



Dear CEF Members:

I. Policy Intelligence and Education News

- **What's next on the fiscal agenda** – This week Congress is in recess but will return next week with a full agenda until the (currently scheduled) end of the session on December 15. [There are a number of fiscal “must-do” items on the agenda, making it possible that Congress will extend the session into the week of December 18.](#) Below is a list of the pending tasks.
 1. **Tax reform** – Last week the House passed its tax reform bill and the Senate Finance Committee forwarded its version, which should be on the [Senate floor next week](#) under the expedited procedures provided by reconciliation. That means more limited debate time and no filibuster (so passage requires only a majority vote), but it also restricts the bill to have only budgetary provisions and only germane amendments.
 2. **Disaster supplemental funding** – On Friday, the Administration submitted a request for \$44 billion in what would be a third supplemental funding bill to respond to recent natural disasters ([see Friday's Update for information the request and proposed offsets](#) to pay for the spending). Members of hurricane-hit Florida and Texas argue that the funding is insufficient, others are concerned that the request does not cover hard-hit Puerto Rico or the Virgin Islands, and still others object to requiring the funding to be offset with other spending cuts, particularly at a time when Congress is debating \$1.5 trillion in tax cuts that are not offset. Congress is likely to fold disaster funding into another bill, possibly a “continuing resolution” (CR) to keep the government running at current levels after the existing extension ends on December 8.
 3. **Omnibus appropriations bill for FY 2018 and a budget deal** – Although the new fiscal year began on October 1, Congress still has only a strategy for how to fund the year, and has not taken the steps needed to make it a reality. [A first step is agreeing on a budget deal to raise the caps](#) on defense and non-defense discretionary (NDD) spending for FY 2018 and possibly FY 2019. Senate Appropriations Chairman Thad Cochran (R-MI) released a [statement](#) on Thursday acknowledging the need for higher spending levels to finish the appropriations process, but also noting that this week he will release draft bills for the four bills his committee has not yet considered: Defense, Financial Services, Homeland Security, and Interior and Environment. As a placeholder, the Committee is limiting total spending to the FY 2017 level, which is actually above the level set in law for FY 2018. Debate on a budget deal is occurring behind closed doors, but reportedly sticking points are the size of the

increase, whether the cost is offset with savings elsewhere, and whether defense and NDD are raised by the same amount – the parity principle that all previous deals have maintained. To give you a sense of the scope, eliminating the discretionary sequester would raise defense spending by \$54 billion and raise NDD by \$37 billion (the sequester cuts equally from defense and non-defense programs, but there are additional non-defense savings from mandatory programs). A deal to fund defense at the level in the recently passed National Defense Authorization Act would raise defense spending even more - by \$77 billion above the FY 2018 cap.

4. **Another CR?** – It doesn't seem likely that Congress will strike a budget deal in time to finalize full-year funding in an omnibus package before the current CR expires on December 8, requiring another CR for at least a few weeks. Congressional leaders have said they want to finish up FY 2018 appropriations this year, making it likely that there will be a CR until December 15 or December 22. This could be the vehicle for a budget deal, disaster aid, and/or several other pending items.
- **Higher Education Act reauthorization** – It looks like the House and Senate education committees are taking some first steps towards reauthorizing the Higher Education Act. [The Senate HELP Committee will hold a hearing next week on “Reauthorizing the Higher Education Act: Examining Proposals to Simplify the Free Application for Federal Student Aid \(FAFSA\)” on Tuesday, November 28, at 10am.](#) House Education and the Workforce Committee Chair Virginia Foxx (R-NC) has said she wants to introduce legislation still this year (come to CEF's Friday meeting on December 1 to get the Democratic staff perspective from Jacque Chevalier!), with the focus of transforming federal aid into “one grant, one loan, one work study program.” No date yet for when we'll see text.

III. CEF Activities

- **Please take a moment to complete CEF's brief survey** – Each fall CEF surveys its membership to ensure we are providing the benefits you want and to ask for suggestions for improvement. The survey will take only a few minutes, and all responses are anonymous. Thanks to those who have already returned the survey, and if you haven't yet done so, please respond and feel free to comment on areas that were not addressed. [Click HERE to take the survey!](#)
- **CEF's upcoming schedule** –
 - **Friday, Nov. 24** – no meeting.
 - **Friday, Dec. 1, 9-11am:** At NEA, 1201 16th St NW, Chanin Auditorium. Guest speaker: Jacque Chevalier, House Education and the Workforce Committee Democratic staff. Note that our guest will be speaking at 9:30am.
 - **Friday, Dec. 8, 9-11am:** At Georgetown University Law Center near Union Station, 600 NJ Ave, NW, Room 200 McDonough Hall. Guest Speaker: (tentative) Steve Townsend, Senate Budget Committee Republican staff.

- **Friday, Dec. 15, 9-noon: CEF ANNUAL MEETING.** At University of California, 1608 Rhode Island Ave, NW, 1st floor auditorium. Attendance is important – we will have elections for CEF’s 2018 Board and vote on CEF’s 2018 budget. And of course, we’ll provide the traditional hot breakfast! Guest speaker: Bill Hoagland, Senior Vice President at the Bipartisan Policy Center.

My best,

Sheryl

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