

Washington Update

December 13, 2024

This Week In Washington

Senate: The Senate confirmed several nominations.

House: The House passed the FY25 National Defense Authorization Act (NDAA), the Liberty in Laundry Act ([H.R.7673](#)), and the Judicial Understaffing Delays Getting Emergencies Solved Act ([S.4199](#)).

Biden Administration: On December 9, President Biden [announced](#) new actions to support Tribal Nations and Native Communities ahead of the Fourth Annual White House Tribal Nations Summit. The actions include designating the Carlisle Federal Indian Boarding School National Monument, a 10-year native language revitalization plan, OMB guidance on unmet federal obligations, training for federal employees on tribal consultation and tribal treaty and reserved rights, FEMA tribal declarations interim guidance, HHS tribal data access policy, and opportunities for the federal support of community-driven relocation report.

Next Week In Washington

Senate: The Senate will reconvene on Monday, December 16 and is expected to continue processing nominations and consider the NDAA and Social Security Fairness Act ([H.R.82](#)). The Senate could take further action on a Continuing Resolution to fund the government.

House: The House will reconvene on Monday, December 16 and is expected to consider the Midnight Rules Relief Act ([H.R.115](#)). The House could take further action on a Continuing Resolution to fund the government.

TAX

CBO Releases Report Outlining Potential Deficit Reduction Options

Key Points:

- *CBO has issued a report outlining options to reduce the federal deficit across the next decade.*
- *The report includes evaluations of major tax-related proposals including increasing the corporate tax rate by 1 percent, repealing itemized deductions, and altering the estate tax.*

On December 12, the Congressional Budget Office (CBO) released a [report](#) of 76 deficit reduction options from 2025 to 2034. The report includes estimates for various tax-related proposals. In particular, CBO estimates that increasing individual income tax rates on ordinary income by 1 to 2 percent could increase savings by \$579 billion to \$1.18 trillion over a decade. The report also states that eliminating itemized deductions could increase savings by \$3.43 trillion. In addition, it predicts a financial transactions tax would reduce the deficit by \$297 billion. According to the office, increasing the corporate tax rate by 1 percent would increase savings by \$136 billion. In addition, CBO estimates that including accrued capital gains in the last income tax return of decedents would decrease the national deficit by \$536 billion.

CBO offers these options every few years, and uses no political filter, meaning that some or many are likely politically nonstarters, while some others may offer useful ideas that could be considered in the right circumstances.

Uncertainty Looms about GOP's Plan to Pass Tax Package Through First or Second Reconciliation

Key Points:

- *Speaker of the House Mike Johnson (R-LA) has stated that Republicans are still considering whether to include a tax package in their first planned reconciliation process during the 119th Congress.*
- *Recall Senate Republican Leader-elect Thune has supported two packages with the first focused on immigration and defense and energy spending, leaving the second for tax.*
- *Speaker Johnson is set to meet with President-elect Trump soon to discuss the matter, with the latter possibly being the deciding influence on how the tax package is considered.*

Uncertainty remains about the method by which the GOP will attempt to pass a tax package in the upcoming 119th Congress. Last week, House Ways and Means Chairman Jason Smith (R-MO) criticized a plan by incoming Senate Majority Leader Thune (R-SD) for extending key expiring Tax Cuts and Jobs Act ([P.L. 115-97](#)) provisions. The plan, which is expected to be pushed by the incoming Trump Administration, would consider major tax legislation only after a first reconciliation bill focused on border security and energy policy was passed. However, the plan has faced some pushback by House Ways and Means Committee members including Representative Hern (R-OK).

Speaker of the House Mike Johnson (R-LA) has since met with Senator Thune to discuss the plan but stated during an [interview](#) with Fox News that talks about how to consider the tax package were still ongoing. Speaker Johnson is expected to soon meet and discuss the matter with President-elect Trump, who may serve as the deciding influence on the party's process of pursuing reconciliation.

For more information about tax issues, you may [email](#) or call Christopher Hatcher at 202-659-8201. Noah Hawkins contributed to this section.

FINANCIAL SERVICES

Congressman French Hill to be New House Financial Services Committee Chairman

Key Points:

- *Representative French Hill (R-AR) was selected as the Chairman of the House Financial Services Committee for the next Congress.*
- *He served in the current Congress as Vice Chair of the Financial Services Committee and Chairman of the Digital Assets, Financial Technology, and Inclusion Subcommittee.*
- *Other contenders to be chairman of the committee were Representatives Andy Barr (R-KY), Bill Huizenga (R-MI), and Frank Lucas (R-OK).*

On December 12, the House Republican Steering Committee selected Representative French Hill (R-AR) as the chairman the House Financial Services Committee for the 119th Congress. Current Chairman Patrick McHenry (R-NC) is retiring from Congress at the end of this year.

In a statement, Chairman Patrick McHenry (R-NC) said, "French's experience in the private sector, the Treasury Department, and as Vice Chair have prepared him for this role.... With French Hill at the helm, Republicans will build on our work from this Congress to finally

enact a clear regulatory framework and robust consumer protections for the digital asset ecosystem.”

CFPB Finalizes Rule on Bank Overdraft Fees

Key Point:

- *The final rule applies to banks and credit unions with more than \$10 billion in assets and will go into effect on October 1, 2025.*

On December 12, the Consumer Financial Protection Bureau (CFPB) finalized a [rule](#) on overdraft fees. The finalized rule provides three options for financial institutions to choose from when charging overdraft fees. The options include capping the overdraft fee at \$5 for covered banks and credit unions, capping the fee at a price that covers no more than the costs and losses, or disclosing the applicable interest rate.

CFPB Director Rohit Chopra stated, “For far too long, the largest banks have exploited a legal loophole that has drained billions of dollars from Americans’ deposit accounts. The CFPB is cracking down on these excessive junk fees and requiring big banks to come clean about the interest rate they’re charging on overdraft loans.”

SEC Releases Investor Advocate’s Report

Key Points:

- *The report highlights work done by the Office of the Investor Advocate during fiscal year 2024.*
- *The Office of the Investor Advocate conducted 112 outreach initiatives and 24 data collection activities in fiscal year 2024 which contributed to the content of the report.*

On December 12, the Securities and Exchange Commission (SEC) Office of the Investor Advocate published its Fiscal Year 2024 [Report on Activities](#). The report includes findings from the Thoughtful Households Relating InVesting Experiences (THRIVE) survey research of investors launch in fiscal year 2024, continued focus on investment fraud, an update on the SEC’s creation of the Interagency Securities Council, and a report on prevalent patterns of investment fraud published by the Office of the Ombuds which is part of the larger Office of the Investor Advocate.

Director of the Office of the Investor Advocate, Cristina Martin Firvida stated, “This year’s report brings into focus our efforts to understand investors’ preferences related to their

investments through data and research, and outline some of the investment fraud trends that are increasingly common.... The ongoing fraud epidemic in America continues to be of paramount concern, and our advocacy reflects those interests.”

Senate holds hearing on CFPB

Key Points:

- *The Senate Banking Committee held a hearing with CFPB Director Rohit Chopra testifying. This was the final hearing for Chairman Sherrod Brown (D-OH).*
- *Questioning from Members focused on topics such as CFPB proposed rules on medical debt and data brokers, fraud and scams, and artificial intelligence in the financial services sector.*

On December 11, the Senate Banking, Housing, and Urban Affairs Committee [held](#) a hearing entitled, “Consumer Protection: Protecting Workers’ Money and Fighting for the Dignity of Work.” Chairman Sherrod Brown (D-OH) said the stock market doesn’t drive the economy; workers do. He stated for decades Wall Street rewarded companies who squeezed workers the hardest. He noted that for almost half a century productivity and stock profits are up, but workers’ wages are largely flat. He stated the Consumer Financial Protection Bureau (CFPB) has been among the most successful parts of Wall Street reform legislation. He said since 2011, the CFPB has returned \$21 billion to over 200 million Americans. He stated the CFPB returned \$363 million to servicemen and women. He stated the CFPB is the advocate of the American people.

Ranking Member Tim Scott (R-SC) said after the November election, he sent a letter to all federal regulators which fall under the jurisdiction of the Committee to halt rulemaking until President-elect Trump takes office. He stated the CFPB has pushed forward with a unilateral partisan agenda. He said the longstanding issue of debanking and Operation Chokepoint have resurfaced. He stated no legal business should ever be debanked. He expressed interest in Chopra resigning effective January 20, 2025.

Upcoming Meetings and Events

December 17

Open Markets: The Federal Open Market Committee will hold a two-day meeting. The information for the meeting will be published at a later date.

December 18

Insurance: The Senate Budget Committee will [hold](#) a hearing entitled, “Next to the Fall: The Climate-Driven Insurance Crisis is Here – And Getting Worse.”

SEC: The Securities and Exchange Commission (SEC) will [hold](#) an Open Meeting to discuss and decide whether to approve the 2025 Final Budget and Accounting Support Fee for the Public Company Accounting Oversight Board (PCAOB).

CFTC: The Commodity Futures Trading Commission will [hold](#) an Open Meeting to consider the Real-Time Public Reporting Requirements and Swap Data Recordkeeping and Reporting Requirements Final Rule and the Regulations to Address Margin Adequacy and to Account for the Treatment of Separate Accounts by Futures Commission Merchants Final Rule.

For more information about financial services issues you may email [Joel Oswald](#) or [Mahlet Makonnen](#). Ashley Kinder contributed to this section.

ENERGY & ENVIRONMENT

House Approves Water Resources Development Act

Key Points:

- *On Tuesday, the House approved legislation to reauthorize the Water Resources Development Act (WRDA).*
- *The legislation authorizes U.S. Army Corps of Engineers (USACE) water resources activities such as harbor dredging, navigation improvements, and projects to reduce flood risks.*

On December 10, the House of Representatives voted [399-18](#) to pass the “Thomas R. Carper Water Resources Development Act” ([S. 4367](#)). The Senate committee report ([S.Rept. 118-227](#)) notes that the reauthorization of WRDA is intended “to meet the nation’s water resources needs, including for navigation, flood and coastal storm risk management, and ecosystem restoration.” The “legislation authorizes critical projects and studies, extends programs, and focuses on improving implementation of all prior [WRDAs].”

As described in a [section-by-section summary](#), the legislation includes provisions that would:

- Require “a comprehensive plan to implement this...WRDA...and prior WRDAs, including by identifying and addressing provisions from prior WRDAs that have not been fully implemented and by establishing a WRDA implementation team.”

- Directs the U.S. Army Corps of Engineers (USACE) “to make timely updates to its online ‘permit finder’ to accurately reflect the current status of projects for which a certain permit was, or is being, processed.”
- Modifies “the depth at which Federal ports and harbors projects can receive Federal assistance for construction and operation and maintenance.”
- Authorizes “non-Federal entities to utilize certain non-Federal disposal facilities...for dredged material disposal with permission from the facility owner” and the USACE.
- Authorizes “a National coastal mapping program to provide recurring mapping of coastlines to support navigation, flood risk management, environmental restoration, and emergency operations projects.”
- Requires the USACE “to prioritize program activities...that reduce nutrient pollution, utilize natural and nature-based approaches, protect wetlands, develop technologies for detecting harmful algal blooms, and combine removal with beneficial uses.”

During floor debate on the legislation, House Transportation and Infrastructure Committee Chairman Sam Graves (R-MO) said the “WRDA bill delivers improvements to flood control infrastructure, ports and harbors, and inland waterways across the country.”

House Transportation and Infrastructure Committee Ranking Member Rick Larsen (D-WA) declared, “Regular biennial consideration of WRDA...provides predictability to local sponsors and the Army

Corps of Engineers in carrying out projects to improve the Nation’s ports, harbors, and inland navigation systems and to protect communities from flood and storm risks.”

Senate Confirms NRC Commissioner

Key Point:

- *On Thursday, the Senate voted to confirm the nomination of Matthew Marzano to serve on the Nuclear Regulatory Commission.*

On December 12, the Senate voted [50-45](#) to confirm Matthew Marzano as a member of the Nuclear Regulatory Commission. Marzano will fill the last vacancy on the five-member Commission, with a term that extends through June 30, 2028.

In [remarks](#) in support of the nomination on the Senate floor, Senate Environment and Public Works Committee Chairman Tom Carper (D-DE) noted that Marzano “has extensive technical expertise, gained over the course of a series of positions in the nuclear industry as a nuclear engineer.” He noted that Marzano has also “run a nuclear powerplant control

room and overseen safety, operations, and maintenance personnel on-site...[and] trained sailors for service aboard our Navy's nuclear ships."

In a [statement](#) during the Senate Environment and Public Works Committee's business meeting to vote on the nomination, Ranking Member Shelley Moore Capito (R-WV) said, "After considering Mr. Marzano's responses to my questions for the record – I do not have confidence that he has the necessary background and experience to be that agent of change at the Commission – or to set the Commission up for the Agency's next 50 years..."

Upcoming Hearings and Events

December 19

FERC Meeting: The Federal Energy Regulatory Commission (FERC) will hold its monthly [open meeting](#). The [agenda](#) includes: "Reliability Standards for Frequency and Voltage Protection Settings and Ride-Through for Inverter-Based Resources".

January 16, 2025

FERC Meeting: FERC will hold its monthly [open meeting](#).

For more information about energy and environment issues you may [email](#) or call Frank Vlossak at 202-659-8201.

HEALTH

House Republican Steering Committee Selects Representative Brett Guthrie to Lead House Energy and Commerce Committee

Key Points:

- *Steering Committee's recommendation still requires formal ratification by the full GOP conference, a step widely considered a formality.*
- *Guthrie is expected to prioritize lowering drug prices and improving drug and device supply chains.*

The House Republican Steering Committee chose Representative Brett Guthrie (R-KY) to lead the House Energy and Commerce Committee in the 119th Congress. During his time on the Committee, Guthrie has sat on five of the six subcommittees and is currently chairman of the health subcommittee.

In a [statement](#), Representative Guthrie said, “I am honored to be chosen by my colleagues to serve as the next Chairman of the House Energy & Commerce Committee. I am humbled and excited to get to work next Congress to deliver on President Trump and House Republicans’ America First agenda.”

Representative Guthrie has expressed he will prioritize Inflation Reduction Act oversight, transparency to lower drug prices, and improving drug and device supply chains. Additionally, Guthrie has raised concerns about health care spending on Medicaid and has supported Medicare Advantage. He has backed the Lower Costs, More Transparency Act ([H.R.5378](#)), which would add reporting requirements for PBMs and insurers.

Bipartisan, Bicameral Legislation Targeting PBMs

Key Points:

- *Bipartisan legislation proposal would require PBMs such as CVS, Cigna, and UnitedHealth to sell the pharmacies they own.*
- *The bill will likely not move this Congress but could be reintroduced next year.*

Senators Elizabeth Warren (D-MA) and Josh Hawley (R-MO) and Representatives Diana Harshbarger (R-TN) and Jake Auchincloss (D-MA) introduced the “Patients Before Monopolies (PBM) Act”, which would require health insurers to divest their pharmacy businesses within three years of enactment.

The three biggest PBMs—Caremark, Express Scripts, and OptumRx—are owned by some of the country’s largest health insurers. CVS Health, Cigna, and UnitedHealth each own a major health insurer, a pharmacy benefit manager, and a pharmacy business.

Senator Warren said, “PBMs have manipulated the market to enrich themselves — hiking up drug costs, cheating employers, and driving small pharmacies out of business.” Senator Hawley said the legislation “will stop the insurance companies and PBMs from gobbling up even more of American healthcare and charging American families more and more for less.”

Although the legislation will unlikely move forward in this Congress, the sponsors could re-introduce their bill in the 119th Congress.

House Republicans Investigate Whether CVS Violated Antitrust Laws

Key Points:

- *House Judiciary Committee Chairman Jim Jordan (R-OH) sent a letter to investigate possible antitrust violations.*
- *Pharmacy benefits manager, CVS threatened independent pharmacies from using tools outside their network.*

House Judiciary Chairman Jim Jordan sent a letter to CVS asking for their documents and communications between pharmaceutical hubs. In the letter, Jordan expressed concern about whether CVS was violating antitrust laws.

Because independent pharmacies look for cost-saving measures, they will often explore pharmaceutical hubs, a service that simplifies the process of managing specialty medications for patients. However, in the letter, Jordan raised concern that CVS is preventing independent pharmacies from engaging with outside networks. Furthermore, he argued pharmacies should be allowed to engage with networks outside of the PBM.

Additionally, Jordan wrote, "If CVS Caremark is eliminating opportunities for patients to access such services through an independent pharmacist, this practice raises significant concerns for patient welfare and innovation across the nation."

Health Technology Company Sues HHS Over Drug Rebate Model

Key Point:

- *Kalderos sues HHS for denying drug companies the right to use their rebate models.*

The health technology company, Kalderos Inc. sued the Department of Health and Human Services (HHS) for their decision to prohibit drug companies from using their system to discount medicines. Furthermore, the system uses discounts on medicines through a rebate model found under the 340B Drug Pricing Program.

The program is a platform for manufacturers where they are required to purchase drugs at full price and then submit information to receive drug rebates. The decision for companies to use the Kalderos platform follows a complaint filed by the company in 2021. In the 2021 challenge against the Health Resources and Services Administration (HRSA), the court's decision favored the manufacturers.

With a court ruling in their favor, Kalderos Inc. allowed companies to use the platform and provided HRSA with notice of this. However, HRSA sent a letter to a drug company on September 18 stating the use of the program violates the requirements for the 340B program.

Now, Kalderos is asking the U.S. District Court for the District of Columbia to find HRSA's decision unlawful. In a statement by Kalderos, they said, "Unfortunately, despite the statute's balanced design intended both to provide the 340B price to covered entities and to prevent duplicate discounts and diversion, the 340B program is fundamentally broken." Furthermore, HRSA has rejected and sued other drug manufacturers for using similar drug rebate models.

For more information about health care issues you may [email](#) Laura Simmons. Aubrie Chastain contributed to this section.

CYBERSECURITY, PRIVACY, AND ARTIFICIAL INTELLIGENCE

Wyden Senate Bill Would Mandate FCC Cybersecurity Rules for Telecom Firms

Key Points:

- *On Tuesday, Senator Ron Wyden (D-OR) released the Secure American Communications Act, new draft legislation mandating the FCC issue binding cybersecurity rules for telecommunications firms under existing federal wiretapping law.*
- *The legislation follows similar action from the FCC, as the agency last week released a proposed rule that would require telecommunications companies secure their networks and bolster their cybersecurity practices.*

On December 10th, Senator Ron Wyden (D-OR) [released](#) the Secure American Communications Act ([S._____](#)), new draft legislation mandating the Federal Communications Commission (FCC) issue binding cybersecurity rules for telecommunications firms under existing federal wiretapping law.

Senator Wyden's legislation follows similar action out of the FCC, as the agency last week [released](#) a draft Notice of Proposed Rulemaking (NPRM) that, if adopted, would require telecommunications companies to secure their networks and bolster their cybersecurity practices. Both the legislative and regulatory proposals come in direct response to the recent, wide-reaching hack of several telecom providers by the Chinese cyberespionage group "Salt Typhoon."

According to the press release, Senator Wyden's legislation attempts to correct for Congress' failure to fully implement aspects of the 1994 [Communications Assistance for Law Enforcement Act \(CALEA\)](#), which also required providers to secure their systems from unauthorized interceptions. While the original bill provided the FCC the authority to issue regulations implementing the requirement, it was never fully implemented.

Specifically, the legislation would mandate the FCC—within one year of the bill's enactment—to require telecommunications carriers to institute the following cybersecurity measures:

- Implement cybersecurity requirements—designed by the FCC, the director of the Cybersecurity and Infrastructure Security Agency (CISA), and the Director of National Intelligence (DNI)—to prevent unauthorized system interceptions from malicious actors;
- conduct annual testing to assess the efficacy of such requirements in preventing interceptions and implement subsequent corrective measures;
- contract with an independent auditor to assess carrier compliance with the rules; and
- submit annually to the FCC the test and audit results and a written letter from the CEO and Chief Information Security Officer (CISO) confirming the carrier is in compliance with FCC cybersecurity rules.

In a public statement, Senator Wyden explained "It was inevitable that foreign hackers would burrow deep into the American communications system the moment the FCC decided to let phone companies write their own cybersecurity rules... Congress needs to step up and pass mandatory security rules to finally secure our telecom system against an infestation of hackers and spies."

Fiscal Year 2025 National Defense Authorization Act Includes Cybersecurity Provisions

Key Points:

- *Last week, the House and Senate Armed Services Committees released out of conference their \$883.7 billion FY25 NDAA, the U.S. government's annual defense policy and authorizations bill.*
- *On Wednesday, December 11th, the House passed the bill in a bipartisan manner by a vote of 281-140, with 200 Republicans and 81 Democrats voting in support. The Senate is*

expected to take up the bill early next week. The bill included several cybersecurity provisions, described below.

On December 7th, the House and Senate Armed Services Committees released out of conference their \$883.7 billion FY25 National Defense Authorization Act (NDAA) ([H.R.5009](#)), the U.S. government's annual defense policy and authorizations bill. The published [bill text](#) and accompanying [joint explanatory statement](#) include provisions derived from both the House and Senate versions of the legislation.

On Wednesday, December 11th, the House passed the bill in a bipartisan manner by a vote of 281-140, with 200 Republicans and 81 Democrats voting in support. The Senate is expected to take up the bill early next week.

Included in the bill were a variety of cybersecurity provisions, with descriptions pulled from the joint explanatory statement listed below:

- **[Sec. 1501](#) - *Modification of prohibition on purchase of cyber data products or services other than through the program management office for Department of Defense-wide procurement of cyber data products and services***
 - The Senate committee-reported bill contained a provision (sec. 1625) that would amend section 1521(c) of the National Defense Authorization Act for Fiscal Year 2022 (Public Law 11781) by adding an additional exemption to the prohibition of this section.
- **[Sec. 1504](#) - *Support for cyber threat tabletop exercise program with the defense industrial base***
 - The Senate committee-reported bill contained a provision (sec. 1604) that would require the Assistant Secretary of Defense for Cyber Policy, in consultation and coordination with the Commander of United States Cyber Command, the Commander of United States Northern Command, the Commander of the Army Interagency Training and Education Center, and such other individuals as the Assistant Secretary considers appropriate, to develop tabletop exercise packages oriented towards training stakeholders to prepare the homeland for adversary cyber-attacks precipitating or during a time of conflict or war.
- **[Sec. 1514](#) - *Management and cybersecurity of multi-cloud environments***

- The Senate committee-reported bill contained a provision (sec. 1612) that would require the Secretary of Defense acting through the Chief Information Officer of the Department of Defense, to develop a strategy for the management and cybersecurity of the Joint Warfighting Cloud Capability and other multi-cloud environments, not later than 180 days after the date of the enactment of this Act.
- **Sec. 1515 - *Protective measures for mobile devices within the Department of Defense***
 - The House bill contained a provision (sec. 1511) that would require the Secretary of Defense to carry out a detailed evaluation of the cybersecurity products and services for mobile devices to identify products and services that may improve the cybersecurity of mobile devices used by the Department of Defense, including mitigating the risk to the Department of Defense from cyber attacks against mobile devices.
- **Sec. 1544 - *Independent assessment of cyber organizational models***
 - The House bill contained a provision (sec. 1536) that would require the Secretary of Defense to enter into an agreement with the National Academies of Sciences, Engineering, and Medicine to conduct an evaluation regarding the advisability of either establishing a separate Armed Force in the Department of Defense dedicated to operations in the cyber domain or refining and further evolving the current organizational approach for United States Cyber Command.
 - In executing the study required by the section, we encourage the National Academies to leverage fully the findings from previous relevant assessments, analyses, and studies conducted by the Secretary of Defense, the Comptroller General of the United States, or other entities, as well as lessons learned from the creation of Space Force, and from the establishment of foreign partner cyber organizations. We also encourage them to seek views and perspectives of members of the Armed Forces in the Department of Defense, across grades and specialties in cyber, to better understand the historical performance and efficacy of the Armed Forces in the Department of Defense in devising and implementing recruitment and retention policies in the cyber field.
- **Sec. 1612 - *Cyber intelligence capability***

- The Senate committee-reported bill contained a provision (sec. 1603) that would require the Secretary of Defense to establish a dedicated cyber intelligence capability to support the requirements of United States Cyber Command, the other combatant commands, the military departments, defense agencies, the Joint Staff, and the Office of the Secretary of Defense for foundational, scientific and technical, and all-source intelligence on cyber technology development, capabilities, concepts of operation, operations, and plans and intentions of cyber threat actors.

FCC Announces Updates to its Internet of Things Cybersecurity Labeling Program

Key Points:

- *On December 11th, the FCC Public Safety and Homeland Security Bureau announced the selection of 10 entities tapped to serve as Cybersecurity Label Administrators (CLAs) as part of the agency's Internet of Things (IoT) Cybersecurity Labeling Program. The update follows the agency's announcement on December 4th of UL Solutions as the Lead Administrator for the IoT program.*
- *Before the selected entities are authorized to approve use of the U.S. Cyber Trust Mark, they will be required to execute a Trademark Use Agreement and obtain accreditation with the appropriate FCC program scope.*

This week, the Federal Communications Commission's (FCC) Public Safety and Homeland Security Bureau [announced](#) the selection of 10 entities tapped to serve as Cybersecurity Label Administrators (CLAs) as part of the agency's Internet of Things (IoT) Cybersecurity Labeling Program. This update follows an additional [Public Notice](#) released by the agency on December 4th, in which they announced the selection of UL Solutions to serve as both the Lead Administrator and as a CLA for the IoT program, which includes the U.S. Cyber Trust Mark.

As Lead Administrator for the program, UL Solutions will: act as a liaison between the FCC and the additional CLAs; lead a 90-day stakeholder process to submit recommendations on technical standards and procedures for the program; develop a consumer outreach campaign; submit an estimation of future costs; and more.

The 10 additional CLAs, alongside UL Solutions, will: manage the IoT program and the use of the U.S. Cyber Trust Mark; share costs incurred; participate in the stakeholder process;

assist in the Lead Administrator's consumer outreach campaign; develop a cybersecurity risk management plan; and perform post-market surveillance activities.

The agency's selection and approval of UL Solutions and the other CLAs is contingent upon their ability to execute a Trademark Use Agreement with the FCC and obtain an ISO/IEC 17065 accreditation within the appropriate FCC program scope. Until those conditions are fulfilled, the selected entities will not be authorized to approve usage of the U.S. Cyber Trust Mark.

Upcoming Hearings and Meetings

December 17

Leveraging AI for Good: The U.S. Chamber of Commerce [holds](#) a virtual discussion, beginning at 11 a.m., on "how to responsibly leverage AI for good."

Outlook for Tech Policy in the Trump Administration: The Information Technology and Innovation Foundation [holds](#) a virtual discussion, beginning at 12 p.m., on "Techlash 2025: The Outlook for Tech Policy in the Trump Administration."

December 18

The Security and Resilience of Subsea Cables: The Center for Strategic and International Studies [holds](#) a conference on "Security and Resilience: The Strategic Future of Subsea Cables."

December 19

6G Development: Federal Communications Commission [holds](#) a meeting of the FCC's Technological Advisory Council for continued efforts at looking beyond 5G advanced as 6G begins to develop so as to facilitate U.S. leadership; studying advanced spectrum sharing techniques, including the implementation of AI and machine learning to improve the utilization and administration of spectrum and other emerging technologies.

Antenna Technologies: The National Defense Industrial Association [holds](#) a virtual discussion, beginning at 1 p.m., on "Antenna Technologies."

For more information about cybersecurity issues you may email [Mahlet Makonnen](#) or [Frank Vlossak](#). Gray Eisler contributed to this section.

TRADE

USTR Concludes Section 301 Review of Chinese Goods, Increases Tariffs for Solar Cells and Tungsten

Key Points:

- *USTR has concluded its statutorily mandated four-year review of Section 301 tariffs on Chinese goods.*
- *USTR's final alterations include tariff increases for Chinese tungsten and solar wafers, as well as a technical clarification for tariff scheduling for medical gloves.*

On December 12, the Office of the U.S. Trade Representative (USTR) [announced](#) it had concluded its statutory four-year review of the Section 301 investigation of the PRC's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation. Specifically, the review concluded when USTR announced tariff increases for certain Chinese tungsten, solar wafer, and polysilicon products. According to a Federal Register [notice](#), covered solar wafers and polysilicon products will have their tariffs increase to 50 percent while the impacted tungsten products will face a 25 percent tariff rate. In addition, the notice includes a technical correction for USTR's 100 percent tariff increase on vulcanized rubber medical gloves scheduled for January 1, 2026. Within a corresponding press release, USTR stated that the duty alterations would "further blunt the harmful policies and practices by the People's Republic of China" and would "complement the domestic investments made under the Biden-Harris Administration to promote a clean energy economy, while increasing the resilience of critical supply chains." With these increased tariffs, USTR's statutorily mandated review of its Section 301 investigation has concluded.

House Select Committee on the CCP, Senator Cardin Introduce Legislation Addressing Critical Mineral Supply Chains

Key Points:

- *The House Select Committee on the CCP's Critical Mineral Policy Working Group has introduced three bills to reduce U.S. reliance on Chinese critical minerals.*
- *Senator Cardin (D-MD) has also introduced legislation authorizing the President to negotiate the establishment of an international coalition related to critical mineral supply chains.*

On December 11, the House Select Committee on the CCP Critical Mineral Policy Working Group [announced](#) the introduction of three bipartisan bills to address the U.S. reliance on

Chinese critical minerals. The announcement comes after the group issued its final policy [report](#) which concluded the U.S. must address its current dependence on rare earth elements from the PRC and other foreign sources. Among the policy proposals introduced by the group include the Earth Sciences and Cooperation Enhancement Act of 2024 ([H.R. 10377](#)), a bill that would authorize and appropriate funds for the Secretary of Interior to enter into agreements with foreign partners related to critical mineral supply chains. In addition, legislation ([H.R. 10376](#)) was introduced that would amend the Export Control Reform Act of 2018 ([P.L. 115-232](#)) to establish export controls on black mass and swarf products to bolster domestic critical mineral supply chains. The working group has also announced the introduction of the Critical Minerals Workforce Enhancement Act ([H.R. 10375](#)) which seeks to strengthen the critical mineral workforce by introducing a national interest waiver for foreign engineers in the U.S. working in the critical mineral industry. In addition, the bill would provide funding to support professional development in critical mineral sectors across the world.

The following day, Senate Foreign Relations Committee Chairman Cardin (D-MD) introduced the Realizing Economic and Strategic Objectives while Leading with Values and Engagement (RESOLVE) Act of 2024 ([S. 5491](#)). Among other things, the bill would authorize the President to negotiate the establishment of an international coalition focused on establishing adequate supply chains for mining, processing, and advanced manufacturing tied to critical minerals. The legislation comes after Senator Young (R-IN) introduced a bill the week prior, named the STRATEGIC Minerals Act ([S. 5451](#)), that would authorize the President and USTR to negotiate and enforce specialized trade agreements focused on critical minerals.

Representative John James Introduces Bill to Reauthorize AGOA Through 2037

Key Points:

- *Representative John James (R-MI) has introduced legislation to reauthorize AGOA through 2037.*
- *The bill would also allow the President to sustain or partly terminate benefits if a member nation is found to have fallen out of eligibility.*

On December 11, Representative John James (R-MI) introduced the African Growth and Opportunity Act (AGOA) Extension and Enhancement Act of 2024 ([H.R. 10366](#)). According to a [summary sheet](#), the bill would extend the program through September 30, 2027. In addition, it would alter AGOA by changing annual reviews to biennial reviews, authorizing Congress to request an out-of-cycle review, and modifying the current statute to allow the

President to either sustain or partly terminate benefits if a member nation is found out of compliance with AGOA eligibility requirements. Within a [press release](#), Representative John James stated that reauthorizing AGOA would “ensure that our African partners maximize their utility from their eligibility” while providing the President and Congress “broader and more dynamic options to assess the eligibility of African countries.”

Senator Blackburn and Senator Ossoff Introduce Legislation to Establish Blacklist for De Minimis Shipments

Key Points:

- *Senator Blackburn (R-TN) and Senator Ossoff (D-GA) have introduced legislation that would empower CBP to establish a blacklist for de minimis entry shipments.*
- *Entities added to the list would also be referred to the UFLPA Task Force.*

On December 6, Senator Blackburn (R-TN) and Senator Ossoff (D-GA) announced the introduction of the legislation aimed at reducing the amount of fentanyl trafficking and counterfeit goods entering the country via de minimis shipments. According to a [press release](#), the DENIED Act ([S. 5435](#)) would empower U.S. Customs and Border Protection (CBP) to establish a “Denied Parties List” that would bar companies that “repeatedly aid or facilitate the import of forced-labor products, counterfeit goods, or illegal drugs” from being able to ship goods via de minimis. The legislation would also require the Treasury Secretary to update the list every 90 days and would automatically refer all entities on the list to the Uyghur Forced Labor Prevention Act ([P.L. 117-78](#)) Task Force. In addition, the bill would authorize CBP to enhance its data collection on de minimis imports and impose fines on violators. The bill is not likely the full policy approach Congress would take on de minimis shipments from China, but a reflection of the sponsors’ concern about forced labor and counterfeit goods.

Biden Administration Launches Countering Economic Coercion Task Force

Key Points:

- *President Biden has launched a task force related to economic coercion practices by China and other countries of concern.*
- *The task force, which includes representatives from the major federal departments, will develop a national plan to mitigate and deter future economic coercion.*

On December 12, the Biden Administration initiated a task force to address economically coercive practices employed in countries of concern, including China. According to a [memorandum](#), the group will focus on the ways that countries of concern utilize economic

coercion against other nations. In addition, it will develop recommendations for a “comprehensive, effective, and, as appropriate, multilateral response.” This includes a nationwide strategy by the federal government to address and deter economic practices by the People’s Republic of China and other nations. The task force will be led by the Assistant to the President for National Security Affairs and include representatives from the Department of Defense, the Department of Justice, the Department of Commerce, the Department of Homeland Security, and the office of the U.S. Trade Representative, among others.

Upcoming Hearings and Meetings

December 18

International Trade Commission: On Wednesday, the Senate Finance Committee will hold a hearing to consider nominations to the U.S. International Trade Commission. Nominees include: James Bernard Coughlan, of Illinois, to be a Member of the United States International Trade Commission for a term expiring December 16, 2030; Halie L. Craig, of Pennsylvania, to be a Member of the United States International Trade Commission for the remainder of the term expiring June 16, 2026; and William Patrick J. Kimmitt, of Virginia, to be a Member of the United States International Trade Commission for a term expiring June 16, 2029. The hearing will be held in 215 Dirksen Senate Office Building at 10:00 a.m., and [webcast](#) as well.

Trade Wars and Tariffs: On Wednesday, the Joint Economic Committee will hold a hearing entitled, “Trade Wars & Higher Costs: The Case Against Trump’s Tariffs.” Witnesses include: Mr. Ed Gresser, Vice President and Director for Trade and Global Markets, Progressive Policy Institute; Mr. Brendan Duke, Senior Director for Economic Policy, Center for American Progress; Mrs. Erica York, Senior Economist and Research Director, Tax Foundation; and Mr. Jeff Ferry, Chief Economist, Coalition for a Prosperous America. The hearing will be held in 210 Cannon House Office Building at 2:30 p.m., and [webcast](#) as well.

For more information about trade issues you may [email](#) or call Christopher Hatcher at 202-659-8201. Noah Hawkins contributed to this section.