



International Right of Way Association Weekly Update

Monday, July 17, 2017

Trump Administration

- President Trump was interviewed by Pat Robertson on “The 700 Club” and talked about healthcare as a current priority, followed by tax reform. Referring to tax reform, he said “Again, like health care — this is simpler than health care, believe it or not — but like health care, I think we’re gonna get it done. And then I wanna go to infrastructure.”
<http://www.politico.com/story/2017/07/13/trump-health-care-tax-reform-700-club-interview-240502>
- President Trump traveled to Paris for Bastille Day at French President Emmanuel Macron’s invitation. During a joint press conference, Trump said “Something could happen with respect to the Paris accord. We’ll see what happens. But we will talk about that over the coming period of time. And if it happens, that will be wonderful, and if it doesn’t, that will be OK, too. But we’ll see what happens.”
<http://www.politico.com/story/2017/07/13/trump-paris-agreement-emmanuel-macron-press-conference-240510>
- Vice President Pence attended the National Governor’s Association conference and gave a speech. He noted the President’s focus on “unleashing American energy” and passing an infrastructure bill before the end of this session of Congress.
<https://www.whitehouse.gov/the-press-office/2017/07/14/remarks-vice-president-national-governors-association>
- Secretary Elaine Chao testified before the Senate Transportation, Housing and Urban Development, and Related Agencies Subcommittee on the FY18 Department of Transportation budget request on Thursday, July 13. She explained that one of the delays in releasing a \$1T infrastructure program is looking at ways to fund it. They are looking “at perhaps using different kinds of measurements for funding highways, and one of which is the mileage, using mileage travel as a parameter as well” as a long-term fix for the Highway Trust Fund shortage. She also said that DOT may accept the next round of Transportation Investment Generating Economic Recovery (TIGER) grant applications by the end of July; should Congress agree with the Administration’s budget request to eliminate the program, this could be the last round of awards.
<http://www.reuters.com/article/us-usa-transportation-idUSKBN19Y2RV?il=0>

Congress

- Senate Majority Leader Mitch McConnell unveiled an updated version of healthcare reform on Thursday, and initially planned to hold a procedural vote this week. The vote has been postponed after the news that Senator John McCain (R-AZ) had surgery for a blood clot above his eye and will be recuperating in Arizona for at least the next week.

Given that Senators Rand Paul (R-KY) and Susan Collins (R-ME) have both said they will not vote to proceed to debate because they oppose the bill, McConnell needs McCain's vote to proceed. If one more Republican were to vote no in addition to Paul and Collins, the motion would fail, so Republican leaders are aggressively arguing to other undecided Republicans that they should at least let the bill get to the floor for amendment and debate.

- While the Senate has been consumed by healthcare, the House turns to three energy-related bills this coming week. [H.R. 2910](#) is aimed at better coordination between FERC and other agencies in the natural gas pipeline permitting process. [H.R. 2883](#) is related to cross-border energy infrastructure. [H.R. 806](#) would delay until 2025 the implementation of EPA's latest standards for ground-level ozone. Of note, H.R. 2883 would eliminate currently-required presidential permits for pipelines and electricity transmission equipment that cross U.S. international borders and replace it with a "certificate of crossing" issued by the Federal Energy Regulatory Commission (FERC) for pipeline projects or the Energy Department for electricity transmission projects. H.R. 2910 would require concurrent reviews when multiple agencies are involved in a project, expand FERC's authority to lead environmental reviews, and authorize conditional approvals based on remote aerial data.
- The Senate Environment and Public Works Committee held a hearing on Wednesday, July 12 entitled "The Use of TIFIA and Innovative Financing in Improving Infrastructure to Enhance Safety, Mobility, and Economic Opportunity". On a bipartisan basis, Senators recognized the success of the program. However, they noted that credit assistance cannot replace federal grants for infrastructure improvement. Chairman Barrasso is from Wyoming, and repeated comments he has made before that private investment and innovative financing may not work in rural areas. Ranking Member Carper, from Delaware, noted that TIFIA has been very helpful in his state. Witnesses urged consistency and predictability in the program so that localities can more easily plan to participate in the program.
- The House Transportation Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing on Wednesday, July 12 entitled "Implementing the Federal Assets Sale and Transfer Act (FASTA): Maximizing Taxpayer Returns and Reducing Waste in Real Estate". The Subcommittee examined the law in the context of a vacant Veterans' Affairs facility in Pittsburgh that the City wants to acquire and use for a consolidated law enforcement and emergency management facility. <https://transportation.house.gov/calendar/eventsingle.aspx?EventID=401734>
- The House Transportation, Housing and Urban Development Appropriations Subcommittee marked up their FY18 bill on Tuesday, July 11. It funds the Department of Transportation at \$17.8B in discretionary spending - \$646M less than FY17, but \$1.5B more than the Administration requested. Full committee consideration is scheduled for July 17 at 7 pm. All 12 appropriations bills will be approved by the full committee by July 21. Republican leadership is considering rolling all the appropriations bills into one large omnibus and passing it before the August recess begins.
 - Of interest, the bill eliminates funding for the popular TIGER grants, although one appropriator commented that funding for this program that provides grants to

states and local communities may reappear later in the process. It includes \$1.75 B for the Federal Highway Administration's capital investment grants called New Starts, which is a 27% cut. The bill bars any federal funding for California high-speed rail.

- The Senate Committee on Environment and Public Works Subcommittee on Fisheries, Water, and Wildlife will hold a hearing entitled, "Innovative Financing and Funding: Addressing America's Crumbling Water Infrastructure" on Thursday, July 20 at 10 am. <https://www.epw.senate.gov/public/index.cfm/hearings?ID=0E706F62-B7D6-42D2-9B58-8C17EF41FCCC>
- The House Natural Resources Subcommittee on Energy and Natural Resources will hold a hearing entitled "Promoting Onshore Oil and Gas Development in Alaska" on Tuesday, July 18 at 2 pm. <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=402368>

Analysis

- As we have discussed in previous updates, and as the President himself said this week in an interview, his legislative agenda sequence is healthcare, tax reform, and infrastructure. Healthcare remains uncertain, but McConnell and the White House are in a full out campaign to pass a bill. They added funding for Alaska in the most recent draft to try and persuade moderate Senator Lisa Murkowski (R-AK) to support the bill (she is still uncommitted), and additional changes are likely. Vice President Pence is meeting privately with many Republican Governors at the National Governors' Association meeting and urging them to keep any concerns restrained in order for McConnell to have negotiation room with vulnerable senators like Dean Heller (R-NV). A final outcome is still very uncertain.
- Earlier this year there was significant discussion of marrying tax reform and infrastructure by using repatriation of overseas corporate profits to pay for part of the \$1T package, but that talk had diminished recently. However, Senator Ron Wyden (D-OR), the Ranking Member on the Senate Finance Committee, which has jurisdiction over tax reform, recently brought the option up again. He gave a speech and said "I think the idea has a pulse again." As we have previously mentioned, moving tax reform and infrastructure together makes sense because it can be crafted to appeal to both Republicans and Democrats in the middle of the party, decreasing the need to negotiate with the far left and right.