

BGR | GROUP

Quarterly Outlook, April 2021

BGR Group

TABLE OF CONTENTS

- I. Overview..... 3**
- II. Bipartisan Take..... 5**
- III. State Advocacy and Appropriations..... 7**
- IV. Health and Life Sciences..... 10**
- V. Commerce..... 11**
- VI. Financial Services..... 13**
- VII. Public Relations..... 15**
- VIII. International..... 16**

I. Overview

President Biden and Congressional Democrats had a productive first quarter as they advanced a massive \$1.9 trillion COVID-19 relief package, approved multiple administration nominees and filled out the Biden cabinet, and saw the national vaccination effort ramp up dramatically.

Now, they turn their attention to the next big initiative – infrastructure. Biden and the Democrats know where they want to go but are still creating their roadmap to get there. They want to go big, again. Republicans are urging a less costly approach, and particularly one that doesn't raise taxes. It remains to be seen if Republicans will go along for the ride or spend the next few months putting up roadblocks.

The Democratic leadership has laid out an aggressive timeline for moving a massive infrastructure package. Speaker Nancy Pelosi (D-CA) has marked July 4th as her target deadline for getting a bill out of the House. On the Senate side, Majority Leader Chuck Schumer (D-NY) is weighing his options on budget reconciliation and filibuster reform. Even with budget reconciliation as an option, the incredibly tight margins in the House and Senate make the path for passage extremely challenging.

At the same time, the majorities will need to move spending bills and potentially a National Defense Authorization bill at the same time. The return of earmarks – or Community Project Funding – may help move bills along. Regardless, the second quarter looks to be even busier than the first.

KEY DATES

April 13-22:

House, Senate in session

April 24: Special Runoff Elections for Louisiana 05 and Louisiana 02 Congressional Districts

April 28: President Biden to Address Joint Session of Congress

April 30: Deadline for USTR to release its annual report on how well other countries protect U.S. intellectual property rights

May 11-20: House in session

May 10-28: Senate in session

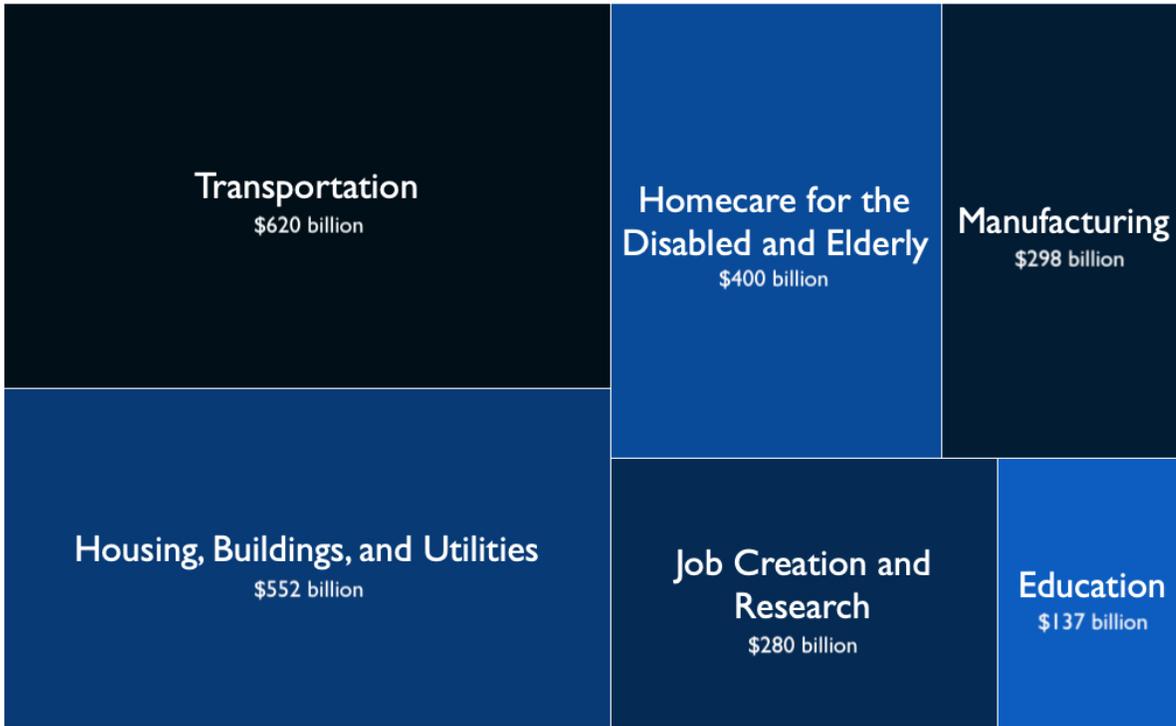
June 1: Special General Election for New Mexico 1st Congressional District

June 5: Trade officials from the U.S., China and other members of the Asia-Pacific Economic Cooperation forum will hold a virtual meeting hosted by New Zealand

June 7-11: Commerce Department annual SelectUSA Investment conference

June 7-25:
House, Senate in session

American Jobs Plan by Funding Category



Source: White House

MEMBERS TO WATCH ON INFRASTRUCTURE AND TAX

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

- Sen. Maria Cantwell (D-WA), Chair
- Sen. Roger Wicker (R-MS), Ranking Member

COMMITTEE ON FINANCE

- Sen. Ron Wyden (D-OR), Chair
- Sen. Mike Crapo (R-ID), Ranking Member
- Sen. John Thune (R-SD), Ranking Member, Subcommittee on Taxation and IRS Oversight
- Sen. Mark Warner (D-VA), Member, Senate Finance Committee

POTENTIAL DEALMAKERS

- Sen. Joe Manchin (D-WV), Chair, Senate Committee on Energy and Natural Resources
- Sen. Lisa Murkowski (R-AK), Member, Senate Appropriations Committee

WAYS AND MEANS COMMITTEE

- Rep. Richard Neal (D-MA), Chair
- Rep. Kevin Brady (R-TX), Ranking Member

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

- Rep. Peter DeFazio (D-OR), Chair
- Rep. Sam Graves (R-MO), Ranking Member

POTENTIAL DEALMAKERS

- Rep. Josh Gottheimer (D-NJ), Chair, Problem Solvers Caucus
- Rep. Stephanie Murphy (D-FL), Co-Chair, Blue Dog Coalition
- Rep. Garret Graves (R-LA), Member, Transportation and Infrastructure Committee

II. Bipartisan Take

CAPITOL HILL IN THE TIME OF COVID

FRED TURNER

After more than 25 years of work on Capitol Hill, I really thought I'd seen it all. I was in Longworth when two U.S. Capitol Police officers were shot and killed in 1998. I was in the Members' Dining Room on the morning of September 11, 2001. In August 2011, I was having lunch in the Hart Building when an earthquake struck.



Yet none of that could have prepared me for the afternoon of March 12, 2020. As chief of staff, I convened a conference call so that our colleagues in Newark, NJ and Camden, NJ could all be on the same page. We shut down all three of our offices except for essential services/personnel required to serve the Senator when he was in Washington or back in NJ. Our offices transitioned to a full-time work from home capacity except for two people in Washington and 1-2 people in New Jersey. We assumed this would last "perhaps until the end of March..."

Exactly 13 months later and Capitol Hill is just beginning to see signs of normalcy. But what happened to life on the Hill in the interim?

Turner continued on next page

BGR CONTINUES TO ADAPT, MEET CLIENT NEEDS ONE YEAR INTO PANDEMIC

JENNIFER LUKAWSKI

Lobbying is a highly personal activity. As advocates for our clients, we thrive on building and maintaining relationships through our personal interactions with policymakers and their staff. Yet like most industries across the country, ours was significantly

impacted by the COVID-19 pandemic. One year ago we abruptly transitioned to what was supposed to be a brief period of remote work. It soon became clear that the shift would last longer than anticipated. At the same time, the need to engage lawmakers grew as the health care crisis intensified and economic fallout worsened.



Unfortunately, traditional activities such as in-person meetings, business travel, fundraising events, Washington fly-ins, and chance encounters with lawmakers and staff were not possible. Without these opportunities- how would our clients' voices be heard?

BGR Group quickly adapted to effectively serve our clients when they needed us most. We advocated for legislation and regulatory waivers needed for our clients. We conveyed information

Lukawski continued on next page

Turner continued

There were very few staff around Members of Congress. What had been done by 30 colleagues in the office was now being done completely remotely with the exception of a couple staff to print speeches, log on to Zoom, take calls, and manage the schedule. Our conference room was still used for meetings with New Jersey's other elected officials, health care providers, and first responders—but they were on a screen. Lobbying became something nearly unrecognizable. Lobbyists—the term itself derived from spending time in the lobby of a building—were finding new, creative ways to get their messages across.

Some temporary changes might become more permanent. Will Members of Congress host a meeting of 40 people in a room meant for 20? Will doctors, longshoremen, clergy members, and restaurant workers travel to Washington to tell their stories and advocate for public policies or will those meetings only happen back at home or in some hybrid in-person/online fashion? These are just a few of the unanswered questions for the balance of 2021 and beyond.

Notwithstanding the January 6th insurrection and the massive military presence that created during the last three months, we are slowly seeing more staff in the buildings each morning. Some eateries have reopened and you can even visit the Senate gift shop again for a few limited hours per week.

There is certainly a light at the end of the tunnel. With more Americans getting their vaccinations, Capitol Hill will soon alight with young staff running from meeting to meeting. But it will take much longer, with additional guidance from the CDC and the Office of the Capitol Attending Physician, for the Capitol Complex to return to pre-Pandemic days. In the meantime, flexibility will remain essential.

Lukawski continued

to policymakers and their staff using video or audio conference calls in an informative, efficient, and productive way. We hosted more than 100 remote briefings for clients with Members of Congress, Senators, key administration officials and senior staff to ensure real-time communication and information-sharing. We transitioned to virtual fly-ins and saw participation soar. Many attendees were eager to meet with their elected officials but in years past been unable to make the trip to Washington. We were quick on our feet and found new and creative ways to ensure our clients had a seat at the policymaking table.

Fast forward to now. With the pandemic beginning to come under control, many in the government affairs community are asking—will things return to the way they used to be or is virtual advocacy the “new normal”? Given some of the upsides we have experienced with virtual meetings, and feedback I have gotten from a variety of people, it seems clear that remote advocacy will continue in some form beyond the pandemic. In a survey conducted over the summer by the Public Affairs Council, more than 70% of respondents believed that there will be limits on meeting federal policymakers in person post-pandemic. Given the violent events of January 6th, this is likely to be even more so as a matter of national security. We can and must adjust.

Thinking creatively, being flexible, and adapting to changing circumstances is the sign of an innovative team working in unison to achieve success over the long-term. This approach enabled BGR Group to bring new opportunities to our clients in these challenging times. With light at the end of the pandemic tunnel, I am confident BGR Group will continue to provide uncompromised value to the clients we represent, whether that be in-person, virtually or a combination of both. As we celebrate our 30-year anniversary as a firm this year, we are ready to keep adapting and help our clients however we can - whatever the future may hold.

III. State Advocacy and Appropriations

IN THE STATES

With states in varying stages of vaccination programs, statewide leaders are shifting the focus of their COVID-19 response from managing the public health crisis to the economic reopening and recovery.

Forty-six states will begin their fiscal year on July 1, 2021. The budget picture is significantly more positive than many states and localities had expected less than a year ago. State tax revenues, on average, have not fallen as much as initially predicted, and several economic forecasters have ratcheted down their estimates of budget shortfalls. In fact, some 22 states are enjoying higher year-over-year revenues. The American Rescue Plan Act (ARPA) will send \$350 billion in direct new aid to states and localities — \$195 billion for states and \$130 billion for local governments, with the rest going to territories and tribal governments. State and local governments can spend their Fiscal Recovery Funds on four categories of eligible expenditures:

- Responding to the public health emergency and its negative economic consequences
- Providing supplemental pay to essential workers;
- Replacing lost revenue
- Investing in water, sewer and broadband projects

States and localities will have until the end of 2024 to spend the direct aid. One area that continues to see rapid growth in federal and state funding is technology upgrades and broadband deployment. The ARPA provided \$1 billion for the Technology Modernization Fund and nearly \$7.2 billion to create an Emergency Connectivity Fund to reimburse schools and libraries for internet access and connected devices for students and teachers learning remotely due to the pandemic; as well as an additional \$10 billion for states, territories, and tribal governments to carry out capital projects directly enabling remote work, education, and health monitoring.



“The budget picture is significantly more positive than expected less than a year ago. State tax revenues, on average, have not fallen as much as initially predicted, and federal aid has enabled states to fill the expected budget shortfalls.”

Kristin Strobel, Principal,
State Advocacy and Appropriations Practice

Two policy developments moving rapidly across the states are cannabis regulation and sports betting. At least 17 states and the District of Columbia will have enacted adult-use legalization legislation by this summer. This could climb even higher this year with active legalization efforts underway in Delaware, Connecticut, Minnesota, Pennsylvania and Rhode Island.

Nearly two years after the US Supreme Court struck down the federal ban on legal sports betting, nearly 75% of U.S. states have either legalized sports wagering or introduced legislation to do so. New York and Arizona are the latest states to legalize online and mobile sports betting with legislative action pending in such states as North Carolina, Alabama, Texas, Louisiana and Ohio.

BUDGET AND APPROPRIATIONS

The budget process will begin in earnest in the next month and will dictate a path for President Biden's top priority - the American Jobs Plan.

House and Senate Democrats are set to move the wide ranging infrastructure package and its accompanying pay-fors via budget reconciliation. Senate Democrats believe they will be able to amend the current budget resolution - for FY 2021 - to generate another opportunity for a reconciliation package. Under that scenario, Congressional Democrats will have at least one more opportunity to pass a reconciliation package using the existing budget authorities. While infrastructure is traditionally a shared priority - and could still be - the use of budget reconciliation will reduce opportunities for bipartisan cooperation according to Republican congressional leaders.

Even so, Democrats will want to keep all options on the table. They will likely move an additional budget resolution for Fiscal Year 2022 to ensure yet another opportunity for budget reconciliation, perhaps for another portion of the infrastructure package. As this process gets underway, the Biden administration outlined its spending priorities early in April. While not a fully detailed budget, the "skinny" budget put forward by the Office of Management and Budget prioritized increases in domestic over defense spending. The House and Senate Appropriations Committees will spend the next several weeks holding hearings on the agency budget requests and will try to start markups quickly after. House leadership hopes to begin bringing appropriations bills to the floor for a vote by early summer as well as complete action on the American Jobs Plan prior to the July 4th recess.

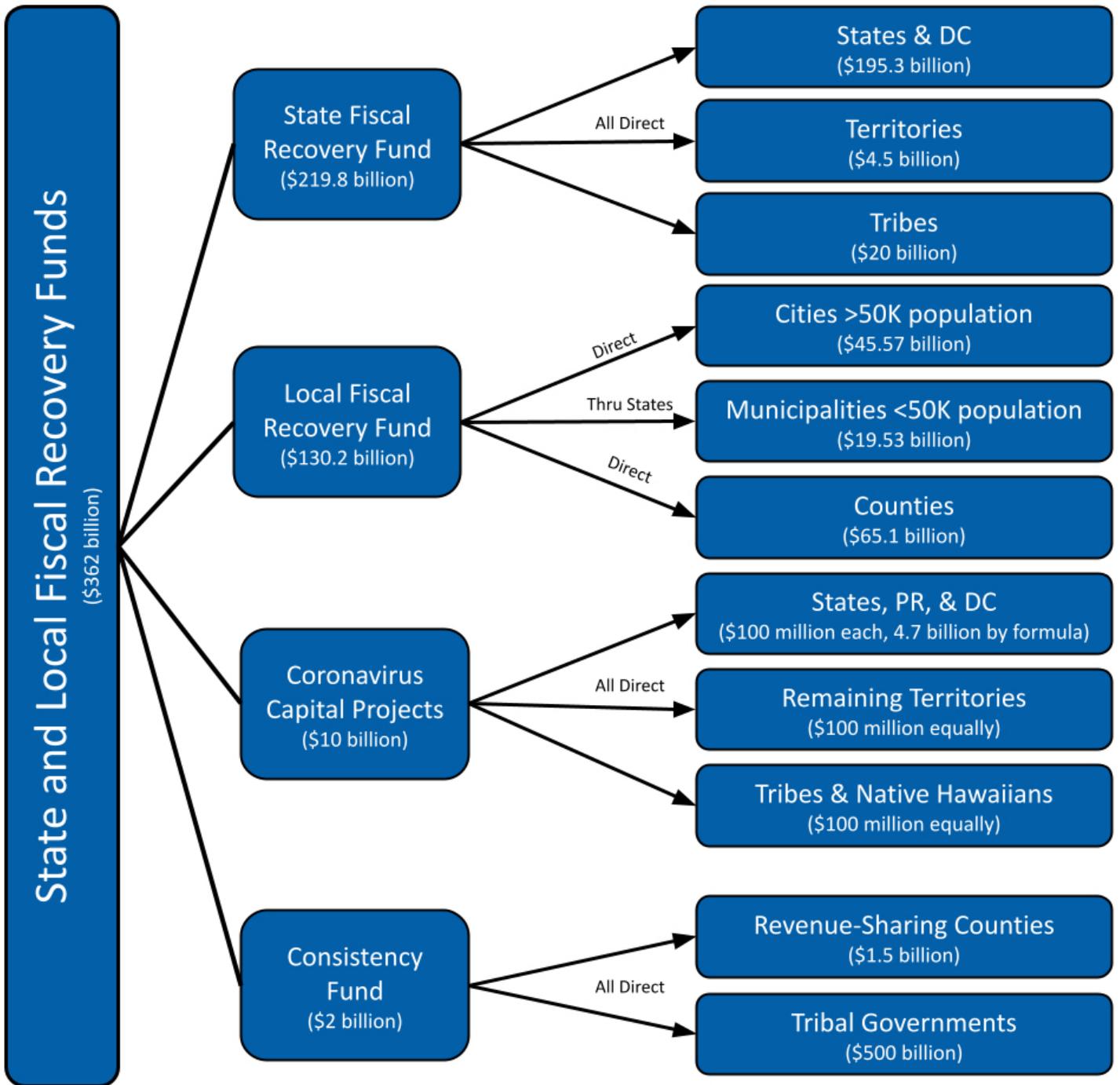


“While infrastructure is traditionally a shared priority - and could still be - the use of budget reconciliation will limit opportunities for bipartisan cooperation.”

Bill Viney, Principal, State Advocacy and Appropriations Practice

Member directed spending - formerly known as “earmarks” - is making its return to Capitol Hill with House Democrats and some Republicans planning to partake in the process for the first time in nearly 10 years. The House has set some formal guidelines for the new earmarks, now called Community Funding Projects. The various appropriations subcommittees have set deadlines between April 28-30 with individual congressional offices setting internal earmark request deadlines in advance of the committee dates. The Senate has not set its process for Community Funding Projects, but the Senate Democratic leadership has indicated they will have earmarks in their bills and Republicans are likely to leave the decision over pursuing earmarked projects up to individual Senators. Additionally, the House intends to include earmarks in the infrastructure package, and the House Transportation Committee has requested that all submissions be sent to the committee by April 23 for consideration in the surface transportation portion of the bill.

[CONTACT: Practice Head Loren Monroe](#)



IV. Health and Life Sciences

On March 31, President Biden unveiled the American Jobs Plan, a \$2.2 trillion proposal intended to improve America's infrastructure (think roads, bridges, public transit, broadband, water lines, clean power, improving schools) and create millions of new jobs in the process. As it relates to public health, the plan provides money for Medicaid home and community-based services, and it proposes investments in public health infrastructure, such as domestic manufacturing capacity and pandemic preparedness. The American Jobs Plan would be financed by changes to corporate taxes, including raising the corporate tax rate to 28%.

In the next few weeks, we expect President Biden to unveil an additional proposal aimed at supporting items directly relevant to the needs of American families. This will be a so-called "human infrastructure" package that contains items pertaining to improving the affordability of childcare and college, family tax credits, as well as a litany of health care priorities for the Democratic party. It could include supporting and/or expanding the Affordable Care Act, strengthening Medicare by limiting patient out-of-pocket costs and, potentially, providing Medicare dental and vision benefits for the first time. While it's impossible to forecast exactly how much this not-yet-seen plan would cost, it's safe to assume it will be a multi-trillion dollar package, and "pay-fors" will be needed. Increasing taxes on high income earners would raise some of the needed revenue. In the health space, Speaker Pelosi has indicated her openness and support to address high drug costs as a way to reduce government spending.

Specifically, in late March, Speaker Pelosi noted that she was discussing including elements of the Elijah Cummings Lower Drug Costs Now act to help pay for "infrastructure." This bill, which passed the House in the last Congress with only two Republican votes, would have the government directly negotiate prices with manufacturers. It would set a ceiling at what is paid in



“It’s clear that the Biden infrastructure plan won’t be limited to traditional concepts. Health care will be very much in the mix in terms of policy and pay-fors.”

**Brent DelMonte, Practice Co-Head,
Health and Life Sciences Practice**

certain developed nations to ensure lower prices than what is currently paid. Additionally, the legislation would effectively limit yearly price increases on drugs to the rate of inflation. And while the Congressional Budget Office (CBO) indicates that the bill would save the government \$456 billion over 10 years, CBO also notes that the bill would result in many drugs not being developed. For this reason, the proposal is highly controversial, and which aspects are under consideration as potential policy goals and offsets will be important to watch.

Time will tell how the Democratic majorities advance their infrastructure packages. It could be one, two, or multiple packages. The Speaker has indicated she wants to pass an infrastructure package in the House by July 4th. As it moves forward, it's clear that the Biden infrastructure plan won't be limited to traditional concepts. Health care will be very much in the mix in terms of policy and pay-fors.

CONTACTS: Practice Co-Head Remy L. Brim, Ph.D.

Practice Co-Head Brent DelMonte

V. Commerce

Following the President's announcement of a \$2 trillion plus infrastructure package, Washington became consumed with the questions about what infrastructure is and how to pay for it. Past infrastructure discussions have mostly centered on traditional transportation infrastructure priorities with broadband a second or third tier priority.

Now, digital infrastructure has taken on new importance. Congressional and White House proposals include \$100 billion to expand high speed broadband, an unprecedented level compared to past federal investments.

The proposed federal investment is commensurate with the vital importance of digital infrastructure as Americans dealt with the impact of the COVID-19 pandemic. Suddenly, broadband became a lifeline through which Americans conducted every aspect of their daily lives. The digital transformation of many aspects of our economy was significantly accelerated out of necessity and will have many benefits going forward. However, the digital divide became a chasm, completely cutting off Americans without access to broadband service from education, health care, and employment opportunities. This experience has cemented a bipartisan consensus that broadband networks constitute critical infrastructure and must be prioritized.

So far, wireless broadband has seen little emphasis or detail so far in the various infrastructure proposals. A significant investment in 5G buildout at this moment would pay significant dividends, beyond its benefits of

Continued

“Size and speed will dictate the Congressional calendar in the next quarter.

Smaller and slower could lead to bipartisan support but will come at the expense of Democratic priorities.”



Erskine Wells,
Co-chair of the Commerce Practice

CONTACTS

Practice Co-Head Jonathan Mantz

Practice Co-Head Erskine Wells

Continued on next page

providing Americans with the latest broadband capabilities on the go and supporting a U.S. win in the global race to 5G.

Administration officials and members of Congress alike have emphasized the need for “future proof” investments across every infrastructure sector, including broadband. Some discussions have focused on the concept of symmetrical upload/download speeds - equally fast speeds for uploads and downloads. But this kind of symmetry is unnecessary for the way the vast majority of consumers use the internet (for example, streaming video which represents 2/3 of all internet traffic). While it makes sense to “future proof” by raising the bar higher than the current definition, policymakers must not artificially constrain options for closing the digital divide by setting unnecessary requirements that effectively eliminate most current broadband technologies in an effort to achieve performance levels not currently needed by American consumers.

Another key bill to watch is the Endless Frontiers Act. From the introduction, Leader Schumer has worked hard to build bipartisan support working with Senator Todd Young (R-IN) and Ranking Member on the Commerce Committee Senator Roger Wicker. While there is still work to be done in marking up the bill, BGR is optimistic that 60 Senators will come together to pass legislation aimed at countering the threat posed by China in the fields of semiconductors, Artificial Intelligence, quantum and other emerging technologies. Similar legislation is working its way through the House.

Ultimately, size and speed will dictate the Congressional calendar in the next quarter. Smaller and slower could lead to bipartisan support but will come at the expense of Democratic priorities. President Biden and Congressional Democrats will need to decide if they are willing to sacrifice some of what they successfully campaigned on in 2020 to achieve a smaller, bipartisan product. With slim majorities on the line in the midterms, Democratic leaders may decide the best course of action to satisfy their political base is to use reconciliation to pass as much as possible.

VI. Financial Services

After a slow start the beginning of the 117th Congress has been busy for the House and Senate. Congress passed the American Rescue Plan, which included a number of provisions relevant to the Financial Services sector, including various tax credits, emergency housing assistance funds, small business credits, aviation financing, unemployment assistance, and more. However, there is a lot of work left to do by the major banking and finance committees.

CONTACTS:

Practice Co-Head
Sean Duffy

Practice Co-Head
Dan Murphy

After the GameStop saga, the House Financial Services and Senate Banking Committees held hearings on “gamification”, investor protections, and payment flow orders issues, amongst other topics. Look for this to be a continued issue in the upcoming quarter. There will be additional hearings held, and potential legislation on settlements, a financial transaction tax (FTT), and/or a push for more regulatory oversight. The Securities and Exchange Commission (SEC) will play a major role, specifically regarding investor protections and access to public markets.

Additionally, news surrounding the losses of Archegos Capital Management will be an area of major interest for the committees. These hearings will likely lead to a push from Democrats for the SEC to make changes to oversight of brokerage firms, definitions and protections for family offices, and the derivatives market. “Equity, inclusion and fairness in the financial system will continue to be a major priority for Congress and the administration,”

Continued

Continued on next page

said BGR Vice President Chay English. Also, expect Congress to possibly discuss consumer protection legislation, specific to credit reporting agencies. Public credit reporting provisions may be pushed by the House in President Biden's American Jobs plan. Lastly, we anticipate both the SEC and CFPB nominees, Gary Gensler and Rohit Chopra to be confirmed by the Senate in the coming weeks. Expect both regulators to exercise their authority on major consumer protection regulations.

House Financial Services Committee Chairwoman Maxine Waters (D-CA) and Representative Joyce Beatty (D-OH) have requested Diversity and Inclusion (D&I) related data from the 31 of the largest asset managers in the country. As the data is reported, expect the Committee to coordinate with various Office of Minorities and Women (OMWI) officers to continue pushing for D&I priorities and appointments, in both the public and private sectors.

The Biden administration has also begun its push for their next big legislative priority - infrastructure.

The \$2 trillion plan has already stirred up numerous discussions regarding taxes. Most notably, Democrats are divided on two tax provisions: the state and local tax (SALT) cap deductions and the corporate tax rate. Look for much more discussion on these two tax provisions this quarter. Additionally, Senate Finance Chairman Ron Wyden (D-OR) and Senators Sherrod Brown (D-OH) and Mark Warner (D-VA) have released an international tax plan. Their plan called for an increase to the GILTI rate and base erosion payments, changes to offshore factory incentives, and to equalize the FDII and GILTI rates. Treasury Secretary Janet Yellen has endorsed the notion to make changes to the international tax system. Expect these to be the major areas of focus as the administration's tax plans come together in the coming months.

“Equity, inclusion and fairness in the financial system will continue to be a major priority for Congress and the Administration.”



Chay English, Vice President,
Financial Services Practice

VII. Public Relations

Get ready for a public relations battle royale when the debate over President Biden's infrastructure legislation gets underway. The main points of contention: What constitutes infrastructure and how will it be paid for?

PR is all about finding the best arguments and making them effectively. All sides of this high stakes debate will need to make their best case.

Infrastructure used to be considered roads and bridges. Now, Democrats are trying to expand the definition to include childcare and even free community college tuition.

No one should apply a consistency test to the nation's capital. Definitions and interpretations are constantly changing - and the spin doesn't seem to stop. Take the now-fashionable process known as reconciliation. These days, the Democrats in charge are using the procedure to make it easier to pass legislation that increases government outlays without paying for them.

But when reconciliation was created in 1974, it was meant to do the opposite. The procedure is designed to allow legislation focused on fiscal and tax policy to pass in the Senate with a simple majority. The idea was for the Congress to deal with annual budget deficits in a timely manner.

Senators thought they needed a process that forced them to do the "right" but politically hard thing - to keep expenditures in line with incoming revenues. A budget resolution passed by both chambers of Congress outlined those parameters. Lawmakers had to raise taxes or keep spending down to stay within the lines.

What an irony! Now that members of both political parties no longer see deficits as much of a threat, the old budget restraint system is being used to clear the way for trillion-dollar spending without offsetting revenue.

"No one should apply a consistency test to the nation's capital. Definitions and interpretations are constantly changing - and the spin doesn't seem to stop."



Jeffrey H. Birnbaum
President, Public Relations

Democratic leaders are calling for tax increases to cover at least part of the cost of the infrastructure package because the tax changes, they say, will be a societal benefit. Corporations and high-earning individuals, they say, don't pay enough in taxes and should pay more. Doing so would reduce income inequality, the argument goes. Democrats do not fear that the economy might be hobbled during a fragile, post-pandemic period by either the extra taxes or the higher deficits.

Republicans will argue that any infrastructure package should be narrow and paid for - not through tax increases, which they say could harm the recovering economy.

Who will win the argument? Millions of dollars will be spent on public relations to impact the outcome. The old arguments and definitions are important to know, but the winner is not preordained.

CONTACT PRACTICE HEAD JEFFERY H. BIRNBAUM

VIII. International

President Biden's first quarter was relatively devoid of foreign policy challenges. This could change soon, however, as Biden will likely have to confront U.S. adversaries like China, Russia, and Iran on numerous issues.

Biden is seeking to bring the Iranians back to the negotiating table following the previous administration's withdrawal from the Iran nuclear deal. This push will likely face tough resistance from Congressional Republicans, and some Democrats like Senate Foreign Relations Committee (SFRC) Chairman Bob Menendez (D-NJ), who voted against the agreement in 2015.

We anticipate climate change to be a focus over the next few months. President Biden is holding a Climate Summit on April 22 and 23 and will be meeting virtually with 40 world leaders. Biden is seeking to mobilize world leaders to reduce emissions over the next decade to limit global warming to 1.5 degrees Celsius.

More sanctions on Russia are expected in the coming weeks over election interference. On March 17, President Biden said Russia will "pay a price" for 2020 election interference, following the release of the unclassified version of the ODNI report on "Foreign Threats to the 2020 US Federal Elections." In a follow up question on what that price would be, Biden said "you'll see shortly." The Biden administration announced in early March more restrictions against Russia under the Chemical and Biological Weapons Act for the poisoning of Russian opposition leader Alexi Navalny, as well as sanctions for construction of the Nord Stream 2 pipeline. The potential for more sanctions comes as President Biden spoke with Russian President Vladimir Putin on April 13 and called for a summit with the Russian leader to discuss U.S.-Russia issues.

In Congress, there has been a bipartisan push to counter China. A large part of the effort has been led by Senate Majority Leader Chuck Schumer (D-NY). In March, Schumer said multiple Senate committees would hold hearings and mark up bipartisan legislation "designed

CONTACT

Practice Head

Walker Roberts

Continued on next page

Continued

to bolster American competitiveness and counter the growing economic threats we face across the globe, especially from the Chinese Communist Party.”

SFRC Chairman Menendez and Ranking Member Jim Risch (R-ID) have worked together to introduce the Strategic Competition Act, legislation to address strategic competition with China. The 283-page draft version of the bill calls for the United States to encourage allies to do more to counter China’s “aggressive and assertive behavior.” It additionally calls for every federal department and agency to designate a senior official to coordinate policies with respect to strategic competition with China. Additionally, the bill addresses humanitarian and democratic values, including the treatment of Uighurs in Xinjiang and Chinese aggression in the South China Sea.

At the Senate Foreign Relations Committee, the agenda over the next few weeks will include senior State Department nominations, a significant China bill, and likely some attention being focused on Afghanistan, Iran, and the Nord Stream 2 pipeline. With the departure of Administration ‘Border czar’ Roberta Jacobson, there is likely to be stepped up congressional attention concerning Mexico and the Northern Triangle countries.

The Armed Services committees will be ramping up their work on the National Defense Authorization Act (NDAA), which authorizes funding for the Department of Defense. The massive bill, which has been passed by Congress every year for the past 60 years, is a frequent target by Members of Congress to add foreign policy related amendments. This year’s legislation is expected to focus heavily on China, with a push to boost U.S. military strength in the Indo-Pacific region.

“At the Senate Foreign Relations Committee, the agenda over the next few weeks will include senior State Department nominations, a significant China bill, and likely some attention being focused on Afghanistan, Iran, and the Nord Stream 2 pipeline. With the departure of Administration ‘Border czar’ Roberta Jacobson, there is likely to be stepped up congressional attention of Mexico and the Northern Triangle countries.”



Fred Turner, Senior Vice President,
International Affairs Practice

CONTACT US

601 13th St. NW
Washington, DC 20005
www.bgrdc.com

[Jo Maney, Public Relations Principal:](mailto:jmaney@bgrpr.com)
jmaney@bgrpr.com