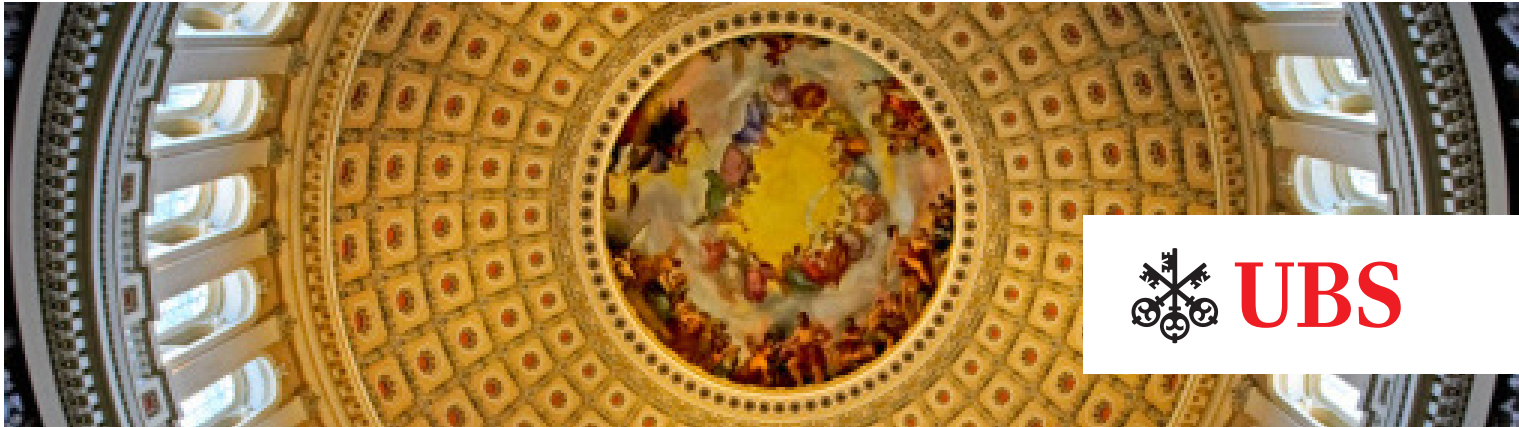


Washington Weekly

Under the Dome: The Week in Review

5 June 2026



This Week: The **Senate** confirmed Trump administration nominees and passed an immigration enforcement reconciliation bill (see below). The **House** passed its second of 12 fiscal year 2027 government funding bills (Agriculture Department-FDA) and legislation to aid Ukraine and impose new sanctions on Russia.

Next Week: The **Senate** will consider Trump administration nominees. The **House** will consider the Senate-passed reconciliation bill as well as a resolution and legislation addressing fraud, improper payments, and oversight across federal programs.

The Lead

Reconciliation Advances. Senate Republicans early this morning passed their roughly \$70 billion reconciliation package funding Immigration and Customs Enforcement (ICE) and Customs and Border Protection (CBP). The final vote only occurred after a grueling 18-hour “vote-a-rama” that included votes on 60 amendments. After passing the Senate on a mostly party-line vote of 52 to 47, the bill now heads to the House for a vote next week. Efforts to pass this bill in the Senate had been complicated by bipartisan backlash over the administration’s proposed \$1.8 billion Justice Department “anti-weaponization” fund. Despite assurances from the Trump administration that the fund would not move forward, Senate Democrats forced a series of amendment votes aimed at restricting or eliminating it. Senate Democrats also forced votes on politically charged amendments on immigration, health care, and election policy. *Legislative victories are becoming increasingly hard to come by.*

FISA Fumble. Senate Republicans ran into a significant roadblock this week as a hard-fought bipartisan compromise to reauthorize Section 702 of the Foreign Intelligence Surveillance Act (FISA) collapsed following President Trump’s appointment of Bill Pulte as acting Director of National

Intelligence. A procedural vote to begin consideration of the measure failed 47-52, with seven Senate Republicans joining Senate Democrats in opposing the measure over concerns about Pulte’s appointment. While President Trump indicated that Pulte will serve only in a temporary, acting capacity and will not be nominated permanently, that assurance did little to shift opposition, with lawmakers insisting they want clarity on a permanent nominee before supporting an extension. The setback leaves the surveillance authority, which is set to expire next week, at risk of lapsing. The vote followed extensive behind-the-scenes efforts to salvage support, including efforts by the Trump administration to try to garner support from the Senate Republican holdouts, but they fell short. *With 60 votes needed for final passage and no clear path forward, lawmakers are increasingly considering a short-term extension to prevent a lapse, setting up another high-stakes fight over FISA next week.*

Other Issues

Evolving Tariff Landscape. Following the Supreme Court’s decision earlier this year to strike down the lion’s share of tariffs imposed under emergency economic powers, the Trump administration pivoted to imposing 10% tariffs under an authority that has never been used before. These tariffs, while global and broad-based, are legally limited by both time (only 150 days) and tariff level (15% cap). Their purpose was to provide time for the administration to apply tariffs using other authorities on a more longstanding basis. One authority allows the administration to impose retaliatory tariffs in response to unfair trade practices (applied against China in the first Trump administration). These tariffs only can be imposed after lengthy investigative and administrative processes. This week, the Trump administration announced plans to impose broad-based tariffs of 10% or 12.5% on imports from major US trading partners. Under the plans, there are exemptions for a wide variety of products. The proposed tariffs won’t be implemented until later this year after they go through a process of public comment.

The latest proposal reflects the Trump administration's balancing of its interest in broad-based tariffs with concerns about the economy and inflation. *The result will be broad-based tariffs with complex layers of exemptions and sector-specific tariffs as well as possible additional bilateral deals and retaliatory tariffs.*

Social Security. In anticipation of the annual Trustees report on the soundness of Social Security and Medicare, AARP called for Congress to act on Social Security. Last year's report stated that Social Security will be able to pay 100 percent of traditional benefits (excluding disability, which is projected to be solvent until 2099) until 2033. At that time, the fund will only be able to cover 77 percent of scheduled benefits. Over the years, the date of insolvency fluctuates based on a number of factors, including tax receipts. *We do not expect AARP's push to result in any action to address the fiscal challenges that Social Security faces until we get much closer to the insolvency date.*

AI Executive Order. President Trump signed an executive order (EO) establishing a voluntary framework for technology companies to provide federal agencies with access to advanced artificial intelligence (AI) models prior to their public release. The release follows weeks of debate between the administration and the technology industry over the scope and details of the EO. In particular, the EO asks AI companies to provide (on a voluntary basis) the government with access to frontier models 30 days before their public release. This was a reduction from the 90-day review period contemplated in an earlier draft. The EO also directs federal agencies to strengthen the cyber defense of government and critical infrastructure systems, establish an AI cybersecurity clearinghouse, expand access to AI-enabled cybersecurity tools, and develop benchmarks to identify frontier AI models. The EO reflects growing concern that frontier AI capabilities are outpacing existing cybersecurity frameworks, creating new vulnerabilities across critical infrastructure and federal systems and driving a more formalized partnership with industry to identify and mitigate risks before deployment. The order explicitly states that it does not create mandatory licensing, permitting, or pre-approval requirements for AI models. *The Trump administration is continuing with a mostly light-touch approach towards AI at a time of growing public angst about its impact on everything from energy costs to job displacement.*

The "Wraparound" Reality. As the reconciliation process moves forward, it's worth watching a lesser-known but very relevant procedural tactic: the "wraparound" amendment. During a vote-a-rama, when Senators can offer and vote on an unlimited number of amendments before debate time expires, lawmakers may adopt changes that appear to reshape the bill

in real time. But, those changes are not always final. Leadership can later advance a sweeping "wraparound" amendment that effectively rewrites or consolidates the bill's language. This is often to ensure compliance with budget rules, secure the necessary votes, or align with broader bicameral agreements. In practice, this means provisions adopted earlier in the process can be modified or stripped out before final passage. *The dynamic reflects a broader truth about Senate procedure: even outside the traditional filibuster, complex rules and sequencing can significantly shape outcomes and the bill isn't final until it leaves the chamber.*

Congressional Pay Ruling. A recent federal court ruling on congressional pay has reopened a long-simmering debate over how lawmakers are compensated, finding that Congress likely ran afoul of the Constitution by repeatedly blocking automatic cost-of-living adjustments tied to inflation. For years, Congress has voted to forgo these increases, keeping salaries effectively frozen since 2009, largely to avoid the political optics of approving higher pay. The decision represents an early legal win for current and former lawmakers seeking back pay tied to those missed increases, though the case is far from resolved and any financial implications remain uncertain. *While unlikely to result in immediate pay hikes, the ruling shifts the issue from a purely political calculation to a legal one, raising the likelihood that compensation questions long avoided by Congress could be resolved by the courts.*

The Final Word

Iowa's Back in the Spotlight. Iowa is once again emerging as a central battleground for Democrats following this week's primaries, where a competitive Senate contest culminated in the nomination of a candidate Democrats believe can compete for an open seat that had long been considered safely Republican. The broader primary results also set the stage for competitive races across the ballot, including an open gubernatorial contest and potentially three of the four House seats in the state. Party leaders are increasingly bullish about Democrats' prospects in Iowa, pointing to economic headwinds in the state and a coordinated slate of candidates. That optimism has fueled a broader strategic narrative that Iowa could once again be a proving ground for Democratic candidates, an outcome with potential implications beyond 2026. *If Democrats are able to translate newfound competitiveness into wins, it could strengthen the case to restore Iowa's traditional role at the front of the presidential nominating calendar, where party officials are already making a concerted push to reclaim "first-in-the-nation" status ahead of 2028.*

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