**July 2014 PUBLIC POLICY UPDATE**

**By: Brian Lindberg and Marly Flores**

**Big Picture**

We are just over four months away from the 2014 congressional mid-term elections. Primaries are already affecting the future make up of Congress and its leadership. House Majority Leader Eric Cantor’s (R, VA-7th) defeat to Tea Party Movement challenger David Brat was a stunning primary loss and opened up his spot as the second-ranking House Republican. Cantor was widely presumed to be the next successor to Speaker John Boehner. Hours after the defeat, Cantor formally announced his plan to step down from his leadership position at the end of July.

On June 19, House Republicans elected Rep. Kevin McCarthy (R, CA-23rd) to become the next House Majority Leader and Rep. Steve Scalise (R, LA-1st) as Majority Whip.

In regards to the mid-term elections, Republicans are likely to keep their control of the House. In the Senate, we are likely to see a very slim majority regardless of whether the Democrats retain the Senate or lose it to the Republicans.

**Older Americans Act**

With the anticipation that the composition of the next Congress could be more conservative and less positive for the OAA reauthorization, aging organizations are revving up their grassroots efforts for passage this year. In particular, AARP is rallying support to [reauthorize](http://www.aarp.org/politics-society/advocacy/info-2014/where-aarp-stands-older-americans-act.html) the Older Americans Act through a social media campaign. Members of the LCAO are sending a letter to all members of Congress to expedite passage of the OAA reauthorization.

During a meeting with Senator Burr’s (R-NC) staff, staff stated that Senator Burr was still open to move forward with the reauthorization process. However, the sticking point was still around the Title III funding formula. Senate staff remains unsuccessful in negotiating an agreement on the OAA funding formula for the future.

**FY 2015 Appropriations**

Earlier in the year, Senate Majority Leader Reid (D-NV) allocated four weeks of session time for processing regular spending bills. According to the Congressional Quarterly (CQ), this would be the first time since 2011 that the Senate has brought all the individual appropriations bills to the floor for votes. The process quickly hit a road bump when Reid pulled the first package of spending bills, known as a “minibus” from the floor because of politically charged amendments. The spending package includes the Commerce-Justice-Science and Transportation-HUD bills, known as relatively non-contentious spending bills.

With regard to the Senate Labor-HHS-Appropriations process, the subcommittee marked up its FY 2015 funding bill on June 10. The subcommittee has stalled the official release of the draft bill and a very “unofficial’ funding table is floating around. The figures are not final until considered by the full Appropriations Committee, which has not been scheduled. If the chart is accurate, most ACL programs would be roughly level funded in FY 2015, relative to the FY 2014 post-sequester levels. It is rumored the markup has been delayed due to lack of consensus on amendments. In the absence of a markup, appropriations staff may make the bill and report language public. In the House, the Labor-HHS Appropriations Subcommittee has not announced a markup of its bill.

Government funding will expire on September 30th and lawmakers need to avoid another government shutdown. Most likely a continuing resolution “CR” will be used to keep the government funded and appropriators will extend the debate past the November elections. Political analysts believe that Senior Republicans and Democrats will use the renewal of the Ex-Import Bank (slated to expire on Sept. 30) as part of a scenario to keep the government open. Reauthorizing the contentious Ex-Im Bank would help large American corporations stay competitive in a global economy. Incoming House Majority Leader Kevin McCarthy (R, CA-23rd) is siding against reauthorizing the program and views the program as a form of “crony capitalism.” Senate Democrats are in favor of Ex-Im.

Senate Democrats are considering attaching a short-term reauthorization of the Ex-Im Bank to a CR. This could challenge the House Republicans to shut down the government over the bank in the weeks before the Election. The House Republicans have discussed passing a CR before August as a way to increase their leverage with the Senate. With the upcoming elections around the corner, few want a showdown before voters decide whether to flip control of the Senate to Republicans.

**Workforce Investment Act**

The Workforce Innovation and Opportunity Act (WIOA) (H.R. 803), formally known as the Workforce Investment Act (WIA), passed in the Senate with a 95-3 vote. On July 9, the House passed WIOA with an incredible bipartisan majority 415-6 vote. President Obama will sign the bill into law. President Obama has already voiced his support for the legislation through a Statement of Administration Policy.

H.R. 803 represents a compromise between the SKILLS Act (H.R. 803), which was passed in the House in March 2013, and the Workforce Investment Act of 2013 (S. 1356), which passed the Senate Health, Education, Labor, and Pensions (HELP) committee last July.

Read the bill [here](http://edworkforce.house.gov/uploadedfiles/wioa_sa_hr803.pdf) and a one-page summary of the legislation [here.](http://edworkforce.house.gov/uploadedfiles/workforce_innovation_and_opportunity_act_-_one_pager.pdf)

**VA Health Legislation**

The House and the Senate passed legislation aimed at remedying long waits for care at VA medical facilities. Lawmakers are in the process of consolidating the bills into a single unified measure. The Congressional Budget Office (CBO) estimated both bills to cost more than $50 billion a year. Some members of Congress are questioning the CBO score, including Senator Burr who called the score “grotesquely out of line.”

VA conferees met for the first time on June 24. It was the first time in 15 years that members met in a joint committee regarding VA legislation. The House and Senate conferees, comprised of a 28-member bicameral panel, are unclear on how to handle the unexpectedly high price tag. Conferees are split over whether to offset the extra spending or treat it as emergency funding. The House Veterans Affairs Chairman Miller (D, FL-1st) said the chamber’s position is that the bill must be offset. Whereas, Senate Veterans Affairs Chairman Sanders (I-VT) states that “the costs would address an emergency and therefore require no budget offsets.” The VA conference committee had hoped to at least get the parameters put together before the July Fourth recess.

As of July 10, 2014