



*Week of 1-25-16  
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### **Congressional Overview**

Due to the blizzard, the House canceled legislative action last week. Members returned on Feb. 1 to consider bills on Iran sanctions and an override of the president's veto message to repeal provisions of the healthcare law. Meanwhile, the Senate debated legislation that would mandate energy infrastructure upgrades and boost energy efficiency standards for commercial and federal buildings.

### **Nominations Sought for Office of Apprenticeship's Committee on Apprenticeship**

The Office of Apprenticeship is accepting nominations for new members of the Secretary of Labor's Advisory Committee on Apprenticeship (ACA). The ACA's mission is to provide advice and recommendations on the development and implementation of policies, legislation and regulations affecting registered apprenticeships. Also, the organization provides a diversity of perspectives with members representing employer, labor and public sectors. Interested parties may submit nominations no later than Feb. 17 to [oa.administrator@dol.gov](mailto:oa.administrator@dol.gov) with the subject line "ACA nomination." All submissions must include a letter of support and the individual's bio and resume.

### **White House Creates New Agency to Handle Federal Government Background Checks**

The White House is creating a new agency to handle background checks for the federal government in an effort to streamline the process and prevent security breaches following the Office of Personnel Management (OPM) hack, which compromised the personal records of more than 22 million current and former government employees. Administration officials say the new National Background Investigations Bureau (NBIB) will take over responsibility for handling security clearances, replacing the Federal Investigative Services (FIS), which is currently conducting investigations for more than 100 federal agencies.

The NBIB will be housed within the OPM. Officials said the NBIB will have a higher profile and greater operational autonomy than the FIS, while cybersecurity and data security for the new office will be provided by the Department of Defense. The transition will be partly funded by OPM finances and the administration's FY 17 budget request will include \$95 million for developing the NBIB's computer system. The overhaul of the security clearance system stems from a review the administration ordered last year in light of the growing number of cybersecurity threats to government networks.

### **Senate Democrats Aim to End Ban Against Federal Research on Gun Violence**

Senate Democrats said they will try and eliminate the ban against federal research on gun violence; the ban has been in place for 20 years. Democratic senators held a news conference last week with gun violence researchers to make the case for a federal investment to combat what they describe as a public health epidemic. Republicans have noted that Democrats never lifted the research ban when they controlled Congress. President Obama's executive actions to toughen background checks on gun buyers have angered many GOP lawmakers, who have pledged to use the upcoming appropriations bills to block any gun provisions in them.

### **Right-to-Work Passes West Virginia Senate**

On Thursday, Jan. 21, the West Virginia Senate passed a measure to outlaw mandatory union dues and fees as a condition of employment. The Senate approved the bill with a 17 to 16 vote before sending it to the House of

Delegates. The measure was introduced Jan. 13 on the first day of the 60-day legislative session. The policy has been a Republican priority since the party secured the legislature in Nov. 2014.

### **Obama Administration Announces Proposals Aimed at Expanding Access to Retirement Savings Plans**

On Jan. 25, the Obama Administration announced that the President's FY 17 budget will include proposals aimed at expanding access to workplace retirement savings plans. Labor Secretary Thomas Perez said that the proposals would enable more small businesses to provide lower-cost, 'pooled' retirement plans with other businesses and direct employers to automatically enroll workers without access to workplace retirement plans into an IRA. The automatic IRA requirement would apply to employers with more than 10 workers that do not already offer a retirement plan. Employers with fewer than 100 workers that offer an auto-IRA would receive a tax break of up to \$3,000.

The same proposal has been offered in past Obama budgets without success. President Obama is also seeking to expand retirement plans pooled among small businesses, known as multiple employer plans, which allow employers to share administrative costs and reduce other burdens. Finally, the President's budget will require that part-time employees are eligible to participate in retirement savings plans if they have worked for their employer at least 500 hours per year for at least three years.

### **Federal Spending on Healthcare Greatly Increased in 2015**

Per the Congressional Budget Office's (CBO) budget outlook, spending on all major health programs surged to \$936 billion last year, an increase of 13 percent from FY 14. By contrast, the government spent \$882 billion on Social Security, a 4 percent increase from the prior year. Also, according to the CBO, the increase in health costs underscored one of the greatest challenges Congress may face in trying to tame annual deficits in coming years, along with rising Social Security costs from an aging population and rising interest payments on the national debt.

The biggest driver in health cost increases was Medicaid, which grew by \$48 billion, or 16 percent last year (after a 14 percent increase in 2014). The sharp cost spike reflected the implementation of President Obama's healthcare law, under which 30 states and the District of Columbia opted to expand Medicaid coverage. Subsidies for low-income people who bought insurance on the government-run marketplaces (known as exchanges) increased by \$23 billion last year, to a total of \$38 billion.

Perhaps more ominous, from a budgetary standpoint, is that Medicare spending last year rose by \$34 billion, or almost 7 percent, which the CBO called the fastest rate of growth recorded for the program since 2009. The CBO attributes the increase partly to a three percent hike in the number of Medicare beneficiaries and an escalation in the number or cost of services furnished, particularly for prescription drugs.

Finally, per the CBO, "Social Security spending will increase from 4.9 percent of gross domestic product this year to 5.9 percent by 2026. Health spending will increase from 5.5 percent of GDP this year to 6.6 percent in 2026 and interest payments on the debt will increase from 1.4 percent of GDP this year to three percent in 2026 (the highest ratio since 1996)."

### **Speaker Paul Ryan's 2016 Agenda**

Speaker Paul Ryan (R-WI) wants Republicans to "go on offense on ideas" in 2016. When House members return to Capitol Hill, Republicans said they are ready to debate five policy areas that Speaker Ryan has outlined for his agenda: national security, the economy, healthcare, poverty and constitutional powers. Speaker Ryan has pledged to set up committee-led task forces which will offer listening sessions for members who want to contribute to the policy development. Finally, Speaker Ryan said that members would decide whether the agenda items would be drafted into legislation and brought to the floor.