



AMI/Lobbyit January Report

Last Updated: February 15, 2023

Washington Update

The 118th Congress began its legislative session in January 2023. Considered the heavy favorite for the Speaker's gavel, Rep. Kevin McCarthy (R-CA) struggled to secure the votes from his Republican colleagues. After 15 rounds of voting, House Republicans finally agreed to place Rep. McCarthy in the role after he yielded considerable concessions to his colleagues. Some of the most notable concessions included empowering just one member to force a vote on the Speaker's job; although the feature has yet to be triggered, pundits expect more conservative members to utilize the mechanism if they believe Speaker McCarthy offers too many legislative concessions to Democrats. Additionally, Speaker McCarthy also awarded more hard-lined conservative members roles on the House Rules Committee, which determines which bills reach the floor of the House for votes and sets the rules for debate and amendments. The delay in business pushed back official House business over a calendar week. As a result, House Committees took longer than usual for formalization. Despite opposition from Democrats regarding the governing rules for committees, assignments were doled out in late January.

The Senate also swore in its new members in January. While disorganization and infighting in the House dominated headlines, the Senate also got off to a slow start to legislative business. Following the resignation of Sen. Ben Sasse (R-NE), the chamber waited for the appointment of new Sen. Pete Ricketts (R-NE) to fill the seat and had to sift through committee assignments, which was slower than normal this year because new members wanted seats that they were precluded from due to internal party rules. Case in point, the Senate Republican conference has a rule that no two same-party senators from the same state may be seated on the same committee. Despite the delay, the Senate has formalized assignments for the 118th Congress.

Debt Ceiling

Treasury Secretary Janet Yellen penned a letter on January 19th to notify Congress that the U.S. was quickly approaching the debt ceiling and petitioned Congress to quickly raise the ceiling in a bipartisan fashion. Secretary Yellen mentioned that the Treasury had initiated "extraordinary measures" to continue funding the government's debt obligations. Some of these measures include, but are not limited to, suspending investment into public retirement funds such as pensions and other government employee benefits. Speaker McCarthy has stated that he won't raise the debt ceiling without some concessions from Congressional Democrats and the White House regarding government spending. President Biden has repeatedly said that any cuts to government funding are completely off the table and is calling the GOP's bluff. Democrats are supporting President Biden's stance and have alluded to bipartisan votes to raise the debt ceiling during former President Trump's time in office.

National Security Takes the Lead in Congress

While both chambers were slow to formalize, matters of national security were front and center for both parties. The House created a select committee on China in an overwhelming bipartisan vote, and the CEO of TikTok finally gave in to pressure to testify before Congress. That hearing is scheduled for March. Foreign affairs will likely remain a hot topic as international pressure from rivals and global conflict continue.

NFIP A Top Issue for Southern GOP Coalition, 118th Congress

Louisiana's Congressional delegation seems united in their effort to tackle the National Flood Insurance Programs premiums in the 118th Congress. In a recent interview, Sen. John Kennedy said, "What good is flood insurance if you can't afford it?"

The recently readjusted "Risk Rating 2.0" has left some Louisiana businesses and homeowners with lower rates, but others have been issued premiums that have priced them out of the insurance marketplace.

Congress is currently considering the long-term reauthorization of the National Flood Insurance Program (NFIP). Floods are the most common natural disaster in the United States, and all 50 states, plus DC, Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, and the Northern Mariana Islands have experienced flood events since May 2018. The NFIP has paid a total of nearly \$19.03 billion in claims over the past five fiscal years.

Expanding the role of private insurers, including reinsurers, has been seen by many as an answer to the variability of the financial position of the NFIP. Increasing participation by private insurers could transfer more flood risk from policyholders to the private insurance sector, as opposed to transferring the risk to the federal government through the NFIP.

In addition to the possible advantage to the NFIP, the increased availability of flood insurance as private companies enter the market may benefit households and businesses, as insured flood victims are likely to recover more quickly and more fully after a flood. Private insurer interest in directly providing and underwriting flood risk has increased in recent years. Advances in the analytics and data used to quantify flood risk along with increases in capital market capacities may allow private insurers to take on flood risks that they shunned in the past.

However, increasing the private sector's role in providing flood insurance coverage directly to consumers may have implications for the operations and fiscal solvency of the NFIP as currently structured. Increased access to private flood insurance could provide individual policyholders with a wider choice of coverage and possibly cheaper premiums but may also lead to variable consumer protections.

Energy & Water Policy in a Divided Congress

Congressional Republicans are using a divided Congress to push for regulatory rollbacks and to scale down the influence of agencies that oversee environmental and water policy.

S.J. Res 8, sponsored by Sen. Mike Braun (R-Ind.) and Rep. Andy Barr (R-Ky.), would overturn the Department of Labor's rulemaking to allow fiduciaries to take environmental, social and governance — or ESG — factors into consideration when choosing retirement investments.

The second resolution, S.J. Res. 7, championed by Senate Environment and Public Works ranking member Shelley Moore Capito (R-W.Va.) and House Transportation and Infrastructure Chair Sam Graves (R-Mo.), would permanently repeal the Biden administration's waters of the U.S. — or WOTUS — definition, arguing the regulation amounts to federal overreach that will burden businesses and farmers. The WOTUS rule, which determines which waters and wetlands fall under federal protection, has been at the center of a decadelong regulatory, political and legal fight.

The Republican resolution would nullify a regulation EPA and the Army Corps of Engineers released in December, which revived a definition of WOTUS coined during the Reagan era and updated it to accommodate limits the Supreme Court has placed on federal jurisdiction during the intervening 36 years.

Bills by Issue

Association of Marina Industries (1)

State	Bill Number	Last Action	Status	Position	Priority	FN Outlook
US	S 161	Read Twice And Referred To The Committee On Health Education Labor And Pensions 2023 01 31	In Senate	Monitor	Medium	32.3% 75.7%

Title
JOBS Act of 2023

Primary Sponsors
Tim Kaine

Bill Summary: Last edited by Jacob Kohn at Feb 15, 2023, 3:38 PM
Specifically, the JOBS Act would amend the Higher Education Act by:
Expanding Pell Grant eligibility to students enrolled in rigorous and high-quality, short-term skills and job training programs that lead to industry-recognized credentials and certificates and ultimately employment in high-wage, high-skill industry sectors or careers
Ensuring students who receive Pell Grants are earning high-quality postsecondary credentials by requiring that the credentials: - Meet the standards under the Workforce Innovation and Opportunity Act (WIOA), such as meaningful career counseling and aligning programs to in-demand career pathways or registered apprenticeship programs - Are recognized by employers, industry, or sector partnerships - Align with the skill needs of industries in the state or local economy - Are approved by the state workforce board in addition to the U.S. Department of Education
Defining eligible job training programs as those providing career and technical education instruction at an institution of higher education, such as a community or technical college that provides: - At least 150 clock hours of instruction time over a period of at least 8 weeks - Training that meets the needs of the local or regional workforce and industry partnerships - Streamlined ability to transfer credits so students can continue to pursue further education in their careers - Students with licenses, certifications, or credentials that meet the hiring requirements of multiple employers in the field for which the job training is offered

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