



International Right of Way Association Weekly Update

Monday, June 5, 2017

Trump Administration

- The Administration has a packed schedule of infrastructure events this week, beginning with the unveiling of the President's plan to privatize the air traffic control system at the White House today. (https://www.washingtonpost.com/politics/trump-plans-week-long-focus-on-infrastructure-starting-with-privatizing-air-traffic-control/2017/06/03/12aacb04-47c5-11e7-a196-a1bb629f64cb_story.html) The President will then travel to Ohio later this week to discuss water infrastructure and environmental regulatory reform with rust belt voters. (<http://www.politico.com/story/2017/06/03/trump-infrastructure-239098>)
- These events come a week after the President dispatched a member of his senior staff to carry the message of infrastructure reform to a broad coalition of conservative groups, promising that the Trump infrastructure plan is "a substantively different approach than the top-down stimulus." (<http://www.politico.com/story/2017/06/01/white-house-conservatives-infrastructure-plan-239036>)
- In other developments last week, Richard LeFrak, another prominent member of the Administration and co-lead of the President's so-called "infrastructure task force," gave support to raising the gas tax, which conservative groups have roundly dismissed in the past. (<http://thehill.com/policy/transportation/335808-trump-adviser-supports-raising-gas-tax-to-pay-for-infrastructure>)
- President Trump signaled his support for the use of reconciliation instructions to advance comprehensive tax reform without the need to find 60 votes in the Senate, a strategy we have written about in the past, but one which the President had not himself discussed previously. (<https://morningconsult.com/2017/05/30/trump-alludes-senate-reconciliation-process-tax-legislation/>) However, in the meeting with the conservative groups, the Administration made it clear that it had no plans to link tax reform with its infrastructure proposal, viewing them as moving on separate tracks. (<http://thehill.com/policy/transportation/336174-trump-to-leave-infrastructure-out-of-tax-reform>)
- Due to lower than expected tax receipts, Treasury Secretary Mnuchin has indicated that the Congress must raise the debt ceiling before the August recess to avoid a default, and has asked Congress to do so by passing a "clean" increase without any policy riders. (<http://thehill.com/policy/finance/334971-mnuchin-asks-congress-for-clean-debt-hike-before-august>) However, Office of Management and Budget Director Mulvaney and National Economic Council Director Cohn both discussed the possibility of recommending additional policy riders or other spending reforms to a debt limit vote. (<http://www.washingtonexaminer.com/mulvaney-favors-attaching-spending-reforms-to>

[increase-in-debt-ceiling/article/2624611;](#)
<https://www.bloomberg.com/politics/articles/2017-06-02/mnuchin-and-mulvaney-at-odds-as-trump-confronts-debt-default>)

- In the wake of the Congressional Budget Office (“CBO”) score for the Administration-backed health care bill, Mulvaney also questioned the need and utility of CBO, the nonpartisan office of the legislative branch tasked with analyzing the economic and budgetary impacts of legislative proposals. (<http://www.washingtonexaminer.com/mick-mulvaney-the-day-of-the-cbo-has-probably-come-and-gone/article/2624609>)

Analysis

- The summer is always a busy period for Congress, and it is apparent that this year will be no different, with healthcare, the budget, the debt limit, and consideration of fiscal year 2018 funding bills on deck before the August recess. The timing on tax reform and infrastructure is still uncertain, but the Administration has made clear that it expects to advance both before the end of the year. All of these issues are overshadowed by the ongoing investigations into Russia’s involvement in U.S. politics and the President’s firing of former FBI Director Comey, who will testify before the Senate Intelligence Committee on Thursday. (<http://www.cnn.com/2017/06/01/politics/comey-testify/index.html>)
- This Administration has been plagued with internal disagreements and shifting strategies, which has impacted its effectiveness in influencing Congress and bridging the aisle to accomplish its policy priorities. The news this week indicates that we should not expect that to change anytime soon, with some of the most senior officials disagreeing publicly over strategy instead of arriving at a unified approach and then presenting its case to Congress. As the Administration and congressional leaders juggle the major issues that all need attention in the coming months, the Administration’s legislative strategy will become all the more important.