



*Week of 6-12-17
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Congressional Overview

This week, the House passed legislation that would verify recipients of tax credits or subsidies included in the Affordable Care Act, along with IRS regulations for veterans' tax credits. Meanwhile, the Senate approved a sanctions bill on those aiding Iran's ballistic missile development and continued to vote on presidential nominations to the various federal agencies.

President Trump Highlights Apprenticeship Programs

This week, President Trump highlighted apprenticeship programs as the center of his labor policy. Per the Labor Department, there were more than 505,000 apprentices in training during 2016, which was the highest level on record since 2001, but only about 20,000 higher than the previous peak in 2003. This figure is much smaller than the 13.3 million students enrolled in four-year colleges in 2016.

Of the more than 8,000 active apprenticeship programs registered with the Department of Labor, almost half are in the construction industry, along with 20 percent in manufacturing. President Trump's budget proposal attempts to keep funding for apprenticeship programs steady, but reduces funding for Department of Labor job training programs by nearly 40 percent. Additionally, the proposal relies upon labor union apprenticeship programs, which are self-funded; thereby they require no significant federal funding outlays.

DOL Withdraws Worker Misclassification Guidance

The Department of Labor has withdrawn President Obama's guidance that held companies to a stricter interpretation of rules governing the use of independent contractors and made more firms jointly responsible for misclassified employees. Construction industry groups said this guidance created too broad a definition of joint employment. However, because courts are not bound by this new interpretation, a great deal of uncertainty remains for employers.

Republican Study Committee Supports FY 18 Omnibus Appropriations Package

The Republican Study Committee adopted an official position in support of the strategy to write one large appropriations package and pass it before the August recess. The plan would be to individually mark up all 12 annual spending bills for FY 18, then incorporate all 12 appropriations bills into a single package to be brought to the House floor.

Senators Unsure If There Will Be Affordable Care Act Repeal Vote Before Fourth of July

While Senate Republicans are currently drafting their Affordable Care Act repeal legislation behind closed doors with no feedback from their Democratic colleagues, senior officials are raising doubts about meeting their goal of voting on a major health care bill before the Fourth of July Recess. Republicans continue to debate how to make major revisions to Medicaid and insurance policies. Senators are still debating what approach to take in trying to shift Medicaid from an open-ended federal fiscal commitment to one with caps.

The Senate parliamentarian has warned Republicans that a key provision in their healthcare reform bill related to abortion is unlikely to be allowed, raising a serious threat to the legislation. The parliamentarian, Elizabeth

MacDonough, has flagged language that would bar people from using new refundable tax credits for private insurance plans that cover abortion. The so-called "Hyde language" essentially bars federal funds from being used to pay for abortions unless to save the life of the mother or in cases of rape and incest. Some project the bill would be dead in the water if Republicans are forced to strip that language.

Ivanka Trump Promoting Tax Incentives for Working Families

Ivanka Trump has emerged as a key ally for lawmakers promoting tax incentives for working families as she took a high-profile role this week promoting workforce development issues for the Trump administration. House Ways and Means Chairman Kevin Brady (R-TX) said he and his staff have been in discussions with administration officials working with Ivanka Trump on various tax incentives that were included in President Trump's tax principles.

The president's tax principles call for tax breaks for "families with child and dependent-care expenses" in tandem with tax cuts designed "especially for middle-income families." The President's FY 18 budget also includes a proposal for six weeks of paid family leave for new parents. States would be required to provide the leave, which would be paid for by restructuring unemployment insurance compensation. The White House estimated paid family leave would cost \$19 billion over 10 years.

President Trump's Infrastructure Plan May Reduce Environmental Review Timelines

Per Transportation Secretary Chao, "The Trump Administration's infrastructure proposal may streamline the regulatory process, which will not only cut costs, but it can improve the environmental outcomes by delivering infrastructure improvements more quickly."

EPA Proposes Extending Suspension of Obama Administration Methane Rules

On Tuesday, the EPA proposed extending its suspension of the Obama Administration's standards on methane emissions from oil and natural gas operations from 90 days to two years while it reviews the regulation. Per the EPA, "...under the proposal, sources would not need to comply with these requirements while the stay is in effect."

Oil Production Rises in U.S. Shale Basins

Per the Energy Information Administration, oil production in the U.S. shale basins is expected to grow by 127,000 barrels per day to almost 5.5 million barrels per day in July.