



*Week of 1-23-17
Volume 17 | Issue 4*

Congressional Overview

This week marked the first full week members of Congress went to work with President Trump and later in the week, House and Senate Republicans met with President Trump and Vice President Pence at their annual retreat in Philadelphia. At the retreat, President Trump and the Republican leadership charted a path forward on repealing and replacing the Affordable Care Act, along with pushing ahead proposals to reform the tax code, encourage infrastructure investment and provide taxpayer funding to build a wall along the Mexican border.

Meanwhile, in the Senate, they will continue debating President Trump's cabinet nominations after confirming two picks last week (retired Gen. James Mattis (Defense Secretary) and retired Gen. John Kelly (Homeland Security)).

Finally, since the House was only in session for two days due to the GOP retreat, the chamber solely debated legislation, authored by Rep. Smith (R-NJ), that would permanently prohibit the use of federal funds to pay for abortions or abortion coverage and prohibit federal medical facilities and health professionals from providing abortion services. This legislation coincided with this year's March for Life to protest the Roe v. Wade ruling, which occurred on Friday. None of the abortion measures passed by House Republicans in recent years have made it past a Democratic filibuster in the Senate.

Energy and Environment Nominations

It is unclear how quickly the Senate will move on President Trump's nominees to lead the major energy agencies. Rep. Zinke (R-MT) (Interior Secretary Nominee) and former Texas Governor Rick Perry (Energy Secretary Nominee) are expected to get confirmed after performing well in their confirmation hearings before the Energy and Natural Resources Committee last week; however, President Trump's EPA nominee (OK Attorney General Scott Pruitt) is expected to have an extended debate because of the Democrats' concerns regarding his opposition to former President Obama's regulations and his questions on the scientific consensus on climate change.

Appropriations

President Trump may be headed into a fight with Republican lawmakers with his plans for dramatic cuts to federal spending. Officials in the Trump administration are reviewing conservative budgets to find ways to save money in an effort to get rid of the "tremendous waste, fraud and abuse" that President Trump pledged to eliminate during the campaign. Many of the proposals would gain support from a majority of conservative House Republicans, but some programs slated for cuts would have major problems getting through the Senate. Trump's team is working with the Office of Management and Budget (OMB) staff to lay the groundwork for the new administration's initial FY18 budget proposal, which is expected to reach Congress in the next 45 days. The administration is relying on proposals outlined last year by the Heritage Foundation and the FY17 budget plan adopted by the Republican Study Committee. Finally, Sen. Alexander (R-TN) a senior member of the Appropriations Committee and chairman of the Health, Education, Labor and Pensions Committee stated, "any effort to balance the budget by cutting discretionary spending is not a straightforward approach." He argued that discretionary spending, which accounts for only a third of the federal budget and was subject to cuts known as sequestration during President Obama's tenure, is under control; however, "the part of the budget that is creating the debt is the entitlement part of the budget" referring to spending on Medicare and Medicaid. President Trump has vowed, however, not to cut Medicare or Social Security.

Pipeline Projects Advance

On Tuesday, January 24, President Trump signed orders to advance construction of the controversial Keystone XL and Dakota Access pipelines. The orders will not grant the final permits needed for the oil pipelines, but they will move both projects toward approval. The two projects require different approvals: Keystone needs a presidential permit to build across the Canadian border, while Dakota Access, developed by Energy Transfer Partners, needs an Army Corps of Engineers easement to build under Lake Oahe.

Trump Healthcare Law Executive Order

Last Friday, President Trump issued an executive order granting federal agencies the ability to use broad authority to implement and oversee the 2010 health care law. The order will allow the secretary of the Department of Health and Human Services and the leaders of other agencies to “waive, defer, grant exemptions from, or delay” implementation of any provisions within the law that would fiscally burden states. The order stated that the administration would “seek the prompt repeal” of the 2010 health law. Additionally, the order would allow the federal government significant leeway in authorizing how states implement provisions in the law. The Centers for Medicare and Medicaid currently approves or denies waivers that grant states greater flexibility to craft their own systems to comply with federal regulations on Medicaid. Friday’s executive order would seem to expand the agency’s ability to approve those proposals. Finally, it “encourages the development of a free and open market in interstate commerce” for health insurance.

Trump Freeze on Regulations

Last Friday, President Trump asked the heads of federal departments and agencies to stop advancing regulations until his own appointees are able to review them. The memo is in many ways identical to one that then-White House Chief of Staff Rahm Emanuel sent on January 20, 2009.

Prevailing Wage

Sen. Flake (R-AZ) introduced legislation this week that would exclude federally funded infrastructure projects from prevailing wage mandates under the Davis-Bacon Act, passed in 1931 requiring employers to pay a prevailing wage set by the Labor Department's Wage and Hour Division to workers under public infrastructure contracts with the federal government.

Trump Meets with Building Trades Leadership

On Monday, January 23rd, President Trump met at the White House with leaders of construction and sheet metal unions: Sean McGarvey (President of the North America's Building Trades Unions) Terry O'Sullivan (President of the Laborers' International Union of North America (LIUNA)), and Joseph Sellers (President of SMART, a sheet metal union). The meeting followed a gathering of 12 chief executives of large companies at the White House to discuss revitalizing the U.S. manufacturing economy. Earlier this month, Trump held separate meetings with Teamsters President James Hoffa and AFL-CIO President Richard Trumka in New York.

Trump Pulls Out of Trans-Pacific Partnership (TPP)

On Monday, January 23rd, President Trump signed an executive order announcing his plan to withdraw the U.S. from the TPP trade deal. The order fulfills Trump’s campaign promise to abandon the Pacific Rim trade pact early in his administration.

North American Shale Gas Exploration

- Trump Administration Working on Energy Policy Changes: As published on the White House's website after his inauguration, President Trump is reportedly preparing to roll back a number of energy regulations enacted by the previous administration as part of his "America First Energy Plan." Trump plans to repeal

President Obama's Climate Action Plan, accelerate permitting for cross-border pipelines and remove the climate change factor when making government decisions.

- Shale Drilling to Increase in 2017: Per the Wall Street Journal on January 20th, preliminary 2017 budgets released by over a dozen U.S. shale drillers including Hess and Noble Energy, suggest that the group's exploration and production spending could surge by an average of 60 percent, marking a turnaround after two years of budget and job cuts.
- Florida Legislator Preparing Anti-Hydraulic Fracturing Legislation: On Tuesday, January 24th, Florida state senator Dana Young announced legislation to ban hydraulic fracturing. Young, a Republican, promised during her campaign for the Senate District 18 seat to ban hydraulic fracturing after she was accused of being a fracking supporter.

Lastly, on Monday, January 23rd, the Senate Foreign Relations Committee approved Rex Tillerson (former Exxon Mobil CEO)'s Secretary of State nomination. His nomination will now go to the full Senate.