



Podcast Transcript

32nd Annual Legislative Seminar Series Congresswoman Cathy McMorris Rodgers, R-Wash.

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Lee: For three decades, BakerHostetler has hosted its Legislative Seminar among the premier annual public policy showcases on Capitol Hill. Though COVID-19 forced a hiatus in 2020, we are back, finding new ways for you to hear first-hand from Democrats and Republicans in the House and Senate on the latest legislative developments on tax, infrastructure, healthcare, trade, energy policy, and more. I'm Leeann Lee, and you're listening to BakerHosts.

Our guest today is Congresswoman Cathy McMorris Rodgers of Washington State. As Republican leader of the House Energy and Commerce Committee, she is responsible for guiding her Republican colleagues' priorities within the committee's extremely broad jurisdiction, which includes healthcare, energy, and telecommunications policy. Let's listen in.

Ferguson: Hi. This is Congressman Mike Ferguson. I'm the leader of BakerHostetler's Federal Policy Team. Very personally pleased to welcome a good friend and someone who is, you know, chosen by the Republicans in the House to be the top Republican on the best committee in the entire House of Representatives, probably in the entire Congress, the Energy and Commerce Committee, Cathy McMorris Rodgers, a Congresswoman from the State of Washington.

Cathy, delighted that you're able to join us today. Welcome.

Rodgers: Good afternoon. Thank you for the invite. I'm thrilled to be able to join everyone. Thank you, Mike, for inviting me, and I'm looking forward to this discussion. You know the Energy and Commerce Committee well as a member when you were

serving in Congress. And I'm actually, right now, in the middle of a mark-up. We are voting on some infrastructure bills around clean water and clean water systems across the country. So, I might have to leave here just in a minute, but I'll be back. Okay? And I'm looking forward to the discussion with all of you.

Ferguson: I know. Your staff has been fantastic. I know you're between committee mark-up votes and floor votes at some point today. So you've got a lot going on, believe me, I can appreciate it.

Let's start with infrastructure. You mentioned you're marking up this bill in the committee today. Infrastructure's been the buzz word on Capitol Hill for the last several weeks. What are you thinking? What are you hearing from the folks on the other side of the Capitol, in the Senate? Do you think a bipartisan infrastructure, a big package, might come together? And if so, do you think it will get that kind of bipartisan support in the House? What do you think?

Rodgers: Well, certainly for a lot of people, Republicans and Democrats, an infrastructure package makes sense. We're coming out of a pandemic that has hit us hard and there's a desire by both Republicans and Democrats to move forward on an infrastructure package. We have a long list of aging infrastructure needs in America. It has been a priority of both parties for many, many years. Clearly, reaching an agreement is proving to be difficult. It's clear that the Biden-Harris Administration has some work even to unify the Democrats at this point. But I am encouraged that there's bipartisan discussions, mostly in the Senate right now. The goal should be to focus on what the infrastructure needs are, and target the infrastructure needs. You know, when this bill was first rolled out, only 6% of it actually went to roads and bridges. And so that's been a long-time concern of the Republicans, is that there's a lot of other items that are being attached to infrastructure. Our goal is to really focus on infrastructure, and meeting the long list of needs in our country. In the Energy and Commerce Committee, we're marking up bills around clean drinking water systems. And right now there's not bipartisan agreement, although there is a recognition that this is a priority.

Ferguson: Yeah, I was gonna ask about that. You've got the clean drinking water bill that you're marking up today, and I know there's been some disagreements about the regulatory approach and the costs of this. Do you think, as it moves through the process, there will be an opportunity for both sides to come together on it? Or, you know, right now it's, I guess, legislation mostly written by the majority, as they get to do. But, how much do you think that Republicans may be included in these conversations, going forward?

Rodgers: There are certainly aspects within the bills that are being marked up today in Energy and Commerce that are appealing to us as Republicans. There is a desire to continue to work on these bills. We're being constructive in our, in raising the concerns that we have, and keeping the door open to having more conversations around cost-benefit analysis that we think is really important. Raising concerns about some of the additional costs, especially that are imposed upon the rural and smaller water systems in America. And it just strikes me that on one hand we're increasing regulations, and then the costs of those regulations

are also increasing the cost on the consumer. And ultimately now there's this desire for the federal government to do a lot more. We have done a lot in response to the pandemic as it relates to helping individuals and entities with the cost of clean drinking water and paying those bills. It was a temporary program, and now the debate is around making it permanent. We still would like to know where the money was spent in the first place. And getting some of those answers, I think, is important before we implement a new program. And especially, this would be the first time that the EPA would be administering a subsidy program, which is new for EPA, the current one is at Health and Human Services. So we're having that debate right now, but we'll certainly keep working to find that bipartisan agreement. That's the culture and the history of the Energy and Commerce Committee, and one that we all cherish as members of this committee.

Ferguson: Yeah. Let me ask you to imagine for a moment, it's hard sometimes to think long-term in these jobs, right. We're, you're so focused on what you gotta accomplish today and tomorrow and this week. Let's say, for instance, next year's election brings a Republican majority to the House, I know that's something that we Republicans like thinking about sometimes. It's certainly not out, it's not far-fetched, given historical trends with mid-year elections. You'd be the new Chair of the Energy and Commerce Committee in that kind of a situation. But you'd still have a Biden Administration to have to deal with. Where, what are some thoughts that you have for your own agenda that, where you think that there might be areas of agreement with a Biden White House to try to move bipartisan legislation in the Energy and Commerce Committee?

Rodgers: Right. Well, thank you for that question. As Republicans, we are working very hard to win the majority and are hopeful. History's on our side. And we're just down five votes in the House, overall House. The difference in those five seats is 31,000 votes or so, which is just incredible, out of 150,000,000 people who voted. Anyway, I am looking forward to the day when I am the Chair of this committee, the Chairman of the Energy and Commerce Committee. As I was just saying, it's such a great committee. It's the oldest committee on Capitol Hill, established in 1795, and it has broad jurisdiction. And I, and it is a committee that has a history of plowing the hard ground necessary to legislate, and members that are, that desire to serve on this committee are members who really want to dig in and hammer out this, the bipartisan solutions. Because they recognize that it gets, you get better outcomes when you do that work in the committee.

So, I would say that there's a lot where we can find bipartisan agreement. Just this week, Fred Upton and Diana DeGette have introduced CURES 2.0. And this certainly has been a priority within this committee. The passage of 21st Century Cures, building on 21st Century Cures with CURES 2.0 has bipartisan support. The Biden Administration is promoting ARPA-H and has their, you know, they want to focus on CURES which, that's one of the big take-aways from the pandemic is that America led with Operation Warp Speed in bringing these vaccines to market. And this is a time when we should be leaning in, that we should be doing more in research and development because it doesn't matter which disease group I talk to right now, they are excited about what research is

revealing and the potential for cures and for amazing breakthroughs. And we should be leading that. It's great for America, for millions of people that would be impacted, it's great for our economy. And it would also help bend the cost curve within the entitlement programs. If you start talking about curing cancer or delaying the onset of Alzheimer's by five years, that has a huge impact on entitlement programs. So that's certainly one area.

Another is big tech, and holding big tech accountable. Section 230 reforms. I believe that that is, there's going to be, ultimately, we wanna find that bipartisan support, protecting our kids and the impact of social media on our kids. Clean energy solutions. Again, we want to move forward with clean energy solutions. So, all of these are issues and policies that the goal is going to be to find that common ground and actually get things done.

Ferguson: Yeah, I was gonna ask about CURES 2.0. It was a great example of bipartisanship in the Energy and Commerce Committee and, you know, I know health care's always been something that's important to you. You've been a leader on it in so many different ways, and there's such big, you know, healthcare jurisdiction in the committee. What about the FDA? I know a lot of folks have been wondering what's gonna happen with a permanent head, at least a, going beyond a temporary Head of the FDA. I know Janet Woodcock gets a lot of attention. She does a great job in so many ways and has a lot of people's confidence, but we don't have a permanent leader there at the FDA yet. What are your thoughts on that, and where do you think that's going? Are you hearing anything?

Rodgers: We need a permanent leader. We need to get an FDA commissioner confirmed. Obviously, this is by the Senate. The Senate will vote on the confirmation. But in the middle of a pandemic? We need to get this done, and I think back to when Scott Gottlieb was confirmed. It was May 2017, and the clock is ticking. We need to get this done. You know, we, Operation Warp Speed and what was put together, it really was a private/public, a public/private partnership that brought the vaccine forward. We learned a lot of lessons from that, but there's still a ton of work to be done. So, we need to get a commissioner confirmed so that we can start working on more reforms.

Ferguson: Do you think a CURES 2.0 type of a package might move with something, maybe a broader drug-pricing bill? You know, we've seen a lot of critics of the drug industry talking about high prices, but then of course, we're coming through a pandemic where, really, the only reason we're coming through it right now is because of the incredible innovation that's come from the life-sciences industry. What are you hearing on that, and do you think there's a balance that can be struck?

Rodgers: Well, let's keep celebrating American innovation, American leadership. You know, the pandemic, part of my hope, coming out of the pandemic, is that it is a new era of innovation and breakthroughs. I'm very concerned about the approach that Speaker Pelosi and the majority have taken in the House with HR-3, which is price controls for dealing with the costs of prescription drugs. We

can do better, excuse me real quick. Do I have any time? Mike, I need to go vote. I'll be right back. Okay? Can we do that?

Ferguson: Sure, fair enough.

Rodgers: Okay.

Ferguson: We'll wait for you here.

Rodgers: Yep, here I am.

Ferguson: There she is. She's back. I was doing my Senate impersonation of a little filibuster there, Cathy, but...

Rodgers: Oh, my goodness. Sorry about that.

Ferguson: We're very, very appreciative of your jumping back and forth and rejoining us. We were talking a little bit about health care and drug pricing and, you know, that's of course a big important topic for the committee.

Another topic I know that you've been very active on, you mentioned big tech as a, perhaps an area of bipartisanship. I know you've had some very important hearings with some of the executives from some of the companies in the committee. I know they're marking up a bill over in the Judiciary Committee today. I don't know if you're keeping a close eye on what's going on over there today. I guess several bills, I guess, are working their way through, pretty bipartisan bills. What do you see in terms of big tech that's in your committee's jurisdiction, the Energy and Commerce Committee jurisdiction, and what areas of, perhaps, bipartisan opportunity are there in the Energy and Commerce Committee?

Rodgers: Well, thank you, Mike. Yes, holding big tech accountable is clearly a priority for Republicans and Democrats. On Energy and Commerce, we've had a hearing earlier this year with the CEOs from big tech companies. Areas of common ground, I would say, certainly the focus around the concern of the social media impact on our children and the importance of better protections for our children. It is clear that we have children that are in crisis. As you think about mental health issues, depression, anxiety, increased suicides, and time and time again, whether it's the kids or their parents or school administrator, principals, teachers, they're pointing to social media. They're pointing to the impact of social media.

So, that is an area of common ground, and one that I hope in this Congress we can reach an agreement and move something forward. The questions around Section 230 and the, 25 years ago, the liability protections that were put in place that now, you know, no one had an, you know, in 1996, no one imagined Google or Facebook or Twitter. And you think about the liability protections and how they're being used today, it's a very complex issue, and I do think that we need a thoughtful response. But again, it, the concerns are raised, are bipartisan. We need to make sure that these protections are not being abused. And as, we need reforms to Section 230. I think it's also really important that we don't, you know,

we wanna take the time to try to get it right because, as you think about start-ups and new entrants, these protections are also important to getting some competition in the marketplace.

Ferguson: Let me, another tech issue that everyone seems to be having to deal with today is data privacy. And I know that's an important area for the committee. It's also a very important area for some of the regulatory agencies, especially the FTC. I know you've had some positive or, I think, encouraging words for the new Chair of the FTC, and I remember when I was on the committee and we would have the FTC commissioners come before us, we sometimes had very pointed questions and other times we'd find ways that we could work together to advance both a regulatory and a legislative agenda. How do you see that relationship with the committee and the Biden Administration's FTC right now? What do you see going forward there?

Rodgers: Well, we, there is agreement that we need a privacy law. I believe that it needs to be a national privacy standard that will preempt the states. That's an area where we're still working through some of the details. There is some bipartisan support, but I'm very concerned about a patchwork of laws that is being developed at the state level. That's creating confusion for consumers and uncertainty for businesses because the internet knows no boundaries, right. No state lines. And COVID has only underscored the importance of a privacy law. That there's not the confidence that individual's privacy, personally identifiable information, is being protected. So, the good news is that Chairwoman Schakowsky, the Chair of the Subcommittee, has announced that she wants to do some roundtables. We are anxious to participate in those. We're concerned that the time keeps going by and we're not really having enough of a conversation. Today's the first day that the committee has been back in the committee room in person, and I think that that is important. It helps, just being able to have some side conversations in committee. And one of the issues that I am talking to Democrats, talking to some Democrats last week on the floor, it's good to be able to talk to them again, was on a privacy bill and how to get some next steps going. Because it's really important that we pass that national privacy standard.

Ferguson: So, let me, I've been trying to find areas of bipartisanship, right, you know. When you're in the majority, you can kind of mostly do what you want. When you're not in the majority, you try to find those bipartisan things to engage with the majority who's in charge, right. I remember those days. One area there seems to be some bipartisanship on Capitol Hill these days is China, and how do we combat China, how do we compete with China, you know, how do we operate on this world stage with China. We're seeing all sorts of, seeing that play out in different ways right now. But, you know, over in the Senate, they're moving some broad competitiveness legislation. Senator Schumer and others, Senator Todd Young on the Republican side, have been working together, and they seem to have found some broad bipartisan support for a pretty big bill that touches on a lot of areas of American competitiveness with China. You know, we asked the Majority Leader, Steny Hoyer, earlier this week what he thought of that, the prospects for that in the House. And he said it's probably more likely because of all the different committees and the different jurisdictions of a broad bill like that. That

might be broken up into several different bills, and different committees working on their own portion. What do you see in Energy and Commerce's jurisdiction for ways that, you know, we can deal with the China issue, our competitiveness with China, and the myriad of issues that are posing challenges to America right now because of China?

Rodgers: This is, yes, important question. The issue of American leadership, American competitiveness, is so important. Not just to America, but to our allies around the world, to other democracies around the world, and we are seeing every day a growing dominance by China from an economic perspective, a security perspective and the importance of American leadership cannot be understated. And I think doing things to make sure that we are leading and setting up, you know, addressing some of these competitiveness issues is so important. So, I agree that this is an area where there is bipartisan support. In the Energy and Commerce Committee, there, the issue of supply chains is at the forefront. Whether it's healthcare and what was highlighted during the pandemic, the concerns over dangerous dependence upon China for pretty basic supplies that we needed. Also on the energy front. How China is controlling the rare-earth minerals that are so important, some of the clean energy solutions that are being advanced right now, and we need to make sure that we're being competitive there. We led, Energy and Commerce led on the emerging tech package last year, the American Compete Act. That was, and really the Republicans were the ones that brought it forward. I was really proud that we introduced a package of bills, and even in the middle of COVID, we were able to work with our Democrat colleagues, find bipartisan support, and ultimately pass the bill on the floor, American Compete. It was signed into law by the President at the end of 2020. But really, looking at how do we make sure that America's leading in the emerging tech, AI, quantum computing, block chain. Because we see how China is using emerging tech to surveil, you know, they are, I think it's estimated one camera for six people in China. But also how they are clamping down on minorities and dissidents. That's not the way we want to be using emerging tech, and it's important that America lead with American values and the American principles at work. So we're gonna keep working on that. And, Mike, I'm getting the signal again that I gotta go. So...

Ferguson: I know you are. I'm getting the signal myself. So, Cathy, I can't tell you how much we appreciate your generosity, your time. Thank you to your staff, too, for all the work they did to make all this possible. It's always so great to see you. It's great to ask some questions about some of these important policy topics. Our audience is very appreciative. And wish you the best of luck as you advance your work and your agenda in the Energy and Commerce Committee. I'm looking forward to our next conversation.

Rodgers: Likewise. I look forward to working with you and hearing your feedback.

Lee: Thank you, Congresswoman McMorris Rodgers and Mike.

If you have any questions for Mike, his contact information is in the show notes. As always, thanks for listening to BakerHosts.

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