal government. On Wednesday, the Senate passed (62-37) a bill **overhauling the U.S. Postal Service** to create financial incentives for the retirement of approximately 100,000 employees and to maintain some Saturday services. The bill also included an unrelated amendment offered by Senator Tom Coburn (R-Oklahoma) to limit federal agency spending to \$500,000 per conference, after the General Services Administration recently spent \$822,000 on a lavish gathering in Las Vegas. The measure now heads to the House. Thursday, the House passed its **cybersecurity legislation**, the *Cyber Intelligence Sharing and Protection Act* (CISPA), despite a Wednesday veto threat by the White House over concerns about its effectiveness and protections for privacy and civil liberties. The Senate Agriculture Committee passed a five-year reauthorization and overhaul of farm, conservation and nutrition programs – the "**Farm Bill**" – with a bipartisan vote Thursday. The U.S. Department of Commerce announced Friday the **economy expanded** at an annual rate of 2.2 percent in the first quarter of 2012.

Political News. Saturday, incumbent Utah Senator Orrin Hatch failed to clinch the 60 percent threshold necessary to secure the Republican Senate nomination, ensuring a June primary election against State Senator Dan Liljenquist. Congressional Democratic primaries in Pennsylvania on Tuesday resulted in the loss of incumbent Pennsylvania Representative Tim Holden to newcomer Matt Cartwright and the loss of incumbent Representative Jason Altmire to fellow incumbent Representative Mark Critz. Also on Tuesday, the presumptive Republican presidential nominee Mitt Romney won Republican primaries in Connecticut, Rhode Island, Delaware, Pennsylvania and New York. Former Speaker of the House Newt Gingrich announced Wednesday that he will soon suspend his campaign.

FOREIGN POLICY MATTERS.

On Monday, during a **speech on preventing mass atrocities** at the U.S. Holocaust Museum, President Obama announced a **new Executive Order** that seeks to preserve global telecommunications supply chains

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in order to enable the free flow of information and to prevent entities located in whole or in part in **Iran** and **Syria** from facilitating or committing serious human rights abuses.

Syrian Conflict. Senior Administration officials testifying before Congress this week recognized the *Annan Plan* is failing and said other options are being explored. At the Senate Foreign Relations Committee (SFRC) hearing on Syria Thursday, Republicans appeared to be divided over how aggressively the United States should work for Assad's removal during debate over the *Rubio-Casey* resolution on Syria. The SFRC reported out the resolution by a 13-6 margin, with five Republicans and Senator Jim Webb (D-Virginia) voting no. A day before, SFRC member and possible Republican vice presidential contender Senator Mark Rubio (Florida) advocated for diplomatic engagement and, when necessary, military intervention while speaking at a Brookings Institution event.

Largely in response to potential Iranian **intercontinental ballistic missiles** (ICBM), and to a lesser extent possible missiles from North Korea, the House Armed Services Subcommittee on Strategic Forces approved its section of the defense authorization bill (H.R. 4310) and included a provision to require the Defense Secretary ensure that a U.S.-based facility on the East Coast is equipped with **anti-ICBM interceptors** and "is operational by Dec. 31, 2015." Meanwhile, despite State's warning last week to nuclear-capable states to "exercise restraint," this week, Pakistan successfully tested an ICBM in response to India's test last week.

Trade. Testifying before the SFRC, Treasury Department's Director for the Office of Foreign Assets Control Adam Szubin acknowledged the main categories of **U.S. sanctions against Burma** "can be lifted by the executive branch either via licenses or presidential rescission of executive orders or via waivers," not requiring Congressional action at this time. However, Administration officials testifying were quick to assert there is no intention of fully lifting U.S. sanctions at this time. Thursday morning, House Ways and Means Committee Chair Dave Camp (R-Michigan) spoke on the need for a robust **trade policy agenda** this year. The Chairman recommended the Administration should "intensify its effort" to get Congressional approval on permanent normal trade relations (PNTR) for **Russia** this year and said he will hold a hearing in June on lifting *Jackson-Vanik*, one legislative obstacle in the path of PNTR being granted. Chairman Camp's trade agenda also included other items such as the **Trans-Pacific Partnership** negotiations ("urging conclusion this year of negotiations"), pursuit of a Bilateral Investment Treaty with China, the U.S. sanctions policy toward Burma, and addressing the expiring textile provision of the *Africa Growth and Opportunity Act*.

Greater Middle East. On Friday, Vice President Biden met with Iraqi Deputy Prime Minister for Energy Hussein Shahrstani, who participated in this week's **U.S.-Iraqi Joint Coordinating Committee on Energy** meeting. Thursday, Senate Armed Services Committee Chair Carl Levin (D-Michigan) joined Ranking Member Senator John McCain (R-Arizona) and Senators Lindsey Graham (R-South Carolina) and Joseph Lieberman (I-Connecticut) in criticizing reported elements of the Administration's proposed **Afghan** troop reductions.

African Affairs. Thursday, the White House Press Secretary Jay Carney applauded the verdict of the Special Court for Sierra Leone in the case of former Liberian President **Charles Taylor**, who was convicted for war crimes and crimes against humanity during Sierra Leone's civil war in the 1990s. President Obama announced Monday the United States will continue the deployment of a small number of U.S. military advisors to assist **Uganda** and other regional forces pursuing the Lord's Resistance Army. The White House said Tuesday the United States is providing an additional \$120 million in emergency assistance to mitigate the ongoing **humanitarian crisis in the Horn of Africa**. After two days of calm between **Sudan and South Sudan**, on Thursday, the State Department called on both sides to now formalize the ceasefire and to withdraw their forces from disputed areas.

This week, Homeland Security Secretary Janet Napolitano testified before Congress over the **U.S. Secret Service misconduct** in Cartagena, Colombia; assuring the scandal never compromised President Obama's security. Secretary of State Hillary Clinton met separately Tuesday with **Australian Foreign Minister** Bob Carr and **Salvadoran Foreign Minister** Hugo Martinez. On Wednesday, Secretary Clinton welcomed and held a bilateral meeting with **Albanian Prime Minister** Sali Berisha. Thursday, President Obama announced his **intention to nominate** the following individuals to be U.S. Ambassadors: Richard Morningstar (Azerbaijan) and Tim Broas (the Netherlands). Also Thursday, the **Senate confirmed** Adam Namm as U.S. Ambassador to Ecuador, and Mark Lippert as Assistant Secretary for Asian and Pacific Affairs (Defense). Next Monday, Pentagon official Julianne Smith will move over to the White House to become Vice President Biden's new Deputy National Security Advisor. In advance of Japanese Prime Minister Yoshihiko Noda's visit next Monday, late Thursday, the Administration announced a **new basing agreement** had been reached between the United States and **Japan**. The agreement moves 9,000 U.S. Marines from Okinawa, about which Senator Webb and other Senators have written to President Obama seeking more details.