

# The TRP Tip Sheet

July 23, 2025

*Featuring a daily Capitol Hill update, news clips from our Washington insiders, and links to our trove of federal policy resources.*

## QUICK TAKES

- **THE LATEST ON FY 2026 GOVERNMENT FUNDING.** The next procedural vote on the appropriations vehicle is slated to occur later this afternoon after a successful vote yesterday.
- **HOUSE SET TO CLOSE OUT SUMMER WORK PERIOD.** The House will leave for the rest of the summer today amid turmoil tied to the release of the Epstein files.
- **TRUMP ADMINISTRATION RELEASES AI ACTION PLAN.** The [plan](#) identifies more than 90 AI-related policy actions that the administration plans to take in the coming weeks.
- **TRP CONGRESSIONAL RETIREMENT TRACKER.** Click [here](#) to view TRP's running list of lawmakers who are not seeking re-election next year.
- **EU READIES €100 BILLION NO-DEAL PLAN TO MATCH US 30% TARIFF.** The EU plans to hit the US with 30% tariffs on some €100 billion (\$117 billion) worth of goods in the event of no deal.

## CAPITOL HILL UPDATE

— **THE LATEST ON FY 2026 GOVERNMENT FUNDING.** The Senate overwhelmingly cleared its first procedural hurdle on a legislative vehicle to carry fiscal year (FY) 2026 spending bills, but it remains to be seen if this bipartisan overture will last. Of note, the contents of this first "minibus" spending package are in flux. While it was assumed that the Senate's FY 2026 appropriations bills for Agriculture-FDA, Commerce-Justice-Science (CJS), Military Construction-VA, and Legislative Branch would be tacked onto the base text of the bill, it's possible that only the Senate's MilCon-VA bill gets added as talks within the upper chamber continue. Senate Majority Leader John Thune (R-SD) stated yesterday that he'd "like to make it a package of bills, and get as many bills going as we can." The next procedural vote on the appropriations vehicle is slated to occur later this afternoon following confirmation votes on the nominations of Arielle Roth to be Assistant Secretary of Commerce for Communications and Information, and John Hurley to be Under Secretary for Terrorism and Financial Crimes at the Treasury Department.

- **Meanwhile...** Fresh off an arduous "rescissions" process this month, the White House is reportedly gearing up for another round of funding clawbacks that will almost certainly stoke concerns about a government shutdown in September. The next rescissions request from the Office of Management and Budget (OMB) is expected to target funding for the Department of Education as the administration looks to ramp up its efforts to close the Department and shift its statutory responsibilities through other Cabinet-level Departments and agencies. As such, the bipartisan appropriations process is in serious jeopardy ahead of the Sept. 30 deadline if this next round of funding rescissions comes to fruition given strong opposition to OMB's requests from Democrats.

— **HOUSE SET TO CLOSE OUT SUMMER WORK PERIOD.** The House meets today for its last day of legislative business until September after the floor schedule for the week was upended amid tensions over the release of the Epstein files. Earlier this week, the House Rules Committee adjourned its meeting to consider a rule for five measures that were supposed to be taken up on the floor this week after Rules Committee Democrats demanded amendment votes tied to the release of the files. The Democratic minority was expected to continue to offer Epstein-related amendments whenever the Rules Committee proceedings continued, and Rules Committee Chair Virginia Foxx (R-NC) would not reconvene the panel under this current dynamic — one that could ultimately resurface again in the September work period depending on how House leadership decides to address the issue going forward.

## WHAT WE'RE TRACKING

### *NEW TODAY..*

— **TRUMP ADMINISTRATION RELEASES AI ACTION PLAN.** The Trump administration released its long-anticipated artificial intelligence (AI) [action plan](#) that identifies more than 90 federal policy actions that the administration plans to take in the coming weeks.

- Key pillars within the plan include: (1) accelerating AI innovation; (2) building domestic AI infrastructure; and (3) leading in international AI diplomacy and security.

— **EDUCATION DEPT. ANNOUNCES KEY AI ACTIONS.** The Department of Education [announced](#) a pair of AI actions, including: (1) a [Dear Colleague Letter](#) to grantees and future grantees on leveraging federal grant funds to improve education outcomes through AI; and (2) a new [supplemental grantmaking priority](#) on advancing AI in education.

— **HOUSE JUDICIARY PANEL EXAMINES FOREIGN ABUSE OF U.S. COURTS.** On July 22, House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence, and the Internet held a hearing on foreign abuse of U.S. courts. Click [here](#) to read TRP's hearing summary.

— **HOUSE OVERSIGHT HOLDS SUBCOMMITTEE HEARING ON NUCLEAR.** On July 22, House Oversight Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs held a hearing on advancing nuclear energy. Click [here](#) to read TRP's hearing summary.

— **KEY TREASURY NOMINEE TESTIFIES BEFORE SENATE FINANCE.** On July 22, the Senate Finance Committee held a confirmation hearing to consider Jonathan McKernan to be Under Secretary of the Treasury for Domestic Finance. Click [here](#) to read TRP's hearing summary.

— **NTIA KICKS OFF RESTRUCTURED BROADBAND FUNDING PROGRAM.** The National Telecommunications and Information Administration (NTIA) [announced](#) that all 56 states and territories eligible to participate in the Broadband Equity, Access, and Deployment (BEAD) program have received approval to begin conducting the “Benefit of the Bargain” round of subgrantee selection. Click [here](#) to view NTIA's BEAD progress dashboard.

— **TRACKING FY 2026 APPROPRIATIONS ACTIVITY.** The House and Senate Appropriations Committees are set to resume marking up several pending FY 2026 spending bills this week. The schedule is as follows

- Today @ 10 AM EST: Full committee [markup](#) of House State-Foreign Operations
- Tomorrow @ 9:30 AM EST: Full committee [markup](#) of Senate Interior-Environment, Transportation-HUD
- Tomorrow @ 10 AM EST: Full committee [markup](#) of House Commerce-Justice-Science

## ***RECENT DEVELOPMENTS...***

— **TRP ANALYSES OF THE GOP RECONCILIATION PACKAGE.** With the One Big Beautiful Bill Act now signed into law, TRP published updated analyses of [education](#), [tax](#), [health care](#) and [energy](#) policies contained within the package, as well as provisions of interest to [state and local governments](#).

— **SENATE BANKING RELEASES DRAFT DIGITAL ASSET MARKET STRUCTURE BILL.** Following House passage of the Digital Asset Market Clarity Act, Senate Banking Committee Chair Tim Scott (R-SC), along with Sens. Cynthia Lummis (R-WY), Bill Hagerty (R-TN), and Bernie Moreno (R-OH), [introduced](#) a discussion draft of digital asset market structure legislation.

- The Banking Committee also issued request for information ([RFI](#)) for stakeholders to submit feedback on the [draft](#) and a range of questions centered around: (1) regulatory clarity and tailoring; (2) trading venues and market infrastructure; (3) preemption; and (4) investor protection, among others.
- Responses are due by Aug. 5, 2025.

— **GARBARINO TO LEAD HOUSE HOMELAND SECURITY COMMITTEE.** On July 21, the House Republican Steering Committee chose Rep. Andrew Garbarino (R-NY) to lead the House Homeland Security Committee, replacing former Rep. Mark Green (R-TN).

— **TRUMP DIRECTS REGULATORY RELIEF FOR CERTAIN INDUSTRIES.** President Trump issued a series of proclamations directing regulatory relief for certain entities in the industries of: (1) [sterile medical equipment](#); (2) [energy](#); (3) [chemical manufacturing](#); and (4) [iron ore processing](#).

— **SENATE HELP HOLDS HEARING ON BENEFITS FOR INDEPENDENT WORKERS.** On July 17, the Senate Committee on Health, Education, Labor and Pensions (HELP) held a hearing to examine portable benefits for independent contractors. Click [here](#) to read TRP's hearing summary.

— **E&C HEALTH SUBCOMMITTEE HOLDS LEGISLATIVE HEARING.** On July 16, the House Energy and Commerce (E&C) Health Subcommittee held a hearing to consider several

legislative proposals and reauthorizations pertaining to topics such as over-the-counter (OTC) drugs, workforce shortages, sunscreens, and health care accessibility in rural areas. Click [here](#) to read TRP's hearing summary.

— **CMS PROPOSES 2026 OPPS, ASC PAYMENT RATES.** The Centers for Medicare & Medicaid Services (CMS) recently proposed its Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) payment rates for calendar year (CY) 2026. Click [here](#) to read TRP's summary of the proposed rule.

— **SENATE JUDICIARY PANEL DISCUSSES AI COPYRIGHT ISSUE.** On July 16, the Senate Judiciary Subcommittee on Crime and Counterterrorism held a hearing on the use of copyrighted works to train artificial intelligence (AI) models. Click [here](#) to read TRP's hearing summary.

— **HOUSE JUDICIARY HOLDS HEARING ON AI CRIME.** On July 16, the House Judiciary Subcommittee on Crime and Government Surveillance held a hearing on criminal artificial intelligence (AI) activity. Click [here](#) to read TRP's hearing summary.

— **SENATE EPW HOLDS HEARING WITH STAKEHOLDERS ON HIGHWAY BILL REAUTHORIZATION.** On July 16, the Senate Committee on Environment and Public Works (EPW) held a hearing to receive stakeholder perspectives on the next surface transportation reauthorization bill. Click [here](#) to read TRP's hearing summary.

— **WAYS AND MEANS PANEL HOLDS HEARING ON DIGITAL ASSETS.** On July 16, the House Ways and Means Subcommittee on Oversight held a hearing on digital asset tax policy. Click [here](#) to read TRP's hearing summary.

## WHAT WE'RE READING

### **[Bloomberg: EU Readies €100 Billion No-Deal Plan to Match US 30% Tariff \(\\$\)](#)**

The European Union plans to quickly hit the US with 30% tariffs on some €100 billion (\$117 billion) worth of goods in the event of no deal and if US President Donald Trump carries through with his threat to impose that rate on most of the bloc's exports after Aug. 1. As a part of a first wave of countermeasures, the EU would combine an already approved list of tariffs on €21 billion of US goods and a previously proposed list on an additional €72 billion of American products into one package, an European Commission spokesman said on Wednesday. The US exports, which include industrial goods such as Boeing Co. aircraft, US-made cars and bourbon whiskey, would face a levy that matches Trump's 30% threat, according to people familiar with the matter. The tariffs would be prepared to come into force next month but only if there is no deal and the US implements its levies after the August deadline, said the people who spoke on condition of anonymity to discuss private deliberations.

### **[Reuters: Trump strikes tariff deal with Japan, auto stocks surge](#)**

U.S. President Donald Trump struck a trade deal with Japan that lowers tariffs on auto imports and spares Tokyo from punishing new levies on other goods in exchange for a \$550 billion package of U.S.-bound investment and loans. It is the most significant of a clutch of agreements that Trump has bagged since unveiling sweeping global levies in April, though like other deals, exact details remained unclear. Japan's auto sector, which accounts for more than a quarter of its U.S. exports, will see existing tariffs cut to 15% from levies totaling 27.5% previously. Duties that were due to come into effect on other Japanese goods from August 1 will also be cut to 15% from 25%. The announcement sent Japan's benchmark Nikkei stock index climbing almost 4% to its highest in a year, led by stocks in automakers with Toyota up more than 14% and Honda nearly 11%.

### **The Hill: Education Department pauses student loan forgiveness under IBR plan**

The Education Department has paused student loan forgiveness under the Income-Based Repayment (IBR) plan without a clear timeline of when it might resume. The department argues any IBR forbearances were impacted by ongoing court action. ...The Department of Education is working through a court's injunction after the Biden administration's Saving on Valuable Education (SAVE) plan was ruled illegal. The agency argues that while the case did not impact forgiveness under IBR, what type of forbearances would count for loan discharges were. IBR allows individuals to make payments based on income and family size, receiving forgiveness after 20 to 25 years of consecutive payments. The department has encouraged individuals to join this plan as it shuts down the SAVE option. Those on SAVE will see interest accrual restart at the beginning of August and be kicked off the plan entirely in the following year.

### **E&E News: Hearing showcases lingering divisions on permitting (\$)**

Lawmakers in both parties have been talking up the prospect of a bipartisan permitting reform deal this Congress, but if Tuesday's House Natural Resources hearing offered any clues, they have a long way to go. The four-hour hearing on the "permitting purgatory" featured familiar talking points from Republicans about how National Environmental Policy Act reviews have become "limitless and excruciating exercises." ...Democrats, in turn, countered that NEPA offers the "cornerstone of democracy and good governance." And they noted some permitting changes were already included in the 2023 debt ceiling negotiations.

### **E&E News: FERC approves grid operators' requests to fast-track projects (\$)**

Federal energy regulators approved requests by grid operators for much of the central U.S. to fast-track certain power projects to stave off potential shortfalls as electricity demand booms. The Federal Energy Regulatory Commission issued unanimous orders Monday night conditionally authorizing requests from the Midcontinent Independent System Operator (MISO) and Southwest Power Pool (SPP). The approvals, which take effect in the coming days, follow FERC's rejection of a similar petition from MISO earlier this year. The orders follow a similar approval of an expedited interconnection process for the nation's largest power grid, PJM Interconnection. Like with PJM, the fast-track processes also face continued pushback from clean energy groups that said they favor new gas plants at the expense of renewable energy.

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