



# SCWA Legislative & Regulatory Update

March 2, 2026

## Government Affairs Update

**Iran War:** Members in both chambers are expected to pursue votes this week on War Powers resolutions related to U.S. military involvement involving Iran.

The 1973 War Powers Resolution provides Congress with a statutory framework to authorize the President's use of U.S. armed forces abroad or to direct their removal from hostilities. It establishes expedited procedures for congressional consideration. Such measures may be introduced as a bill, joint resolution, or concurrent resolution. In the Senate, any member may seek a vote on these measures. In the House, members may seek a vote on a concurrent resolution. Passage requires a simple majority in both chambers. Bills and joint resolutions are subject to presidential veto, while concurrent resolutions do not require the President's signature, which has led to differing interpretations regarding their legal effect.

The House measure could receive sufficient support, while the outlook for the Senate joint resolution remains unclear.

The administration is scheduled to brief congressional leaders today, with full Senate and House briefings planned for tomorrow.

**Appropriations:** Last week, Senate leadership sought to advance both the FY 2026 Homeland Security appropriations bill and a separate continuing resolution to fund the agency and its programs at FY 2025 levels through the remainder of the fiscal year. Procedural votes did not achieve the threshold required to proceed.

In light of developments involving Iran, some members have highlighted the importance of ensuring that the Department of Homeland Security has appropriate resources. Other members have emphasized the inclusion of immigration-related policy provisions as part of any funding legislation. Discussions between the administration and congressional offices are ongoing.

Senate Majority Leader John Thune (R-SD) is expected to bring the appropriations measures back to the floor this week. In the House, Speaker Mike Johnson (R-LA) has indicated that the chamber may consider a Homeland Security appropriations bill similar to the version previously passed.

**Housing Affordability Bill:** The Senate is scheduled to vote on a procedural motion to proceed to consideration of the House-passed Housing for the 21st Century Act (H.R. 6644). The chamber is then expected to consider a substitute amendment reflecting its own housing legislation, the ROAD to Housing Act (S. 2651).

The Senate previously approved its housing proposal as an amendment to the National Defense Authorization Act last year, though it was not included in the final enacted measure. House Financial Services Committee Chairman French Hill (R-AR) has indicated that any final legislation would likely need to reflect input from both chambers and the administration. Policy differences include regulatory provisions affecting community banks and proposals related to institutional investment in single-family housing.

**Tariffs:** In his recent State of the Union address, President Donald Trump stated that he does not intend to seek additional legislation to implement new tariffs following the Supreme Court's decision invalidating certain tariffs imposed under the International Emergency Economic Powers Act (IEEPA). He indicated that other statutory authorities may be available.

A directive to increase Section 122 tariffs from 10% to 15% has not yet been signed. The administration is reportedly evaluating options for adjusting tariff rates while maintaining existing trade agreements. Some trading partners, including the European Union and the United Kingdom, have raised questions about how potential changes could affect negotiated arrangements.

U.S. Trade Representative Jamieson Greer has stated that any revised tariff framework would aim to provide continuity and account for existing agreements.

Reports indicate that the administration is reviewing potential legal approaches regarding revenue collected under the invalidated IEEPA tariffs. At the same time, members in both chambers have introduced legislation addressing tariff refunds. Senate Finance Committee Ranking Member Ron Wyden (D-OR) and other senators introduced a bill requiring refunds of IEEPA tariffs with interest, including finalized duties, with prioritization for small businesses. In the House, Rep. Steven Horsford (D-NV) and other members introduced related legislation.

**Reconciliation 2.0:** The President's State of the Union address included limited discussion of tax and spending proposals but referenced several policy priorities that may require consideration through the budget reconciliation process.

Leader Thune and Speaker Johnson have noted that advancing a tax and spending package through reconciliation would present procedural and political challenges. Some members have discussed whether tariff-related revenue could be incorporated into a future reconciliation measure. Senate leadership has asked committees to explore potential options.

**Tax Administration Bill:** Senate Finance Committee Chairman Mike Crapo (R-ID) and Ranking Member Ron Wyden (D-OR) introduced the Taxpayer Assistance and Service Act (S. 3931). The bill includes provisions intended to improve IRS administration and taxpayer services, such as oversight of unenrolled tax preparers, protections for fraud victims, expanded Tax Court jurisdiction, enhancements to IRS online accounts, and measures affecting the Taxpayer Advocate Service. The legislation has bipartisan support and could advance if scheduled for floor consideration.

**House:** The House returns to session tomorrow, with votes expected to begin Wednesday.

Leadership may bring forward measures under a rule requiring simple majority support. The initial schedule included two Judiciary Committee bills: the Deporting Fraudsters Act (H.R. 1958), addressing inadmissibility and deportability for individuals convicted of defrauding the U.S. government or unlawfully receiving public benefits; and the BOWWOW Act (H.R. 4638), applying similar standards to individuals convicted of harming law enforcement animals. There are indications that the schedule could change to allow consideration of a new FY 2026 Homeland Security appropriations bill.

The House schedule also includes votes under suspension of the rules, requiring two-thirds majority support. These measures include Natural Resources Committee bills related to tribal land transactions, broadband administrative reviews, and federal critical minerals lists, as well as Education and Workforce Committee bills addressing human trafficking reporting requirements, homeschooling recognition, and tuition rates for residents of U.S. territories. The schedule also includes a joint resolution proposing a balanced budget amendment to the Constitution.

Reps. Thomas Massie (R-KY) and Ro Khanna (D-CA) are expected to seek a vote on a War Powers resolution (H. Con. Res. 38) concerning U.S. military involvement involving Iran.

**Senate:** The Senate is beginning consideration of the House-passed Housing for the 21st Century Act (H.R. 6644). Later this week, leadership is expected to seek floor action on the Homeland Security appropriations bill and a continuing resolution to fund the department at FY 2025 levels through the remainder of the fiscal year. The chamber may also consider administration nominations.

Sen. Tim Kaine (D-VA) is expected to seek a vote on a War Powers resolution (S.J. Res. 104) regarding U.S. armed forces involvement involving Iran.



Chuck Space, SCWA Executive Director  
Southwest Car Wash Association