



International Right of Way Association Weekly Update

Monday, August 7, 2017

Trump Administration

- With the failure of the healthcare legislation championed by the Administration and congressional Republicans, the next item on the agenda is tax reform. Commerce Secretary Mnuchin met with Senate Majority Leader McConnell and Minority Leader Schumer this week to discuss a path forward. The same day as this meeting, Senate Democrats sent a letter to the President stipulating that they will not support any tax reform proposal that reduces taxes for the top 1 percent or increases taxes on the middle class. <http://abcnews.go.com/Politics/wireStory/senate-democrats-cuts-rich-gop-tax-plan-48963426>
- The Administration reiterated this past week that infrastructure is still a priority for President Trump and that he wants to work with Congress to pass infrastructure legislation. <http://thehill.com/policy/transportation/344684-white-house-infrastructure-bill-still-a-priority-for-trump>
- The Senate confirmed a number of President Trump's nominees on Thursday, including the Administrator of the Maritime Administration and the Chairman of the Surface Transportation Board. <https://www.dailypress.senate.gov/?p=17511>
- Word has started to leak about U.S. Department of Transportation selection of certain "small projects" for funding under the INFRA grant program. While the full list of small project selections has not been made public, the list will be published at this link once transmitted to Congress: <https://www.transportation.gov/buildamerica/infragrants>.

Congress

- Both the House and the Senate are in recess and will return after Labor Day to consider a budget, government funding bills, proposals to address the debt ceiling, and tax reform legislation.

Analysis

- Nearly seven months into his Administration, the President has yet to score a major legislative victory. Aside from the confirmation of Supreme Court Justice Gorsuch, which itself was only possible by changing Senate precedent, the President's agenda has not advanced at the rate he would like. When Congress reconvenes after Labor Day, there

will be only limited time to achieve must-pass measures such as a budget, government funding bills, and an increase to the debt ceiling. Once those items are resolved, Congress and the Administration will begin consideration of comprehensive tax reform legislation.

- Given the failure of Senate Republicans to achieve enough support amongst themselves to pass health care legislation with a 51-vote threshold under reconciliation instructions, it is open for debate whether it will be possible for the Administration to achieve its tax reform goals relying only on Republican votes. Advancing tax reform legislation with a 51-vote threshold under reconciliation instructions from the fiscal year 2018 budget process has always been the plan, but the August recess will provide an opportunity for the Administration and congressional leaders to map out a path forward. If the Administration decides to pursue a bipartisan approach, then congressional Democrats will wield a significant amount of power in the process, knowing that the end result will rely on at least some Democrat votes. This is not lost on Senate Democrats, who have, with their letter to the President, already begun outlining their demands.