

# APRIL 2014 NEWSLETTER



## MIDWEST COUNCIL

### HEALTH CARE



Enrollment in the Affordable Care Act health insurance exchanges has picked up — but the controversy hasn't died down. Around 6 million people have signed up in state and federal exchanges, open enrollment ends this month. That's one million below the original 7 million target — but not so bad given that HealthCare.gov didn't work for two months and several state-run exchanges are still glitchy. But is it enough to quell the controversy? Republicans have a long list of targets in Obamacare:

Don't expect that to change from now to November — but do expect to detect a little more Democratic push back now that they have some success stories to share.

### ENERGY



Public comments were due March 7 for the State Department's review of the Keystone XL pipeline. There's no timeline for Secretary of State John Kerry to act — but if multiple Republican governors are to be believed, Obama may decide on the project by this summer. Some pipeline backers say they will believe that when they see it, but they are also happy the department's inspector general once again rebuffed greens' conflict-of-interest allegations. Keystone

critics, meanwhile, are the next stage of their opposition, pushing the argument that tar sands extraction and refining threaten human health. The Senate ENR Committee held a hearing on LNG exports, as did the Energy and Power Subcommittee of the House Energy and Commerce Committee and the House Foreign Affairs Committee. Senator Ron Wyden (D-OR) said there is likely a "sweet spot" between approving all LNG export and approving them at the pace that the Department of Education has been.

### FINANCIAL SERVICES



The leaders of the Senate Banking Committee say they plan to soon release their plan for getting rid of Fannie Mae and Freddie Mac and overhauling the mortgage finance market. While they are making some progress, there is skepticism Chairman Tim Johnson (D-SD) and the panel's top Republican, Mike Crapo, will be able to get buy in from enough liberals and conservatives on the panel to achieve their goal of advancing a bipartisan bill. Crapo says he hopes something will be done by the end of March. The Obama administration is hoping they can

advance a bill so there is a strong bipartisan plan out there to serve as a counterweight to a proposal advanced by House Financial Services Chairman Jeb Hensarling (R-TX), which would greatly reduce government support for the housing market. If Johnson and Crapo can't get a deal done, it will underline how hard it will be to achieve a consensus any time soon on what to do with Fannie and Freddie. No bill will be enacted this year but what can be achieved before the mid-term elections will indicate what can be done in the next Congress.

### TRADE

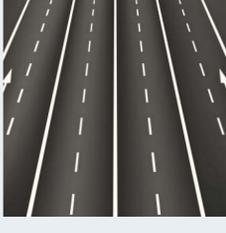


The fourth round of Transatlantic Trade and Investment Partnership talks took place in Brussels from March 10-14 followed by President Barack Obama's visit to the European Union's unofficial capital for the U.S.-EU summit on March 26, where trade issues were also discussed. After a mid-February stocktaking meeting in Washington, EU Trade Commissioner Karel De Gucht and U.S. Trade Representative Michael Froman gave public assurances that health, safety and environmental standards would not be sacrificed at the altar of export cost-cutting and job

creation through a unified regulatory system, which is largely the focus of the talks.

The two sides recently exchanged offers to phase out tariffs on agricultural and manufactured goods, although tariffs between the governments are already low. Negotiators face challenges in resolving EU demands for greater access to federal and state government procurement markets and the U.S.'s push to increase meat exports. EU barriers include bans on beef produced with artificial growth hormones, poultry cleaned with chlorinated wash, and pork containing traces of ractopamine, a drug added to feed to produce leaner meat.

### TRANSPORTATION



March was a big month for developing the next transportation bill, considering that Senator Barbara Boxer is aiming to mark up a bill in her Environment and Public Works Committee by April. And Representative Bill Shuster said his goal is to have a reauthorization draft out of his committee by late spring or early summer, putting both chambers roughly on the same track to be ready to march their bills to the floor around the time summer begins. Much of the work during March has gone

on behind the scenes as lawmakers struggle to come up with enough money to keep the Highway Trust Fund solvent past September while also dealing with thorny policy issues. Both chambers will likely continue to hold hearings in the meantime, and lobbying will continue unabated.

### TECHNOLOGY



Comcast's \$45 billion play for Time Warner Cable will continue to dominate the tech and telecom policy worlds this month, and the Senate's antitrust leaders took their own look at the deal at a March 26 hearing. The House plans to hold a similar hearing but hasn't yet announced a date. For now, members of Congress largely haven't taken sides in the fight, but a good batch of lawmakers from both parties — from Representative Joe Barton (R-TX) to Senator Claire McCaskill (D-MO) — have suggested additional hearings and further scrutiny.

### TAX



Republican House tax writer Dave Camp's vision to overhaul the tax code finally arrived after three years of work and against many odds, including those within his own party wondering why he bothered. The plan, which generally cuts rates but nixes many popular breaks, set off alarm bells among big businesses including major Wall Street financial institutions and energy companies. It is a first step in a years-long debate over rewriting the code, given party divisions that remain deep. Still, the willingness of

Republicans to take on traditional allies has some worried the ideas could be taken off the shelf in future discussions when new revenue is needed.

The debate over taxation of online sales outside a state's border heated up in March, with a hearing in the House Judiciary Committee. Advocates have been pushing for action in the House after surprising bipartisan passage of a measure in the Democratic Senate last year. But the odds are still high — with many Republicans divided over the impact on small sellers and whether letting states collect taxes outside their borders constitutes a new tax as opposed to an already due tax. But that hasn't stopped CEOs from companies in need of tax from storming Washington in late February to push Judiciary members to back the measure.

### AGRICULTURE



The month of February ended in an explosion of regulatory activity, driven especially by first lady Michelle Obama's push to attack childhood obesity. In particular, the FDA has proposed overhauling the Nutrition Facts Panel for the first time in 20 years. This after proposing the ban of trans fats. The agency will top back-to-back regulatory actions by introducing final labeling rules for restaurants and vending machines, yet another controversial change mandated by the Affordable Care Act to fight obesity. Mean-

while, on the agriculture front, USDA is hustling to implement the California drought relief measures called for by the president and authorized by the new farm bill, while lawmakers hash out two bills that might serve to do more to help the Golden State's suffering farmers.

### SURVEY

Please take some time to review these questions. We will be checking in with each of our members to discuss the following:

*What is the most important issue at the federal level for your success?*

*Is there a congressman, senator, agency personnel that you would like to speak at a Midwest Council event?*

*Would your organization benefit from a relationship with an agency at the federal level? If so, whom can we get you in touch with?*

Feel free to email your responses to Tyler Foti, [tfoti@themidwestcouncil.com](mailto:tfoti@themidwestcouncil.com).

### MIDWEST COUNCIL MEMBERS

*Alliance of Automobile Manufacturers*

*Alliant Energy*

*Altria Client Services*

*American Lending Solutions*

*Century Link*

*Coca-Cola*

*LKQ*

*Marcus & Millichap Real Estate*

*Medical College of WI*

*PhRMA*

*University of Wisconsin-Madison*

*University of Wisconsin-Whitewater*

*WI Insurance Alliance*

*Wisconsin Association of Independent Colleges and Universities*

*Wisconsin Petroleum Marketers and Convenience Store Association*

*Xcel Energy*

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### MIDWESTERN STRONG

Members of the Midwest Council include businesses and organizations large and small from throughout 12 Midwestern states.

### WASHINGTON CONNECTION

We maintain a location in Washington and our DC staff will assist members in arranging meetings with congressional offices.

### NON-PARTISAN ORGANIZATION

The Council has forged strong relationships with leaders on both sides of the aisle, winning the respect of Democrats and Republicans alike.

### PROMOTING ECONOMY

We are an alliance of businesses, academic and health institutions & public and private organizations promoting economic growth and a high quality of life in the Midwest region.

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"Doctor Holding Stethoscope" Image courtesy of hin255 | "Industry Boiler In Oil Refinery Plant At Night" Image courtesy of Vichaya Kiatying-Angsulee | "Mortgage Calculator Shows Purchase Of Real Estate" Image courtesy of Stuart Miles | "Business Man Hand Bring Up Euro Sign Button" Image courtesy of tungphoto | "Intersection highway road Sign" Image courtesy of mapichai | "Connectors" Image courtesy of dan | "Online Shopping Shows Internet Purchases" Image courtesy of Stuart Miles | "Nutritious Apple With Health Facts" Image courtesy of Stuart Miles | @FreeDigitalPhotos.net

