Greetings ABC Policy Committee,

Your ABC Weekly Federal Legislative Update prepared by the Dynamic Change Group is attached and copied below. As a reminder, you can find past legislative updates on the Members Only Legislative Updates page.

Best, George



# ABC's Weekly Federal Legislative Update March 23, 2020

#### Introduction

The following stories from Washington focus on the federal response to the coronavirus. Congress is still in session though the Capitol has been closed down to the public. Many offices and committees are asking their staff to telework. Congress is currently working on a third stimulus package. During talks with senior level staff, they have shared with the ABC that additionally stimulus packages will be turned to after passing the current package. The ABC is working to include policies priorities for our industry including our tax proposals as well as increased funding for Farm Bill priorities. We will keep you up to date as things progress.

#### Administration

#### Infrastructure: 16 Industries Deemed Critical to Pandemic Response

Maxine Joselow of <u>Greenwire</u> wrote on March 20, "The Trump administration has classified 16 industries as "critical" to the nation's response to the new coronavirus pandemic, including the electric power, petroleum, water and wastewater sectors.

"Employees in the designated industries must maintain their usual work schedules to assist with the local and federal response to the pandemic — even as other employees across the country alter their schedules or shift to telework.

"Christopher Krebs, director of the Cybersecurity and Infrastructure Security Agency, identified the industries in a memorandum yesterday titled "Guidance on the Essential Critical Infrastructure Workforce."

"The memo follows the release of President Trump's updated "Coronavirus Guidance for America," which states: "If you work in a critical infrastructure industry, as defined by the Department of Homeland Security, such as healthcare services and pharmaceutical and food supply, you have a special responsibility to maintain your normal work schedule."

"The full list of industries includes medical and health care, telecommunications, defense, food and agriculture, transportation and logistics, electric power, petroleum, water, wastewater, law enforcement, and public works.

"With regard to electric power, the memo specifically mentions "workers who maintain, ensure or restore the generation, transmission and distribution of electric power," including those at utilities and nuclear power plants.

"With respect to petroleum, the memo mentions employees who ensure the operation of pipelines, refineries, drilling, crude oil storage facilities and gas stations.

"Notably absent from the memo is the coal industry. The National Mining Association had previously lobbied for its inclusion.

"The coal industry is absolutely critical to securing a domestic, secure supply of affordable energy," NMA said in a release yesterday. "The coal mining sector, as well as the power plants it supplies and the industries that move coal from mine to plant, such as our barges and railroads, need to be viewed together as critical infrastructure."

"NMA spokeswoman Ashley Burke, however, noted that coal is included in a more detailed breakdown of the energy sector on CISA's website.

"It has long been considered an essential industry," Burke said in an email to E&E News."

#### Congress

#### Senate Republicans Release Coronavirus Stimulus Package

On March 20, Geof Koss of George Cahlink of <u>E&E Daily</u> published, "Senate Republicans yesterday made their opening bid on a \$1 trillion economic stimulus that offers cash payments to some Americans and an assortment of relief for small businesses, airlines and other sectors suffering from the new coronavirus outbreak.

"If passed, the legislation would be the third major response effort from Congress to the pandemic.

"However, the bill does not heed a growing chorus of calls in recent days for infrastructure and clean energy provisions to be included. Nor did congressional

Democrats signal they would press either demand in the next phase of negotiations that is underway.

"The GOP legislation, dubbed the "Coronavirus Aid, Relief and Economic Security Act," would authorize direct payments to individuals, small business relief, and assistance to the airline industry and other "severely distressed sectors" of the U.S. economy.

"It would authorize the federal government to provide up to \$208 billion in loans and loan guarantees to American industries "whose operations are jeopardized as a direct result of the coronavirus outbreak."

"Of that amount, \$58 billion is targeted to airlines, with the remaining \$150 billion reserved for other suffering sectors.

"The measure would authorize the Treasury secretary to make or guarantee loans to applicants who cannot otherwise obtain "reasonably available" credit, and who can prove the loan is "sufficiently secured" and the intended purpose is determined to be "prudently incurred."

"The legislation does not appear to have any special carve-outs for the oil and gas sector, nor does it contain funding the administration is seeking to fill the federal Strategic Petroleum Reserve.

"However, consulting and analysis firm ClearView Energy Partners LLC said yesterday the aid for distressed sectors "could potentially enable significant government oil purchases," while House Energy and Commerce Chairman Frank Pallone (D-NJ) slammed the administration's "thinly veiled attempt" to protect the oil industry.

"Other omissions include the Senate's \$287 billion highway bill, which backers have been pushing to hitch a ride in the stimulus.

"Nor does the measure address clean energy tax incentives, as some House Democrats and renewable energy sectors have been trying to push into the legislative mix.

### Add-ons?

"However, the release of Senate Majority Leader Mitch McConnell's (R-KY) bill is just the opening bid in negotiations to get a deal, and interest groups continue to press their cases.

"The inclusion of two tax provisions — a suspension of aviation fuels excise taxes and technical corrections to the 2017 tax overhaul that have been part of the horse trading on clean energy taxes over the past year — could crack the door open for a broader tax debate.

"The Carbon Capture Coalition released a set of tax recommendations it says should be included in the final product, while the Transportation Construction Coalition continued to advocate for the highway bill to be added.

"But Democrats have made clear that their top priority in the current talks is on helping displaced workers and boosting public health infrastructure. Infrastructure and clean energy were not among the omissions in the GOP bill highlighted by Senate Democratic appropriators.

"Energy taxes were not among the priorities listed by the top Senate Democratic tax writer, Ron Wyden of Oregon, in response to the GOP bill.

"I have two simple priorities to save our economy from another depression: get money to American workers who have lost their jobs overnight and get money to small businesses that are struggling to survive," Wyden said in a statement.

#### Lukewarm Dems

"House and Senate Democrats stopped well short of endorsing much of the proposal, particularly a decision by Republicans not to include any of the \$45 billion the White House sought for federal agencies for virus response efforts.

"I made clear that Senate Republicans' plan to proceed with a 'Republican Consensus' proposal without bipartisan input from Democrats would be a waste of time and only delay aid from reaching the American people. It is extremely disappointing that my words fell on deaf ears," said Vermont Senator Patrick Leahy, the chamber's top Democratic appropriator.

"McConnell insisted the package is "not the last work" on the virus and said bicameral, bipartisan talks were already underway on a supplemental spending package that would come next.

"The White House earlier this week outlined \$45.8 billion in emergency funding for various federal agencies in response to the disease.

"A large chunk of the funds would go toward cleaning and disinfecting agencies and expanding telework, but \$2 billion would go toward Federal Emergency Management Agency disaster relief, and about \$250 million would help offset Amtrak losses due to declining ridership.

"Evan Hollander, a House Appropriations Committee spokesman, said the panel is "working on robust appropriations for a strong federal, state and local coronavirus response" to include in the current package, rather than leave it for later.

"Supplemental appropriations are an essential part of a whole-of-government strategy to address this pandemic, and it is irresponsible for Senate Republican leadership to omit this needed funding from its proposal."

"House Speaker Nancy Pelosi (D-CA) and Senate Minority Leader Chuck Schumer (D-NY) released a joint statement last night that said their priority is creating a "Marshall Plan" for rebuilding the nation's health infrastructure and ensuring everyone who needs it has access to testing and treatment.

"Democratic leaders were also cool to aid aimed at helping specific industries without ruling it out, saying the "economic stimulus proposal must include new, strong and strict provisions that prioritize and protect workers, such as banning the recipient companies from buying back stock, rewarding executives, and laying off workers."

#### Remote voting

"Lawmakers in both chambers are considering ways to vote virtually amid the outbreak, which hasn't spared Capitol Hill. A few staffers have tested positive for COVID-19, as have Representatives Mario Díaz-Balart (R-FL) and Ben McAdams (D-UT).

"Pelosi and McConnell so far have resisted calls by some members to allow for voting remotely. But there are signs the news about Díaz-Balart and McAdams could trigger a change in tradition.

"Senate Minority Whip Dick Durbin (D-IL) and Senator Rob Portman (R-OH) yesterday introduced a resolution that would amend the upper chamber's standing rules to allow for remote voting during a national crisis.

"Senators could vote away from the Capitol using approved technology for 30 days from the time leadership declares a national crisis that makes in-person votes "infeasible." The Senate would have to vote to renew the authority every 30 days under the resolution.

"Yes, it is new. Yes, it is different. Yes, it reflects the 21st century and reflects a challenge the likes of which we have never seen," Durbin said yesterday on the floor.

"Tomorrow that challenge may be another public health crisis, some other national emergency or maybe even a terrorist attack. Shouldn't we be ready to make sure the Senate can still do its business if it's difficult, impossible or not advised for members of the Senate to come physically to the floor and announce their vote each time it's needed?"

"Durbin also talked about the health risks to members' families and Senate aides who are working in the Capitol during the pandemic.

"Portman acknowledged "a resistance to changing a Senate tradition" but said he believed remote voting during national emergencies was "an important issue and worthy of robust discussion amongst our Senate colleagues."

"Pelosi yesterday asked Rules Chairman Jim McGovern (D-MA) to study remote voting. She also has tasked Administration Chairwoman Zoe Lofgren (D-CA) to look into teleconferencing capabilities.

"House Majority Leader Steny Hoyer (D-MD) announced yesterday that the House will not return "until we are in a position to vote" on the next round of stimulus.

# Clean Energy Backers Push for Provisions in the Stimulus

<u>E&E Daily</u> reporters Geof Koss and Timothy Cama submitted on March 20, "House Democrats and some corners of the renewable energy industry are looking to inject clean energy tax issues into negotiations surrounding the \$1 trillion coronavirus economic package under assembly.

"Leaders of the Sustainable Energy and Environment Coalition (SEEC) are eyeing the next round of economic stimulus to revive the debate over the suite of clean energy tax breaks that were the subject of intense December negotiations between Congress and the White House, only for them to fall apart at the last minute.

"We absolutely hope to see clean energy tax credits included in a larger stimulus package," said SEEC's co-chairs, Representatives Gerry Connolly (D-VA), Paul Tonko (D-NY) and Doris Matsui (D-CA), in a statement yesterday. "Including these credits will help us address both the economic slow-down we are facing as a result of COVID-19 and the ongoing climate crisis."

"SEEC's 70 or so climate-focused members were among the many groups pushing for clean energy incentives to be expanded or extended throughout last fall.

"An aide for the group said the coalition's priorities remain the same as last year: an expansion of the investment tax credit (ITC), including the addition of energy storage as a qualifying source; raising the per-manufacturer cap under the electric vehicle tax credit; an extension of the offshore wind ITC through 2025; and extensions and tweaks to expired energy efficiency incentives.

"Energy taxes have not been in the mix in the frantic talks about passing both the House's second emergency package that cleared the Senate yesterday, as well as the next round of stimulus, which is expected to top \$1 trillion in assistance.

"Capitol Hill staff and lobbyists were not optimistic that clean energy taxes could hitch a ride on that legislation, with Senate Republicans taking the lead. It is expected to include

direct payments to individuals, as well as assistance to help small businesses. However, one lobbyist noted the fluidity of the situation.

"Senate Democrats are pressing for more economic and health assistance for Americans in the new stimulus, although Minority Leader Chuck Schumer (D-NY) has said his caucus is open to more sector-specific approaches for industry at a later date.

'Significant supply chain disruptions'

"The American Council on Renewable Energy, which represents renewable energy developers and other companies in the industry, is asking for Congress to extend some deadlines in the current clean energy tax credit laws, to lessen the impact of market disruptions caused by the pandemic.

"Bill Parsons, ACORE's chief operating officer, said the group has been in touch with various congressional committees about its requests.

"In light of significant supply chain disruptions and a downturn in the tax equity market, what we have told them is that the most important emergency measures Congress can take are to provide a minimum one-year extension for commence construction and placed-in-service deadlines, along with refundability for renewable tax credits during that time," Parsons told E&E News.

"But in the longer term, if lawmakers decide to pass stimulus legislation with relief targeted at certain industries like airlines and cruise companies, ACORE wants to extend various tax credits due to expire soon, like those for wind and solar power and electric vehicles, in line with the clean energy legislation that Democrats tried to pass at the end of last year but failed.

"Including extensions of critical clean energy tax priorities would allow the renewable sector to continue to be a key economic driver through this downturn and an effective climate solution over the long haul," Parsons said.

#### Solar and wind

"The solar energy industry is asking for help that takes into account the sector's particular needs, but it does not have specific requests.

"Subsequent legislative action to address the broader economic fallout of this crisis must consider the immense consequences being felt by the solar industry," Abigail Ross Hopper, president of the Solar Energy Industries Association, said in a statement.

"Early results from a survey of our companies confirm some of our worst fears.

Customer demand for solar has plummeted and companies are seeing significant construction slowdowns, project cancellations, labor shortages, and a host of logistical problems tied to equipment and delivery delays."

"SEIA previously has vocally asked for extensions to the investment tax credit for solar power, as well as more comprehensive climate change legislation that would recognize what the industry argues is its value.

"The American Wind Energy Association said it's relaying to lawmakers the difficulties and uncertainty that the pandemic is causing for member companies' projects and discussing potential policy changes, but it didn't specify what.

"We are sharing with the Hill ideas to provide added certainty and enable these projects to proceed so the jobs, community benefits, and economic investment from wind energy can continue to flow into rural communities and manufacturing centers across America," Amy Farrell, AWEA's top lobbyist, said in a statement.

"The American Energy Alliance, a longtime critic of renewable energy tax incentives, criticized the push to include the breaks in stimulus talks.

"Some Democrats in Congress are showing their true colors today," said AEA President Thomas Pyle in a statement. "Determined to never let a good crisis go to waste, they are seizing the coronavirus pandemic as an opportunity to slip failed green policies into legislation designed to protect the American economy and stop the spread of this deadly virus."

## Committees Send Staff Home to Telework During Pandemic

Kellie Lunney, Geof Koss and Nick Sobczyk of <u>E&E Daily</u> wrote on March 17, "Congressional committees with jurisdiction over energy and natural resources issues have postponed in-person business for the time being and instructed most staff to telework as the COVID-19 global health crisis escalates.

"But despite the coronavirus outbreak's disruption to business as usual on Capitol Hill, committees and members remain in contact with each other and are conducting work remotely, aides and lawmakers said yesterday.

"Out of an abundance of caution over the #COVID19 outbreak, I have directed my staff, both in Washington, D.C. and in Alaska, to work remotely for the time being," Senate Energy and Natural Resources Chairwoman Lisa Murkowski tweeted yesterday.

"ENR Committee aides said no decisions had been made on future hearing schedules, although there has been discussion about the potential impacts of COVID-19 on the agencies under the panel's jurisdiction, including the Energy and Interior departments.

"I want to stress that while our work stations look different, work is not stopping," the Alaska Republican wrote.

"Adam Sarvana, communications director for the Democrats on the House Natural Resources Committee, said the panel has canceled all in-person meetings and hearings

through the end of March, with the intention of rescheduling them. No decisions have been made for beyond this month, he said.

"Sarvana said the committee's work would continue. "We're actually going to remain fairly active," he said.

"We are not all going to sit back and wait for this to blow over," he added. "I think that's what you will find in any committee."

"Natural Resources Democrats expect to weigh in later this week on Interior's response to the panel's March 9 request for more detailed information on the Bureau of Land Management relocation, Sarvana said. The department response was due yesterday.

"The panel is also monitoring the effect of the new coronavirus in Indian Country and the federal government's response.

"We will have something on that," Sarvana said. It's possible that aid to Native American communities could be part of another congressional stimulus.

"Democratic and Republican staffers say they are staying in touch through teleconferencing, phone and email.

"House [information technology staffers] worked vigorously last week to ensure all staff had the ability to do what we need to do from home," said Austin Hacker, spokesman for committee Republicans. "The hundreds of laptops and secure [virtual private networks] they had to set up in mere days deserves some recognition."

#### Other committees

"Several panels have signaled that similar oversight of the federal response to the virus will be a focus in the coming months, although the Senate Health, Education, Labor and Pensions Committee was forced to postpone a hearing that was set for tomorrow.

Senator Kamala Harris (D-CA) yesterday asked the Homeland Security and Governmental Affairs Committee to conduct oversight of the roles of the Federal Emergency Management Agency and U.S. Customs and Border Protection in the coronavirus outbreak.

"In her letter to Homeland Security Chairman Ron Johnson (R-WI), Harris raised concerns about FEMA's response to the twin hurricanes that slammed Puerto Rico in 2017, as well as the upcoming wildfire season.

"It is critical that we learn from FEMA what steps it is taking to ensure the agency is prepared to carry out its mission in responding to natural disasters amid this pandemic," Harris wrote.

"The House Oversight and Reform Committee questioned a slate of administration witnesses on the issue last week.

#### Climate work affected

"The House Select Committee on the Climate Crisis was set to release a framework for action in the coming days. The panel yesterday put that off.

"Chairwoman Kathy Castor (D-FL) said that "as Congress focuses on the important mission of protecting Americans from the threat posed by the COVID-19 pandemic, we have decided today to postpone the release of our climate action plan."

"The Senate Environment and Public Works Committee canceled an in-person hearing on legislation to phase down hydrofluorocarbons, potent greenhouse gases used for refrigeration. The panel will take written testimony from witnesses and allow members to ask questions for the record in lieu of a conventional hearing.

"Ranking member Tom Carper (D-DE) closed his Capitol Hill and Delaware offices after someone in the Delaware office tested positive for coronavirus. Aides are working from home.

"But EPW Republicans say some staffers are on the Hill. "While the Senate is in session, the majority of EPW's staff is teleworking and a small number of staff are physically present in the office. EPW is following all CDC guidelines," EPW spokesman Mike Danylak said in an email.

"Members of the House and Senate Appropriations committees, who have been working on fiscal 2021 spending issues, are also working remotely, aides said.

# Overall congressional schedule

"Both the House and Senate were scheduled to be on recess this week. But Senate Majority Leader Mitch McConnell (R-KY) instructed senators to return to Washington yesterday for an expected vote on the coronavirus economic stimulus package.

"The House passed an initial version early Saturday morning, but leaders were working on a revised bill yesterday. The GOP-controlled Senate remains concerned.

"Beyond that, the schedule remains in flux. The Senate approved legislation to extend national security surveillance authorities for 77 days, but McConnell set hours of debate on a long-term House-passed measure.

"It's possible the Senate will leave town this week after passing the stimulus package. The House announced yesterday that votes are no longer expected on March 23, when the chamber was due to be back.

Reporters George Cahlink and Jeremy Dillon contributed.

# Other