Legislative Updates as of 07/19/2026

Updates from Washington

- **Congress**: Both chambers reconvened after the July 4th recess
  - **FY 2027 Appropriations:**
    - The House approved its version of the National Security-State appropriations bill, by a vote of 217-209, with all but one Republican voting in favor, and all but one Democrat voting against. The **chamber has now passed three of the twelve appropriations bills** for FY 2027.
    - Speaker Mike Johnson (R-LA) has announced that the **chamber will vote next week on a continuing resolution** to fund the government between the start of FY 2027 on **October 1, through December 6**, while the remaining appropriations bills are negotiated.
  - **FY 2027 National Defense Authorization Act (NDAA):** A procedural **measure to advance the NDAA in the Senate, failed**to clear a 60 vote threshold, and garnered only 50 votes in favor. All Senate Democrats present voted the measure down citing the Administration's actions in the Iran War and the lack of consensus on spending levels.
  - **Reconciliation 3.0:** House Republicans have released a framework for the **third party-line bill this Congress** to advance their priorities. The resolution, which will be voted on this coming week, would **facilitate spending of $95 B**, including $60 B by the Armed Services Committee and $12 B by the Agriculture Committee.
  - **AI & Healthcare**:
    - Senate Democrats attempted to halt the CMS Wasteful and Inappropriate Services Reduction (WISeR) Model, that centers on using AI/ML in Medicare decision making, a few months after the Government Accountability Office (GAO) established that Congress has scrutiny powers over the pilot. The resolution of disapproval to invoke the

Congressional Review Act (CRA) failed by four votes, 46-50, with all Democrats in favor and all Republicans opposed.

- Sens. Richard Blumenthal (D-CT) and Josh Hawley (R-MO) have written to the UnitedHealthcare CEO, asking for records on the company's use of AI in denying care for Medicare Advantage users.

- **CDC & ASPR Nomination Hearing:** On Wednesday, the nominees for CDC Director, Dr. Erica Schwartz, and HHS assistant secretary for preparedness and response (ASPR), Sean Kaufman, appeared before the Senate Health, Education, Labor, & Pensions (HELP) Committee. Highlights of the hearing are as follows:
  - **Dr. Schwartz mostly avoided directly answering questions** regarding cuts to agency programs, reductions in force, the significant changes to vaccine policy, and whether she would be an independent voice against political interference in agency decision making.
  - In response to questioning from Sen. Tammy Baldwin (D-WI), **both nominees affirmed that mRNA vaccines platforms were safe and effective**. However, Mr. Kaufman defended the Administration's cancellation of $500 M in mRNA R&D grants.
  - The hearing featured contentious exchanges, including one where Committee Chair Sen. Bill Cassidy (R-LA) expressed that he was "flabbergasted that you [Kaufman] would support stopping research on mRNA vaccines because there were some adverse events," and **his concern with Kaufman's anti-vaccine views** as espoused in a social media post. In his opening remarks, **Cassidy had indicated he will vote against nominees who questioned vaccine safety and efficacy**.
- **Other Committee Hearings:**
  - **House Ways & Means**: Committee Republicans advanced on party lines (25-15) the Health Care Price Certainty for All Americans Act, that would that would require hospitals, labs and other providers to post and publish pricing details. The Committee also unanimously advanced health-focused bills that would:

- Require nursing homes to allow residents to designate an essential caregiver who can attend to them at all times
- Bolster reimbursement and payments for remote patient monitoring services and anesthesia providers in rural areas
- Ease access to long-term care hospitals
- Require Medicare Advantage plans to report financial data and reform prior authorization practices

- **House Energy & Commerce**: The Health Subcommittee convened a hearing on Maintaining America's Leadership in Biomedical Innovation: FDA's Role in Advancing U.S. Drug Development. It featured testimony from think tank, hospital, advocacy group and industry representatives. Topics discussed include:
  - Pathways and infrastructure to simplify and expedite clinical trials to remain competitive with China
  - Expanding participation in clinical research, such as including more women trial participants to expand sex-specific data
  - The impacts of political interventions and cuts on FDA capacity and decision making
  - The need for more FDA scrutiny of foreign clinical sites and data, and strategies to improve biosecurity and safety
  - Alternatives to animal testing in biomedical research
  - Reauthorization of prescription drug user fee programs
- **House Select (Chinese Communist Party)**: The Committee heard from representatives of the Department of Energy, NIH and NSF on vulnerabilities in the US R&D system that are being exploited by adversarial groups in China. Topics discussed include:
  - Barriers to interagency coordination and extramural information sharing required to maintain research security

        - Agency policies and strategies to mitigate the risks of foreign exploitation of American funded research assets
        - How the current federal R&D environment is hampering US-bound foreign scientific talent
    - **Senate Aging**: The Committee convened a hearing on drug supply chains.
        - The conversation was dominated by the discussion of strategies to address of China's role in the global biotechnology, pharmaceuticals, clinical trial and manufacturing sectors, as well as **oversight of foreign investment in these sectors through the Committee on Foreign Investment in the United States** (CFIUS).
        - Committee Chair Rick Scott (R-FL), Ranking Member Kirsten Gillibrand (D-NY) and Sen. Elizabeth Warren (D-MA) used the hearing to introduce their bill, that would require the Federal Trade Commission (FTC) and CFIUS to file an annual report to Congress on foreign investment in pharmaceutical manufacturing and related sectors. The legislation notably calls out **foreign investments in sequencing and storage of DNA**, including genome and exome analysis, for special scrutiny.
- **Administration & Agencies**:
    - **CMS**:
        - **The agency has posted proposed changes to the Medicare Physician Fee Schedule (PFS)**. Comments on the proposal are due **September 14**. Key highlights of the proposal include:
            - Overall **decline in physician payments** due to lower conversion factors, although the impacts will be varied.
            - **Continuation of certain telehealth flexibilities** where authorized
            - Improving access to certain services for behavioral health and those with complex chronic conditions

- Significant changes to remote monitoring services
- Continued transition towards value-based payment models
- Requirement for **providers participating in the 340B** drug discount program to **submit claims data**.

▪ The agency published guidance for companies whose products are subject to the third cycle of the Medicare Drug Price Negotiation Program, which will commence in 2028.

- **FDA**:
  - Psychedelics: The agency posted its final guidance for industry on clinical investigations for psychedelic drugs, and a public hearing on potential future uses of psychedelics will be convened on September 14.
- **White House, Other HHS Agencies & Departments**:
  - **Affordable Care Act:** A federal court issued a stay on implementation of several provisions in the Administration's recent Obamacare rule, including the expanded eligibility for multiyear catastrophic health plans.
  - **Uniform Guidance for Federal Assistance**: The comment period for the Administration's proposed overhaul of federal grant management and disbursement closed last Monday. Almost **500,000 comments were filed**, with preliminary analysis indicating **95% were in opposition** to the changes, with just **1% in favor**.
  - **Grant Terminations**:
    - Citing misalignment with federal priorities, last week the Agency for Healthcare Research and Quality **(AHRQ) terminated more than 70 grants collectively worth $185 M**, impacting clinical trials and research training programs, among other activities.
    - A US District Court ruled in favor coalition of Democratic governors and attorneys general, who filed a suit against the Administration, accusing it of illegally blocking grants to jurisdictions to support public services including medical research initiatives.

- A coalition of local governments and health groups have sued HHS over its termination last month of grants to support teen pregnancy prevention programs.

GLS Members Only: GBG Monthly Federal Funding Report Call

Don't miss the monthly GBG Report call, held every third Thursday at 12 PM ET. These sessions provide updates on the latest federal funding opportunities and insights to help companies navigate and secure non-dilutive capital. GLS partner G2G has helped raise over $612M and brings deep expertise in supporting innovation and commercialization. Interested? Contact Stacey Bowlin at Sbowlin@galifesciences.org.

Georgia Life Sciences is the leading advocate for the state's life sciences sector. Our team works on behalf of our members to advance policies that support innovation and growth—advocating for federal funding that drives research and enables the approval of new therapies; a fair reimbursement and pricing landscape to ensure patient access to life-saving medicines; continued investment in research and pandemic preparedness; strong intellectual property protections that reward innovation; a business-friendly tax environment that allows companies to thrive and grow; and expanded loan guarantees and grant programs to improve access to capital, including for agricultural and energy biotechnology.