

Washington Update

April 4, 2025

This Week In Washington

Senate: The Senate continued processing nominations including Matthew Whitaker as Permanent Representative on the Council of NATO, Dean John Sauer as Solicitor General, Mehmet Oz as Administrator of the Centers for Medicare and Medicaid Services, and Harmeet Dhillon as Assistant Attorney General for Civil Rights. They passed Congressional Review Acts, [S.J.Res.37](#) terminating the national emergency declared to impose duties on articles imported from Canada, and [H.J.Res.24](#), to rescind the Department of Energy's rule "Energy Conservation Program: Energy Conservation Standards for Walk-In Coolers and Walk-In Freezers." The Senate is expected to begin a Vote-a-Rama on Friday, April 4 for the Fiscal Year 25 Budget Resolution ([H.Con.Res.14](#)).

House: The House was in recess after rule [H. Res. 282](#) failed on a vote of 206-222. The rule failed for trying to block Representative Anna Paulina Luna's (R-FL) discharge petition to allow proxy voting for new parents.

Trump Administration: On April 2, President Trump [announced](#) a baseline 10 percent tariff on goods from all countries. Some countries will be subject to much higher reciprocal rates including China at 34 percent, the European Union at 20 percent, and Vietnam at 46 percent.

Next Week In Washington

Senate: The Senate is expected to continue processing nominations.

House: The House is expected to consider the No Rouge Ruling Act ([H.R.1526](#)), the Safeguard American Voter Eligibility Act ([H.R.22](#)), and Congressional Review Acts [S.J.Res.18](#) to rescind the CFPB's rule "Overdraft Lending: Very Large Financial Institutions" and [S.J.Res.28](#), the CFPB's rule "Defining Larger Participants of a Market for General-Use Digital Consumer Payment Applications." The House could also consider [H.Con.Res.14](#) if the Senate passed the Budget Resolution.

TAX

Senate Set to Consider Revised Reconciliation Budget Resolution with Taxes

Key Points:

- *The Senate has voted to start considering a budget resolution to unlock reconciliation which would carry a tax bill extending TCJA.*
- *The chamber is considering an amended version of the House-passed resolution.*
- *Differences in the House and Senate approaches, including the Senate's use of the "current policy baseline" and differing deficit reduction requirements, may potentially remain a barrier to unlocking reconciliation.*
- *House conservatives seeking larger spending cuts have expressed serious reservations with the Senate approach, suggesting the Senate budget resolution may face difficulty in passing the House – something required to unlock reconciliation.*

On April 3, the Senate voted to proceed to consider a Senate-amended version of the House-led budget resolution ([H. Con. Res. 14](#)). The resolution, which was originally passed by the House in late February, has been amended by the Senate Budget Committee. If the resolution is passed by both chambers, it will unlock a reconciliation process that would enable Congress to act on a tax package in the coming months. The Senate has up to 30 hours to debate the resolution before a "vote-a-rama" in which senators can introduce and vote on amendments to the legislation before a final vote, though the amendments are typically nonbinding signaling votes.

However, differences between the Senate and House versions of the resolution may stand as an obstacle to reconciliation. The amended version being considered by the Senate utilizes a "current policy baseline" not previously utilized in any reconciliation process that assumes provisions will not expire and that any extensions would not increase the federal deficit for budgeting purposes. The method stands in contrast to the traditional baseline budget methodology utilized by the House, which accounts for the cost of changes based on current law and expiring provisions. It is worth noting, however, that the Congressional Budget Office has utilized scoring similar to the "current policy baseline" method for annual spending bills or the Farm Bill, with the assumption being that they will be extended beyond their current authorization. Senate and House Republicans remain unaligned about their stance on the tactic; House Ways and Means Chairman Jason Smith (R-MO) has previously expressed support for the method but has noted it would fail to address President Trump's other tax priorities like removing taxes on tips and restoring bonus depreciation. In addition, he has suggested the proposal would be rejected by the Senate Parliamentarian, halting the progress of reconciliation. Speaker of the House Mike Johnson (R-LA) previously

indicated the approach could be useful, even though the House-passed budget resolution required all tax cuts to be offset by spending reductions elsewhere.

Other differences between the two resolutions may also hinder the pathway to unlocking reconciliation; while the House version would require \$1.5-\$2 trillion in federal spending cuts, the Senate version would only require deficit reduction by \$4 billion. Further, the House version would raise the debt limit by \$4 trillion while the Senate version would increase it by \$5 trillion.

The looming vote on the resolution in the Senate comes after Senate Majority Leader Thune (R-SD) called on Senate Republicans last week to consider a compromise budget resolution before Congress breaks for a two-week recess on the week of April 14. Although Republicans are getting closer to reaching a compromise, issues such as cuts to Medicaid remain. House Majority Leader Scalise (R-LA) stated last week that the House may not vote on a Senate-approved budget resolution before the upcoming break, pointing to Senate amendments to the House-passed version.

Upcoming Meetings and Events

Thursday, April 10

Assistant Treasury Secretary Nomination: The Senate Finance Committee will hold a hearing next week to consider the nomination of Kenneth Kies to be an Assistant Secretary of the Treasury. The hearing will be held in 215 Dirksen Senate Office Building at 10:00 a.m., and [webcast](#) as well.

For more information about tax issues, you may [email](#) or call Christopher Hatcher at 202-659-8201. Noah Hawkins and Charlie Hansen contributed to this section.

FINANCIAL SERVICES

OCC Withdraws Principles for Climate-Related Financial Risk Management for Large Financial Institutions

Key Point:

- The principles for climate-related financial risk management for large financial institutions was an interagency effort by the OCC, FDIC, and Federal Reserve released in October 2023.*

On March 31, the Office of the Comptroller of the Currency (OCC) [withdrew](#) its participation from the interagency principles for climate-related financial risk management for large financial institutions. In its announcement, the OCC highlighted the continued expectation for banks to have effective risk management processes in accordance with their size, complexity, and activities.

Acting Comptroller of the Currency Rodney Hood [stated](#), “The principles providing guidance to banks for climate-related financial risk are overly burdensome and duplicative. The OCC’s existing guidance for banks to maintain a sound risk management framework applies to all activities conducted by supervised institutions and includes potential exposures to severe weather events or natural disasters.”

Hill, Wagner Commend SEC on Rescinding Staff Bulletin on Shareholder Proposals and Encourage the Commission to Review Other Proxy Process Rules

Key Point:

- *Staff Legal Bulletin No. 14L was published by the SEC in 2021 to outline the Division of Corporation Finance’s view on the ordinary business exception and the economic relevance exception.*

On March 31, House Financial Services Committee Chairman French Hill (R-AR), Chairwoman of the Subcommittee on Capital Markets Ann Wagner (R-MO), and Republican members of the subcommittee, sent a [letter](#) to Acting Chairman of the Securities and Exchange Commission (SEC) Mark Uyeda applauding the recent decision to rescind Staff Legal Bulletin No. 14L. They noted despite these efforts, challenges still remain relating to the proxy process and the influence of proxy advisory firms. The letter urged the SEC to undertake formal rulemaking to (1) restore the shareholder proposal rule’s original intent by “keeping politics out of proxy statements”, (2) eliminate the significant policy exception, (3) increase resubmission thresholds, (4) enhance oversight of proxy advisory firms, and (5) end robovoting practices.

House Financial Services Committee Republicans Outline Actions to be Rescinded, Modified, or Reproposed from the Biden-Harris Administration

Key Point:

- *Republican Members of the House Financial Services Committee sent letters to various agencies calling for the rescission, modification, or re-proposal of actions from the Biden*

Administration related to financial institutions, capital markets, digital assets and financial technology, and FSOC.

On April 1, Chairman French Hill (R-AR), with Republican members of the House Financial Services Committee, sent [letters](#) to multiple agencies requesting the rescission, modification, or re-proposal of specific actions from the Biden Administration. The letters were sent to the federal banking regulators, the Consumer Financial Protection Bureau, the Securities and Exchange Commission, and Treasury Department.

Financial Institutions:

- Chairman French Hill (R-AR), Subcommittee Chairman Andy Barr (R-KY), and Members of the Subcommittee on Financial Institutions, sent an [interagency letter](#) to federal banking agencies, the [Federal Reserve Board](#), the [Office of the Comptroller of the Currency](#) (OCC), the [Federal Deposit Insurance Corporation](#) (FDIC), and the [Consumer Financial Protection Bureau](#) (CFPB). These letters highlighted the rules and guidance issued under the previous Administration that “reduce competition and innovation and must be rescinded or significantly modified”.

Capital Markets:

- Chairman French Hill (R-AR), Subcommittee Chairwoman Ann Wagner (R-MO), and Members of the Subcommittee on Capital Markets, sent a [letter](#) to the Securities and Exchange Commission calling for the withdrawal of several final and proposed rules that “run counter to the Commission’s core mission”.

Digital Assets and Financial Technology:

- Chairman French Hill (R-AR), Subcommittee Chairman Brayn Steil (R-WI), and Members of the Subcommittee on Digital Assets, Financial Technology, and Artificial Intelligence, sent letters to the [Federal banking agencies on an interagency basis](#) and the [CFPB](#). These letters urge the agencies to withdraw “several regulatory actions that have stifled innovation, restricting financial institutions’ engagement in digital assets and hindering the growth of financial technology companies”.

Financial Stability Oversight Council:

- Chairman French Hill (R-AR) and Subcommittee and Task Force Chairs, sent a [letter](#) to Secretary Bessent regarding the Financial Stability Oversight Council’s (FSOC) decision to “make it easier to subject nonbank financial companies to prudential

supervision by the Federal Reserve through its updates to the Analytic Framework and Nonbank Designation Guidance” and requested that the updated guidance be rescinded and that “FSOC should take a holistic approach to any designation process changes that emphasize cost-benefit analysis”.

House Financial Services Committee Holds Hearing on Combatting Fraud

Key Points:

- *Some Members voiced concerns about the potential burden caused by reporting requirements related to FinCEN’s beneficial ownership information rule, suspicious activity reports, and currency transaction reports.*
- *Members expressed interest in providing state and local law enforcement officials with more resources and technology to combat fraud in the financial services sector.*

On April 1, the House Financial Services Committee National Security, Illicit Finance, and International Financial Services Subcommittee [held](#) a hearing entitled, “Following the Money: Tools and Techniques to Combat Fraud.” Subcommittee Chairman Warren Davidson (R-OH) stated that earlier this month the Federal Trade Commission (FTC) reported that U.S. consumers lost \$5.7 billion to investment scams last year. He explained the dollar is the world’s reserve currency and since its enactment in 1970, the Bank Secrecy Act (BSA) has served as the cornerstone for U.S. anti-money laundering counter-terrorism financing (AML CTF) and know your customer (KYC) compliance measures for U.S. financial institutions. He stated the BSA’s regulatory framework is intended to defend and secure financial systems from crime, however considering the ever-changing landscape of technology and financial crime, the committee must continually assess the effectiveness of the tools and techniques traditionally used to secure the financial system. He called for Congressional reconsideration of these “outdated” thresholds and frameworks so that people and financial institutions can be sufficiently protected.

Subcommittee Ranking Member Joyce Beatty (D-OH) said constituents in red and blue districts alike are being robbed of their earnings. She stated the President announced that the U.S. will no longer enforce the Foreign Corrupt Practices Act (FCPA) which prohibits Americans from bribing foreign officials. She said Treasury Secretary Scott Bessent unilaterally announced that the Treasury would not be enforcing the Corporate Transparency Act (CTA) against U.S. persons. She explained that this exempts over 99 percent of the companies Congress intended for the law to cover. She said gutting the CTA eliminates a critical tool for law enforcement to detect fraud cases that involve anonymous

shell companies effectively making the U.S. a safe haven for money launderers, traffickers, and fraudsters.

House Financial Services Committee Advances Stablecoin, anti-CBDC and other Bills

Key Point:

- *The five bills were voted out of committee and await a vote on the House floor.*

On April 2, the House Financial Services Committee [held](#) a markup of five bills:

- [H.R. 2392](#), the Stablecoin Transparency and Accountability for a Better Ledger Economy (STABLE) Act of 2025 passed by a vote of 32-17.
- [H.R. 2384](#), the Financial Technology Protection Act of 2025 passed by a vote of 49-0.
- [H.R. 976](#), the 1071 Repeal to Protect Small Business Lending Act passed by a vote of 27-22.
- [H.R. 1919](#), the Anti-CBDC Surveillance State Act passed by a vote of 27-22.
- [H.R. 478](#), the Promoting New Bank Formation Act passed by a vote of 28-21.

Chairman French Hill (R-AR) [stated](#), “Since we kicked off the 119th Congress, our members have been hard at work, crafting legislative solutions to difficult problems. ...Three of the bills are part of our ongoing efforts to promote financial innovation through sound digital asset policy, while the other two seek to enhance access to credit by removing compliance burdens and fostering competition through new bank formations. ...Members in this room – on both sides of the aisle – have spent years collaborating on stablecoin legislation. ...We’ve all come to an important conclusion: Innovation needs guardrails, not roadblocks.”

Ranking Member Maxine Waters (D-CA) said, “When I was Chair of this Committee, I launched the Congressional effort to create a federal framework around stablecoins. I wanted robust protections, especially in the wake of major crypto scams that robbed investors of their lifesavings. But, if there is no effort to block the President of the United States of America from owning his stablecoin business just as he owns crypto, which is his largest asset now, I will never be able to agree on supporting this bill.”

Senate Banking Committee Advances SEC, OCC, Treasury, and FTA Nominees

Key Point:

- *The nominees now await a confirmation vote by the full Senate.*

On April 3, the Senate Banking, Housing, and Urban Affairs Committee [held](#) an executive session to consider the nominations of the Honorable Paul Atkins, to be a Member and Chairman, Securities and Exchange Commission; Mr. Jonathan Gould, to be Comptroller of the Currency, Department of the Treasury; Mr. Luke Pettit, to be an Assistant Secretary of the Treasury, Department of the Treasury; and The Honorable Marcus Molinaro, to be Federal Transit Administrator, Department of Transportation. The following nominations were favorably reported to the Senate.

- [PN 18](#), Paul Atkins – Securities and Exchange Commission, was favorably reported to the Senate by a vote of 13-11.
- [PN 25-15](#), Jonathan Gould – Comptroller of the Currency was favorably reported to the Senate by a vote of 13-11.
- [PN 25-39](#), Luke Pettit – Assistant Secretary of the Treasury was favorably reported to the Senate by a vote of 19-5.
- [PN 22-18](#), Marcus Molinaro – Federal Transit Administrator was favorably reported to the Senate by a vote of 20-4.

Chairman Tim Scott (R-SC) said the nominees have the experienced leadership and commitment needed to restore economic growth and financial stability. He stated Paul Atkins will promote capital formation and provide clarity for digital assets. He said under Atkins' leadership the SEC will return to its core mission and ensure markets remain the envy of the world. He stated Jonathan Gould brings first-hand experience to the Office of the Comptroller of the Currency (OCC) and put an end to debanking to ensure financial institutions serve all credit-worthy Americans. He said Luke Pettit has the experience and bipartisan approach needed to address economic challenges and advance common-sense reform. He stated Marcus Molinaro brings extensive experience from his time in Congress and serving on the House Transportation and Infrastructure Committee. He noted Molinaro has a long career in local government which makes him uniquely qualified for the role of Federal Transit Administrator.

Ranking Member Elizabeth Warren (D-MA) noted Atkins and Gould have previously served at the agencies they are now nominated to lead. She stated Atkins was “dead wrong” in the lead up to the worst financial crisis in a generation and has spent post government career helping billionaire scammers like Sam Bankman-Fried get richer. She stated Gould weakened the rules and said Gould's track record suggests he will do what is in the best interest of Wall Street. She stated Pettit will go along with the Administration's deregulatory agenda instead of fighting to protect consumers and financial stability. She noted Molinaro wants to improve public transportation and support public transit workers, but suggested

that it seems clear the White House and Musk will terminate FTA employees and take actions to undermine the Department of Transportation (DOT).

Chairman Scott, Colleagues Call on FHFA Director to End Waste, Politicization at Agency

Key Point:

- *The letter applauds Pulte's work since taking over the FHFA and encourages him to continue working to root out waste, fraud, and abuse and shift focus of the entity back to its core mission.*

On April 4, Senate Banking, Housing, and Urban Affairs Chairman Tim Scott (R-SC) led committee Republicans in sending a [letter](#) to Director of the Federal Housing Finance Agency (FHFA), Bill Pulte. The letter called on Pulte to return the agency and its regulated entities to their core mission of strengthening the U.S. housing finance system. The letter urged Pulte to aggressively root out government waste and review policies, personnel, and practices at the FHFA and its regulated entities.

Upcoming Hearings and Meetings

April 8

HUD Oversight: The House Financial Services Committee Oversight and Investigations Subcommittee will [hold](#) a hearing entitled, "Decades of Dysfunction: Restoring Accountability at HUD."

Treasury Market: The House Financial Services Committee Monetary Policy, Treasury Market Resilience, and Economic Prosperity Task Force will [hold](#) a hearing entitled, "U.S. Treasury Debt in the Monetary System."

April 9

Digital Assets: The House Financial Services Committee Digital Assets, Financial Technology, and Artificial Intelligence Subcommittee will [hold](#) a hearing entitled, "American Innovation and the Future of Digital Assets: Aligning the U.S. Securities Laws for the Digital Age."

April 10

SEC Small Business Forum: The Securities and Exchange Commission will [hold](#) its 44th Annual Small Business Forum to “discuss and provide suggestions to improve policy affecting how entrepreneurs, small businesses, and smaller public companies raise capital from investors”.

Fed, HUD, Treasury, Commerce Nominations: The Senate Banking Committee will hold a hearing on the following nominations: Mr. Andrew Hughes, to be Deputy Secretary, Department of Housing and Urban Development; Mr. David Woll, to be General Counsel, Department of Housing and Urban Development; The Honorable Michelle Bowman, to be Vice Chairman for Supervision, Board of Governors of the Federal Reserve System; Mr. John Hurley, to be Under Secretary for Terrorism and Financial Crimes, Department of the Treasury; Mr. David Fogel, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, Department of Commerce; and Mr. Landon Heid, to be an Assistant Secretary of Commerce, Department of Commerce.

April 11

SEC Crypto Task Force: The Securities and Exchange Commission’s (SEC) Crypto Task Force will [host](#) a roundtable entitled, “Between a Block and a Hard Place: Tailoring Regulation for Crypto Trading.”

April 25

SEC Crypto Task Force: The Securities and Exchange Commission’s (SEC) Crypto Task Force will [host](#) a roundtable entitled, “Know Your Custodian: Key Considerations for Crypto Custody.”

April 29

Regulatory Overreach: The House Financial Services Committee Financial Institutions Subcommittee will [hold](#) a hearing entitled, “Regulatory Overreach: The Price Tag on American Prosperity.”

Proxy Advisors: The House Financial Services Committee Capital Markets Subcommittee will [hold](#) a hearing entitled, “Exposing the Proxy Advisory Cartel: How ISS & Glass Lewis Influence Markets.”

April 30

Markup: The House Financial Services Committee will [hold](#) a markup.

May 6

SEC Small Business Committee: The Securities and Exchange Commission's (SEC) Small Business Capital Formation Advisory Committee will [hold](#) a meeting to discuss "rules and regulations affecting small and emerging businesses and their investors under the federal securities laws."

May 12

SEC Crypto Task Force: The Securities and Exchange Commission's (SEC) Crypto Task Force will [host](#) a roundtable entitled, "Tokenization – Moving Assets Onchain: Where TradFi and DeFi Meet."

June 5

SEC Event on Asset Management: The SEC's Division on Investment Management will [hold](#) its conference on Emerging Trends in Asset Management. The Conference will "bring together a variety of asset management industry participants, regulators, commentators, and academics to discuss emerging trends in the industry."

June 6

SEC Crypto Task Force: The Securities and Exchange Commission's (SEC) Crypto Task Force will [host](#) a roundtable entitled, "DeFi and the American Spirit."

For more information about financial services issues you may email [Joel Oswald](#) or [Mahlet Makonnen](#). Ashley Kinder and Adam Royko contributed to this section.

ENERGY & ENVIRONMENT

Upcoming Hearings and Events:

April 8

Pending Legislation: The House Natural Resources Committee's Water, Wildlife and Fisheries Subcommittee will hold a [hearing](#) on pending legislation.

April 9

Superfund: The Senate Environment and Public Works Committee will hold a [hearing](#) titled "Improving Future Management of the Superfund Program". Scheduled witnesses are: Robert Fox, Senior Partner, Manko Gold Katcher Fox LLP; Steven B. Radel, President, Industrial Development Advantage, LLC; and J. Alfredo Gomez, Director, Natural Resources and Environment Team, U.S. Government Accountability Office (GAO).

AI and Energy: The House Energy and Commerce Committee will hold a [hearing](#) titled "Converting Energy into Intelligence: the Future of AI Technology, Human Discovery, and American Global Competitiveness".

April 10

Nominations: The Senate Energy and Natural Resources Committee will hold a [hearing](#) on the following nominations: Preston Wells Griffith III to be Under Secretary of Energy; Dario Gil to be Under Secretary of Energy for Science; and Kathleen Sgamma to be Director of the Bureau of Land Management, Department of the Interior

April 17

FERC Open Meeting: The Federal Energy Regulatory Commission (FERC) will hold its monthly [open meeting](#).

June 4

Grid Resource Adequacy: FERC will hold a [technical conference](#) on "Meeting the Challenge of Resource Adequacy in Regional Transmission Organization and Independent System Operator Regions". The conference is "to discuss generic issues related to resource adequacy constructs, including the roles of capacity markets in the Regional Transmission

Organization (RTO)/Independent System Operator (ISO) regions that utilize them and alternative constructs in RTO/ISO regions without capacity markets.”

For more information about energy and environment issues you may [email](#) or call Frank Vlossak at 202-659-8201.

HEALTH

HHS Floats Further Reorganization Efforts at FDA

Key Points:

- *HHS has proposed merging the FDA's product review centers into a unified Office of Product Evaluation and Regulation.*
- *The reorganization proposal would include creating a new Office of Inspections, Compliance, and Enforcement, combining compliance units from all product centers, and consolidating the FDA's policy offices into an Office of Scientific and Regulatory Policy.*

The Department of Health and Human Services (HHS) has proposed major organizational changes to the Food and Drug Administration's (FDA) structure. This proposal suggests merging the agency's various product review centers into a single unified office called the Office of Product Evaluation and Regulation. The goal is to streamline operations and create a more efficient and holistic approach to public health regulation. The reorganization would not only focus on pharmaceuticals and medical devices but also expand its scope to address broader issues such as chronic diseases, nutrition, and dietary supplements.

The proposed reorganization would include merging of compliance units from each of the FDA's product centers into a new Office of Inspections, Compliance, and Enforcement, which would also include the Office of Inspections and Investigations. Additionally, the FDA's policy offices would be combined into a new Office of Scientific and Regulatory Policy. This office would be responsible for policy development, rulemaking, establishing scientific standards, and ensuring alignment with international regulators. The proposal also includes the creation of three additional offices: the Office of Administrative and Shared Services to manage human resources, budgeting, IT, and training; the Office of Strategic Programs and Innovation to focus on agency-wide initiatives and technology modernization; and the Digital Health Center of Excellence, which would drive long-term strategic planning and technology adoption.

As the FDA undergoes these structural changes, stakeholders such as health experts and the pharmaceutical industry are seeking clarity on how the agency will function in the

future, especially in terms of product review processes, enforcement, and policy development. Public health experts have expressed concern about how the reorganization might affect the FDA's ability to protect public health and regulate medical products effectively. Pharmaceutical industry players, including drug manufacturers and biotech companies, are also worried about the potential impact on drug approvals, inspections, and overall regulatory processes.

Senate Judiciary Committee Advances Bills to Lower Prescription Drug Prices

Key Points:

- *The Senate Judiciary Committee advanced six bipartisan bills to lower prescription drug prices and increase market competition.*
- *The proposed legislation seeks to enhance transparency in the pharmaceutical industry, improve access to more affordable drugs, and ensure that patients have better options for prescription medications.*

On April 3, the Senate Judiciary Committee advanced six bipartisan bills led by Senator Chuck Grassley (R-IA) aimed at reducing prescription drug costs and boosting competition within the pharmaceutical industry.

The six bills advanced by the committee include the Prescription Pricing for the People Act ([S.527](#)), which requires the Federal Trade Commission (FTC) to complete its 6(b) study on pharmacy benefit managers (PBMs) and provide policy recommendations to Congress regarding them; the Drug Competition Enhancement Act ([S.1040](#)), which aims to prevent pharmaceutical companies from engaging in product hopping to delay generic competition; the Affordable Prescriptions for Patients Act ([S.1041](#)), focused on eliminating patent thickets that block the entry of more affordable biosimilars; the Preserve Access to Affordable Generics and Biosimilars Act ([S.1096](#)), which seeks to ensure that affordable alternatives to brand-name medications are accessible to consumers by prohibiting "pay-for-delay" agreements, where brand-name drug manufacturers pay generic drug companies to delay their market entry; the Interagency Patent Coordination and Improvement Act ([S.1097](#)), which aims to streamline the patent examination process, reduce backlogs, and enhance the overall functioning of the U.S. Patent and Trademark Office (USPTO); and the Stop STALLING Act ([S.1095](#)), which targets pay-for-delay deals and other anticompetitive tactics used by brand-name drug manufacturers to prevent or delay the entry of lower-cost alternatives, such as generics and biosimilars.

All six bills were advanced by voice vote. Additionally, Chairman Grassley said, "Americans facing skyrocketing prescription drug costs are eager for Congress to act. It's why reducing

prescription drug costs is one of my highest priorities. These bills will help shine a light on prescription drug pricing and clamp down on the abusive practices that continue to unfairly drive up drug costs for Iowans.”

FTC Case Against PBMs to Continue Despite Concerns Over Fired Commissioners

Key Points:

- *The recent dismissal of Commissioners Alvaro Bedoya and Rebecca Kelly Slaughter left the FTC without a quorum, forcing it to halt its antitrust case against major PBMs.*
- *However, FTC Chairman Andrew Ferguson has decided to no longer recuse himself allowing the case to proceed.*

Earlier this week, the FTC [paused](#) its antitrust lawsuit against major PBMs due to leadership changes. The case, filed in September 2024, targeted Cigna’s Express Scripts, UnitedHealth’s OptumRx, and CVS Health’s Caremark, alleging they inflated insulin prices by favoring higher-priced products to secure larger rebates. The decision came after President Donald Trump dismissed two Democratic commissioners, Alvaro Bedoya and Rebecca Kelly Slaughter, leaving the FTC without the necessary quorum to proceed with the case.

With only two remaining Republican commissioners, Andrew Ferguson and Melissa Holyoak, who had both recused themselves, the FTC was left unable to proceed and agreed to a 105-day stay in the case. However, FTC Chairman Andrew Ferguson decided to become involved in the matter, allowing the case to proceed. In a statement on [X](#), Ferguson explained his prior involvement in related matters during his tenure as Virginia’s Solicitor General, which could create a conflict of interest. But after consulting with his agency’s ethics attorneys, he decided to no longer recuse himself to ensure the case continues.

Senate Aging Committee Members Urge FDA to Prioritize Drug Quality and Protect Seniors from Foreign and Domestic Risks

Key Points:

- *Members of the Senate Aging Committee urged the FDA to prioritize drug quality and ensure foreign and domestic manufacturers meet the same safety standards.*
- *They emphasized the need for FDA action to address drug quality risks, citing past incidents of contaminated drugs.*

Chairman of the Senate Special Committee on Aging Rick Scott (R-FL) led a [letter](#) with Senators Ashley Moody (R-FL) and Jim Justice (R-WV), to the Food and Drug Administration (FDA) Commissioner urging the FDA to ensure consistent drug quality standards for both

domestic and foreign manufacturers, with a focus on safeguarding medications relied upon by American seniors.

The senators highlighted that over 50 percent of drug manufacturers supplying the U.S. market operate overseas, and approximately 80 percent of Active Pharmaceutical Ingredients (APIs) are produced internationally. They expressed concern regarding manufacturers in China and India, noting these countries have received the most FDA warning letters for violations such as contamination, data falsification, and non-sterile manufacturing processes. They expressed concern for manufacturers in China and India, noting these countries have received the most FDA warning letters for violations such as contamination, data falsification, and non-sterile manufacturing processes.

The letter posed several questions to the FDA and emphasized the urgency of these inquiries, stating that "violations of this nature present an unacceptable risk to the health and safety of Americans, especially our seniors who disproportionately rely on pharmaceutical products." They urged the FDA to utilize its authority to ensure foreign drugs approved by the agency meet and maintain the same quality standards as domestic drugs.

House VA Holds Hearing on Harnessing Biomedical Innovation

Key Point:

- *Topics discussed during the hearing included cost-saving measures, contract efficiency, and the role of technology in veterans' health care.*

On April 1, the House Veterans' Affairs (VA) Committee held a [hearing](#) entitled, "Harnessing Biomedical Innovation: Modernizing VA Healthcare for the Future." Witnesses for the hearing included: Will Gray, Vice President of Marketing and Commercial Operations at Boston Scientific; Dr. Jon Bloom, CEO of Podimetrics; Jeff DiLullo, Executive Vice President and Chief Regional Leader for Phillips North America; and Dr. Sai Parthasarathy, Director of the Center for Sleep, Circadian, and Neuroscience Research at the University of Arizona Health Sciences.

Members of the House VA Committee discussed cost-saving measures, contract efficiency, and the role of technology in veterans' health care. Republicans emphasized cost containment and efficiency in the VA's procurement process. They highlighted innovative technologies in diabetes prevention, sleep apnea treatment, and AI-driven diagnostics as ways to improve veteran care while reducing expenses. Additionally, some Republicans, like Representative Greg Murphy (R-NC), argued that increasing funding would not solve

systemic inefficiencies. Others, such as Representative Jack Bergman (R-MI), pushed for adopting DOD procurement strategies to streamline medical technology acquisitions. Many also supported expanding remote monitoring and AI-driven health care solutions to reduce hospitalizations, particularly in rural areas.

Democrats, on the other hand, voiced concerns over VA workforce reductions and the potential privatization of services. Representatives like Maxine Dexter (D-OR) and Julia Brownley (D-CA) criticized the hearing for excluding VA officials and allowing private companies to pitch their products. They argued that ongoing staff reductions, hiring freezes, and contract cancellations are jeopardizing the care of veterans.

House Education and the Workforce HELP Subcommittee Holds Hearing on Employer-Sponsored Health Care

Key Point:

- *Topics discussed in the hearing included AHPs, DPC, self-insurance, Medicaid funding, and telehealth.*

On April 2, the House Education and the Workforce Health, Employment, Labor, and Pensions Subcommittee held a [hearing](#) entitled, "A Healthy Workforce: Expanding Access and Affordability in Employer-Sponsored Health Care." Witnesses for the hearing included: Angela Shields, CEO of Tennessee REALTORS; Marcie Strouse, Partner at Capitol Benefits Group; and Bethany Lilly, Executive Director of Public Policy for The Leukemia and Lymphoma Society.

Committee members focused on expanding access and affordability in employer-sponsored health care, with key discussions on association health plans (AHPs), direct primary care (DPC), self-insurance, Medicaid funding, and telehealth. Republicans strongly supported AHPs, arguing they provide lower-cost and Affordable Care Act (ACA)-compliant coverage. Specifically, they recommended AHPs for self-employed individuals and small businesses, citing examples where deductibles were significantly reduced. They pushed for strengthening self-insurance protections through the Self-Insurance Protection Act ([118th Congress](#)), preventing federal overreach that could limit employer flexibility. They emphasized the need to expand telehealth, particularly for behavioral health and rural communities, highlighting its increased use during the pandemic. Overall, they prioritized deregulation, cost-saving alternatives, and employer flexibility as solutions to improve affordability and access in employer-sponsored health care.

Democrats focused on protecting the ACA, defending Medicaid funding, and addressing affordability issues in employer-sponsored insurance. They raised concerns about insurance claim denials and called for greater transparency and consumer protection in health care. Some pushed for broader reforms, including universal health care, to ensure more equitable access.

Upcoming Hearings and Events

April 8

Full Committee Markup: The House Energy and Commerce Committee will [hold](#) a Full Committee Markup on 26 bills. The markup will include the following health care-related bills:

- [H.R. 2483](#), SUPPORT for Patients and Communities Reauthorization Act of 2025
- [H.R. 1520](#), Charlotte Woodward Organ Transplant Discrimination Prevention Act
- [H.R. 2319](#), Women and Lung Cancer Research and Preventive Services Act of 2025
- [H.R. 1669](#), To amend the Public Health Service Act to reauthorize the Stop, Observe, Ask, and Respond to Health and Wellness Training Program.
- [H.R. 1082](#), Shandra Eisenga Human Cell and Tissue Product Safety Act
- [H.R. 2484](#), Seniors' Access to Critical Medications Act

Biosimilar Market: The House Ways and Means Subcommittee on Health will hold a [hearing](#) entitled, "Lowering Costs for Patients: The Health of the Biosimilar Market."

April 9

Trust in FDA: The House Oversight and Government Reform Committee will hold a [hearing](#) entitled, "Restoring Trust in FDA: Rooting Out Illicit Products."

For more information about health care issues you may [email](#) Laura Simmons. Aubrie Chastain contributed to this section.

CYBERSECURITY, PRIVACY, AND ARTIFICIAL INTELLIGENCE

House Homeland Security Holds Hearing on the State and Local Cybersecurity Grant Program

Key Points:

- *This week, the House Homeland Security Committee's Subcommittee on Cybersecurity and Infrastructure Protection held a hearing to discuss the reauthorization of the State and Local Cybersecurity Grant Program.*
- *While Members and witnesses noted challenges with the program's current administration, they agreed on the urgent need for its reauthorization this year and suggested potential improvements to consider in the process.*

On April 1st, the House Homeland Security Committee's Subcommittee on Cybersecurity and Infrastructure Protection held a hearing titled "Cybersecurity is Local, Too: Assessing the State and Local Cybersecurity Grant Program." Subcommittee members and witnesses spanning the public and private sectors discussed the need to both upgrade and reauthorize the four-year-old program, which was established by the Infrastructure Investment and Jobs Act (IIJA; [P.L. 117-58](#)) in 2021. The program, which is jointly administered by the Cybersecurity and Infrastructure Security Agency (CISA) and the Federal Emergency Management Agency (FEMA), is set to expire in September of this year.

In his opening statement, Subcommittee Chairman Andrew Garbarino (R-NY) commented that while the State and Local Cybersecurity Grant Program (SLCGP) has its challenges, it also "has undoubtedly improved, and sometimes even established, the cybersecurity posture for our states and localities." He explained that since Congress established the program, nearly one billion dollars has been allocated to bolster the cybersecurity postures of state and local governments, which witnesses explained have fewer resources and expertise to combat the growing threat of cyber-attacks on U.S. networks and critical infrastructure. Mark Raymond, Connecticut's Chief Information Officer, reported that as the Trump Administration pursues further cuts in personnel and funding to both CISA and FEMA, more responsibility to combat cyber incidents has fallen to the states. He said that any further reductions to the program would "diminish our ability to help municipalities."

Members across the aisle and witnesses agreed on the need for reauthorization, however they also highlighted several challenges that exist with the program today. The issues raised included inconsistent funding which makes governments hesitant to apply, an overly burdensome application process, and rising match percentage grant requirements. Kevin

Kramer, Vice President of the National League of Cities, suggested the program would benefit from a separate fund reserved for large cities and municipalities, allowing them to apply directly rather than through the state. He also supported the idea of multi-jurisdictional grants, which would allow technical services to be delivered to multiple communities simultaneously.

Kramer and the other witnesses voiced their support for a fully funded SLCGP as Congress looks to reauthorize the program this year. "We ask Congress to reauthorize and fully fund this program with predictability and consistency. Without that, local governments are less likely to make the necessary investments in planning and assessment that lead to strong applications and long-term resilience."

While Subcommittee Ranking Member Eric Swalwell (D-CA) took the opportunity to criticize the Trump Administration's cuts to CISA and FEMA as detrimental to the nation's cyber readiness, he and the Chairman agreed that the program's reauthorization and improvement will be a priority in the months ahead.

IRS and HHS Layoffs Eliminate Top Cyber, IT Officials

Key Points:

- *Several federal civilian agencies, including the Department of Health and Human Services and the Internal Revenue Service, recently announced significant cuts to their workforces, with many senior IT and cybersecurity officials being laid off.*

Last week, the Department of Health and Human Services (HHS) [announced](#) a major workforce cut of 10,000 employees across the agency, including moves to centralize information technology employees. As a result, HHS and its component agencies on Wednesday announced the termination of swath of cybersecurity and IT officials, paring 28 divisions down to 15 to "centralize core functions," including IT and procurement.

Similarly, the Internal Revenue Service (IRS) also recently announced cuts to its IT and cybersecurity workforce, laying off 50 senior employees last Friday. Reports suggest that the agency intends to terminate as much as 50 percent of its IT workforce, with more cuts likely to come.

This week marks the latest announcements of federal agencies regarding significant cuts to its funding and/or workforce as part of the Trump Administration's efforts to eliminate fraud, waste, and abuse and slash spending. Trump and the U.S. DOGE Service have

focused their workforce reduction initiatives on IT staff across agencies, often citing insufficient technical expertise or a lack of outcome-based results.

CISA and Partners Release Fast Flux Cybersecurity Advisory

Key Points:

- *This week, CISA alongside several government and international partners released a joint Cybersecurity Advisory to warn organizations, internet and cybersecurity service providers, and others of the ongoing threat of malicious cyber actors using fast flux techniques to conceal their operations.*

On April 3rd, the Cybersecurity and Infrastructure Security Agency (CISA) [released](#) a joint [Cybersecurity Advisory](#) “to warn organizations, internet service providers (ISPs), and cybersecurity service providers of the ongoing threat of fast flux enabled malicious activities as a defensive gap in many networks.” The nation’s top cyber watchdog issued the advisory alongside the National Security Agency (NSA), Federal Bureau of Investigations (FBI), and other government and international partners. The guidance included recommended actions to defend against fast flux techniques.

The advisory explains that “malicious cyber actors, including cybercriminals and nation-state actors, use fast flux to obfuscate the locations of malicious servers by rapidly changing Domain Name System (DNS) records.” It further notes that they can create resilient and highly available command and control (C2) infrastructure to further conceal their malign operations.

In an effort to defend against fast flux techniques, CISA and its partners recommend the following mitigation tactics for government and critical infrastructure organizations in coordination with ISPs, cybersecurity service providers, and protective DNS services:

- DNS, IP blocking, and sink holing of malicious fast flux domains and IP addresses;
- Reputational filtering of fast flux enabled malicious activity;
- Enhanced monitoring and logging;
- Collaborative defense and information sharing; and
- Phishing awareness and training.

Upcoming Hearings and Events

April 8

DeepSeek: The House Science, Space and Technology Committee's Research and Technology Subcommittee [holds](#) a hearing on "DeepSeek: A Deep Dive."

E&C Markup: The House Energy and Commerce Committee holds a full committee markup of 26 bills. Find the full list of bills to be considered [here](#).

GenAI in Government: The Government Executive Media Group and Elastic [hold](#) a virtual discussion, beginning at 2 p.m., on "GenAI in Government: Practical Solutions for Civilian and Defense Agencies."

April 9

AI, Data, and Government Efficiency: The Joint Economic Committee [holds](#) a hearing on "Reducing Waste, Fraud and Abuse Through Innovation: How AI & Data Can Improve Government Efficiency."

AI and Energy: The House Energy and Commerce Committee will hold a [hearing](#) titled "Converting Energy into Intelligence: the Future of AI Technology, Human Discovery, and American Global Competitiveness".

Review of U.S. Cyber Command: The Senate Armed Services Committee's Cybersecurity Subcommittee [holds](#) a hearing on "United States Cyber Command in review of the Defense Authorization Request for FY2026 and the Future Years Defense Program."

April 10

CyberRisk Summit: CyberRisk Alliance [holds](#) its 2025 Cybersecurity Summit, including remarks on topics such as emerging threats and security trends.

DOJ vs. Google: The Information Technology and Innovation Foundation [holds](#) a virtual discussion, beginning at 11 a.m., on "The DOJ v. Google Saga Continues: What's at Stake in the Search Remedies Trial?"

For more information about cybersecurity issues you may email [Mahlet Makonnen](#) or [Frank Vlossak](#). Gray Eisler contributed to this section.

TRADE

President Trump Imposes Reciprocal Tariff Regime on Dozens of Nations Alongside 10 Percent Tariff Baseline for All Imports

Key Points

- *On “Liberation Day,” President Trump signed an executive order to impose reciprocal tariffs on a series of major trading partners effective April 9.*
- *Country-specific tariffs are half of a nation’s tariffs on the U.S., including tariff barriers and currency manipulation.*
- *In addition, a 10 percent minimum baseline will be applied to all nations’ imports effective April 5.*
- *The President also signed an executive order to remove de minimis eligibility for goods from China.*

On April 2, President Trump signed an [executive order](#) imposing “reciprocal” tariffs on dozens of foreign trading partners. Effective April 5, the U.S. will impose a 10 percent tariff on imports from all other nations. Additional country-specific reciprocal tariffs will become effective April 9, with the 10 percent universal tariff serving as a minimum rate for all countries. Critically, the country-specific tariffs are half the rate of the tariffs that a given nation has placed on the U.S., with trade barriers and currency manipulation included. Among the [list](#) of initially impacted countries, noteworthy duty changes include a 20 percent tariff on the European Union, a 24 percent tariff on Japan, a 26 percent tariff on India, and a 32 percent tariff on Taiwan. The 34 percent tariff placed on China will be in addition to the pre-existing 20 percent duty on imports, equating to a 54 percent total tariff rate plus the Section 301 tariffs already in place. In response, China has [announced](#) retaliatory tariffs of 34 percent on all U.S. goods effective April 10.

According to the White House, the President is authorized to alter the rates in the face of retaliation or negotiations with other countries. In addition, certain goods like steel, copper, pharmaceuticals, bullion, energy products, and minerals not available in the U.S. will not be subject to the country-specific reciprocal tariffs or the 10 percent minimum baseline tariff. A list of articles not immediately subject to tariffs was [posted](#) on the White House’s website shortly after the executive order was signed.

De Minimis

On the same day, President Trump issued an [executive order](#) to remove duty-free de minimis entry for Chinese (including Hong Kong) goods. The President invoked authorities within the International Emergency Economic Powers Act (IEEPA) ([P.L. 95-223](#)), the National

Emergencies Act ([P.L. 94-412](#)), and Section 604 of the Trade Act of 1974 ([P.L. 93-618](#)) when making the change, citing national security concerns about illicit substances entering from the PRC through the de minimis exemption. Previously eligible goods will now be subject to a duty rate of either 30 percent of their value or \$25 per item (\$50 per item starting on June 1st). However, the executive order does not apply to goods sent through the international postal network. These changes will become effective on May 2. In addition, carriers that transport postal items internationally with goods from China must have an international carrier bond to ensure duties are paid. U.S. Customs and Border Protection will also be allowed to require formal entry for international postal packages, meaning the goods would be subject to all applicable tariffs and taxes rather than just the tariff set for de minimis goods.

Trump Administration Imposes Tariffs on Autos and Auto Parts Starting April 3 and May 3, Respectively

Key Points

- *The Trump Administration has issued a 25 percent tariff on automobiles effective immediately.*
- *In addition, a 25 percent tariff on automotive parts will become effective starting May 3.*

On April 3, the Trump Administration [issued](#) a Federal Register document confirming it was moving forward with previously announced tariffs on automobile and automobile part imports. The tariffs, set at 25 percent, were originally [announced](#) on March 26 and cited escalating national security concerns. Notably, the President's executive order provided that automobiles imported under the U.S.-Mexico-Canada Agreement could certify their domestic content and systems and only be tariffed for the value of non-U.S. content. The newly published documentation clarifies that the tariff on automobiles will become effective on April 3, while the tariff on automobile parts will become effective starting May 3.

Senate Passes Resolution to Cancel Emergency for Tariffs on Canada, But House Not Voting Anytime Soon

Key Points

- *Four Republican Senators joined a Democrat-led resolution to block the Trump Administration's tariffs on Canadian goods and energy.*
- *The resolution passed the Senate by a vote of 51 to 48.*
- *It appears unlikely the resolution will come to a vote soon in the House, which would be necessary for the emergency to be terminated under IEEPA.*

On April 2, four Republican senators joined all Senate Democrats to pass a resolution ([S. J. Res. 37](#)) to terminate the national emergency on the Canadian border. The emergency, which was declared on February 1, was used as legal authority for the imposition of 25 percent tariffs on all Canadian goods (with the exception of 10 percent tariffs on Canadian energy products). Senator Paul (R-KY), Senator McConnell (R-KY), Senator Murkowski (R-AK), and Senator Collins (R-ME) joined all 47 Senate Democrats in voting to approve the resolution.

If approved by both chambers, the resolution would terminate the national emergency declared by the Trump Administration and would prevent the President from invoking further tariffs under IEEPA. It remains unlikely, however, that the House will pass or even consider the resolution soon; in mid-March the chamber passed a resolution ([H. Res. 211](#)) that included a provision asserting no days in the first session of the 119th Congress would count towards the six months given to Congress to approve, reject, or let expire a national emergency declaration. As such, the vote in the Senate is more representative of a symbolic opposition to the tariffs, with Senate Minority Leader Schumer (D-NY) stating after the vote that Republican defection on the resolution was proof of bipartisan discontent about President Trump's trade policies.

Senator Cantwell and Senator Grassley Introduce Legislation to Limit Presidential Tariff Powers, Require Congressional Approval

Key Points:

- *Senator Cantwell (D-WA) and Senator Grassley (R-IA) have introduced a bill designed to limit President Trump's tariff authorities.*
- *If passed, the Trade Review Act would require the President to notify Congress 48 hours after altering a tariff rate or creating a new tariff.*
- *In addition, it would mandate that duty changes would expire 60 days after they are imposed unless approved by Congress.*
- *The bill is very unlikely to be enacted, however.*

On April 2, Senate Finance Ranking Member Cantwell (D-WA) and Senator Grassley (R-IA) introduced legislation intended to limit executive tariff authorities and boost congressional oversight on trade policy. The bill, dubbed the Trade Review Act of 2025 ([S. ____](#)), would require congressional approval for any new or increased tariffs proposed by the President, with exceptions provided for antidumping and countervailing duties. In a [press release](#), Ranking Member Cantwell stated that such legislation is needed to reassert congressional authority over trade policy. Cantwell expressed disapproval over a potential trade war

prompted by President Trump's retaliatory tariffs, stating that they "damage U.S. export opportunities and raise prices for American consumers and businesses." The bill would require the President to notify Congress within 48 hours of imposing or raising a tariff, as well as provide reasoning for the policy change. In addition, new tariffs or duty alterations would expire within 60 days of being imposed unless Congress passes a joint resolution of approval.

Despite the bipartisan introduction, this legislation is not likely to be enacted.

Senator Gallego Introduces Bill to Establish Inspector General at USTR

Key Points

- *Senator Gallego (D-AZ) introduced a bill aiming to establish an Inspector General at USTR.*
- *Gallego alleges that current tariff policy is opaque and would benefit from oversight, with his bill requiring that the President nominate someone for the position at USTR within 120 days of enactment.*

On April 2, Senator Gallego (D-AZ) introduced legislation to establish an Inspector General in the Office of the U.S. Trade Representative (USTR) in response to ongoing tariff processes. The USTR, responsible for developing and negotiating U.S. trade policy, is one of the few cabinet-level agencies without an Inspector General. The USTR Inspector General Act of 2025 ([S. ___](#)) would establish an Office of the Inspector General within the USTR and require that the President nominate someone for the position within 120 days of its enactment. In a [statement](#), Senator Gallego emphasized the need for accountability and transparency, stating that U.S. tariff policy should not "enrich billionaires at the expense of hardworking Americans." In addition, Senator Gallego's office also highlighted a [study](#) that found companies that made political contributions favorable for the first Trump Administration were more likely to win tariff exclusions.

Upcoming Meetings and Events

Tuesday & Wednesday, April 8-9

Annual USTR Greer Hearings: On Tuesday, the Senate Finance Committee will hold a hearing entitled, "Hearings to Examine the President's 2025 Trade Policy Agenda." The hearing will be held in 215 Dirksen Senate Office Building at 10:00 a.m., and [webcast](#) as well.

On Wednesday, the House Ways and Means Committee will hold a hearing entitled, "The Trump Administration's 2025 Trade Policy Agenda with United States Trade Representative

Jamieson Greer.” The hearing will be held at 1100 Longworth House Office Building, and [webcast](#) as well. Both hearings will include testimony from USTR Greer on the Trump Administration’s 2025 trade policy agenda.

For more information about trade issues you may [email](#) or call Christopher Hatcher at 202-659-8201. Noah Hawkins and Charlie Hansen contributed to this section.