



## International Right of Way Association Weekly Update

Monday, December 18, 2017

### Trump Administration

- As the tax debate draws down this week, with a bill expected on the President's desk before Christmas, the White House is continuing its plans to transmit an infrastructure proposal to Congress in January. While the date may slip, the White House is targeting January 8<sup>th</sup> to transmit the plan to Congress.  
<https://www.politico.com/story/2017/12/18/trump-taxes-sales-congress-302241>

### Congress

- House and Senate negotiators filed the final tax reform conference report on Friday, December 15. It is expected on the House floor Tuesday and the Senate floor shortly after that. Senator McCain has returned to Arizona because of side effects of cancer treatment; this is not expected to affect final passage, but President Trump said McCain will travel back if necessary. <http://www.cnn.com/2017/12/17/politics/mccain-return-arizona-tax-bill/index.html>
- Items of interest: (Tax foundation summary here: <https://taxfoundation.org/conference-report-tax-cuts-and-jobs-act/>)
  - Top corporate tax rate of 21%
  - Private Activity Bond tax treatment will not change
  - Repeal of the corporate AMT; increases both the exemption amount and the exemption amount phaseout thresholds for the individual AMT.
  - Repeals the exclusion from gross income for interest on a bond issued to advance refund another bond.

### Analysis

- Congress can practically smell the jet fuel of their flights home for the holidays (and staff are ready for a break). But first, the House and Senate will vote on the tax reform conference report and need to pass a further extension of government funding, which expires Friday.
- House Republican Leadership has been racing to get tax reform done before the spending package because of concerns that the right flank of the conference could vote against tax reform if they do not like the federal funding bill, even though the two are unrelated bills. Conservative Freedom Caucus Members regularly object to spending

bills as too expensive and if they vote as a block have enough votes to take down a bill that does not have Democratic support.

- Our current understanding is that House Leadership plans to take up another short-term spending bill through January 21, except the bill would fund the Defense Department for the rest of FY18. The package also includes an extension of the Children's Health Insurance Program for five years and a permanent waive of the automatic sequester for defense programs. House Leaders are planning to pass this and leave town, "jamming" the Senate. But this could be a challenging strategy, as it likely cannot pass the Senate. <https://www.rollcall.com/news/politics/senators-going-own-way-stopgap-funding>
- As previously discussed, the talk of moving to healthcare or welfare reform in January has subsided and infrastructure again seems to be next on the Administration's agenda. While broad outlines of issues have been shared with the Congress, Members and Senators are anxiously awaiting the more specific details. Congress rarely takes exactly what an Administration wants and passes it, regardless of party affiliation. Additionally, the infrastructure package does not have any procedural protections and so will require a bipartisan 60 vote threshold for Senate passage.