



# SCWA Legislative & Regulatory Update

**May 18, 2026**

If all goes as planned, the Senate will remain in session throughout the week, while the House is scheduled to meet Tuesday through Friday, with no votes planned for Tuesday. Both chambers are expected to recess next week for Memorial Day, with lawmakers returning afterward.

Congressional leaders are working to advance a second budget reconciliation package this week. President Donald Trump has said he would like the legislation completed by June 1. To meet that timeline before the recess, both chambers would need to pass the bill this week.

Last week, Senate staff and the Senate Parliamentarian began reviewing portions of the reconciliation package under the "Byrd rule," which governs what provisions may be included in reconciliation legislation.

Following challenges from Senate Democrats, the Parliamentarian ruled against parts of the Homeland Security Committee proposal and a provision related to funding for a White House ballroom project included in the Judiciary Committee bill. Senate Republicans are expected to revise those sections in an effort to comply with Senate rules.

The Senate Homeland Security Committee plans to mark up its bill this week, while the Judiciary Committee is expected to vote on its legislation without a formal markup session. The Senate Budget Committee is scheduled to meet Wednesday to combine the measures into a single package.

Senate debate on the reconciliation bill is expected to begin Thursday and could continue into Friday morning. Under reconciliation procedures, Senate debate is limited to 20 hours, but senators may offer an unlimited number of amendments. Once debate time expires, the Senate may move into a "vote-a-rama," during which remaining amendments are considered with limited debate.

Most amendments are not expected to pass. However, lawmakers are watching a possible Democratic amendment that would remove funding for the ballroom project and redirect the money to law enforcement initiatives. Some moderate Republicans have expressed concerns about the project and could support such a change.

If the Senate approves the reconciliation package, House leaders are expected to bring it to the floor later in the week, possibly Friday or Saturday.

The reconciliation process allows the Senate to pass legislation with a simple majority vote. During consideration, senators may raise objections under the Byrd rule against provisions considered unrelated to budget matters. If the Senate Parliamentarian determines a provision violates the rule, it may be removed unless 60 senators vote to waive the objection.

House Speaker Mike Johnson has also indicated that House Republicans may pursue a third reconciliation package later this summer focused on affordability issues and additional party priorities. Some lawmakers within the party have expressed skepticism about the timeline and the difficulty of assembling a package that can satisfy both fiscal conservatives and more moderate members ahead of the midterm elections.

Separately, the House last week passed its first fiscal year 2027 appropriations bill, covering military construction and the Department of Veterans Affairs. The measure passed with bipartisan support and is considered one of the less controversial annual spending bills.

The House Transportation Committee has also released a \$580 billion highway bill and is expected to mark it up later this week.

On foreign policy matters, Reps. Greg Meeks and Brian Fitzpatrick secured enough signatures on a discharge petition to force a House vote on legislation that would impose sanctions on Russia if it declines to negotiate or comply with a peace agreement involving Ukraine. The petition process allows rank-and-file lawmakers to bring legislation to the floor without leadership approval.

Additional Republicans, including Reps. Don Bacon and Kevin Kiley, signed the petition, while other Republican lawmakers have said they may support the bill during a floor vote.

The Senate also voted last week on an Iran War Powers resolution, which was defeated 49-50. Republican Sens. Lisa Murkowski, Susan Collins, and Rand Paul joined Democrats in supporting the measure, while Sen. John Fetterman voted against it.

A similar House resolution introduced by Rep. Josh Gottheimer failed on a 212-212 vote. Republican Reps. Tom Barrett, Brian Fitzpatrick, and Thomas Massie voted in favor.

The House schedule for the remainder of the week includes consideration of multiple bills under suspension of the rules, which requires a two-thirds majority for passage. Among them is the latest version of the 21st Century ROAD to Housing Act, along with several banking, veterans' affairs, housing, and public lands measures.

Additional bills expected on the floor include the SCORE Act, which would establish new federal standards related to college athlete compensation and provide the NCAA with limited antitrust protections, as well as legislation concerning veterans' benefits, firearms background check procedures, and the proposed location of the Smithsonian American Women's History Museum on the National Mall.

Rep. Greg Meeks is also expected to attempt to force a House vote on an Iran War Powers resolution.

Meanwhile, the Senate is continuing work on confirming nominees for the Trump administration while preparing for debate on the reconciliation package later in the week.

### **SCWA Joins Main Street Joint Trades Letter on CTA Relief**

Dear Secretary Bessent and Acting Attorney General Blanche:

The undersigned organizations, representing millions of employers operating in every sector of the American economy, urge the Department of the Treasury and the Department of Justice to support an expeditious review of the Corporate Transparency Act (CTA) by the Supreme Court (Court).

The CTA imposes an unprecedented reporting regime on tens of millions of businesses and other legal entities, raising exceptionally important constitutional, privacy, and federalism questions warranting definitive review by the Court.

There are currently two petitions before the Court requesting they review lower court rulings on the CTA's constitutionality: *National Small Business United v. Bessent* and *Texas Top Cop Shop, Inc. v. Blanche*. These cases raise fundamental questions regarding just what limits the Constitution imposes on the government when it mandates the collection of personal information for law enforcement purposes. As the petition for writ of certiorari filed in the NSBA case states:

This case involves a double blow to the Constitution: an extraordinary effort to expand Congress' Commerce Clause power in a way not seen since *NFIB v. Sebelius*, 567 U.S. 519 (2012), all while ignoring core Fourth Amendment protections to boot.

Treasury's March 2025 interim final rule exempted domestic entities and U.S. persons from the CTA's reporting requirements, providing welcome and meaningful relief to millions of small businesses, homeowners' associations, and other enterprises that otherwise would have faced the challenge of ongoing CTA compliance coupled with the threat of severe civil and criminal penalties. The underlying CTA statute remains intact, however, as do the constitutional questions it raises. Only a clear ruling from the Supreme Court can put this issue to rest and prevent future administrations from reimposing the broader reporting requirements.

A clear ruling from the Court would provide meaningful relief to Treasury as well, by resolving ongoing uncertainty surrounding the future enforcement of the CTA. Continued ambiguity risks repeated cycles of litigation, shifting compliance obligations, and confusion among millions of affected entities and individuals attempting in good faith to understand their obligations under federal law.

For these reasons, we respectfully urge Treasury and DOJ to support the pending petitions for certiorari and request that the Supreme Court take up the cases so these significant constitutional questions may be conclusively resolved in an expeditious manner.

Thank you for your consideration and for your continued engagement with the business community.

Sincerely,  
Southwest Car Wash Association and 90 other trade associations



Chuck Space, SCWA Executive Director  
Southwest Car Wash Association