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Building a Better Future for Our Families

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This Week in Congress

This week, the Senate was in session, and the House leadership cancelled votes. The House chamber has now been out of session for a month, and Speaker Mike Johnson (R-LA) says he will not bring Members back until the shutdown ends.

The Senate continued voting on the House-passed CR this week. Leadership considered a bill (S. 3012) that would provide funding to pay federal employees, including members of the military, who have been forced to work without pay during the shutdown. Democrats advocated for a vote on a measure (S.J. Res. 90) to block the President from deploying the military in Venezuela without congressional authorization.

The Senate Health, Education, Labor, and Pensions Committee held a hearing on, "Labor Law Reform Part 2: New Solutions for Finding a Pro-Worker Way Forward", where they discuss the Faster Labor Contracts Act.

Government Shutdown Continues

The current government shutdown is now the longest full shutdown in U.S. history and the third longest overall. The resolution remains uncertain as both parties remain steadfast in their positions. Base voters are urging their parties to adopt even firmer stances. Despite threats from the White House that furloughed employees might not receive back pay once the government reopens, Democrats remain unswayed. This is likely due to historical precedents where all previous shutdowns ensured back pay for furloughed and excepted employees, and many Republicans have publicly supported back pay for all government workers.

Democrats point out that the layoffs and budget cuts announced by the Office of Management and Budget since the shutdown began were planned months in advance and would have occurred regardless of the shutdown. Meanwhile, the White House has addressed the politically sensitive issues of military pay and federal nutrition program funding, at least until the end of this month.

These developments might encourage Democrats to hold their position for a few more weeks. With the open enrollment for the Affordable Care Act (ACA) healthcare starting on November 1 and a decision on military paychecks due by October 31, Democrat's political leverage could increase. Enhanced ACA premium tax credits, which predominantly benefit Republican-represented areas, add pressure on the GOP to negotiate an extension beyond the end of this year. Conservative groups are now pushing Republicans to demand significant concessions from Democrats in return for extending these subsidies. House Republican leadership and a majority of the conference oppose extending the enhanced credits. However, President Trump might choose to strike a deal with Democrats to avoid political fallout, potentially bringing his party in line. Even if Republicans do not agree to negotiate on the credits extension, a sufficient number of Democrats might shift their stance and vote to reopen the government once open enrollment begins, arguing that it's too late for a legislative solution. This would allow them to attribute the blame for premium hikes and resulting health insurance coverage losses to Republicans.

FY2026 Appropriations Bills

Last Thursday, Senate leadership brought the House-passed defense appropriations bill (H.R. 4016) to the floor for an initial procedural vote, called a cloture vote. That motion failed to win the required 60 votes that would have allowed the chamber to move to consideration of the underlying measure. All but three Democrats voted "no."

Had that vote been successful, Senate leadership said that they would have substituted the bipartisan version of the defense appropriations bill reported out of the Senate Appropriations Committee (S. 2572) for the House-passed version and then packaged that bill with a few other appropriations bills before bringing the resulting "minibus" to the floor for a vote. If that appropriations minibus passed, the Senate and House would have moved on to negotiating a compromise version that could pass both chambers and be enacted into law.

Democrats have been calling for this type of regular order movement of appropriations bills, but they refused to support Republicans' plan pending firmer agreements on which measures will be packaged together and assurances that the administration will not retroactively rescind congressionally appropriated funds.

National Debt Hits New Record at $38 Trillion

U.S. hits $38 trillion in debt and no one should be surprised that the debt and deficits keep going up. "Decades of terrible spending habits and lazy legislating from Congress are reaching a boiling point," said Rep. Andy Biggs (R-AZ). "It's clear Washington's spending habits are unsustainable," added Rep. Laurel Lee (R-FL). It was the fastest accumulation of a trillion dollars in debt outside of the COVID-19 pandemic — the U.S. hit $37 trillion in gross national debt in August this year.

The Battle over Swearing-In New House Member

To date, Speaker Johnson has refused to swear-in Representative-elect Adelita Grijalva (D), who won an Arizona special election held on September 23. Johnson says that he will not swear her in until the House is back in session. Democrats note that earlier this year, the Speaker swore in two Republicans who won special elections during House pro forma sessions regularly held when Members are out of town. The Arizona Attorney General has threatened to file a lawsuit seeking judicial relief.

Tariffs on Vehicles, their Parts, and Buses

On Friday, President Trump signed a Proclamation invoking Section 232 of the Trade Expansion Act of 1962 (Act) to impose tariffs on imports of medium- and heavy-duty vehicles and parts, and buses, to bolster American industry and protect national security.

The Proclamation imposes a 25% tariff on imports of medium- and heavy-duty trucks and truck parts. Medium- and heavy-duty trucks include Class 3 to Class 8 vehicles, like large pick-up trucks, moving trucks, cargo trucks, dump trucks, and tractors for eighteen-wheelers. For medium- and heavy-duty trucks that do not qualify for preferential tariff treatment under the United States-Mexico-Canada Agreement (USMCA), the tariff will apply to the full value of the vehicle. For medium- and heavy-duty trucks that qualify for preferential tariff treatment under the USMCA, the tariff will only apply to the value of the non-U.S. content in the vehicle. The tariff on medium- and heavy-duty truck parts will apply to key parts, including engines, transmissions, tires, and chassis. USMCA-compliant medium- and heavy-duty truck parts will not be subject to tariffs imposed in the Proclamation until the Secretary of Commerce, in consultation with U.S. Customs and Border Protection, establishes a process to apply tariffs to the non-U.S. content of the parts.

The Proclamation incentivizes domestic medium- and heavy-duty truck production by offering an offset to a portion of tariffs for medium- and heavy-duty truck parts equal to 3.75% of the aggregate value of all trucks assembled in the United States from 2025 through 2030. This percentage reflects the duty that would be owed when a 25% tariff is applied to 15% of the value of a U.S.-assembled medium- and heavy-duty truck.

This offset can be used to adjust any Section 232 medium- and heavy-duty truck part tariffs owed by a medium- and heavy-duty truck manufacturer. An equivalent offset program will also be established for medium- and heavy-duty truck engine manufacturers based on the value of medium- and heavy-duty truck engines assembled in the United States.

Recognizing that medium- and heavy-duty truck and automobile industries share many common suppliers and structural similarities across their supply chains, this Proclamation adjusts the Section 232 automobile tariff program to harmonize that tariff program with the program established for the medium- and heavy-duty truck industry.

The Proclamation extends the import adjustment offset program for automobile manufacturers through 2030. Automobile producers will be able to offset a portion of tariffs on automobile parts equal to 3.75% of the Manufacturer’s Suggested Retail Price of automobiles they assemble in the United States. This percentage reflects the duty that would be owed when a 25% tariff is applied to 15% of the value of a U.S.-assembled automobile.

Products subject to tariffs under this proclamation will not be subject to additional or existing sectoral tariffs on steel, aluminum, copper, automobiles and automobile parts, and lumber; they also will not be subject to reciprocal tariffs or the tariffs imposed on Canada, Mexico, Brazil, or India.