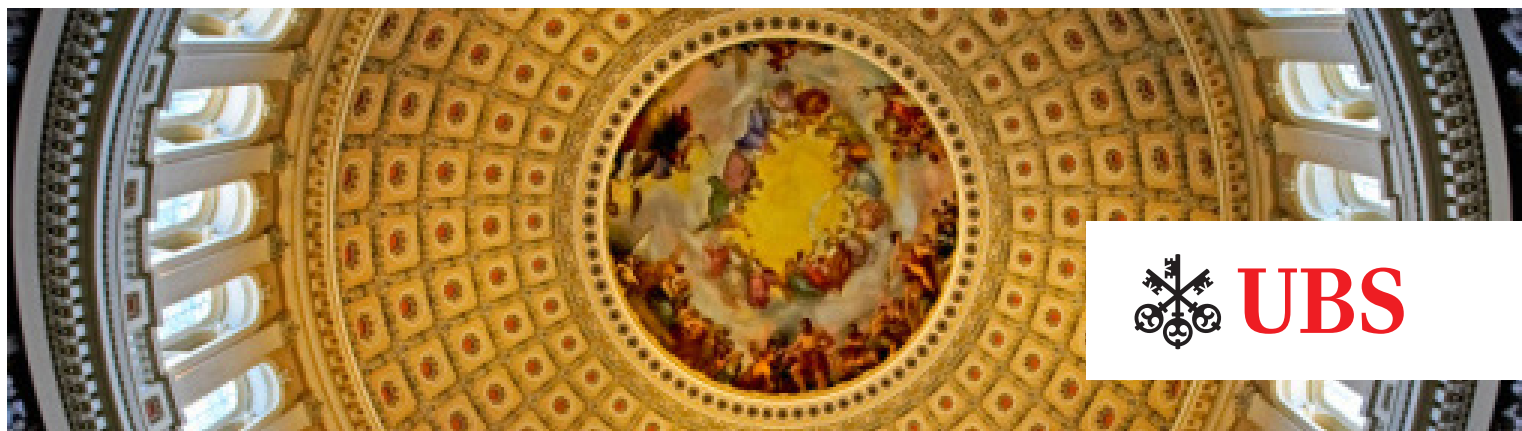


# Washington Weekly

Under the Dome: The Week in Review

13 March 2026



**This Week:** The **Senate** confirmed Trump administration nominees and passed a housing affordability package. It failed to pass legislation to fund and reopen the Department of Homeland Security (see below). The **House** was out of session.

**Next Week:** The **Senate** will continue to confirm Trump administration nominees and plans to consider a voting reform bill (see below). The **House** will vote on two immigration-related bills, a bill to prohibit the Agriculture and Interior Departments from banning the use of lead-based hunting ammunition and fishing tackle on federal land and water, and a Senate-passed bill to reauthorize federal funding for small businesses to develop new technologies. It also may vote on a bill that would impose additional sanctions on Iran oil purchases.

## The Lead

**Iran Uncertainty.** While President Trump has indicated that the war in Iran will be over soon, it remains unclear what the primary strategic basis would be for ending US military engagement (e.g. sufficient protection of global energy supplies, degradation of missile and nuclear capabilities, and/or the collapse/submission of the Iranian regime). As the war entered its second week, Trump administration officials held additional closed door briefings on Capitol Hill on the operation and cost of the war. The Pentagon told Congress that the cost of military spending alone in the first week of the war was more than \$11.3 billion. Given that, the Trump administration likely will need to seek supplemental funding that could run well into the tens of billions of dollars. GOP leaders have given the administration early leeway, but several lawmakers are already signaling discomfort with the prospect of an unpaid for war bill, particularly if the conflict drags on without a defined endgame. Public support could erode further with any uptick in US casualties and with rising energy prices. *Republicans may be willing to absorb the political hit of backing the war in the short term, but history suggests both congressional and public support could thin quickly if the cost continues to climb.*

**DHS Deadlock.** With the lapse in funding for the Department of Homeland Security (DHS) nearing the one-month mark, a deal still remains elusive. In the Senate, Republicans and Democrats tried to bring forward competing proposals on extending funding, but the other party objected to each. Senate Democrats would fund all DHS agencies except for ICE and CBP, while Senate Republicans countered with a two-week funding extension to keep DHS open while negotiations continue. Senate Majority Leader John Thune (R-SD) also teed up a procedural vote on a full-year DHS funding bill, but Senate Democrats blocked the measure. Republicans argue that President Trump has offered changes to immigration enforcement practices, but this has not provided nearly enough comfort for Democrats. There is some hope that progress can be made when both chambers are in session (the House was out this week). *As DHS employees and the public increasingly feel the effects of the shutdown (notably longer lines for airport security), the likelihood of a deal may rise, but, as things stand, the two sides aren't close.*

## Other Issues

**SAVE America Act.** Last weekend, President Trump vowed not to sign any legislation until Congress passes the Safeguard American Voter Eligibility (SAVE) Act, a contentious voter ID and citizenship verification bill. The SAVE America Act would require proof of citizenship (a birth certificate, passport, select Real ID documents, or a naturalization certificate) to be shown when registering to vote in federal elections, and photo ID to be presented at the polling place. Republicans believe that these measures are necessary to ensure the integrity of federal elections. Democrats argue that the bill is too restrictive (only half the country has a passport and many don't have easy access to their birth certificate) and would disenfranchise voters. The House has passed several variations of this bill along mostly partisan lines, including this version last month. However, it is a non-starter in the Senate where Democratic support is needed to reach a 60-vote procedural threshold. Further complicating matters, President Trump wants the Senate to include additional provisions like curbs to mail-in ballots that some House

Republicans would oppose. President Trump and some allies on the right would like to change Senate rules and apply a “talking filibuster” where a senator must continuously hold the floor and speak without stopping to delay or block a vote on legislation. Senate Majority Leader John Thune (R-SD) has a dim view of such a rule change, but he nevertheless plans to bring the SAVE America Act to the Senate floor next week. *Lengthy debate on the bill is expected, but, since there is not enough support among Senate Republicans for the “talking filibuster,” it will fail to reach the needed 60-votes threshold.*

**China Summit.** Trade and other tensions with China ebbed and flowed last year, though the relationship ended on a stable note after the Trump administration worked with urgency last fall to deescalate a brewing trade fight. Later this month, President Trump will head to Beijing for a summit with President Xi Jinping. Though only a few weeks away, the agenda for the summit is still somewhat open-ended. Senior officials from the two sides are set to meet next week regarding preparations. Given China’s dominance in the mining and processing of rare earth metals that are critical for many key technologies, the US likely will look to keep the relationship on stable footing. Nevertheless, the Trump administration this week launched investigations on whether to impose higher tariffs (20% from the current baseline of 15%) on certain manufacturing goods (and may launch additional investigations in other areas). While the potential tariff increase would impact a broad set of countries including China, the threat could be a play for bargaining leverage in the upcoming summit. The Trump administration likely will seek commitments on commercial deals (e.g. purchases of aircraft and agriculture), while China likely will seek greater assurances on tariff levels and technology export restrictions. President Trump may want to declare some sort of resolution on Iran going into the summit, but that may not be feasible. *Although a big event, the summit seems poised to be a ratification of the status quo of an uneasy truce.*

**Housing Bill.** The Senate this week approved a bipartisan package to promote the development of greater housing supply. Although the bill passed the Senate on an overwhelming 89-10 vote, House Republican leaders are vowing not to take up the Senate bill (called the ROAD to Housing Act). They instead want to have a conference committee to iron out differences between the Senate bill and one that the House passed earlier this year (also in an overwhelming bipartisan vote). The reason for the opposition is varied. Some on the far right are concerned about differences on a provision unrelated to housing. It would ban the Federal Reserve from issuing a central bank digital currency (the Senate limits the ban for a few years whereas the House bill has no time limit). Other Republicans have lingering concerns about a provision pushed by President Trump that would ban institutional investors (generally defined as entities that own and control more than 350 houses) from buying additional single-family homes. Many housing groups have voiced concerns about the provision and its potential impact on the development of homes to rent. Complicating factors are the reports that President Trump isn’t interested in the housing bill and doesn’t plan to weigh in on the differences. *While the House eventually may blink and pass the*

*Senate bill, the current standoff may jeopardize the chances for a bill with overwhelming bipartisan support.*

**Reconciliation 2.0.** The “One Big Beautiful Bill” passed into law last year through a special reconciliation process that allows certain measures to advance in the Senate with only a simple majority. There is growing chatter amongst Republicans on passing another reconciliation bill this year. Despite the interest, there is not an anchor to bring this bill together. Last year’s bill was held together by the knowledge that not passing it would lead to the largest tax hike in history. Without such an anchor and with such narrow majorities in both the House and Senate, Republicans will have a very tough time circling the wagons on a proposal. *Disparate goals among Republicans mean that this effort likely will falter.*

**Regulating Prediction Markets?** The public spotlight on prediction markets has faded a bit since the “Maduro Market” brought it to the forefront a few months ago, but the issue still has traction on the Hill. Since then, numerous Congressional proposals have been introduced in an attempt to provide more stringent rules for prediction markets. With several states asserting their authority to regulate them, the Commodity Futures Trading Commission (CFTC) has sought to assert its jurisdiction (it would regulate prediction markets as an offshoot of its authority to regulate futures). It seems clear that all of the governmental actors agree on the need for some basic rules, but what those rules are and who should create them continues to be muddled. A CFTC proposed rule is expected to have a fairly light touch by reinforcing that no “death markets” are allowed and that insider trading is prohibited, two rules most prediction markets state they’ve already implemented. However, it is unlikely that that alone would satisfy Congress. *Even if the CFTC issues a proposal shortly, this is an issue that will continue to gain traction in Washington as lawmakers mull over the best way to tackle it.*

## The Final Word

**Incumbents on Notice.** House incumbents are usually among the safest jobs to be found in Washington, but early signs suggest 2026 could buck that trend. Historically, more than 98% of House incumbents who seek renomination succeed, with an average of only six to seven members losing primaries per cycle since World War II. That high success rate, however, also means that it would take only a modest uptick in defeats for 2026 to rank as an unusually rough year for sitting members. Earlier this month, Rep. Crenshaw (R-TX) lost his reelection bid and Rep. Gonzalez (R-TX) narrowly forced a run-off before announcing he wouldn’t seek re-election. Reps. Green (D-TX) and Johnson (D-TX) also are heading to run-off elections and based on last week’s results, may be the underdogs. Most incumbents ultimately will survive, but the fast start to the primary season makes it likely that 2026 will see a higher-than-average rate of defeat for incumbents. *Only time will tell if this is a continuation of the anti-establishment trend that voters have been expressing for the past few cycles or if this is a commentary on the need for generational change.*

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