



*Week of 9-5-16
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Congressional Overview

The Senate and House returned to Washington last week after their August recess and debated the length of impending legislation to keep the government funded into the new fiscal year. Congress is expected to take another break by the end of the month to campaign for election. The new fiscal year begins on Oct. 1, leaving Congress with little time to figure out how to avoid a government shutdown.

Senators took another procedural vote on a stand-alone Defense Department Appropriations Bill on Tuesday evening, but the measure failed for a third time. House Republicans headed into their first conference meeting on Wednesday divided on the length of a funding continuing resolution (CR). While Freedom Caucus members and some of the rank-and-file favor a longer extension, appropriators and others think the GOP will have more leverage in a lame-duck than next year if they end up losing seats in the election.

Continuing Resolution Needed to Avoid Government Shutdown

Much of last week was spent drawing battle lines over a CR that would extend current funding levels into the new fiscal year. While President Obama and some in Congress from both parties do not want a CR to last past December, conservative Republicans are pushing for a six-month CR to punt on all major spending decisions until a new president takes office. Finding a compromise will not be easy.

Hardcore conservatives have vowed to fight any effort to negotiate an omnibus appropriations package in a lame-duck session of Congress. Democrats have insisted for months that any CR expire by December to force Congress to wrap up all appropriations work before Obama leaves office. Some Senate Republicans, including Majority Whip John Cornyn (R-TX) have expressed support for a six-month CR, but Democrats could block a long-term bill in the Senate because Republicans lack the 60 votes needed to advance the measure on their own.

Even if lawmakers can agree on how long a CR should last, they must decide what it will contain. CR's usually are simple extensions of current funding levels for a specified amount of time. However, pressure is building to add money to combat the Zika virus and supplemental funds may also be needed to help Louisiana and other states with storm damage and floods.

Senate Fails to Pass Spending Bill that Included Zika Funding

The Senate tried to pass a military and veterans spending bill that included \$1.1 billion in funding for Zika, but the outcome did not yield anything different than when it failed to pass similar legislation in July. The Obama administration warned that the government will run out of Zika funding by the end of September, and even if Congress passes a short-term CR, The Department of Health and Human Services will not have enough funding for the Zika virus response.

Congressional Committee Chairmen Determined to Pass 21st Century Cures Bill

House Energy and Commerce Chairman Fred Upton (R-MI) and the Senate Health, Education, Labor, and Pensions Committee Chairman Lamar Alexander (R-TN) are determined to get their 21st Century Cures legislation passed into law. Chairmen Upton and Alexander are working with the White House and Rep. Frank Pallone (D-NJ) and Sen. Patty

Murray (D-WA) about ways to pass the 21st Century Cures legislation in September. The bill aims to overhaul the drug approval process at the FDA and support research at the NIH in an effort to deliver new cures to patients quicker and cheaper.

Congressional Leaders Open Conference on Comprehensive Energy Bill

On Thursday, House and Senate leaders opened their formal conference on the first comprehensive energy bill in more than a decade. Negotiators will have to strip veto-baited provisions including language on California's drought, energy development on tribal lands and research funding from the House-passed bill.

Coal Miners Pension Legislation Could See Floor Votes

Legislation may be coming to the House and Senate floors to aid over 200,000 coal miners who will lose their health benefits before the end of the year if Congress doesn't act. The Miners Protection Act would transfer money from the Abandoned Mine Land Fund to the United Mine Workers of America's Pension Plan. It almost received a House vote on Thursday, and the Senate Finance Committee could mark up of the bill on Sept. 14. It's expected to move quickly through the committee process with a Senate floor vote before the presidential election or immediately thereafter.

The Senate has reportedly reached an agreement with Senate Majority Leader Mitch McConnell (R-KY) to make this happen. Last year, McConnell blocked an attempt to attach the legislation to December omnibus spending bill. If this bill moves, then Congress could address the other pieces of the pension puzzle before the end of the year **allowing for composite plan design to move forward.**

EPA Investigating Link between Wastewater Removal and Recent Oklahoma Earthquake

On Sept. 3, a 5.9 magnitude earthquake rattled seven states. The Oklahoma Corporation Commission immediately shut down 35 disposal wells that may have played a role in the quake. The disposal wells, used during the process of hydraulic fracturing, have recently drawn concern that they may actually induce earthquakes. The Environmental Protection Agency continues to investigate the situation.

Shale Drillers Return to Oil

As the price of U.S. crude marches back toward \$50-a-barrel territory, several big shale drillers are headed back to the oil patch. The Wall Street Journal recently reported that the number of rigs drilling for oil in the U.S. rose by 10 to 406, extending the recent trend of increases.

Utica and Marcellus Shales to Increase Natural Gas Production through 2040

On Monday, Aug. 22, the Energy Information Administration (EIA) reported that the Utica and Marcellus shales are expected to increase natural gas production through 2040. Per the EIA, "The two Appalachian shale gas plays, the Marcellus and Utica, have factors favorable for production: shallower geologic formation depths and proximity to consuming markets. Both Appalachian shale gas plays have remained resilient to the low natural gas prices and are projected to continue to drive total U.S. production in the long term. Shale gas production in these plays is expected to reach more than 40 Bcf/d by 2040, providing just over half of U.S. total shale gas production."