FCA INTERNATIONAL LEGISLATIVE Update
Building a Better Future for Our Families

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Congressional Overview

Congress returned from their August recess to tackle a busy few months, including a potential government shutdown, a fight over presidential nominations (and adjacent issues relating to the President's authority to fire a Federal Reserve governor), a bipartisan procedural maneuver to release files relating to Jeffrey Epstein, work on the National Defense Authorization Act (NDAA), and potential end-of-year tax legislation.

The House voted on four measures under a rule, including its Energy and Water appropriations bill (H.R. 4553), which would boost funding for nuclear energy and national security while slashing many clean energy programs, and three resolutions brought up under the Congressional Review Act to revoke Biden administration changes to Bureau of Land Management resource plans restricting mineral leases in Montana (H.J. Re. 104), North Dakota (H.J. Res. 105), and Alaska (H.J. Res. 106).

The Senate voted on the FY 2026 National Defense Authorization Act (NDAA). Members have filed almost 700 amendments, and consideration should take a couple of weeks. The bill could serve as a vehicle for passage of other legislation; likely candidates to be added via a manager's amendment include a bipartisan bill that would expand deposit insurance for transaction accounts used by businesses; a proposal to mandate a 10-year statute of limitations for criminal and civil violations of certain Small Business Administration (SBA) programs; a measure to double the individual loan limit for SBA loan programs; and renewal of the Small Business Innovation and Research Technology Transfer programs.

Administration Rolls the Dice on a Pocket Recission Law

Last week, the White House notified Congress of the President's intent to rescind $4.9 billion in funds appropriated for foreign aid. The legality of this "pocket recission" is untested. The move has outraged Democrats and raises concerns among some Republicans regarding executive branch encroachment on Congress's power of the purse. It complicates negotiations on appropriations and is expected to significantly increase the odds of a government shutdown at the end of the month.

Status of FY 2026 Funding

Before recessing, the Senate passed just three of the twelve appropriations bills – Agriculture, Legislative Branch, and Military Construction-Veterans' Affairs (Mil Con). The House passed only two – Defense, and Mil Con. None of these bills have been enacted into law. At least some Democratic votes will be necessary for any funding measure to pass the Senate. Congress has a long way to go to fund the government past the end of the current fiscal year (September 30). House and Senate Republicans have different preferences regarding topline budget numbers,

and the party has yet to settle on a strategy going forward. Democrats are under pressure from their base to fight Republicans on everything, but they must unite on feasible demands in exchange for their votes. In the circumstances, the best-case path forward probably is passage of a short-term continuing resolution (CR) by the end of the month to continue funding at FY 2025 levels (actually, FY 2024 levels, since Congress has funded the government through current fiscal year on a CR) and allow more time for the parties to negotiate a longer-term solution. The alternative to passing a CR is a government shutdown.

One potential long-term resolution under discussion is to pass a CR to last for the duration of FY 2026 that also includes earmarks and perhaps some policy provisions to sweeten the deal. At least some members of the more conservative Freedom Caucus support this plan – an unusual position since that group typically would not vote for a stop-gap funding measure and traditionally has opposed earmarks. The approach would allow budget hawks to avoid a full-year package that would certainly incorporate higher spending levels, and the sweeteners might convince other members of the party, including moderate Republicans facing tough reelections next year, to support the approach.

Confirmation of President Trump's Nominees

Democrats have refused to consent to expedited Senate consideration of any of President Trump's nominees this year. As a result, moving each nomination involves several preliminary process votes, a two-session-day waiting period after the Majority Leader files cloture, and up to two hours of debate before the chamber can move to a final vote on confirmation. To say the least, this has slowed the confirmation process.

Leader John Thune (R-SD) held the Senate in session into the weekend before the August recess, hoping to successfully negotiate with Democrats to bring a package of nominees to the floor for a group confirmation vote. Reportedly, the parties thought they had a deal, but President Trump surprised them by refusing to support it.

Republicans say they will consider a change to the rules governing the confirmation process in the coming weeks. In July, Leader Thune floated a proposal, first offered by Sen. Amy Klobuchar (D-MN) in 2023 when she chaired the Rules Committee that would allow the Majority Leader to combine up to 10 nominees from the same committee to be considered together for a floor vote. This special process would exclude certain positions, including circuit court judges, Supreme Court justices, and cabinet secretaries. Other options under discussion include reducing the debate time for most nominees or eliminating some of the currently required preliminary procedural votes.

If the Republican conference supports a rule change, it could opt to pass it by a simple majority vote. Override of a standing rule by a simple majority, rather than the usual two-thirds supermajority required to invoke cloture on a measure to amend the rules, is referred to as the "nuclear option." It is not clear whether Republicans would have the votes to change the rules in this way – some GOP members might prefer to preserve the chamber's bipartisan traditions.

Changes at IRS and Treasury

In August, former IRS Commissioner Billy Long was ousted from that position after just 50 days heading the agency. Treasury Secretary Scott Bessent took over as acting Commissioner, the seventh person to hold the position this year. President Trump also fired Deputy Treasury Secretary Michael Faulkender, reportedly believing him too aligned with the policy positions of former-Treasury Secretary Steve Mnuchin, whom the President blames for recommending Jerome Powell to Chair the Federal Reserve.

Pending Special Elections

Elections will be held to fill the seats left vacant by the deaths of Reps. Gerry Connolly (D-Va.) and Raúl Grijalva (D-Ariz.). Virginia's special election is September 9th, and Arizona's is September 23rd.

FCA International Supports a New Surface Transportation Bill

FCA International joined the Transportation Construction Coalition in a letter to House and Senate Transportation Committee Leadership urging their support for a new surface transportation law before the September 30th deadline. Per the letter, "as your committees begin drafting this important legislation, we ask that the following principles guide your efforts:

1. Maintain Baseline Investment Levels for Highways, Transit and Multimodal programs: Highway, bridge, and public transit investment levels for Fiscal Year 2026 should, at minimum, be carried forward with inflation adjustments, regardless of the previous budgetary source of these programs. These investments are needed for safety enhancements, infrastructure rebuild, and congestion relief.
2. Maximize State Flexibility: The greatness of our nation is found in the distinct attributes of all 50 states. An effective national transportation program must provide states the necessary flexibility and resources through formula funds to meet the unique needs of each community.
3. Prioritize Safety for All System Users: Increased investment and research should be directed at improving roadway and work zone safety to ensure the traveling public and construction workers get home safely at the end of each day.
4. Reform Project Delivery to Accelerate Construction and Control Costs: Modernization of federal requirements can identify and eliminate environmental review and permitting challenges that too often stand in the way of timely project delivery. Strengthening One Federal Decision to ensure its full utilization and creating a timely waiver process for Buy America while maintaining existing exemptions for certain construction materials will help ensure federal investment is focused on building transportation solutions, not process hurdles."

DHS Terminates Venezuelan Temporary Protected Status Designation

The Department of Homeland Security (DHS) has terminated the 2021 designation of Venezuela for Temporary Protected Status (TPS). Homeland Security Kristi Noem determined that conditions in Venezuela no longer meet the statutory requirements for TPS. The 2021 TPS designation for Venezuela will terminate at 11:59 p.m. on Nov. 7, 2025. DHS says that current

beneficiaries of TPS for Venezuela under the 2021 designation are to prepare to return to Venezuela if they have no other lawful basis for remaining in the United States.