

The Human Needs Report

April 3, 2017

IN THIS EDITION

HEALTH CARE: Advocates' Efforts Defeat ACA Repeal Bill

BUDGET & APPROPRIATIONS: FY17 Appropriations Seek to Avoid a Shutdown

President Trump and Congress Look Ahead to FY18

Budget

TRUMP ADMINISTRATION: Labor Secretary Nominee Passes Committee on Party-

line Vote

SUPREME COURT: SCOTUS Confirmation Vote This Week

LABOR: President Repeals Fair Pay and Safe Workplaces Rule

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Advocates' Efforts Defeat ACA Repeal Bill

Advocates celebrated on March 24 when House Speaker Paul Ryan (R-WI) canceled a vote scheduled for that day on the House GOP plan to repeal the Affordable Care Act and dismantle Medicaid. The vote was canceled after it became clear that Republicans did not have enough votes to pass the legislation, due in large part to the persistent work of advocates who made their opposition to the bill known to their representatives. Advocates objected to several key components of the bill, including the end of the Medicaid expansion allowed under the ACA, the dramatic reduction in subsidies that help low-income people afford coverage (with seniors hit especially hard), and huge tax cuts for the wealthiest Americans. While advocates had been vocal for months in their opposition to repeal efforts, opposition

increased when the Congressional Budget Office <u>estimated</u> that 24 million more people would be uninsured in 2026 under the GOP plan.

Supported by advocates, Democrats on Capitol Hill were united in their opposition to the legislation. They were joined by many Republicans, including many from states that chose to expand Medicaid. Some members of the GOP's extreme right wing said the legislation didn't go far enough to repeal all of the ACA, and said they objected to the tax credits because of their cost and because they continued the current law's establishment of an entitlement to health coverage. Many of them, however, were also barraged with opposition at town hall meetings and in phone calls and emails to their offices from constituents who wanted to see the Affordable Care Act remain intact.

The future of the GOP's efforts to repeal the Affordable Care Act remains uncertain. Some reports are that Republicans want to shift focus to tax reform and an infrastructure bill, which some believe will garner more support, while other Republicans aren't ready to give up the fight on health care and want to revive efforts to repeal the ACA. In order to be able to use the special process known as reconciliation by which a repeal bill could pass the Senate with just 51 votes, a bill would have to be enacted before Congress passes its FY18 budget resolution.

Advocates fear other attacks to health care and specifically to Medicaid may come in Congress's and the Trump Administration's FY18 budget, in a tax overhaul package, in smaller legislative "fixes" to the ACA, and/or in the form of administrative changes from Health and Human Services Secretary Tom Price. For example, the House GOP repeal bill would have imposed work requirements on some adult Medicaid recipients; HHS could instead grant waivers to states that could allow them to impose similar work requirements.

In the immediate future, at least, the Senate will turn its attention to additional cabinet confirmations and the Supreme Court nomination, and both chambers will need to focus on FY17 appropriations work (see related articles in this *Human Needs Report* for more information on these topics). For more information on the failed repeal efforts, see this statement from Families USA. For more information on the GOP plan, see the March 13 Human Needs Report.

Return to Top

FY17 Appropriations Seek to Avoid a Shutdown

Congress is only scheduled to be in session for eight days in April, which doesn't give them much time to finish up work on FY17 spending bills before the current Continuing Resolution (CR) through which the government is funded runs out on April 28.

Reports are that leaders are looking to combine the remaining spending bills in one large group, known as an omnibus spending bill, and have it ready to move after members return from a two-week recess on April 25. If members cannot come to agreement on detailed funding decisions, they may opt to extend the current Continuing Resolution through September, keeping most funding levels flat. They

could also do some combination of these options, such as pass a short-term CR to give them additional time to finalize an omnibus bill. Any FY17 appropriations bills would need a minimum of 60 votes to pass the Senate.

President Trump sent an additional spending request for FY17 to Congress in March, requesting \$30 billion more for defense and \$3 billion more to start construction of the wall along the U.S.-Mexico border and for other border security measures. To partially pay for these requests, he suggested nearly \$18 billion in cuts from the current funding levels to domestic and international discretionary (annually appropriated) programs. These include cuts to important human needs programs, such as employment programs for migrant farmworkers and low-income seniors (cut by more than \$500 million from the current CR level) and preventive health services for Native Americans (cut by \$25 million). In some cases, the programs slated for cuts in Trump's FY17 request are ones slated for elimination in his FY18 budget request; this is true for the Community Development Block Grant (which would be cut by \$1.5 billion from the current CR level), the Low Income Home Energy Assistance Program (cut by \$372 million) and the Community Services Block Grant (cut by \$306 million), for example (for more information on Trump's FY18 budget, see the related article in this Human Needs Report). In other cases, such as with AmeriCorps (proposed cut of \$439 million) and Choice Neighborhood Initiatives (proposed cut of \$125 million), Trump's request justifies cutting programs because Congress has not passed current authorizing legislation, which blames the programs for the failure of Congress to carry out its responsibilities.

Members of Congress on both sides of the aisle have said that President Trump's supplemental request won't be included in the FY17 package due to the late nature of its filing, which came at a time when many negotiations were close to complete. Democrats have vowed to block funding for the border wall, and both sides seem to want to avoid controversial policy language, or "poison pill riders," on the spending package that could stall progress and force a government shutdown. Sen. Roy Blunt (R-MO) said the president's supplemental spending request would likely move at a later time.

Reports are that the FY17 spending package will most likely start in the House, but Congress could also use the defense spending bill (H.R. 1301), which has been waiting in the Senate since the House passed it on March 6, as the legislative vehicle for a larger spending package if need be. Only one of the 12 required bills for FY17, the Military Construction and Veterans Affairs appropriations bill, has been signed into law.

Return to Top

President Trump and Congress Look Ahead to FY18 Budget

The Trump Administration released a preliminary FY18 budget request (also called a "skinny budget") to Congress on March 16. It provided funding recommendations for discretionary funding (annual appropriations) by department, with much detail left out. Those details, plus proposals for revenues and for mandatory spending areas such as Medicaid, Medicare, and SNAP, are expected sometime in May.

The March proposal included \$54 billion in additional funding for the Pentagon, paid for by equal cuts to nondefense programs, including critical human needs programs. For example, the budget would eliminate the Community Development Block Grant, the Low Income Home Energy Assistance Program (LIHEAP), the Legal Services Corporations, the Community Services Block Grant, and others. It would also cut K-12 education funding for low-income students, the Women, Infants and Children nutrition program (WIC), job training programs, and many more important programs. For a breakdown of human needs programs cut under the proposed plan, see CHN's First Look document.

The President's budget faced heavy backlash from the advocacy community when many organizations, including CHN, the National Low Income Housing Coalition, the National Employment Law Project, the Center for Budget and Public Priorities, the National Education Association, and many more members in the community came out with statements that heavily condemned or raised deep concerns regarding the President's priorities.

Democrats in Congress said that President Trump's proposal was dead on arrival because of its disastrous cuts. Even many Republicans – especially Republican appropriators – said the cuts went too far and that they would make their own decisions about the FY18 budget. But advocates are still concerned that the House GOP budget will contain massive cuts that would be devastating to human needs programs. Any additional cuts would be on top of sequestration-level funding, which is scheduled to go back into effect for FY18 unless a bipartisan budget deal is reached to lift the spending caps. Adding to the difficulties of adopting the Trump budget is its large increase in Pentagon spending – well above the cap required by budget law. Increasing military spending \$54 billion above the cap would require a 60 vote majority, which is unlikely.

Republicans in Congress hope to use a special process known as reconciliation with the FY18 budget resolution that would allow them to pass tax reform, and possibly reforms to entitlement programs, with only a simple majority in the Senate. But they can still do a reconciliation bill for the current fiscal year. That had been envisioned as a health care bill, but its implosion has led to speculation about using such a bill to craft tax policy instead. If Congress wants to make use of this year's reconciliation bill, they must complete it before they pass an FY18 budget resolution; that may require a delay in congressional budget resolutions until May or later. The job of passing a budget resolution may also be harder this year because of rifts within the Republican caucus as shown by the failure to pass the ACA repeal bill and because, in past budgets, Republicans have assumed \$2 trillion in savings from passing such a repeal bill. A budget resolution is a plan through which Congress sets certain spending/taxation rules for itself; it does not go to the President for his signature and does not become law. Failure to pass a FY18 budget does not stop Congress from working on and passing FY18 appropriations bills.

On March 21, CHN held a webinar on President Trump's budget and the harm it would do to human needs programs. You can view a recording of the webinar and the slides here. For more information, see CHN blog pieces here and here and here, as well as this piece from CBPP. For more information on all things related to the FY18 budget, see CHN's FY18 budget resource page.

Return to Top

Labor Secretary Nominee Passes Committee on Party-line Vote

The Senate Health, Education, Labor and Pensions Committee voted (12-11 along party lines) on March 30 to send the nomination of **Alexander Acosta**, President Trump's second nominee for Labor Secretary, to the full Senate. The National Employment Law Project, <u>Jobs With Justice</u>, the National Domestic Workers Alliance, the <u>Leadership Conference on Civil and Human Rights</u>, and other groups in the human needs community opposed his nomination. Acosta is a former U.S Attorney, former assistant attorney general for the Civil Rights Division of the Department of Justice, and a former member of the National Labor Relations Board. If confirmed, Acosta would be the first Hispanic member of Trump's cabinet. A date has not yet been set for a full Senate vote.

Return to Top

SCOTUS Confirmation Vote this Week

On April 3, the Senate Judiciary Committee voted (11-9, along party lines) to advance Judge Neil Gorsuch's nomination to the Supreme Court. The full Senate vote is <u>scheduled</u> for April 7, before Congress goes home for a two-week recess. Several CHN members, including the <u>National Women's Law Center</u>, <u>National Council of Jewish Women</u> and the <u>Center for American Progress</u>, released statements opposing his nomination.

<u>The Hill</u> is keeping a list of Senate Democrats who have declared their position on the vote. A Senate confirmation vote for Supreme Court nominees can require 60 votes, because it is subject to a filibuster, which takes 60 votes to shut down. President Trump <u>encouraged</u> Senate Majority Leader Mitch McConnell (R-KY) to "go nuclear" and change the filibuster rules as they apply to Supreme Court nominees if necessary so that only a simple majority would be needed. McConnell has signaled that he will do so if there are not enough Democrats to attain 60 votes. At this writing, it appears that only a few Democrats would be willing to allow Gorsuch's nomination to be confirmed. Advocates have been strong in their position that if Gorsuch doesn't have the 60 votes required for confirmation, Republicans should change the nominee, not the rules.

Return to Top

President Repeals Rule Affecting Workers

On March 27, President Trump signed legislation repealing the regulations implementing the Fair Pay and Safe Workplaces Executive Order previously issued by President Obama. The order required federal contractors to disclose any violations of worker protection laws before receiving new government contracts, and advocates believe it is necessary to protect workers' wages and safety and to encourage violators to comply with labor and civil rights laws. CHN supported this executive order and signed a

group letter urging members of Congress to oppose efforts to repeal it. The National Employment Law Project also opposed its repeal and issued <u>this statement</u> after President Trump signed the legislation. The move by Republicans and the Trump Administration to undo the order is viewed by advocates as anti-worker, anti-taxpayer, and anti-law-abiding business. The House voted (<u>236-187</u>) to repeal on Feb. 2, and the Senate followed (49-48) on March 6.

On March 30, the Senate voted (50-49) to repeal a rule issued under the Obama Administration that would allow cities to create retirement savings accounts for private sector and low-income workers whose employers do not offer retirement plans on their own. The Senate is expected to take up a similar measure covering state-sponsored plans this month. The House has already voted to repeal the two rules. AARP opposed actions by Congress to repeal the rules, saying the moves amount to a massive roadblock that will have a "chilling effect" on cities and states. AARP Executive Vice President Nancy LeaMond said, "The fact is that many Americans who lack a workplace savings plan do not save enough for retirement and run the risk of relying exclusively on Social Security's modest benefits when they retire. As a result of having insufficient retirement income, they are more likely to need the assistance of social safety net programs."

Advocates took some comfort in the fact that the deadline for introducing legislation under the Congressional Review Act (CRA) that targets Obama-era regulatory protections elapsed on Thursday, March 30. Congress can still take action on the multitude of "resolutions of disapproval" that have already been filed to undo rules put in place under President Obama, but they can no longer introduce new resolutions. According to Public Citizen, seven rules have been repealed, six are sitting on the President Trump's desk awaiting his signature, and about two dozen rules have valid resolutions targeting them. For more information about other rules and regulations under threat and the CRA, see this statement from Public Citizen and RulesAtRisk.org.

Return to Top

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