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THIS WEEK IN WASHINGTON

Week of April 10, 2017



This Week in Washington

Thanks for continuing to read This Week in Washington. We're sincerely grateful.

This week was the last week before a two-week Congressional recess and district work period. It was also a very successful week for the new Administration. Republicans are hoping that this week saw the signs that the President and the Administration have steadied the ship, turned the corner, and can use their momentum to tackle tax reform and infrastructure.

[Larry Smith](#) has this week's cover stories, highlighting the confirmation of Justice Gorsuch and an update on trade and NAFTA. [Al Jackson](#) provides an update on defense appropriations activity. [Steve Gordon](#) discusses the President's wins last week and the things that need to be dealt with when Congress returns in "Heard on the Hill." Steve continues with his Profile of Key People: An introduction to the People who drive the Policy Wagon. This week he introduces us to Senator John Thune of South Dakota—Chairman of the Commerce, Science, and Transportation Committee, a member of the Finance Committee and Chairman of the Republican Conference – the third ranking leadership position among Republican Senators. [Dana Marston](#) provides glimpse at which states have the most at stake in renegotiating NAFTA.

With recess here, we'll take next week to rest and reflect. This Week in Washington will next return to your inbox on April 25th with a special issue highlighting the upcoming schedule and agenda for the Trump Administration and Congress.

ICYMI: Arizona Issues in the News

[When parents have options, kids win](#)

[Knight, Swift combine to create Phoenix-based trucking giant](#)

[Marijuana fight proves why Arizona needs ballot initiative reform](#)

[Sen. John McCain: It was 'appropriate' to warn Russia about U.S. strike on Syria](#)

NAFTA Update

Click the image below for a complete list of the states with the most vested interest in NAFTA Renegotiation.



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Heard on the Hill, Week of April 10

By [Steve Gordon](#), Managing Director, Total Spectrum

The House of Representatives adjourned on Thursday, and its members headed to Reagan National Airport for trips back home. The Senate stayed through Friday to confirm Judge Gorsuch as the newest Associate on the U.S. Supreme Court, followed by a Senators-only (no staff) briefing from the Administration on the attacks in Syria – then members headed to Reagan National Airport and trips back home.

There’s quiet on the Hill after a noisy and very important week. Let’s unpack both major and minor events and put them into context.

The Supreme Court Nominee becomes Associate Justice of the Supreme Court

The outcome was never in doubt. The only question that remained last week about Judge Neil Gorsuch’s nomination was the way he would be confirmed. The stage was set: Democrats were going to filibuster. Republicans were going to change the rules so they would only need 51 votes for the nominee rather than 60... and yet some Senators and onlookers wondered if there was a way to confirm Judge Gorsuch and avoid changing the rules of the Senate – and maybe the Senate itself. [Read more.](#)

NAFTA and Trade Update

By [Jim Miller](#), Partner, Total Spectrum

It wasn’t a quiet week on trade issues.

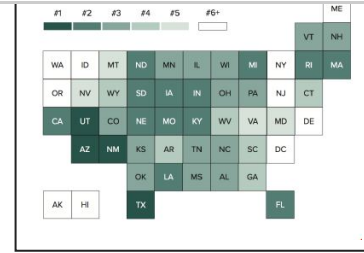
Prior to the actual start of the summit with Chinese President Xi Jinping, President Trump signed two executive orders specifically dealing with trade issues. One called for a review of the causes of trade deficits with major U.S. trading partners such as China. In 2016, the U.S. trade deficit with China is almost \$350 billion. The second executive order focused on the undercollection of anti-dumping and countervailing duties on unfairly traded foreign products. As of May 2015, more than \$2.3 billion in anti-dumping and countervailing duties remain uncollected.

The White House said that the timing of both executive orders less than one week prior to the start of the meeting between the two presidents was a coincidence – but that’s unrealistic. Both executive orders were designed to send China a signal that the Trump Administration was serious about tackling the trade deficit. [Read more.](#)

Defense Appropriations Update

By [Al Jackson](#), Principal at the Jackson Group and strategic consultant to Total Spectrum

The Congress has until April 28th to either extend the current Continuing Resolution, which is currently funding the government, or pass an omnibus appropriations bill that



On the Calendar This Week
(All Times ET)
No events due to Easter Recess

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During an April 5 House Armed Services Committee hearing, the leadership of each military branch warned Congress against maintaining the status quo. Passing a long-term Continuing Resolution – and forcing the military to operate for the next five months under fiscal 2016 levels – will mean lost lives, halted training, and sidelined equipment.

Lawmakers must finalize a budget for the remainder of fiscal 2017 by the end of April or trigger a partial government shutdown. In recent days, talk of a Continuing Resolution to fund the government through the end of September has slowly built in Congress, raising significant concerns among defense officials. [Read more.](#)

Senate Votes to Confirm Neil Gorsuch as Associate Justice of the Supreme Court

By [Larry Smith](#), President, Legislative Strategies Inc. and Strategic Consultant to Total Spectrum

Well, it wasn't pretty but it was predictable. The U.S. Senate confirmed the nomination of Neil Gorsuch to be an Associate Justice of the Supreme Court by a vote of 54-45. Three Democrats, Joe Donnelly (D-IN), Heidi Heitkamp (D-ND), and Joe Manchin III (D-WV), joined 51 Republicans in supporting his confirmation. Senator Johnny Isakson (R-GA) was absent because he is recovering from back surgery.

Senate Democrats staged a successful filibuster against the Gorsuch nomination. Much of the opposition stemmed from bad feelings held over from when President Obama's Supreme Court nominee, Judge Merrick Garland, never received a hearing on his nomination during Obama's last year in office.

Never before in the history of the Senate was a filibuster against a Supreme Court nominee successful by a straight party line vote. Republicans were successful in moving the Gorsuch nomination forward by changing the Senate rules so only a simple majority vote would be needed for confirmation. Republicans took a page out of the playbook of former Senate Majority Leader Harry Reid's (D-NV) when in 2013 he changed the Senate rules so only a simple majority was needed for the confirmation of federal judges below the level of the Supreme Court and for cabinet nominees.

Senator Majority Leader Mitch McConnell (R-KY) has vowed that this latest rule change will never be applied to legislation. As of now that is true. However, this is a slippery slope and the day will come when the majority party in Senate will become so frustrated with an intransigent minority that is stopping what is perceived as must-pass legislation. That majority, like Democratic and Republican majorities in the past, will pull the nuclear trigger, and the Senate will no longer be any different than the House of Representatives, other than for the length of term in office. It will be a sad day when this occurs just as it was on the two previous occasions when the nuclear option was exercised. That day will surely come. With minority rights eliminated, the Senate, in the opinion of this writer, will not be a better place.

Profile of Key People: An Introduction to the People Who Drive

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Senator John Thune (R-SD)



- John Thune is a native of Murdo, South Dakota, and is married to the former Kimberly Weems.
- He holds an undergraduate degree from Biola University and a master's degree in business administration from the University of South Dakota.
- Thune first went to Washington, D.C. to be a staff assistant to then-U.S. Senator Jim Abdnor (RSD), and then served at the Small Business Administration under an appointment from President Ronald Reagan.
- In 1989, he returned to South Dakota to serve as executive director of the South Dakota Republican Party • In 1991, Governor George Mickelson appointed him to be the state railroad director, a position he held until 1993 when he became the Executive Director of the South Dakota Municipal League.
- In 1996, he won his first term as South Dakota's sole member in the U.S. House of Representatives, winning reelection in 1998 and 2000.
- Thune honored a campaign pledge he made to serve only three terms in Congress. He lost a 2002 campaign for U.S. Senate by only 524 votes. In 2004, he ran against Senator Tom Daschle, who was at that time was the Majority Leader of the U.S. Senate. Thune made history by defeating a sitting Senate party leader for the first time in 52 years.
- Senator John Thune ran unopposed in 2010 – only the third Republican to run unopposed for the U.S. Senate since direct election of Senators was initiated in 1913 – and was reelected in 2016.
- Senator Thune serves as the Chairman of the Commerce, Science and Transportation Committee. He also serves on the Finance Committee and the Agriculture, Nutrition, and Forestry Committee.
- He served as the Chairman of the National Republican Senatorial Committee from 2009 through 2011, and now serves as the Chairman of the Senate Republican Conference – the number three position in the Senate Republican leadership.

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Trade update, continued.

There was chatter prior to the beginning of the summit that the Trump Administration was not prepared to engage with China over trade issues. Much of this stems from the fact that the President still has not assembled a full trade team. USTR designate Lighthizer's nomination is still stuck in the Senate, but more about this later in this article. But also, President Trump's plummeting ratings in the opinion polls cast him as the weaker of the two who would be meeting for the first time.

If of interest, both Executive Orders are available here:

[* Executive Order on Establishing Enhanced Collection and Enforcement of Antidumping and Countervailing Duties and Violations of Trade and Customs Laws](#)

[* Executive Order Regarding the Omnibus Report on Significant Trade Deficits](#)

The U.S. Trade Representative's Office also released right before the summit their annual report on trade barriers. The nearly 500 page report, very similar to last year's, highlights the most notable trade barriers for U.S. interests as identified by the agency. China got top billing.

It is interesting to note that at the conclusion of the summit there was neither a joint press conference by the two presidents nor a joint statement released on the accomplishments of the meeting. Perhaps this was due to the fact that there was very little factual information to announce or perhaps it really turned out to be just a first time get together session between two world leaders.

However, the dynamics of the get together changed considerably during the first evening's dinner of the two presidential families, when President Trump told

Heard on the Hill, continued.

Majority Leader Mitch McConnell believes in the traditions of the US Senate. Minority Leader Chuck Schumer also appreciates the traditions of the Senate and understands the concerns of the minority party. Senator Schumer did not approve when then-Majority Harry Reid in 2013 changed the rules so that federal judicial nominees and executive office appointments could be confirmed by a majority rather than a super majority of Senators.

A bipartisan group of Senators, including Senator McCain, tried at the last minute to find a way to avoid changing the filibuster rules. They wanted to stop the Supreme Court nominee tit-for-tat contest that started with the unsuccessful confirmation of Judge Robert Bork, who was nominated in 1987 by President Ronald Reagan to be a Supreme Court Justice.

* Senator McConnell took a huge risk in 2016 by preventing a vote on Judge Merrick Garland, President Obama's nominee to the court. Senator McConnell held Republican Senators together throughout 2016 and was determined to do anything that was necessary, including changing the filibuster rules, to confirm President Trump's nominee for the Supreme Court. He had come too far to back down now, and he knows that getting a conservative on the court will motivate the Republican base for the 2018 off-year election.

* Senator Schumer is at the core a deal maker, but he saw no choice but to join with those in his caucus who were going to filibuster. He knew that Judge Gorsuch was going to be confirmed, but the progressive wing of the Democratic Party demanded a filibuster. Senator Schumer felt that he had to fall in line so the party could stay unified, and he knew that the filibuster would motivate the base of the Democratic party for the



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from Mar-a-Lago to Syria. This is an important distinction because in 2013, when President Xi met with President Obama at the Sunnylands in California, apparently President Xi was miffed that more press attention was given to the Pope's visit to the United States and Speaker Boehner's resignation than to his meeting with President Obama. This is almost a replay of the same scene except the focal point was Syria.

President Trump announced that the two Presidents got along well and that he had accepted an invitation to visit China at an unspecified future date. There seems to be a commitment for a 100-day action plan on trade. It's unclear what all this means except this gives both the U.S. and China more time, but with a due date, to figure what to say about trade relations between the two countries.

NAFTA continues to be a key element in the Administration's overall effort to reform U.S. trade policy. Robert Lighthizer's nomination as the next U.S. Trade Representative remains stuck in the Senate Finance Committee because Democrats and Republicans have yet to decide how to deal with the waiver requirement needed for the Senate to consider his nomination. The waiver is needed because Lighthizer, while in private practice, represented foreign interests in dealings with the U.S. Government. A previous U.S. Trade Representative needed a similar waiver and was granted one, so this is not a question of if, but rather how and when. There is every reason to think that when the Senate considers a temporary continuing resolution to fund the federal government beyond April 28th, Lighthizer's waiver provision is likely to be included in that legislation. Once that is done, the Senate will be able to proceed with his confirmation.

All of this is important because proceeding with the NAFTA negotiations has been held up due to delays with Lighthizer's nomination. For the U.S., the time clock for those negotiations only starts once the Administration formally submits a letter to Congress notifying its intention to initiate negotiations related to the North American Free Trade Agreement (NAFTA). Once that letter is delivered to Congress, it can begin those negotiations after 90 days. The 90-day delay allows for the Administration to consult with Congress and the private sector prior to the actual start of its negotiations with Mexico and Canada.

Steven Vaughn, the Acting U. S. Trade Representative, distributed to the Hill a draft negotiation letter, available here. The final, official letter will be sent once Robert Lighthizer has been confirmed and sworn into

cover for three Democratic Senators – Heidi Heitkamp (ND), Joe Donnelly (IN), and Joe Manchin (WVA) – who voted for Judge Gorsuch. Each of these Senators is up for reelection in 2018 in a state that the President carried by a wide margin.

* Senator McConnell vowed not to change the filibuster rules for legislation, and polls showed the voters didn't care one way or the other.

Judge Gorsuch was ultimately confirmed on Friday by a vote of 54 to 45.

President Trump scored a big win. He promised during the campaign that he would nominate conservatives to the U.S. Supreme Court. Majority Leader McConnell scored a big win too. His determination and roll of the dice in 2016 to prevent a vote on President Obama's choice to succeed Antonin Scalia paid off for him in 2017.

My colleague Larry Smith, who once served as the Senate's Sergeant of Arms, provides a full report on the Supreme Court vote.

Syrian Response

This is not the first time Sarin gas has been used in the Syrian civil war, but the attack using Sarin gas was the first foreign testing of the new President and the new Administration.

Sarin gas was used by the Syrian government against its own people in 2013. The use of sarin gas, which shuts down the human body, clearly violates international conventions. President Obama said in 2013 that it had crossed a red line for him, and the Senate authorized use of the military. But Americans were worn out from Mideast wars and the President instead negotiated a peaceful solution whereby the Russians would take control of Syrian's chemical weapons and the Syrian government would join the Chemical Weapons Convention.

Candidate Donald J. Trump campaigned against getting involved in the Syrian civil war, though he criticized President Obama for setting up a red line and then ignoring it.

Sarin gas was apparently used again this week in Syria, and the related news reports and videos were chilling. President Trump saw these and changed his position. He worked with his National Security Team, including Secretary of Defense Mattis, Secretary of State Tillerson, and National Security Adviser H.R. McMaster, to produce a measured but successful military response – one that would make a point without inflaming the situation.

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The draft letter is important in that it clearly states the issues the United States intends to raise when it meets with its counterparts from Mexico and Canada. It serves as a trial balloon so that trade interests can weigh in with the USTR office prior to the actual start of the trilateral talks. Most experts say that there were few surprises in the draft letter because almost all of these issues have been elaborated numerous times in the past. There is one item drawing quite a bit of attention because no one seems to know what it really means. You can find it at the bottom of the letter's page two: "Seek to level the playing field on tax treatment." There is a lot of effort underway to find what it means and who will be hurt or helped by this "level playing field on tax treatment." We hope to have more on this in the days ahead.

Making the assumption that Mr. Lighthizer is in his new office by mid-May and the formal negotiation letter is submitted to Congress before the end of May, the earliest that negotiations could begin would be sometime this fall. This means the summer will be filled with a lot of uncertainty in terms of trade relations with our southern and northern neighbors.

Congressional interest in our relationship with Mexico continues to be expressed in various ways. The most recent was a bipartisan resolution introduced by Senators Cornyn, Cardin, Rubio, Durbin, McCain, and Menendez reaffirming the strategic partnership between the United States and Mexico. While Senate Resolutions are non-binding, they do serve a purpose of expressing, as in this case, the importance of a strong partnership between the U.S. and Mexico for both national security and national interests.

The Trump Administration has acknowledged that any new NAFTA agreement will need the concurrence of Congress. The draft letter affirms its commitment to work with Congress in identifying mutual issues of concern and to keep Congress apprised as the negotiations proceed.

This NAFTA ballgame is just beginning. At this point, we have no idea how many innings it will take to complete the game. We are all waiting for the empire to yell, "Play ball."

Defense, continued.

Army Chief of Staff Gen. Mark Milley warned that with the U.S. facing foreign threats and wars against terrorism, "it is no time to risk national security by closing the year with a continuing resolution or returning to statutory

Democrats and Republicans as well as members of the international community. The Chinese President witnessed the response in real time, which had to have made an impression.

Other International Activity

Egyptian President Abdul Fattah al-Sisi visited the White House on Monday. King Abdullah II of Jordan visited with the President on Wednesday, and this past weekend Chinese President Xi Jinping came to Mar-a-lago for meetings with the President on trade and North Korea.

The Administration

I asked a person last week who is connected to (but not part of) the Administration if the White House was over its case of the wobbles. No, he said, but they know what has to be done and the reset has begun.

There is no question that much of the noise emanating from the White House – distractions - has been self-inflicted, and it has impacted both the news in D.C. (the President's agenda) and the President's polls. The most recent Gallup poll (March 27th to April 2nd) showed that the President had a 38% approval rating, eight points lower than his winning percentage in the popular vote last November.

Like all organizations, each Administration is destined to happen on a trough of tough times. What's important is what they do to get out of the trough, because few things succeed more than success.

Here's what gives Republicans some optimism:

- * The President knows that his administration has to do better on tax reform and infrastructure than they did on healthcare. The Administration has been introspective on what has gone wrong, and the President has asked people to grade the work of his staff. Changes are very likely.

- * The Administration, led by Vice President Pence, is going to be an equal participant with Congress in tax reform and infrastructure legislation. The Vice President's influence will be felt. Gary Cohn, head of the President's National Economic Council, will be a key participant too.

- * The Trump Group is a close-knit family operation. The White House will be a more stable environment with the President's son-in-law and daughter as unpaid staff members.

- * There is a high level of quiet interaction between the White House and members of Congress. The

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funding will significantly impact readiness and increase the risk to our force.”

The service chiefs also advocated for President Trump’s Supplemental Appropriations request of \$30 billion. Some in Congress are advocating dealing with the supplemental along with the fiscal year 2017 funding bill. There is Republican support in the House and Senate for that plan, however, there is Democratic opposition because it’s their perception that this process would violate automatic spending caps and cuts billions from non-defense spending.

Senate Armed Services Committee John McCain is opposed to a Continuing Resolution for any amount of time. Senator McCain’s defense budget would be some \$430 billion over the topline in the Fiscal Year 2017 Future Year Defense Program and \$176 billion over former Secretary Gates’ budget of Fiscal Year 2012, the last year before the imposition of the Budget Control Act’s budget caps. Some analysts project an increase of about \$270 billion for defense spending over the next five years compared to Senator McCain’s \$430 billion five-year funding plan.

In Senator McCain’s white paper, “Restoring American Power,” he highlights the need for a sizable increase in defense spending, coupled with a detailed plan for how these spending increases will result in greater military capability. At \$640 billion in base budget spending in Fiscal Year 2018, Senator McCain sees the defense budget growing to over \$740 billion in Fiscal Year 2022.

Here are specific examples of the harmful effects of a Continuing Resolution:

- Air Force Chief of Staff Gen. David Goldfein warned that the service’s active-duty fighter pilot shortage would exceed 1,000 by the end of the fiscal year. He said that without funding, only squadrons in or heading to a fight will train. “It takes 10 years and \$10 million to train a fighter pilot, and 1,000 short equates to \$1 billion in capitol investment that walked out the door,” General Goldfein said.
- Army Chief of Staff Gen. Mark Milley indicated the Army would have gaps in readiness, armor, air defense, artillery, aviation, and training resources, and would defer plans to double brigade combat teams — from three to six. It would also halt basic and other training when money stops in July. “If we don’t get this supplemental passed, Fort Jackson and many others would come to a screeching halt. The impact will be across all the services, it would be very dramatic, very significant, and it’s something that must be avoided.”

the outreach work that needs to be done.

The week was a good one for the President. He fulfilled a major campaign pledge by placing a conservative on the U.S. Supreme Court, a unifying issue for Republicans in the Presidential campaign. His reaction in Syria was decisive, reasoned, and reasonable, and the vital discussions with China appear to have begun well. The President’s polls will rise, which will be vital to his effectiveness with Congress – even one controlled by Republicans. He received respect and the White House started to put together some momentum. They now have two weeks while Congress is in recess to prepare oncoming battles.

Budget

Circle April 28th on your calendar. That’s the day that the continuing resolution that is funding the federal government runs out. There is no talk of a shutdown because controversial items are being handled separately. The question is whether Congress has to pass a short term continuing resolution to get there – and the betting is that there will be a very short continuing resolution.

Transportation

Secretary Chao met with legislators this week in a meeting hosted by Congressman Bill Shuster, Chairman of the Transportation and Infrastructure Committee. Reports are that the President will settle on an infrastructure plan of about \$200 to \$300 billion over the next decade with the balance being paid by tax credits. Secretary Chao emphasized that money itself is not the only problem – and that the government process that holds up projects needlessly is also to blame for the backlog in infrastructure.

Secretary Chao also met with Senator John Hoeven (R-ND) to discuss the Wyden Hoeven Move America plan, which uses bonding and tax credits to funding public-private partnerships.

Regulatory Reform

The Trump Administration has already signed eleven measures from Congress that revoked regulations put into place in the final months of the Obama Administration. This rollback has been possible by using the authority of the Congressional Review Act, which allows for Congressional resolution within 60 legislative days of when the rule is introduced.

Tax Reform

* Koch Brothers-backed conservative groups Americans for Prosperity and Freedom Partners released a report this week that blasts the Border Adjustment Tax.

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billion to execute planned ship purchases, meaning late deliveries. It would also be forced to find more than \$500 million to shift to pay raises, housing allowances and other cost-of-living adjustments for sailors.

- A Continuing Resolution would impact 60 new start programs, limit munitions production, and force delays to the new MQ-9 upgrades, Joint Interagency Combined Space Operations Center, and C-130H Avionics Modernization Program Increment 2.
- The Marine Corps would be unable to counter enemy drones and would halt flight operations in July. They would have to delay construction of an amphibious ship, delay modifications for 200 Maverick missiles, stop the procurement of 100 Hellfire missiles and the recovery of laser Joint Direct Attack Munitions' stocks. The Marines would also be unable to participate in several large-scale exercises, and would cut the following platforms: Joint Light Tactical Vehicles (74 vehicles), Common Aviation Command and Control System (10 systems), RQ-21 unmanned aircraft systems (1 full system, which includes ground infrastructure plus five air vehicles), the F-35B (1 aircraft) and the CH-53K (2 aircraft).

House Armed Services Committee Chairman Rep. Mac Thornberry repeated his pledge not to approve a long-term continuing resolution for the military.

"The most important thing now is to repair the damage," Thornberry said. "We have the chance to begin doing so by passing a full appropriations bill for this year, acting favorably on the supplemental request, and then enacting adequate authorization and appropriations for fiscal year 2018."

The committee's lead Democrat, Rep. Adam Smith of Washington, said he opposed passage of defense appropriations without the rest of the federal budget and that he favors a re-examination the scope of the Defense Department in light of the funding available.

"I do not believe the answer is to continue to expand what we want those tasks and responsibilities to be, and we kind of hope that we somehow come up with the money to meet them," Smith said. "Because the tasks and responsibilities that have been described by the president, what he wants the military to do — he sent up a \$603 billion military budget, and that doesn't even come close." Democrats are also looking to the Trump administration to provide a long-term strategic plan, as it

its preoccupation with income. Their tax reform plan would steer the code away from taxing the money people earn and toward what they spend, moving the system closer to the consumption taxes used in other countries. "It's a pretty significant step," said Alan Viard, an economist at the American Enterprise Institute. Consumption taxes typically target people's spending through things like retail sales taxes. Republicans are taking the opposite approach — while achieving a similar end — by instead rewarding people for saving. It would reduce tax rates on money invested in the stock market, use new types of tax-preferred savings accounts, and would allow businesses to immediately write off the cost of machinery and other types of investments. Republicans say it will be much better for the economy, because it will encourage savings — a key ingredient of long-term growth — and they hope the approach will pay dividends under Congress' dynamic scoring budget rules. But it's controversial because cutting taxes on savings disproportionately benefits the wealthy, as they have the most money to squirrel away. Savings rates are anemic among those much further down the income ladder.

* There is significant talk about reaching out to Democrats to get them interested in tax reform. Some people have talked about putting tax reform with infrastructure spending to get them interested. Others tried a trial balloon of a proposed withholding tax holiday similar to President Obama's approach in 2010. Senator McConnell does not believe that Democrats will want to participate in tax reform, and he plans to use the reconciliation process which requires only a majority rather than super majority vote.

* National Economic Council Director Gary Cohn believes that changes to personal income tax regulations will be easier than corporate.

Trade

The Trump Administration wants to eliminate the export-import trade deficit — over \$500 billion last year — in as little as two years. The monthly report for February showed the deficit at \$43.6 billion, down from \$48.2 billion in January. The drop was caused by a \$8.6 billion decline of Chinese imports.

Secretary Ross told CNBC last week that any provisions from the Trans-Pacific Partnership on 21st century issues (like data) that Mexico and Canada have already agreed to should be a starting point when negotiating NAFTA.



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The House has already passed a fiscal 2017 defense appropriations measure, and Senate Appropriations Defense Subcommittee Chairman Thad Cochran indicated last week that there were “a lot” of issues to be resolved before a bipartisan deal can be reached to fund the government.

of Robert Lighthizer, President Trump’s choice to be the U.S. Trade Representative. The vote was postponed by Chairman Hatch, citing conflicts in schedules. The Chairman said that he expected the vote to be held right after the April recess.

Discussion in Washington is that China will offer the Trump Administration concessions surrounding better market access for both financial sector investments and U.S. beef, and that President Trump and President Xi Jinping agreed that they wanted to produce results on trade matters within 100 days. The Chinese government does not want a trade war with the U.S.