



International Right of Way Association Weekly Update

Monday, October 30, 2017

Trump Administration

- White House staff put pen to paper this week mapping out how they might navigate some of the Administration's policy ideas through the various political factions and interests in the Senate.
- Given the importance of public-private partnerships ("P3s") to the infrastructure plan discussed by the Administration since the beginning of the year, and the President's recent comments expressing skepticism about the use of P3s to deliver infrastructure projects, on Wednesday Gary Cohn briefed the President on this issue.
- The President embarks on a 12-day trip to Asia this week.
<https://www.usatoday.com/story/news/politics/2017/10/23/trumps-asia-trip-may-include-golf-dmz-visit-and-putin-meeting-uncertainwith-putin-dmz-visit-uncertain/789927001/>

Congress

- The House of Representatives passed the budget resolution on Thursday. The budget resolution will guide congressional appropriations in fiscal year 2018, but more notably, it includes reconciliation instructions that will allow comprehensive tax reform legislation to advance requiring only 51 votes in the Senate.
<http://www.cnn.com/2017/10/26/politics/house-budget-vote-tax-reform/index.html>
- The House Ways and Means Committee plans to release text of comprehensive tax reform legislation on Wednesday. <http://www.cnn.com/2017/10/30/politics/tax-reform-preview-republican-plan/index.html>
- Senator Hatch, Chairman of the Senate Finance Committee, plans to release the Senate companion tax reform bill in the next couple weeks.
<https://www.bloomberg.com/news/articles/2017-10-23/house-conservatives-say-tax-bill-draft-is-coming-within-days>

Analysis

- This will be a busy news week. This morning the AP broke the news that Special Counsel Bob Mueller has indicted Paul Manafort, the former chairman of the Trump campaign, for conspiracy against the United States and money laundering, as part of the probe into Russian meddling in the 2016 election. This development will undoubtedly

suck up the majority of air-time leading to a critical release of the House Republican tax reform legislation on Wednesday. The President's departure for Asia at the end of the week will also play prominently on the weekend news cycle.

- The big question for House Republicans will be whether all the additional static this week will help or hurt the rollout of their tax reform legislation.
- One thing that seems obvious to almost all Republicans is the need to enact tax reform legislation. Some have gone so far as to question the future existence of the party if Republicans fail. <https://www.axios.com/honeymoon-phase-ending-for-gop-tax-plan-2503527953.html> Yet, with stakes as high as these, the purported schedule for consideration seems incredibly ambitious. The plan is to introduce legislation in the House this week, in the Senate by mid-November, to pass both bills through each respective Chamber by Thanksgiving, to resolve the differences between the two bills and then pass the final compromise measure through both Chambers, and for the President to sign the bill into law before the New Year. <https://www.wsj.com/articles/gop-plan-for-a-speedy-tax-overhaul-faces-uncertain-road-1509302603>
- As Secretary Chao noted last week, tax reform is the priority and infrastructure will not advance until after tax reform wraps up. <http://www.ttnews.com/articles/tax-reform-holding-trump-infrastructure-plan-chao-says> Despite the behind-closed-door nature of their work of late, the White House infrastructure team clearly recognizes that the unpredictability of tax reform may result in them being called on to move quickly on infrastructure. Working out the policy implications of the President's statements on P3s is the top infrastructure policy issue for the White House right now. They are doing some back-of-the-envelope math to begin mapping out how some of their priority issues will break in the Senate. This is the first step to translate their policy ideas into reality.
- Nevertheless, one key outstanding issue is how to pay for the infrastructure proposal. Representative Bill Shuster, Chairman of the House Transportation and Infrastructure Committee, recently poured cold water over the idea that the House might consider passing a federal gas tax increase—one of the obvious, if indelicate, solutions to raising infrastructure revenue. <http://thehill.com/policy/transportation/357331-gop-chairman-no-appetite-for-gas-tax-increase-in-house>