This Week In Congress


**Senate** – The Senate confirmed the nominations of Robert Destro to be Assistant Secretary of State, Brent McIntosh to be an Under Secretary of the Treasury, and Brian Callanan to be General Counsel for the Department of the Treasury.

Next Week In Congress


**Senate** – The Senate is expected to vote on H.R. 4378. The Senate is also set to take up S. 1340, “The Ebola Eradication Act,” and continue its consideration of federal agency, judicial, and ambassadorial nominations.

**TAX**

**House Passes Temporary Funding Measure with No Tax Provisions**

**Key Points:**
- The House passed H.R. 4378 on Thursday that would extend funding for the IRS and other agencies at current levels through November 21. The bill measure would allow lawmakers more time to negotiate legislative goals which could be included in a long-term funding measure.
- The Senate Appropriations Committee approved a bill that would provide the IRS with $11.4 billion for FY 2020.

On Thursday, the House passed H.R. 4378 in a 301-123 vote. The continuing resolution would extend through November 21 funding for the Internal Revenue Service (IRS) and other agencies at current levels. The short-term measure allows lawmakers more time to negotiate other legislation, which could include tax priorities. Discussions have already begun on an end-of-the-year tax package that could include provisions like tax extenders, limited technical corrections, and delaying or repealing some Affordable Care Act (ACA) taxes.

On the same day, the Senate Appropriations Committee unanimously approved a bill that
would provide the IRS with $11.4 billion for Fiscal Year (FY) 2020. The bill would specifically provide an additional $200 million over the fiscal 2019 level for tax enforcement. The House passed its Financial Services and General Government Appropriations Act, 2020 (H.R. 3551), in June. That bill would provide $12 billion for the IRS and includes $5.2 billion for enforcement, $4 billion for operations support, $2.6 billion for taxpayer services, and $290 million for business systems modernization.

House Democrats Continue to Work on Short-Term SALT Cap Removal

Key Points:
- House Democrats are discussing legislation that would temporarily remove the $10,000 cap on the state and local (SALT) deduction, possibly for three years.
- Representative Pascrell (D-NJ) has introduced legislation that would fully repeal the SALT cap and increase the highest individual income tax bracket to 39.6 percent, its level before the Tax Cuts and Jobs Act.

This week, House Democrats met and discussed legislation that would temporarily remove the $10,000 cap on the state and local tax (SALT) deduction. The discussion has been on length of the relief, scoring issues and offsets. Republicans have opposed the idea of a full repeal due to the $600 billion cost, and policy arguments that the deduction subsidizes state spending. Ways and Means Member Pascrell has introduced legislation, H.R. 1142, that would be paid for by increasing the highest individual income tax bracket to 39.6 percent, its level before the Tax Cuts and Jobs Act (TCJA).

BEAT Regulations Sent to OMB from Treasury

Key Points:
- Treasury Department sent OMB final and proposed regulations on the BEAT (base erosion) provision enacted in TCJA.
- OMB’s review could last between a week to more than a month.

On Monday, the Treasury Department sent to the Office of Management and Budget’s (OMB) Office of Information and Regulatory Affairs (OIRA) the draft final and proposed regulations for BEAT, the “Base Erosion and Anti-avoidance Tax,” a regime enacted as part of TCJA in 2017.

Depending on whether OMB has any recommendations or revisions, the final product could be released in as short as a week or more likely could take a month or more for review. Issues such as how the transition rules for pre-existing tax attributes, treatment of cost-of-goods sold (COGs), and treatment of available deductions are likely to be part of the final product.

For more information about tax issues you may email or call Christopher Hatcher at 202-659-8201. Henry Homans contributed to this section.

FINANCIAL SERVICES

House Passes Continuing Resolution, Senate Appropriations Passes Financial Services Spending Bill

Key Points:
- The House passed a bill to fund the government through November 21.
- The Senate Appropriations Committee passed its Financial Services and General Government spending bill, which would provide $24.196 billion in funding.
On September 19, the House passed H.R. 4378, a continuing resolution (CR) to provide funding to federal agencies through November 21 by a vote of 301-123. The current funding bill for the federal government is set to expire at the end of the fiscal year on September 30. H.R. 4378 would allow Congress to avoid a government shutdown while continuing to negotiate for a longer-term spending bill. The CR would extend several programs set to expire at the end of Fiscal Year (FY) 2019, including the National Flood Insurance Program (NFIP) and the Export-Import Bank. The bill will now go to the Senate for approval.

Additionally, this week the Senate Appropriations Committee passed its FY 2020 Financial Services and General Government (FSGG) spending bill. The bill passed the FSGG Subcommittee on Tuesday by unanimous consent and the Full Committee on Thursday by a vote of 31-0. The bill would provide a total of $24.196 billion in funding.

The funding provided by the bill includes:
- $12.87 billion for the Treasury Department, including $11.414 billion for the IRS.
- $274 million for the Commodity Futures Trading Commission (CFTC), which is $6 million above the FY2019 enacted amount and $10 million below the FY2020 budget request.
- $1.767 billion for the Securities and Exchange Commission (SEC), which is $10 million more than the FY2020 budget request.

House Financial Services Committee Approves 12 Bills

Key Point:
- The Committee passed bills related to housing, homelessness, corporate governance, and insider trading.

On September 18-20, the House Financial Services Committee held a markup and approved 12 financial services bills:

- The Alternative Data for Additional Credit FHA Pilot Program Reauthorization Act (H.R. 123), introduced by Representative Al Green (D-TX), which would reauthorize the Department of Housing and Urban Development’s (HUD) statutory authority to implement a pilot program under the Federal Housing Administration (FHA) to increase credit access for borrowers with thin or no credit files through the use of additional credit data. The Committee favorably reported H.R. 123, as amended, by a vote of 32-22.

- The North America Development Bank Improvement Act of 2019 (H.R. 132), introduced by Representative Henry Cuellar (D-TX), which would authorize the United States to participate in the North American Development Bank’s (NADB)’s first capital increase request in the Bank’s 25-year history, doubling the Bank’s capital base from $3 billion to $6 billion, split equally between the United States and Mexico. The Committee favorably reported H.R. 132, as amended, by a vote of 32-23.

- The Tribal Eligibility for Homeless Assistance Grants Act of 2019 (H.R. 4029), introduced by Representative Denny Heck (D-WA), which would make tribes and tribally designated housing entities eligible to receive McKinney-Vento Homeless Assistance Grant funding. The Committee favorably reported H.R. 4029, as amended, by voice vote.
• The Financial Inclusion in Banking Act of 2019 (H.R. 4067), introduced by Representative David Scott (D-GA), which would direct the Consumer Financial Protection Bureau’s (CFPB) Office of Community Affairs to conduct a study every two years to better address the needs of under-banked, un-banked, and underserved communities in the United States, and to lessen reliance on non-traditional banking products, like payday loans. The Committee favorably reported H.R. 4067, as amended, by a vote of 55-0.

• The Greater Accountability in Pay Act of 2019 (H.R. 4242), introduced by Representative Nydia Velazquez (D-NY), which would require public companies to disclose the pay raise percentage of its executives and the pay raise percentage of its median employee over the past year and compare each to the rate of inflation. The Committee favorably reported H.R. 4242, as amended, by a vote of 32-21.

• The Fostering Stable Housing Opportunities Act of 2019 (H.R. 4300), introduced by Representative Madeleine Dean (D-PA), which would amend the Family Unification Program (FUP) to provide FUP vouchers “on demand” to foster youth who are at risk of homelessness as they transition to adulthood, and would extend the voucher assistance for up to an additional two years if they participate in self-sufficiency activities. The Committee favorably reported H.R. 4300, as amended, by a vote of 47-0.

• The Facilitating Access to Homeless Assistance Act of 2019 (H.R. 4302), introduced by Representative Brad Sherman (D-CA), which would authorize Public Housing Agencies (PHAs) to disclose relevant client information to local government entities and nonprofits in order to facilitate housing and services for individuals and families experiencing homelessness. The Committee favorably reported H.R. 4302, as amended, by a vote of 49-0.

• The Protecting Innocent Consumers Affected by a Shutdown Act (H.R. 4328), introduced by Chairwoman Maxine Waters (D-CA), which would provide assistance to federal employees, contractors and other consumers negatively affected by a federal government shutdown by establishing a mechanism to identify consumers affected by a shutdown to help prevent credit reporting agencies from including any adverse financial information regarding these individuals that occurs during the shutdown or within 90 days thereafter. The Committee favorably reported H.R. 4328, as amended, by a vote of 32-22.

• The ESG Disclosure Simplification Act (H.R. 4329), introduced by Representative Juan Vargas (D-CA), which would require public companies to disclose certain environmental, social and governance (ESG) metrics, which the Securities and Exchange Commission (SEC) would be required to establish in a rule. The Committee favorably reported H.R. 4329, as amended, by a vote of 31-22.

• A bill to amend the Securities and Exchange Act of 1934 to allow for the SEC to seek and Federal courts to grant restitution to investors and disgorgement of unjust enrichment (H.R. 4344). The bill was introduced by Representative Ben McAdams (D-UT).
The Committee favorably reported the draft bill, as amended, by a vote of 49-5.

- The 8-K Trading Gap Act (H.R. 4335), introduced by Representative Carolyn Maloney (D-NY), which would direct the SEC to issue a rule requiring public companies to put in place policies and procedures that are reasonably designed to prohibit officers and directors from trading company stock after the company has determined that a significant corporate event has occurred, and before the company has filed a Form 8-K disclosing such event. The Committee favorably reported H.R. 4335, as amended, by a vote of 52-0.

- The Corporate Management Accountability Act (H.R. 4320), introduced by Representative Katie Porter (D-CA), which would require publicly traded companies to disclose their policies on whether senior executives or shareholders bear the costs of paying the company’s fines and penalties. The Committee favorably reported H.R. 4320, as amended, by a vote of 31-22.

Upcoming Hearings and Meetings

September 23

**Federal Advisory Committee on Insurance:** The Federal Office of Insurance (FIO) will hold a meeting of the Federal Advisory Committee on Insurance (FACI). The agenda for the meeting includes updates from the subcommittees on the Availability of Insurance Products, the Federal Insurance Office’s International Work, and Addressing the Protection Gap Through Public-Private Partnerships and Other Mechanisms. The Committee will also receive an update from the FIO on its activities.

**September 24**

**SEC Oversight:** The House Financial Services Committee will hold a full Committee hearing entitled “Oversight of the Securities and Exchange Commission: Wall Street’s Cop on the Beat”. SEC Commissioners will testify at the hearing.

**Wealth Gap:** The House Financial Services Committee’s Subcommittee on Diversity and Inclusion will hold a hearing entitled “Examining the Racial and Gender Wealth Gap in America”.

**Global Markets Advisory Committee:** The CFTC will hold a meeting of its Global Markets Advisory Committee (GMAC). The agenda for the meeting includes presentations on developments regarding the implementation of margin requirements for non-centrally cleared derivatives and on the European Market Infrastructure Regulation (EMIR) 2.2, including responses to the consultation by the European Securities and Markets Authority (ESMA) on various aspects of EMIR 2.2 affecting third-country central counterparties (CCPs).

September 25

**Financial Stability:** The House Financial Services Committee’s Subcommittee on Consumer Protection and Financial Institutions will hold a hearing entitled “Promoting Financial Stability: Assessing Threats to the U.S. Financial System”.

**Reverse Mortgages:** The House Financial Services Committee’s Subcommittee on Housing, Community Development, and Insurance will hold a hearing entitled...
“Protecting Seniors: A Review of the FHA’s Home Equity Conversion Mortgage (HECM) Program”.

**Payment System:** The Senate Banking Committee will hold a hearing entitled “Facilitating Faster Payments in the U.S.” The witnesses at the hearing will be Esther L. George, President and Chief Executive Officer, Federal Reserve Bank of Kansas City; Robert Hunter, Executive Managing Director and Deputy General Counsel, The Clearing House; George Selgin, Senior Fellow and Director, CATO Institute; and Bob Steen, President and Chief Executive Officer, Bridge Community Bank, on behalf of the Independent Community Bankers of America. Additional witnesses may be added to the panel.

**SEC Open Meeting:** The SEC will hold an open meeting to consider four items: (1) Publication or Submission of Quotations without Specified Information; (2) Solicitations of Interest Prior to a Registered Public Offering; (3) Exchange-Traded Funds; and (4) Order Granting a Conditional Exemption from Exchange Act Section 11(D)(1) and Exchange Act Rules 10B-10, 15C1-5, 15C1-6, and 14E-5 for Certain Exchange Traded Funds.

**September 26**

**Debt Collection:** The House Financial Services Committee will hold a full Committee hearing entitled “Examining Legislation to Protect Consumers and Small Business Owners from Abusive Debt Collection Practices”.

**Real-Time Payments:** The House Financial Services Committee’s Task Force on Financial Technology will hold a hearing entitled “The Future of Real-Time Payments”.

**October 3**

**Technology Advisory Committee:** The CFTC will hold a meeting of its Technology Advisory Committee (TAC). The agenda for the meeting includes presentations and recommendations from the TAC subcommittees on Automated and Modern Trading Markets, Distributed Ledger Technology and Market Infrastructure, Virtual Currencies, and Cybersecurity.

For more information about financial services issues you may email Joel Oswald or Alex Barcham.

**HEALTH**

**Pelosi Announces Drug Pricing Plan**

Key Points:
- The plan would introduce government negotiation for the 250 most costly prescription drugs with a minimum of 25 drugs plus insulin negotiated annually.
- The proposal would also cap prices based on an international price index and restructure the Part D program.
- Committees begin work on the bill next week with a plan to hold markups after the October recess.

On September 19, House Speaker Nancy Pelosi (D-CA) announced the introduction of the “Lower Drug Costs Now Act of 2019” (H.R. 3) which will permit the Department of Health and Human Services Secretary to negotiate drug prices, establish an Average International Market (AIM) price, and make changes to the Part D program.

At a press conference, Pelosi stressed “the burden of out-of-control prescription costs is an issue that touches every family in America,” and it requires a solution now. She pointed out this was an important issue for Americans in the 2018 election.
Many of the elements of the introduced plan match those in the draft proposal previously leaked. The bill would require the Secretary to identify 250 drugs each year that lack price competition with the greatest cost to Medicare and the whole U.S. health system. The Secretary would negotiate a minimum of 25 drugs plus insulin each year. When negotiating the maximum fair price, a ceiling will be established using the AIM price. The AIM price will be no more than 1.2 times the volume-weighted average of the price of Australia, Canada, France, Germany, Japan, and the United Kingdom. Manufacturers who refuse to enter or complete the negotiation process will face an escalating excise tax levied on annual gross sales beginning at 65 percent and increasing by 10 percent every quarter a manufacturer is out of compliance to a maximum of 95 percent. The bill also requires manufacturers to pay a rebate to government if they increase prices above inflation.

The proposal also makes changes to the Medicare Part D program, introducing an out-of-pocket maximum of $2,000 for beneficiaries. It would change payment in the catastrophic phase reducing government reinsurance to 20 percent, increasing plan responsibility to 50 percent, and requiring manufacturers to cover 30 percent. Manufacturers would also be responsible for 10 percent of costs in the initial coverage phase.

Republicans were quick to criticize the proposal. House Energy and Commerce Committee Ranking Member Greg Walden (R-OR) asserted “Republicans have been completely excluded,” and the bill was “done out of the Speaker’s office behind closed doors.” House Ways and Means Committee Ranking Member Kevin Brady (R-TX) criticized the proposal calling government negotiation “a ‘dictate or destroy’ price control power that will halt valuable research…and give foreign countries dangerous influence over America’s health care system.”

President Donald Trump tweeted about the proposal reiterating his support for addressing prescription drug prices. He expressed support for the Senate Finance Committee bill and called for addressing drug prices in a bipartisan way.

The House Energy and Commerce Committee and Education and Labor Committee will hold their first hearings on the drug pricing legislation next week. Markups are expected in October.

House Energy and Commerce Holds Hearing on Product Hopping

Key Points:
- The House Energy and Commerce’s Subcommittee on Consumer Protection and Commerce held a hearing to discuss the impacts of “product hopping” in the pharmaceutical industry.
- There was bipartisan agreement about the need to address anticompetitive patent extensions.
- The full Committee will convene a legislative hearing on the “Lower Drug Costs Now Act of 2019” (H.R.3) next week.

On September 19, the House Energy and Commerce Committee’s Consumer Protection and Commerce Subcommittee held a hearing entitled “Profits over Consumers: Exposing How Pharmaceutical Companies Game the System.” Topics discussed in the hearing included: (1) Hard/Soft Switching; (2) Beneficial Drug Modifications; (3) FTC Enforcement; (4) Generic/Biosimilar Competition; (5) Pharmacy Benefit Managers; (6) Medicare Negotiation; (7) Transparency; (8) Anticompetitive Tactics; and (9) Pharmaceutical Lobbying.
The hearing primarily focused on the use of product hopping, specifically hard and soft switching, to limit generic competition on brand products. Chairwoman Jan Schakowsky (D-IL) criticized pharmaceutical manufacturers for engaging in anticompetitive tactics and promoted her forthcoming bill to broaden the Federal Trade Commission’s (FTC) enforcement authority to address product hopping. She explained her legislation would also direct the Food and Drug Administration to create an online resource that consumers and physicians could access to compare reformulated products to the originals. Other Democratic Members focused their questions on ways to define hard and soft switching, to which witnesses responded by recommending narrowly tailored language to prevent legislation from stifling productive innovation.

Republicans agreed on the necessity of curbing anticompetitive product hopping but cautioned against legislation that would diminish innovation. Ranking Member Cathy McMorris Rodgers (R-WA) clarified that incremental modifications to existing products do not necessarily constitute anticompetitive tactics, and highlighted cases of beneficial reformulations. Full Committee Ranking Member Greg Walden (R-OR) also expressed concern about what he perceived as recent partisan actions on drug pricing, including: (1) combining the Committee’s bipartisan package of drug pricing bills with partisan Affordable Care Act (ACA) legislation on the House floor; and (2) working through the Speaker of the House, without Republican consultation, on the “Lower Drug Costs Now Act of 2019” (H.R. 3), which the Committee will hold a legislation hearing on next week.

FDA Issues Final Guidance on Citizen Petitions

Key Point:
- The Food and Drug Administration released its final guidance on citizen petitions to deter companies from “gaming” the system.

On September 18, the Food and Drug Administration (FDA) announced the release of final guidance entitled “Citizen Petitions and Petitions for Stay of Action Subject to Section 505(q) of the Federal Food, Drug, and Cosmetic Act.” This guidance is part of the FDA’s Drug Competition Action Plan.

The guidance aims to lessen the impact FDA review of certain citizen petitions may have on pending approval actions. If a petition is received while a product application is already under review, and if the goal date for the review falls within the next 150 days, the FDA would expect to respond to that petition within 150 days. The policy seeks to align the FDA’s timeline to review and respond to citizen petitions with the timeline to review applications. Any scientific and regulatory issues raised in a petition will still be considered prior to product approval. The guidance also outlines the FDA’s intent to refer petitions submitted primarily to delay approval to the Federal Trade Commission.

Read the final guidance here.

Upcoming Hearings and Meetings

September 24

**HIV:** The Bipartisan Policy Center will hold an event on “HIV in America: Insights from the Frontline.”

**Reform:** The American Enterprise Institute will hold an even on “A new vision for health reform.”
September 25

Research: The House Appropriations Committee will hold a hearing on “Investments in Medical Research at Five Institutes and Centers of the National Institutes of Health.”

E-Cigarettes: The House Energy and Commerce Committee will hold a hearing on “Sounding the Alarm: The Public Health Threats of E-Cigarettes.”

Drug Pricing: The House Energy and Commerce Committee will hold a hearing on “Making Prescription Drugs More Affordable: Legislation to Negotiate a Better Deal for Americans.”

September 26

Drug Pricing: The House Education and Labor Committee will hold a hearing on “Making Health Care More Affordable: Lowering Drug Prices and Increasing Transparency.”

For more information about healthcare issues you may email or call Nicole Ruzinski Bertsch or George Olsen at 202-659-8201. Thomas McGrath contributed to this section.

TRADE

China Trade Talks and Tariff Update

Key Points:
- Talks are occurring between the U.S. and China, at the sub-ministerial level, in preparation for October “principal” level talks.
- USTR released three sets of exclusions for Lists 1, 2 and 3, respectively.

The Office of the U.S. Trade Representative (USTR) has announced more exclusions from the Section 301 additional 25 percent tariff on List 1, 2, and 3 goods from China. These exclusions cover a total of 437 specially prepared product descriptions that reflect over 1,170 exclusion requests. The USTR has also made technical amendments to Lists 3, 4A, and 4B to state that, effective Sept. 24, 2018, if a component of a good in one of these subheadings is subject to the Section 301 tariff, the good itself will not be subject to that tariff as well.

The new exclusions will be effective as follows: (1) exclusions for List 1 goods will be retroactive to July 6, 2018, and remain in place through September 20, 2020; (2) exclusions for List 2 goods will be retroactive to Aug. 23, 2018, and remain in place through Sept. 20, 2020; and (3) exclusions for List 3 goods will be retroactive to Sept. 24, 2018, and remain in place until Aug. 7, 2020.

U.S. and Chinese trade officials are meeting in Washington, D.C. late this week, this week to prepare for higher-level meetings slated for next month. The resumption of talks has been accompanied by small moves, from both sides, seen as goodwill gestures.

USMCA Update

Key Point:
- USTR Lighthizer meeting with House Democrat USMCA working group on response to USTR counterproposals.

On Friday, the House Democrat U.S.-Mexico-Canada Agreement (USMCA) working group plans to meet with USTR Robert Lighthizer. Some Democrat lawmakers are suggesting progress is being made, but note that the negotiations are far from over.

For example, key Members suggested that work remained on the biologics exclusivity period threshold, a key concern for many Democrats. Ways and Means Chairman Neal (D-MA) suggested while the proposed language from USTR was a good start, more language would
have to go back and forth. Representative Ron Kind (D-WI), a member of the House Ways and Means Trade Subcommittee, said his caucus was looking for more substantive proposals on enforcement and biologics. House Ways and Means Trade Subcommittee Ranking Member Buchanan (R-FL) told reporters he felt “like both parties are moving in a good direction” following the USTR’s submission of its initial counteroffer.

Proponents of the USMCA deal from the Administration, Congress and private sector pushed this week for consideration of the deal before Thanksgiving or sooner.

**Upcoming U.S.-Japan Trade Deal**

*Key Points:*
- A first stage deal on agriculture and digital trade is likely to be signed next week.

Next week, President Trump plans to meet with Japanese Prime Minister Shinzo Abe in New York, during the U.N. General Assembly meetings. On Monday, President Trump notified Congress of his intent to enter into a tariff-oriented agreement with Japan, one that would not require Congressional approval. He said the U.S. also planned to sign an “executive agreement” with Japan on digital trade, but has not provided details.

The notification was under a part of TPA (section 103(a)) that allows the President to reduce trade barriers (tariffs), and no vote in Congress would be required. A vote in Japan’s Diet would be required, apparently, because the deal would be changing some access rules in Japan for certain products. This is still couched as a multi-part agreement with more negotiation to come, and a second “stage.” The U.S. focus for this deal was on beef, pork, wheat, dairy products, wine and ethanol, as well as on industrial goods and digital trade.

Details have not been released, but the current belief is that the deal includes:
- Japan agreed to eliminate tariffs on U.S. wine five to seven years after the trade agreement goes into effect.
- Japanese tariffs on U.S. beef gradually reduced to 9 percent in 2033, down from 38.5 percent currently; while the US expanded its quota for Japanese beef imports. Pork tariffs would also be lowered to TPP levels.
- There may be a purchase obligation for wheat and corn by Japan to help make up for “lost time” since the TPP deal.
- There will be an executive agreement with Japan on digital trade.
- Rumors are that rice is not part of the deal (very sensitive to Japan).

Japanese Ambassador to the U.S. Shinsuke Sugiyama indicated Monday that some work still remained. The issue that remains open is whether the U.S. will provide Japan assurances that the U.S. will not apply tariffs on autos and parts under Section 232.

**Outside Efforts to Support Section 232 Reforms Launched**

*Key Points:*
- NFTC launched a campaign to reign in Section 232 Presidential tariff powers.

On Wednesday, the National Foreign Trade Council (NFTC) announced the launch of a coalition it says will work with lawmakers to increase congressional oversight of Presidential tariff authority. President Trump has used Section 232 of the Trade Expansion Act of 1962 to place tariffs on steel and aluminum and has threatened to impose tariffs on autos and auto parts using the same statute. Section 232 focuses on tariffs imposed by reason of national security. The President has also imposed tariffs on Chinese goods under the auspices of Section 301 of the Trade Act of

The Tariff Reform Coalition, which includes several major trade groups including the American Chemistry Council, the National Retail Federation, and the American International Automobile Dealers Association, will work with Congress “to craft a legislative response that will establish the appropriate balance on tariff authority and enjoy broad bipartisan support,” NFTC wrote in a September 18 letter to the leaders of the Senate Finance and House Ways and Means committees, stating “[o]ur coalition strongly supports increased congressional oversight by your Committees, including public hearings on the various proposals already introduced.”

Senate Finance Chairman Chuck Grassley (R-IA) is working on legislation designed to curb the President’s authority under Section 232. That legislation, he has said, would combine aspects of separate bills introduced by Republican Senators Toomey (R-PA) and Portman (R-OH). Senator Toomey’s bill would charge Congress with passing an approval resolution or a President’s tariff proposal would not be implemented. Additionally, Senator Toomey’s bill would give Congress the opportunity to reconsider Section 232 tariffs imposed in the last four years and allow for retroactive relief. Senator Portman’s bill would apply only to future Section 232 actions, would add the Department of Defense to the process, and would give Congress the authority to act on tariffs after they have already been imposed via a disapproval resolution.

For more information about tax issues you may email or call Christopher Hatcher at 202-659-8201. Cullen Neely contributed to this section.

This Week in Congress was written by Alex Barcham.