



## International Right of Way Association Weekly Update

Monday, August 28, 2017

### Trump Administration

- On Wednesday, the White House convened a meeting with some of the top infrastructure advisors and financiers in the country, including an industry leader from Nossaman, to discuss infrastructure policy.
- The White House Office of Intergovernmental Affairs is hosting an event on August 30 with state and local officials to discuss infrastructure. The goal is to jump start the conversation about infrastructure in D.C. as Congress returns next week.  
<http://www.forconstructionpros.com/asphalt/news/20973798/state-dots-head-to-white-house-for-meeting-on-infrastructure>

### Congress

- Republican congressional leaders have spent the month of August developing a strategy to reach the end of September with a debt limit increase and a government funding bill passed.
- Democrats in the House of Representatives are preparing amendments to restore funding for the Transportation Investment Generating Economic Recovery Program, better known as the TIGER Program, as the House prepares to consider the Transportation-Housing and Urban Development appropriations bill.
- The National Flood Insurance Program will expire at the end of September without congressional action to extend it. Internal Republican divisions are forming along geographical versus ideological lines. <http://www.politico.com/story/2017/08/27/flood-insurance-deadline-looms-242068>

### Analysis

- Republican congressional leaders have spent the month of August developing a strategy to reach the end of September with a debt limit increase and a government funding bill passed. While they may run the typical play for must-pass legislation (where House Republicans use the strong Rules Committee-driven process to pass partisan funding and debt limit bills, then Senate Republicans negotiate a bipartisan package and send it back to the House right before the deadline), the wild card here is how the President reacts once the legislation arrives at his desk for his signature.

- After threatening to shut down the government if the congressional package does not include funding for a border wall, congressional leaders may need to reevaluate their strategy. The way to win, politically, by shutting down the government is to convince the electorate that the other party was to blame for shutting down the government. The President going on-record that he wants to shut the government down if the funding package does not include funding for a border wall is the same as going on record to say that he wants to shut the government down, and Republicans in Congress will do everything they can to avoid this eventuality and the resulting damage it would do to the Republican Party.
- The Strategy to keep the government funded and to raise the debt ceiling must also be read in the context of an increasingly hostile relationship between the President and Congressional Republicans. While there is likely some logic to the President's strategy to continue to portray himself as an outsider and his own "brand" of Republican, the number of Republicans who support his agenda that he has publicly attacked continues to increase. The practical ramification of this is that the President may be jeopardizing otherwise safe Republican seats in the Senate. The risk is not that the Republicans the President is attacking would lose in a general election against a Democratic challenger, but that the President's criticism fuel his base to push for primary challengers who themselves are unable to win in a general election.
- In addition, the devastation that the country has witnessed in Houston and other parts of coastal Texas this past week as a result of Hurricane Harvey provides a further dimension to these federal policy discussions. There are significant policy disagreements within the Republican Party over what the National Flood Insurance Program should look like. Very conservative Members want there to be no federal flood backstop, but coastal Republicans are pushing back on that hard and are beginning to working with Democrats on a solution. Additionally, the White House and Congress will feel tremendous pressure to provide additional resources for Harvey-affected areas, which affects the larger budget discussions. In the past, conservative Republicans have insisted that emergency aid funding be offset with cuts elsewhere in the discretionary budget. Texas has the largest Republican delegation in the House, with many senior Members, and they will strongly pressure their Leadership for help. It is possible that adding emergency aid for Texas to a large government spending package could attract some Republican votes. [https://www.washingtonpost.com/powerpost/cost-of-cleaning-up-harvey-will-bring-new-test-of-governance-for-trump-and-gop/2017/08/27/9ce55456-8b95-11e7-84c0-02cc069f2c37\\_story.html](https://www.washingtonpost.com/powerpost/cost-of-cleaning-up-harvey-will-bring-new-test-of-governance-for-trump-and-gop/2017/08/27/9ce55456-8b95-11e7-84c0-02cc069f2c37_story.html)
- Whether the President and Congress can navigate the must-pass items next month, and how they navigate it, will demonstrate how likely it is that these parties can work together on tax reform and an infrastructure package.