



ABC's Weekly Federal Legislative Update April 27, 2020

Introduction

Both the House and Senate will hold proforma sessions this week. The House is focused on preparing the content for the next Coronavirus package which will likely include aide to State and local government as well as additional funding for testing and direct relief to individuals. The following is news from Washington, D.C.

Administration

[Administration Tells Federal Workforce to Get Ready to Return to Offices](#)

The following story provides an update on the federal workforce's "work from home" order.

Kelsey Brugger of [E&E News PM](#) reported on April 20, "The White House today outlined a plan to begin sending federal employees back to their offices as the country's number of COVID-19 cases continues to climb.

"The memo directs agency heads to create plans that mirror the national plan to reopen society in phases, while taking into account different circumstances in cities and regions throughout the country.

"Office of Management and Budget acting Director Russell Vought wrote today that the federal government is "actively planning to ramp back up government operations at the maximum extent possible" following the Trump administration's "aggressive" response to the COVID-19 pandemic. The agencies should take into account local orders and conditions, it added.

"The alignment of phases and operating status of Federal agencies will vary based on conditions in different regions and localities," he wrote. "Agencies are encouraged to allow Federal employees and contractors to return to the office in low-risk areas."

"The memo gives agency heads discretion to create individual plans, including telework policies.

"As agencies determine the appropriate operational status for their offices, they must report those decisions to OMB and [the Office of Personnel Management], per forthcoming instructions," Vought wrote. "As appropriate, OMB and OPM will convene agency heads, or their designee, with high populations of employees in similar locations to bring further consistency to regional decisions."

"An EPA spokesperson said in an email that "the health and safety of our employees is our top priority. EPA is reviewing the guidance, and will issue Agency specific guidance when complete and implement accordingly."

"And a National Park Service spokesperson said via email that "the Department of the Interior and the National Park Service are working on a comprehensive plan to reopen closed facilities, units, and lands when appropriate and in accordance with federal, state and local public health guidance."

"The memo adds that OPM will maintain a website tracking the operating status of agencies across the government.

"An OMB spokesperson added in an email that President Trump has ensured that the government remains open and essential services continue to be provided to the American public throughout the pandemic.

"Now, as conditions warrant across each state, Federal agencies will be able to return operations to normal. This Administration remains committed to serving the American public," the spokesperson wrote. "Our Federal workers have shown tremendous fortitude in keeping the U.S. strong."

Reporter Rob Hotakainen contributed.

Congress

[Next COVID 19 Aide Package](#)

The following story discussed energy and environmental aspects that might be contained in the next legislative vehicle to address the economic fallout from the coronavirus.

On April 27, George Cahlink of E&E Daily wrote, "Congress isn't done yet.

"As oil prices crater, renewable energy projects get delayed and water supply concerns persist, lawmakers are wrestling with the energy and environmental issues resulting from the COVID-19 pandemic.

"They have already allocated nearly \$4 trillion to combat the disease that has upended life and economies around the globe, and another broad stimulus package is likely in coming months.

“Democrats want to move fast and say their priorities for the next stimulus bill are aid to state and county governments, more coronavirus testing, and extending assistance to millions who have lost their jobs.

“Republicans aim to move cautiously, saying they want time to assess the impact of the trillions in current aid, but they have not closed the door on another massive legislative package.

“Regardless of timing, energy and environmental issues will come up in any discussions. Here are five issues to watch:

Direct aid to fossil fuel companies

“President Trump caught the attention of energy companies and fossil fuel opponents with his tweet last week that he would "never let the great U.S. Oil & Gas Industry down" amid a historic price drop.

“His focus seems to be on allowing the oil and gas industry to tap into \$600 billion in aid Congress approved last month in relief for midsize and large businesses that now is being overseen by the Federal Reserve.

“The Fed has begun pursuing steps to make those loans available, but energy state lawmakers could push for provisions in the next aid package that would ensure those funds are easily accessible.

“Senate Republicans are also calling for relaxing rules on the aid program that they say prevent loans to companies with low credit ratings.

“Independent energy producers are particularly hamstrung by the requirement, as many are heavily leveraged and have weak ratings.

“Additionally, both parties could seek to further extend the popular federal Paycheck Protection Program that makes and forgives loans to small businesses provided they avoid layoffs.

“Already, smaller oil, gas, coal and mining operators have received more than 11,000 loans valued at about \$3.9 billion, a small fraction of the more than \$350 billion in loans issued.

“But several Senate Democrats are pushing back against any preferential treatment for fossil fuel companies in the aid programs and have urged the Fed to consider climate risks in making loans.

“They could try to put sharp restrictions on fossil fuel loans in the next stimulus, a move that green groups have been pushing too.

“Separately, a call for tariffs on foreign oil from Saudi Arabia and Russia, whose high production has hurt U.S. prices, has support among oil state lawmakers but is seen as too heavy a political lift.

“More likely, critics of Saudi Arabia see language in the next defense authorization bill to back troop pullouts from the kingdom if it does not pay enough attention to U.S. needs on pricing and production.

“A recent production cut by OPEC nations and Russia has failed to solve the global oil glut, but the president sees improvement down the road.

Filling the Strategic Petroleum Reserve

“The White House and congressional Republicans will try again to get billions of dollars needed for filling up the Strategic Petroleum Reserve with domestic crude after Democrats kept it out of the first stimulus package.

“The Energy Department says \$3 billion would buy enough oil to fill to capacity the 714-million-barrel stockpile, which is stored in underground salt caverns in Texas and Louisiana.

“Producers say that filling the SPR alone won't end the glut of domestic crude but that it would provide modest relief and make the nation less dependent on foreign oil.

“House Democrats and environmental groups, which successfully opposed the move as an oil bailout last month, will once again argue it's unneeded and call for more renewable energy production.

“But more moderate Democrats could hold the key as they have not ruled out a possible deal on the SPR if it were to come with extensions of clean energy tax breaks sought by renewable companies and environmental advocates.

Tax trade-offs

“Congress' last major energy deal in 2015 hinged on a trade-off: lifting the oil export ban in exchange for clean energy tax credits.

“Some advocates and lawmakers believe a similar accord could emerge in the next stimulus to renew and expand those credits in a stimulus in exchange for broad aid to energy companies.

“A top priority for Democrats and greens on any tax credits would be extending safe harbor deadlines for renewable energy tax credits to allow projects delayed by the crisis to claim incentives.

“Also, Democrats are largely on board with efforts by wind and solar industries to extend their specific breaks, arguing that as renewable energy projects are delayed, they face tens of billions of dollars in losses and that as much as a quarter of the nation's 450,000 renewable energy industry employees could be laid off.

“Republicans, however, are not united on the terms of trading energy aid for tax extenders, with some signaling they don't want any more breaks.

“Environment and Public Works Chairman John Barrasso (R-WY) and several Republicans last week warned in a letter to congressional leaders that extending renewable credits could prove devastating for baseload power sources like coal and nuclear. They said, "It's time to let them expire."

“But a separate group of bipartisan senators, led by Majority Whip John Thune (R-SD) and Senator Maria Cantwell (D-WA), recently asked the Treasury Department to ease project start time requirements for the production tax credit for electricity and the investment tax credits for energy facilities, saying it could preserve jobs and investments.

“While a tax deal is far from certain, the back-and-forth over energy breaks signals the issue is likely to come up in the next round of stimulus talks.

“Coal companies, led by the National Mining Association, too are likely to make another push to cut a federal excise tax on coal production that is used to pay for cleaning up abandoned mines and treating victims of black lung disease.

“Mining companies say they need relief amid the pandemic, but so far Congress has sided with advocates for miners who say the tax dollars are desperately needed for medical treatment.

Infrastructure

“A long-delayed massive cash infusion into the nation's infrastructure may have to wait a little longer despite support from both sides of the aisle and the White House.

"While I'm very much in favor of doing some of the things that we need to do to meet the needs — clean water, more broadband and the rest of that — that may have to be for a bill beyond this," House Speaker Nancy Pelosi (D-CA) said earlier this month.

“Barrasso signaled last month that he wanted to include the chamber's \$287 billion highway bill, S. 2302, in the next coronavirus relief package, but he also said the issue would likely wait.

“Senate Majority Leader Mitch McConnell (R-KY) has put off talk of another major bill and ridiculed Democrats for wanting to attach things he sees as nongermane. Some

senators hoped to pay for the infrastructure measure by imposing new fees on electric vehicles and commercial trucks, as well as by indexing federal fuel taxes.

“But the conversation on pay-fors has shifted as the economy sours, said Rebecca Higgins, a senior policy adviser for Democrats on the EPW Committee.

"There had been some discussion about increasing user fees by adding a new fee potentially on trucks or on some form of freight movement and an electric vehicle fee. ... It doesn't seem like there's any bipartisan appetite to take that path because I think that the economic downturn makes that much less likely," Higgins said during a webinar last week hosted by the Transportation Research Board.

"At this point, I don't think there's a clear consensus on a set of user fees that would be acceptable. And of course we've also had ... large amounts of money that have been unpaid for," she added.

Environmental justice

“Progressive lawmakers and green groups believe the pandemic underscores the need for action on a long list of environmental justice issues to keep Americans healthy and less susceptible to contracting the virus.

"Americans under orders to shelter in place should have power, heat, and a safe environment," 15 Senate Democrats in the Senate Environmental Justice Caucus recently wrote to their chamber's leaders in a detailed seven-page letter.

“The letter outlined four areas that they would want to spend tens of billions more on in the next stimulus package to help vulnerable Americans better navigate the pandemic.

“Those efforts are extending utility aid programs; funding new EPA spending on anti-pollution measures and cleanup of toxic sites; expanding access to clean, safe and affordable drinking water and wastewater systems; and creating environmental and clean energy jobs.

“Many moderates are almost certain to balk at the scope of the plan, while conservatives seem sure to mock it as the latest version of the "socialist" Green New Deal.

“Indeed, a push by House Democrats to attach carbon reduction provisions to aid to airlines in the first stimulus was dropped amid solid Senate resistance.

“But more modest environmental measures could fly. For example, more than 100 House and Senate Democrats have called for passing legislation that would prohibit turning off utility services during the pandemic for unpaid bills, arguing clean water is critical to prevent the spread of the virus.

“In the earlier stimulus, Congress approved \$900 million in new Low Income Home Energy Assistance Program grants to help Americans pay their utility bills.

“Despite White House resistance, the program enjoys bipartisan support from lawmakers who see it as a way to help those struggling and limit losses to utilities.

Reporters Kellie Lunney, Maxine Joselow, Geof Koss, Nick Sobczyk and Jeremy Dillon contributed.

[Farm State Lawmakers Want \\$50B in Coronavirus Aid](#)

The following story outlines proposed coronavirus assistance to the rural economy.

E&E Daily reporter, Marc Heller, published on April 27, “House Agriculture Committee lawmakers are calling for an additional \$50 billion to help farmers affected by the COVID-19 pandemic, as Congress weighs the next package of crisis-related assistance.

“Representatives Cindy Axne (D-IA) and Austin Scott (R-GA) introduced H.R. 6611, which would provide supplemental appropriations to the Agriculture secretary to respond to the emergency.

“The legislation doesn't dictate how the Agriculture Department is to use the money, except that it's to be directed to producers and without payment limits.

“It would come on top of \$9.5 billion in direct aid provided through the Coronavirus Aid, Relief and Economic Security Act, as well as other aid from USDA. The CARES Act also provided \$14 billion to USDA's Commodity Credit Corp., which buys and sells farm products to help maintain commodity prices, among other missions.

"It is more important than ever to ensure food security by providing our producers the resources they need," Axne said in a news release. "While I'm glad that the USDA is using the authority from the CARES Act, it is clear that they need more resources to protect Iowa's agricultural economy."

“Farm groups say additional assistance is needed for a wide variety of producers, including hog farmers who've seen processing facilities idled and smaller-scale farmers who sell their products directly to consumers through farmers markets or to local outlets such as schools.

“Scott, in a news release, said the additional aid would be available to continue programs already underway as well as to expand efforts as necessary.

“In addition to financial losses on farms, the agriculture industry is reeling from COVID-19 effects on meat and poultry supply chains, and Congress is weighing in on that crisis.

“Among other challenges is the need for USDA inspectors in meatpacking plants to wear personal protective equipment such as masks.

“Agriculture Secretary Sonny Perdue earlier this month ordered inspectors to secure or make their own masks — a directive that sparked a response last week from Representative Jim Costa (D-CA), a member of the Agriculture Committee, who suggested the government ought to be able to provide appropriate masks.

Citing the deaths of two meat inspectors from COVID-19, Costa told Perdue in a letter that “[s]hortages of personal protective equipment are well known and given the vice president's April 16th public pledge to ensure every frontline food worker has a mask, I hope this directive is no longer needed.”

Other

[Farmers Fret as Pandemic Creates Animal Surplus](#)

Marc Heller of [Greenwire](#) wrote on April 20, “The COVID-19 pandemic is keeping more pigs and cattle on farms as meatpacking plants go idle, stretching farmers and raising questions about how to handle an unexpected spike in animals.

“Pork producers especially are in a pinch, farm and food groups say, with Smithfield Foods Inc.'s closure of plants in Sioux Falls, S.D., and Martin City, Mo., due to exposure of employees to the novel coronavirus. The South Dakota plant alone produces 130 million servings of pork a week, providing a market for 500 farms.

“Cattle farmers generally are able to keep and maintain animals that can't be sent quickly to market, said Colin Woodall, CEO of the National Cattlemen's Beef Association, a trade group.

"They end up with a lot of animals they weren't planning for," Woodall told E&E News. Most ranchers are able to keep the extra animals on feed or pasture, he said.

"That comes with a cost," Woodall said, but he said beef operations aren't facing an animal welfare crisis or having to deal with disposing of large numbers of animals.

“Supply chain disruptions have caught the attention of Congress, where Senators John Thune (R-SD) and Chuck Grassley (R-IA) among others have urged the Department of Agriculture to help farmers dealing with a surplus of animals.

“USDA responded Friday with a plan to buy excess meat and other farm products, but some farm groups said the measure doesn't go far enough.

“The USDA effort will begin with \$100 million in monthly meat purchases, the department said. Agriculture Secretary Sonny Perdue said Friday that he realizes additional aid for agriculture will be needed.

“Although Smithfield's indefinite closure at Sioux Falls was tied to concerns about workers coming down with COVID-19, the meat industry is reeling from restaurant closures that have cut off a key market. "We don't have a beef shortage," Woodall said.

“Some groups say they worry farmers will face little choice but to kill animals and dispose of them on the farm.

"The pork industry is based on a just-in-time inventory system. Hogs are backing up on farms with nowhere to go, leaving farmers with tragic choices to make," said Howard Roth, president of the National Pork Producers Council, in a news release earlier this month.

"Dairy producers can dump milk. Fruit and vegetable growers can dump produce. But, hog farmers have nowhere to move their hogs," Roth said.

“The consumer group Food & Water Watch said the government needs to target aid to livestock farmers who raise animals under contract with companies like Smithfield and to those who can't afford to send animals to more distant facilities.

"Federal aid needs to be used to help farmers who can't afford to transport any excess animals to other slaughter facilities that have not closed," said Jackie Filson, a spokeswoman for Food & Water Action, a group critical of industrial-scale livestock farming.

"Right now they've been having to resort to literally killing their own chickens when there isn't enough capacity to slaughter at nearby slaughterhouses, and it's the contract growers that are eating the costs, not the corporations," Filson said.

“In other cases, Filson said, farmers have been reducing protein in animals' diets to slow their growth, hoping processing plants will open soon.

“Food & Water Action is urging facilities to move in the opposite direction, for the protection of workers. The group today urged the immediate closure of all slaughterhouses where COVID-19 has appeared, as well as mobilizing the National Guard to distribute excess meat in cold storage.

"The presence of the coronavirus at meat slaughter plants is reaching crisis proportions. If affected locations aren't shut down immediately, the virus will rapidly spread through the entire industry, threatening food supply chains on an unprecedented scale," said the group's executive director, Wenonah Hauter, in a news release.”