



International Right of Way Association Weekly Update

Monday, October 2, 2017

Trump Administration

- In an apparent reversal of what has been a core element of the Administration's infrastructure proposal, the President remarked that public-private partnerships ("P3s") are "more trouble than they're worth" on Tuesday during a tax reform discussion with Members of Congress. https://www.wsj.com/article_email/lawmakers-trump-calls-public-private-infrastructure-partnerships-more-trouble-than-theyre-worth-1506471610-1MyQjAxMTA3OTIyNzUyMzc5Wj/
- As reported last week, the White House convened a "principals meeting" on Thursday with the heads of the relevant federal agencies to discuss the Administration's infrastructure proposal. White House staff reported to a Nossaman expert after the meeting that the discussion focused primarily on the Administration's "one federal decision" environmental review and permitting process and that there was no discussion of the President's comments and whether a more foundational shift in policy would result.
- In the same tax reform meeting where the President made his remarks about P3s, he also noted that the tax proposal the White House has been developing with Congressional Republicans will include a 10 percent tax on foreign holdings of domestic companies, which is expected to raise \$200 billion over ten years—the same amount the Administration has discussed in direct federal infrastructure spending—but that these revenues would not be linked to the infrastructure proposal. https://www.wsj.com/article_email/lawmakers-trump-calls-public-private-infrastructure-partnerships-more-trouble-than-theyre-worth-1506471610-1MyQjAxMTA3OTIyNzUyMzc5Wj/

Congress

- The Senate released a budget proposal on Thursday which includes reconciliation instructions for tax reform. <https://www.nytimes.com/2017/09/29/us/politics/senate-budget-tax-cuts-arctic-refuge-drilling.html>
- The House will begin consideration of its budget proposal this week, which also includes reconciliation instructions for tax reform. <http://www.washingtonexaminer.com/house-begins-tax-reform-with-budget-bill-this-week/article/2636013>
- The Senate Environment and Public Works Committee will hold a nomination hearing on Thursday for Paul Trombino III to be the Federal Highway Administrator.

<https://www.epw.senate.gov/public/index.cfm/2017/10/hearing-on-the-nomination-of-paul-trombino-iii-to-be-administrator-of-the-federal-highway-administration>

Analysis

- A Nossaman expert was with White House staff when they were informed of the President's comments on Tuesday and it is clear that the President's remarks were unscripted. While the principals meeting on Thursday continued as scheduled, the Administration will not be able to simply ignore the President's comments given how foundational P3s are to the entire proposal.
- Senate Minority Leader Schumer blasted Republicans for releasing a tax reform proposal that benefits the wealthy and for failing to work with Democrats on the proposal. <http://thehill.com/blogs/floor-action/senate/352667-schumer-trump-tax-plan-wealth-fare>
- In a further hit to the bipartisanship between the President and Democratic Congressional Leaders, House Republicans are moving forward with discussions on immigration reform that ignores the bipartisan agreement to work together struck by the President, House Minority Leader Pelosi, and Senate Minority Leader Schumer. <http://www.politico.com/story/2017/10/01/dreamers-house-gop-border-wall-trump-immigration-243311>
- Senate Democrats are pushing for a \$500 billion infrastructure bill and insisting to Secretary Chao that she work with them in crafting an infrastructure proposal. https://www.washingtonpost.com/local/trafficandcommuting/senate-democrats-push-for-500-billion-in-infrastructure-investment/2017/09/28/c64b5a90-a457-11e7-ade1-76d061d56efa_story.html This proposal is noteworthy insofar as it is half the size of the infrastructure proposal Minority Leader Schumer released earlier this year and could indicate a more moderate position on the size of an infrastructure proposal that Senate Democrats would be willing to consider.