To: Epp, Timothy[Epp.Timothy@epa.gov]
From: Kelly, Albert
Sent: Thur 3/22/2018 1:20:36 PM
Subject: FW: EPA Morning News Highlights 03.21.18
EPA Morning News Highlights 03.21.18 docx.docx

Do we have any involvement in the NYC issue listed below?

Albert Kelly

Senior Advisor to the Administrator

1200 Pennsylvania Avenue, NW

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Ex. 6 - Personal Privacy

From: Hewitt, James
Sent: Wednesday, March 21, 2018 9:07 AM
To: Shimmin, Kaitlyn <shimmin.kaitlyn@epa.gov>; Beach, Christopher <beach.christopher@epa.gov>; Block, Molly <block.molly@epa.gov>; Jackson, Ryan <jackson.ryan@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Dravis, Samantha <dravis.samantha@epa.gov>; Wilcox, Jahan <wilcox.jahan@epa.gov>; Konkus, John <konkus.john@epa.gov>; Ferguson, Lincoln <ferguson.lincoln@epa.gov>; McMurray, Forrest <mcmurray.forrest@epa.gov>; Ford, Hayley <ford.hayley@epa.gov>; Bennett, Tate <Bennett.Tate@epa.gov>; Abboud, Michael <abboud.michael@epa.gov>; Daniell, Kelsi <daniell.kelsi@epa.gov>; Hanson, Paige (Catherine) <hanson.catherine@epa.gov>; Letendre, Daisy <letendre.daisy@epa.gov>; Grantham, Nancy <Grantham.Nancy@epa.gov>; Beck, Nancy <Beck.Nancy@epa.gov>; Wehrum, Bill <Wehrum.Bill@epa.gov>; Gunasekara, Mandy <Gunasekara.Mandy@epa.gov>; Bodine, Susan <bodine.susan@epa.gov>; Ross, David P <ross.davidp@epa.gov>; Leopold, Matt <Leopold.Matt@epa.gov>; Yamada, Richard (Yujiro) <yamada.richard@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>; Lyons, Troy <lyons.troy@epa.gov>
Subject: EPA Morning News Highlights 03.21.18

EPA Morning News Highlights 03.21.18

Tulsa World: EPA Administrator Scott Pruitt says lack of clean up of Tar Creek Superfund site is 'unacceptable'

Administrator Scott Pruitt of the U.S. Environmental Protection Agency said his new push on the nation's Superfund program finally can provide clarity and accountability to the Tar Creek area, for decades one of the oldest, largest and most complex toxic sites in the nation. "It is really unacceptable," Pruitt said as he recalled the history of the Tar Creek area in far northeastern Oklahoma, whose Superfund legacy dates back to 1983, as well as the amount of money and time deployed there. "You don't list a site in the mid-1980s and you don't take the kind of steps we have taken historically and still have issues today in 2018."The area in Ottawa County is contaminated by lead and other heavy metals from long-closed mining operations and is undermined with caverns that are prone to cave-ins. The Picher and Cardin communities were bought out by a federal program and are now ghost towns, but the mine wastes remain.

Hot Air: EPA Ends The Use Of "Secret Science" In Crafting Regulations

Just in case liberals didn't already have enough reasons to pin EPA Administrator Scott Pruitt's picture to their dart boards, he's just rolled out another policy change which will force the "party of science" to rely on actual science when pushing for regulatory changes. Promising to eliminate "secret science" in EPA deliberations, Pruitt is ordering all scientific studies used when considering new regulations to include publicly available data and methodologies. This was announced in an exclusive interview with The Daily Caller News Foundation.

Detroit News: EPA chief wants to eradicate lead from drinking water

The head of the Environmental Protection Agency says eradicating lead from drinking water is one of his top priorities three years after the Flint water crisis, and he's worried Americans aren't "sufficiently aware" of the threat. "I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," EPA Administrator Scott Pruitt told reporters this week at the agency's headquarters. "It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this." Pruitt is concerned that parents and citizens don't understand the threat of lead in drinking water or toys, and "we're looking at ways we can contribute to that dialogue," he said, according to an audio recording provided by the New York Post.

New York Post: EPA head calls for 'coordinated' response to NYC lead crisis

EPA Administrator Scott Pruitt called for a "coordinated" response between New York State and City officials to address the ongoing lead crisis. Asked whether federal intervention is needed to

protect New York children and tenants from lead poisoning, the Environmental Protection Agency chief urged action on all fronts. "I think a local, state and federal response that is very coordinated and collaborative is terribly important," Pruitt said in an interview. "We each play a role. I'd love to see steps taken at the local level to invest." Gov. Cuomo already announced an emergency declaration for New York Housing Authority buildings and pledged an additional $250 million for upgrades. But heated public squabbles over resources and responsibility with rival Mayor de Blasio have complicated progress.

The Philadelphia Inquirer: Philly has a smog problem. Will Scott Pruitt's EPA say so?

Whether Philadelphia is violating the federal Clean Air Act remains in bureaucratic limbo. Despite deadlines, the EPA has refused to say whether Philadelphia and some other cities, including Pittsburgh, have met a 2015 benchmark of 70 parts per billion or less of ground-level ozone in the ambient atmosphere. Being out of compliance, or in "nonattainment," has a real-world impact on the state, city, businesses and industry, and even motorists through increased regulation and funding. The EPA was supposed to state whether Philadelphia was in compliance by last Oct. 1. Last week, a federal court ruled that the EPA, under its administrator, Scott Pruitt, broke the law by missing the deadline, and gave the EPA until April. On Monday, Pruitt's office said it would meet the deadline.

National Morning News Highlights 03.21.18

Politico: Congress struggles to clinch spending deal

Congressional leaders are racing to finalize a spending bill by the end of Tuesday but find themselves still at odds over a host of controversial issues — delaying plans to unveil the proposal and raising the prospect of weekend votes to avoid a shutdown. Democrats, Republicans and the White House battled late into the night Monday and into Tuesday afternoon over whether to include provisions on President Donald Trump's border wall, a massive New York infrastructure project and the special counsel's Russia investigation, according to lawmakers and aides in both parties. There were still a number of unresolved issues as of Tuesday evening, and multiple sources were pessimistic that negotiators would reach a deal in time to release the bill before Wednesday.

Wall Street Journal: Trump to Ramp Up Trade Restraints on China

The White House is preparing to crack down on what it says are improper Chinese trade practices by making it significantly more difficult for Chinese firms to acquire advanced U.S.

technology or invest in American companies, individuals involved in the planning said. The administration plans to release on Thursday a package of proposed punitive measures aimed at China that include tariffs on imports worth at least $30 billion. But the tariffs won't be imposed immediately. Rather, U.S. industry will be given an opportunity to comment on which products should be subject to the duties. As part of the package, the White House will announce possible investment restrictions by Chinese firms in the U.S. and will direct the Treasury Department to outline rules governing investment from China.

TRUMP TWEETS

Tulsa World

http://www.tulsaworld.com/homepagelatest/epa-administrator-scott-pruitt-says-lack-of-clean-up-of/article_4a3e4982-569e-5023-8141-392ebe629a65.html

EPA Administrator Scott Pruitt says lack of clean up of Tar Creek Superfund site is 'unacceptable'

By: Jim Myers, 3/21/18

Administrator Scott Pruitt of the U.S. Environmental Protection Agency said his new push on the nation's Superfund program finally can provide clarity and accountability to the Tar Creek area, for decades one of the oldest, largest and most complex toxic sites in the nation.

"It is really unacceptable," Pruitt said as he recalled the history of the Tar Creek area in far northeastern Oklahoma, whose Superfund legacy dates back to 1983, as well as the amount of money and time deployed there.

"You don't list a site in the mid-1980s and you don't take the kind of steps we have taken historically and still have issues today in 2018."

The area in Ottawa County is contaminated by lead and other heavy metals from long-closed

mining operations and is undermined with caverns that are prone to cave-ins. The Picher and Cardin communities were bought out by a federal program and are now ghost towns, but the mine wastes remain.

Pruitt blamed inconsistency, even within the EPA's 10 regions, as well as a lack of attention and focus, for slowing remediation outcomes.

"It is one of the things that seemed to be languishing as we arrived," Pruitt said, making it clear that the lack of urgency was something he found "palpable" at Superfund sites across the country.

"When it takes you 27, 28 years to make a decision — make a decision, not clean it up, not remediate, but make a decision on how you are going to remediate — that is unacceptable."

His comments came during one of several reporter roundtables he has been holding at the EPA's headquarters to mark his first year as administrator, during which he also became a leading voice in the Trump administration's major push on regulation reform.

Those efforts have prompted applause from his supporters and alarm from his critics.

Recently Pruitt is rarely out of the headlines, with stories ranging from travel expenses to speculation over whether his political future might include bids for a U.S. Senate seat or even the White House.

When given the chance to comment on yet another story this week about his political options, he took a pass.

Pruitt also declined to comment when asked about a recent decision by an Oklahoma judge to allow a lawsuit filed by Campaign for Accountability to continue. The lawsuit seeks to force the release of a 2014 audit of the Lead-Impacted Communities Relocation Trust, which was created

in an effort to help move residents out of communities affected by the Tar Creek contamination.

"That is during my time as attorney general," he said. "I think it is better that I just keep it focused on the EPA matters."

Pruitt, who was Oklahoma's attorney general before being tapped by President Donald Trump to lead the EPA, had declined to file charges based on the audit by state Auditor Gary Jones and also had taken steps to bar its release to the public.

According to reporting by The Oklahoman, legal action in the case continues and eventually could include an appeal to the Oklahoma Supreme Court.

Pruitt's emphasis on Tar Creek and the other Superfund sites across the country grew out of a task force he created in 2017, just months after being sworn in as administrator.

Members of the Superfund Task Force came back with a list of specific recommendations under major goals ranging from expediting cleanup and remediation to promoting redevelopment and community revitalization.

As part of that process, Tar Creek landed on a list Pruitt says he will use to keep the emphasis on the program.

Hot Air

https://hotair.com/archives/2018/03/20/epa-ends-use-secret-science-crafting-regulations/

EPA Ends The Use Of "Secret Science" In Crafting Regulations

By: Jazz Shaw 3/20/18

Just in case liberals didn't already have enough reasons to pin EPA Administrator Scott Pruitt's picture to their dart boards, he's just rolled out another policy change which will force the "party of science" to rely on actual science when pushing for regulatory changes. Promising to eliminate "secret science" in EPA deliberations, Pruitt is ordering all scientific studies used when considering new regulations to include publicly available data and methodologies. This was announced in an exclusive interview with The Daily Caller News Foundation.

"We need to make sure their data and methodology are published as part of the record," Pruitt said in an exclusive interview with The Daily Caller News Foundation. "Otherwise, it's not transparent. It's not objectively measured, and that's important."

Pruitt will reverse long-standing EPA policy allowing regulators to rely on non-public scientific data in crafting rules. Such studies have been used to justify tens of billions of dollars worth of regulations.

EPA regulators would only be allowed to consider scientific studies that make their data available for public scrutiny under Pruitt's new policy. Also, EPA-funded studies would need to make all their data public.

"When we do contract that science out, sometimes the findings are published; we make that part of our rule-making processes, but then we don't publish the methodology and data that went into those findings because the third party who did the study won't give it to us," Pruitt added.

In other words, science is not being excluded from any EPA studies. The agency is simply ensuring that groups conducting studies publish the data used to reach the conclusions they forward to the EPA so it can be examined and potentially challenged if it's found to be faulty. Surely nobody who's really interested in following the science could object to that, right?

Wrong. Democrats were immediately arguing against such a move, saying that forcing research organizations to publish their figures "would reveal confidential patient data." That's a rather odd argument in a couple of different ways. First of all, there's a lot of data collected for various studies used by the EPA which have nothing to do with medical records. Examples include all of

the groundwater studies done when the Obama administration was considering banning fracking.

But even in cases where medical information is required, the groups conducting the study were able to obtain the patient data. As Steve Milloy, the publisher of JunkScience.com was quoted as saying, California regularly makes such data available under the name, 'Public Use Death Files.' Other medical information can be compiled and have the patients' names and other identifying personal information scrubbed. This is already done on a regular basis.

In fact, barring some subject which might compromise national security – such as the handling of tactical weapons materials – it's difficult to imagine many true, scientific studies which couldn't publish their underlying data, making it available for peer review. So if you're still opposed to federal agencies wanting to see such data, the next logical question to ask is precisely what it is that you're hiding.

The Detroit News

https://www.detroitnews.com/story/news/politics/2018/03/20/epa-pruitt-lead-water-flint/33125283/

EPA chief wants to eradicate lead from drinking water

By: Melissa Nann Burke, 3/20/18

The head of the Environmental Protection Agency says eradicating lead from drinking water is one of his top priorities three years after the Flint water crisis, and he's worried Americans aren't "sufficiently aware" of the threat.

"I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," EPA Administrator Scott Pruitt told reporters this week at the agency's headquarters.

"It can be achieved. Some of the mental-acuity levels of our children are being impacted

adversely as a result of this."

Pruitt is concerned that parents and citizens don't understand the threat of lead in drinking water or toys, and "we're looking at ways we can contribute to that dialogue," he said, according to an audio recording provided by the New York Post.

"I do think that what happened in Flint is something that could happen elsewhere. We just simply need to take steps to do all that we can to address it prospectively and proactively," Pruitt said.

Pruitt said President Donald Trump's $1.5 trillion plan to bolster the nation's infrastructure over the next decade would include investments in aging water infrastructure.

Pruitt didn't describe a plan for replacing the thousands of lead service lines throughout the country – a cost estimated around $40 billion to $45 billion – but stressed the need for state and local governments to invest in such upgrades, perhaps with federal grant aid.

Pruitt added he would "love" to see local governments investing more in water infrastructure.

"These water treatment facilities – they have authority to bond out, to raise fees, to invest in corrosion control, the replacement of service lines and the rest," Pruitt said. "And some of them just aren't doing it."

Gov. Rick Snyder has proposed having water customers across Michigan pay a $5 annual fee to help upgrade aging infrastructure and replace lead pipes in their local communities, but the plan hasn't gained steam in the Republican-controlled Legislature.

U.S. Rep. Dan Kildee, D-Flint Township, said what Pruitt has described isn't really a plan.

“When it comes to Mr. Pruitt, nice words don’t replace pipes. It takes money. What they have proposed is really nothing when it comes to infrastructure,” Kildee said of the Trump administration.

Kildee said what would help is Pruitt putting his support behind Kildee’s legislation that would reduce the acceptable amount of lead in drinking water to 5 parts per billion. The current federal action limit is 15 parts per billion.

“Force federal and state governments to stare this in the face by adopting a level that is science-based that says there is no acceptable level of lead,” he said.

EPA has spent a decade trying to update the rule.

Snyder called the rule “dumb and dangerous” after the Flint disaster. The state has proposed draft rules to drop the acceptable amount of lead in drinking water to 10 parts per billion by 2024.

The New York Post

https://nypost.com/2018/03/21/epa-head-calls-for-coordinated-response-to-nyc-lead-crisis/

EPA head calls for ‘coordinated’ response to NYC lead crisis

By: Marisa Schultz, 3/21/18

EPA Administrator Scott Pruitt called for a “coordinated” response between New York State and City officials to address the ongoing lead crisis.

Asked whether federal intervention is needed to protect New York children and tenants from

lead poisoning, the Environmental Protection Agency chief urged action on all fronts.

"I think a local, state and federal response that is very coordinated and collaborative is terribly important," Pruitt said in an interview. "We each play a role. I'd love to see steps taken at the local level to invest."

Gov. Cuomo already announced an emergency declaration for New York Housing Authority buildings and pledged an additional $250 million for upgrades. But heated public squabbles over resources and responsibility with rival Mayor de Blasio have complicated progress.

Pruitt declined to weigh in on the Cuomo/de Blasio feud but encouraged broad infrastructure investment from all levels to prevent children from getting sick.

"I think the governor's call for that is important and it's something we think is important as well and we need to contribute to it along with the states, local cities and towns," Pruitt said.

While the problems in NYCHA are centered on lead paint, Pruitt has primarily tackled the issue of eliminating lead poisoning from water. He raised concerns over high lead levels found at certain New York City school water fountains.

"I do think that what happened in Flint is something that could happen elsewhere," Pruitt said. "We just simply need to take steps to do all that we can to address it prospectively and proactively."

Pruitt estimated it would take $40 billion – $45 billion to replace lead service lines nationwide and suggested President Trump's $1.5 trillion infrastructure plan can assist states and cities with the costs.

"I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking

water," Pruitt said.

He added: "It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this."

The Philadelphia Inquirer

http://www.philly.com/philly/health/pruitt-epa-smog-philadelphia-ozone-20180320.html

Philly has a smog problem. Will Scott Pruitt's EPA say so?

By: Frank Kummer, 3/20/18

Mollie Michel of South Philadelphia keeps her children inside some days because of air pollution, so she's particularly irked by a long delay by the U.S. Environmental Protection Agency to say officially whether Philadelphia has a smog problem. That designation could mean more regulation to help clean up the dirty air, she said.

"You have a city with a childhood asthma rate twice as high as the national average," Michel said to bolster her argument. A member of Moms Clean Air Force, she gathered Tuesday with a few dozen other activists and local officials at City Hall to mark the first day of spring by protesting Trump administration policies.

Whether Philadelphia is violating the federal Clean Air Act remains in bureaucratic limbo. Despite deadlines, the EPA has refused to say whether Philadelphia and some other cities, including Pittsburgh, have met a 2015 benchmark of 70 parts per billion or less of ground-level ozone in the ambient atmosphere. Being out of compliance, or in "nonattainment," has a real-world impact on the state, city, businesses and industry, and even motorists through increased regulation and funding.

The EPA was supposed to state whether Philadelphia was in compliance by last Oct. 1. Last week, a federal court ruled that the EPA, under its administrator, Scott Pruitt, broke the law by

missing the deadline, and gave the EPA until April.

On Monday, Pruitt's office said it would meet the deadline.

Pruitt said during a meeting with reporters at EPA headquarters in Washington that the scope of monitoring required to answer the smog question had caused the delay.

"The agency has been running behind for a number of years," said Pruitt, who took office a year ago.

Pruitt, who said he didn't have data specific to Philadelphia in front of him, also took issue with how the monitoring program has been carried out in the past, saving money by "modeling" — using data from one area and applying it to another.

"Real data is terribly important," Pruitt said. "When we go forward, we need to focus more on monitoring as opposed to modeling … You shouldn't get data from one monitor and extrapolate it over a whole area because you're not dealing with real data at that point."

He said his office is "exploring ways" to pay for monitoring.

If Philadelphia is declared to have a smog problem, the Pennsylvania Department of Environmental Protection would be responsible for crafting a plan to reduce ground-level ozone. Ozone is formed when volatile organic compounds and nitrogen oxides — created by burning fossil fuels, and power plants and other industries — combine in sunlight. Long, hot, humid days act as smog factories, so smog is expected to increase as the climate warms up.

James Garrow, a spokesman for the city's Department of Public Health, said, "Philadelphia is indeed out of compliance" as of March 1. He said the trend for ground-level ozone has been going down for years and Philadelphia expects to meet requirements within a few years.

At the protest, Flora Cardoni, an organizer with PennEnvironment, joined Democratic State Reps. James R. Roebuck Jr. and Brian K. Sims, as well as members of Deep Green Philly and the Clean Air Council, in speaking out. Cardoni said it's already been too long a wait for action.

"Philadelphians want to walk along the Schuylkill, play in Fairmount Park, and wander the historic city without worrying about choking on smog and soot," she said.

Politico

https://www.politico.com/story/2018/03/20/omnibus-vote-house-thursday-473010?lo=ap_e1

Congress struggles to clinch spending deal

By: Burgess Everett, Rachel Bade, Sarah Ferris and Heather Caygle, 3/20/18

Congressional leaders are racing to finalize a spending bill by the end of Tuesday but find themselves still at odds over a host of controversial issues — delaying plans to unveil the proposal and raising the prospect of weekend votes to avoid a shutdown.

Democrats, Republicans and the White House battled late into the night Monday and into Tuesday afternoon over whether to include provisions on President Donald Trump's border wall, a massive New York infrastructure project and the special counsel's Russia investigation, according to lawmakers and aides in both parties.

There were still a number of unresolved issues as of Tuesday evening, and multiple sources were pessimistic that negotiators would reach a deal in time to release the bill before Wednesday.

Asked how confident he was that the Senate would avoid weekend work, Sen. John Thune (R-S.D.) replied: "I'm not real confident at this point."

Dragging the talks into Wednesday would increase the chance that lawmakers pass a short-term spending bill to prevent a temporary shutdown when funding lapses Friday evening.

Several issues remain open after administration officials participated in a lengthy meeting Tuesday afternoon with top leadership and appropriations staffers that did little to break the logjam.

“Everything that remains is going to be pulling teeth to resolve,” said a senior congressional aide with knowledge of the meeting, which included representatives from the White House and the Office of Management and Budget.

The New York-area Gateway project is a primary issue for the White House, according to the aide, but several other provisions are also still up in the air.

Trump is likely to support the bill if the Gateway project is excluded, the military receives a major budget boost and there is a significant infusion of border security funding, White House legislative affairs director Marc Short said at the Capitol Tuesday.

House Speaker Paul Ryan (R-Wis.) told his conference that he is planning to pass the massive, $1.3 trillion omnibus on Thursday, according to House Republicans.

"I'm hoping today," Ryan told reporters when asked Tuesday morning when leaders would wrap up negotiations. He said lawmakers were not yet considering a short-term funding patch to buy more negotiating time. "There are some unresolved issues. We're working through them as we speak."

Senate Majority Leader Mitch McConnell (R-Ky.) said he would keep the Senate in until the bill is passed.

"We anticipate the House filing later today, which will give the Senate plenty of time to take a look at it and see what's in it," McConnell said on Tuesday afternoon.

Still, on the House's current schedule, the Senate would have just a day to pass the bill before government funding runs out on Friday evening — allowing for any one senator to shut the government down briefly. Sen. Rand Paul (R-Ky.) caused such a shutdown last month in protest over a budget deal.

Paul would not rule out doing everything he can to stop the spending bill if he views it as poorly as he did a budget bill in February.

"I will oppose the bill. I have to make a decision about whether or I will accept a time agreement," Paul told reporters on Tuesday.

Senate leaders are already entertaining a short-term spending bill in preparation for any antics by Paul.

"We're going to be here into the weekend, perhaps. But I think there could be some measures taken to keep the lights on. But we'll get it done," said Senate Majority Whip John Cornyn (R-Texas). "Anything can happen around here."

Congressional leaders had hoped to file the bill, which would fund the government through the end of September, on Monday night with a House vote on Wednesday. But Congress is bogged down over policy provisions that various congressional factions are trying to attach to the must-pass bill. Many lawmakers view the legislation as their last chance to get their priorities signed into law before the midterm elections.

"Negotiations continue between the four leaders. A few sticking points remain, but we are very close," said Senate Minority Leader Chuck Schumer (D-N.Y.). "I think it will be a fair compromise."

Lawmakers and aides estimated there were as many as 20 provisions still being debated. One of the most controversial is $900 million in funding for the Gateway tunnel project in New York, a key priority of Schumer and New York-area Republicans and Democrats.

Gateway supporters are trying to include language that would allow the project to apply for competitive grant money and prevent the Trump administration from squashing the project. Trump has told Republicans he will veto a bill that funds the project specifically. Schumer and GOP leaders were still battling over the provision as of Tuesday afternoon, and the New Yorker said the tunnel is of national significance despite Trump's complaints.

The White House remains unmoved, however.

“The secretary of transportation has explained if you put that much money in one project it’s going to crimp projects across the country she needs to fund. It‘s also a project that a majority of House Republicans… voted against," Short said. “The president has made his wishes well known so I think we’re going to be fine."

Another sticking point: immigration. Talks to protect young immigrants facing deportation fell apart over the weekend, but congressional Democrats spent Monday and Tuesday pushing to freeze hiring of immigration enforcement officials in return for providing Trump more than $1 billion in funding on his border wall.

Democrats and Republicans are likely to agree on about $1.6 billion in border funding that would help finance some fencing and security and avoid directly funding the large concrete wall that Trump wants, according to a Democratic aide.

Republicans are seeking to fix an error in the new tax law that lowers tax bills for farmers that sell grain to cooperatives at the expense of other companies. Though Senate Democrats and some Senate Republicans are willing to rewrite the provision in exchange for a boost in Low-Income Housing Tax Credits in the spending bill, Ryan has resisted, according to people in both parties. Ryan allies say that just because he rejected an offer from Schumer to fix

the so-called “grain glitch,” it doesn't mean the issue is dead altogether.

Congressional Democrats also pushed provisions to protect special counsel Robert Mueller but have been rebuffed by GOP leaders. An attempt to shore up Obamacare's insurance markets is also stalled in a battle over abortion.

Lawmakers believe neither of those provisions will be in the omnibus.

A Tuesday morning school shooting in Maryland, however, may have thrown another wild card into the mix: GOP leaders are pressing to include popular legislation that would improve the National Instant Criminal Background Check System for firearms purchases.

“We remain hopeful that Fix NICS is in the omni," Short said of the proposal to improve the FBI’s background check system.

But Democrats want a broader gun debate and note that the provision is a modest way to simply bolster existing gun laws. Meanwhile, conservatives believe it would make it more difficult for some veterans to buy a gun, which could keep that provision out as well.

"There are still some key questions. There's a NICS question, there's an Internet sales tax question, there‘s [an Obamacare] question. There's a Gateway project financing question," said Rep. Jim Jordan (R-Ohio), a conservative leader. "It looks like a lot of those things aren't gonna be in it, which is a good step, but it still spends way too much money."

The Wall Street Journal

https://www.wsj.com/articles/trump-to-ramp-up-trade-restraints-on-china-1521593091

Trump to Ramp Up Trade Restraints on China

By: Bob Davis, 3/20/18

The White House is preparing to crack down on what it says are improper Chinese trade practices by making it significantly more difficult for Chinese firms to acquire advanced U.S. technology or invest in American companies, individuals involved in the planning said.

The administration plans to release on Thursday a package of proposed punitive measures aimed at China that include tariffs on imports worth at least $30 billion.

But the tariffs won't be imposed immediately. Rather, U.S. industry will be given an opportunity to comment on which products should be subject to the duties. As part of the package, the White House will announce possible investment restrictions by Chinese firms in the U.S. and will direct the Treasury Department to outline rules governing investment from China.

Final details of the plan, including the amount of imports to be hit by tariffs, remain in flux, those involved with the discussions said. While the rough amount and rationale for the tariffs are expected to be disclosed on Thursday, the final decisions will come once U.S. industry has had its say, they said.

A White House spokeswoman declined to comment.

The effort stems from a monthslong investigation by the administration into Chinese intellectual property practices that found the damage to U.S. companies from forced technology transfer is $30 billion annually.

The administration has warned Beijing that it risked tariffs if it didn't significantly liberalize its market and eliminate practices that disadvantage foreign firms.

While the administration's plans to put tariffs on China have received most of the attention, it is considering other significant penalties, especially those aimed at state-owned Chinese firms. It

plans to argue that Chinese state-owned firms buy U.S. technology not for commercial purposes, but to apply for military use and otherwise gain an edge in the race for global technological dominance.

The administration believes that Beijing, in requiring U.S. companies to form joint ventures to do business in China, then pressures them to transfer important technology to their Chinese partners. The U.S. also contends Beijing improperly subsidizes Chinese companies looking to overtake U.S. rivals in such advanced technologies as semiconductors, artificial intelligence and robotics.

Chinese officials have said that they are improving their protection of intellectual property and liberalizing their economy. They also complain that the U.S. hasn't given them a specific list of demands that they need to meet to head off tariffs.

The country's responses to challenges from President Donald Trump loomed large as China's leaders closed out an annual political gathering on Tuesday.

Premier Li Keqiang, the titular No. 2 leader, struck a conciliatory tone on trade with the U.S. At a news briefing in Beijing's Great Hall of the People, Mr. Li said "there are no winners" in a trade war between the world's two largest economies, and appealed for calm.

People involved in the planning say the Trump administration is looking at making reciprocity the core of U.S. investment relations with China, meaning that the U.S. would impose restrictions on Chinese investment similar to those that U.S. firms face in China. That could mean that the U.S. would insist that Chinese firms form joint ventures before doing business in the U.S., unless China dropped those restrictions.

The U.S. has already made it more difficult for Chinese companies to invest in the U.S. by blocking Chinese bids to purchase U.S. semiconductor firms. That is done by an interagency review of foreign acquisitions by the Committee on Foreign Investment in the U.S. Congress is looking to broaden CFIUS reviews of acquisitions so they include joint ventures too.

The expansion would include reviews of technology transfers to foreigners and could apply to joint ventures both outside and within the U.S. But CFIUS looks solely at national security concerns. The administration wants to address economic harm as well, according to these people.

Any imposition of tariffs, without going first to the World Trade Organization, is sure to prompt a chorus of criticism not just from Beijing but from U.S. industry, which has opposed tariffs as counterproductive. The WTO adjudicates trade cases and has the power to authorize tariffs in cases where a losing party doesn't change its practices. The administration is also considering bringing a case against Chinese trade practices that are covered by the WTO.

Oregon Sen. Ron Wyden, the senior Democrat on the Senate Finance Committee, said he opposes the broad imposition of tariffs. "American producers who haven't gotten a fair shake in the past aren't going to get that back by just have tariffs slapped on imports indiscriminately," he said.

Tariffs are bound to cause China to retaliate, said Clement Leung, Hong Kong's representative in the U.S. Chinese officials "cannot show any weakness" at a time when the country's leader, Xi Jinping, has just been confirmed for his second term, Mr. Leung said. Hong Kong, a trading center that operates somewhat independently from the rest of China, would be hurt by limits on trade.

Whatever the political blowback, Harvard law professor Mark Wu, a trade expert, says that the White House has authority to impose tariffs under section 301 of the Trade Act of 1974.

"In situations where the U.S. Trade Representative deems unfair trade practices to fall outside the scope of a WTO-covered agreement, then the statute permits the executive branch to take action directly without first seeking recourse through WTO dispute settlement" procedures, he said.

Frustration with Chinese trade practices has been building among both the governments and private sectors of the U.S., Japan and Europe. One reason the U.S. is considering a separate WTO case is to try to recruit allies to pressure China. But any move to impose tariffs could allow

Beijing to portray itself as a victim. Coalition-building has become more complicated in the wake of a separate U.S. action to levy tariffs on steel and aluminum imports from allied nations.

For instance, finance ministers and central bankers from the Group of 20 countries, meeting in Buenos Aires on Tuesday, failed to reach any new agreement on shared principles when it comes to trade policies, as the split between the U.S. and other major economies deepened over the U.S.'s tariff policies.

The administration is considering recommendations from two other reports that would impose draconian investment restrictions on China. The U.S.-China Economic and Security Review Commission, a Congressional panel that takes a hard line on China, last year urged the administration to prohibit "the acquisition of U.S. assets by Chinese state-owned or state-controlled entities, including sovereign wealth funds."

A report for the Pentagon by its Defense Innovation Unit Experimental, which examines technology issues, has recommended that the Pentagon pursue a policy of "deterring Chinese technology transfer" by broadening CFIUS's mandate and strengthening export controls on technology to China.

China Investment Corp, Chinese sovereign-wealth fund which could get hit by sanctions, is putting together a fund targeting as much as $5 billion with Goldman Sachs Group Inc., aimed at investing in U.S. manufacturing and other sectors. CIC hopes the fund would pass muster with U.S. regulators, say those people familiar with the plans.

It is unclear how far the administration will go in pursuing these ideas. Blocking the acquisition of all purchases by Chinese state firms, for instance, would mean that Chinese state-owned airlines couldn't buy Boeing jets. Toughening export controls on, say, semiconductor production machinery could cede the market to Japanese vendors.

The administration's actions on China come on the heels of plans to levy tariffs on steel and aluminum imports. Japan, Korea and the European Union are scrambling to get exemptions from those levies, which are set to go into effect on Friday.

TRUMP TWEETS

Donald J. Trump @realDonaldTrump · 21h

Our Nation was founded by farmers. Our independence was won by farmers. And our continent was tamed by farmers. Our farmers always lead the way -- we are PROUD of them, and we are DELIVERING for them! #NationalAgricultureDay

28K 28K 115K

Donald J. Trump @realDonaldTrump · 2h

AUSTIN BOMBING SUSPECT IS DEAD. Great job by law enforcement and all concerned!

6.0K 11K 44K

Donald J. Trump @realDonaldTrump · 2h

Department of Justice should have urged the Supreme Court to at least hear the Drivers License case on illegal immigrants in Arizona. I agree with @LouDobbs. Should have sought review.

3.6K 4.5K 18K

Donald J. Trump @realDonaldTrump · 2h

...there was no probable cause for believing that there was any crime, collusion or otherwise, or obstruction of justice!" So stated by Harvard Law Professor Alan Dershowitz.

9.2K 5.4K 21K

Donald J. Trump @realDonaldTrump · 1h

"Special Council is told to find crimes, whether a crime exists or not. I was opposed to the selection of Mueller to be Special Council. I am still opposed to it. I think President Trump was right when he said there never should have been a Special Council appointed because.....

11K 4.2K 17K