Research Report for the Week of May 1, 2017

1. Health Care – New House Republican Plan + Low-Income Subsidies

**Summary – New House Republican Plan**

* New House Republican plan: The White House tried to reintroduce an ACA repeal bill, hoping for a vote this week. While the new version appealed to more conservative Freedom Caucus members, it apparently did not garner sufficient support for a vote.

**Talking Points**

* The bill has not yet been scored by the CBO; but some experts believe that it could have a worse impact than the previous version, under which 24 million people could have lost coverage.
* While House Republicans still appear not to have the votes to move the bill.
* [WA Examiner - Paul Ryan: No vote scheduled on Obamacare repeal next week](http://www.washingtonexaminer.com/paul-ryan-no-vote-scheduled-on-obamacare-repeal-next-week/article/2620985)

**Summary – Low-Income Subsidies (Cost-Sharing Reductions)**

* At one point, President Trump threatened to use the subsidies as a bargaining chip to gain Democratic support to fund a border wall. However, he has clarified that he will continue subsidies that offset healthcare costs for low-income enrollees in Exchange plans for now. Despite this, the continued uncertainty has destabilized the individual market. Molina and Anthem have indicated they will leave the Exchanges if the subsidies go away. Health plans are also likely to further increase premiums to account for the greater risk.

**Talking Points**

* A brief by the Kaiser Family Foundation found that eliminating the low-income subsidies would actually increase the overall cost of the program by $2.3 B in 2018 and by $31 B over the next 10 years. Here is why:
	+ Without the payments, insurers would need to raise premiums for silver plans by 19% percent in 2018.
	+ Under the ACA, as premiums increase, government tax credits also increase to protect lower-income enrollees. These necessary increases would end up costing more than keeping current low-income subsidies.

Our MoCs

* Our MoCs are in favor of retaining and improving the ACA

What To Do

* Contact our MoCs and thank them for continuing to oppose the repeal of the ACA.
* Call the White House and ask that the subsidies that offset healthcare costs for low-income enrollees in Exchange plans be continued.

**Additional Background Information regarding Repeal of the ACA**

The Washington Post and Politico reported that **there is another move to pass the House ACA repeal legislation, with the amendments** negotiated between the White House, House Energy and Commerce Committee chair Greg Walden (OR) and the right-wing Freedom Caucus. Three leaders of that caucus and a leader of the moderate Tuesday Group Tom MacArthur (NJ) came out in support of the legislation with those amendments. **The Freedom Caucus met April 26 to consider it and came out in support of the bill.** The entire Republican caucus is meeting on the bill.

However, Politico reports that **many moderates say** that MacArthur was not negotiating on behalf of their group, and that **they do not support the proposed compromise**. Many moderate members are angry about the effort and the reported compromise and MacArthur’s two Tuesday Group co-chairs said they are not sold on the compromise. So far, no moderate “no” votes have changed their votes to “yes”. The proposed amendment text was released April 25th to some members and has not yet been widely shared. Conservative advocacy groups, such as Club for Growth and FreedomWorks have begun lining up behind the bill.

House leadership has not been involved in the effort, and has remained non-committal about when a vote might be scheduled, insisting that **no new vote would take place unless there were enough solid votes for a draft to ensure it would pass.**

As reported in the press, the version of the repeal bill being proposed would maintain the ACA’s essential health benefits, would prevent women from being charged higher premiums than men, required coverage for pre-existing conditions (community rating) and would maintain coverage for youths until they are 26. But states would be allowed to waive these provisions if they set up a high-risk pool. States would have to either lower premium costs, increase the number of those covered or “advance the benefit to the public interest” of the state. The amendment includes a “default approval” provision, a guarantee that any such waiver would be approved. Members of Congress and their aides would be **exempted** from potential waivers sought by the states, to allow it to meet Senate reconciliation rules, though this provision is likely to be changed.

**If a state took the option, health plans could charge sick people far more for insurance, making it unaffordable, and offer plans with far less coverage.** While such states would have to set up high-risk pools, the bill does not provide the funding to make them work. Past state high-risk pools and the ACA transition pool all ran out of funding so quickly that the pools did not provide promised coverage, making coverage for those with pre-existing conditions unaffordable. High risk pools appeared to help mostly for people with enough income or resources to pay the much higher premiums. Waiver states could also eliminate the essential health benefits included in the ACA, such as maternity, behavioral health care and other mental health care.

The Congressional Budget Office (CBO) projected last month that the Republican’s bill would result in 24 million fewer Americans having coverage in ten years. PULSE quoted a former CBO staffer to the effect that the 24 million number **would likely increase** under this amendment. That is in addition the amendment lowering the quality of insurance offered for millions more and pricing many of those with pre-existing conditions out of the insurance market due to very high premiums.

1. Trump’s “Massive” Tax Cut

**Summary**

* Trump’s “plan” for cutting taxes was presented on April 26 as one page of bullet points. It will primarily benefit corporations and the wealthy (including Trump and family) and result in huge deficits. There isn’t enough detail yet to calculate exact amounts, but experts are estimating.
* The Committee for a Responsible Federal Budget, an advocacy group focused on reducing deficits, estimates it could increase the deficit by $3 trillion to $7 trillion over the next decade
* [NYT - What Trump’s Tax Proposal Will Cost](https://www.nytimes.com/interactive/2017/04/26/us/politics/what-trumps-tax-proposal-will-cost.html)
* Trump and Republicans are responding to criticisms of the huge deficits in their usual way, that the tax cuts will stimulate the economy and that will offset the deficits. One of their underlying strategies is to cut taxes on corporations and the wealthiest individuals, which causes the deficit to rise, thus giving them even more excuses to cut programs that are needed for the social safety net, the environment, etc.
* See process for writing tax law below.

**Summary of Trump’s tax cut outline:**

* Replace existing 7 income tax brackets with 3 brackets, containing new rates of 10%, 25% and 35%, based on income;
* Roughly double the standard deduction that Americans can use to reduce their taxable income; the deduction for single individuals would move from $6,300 to $12,000 and for married couples would move from $12,600 to $24,000 (to provide an incentive not to itemize tax returns);
* Eliminate virtually all tax deductions that Americans claim, including the tax deduction people can claim for the state and local taxes they pay each year (which will have a larger impact in blue states with higher state taxes, such as CA, NY, and OR)
* DOESN’T ELIMINATE the following tax deductions: maintains deductions for homeownership, retirement savings and charitable giving tax breaks;
* Eliminate the alternative-minimum tax (which has impacted Trump);
* Eliminate the estate tax (which would affect Trump’s estate);
* Lower the corporate tax rate from 35 % to 15 %; it would allow “S corporations”, often family-owned firms (which now pay the individual rate) to use the 15% rate. The firms that would gain under a cut in corporate taxes are those in retailing, construction and services that have had trouble taking advantage of existing tax loopholes. Losers would likely be technology, domestic oil and gas drillers, utilities and pharmaceutical firms that have been skilled at using loopholes to deduct interest payments, expense their equipment and research, and transfer profits abroad to countries with lower tax rate.
* one-time tax “holiday” to incentivize corporations to repatriate funds held abroad to avoid US taxes (current several trillion dollars); critics allege that past tax holidays found such funds were paid out in dividends to shareholders, not used for hiring.

**Talking points:**

* Trump’s “plan” for cutting taxes will primarily benefit corporations and the wealthy (including Trump and family) and result in huge deficits.
* Trump should release his tax returns. His 2005 return shows that the alternative minimum tax cost him millions, so eliminating the AMT might save him millions.

**Our MoCs**

* I haven’t found statements on the proposal by our MOC’s, but past statements indicate that they will oppose the proposal as written.

**Calls to Action**

* We will stay vigilant about tax and budget legislation in the House and especially from Paul Ryan, and take actions in the months ahead.
* Call the White House and request that Trump release his tax returns.
* Call our MoCs and demand that no tax cuts be passed until Trump releases his tax returns.

**Additional Background Information**

**Process for writing tax law:**

* All bills for raising revenue originate in the House of Representatives and Congress has the power to lay and collect taxes (US Constitution). Presidents can recommend changes to current tax laws, but only Congress can make the changes. So in the months ahead, that’s where this will be happening.
* The legislation will begin in the House Ways and Means Committee. There are 16 Dems and 24 R’s on the committee, Chair is Kevin Brady (TX), Minority leader is Richard Neal (MA), members from WA are Dave Reichert (R) and Suzan DelBene (D) [House Ways and Means](https://waysandmeans.house.gov/) Committee
* Senate Finance Committee begins its formal work on the legislation after the House has passed its version of the bill. There are 12 Dems and 14 R’s on the committee, Chair is Orrin Hatch (UT), Minority leader is Ron Wyden (OR), member from WA is Maria Cantwell [Senate Finance Committee](https://www.finance.senate.gov/)
* Along the way, the impact of a tax bill’s revenue is estimated by the Joint Committee on Taxation. See below for an estimate request from Paul Ryan\*\*
* The Joint Committee staff is nonpartisan and serves the entire Congress. The Congressional Budget Act of 1974 ("the Budget Act"), as amended, stipulates that revenue estimates provided by the Joint Committee staff will be the official estimates for all tax legislation considered by the Congress. The objective of the estimating process is to produce accurate, consistent, fair, and impartial estimates that can be relied upon by Members of Congress in making legislative decisions. [Joint Commission on Taxation](https://www.jct.gov/)

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| **Senate members** | * [Orrin G. Hatch](https://en.wikipedia.org/wiki/Orrin_G._Hatch), Utah, *Vice-Chairman*
* [Chuck Grassley](https://en.wikipedia.org/wiki/Chuck_Grassley), Iowa
* [Mike Crapo](https://en.wikipedia.org/wiki/Mike_Crapo), Idaho
 | * [Ron Wyden](https://en.wikipedia.org/wiki/Ron_Wyden), Oregon
* [Debbie Stabenow](https://en.wikipedia.org/wiki/Debbie_Stabenow), Michigan
 |
| **House members** | * [Kevin Brady](https://en.wikipedia.org/wiki/Kevin_Brady), Texas, *Chairman*
* [Sam Johnson](https://en.wikipedia.org/wiki/Sam_Johnson), Texas
* [Devin Nunes](https://en.wikipedia.org/wiki/Devin_Nunes), California
 | * [Richard Neal](https://en.wikipedia.org/wiki/Richard_Neal), Massachusetts
* [John Lewis](https://en.wikipedia.org/wiki/John_Lewis_%28Georgia_politician%29), Georgia
 |

**\*\* One law that might put the breaks on parts of the proposed tax cuts**

* Republicans in House only need a simple majority to pass tax legislation. In the Senate, if the bill is going to result in more borrowing over the long term, it would have to be supported by enough Democrats to avoid a filibuster, OR, if Republicans pass it by simple majority (budget reconciliation) it would only be a law for 10 years. Democrats have made clear that they would be unlikely to support a substantial rate cut without anything sizable in return. That leaves reconciliation as the only pathway.
* One relevant deficit prediction has already been made by the Joint Committee on Taxation. House Speaker Paul Ryan requested a private estimate (obtained by CNN) and it found that a significant corporate rate cut (in this case, from the current level of 35% to 20%, which House Republicans have proposed) for just three years would result in deficit increase after 10 years. And Trump’s proposal is to cut it even further, to 15%.
1. The Budget, Governmental Shutdown, and the Debt Ceiling

**Summary**

* Congress passed a continuing resolution for the debt ceiling today, averting a government shutdown. It extends the deadline for one week, to May 5, 2017. POTUS backed down on border wall funding. Democrats insisted the Continuing Resolution (CR) contain specific language ensuring continuation of subsidy payments under the ACA. As this topic is changing daily, it’s difficult to know what urgencies will arise day by day.
* [WaPo - What Trump cut in his budget](https://www.washingtonpost.com/graphics/politics/trump-presidential-budget-2018-proposal/?utm_term=.8b1e25abb617)

**Talking Points**

* The budget makes major cuts to nearly everything that benefits the people of this country and adds an exorbitant amount to the military.
* POTUS’ tax proposals and whether they repair the ACA or pass the AHCA will have their impact on the budget. It’s reported the tax proposal would add between $21.T-$7T to the national debt. For POTUS, with the two page tax forms for him for 2005, he reportedly earned $150M; paid $31M in taxes and his tax proposal/principles/talking points would lower that bill to $5M. The bill is not financially neutral so it could not be passed by reconciliation. There is no reform, just massive tax cuts for the rich and corporations. We must not entertain any tax proposals until we have received at least 10 years past of POTUS’ tax returns and have an opportunity to investigate them for conflicts of interest.
* Democrats want a guarantee that insurance cost-sharing reductions (CSRs) through the ACA will continue to be funded.  Speaker Ryan said he would not support including CSR language in the bill. Speaker Pelosi and Minority Whip Hoyer were at odds over the issue, with Pelosi strongly for it. The White House told members on April 26 that it will continue paying the CSRs, just one day after saying it would discontinue them next week. It has not stated how long they would be continued. This issue is deeply intertwined with the new House Republican-White House effort to repeal the ACA.
* More information should be forthcoming every day.

**Our MoCs**

* Denny Heck’s town hall - Heck warned constituents that Trump’s budget proposal would have a drastic impact on the Puget Sound region. Other proposed cuts on the horizon that would be felt in the South Sound include the elimination of funding for the arts and for medical research, which Heck said would have an impact on the UW’s renowned health research programs.

**Calls to Action**

* Contact your MoC and tell them POTUS’ tax reform principles are skewed to cut taxes for the rich and will do nothing for citizens in the lowest and middle tax rates. When you combine all of the cuts and costs proposed elsewhere, even a modest increase of the amount of money middle class families retain from their taxes will be wiped away.
* Urge your MoC to stay strong in opposition of the AHCA.
1. Immigration – Muslim Ban 2.0 – Building the Wall

**Summary and Talking Points**

* Border Wall
	+ The budget legislation that Congress must enact by midnight April 28th previously contained $1 billion to fund 62 miles of border wall between the US and Mexico. The Trump administration backed down from its demand for money for the wall in this legislation after pressure from the Democrats who indicated they wouldn’t enact the budget measure until the Wall money was stricken from the budget legislation. Trump withdrew his request for the Wall funding but indicated a willingness to return to Wall funding in the fall.
* Immigration:
	+ During his first 100 days, Trump signed 3 executive orders that affected immigration. His controversial travel ban has been blocked by the courts indefinitely. However, the other two executive orders, one beefing up the border security between the US and Mexico, and the other focused on enforcement of immigration policy within the US, remain largely intact.
	+ The US Citizenship and Immigration office has quietly updated plans for asylum officers, by encouraging them to make it more difficult for would-be asylum seekers to be granted permanent asylum in the US. This office has also changed the criteria in granting high-skilled visas, which has affected the US tech industry, including our state’s tech giants, to the industries’ detriment.
	+ There has been large increase in the number of people arrested in the US who are undocumented immigrants, as well as a significant decrease in the numbers of undocumented people who are crossing the US southwest border. The decrease is attributed to the rhetoric of the Trump administration, and the increase in arrests reflect the administration’s aggressive pursuit of undocumented immigrants – including those with no criminal convictions, who have established families and businesses here, and who also include Dreamers.
	+ On the other hand, a federal judge this week blocked the Trump administration from taking away federal funds from sanctuary cities. Trump is threatening interference with the courts and, specifically, the Ninth Circuit (which encompasses the state of Washington) because of the courts’ actions on his illegal immigration plans.

**Our MoCs**

* Our MoCs have stood firm on no funding for the US/Mexico wall.

**Calls to Action**

* Border Wall
	+ Thank our Members of Congress for standing firm on no funding for the US/Mexican wall. Our MoC’s refusal (and the other Democrats’ refusal) to vote for the stop-gap federal budget as whole - if funds for the wall were included - caused the Trump Administration to blink, and the Republican leadership to withdraw the funding provision. This was a significant victory for the Resistance and our MoC should be congratulated.
	+ Remind our MoC that our position has not changed on the wall. If the administration and the Republican Congress attempt to reintroduce a funding measure for the wall when the federal budget is next considered, we remain adamant that not one cent should be devoted to the building of this ridiculous wall.
* Immigration
	+ Ask our MoC to protect the judiciary, particularly the Ninth Circuit, from illegal and unconstitutional interference by the executive branch into the judicial branch’s work, process, and structure. While we don’t know if Trump is serious about his threatened interference, any attempt to revamp a court because it rules against the administration is both illegal and unconstitutional.
	+ Ask our MoC to support legislation that will (i) protect the US asylum program and to expand the program to include more asylum seekers; (ii) expand the highly-skilled visa program to allow more highly-skilled workers to enter and work in the US.

**Additional Background Information on Immigration**

***Sanctuary cities:*** The Washington Post and New York Times reported that AG **Sessions is taking steps to punish so-called “sanctuary” jurisdictions for failing to aid the federal government in the apprehension and deportation of undocumented immigrants**. On April 21, Sessions demanded that nine jurisdictions produce proof that they are communicating with the federal government about undocumented immigrants or risk losing grant funding. They were warned that as a condition of receiving 2016 grants, they must certify by June 30 that they are in compliance with the law. That enforced a deadline on a policy first put in place under the Obama administration, which [announced the policy](https://www.documentcloud.org/documents/3525556-2016-7-7-Section-1373-Doj-Letter-to-Culberson.html) last July but gave cities that were not in compliance time to adjust.

Those jurisdictions (and grant amounts) include: New York (with a $4.3 million grant in 2016), Philadelphia ($1.7 million), Chicago and Cook County Illinois ($2.3 million), Clark County Nevada ($11,500), New Orleans ($266,000), Miami-Dade County Florida ($481,000), Milwaukee County ($938,000), and the state of California ($10.4 million). Representatives of the jurisdictions said they believed that they already had been complying with federal law and disputed Sessions’ characterization of what was happening. The grants at stake provide federal funding for a range of functions in the criminal-justice system, including policing, victim-and-witness initiatives, crime prevention, drug-treatment programs and technology improvements.

The law that Sessions wants enforced is very narrow, and would not bar any of the policies that people generally associate with sanctuary jurisdictions. When someone is arrested on a local crime, their fingerprints are run through the FBI database, and (whether local authorities like it or not) ICE can tell if they are in the country illegally. It then often will send a request to local authorities to detain such people. Refusing to honor such a request would not necessarily violate federal law. But telling local police officers, for example, that they could not give information to their ICE counterparts might.Seattle, San Francisco and Santa Clara County have sued over threatened withdrawal or limitation over federal grant funds. The Justice Department has fought the cases in court and have said the is was premature because the Justice Department had not yet taken enforcement action.

The New York Times and Washington Post reported on April 25 that a **federal judge in California, William Orrick, issued a nationwide preliminary injunction against the Administration’s January 27th executive order authorizing the Attorney General and Homeland Security secretary to withhold funding from jurisdictions that limit their cooperation with federal immigration enforcement**. The order does not directly prevent the federal government from moving forward on designating certain places as “sanctuaries”, nor does it keep the administration from enforcing conditions for doling out federal money if they already exist, as the Justice Department has already [begun to do](https://www.nytimes.com/2017/04/21/us/politics/sanctuary-city-justice-department.html) with some law enforcement grants. **These may still be challenged under the court order.**

1. HR 1180 – Working Families Flexibility Act

Summary

* This bill allows private-sector, overtime-eligible employees to choose to be compensated for overtime with paid time off rather than the currently mandated time-and-a-half wages. Supporters say the bill provides flexibility for workers, critics say it is a backdoor attempt to undermine the Fair Labor Standards Act.
	+ Sponsored by Martha Roby (R-AL)
	+ PASSED House Committee on Education and the Workforce
* From the Economic Policy Institute:
	+ Republicans in Congress are offering working people a false choice between time off and money. What they’re really doing is stealing overtime pay from working families.
	+ The “Working Families Flexibility Act” (HR 1180)―also referred to as the comp time bill―would erode basic overtime protections for working people. The bill would allow employers to delay paying any wages for overtime work for as long as 13 months. Most low- or moderate-wage working people whose paychecks are not enough, would always prefer to work extra hours to receive extra pay. Under comp time, these employees give up their right to overtime earnings in exchange for the promise of future time off (but with no guarantee of taking leave when they need it). Sponsored by 2 Republicans.

**Talking Points**

* Subcommittee held a hearing on on April 5th – [Work Force Subcommittee Calendar](http://edworkforce.house.gov/calendar/eventsingle.aspx?EventID=401520)
* Full Education and the Workforce committee passed the bill on to the full House on April 25th.
	+ [Education and Workplace Committee Calendar](http://edworkforce.house.gov/calendar/eventsingle.aspx?EventID=401404)
	+ [Education and Workplace Press Release](http://edworkforce.house.gov/news/documentsingle.aspx?DocumentID=401592)
* Expected to be voted on in the House sometime next week.
* Employers already have the ability to give workers flexibility, they can simply pay for overtime work as normal, and then grant workers unpaid time off.
* Under this bill the employer gets to decide whether or not an employee can actually take their “banked” PTO. The employee has no right to actually use their PTO even in an emergency.
* This bill effectively allows employers to take an interest free loan from their worker, delaying paying for their overtime for up to a year, while simultaneously having no obligation to actually give them PTO.
* Although the program would theoretically be voluntary there is no enforcement mechanism to penalize employers who coerce their employees into signing a comp time agreement. Meanwhile the Dept of Labor, which would be charged with enforcing the law is facing steep budget cuts.
* [The Hill - 'Comp time' bill is back, but still hurts workers](http://thehill.com/blogs/pundits-blog/labor/327391-comp-time-bill-is-back-and-still-hurts-workers)
* [American Prospect - The GOP’s Overtime Reform Plan: Fraud Masquerading as Flexibility](http://prospect.org/article/gop-overtime-reform-plan-fraud-masquerading-flexibility)
* [The Hill - Calling the 'comp time bill' a scam is putting it gently](http://thehill.com/blogs/pundits-blog/labor/329087-calling-the-comp-time-bill-a-scam-is-being-gentle)

**Our MoCs**

* Denny Heck has not taken a public position on the bill.

**Calls to Action**

* Contact Representative Heck and ask him to reject HR 1180.
	+ [Write your Representative today and tell them to reject the “Working Families Flexibility Act,” which steals overtime from working people and erodes basic worker protections.](http://epi.us4.list-manage1.com/track/click?u=ec2361f981a14ee1d45cccaa9&id=b6047925dd&e=f773f6001d)
1. Justice Department’s New War on Drugs

**Summary**

* AG Sessions along with his Lieutenant Steven Cook have made comments recently and in the past that give us concern that they will be looking to return to the failed policies of the 80's and 90's to combat drug use including a return to mandatory minimum sentencing and a "just say no " attitude for drug use prevention. No specific actions or bills in Congress seen as of this date. Sessions as Senator was one of the main reasons that the 2015 prison reform bill never came to a vote.
* [WaPo - How Jeff Sessions wants to bring back the war on drugs](https://www.washingtonpost.com/world/national-security/how-jeff-sessions-wants-to-bring-back-the-war-on-drugs/2017/04/08/414ce6be-132b-11e7-ada0-1489b735b3a3_story.html?utm_term=.a7494aceaecb)
* [SeaTimes - A new War on Drugs is also destined to fail](http://www.seattletimes.com/opinion/a-new-war-on-drugs-is-also-destined-to-fail/)

**Talking Points**

* The past policies of increasing prison time had only the effect of increasing the U.S. prison population to 1/4 of the world's prison population while at the same time use and potency of drugs has skyrocketed.
* Incarcerating low level drug users has ruined lives, families and falls disproportionately on minorities.
* Health care strategies to fight drug use are not only more cost effective but yield better results (per a 1994 Rand Corporation study, using health care strategies to combat drugs "returns seven times the value for every dollar spent on it to the tax payer"). This was taken from an opinion piece published in the Seattle Times by Leonard Pitts- original date April 12, 2017.

**Our MoCs**

* No info found currently on this from our two Senators or Rep. Heck.
* Heck however did introduce a bill in 2015 - the Marijuana Business and Banking bill that would have prevented federal regulators from penalizing financial institutions from doing business with legal marijuana businesses.

**Calls to Action**

* Comments to the DOJ:
	+ Online contact form: [DOJ Online Message Form](https://www.justice.gov/doj/webform/your-message-department-justice)
	+ Phone: 202-353-1555
	+ Mailing address: U.S. Department of Justice, 950 Pennsylvania Ave. NW, Washington, DC 20530-0001.
1. Executive Order Reorganizing the Executive Branch

**Summary**

* President Trump signed an Executive Order on March 13, 2017 calling for the creation of a plan to reorganize the Executive Branch in order to remove inefficiencies and waste. The plan has not been finalized, but the potential contents of such a plan can be divined from Trump’s proposed budget. In the past few weeks there has been activity related to the creation of a reorganization plan:
	+ OMB Director Mulvaney issued a memo detailing the reorganization process that will be used by Executive agencies.
	+ Trump’s son-in-law Jared Kushner was tasked with heading a White House Office of American Innovation with authority to overhaul the federal bureaucracy, in addition to his already-outsized portfolio: Middle East peace, Criminal justice reform, Liaison to Mexico, Liaison to China, and Liaison to the Muslim community. It is unclear what the dividing line is between Kushner’s and Mulvaney’s responsibilities in this area.
	+ The White House has created a website to solicit public comments on the Executive Branch reorganization. It states that public comments must be in by June 12, 2017.

**Talking Points**

* Identify agencies/programs you are concerned about; potentially dozens of agencies and hundreds of programs may be effected. The article “What Trump cut in his budget” gives a detailed overview of Trump’s proposed budget cuts, while the full text of can be found in Trump’s budget recommendations. [WaPo - What Trump cut in his budget](https://www.washingtonpost.com/graphics/politics/trump-presidential-budget-2018-proposal/?utm_term=.8b1e25abb617)
* Trump wants to increase military spending by $54B by cutting existing non-defense discretionary programs that provide vital service to millions of citizens. The US already spends more on defense than the next 13 countries combined. Isn’t that enough?
* The discretionary programs potentially to be significantly cut/ended include the EPA (-31%), State Department (-28%), UN climate change programs, and independent agencies such as the Corporation for Public Broadcasting, U.S. Trade and Development Agency, National Endowment for the Arts, and National Endowment for the Humanities.
* By not filling hundreds of vacant Executive branch positions, Trump is potentially preventing agencies from adequately performing their duties. The practical effect of large staff shortages is the same as budget cuts. Trump needs to fill the vacant positions now.
* Kushner already is responsible for too many projects. If Trump wants to effectively overhaul the federal bureaucracy he should assign this task to a professional manager.
* OMB memo to agencies: [OMB 12 Apr 2017 Memo](http://govmatters.tv/wp-content/uploads/2017/04/Executive-Order-M-17-22.pdf)
* Govmatters: [Trump administration ends hiring freeze, starts government reorganization effort](http://govmatters.tv/3201-2/)
* Bloomberg: [Trump Lays Groundwork for Federal Government Reorganization](https://www.bloomberg.com/politics/articles/2017-04-12/trump-lays-groundwork-for-widespread-government-reorganization)
* Politico: [Kushner modernizing government](http://www.politico.com/agenda/story/2017/04/four-ways-jared-kushner-can-modernize-government-000412)
* WP: [Trump plan focuses more on staff cuts than good government](https://www.washingtonpost.com/news/powerpost/wp/2017/04/17/despite-rhetoric-trump-plan-focuses-more-on-staff-cuts-than-good-government/?utm_term=.e0739cc8e793)
* WP: [Trump’s budget calls for seismic disruption in medical and science research](https://www.washingtonpost.com/national/health-science/trumps-budget-would-slash-scientific-and-medical-research/2017/03/15/d3261f98-0998-11e7-a15f-a58d4a988474_story.html?utm_term=.c18f28becbe1)
* WP: [Atom-smashing scientists are unnerved by harsh Trump budget](https://www.washingtonpost.com/national/health-science/atom-smashing-scientists-are-unnerved-by-harsh-trump-budget/2017/04/17/68106d44-1ece-11e7-ad74-3a742a6e93a7_story.html?utm_term=.f8b313a3b32a)
* WP: [Trump can start cutting the federal workforce right now](https://www.washingtonpost.com/news/powerpost/wp/2017/04/13/trump-can-start-cutting-the-federal-workforce-right-now/?utm_term=.efa888e3ee5b)
* WP: [Despite rhetoric, Trump plan focuses more on staff cuts than good government](https://www.washingtonpost.com/news/powerpost/wp/2017/04/17/despite-rhetoric-trump-plan-focuses-more-on-staff-cuts-than-good-government/?utm_term=.e74f7928e348)
* White House webpage: [Reorganizing the Executive Branch: We Need Your Input!](https://www.whitehouse.gov/reorganizing-the-executive-branch)
	+ *“On March 13th, President Donald J. Trump signed an Executive Order that will make the Federal government more efficient, effective, and accountable to you, the American people. This Executive Order directs the Director of the Office of Management and Budget to present the President with a plan that recommends ways to reorganize the executive branch and eliminate unnecessary agencies.*
	+ *President Trump wants to hear your ideas and suggestions on how the government can be better organized to work for the American people.*
	+ *Share your ideas below by June 12th!”*

**Calls to Action**

* Call or message the White House directly: Message: www.whitehouse.gov/contact
* Petitions: petitions.whitehouse.gov/, Telephone Comments: 202-456-1111.
	+ Telephone script: “I am concerned that the (agency/program) may be damaged or even eliminated under the President’s reorganization plan. The (agency/program) serves a vital public purpose and I ask that it be protected and preserved to the greatest extent possible.”
* By June 12, 2017: Leave comments on the OMB webpage created to solicit public comments on the Executive Branch reorganization. Select the agency/programs of concern from the menus.
1. Presidential Task Force to Prevent and Combat Hate-Related Crimes

**Summary**

* From Senator Cantwell: In the past few months, Washington state and our nation have seen a distinct rise in extreme sexist, racist, and xenophobic rhetoric, and a rash of violence targeting racial and religious minorities.  In response to this unacceptable violence, I led a group of 13 of my Senate colleagues to demand the Trump administration create a task force to address the spike in hate-based violence against our most vulnerable communities.  We must hold this administration responsible for ending these alarming attacks, and ensure that people of every gender, race, culture, religion, sexual orientation, and political affiliation are safe

**Talking Points**

* [Times of Israel - Anti-Semitic incidents surge 86% in US in 2017](http://www.timesofisrael.com/anti-semitic-incidents-surge-86-in-us-at-start-of-2017-adl/)

**Our MoCs**

**Calls to Action**

* [Join Cantwell and insist that Trump establish a Presidential Task Force to make preventing and combating hate-related crimes a national priority.](http://links.e.cantwell.com/ctt?kn=5&ms=MTA4NTM4NTAS1&r=MTczNzM4Mjk3NTg0S0&b=0&j=MTE0MTUxMjE0NwS2&mt=1&rt=0)
* Call the White House asking that a Presidential Task Force be established.
1. Investigate the EPA’s Open Public Comment Period until May 15, 2017

**Summary**

* On February 24, 2017, President Donald Trump issued Executive Order 13777 on Enforcing the Regulatory Reform Agenda. The order establishes the policy of the United States to alleviate unnecessary regulatory burdens placed on the American people. Among other things, it requires each agency to create a Regulatory Reform Task Force to evaluate existing regulations and to identify regulations that could be repealed, replaced or modified to make them less burdensome.

**Talking Points**

* As part of implementing the order, EPA is soliciting public comments and engaging in additional outreach to identify such regulations. We will be accepting comments through May 15, 2017 at docket EPA-HQ-OA-2017-0190. Go to <https://www.epa.gov/laws-regulations/regulatory-reform> to learn more about this effort.

**MoCs**

**Calls to Action**

* Provide comments to the EPA with the above link.
1. S 721 and HR 1711 - Mar-a-Lago Act (Madeline)

**Summary**

* S721 is sponsored by Tom Udall (D), has 3 democrat cosponsors and was assigned to Senate Homeland Security and Governmental Affairs Committee on 3/23/17. Chairman Ron Johnson (R), Ranking Claire McCaskill (D).
* HR1711 is identical to S721 and is sponsored by Mike Quigley (R), has 43 democrat cosponsors has been referred to House Oversight and Government Reform on 3/23/17. Chairman Jason Chaffetz(R), Ranking Elijah Cummings (D).

**Talking Points**

* S721 and HR1711 would create a congressional requirement of Obama’s policy of disclosing names and dates of White House visitors and would cover any location in which a President regularly conducts business.
* The opposition says the president is entitled to privacy at some moments.
* The committee chairs determine whether a bill will move past the committee stage.
* [NBC News - Democrats Introduce ‘MAR-A-LAGO’ Act to Force Trump to Provide Visitor Logs](http://www.nbcnews.com/news/us-news/democrats-intoduce-mar-lago-act-force-trump-provide-visitor-logs-n738426?platform=hootsuite)

**Our MoCs**

* Our MOC’s are not on the referred committees, are not cosponsors and have not spoken out about the topic.

**Calls to Action**

* Phone our MOC’s
	+ Scripts: Hello, I’m \_\_\_\_\_\_\_\_\_\_ from \_\_\_\_\_\_\_\_\_\_. I’m calling to urge the Senator / Representative to support the Mar-A-Lago Act. President Trump and all presidents should be congressionally obligated to publicly release the visitor logs of the White House, Mar-A-Lago, and any other residence where the president conducts business. Freedom of information is crucial to democracy. Thank you.

**Additional Information**

**Russian Interference in our election**

***Michael Flynn/ House Oversight Committee:*** The Washington Post reported thatJason Chaffetz (UT) and Elijah Cummings (MD), the chair and ranking member of the House Oversight Committee stated that **they believe that Michael Flynn neither received permission nor fully disclosed income he earned from a speaking engagement in Russia and lobbying activities on behalf of Turkey when he applied to reinstate his security clearance.** They reached this conclusion after viewing two classified memos from the Defense Intelligence Agency and a financial disclosure form in a private briefing on April 24th. The two members stressed that, as a former military officer, Flynn would have needed special permission for his appearance at an event sponsored by RT, the Russian-government funded TV station, for which he was paid $45,000. He was paid more than $500,000 for his work on behalf of the Turkish government.

The Oversight Committee asked the White House in March for documents pertaining to Flynn’s security-clearance applications, the vetting that occurred before he was named national security adviser, and all of his contacts with foreign agents, including any payments received. The committee members requested to see a disclosure form known as the SF-86, on which Flynn was obligated to declare any foreign income. On April 19, the White House sent the committee a reply, stating that any documents related to Flynn from before January 20 — the day President Trump took office — were not in its possession, and that any documents from after that date did not seem relevant to the committee’s investigation and would not be provided.

Flynn’s omission could cost him: violations of this nature can be punished by up to five years of jail time, and Chaffetz also stressed that the government ought to “recover the money” that was paid to Flynn by foreign entities — a figure that would at least be in the tens of thousands of dollars.

**Senate Intelligence investigation**: Yahoo News reported that the Senate Intelligence Committee has made little progress on its inquiry into Russian involvement in the 2016 election and possible Trump campaign and associates’ possible collusion in that effort. The committee is facing increasing partisan divisions that are jeopardizing the future of the inquiry.

The committee has yet to issue a single subpoena for documents or interview any key witnesses who are central to the probe. It hasn’t requested potentially crucial evidence, such as the emails, memos and phone records of the Trump campaign because the panel’s chairman, Sen. Richard Burr (NC) has so far failed to respond to requests from the panel’s Democrats to sign letters doing so. The panel has no further public hearings scheduled. Senate committee Democrats are complaining that the effort is underfunded and understaffed. Republicans have three staff on the investigation and Democrats have only two staff, one a law student, with one more to come. Ranking Democrat Mark Warner (VA) has been facing Democratic complains that he has been too reluctant to challenge Burr and press for more aggressive action.

The committee hasn’t approached key witnesses to schedule interviews with them. Manafort, Stone and Page have all publicly volunteered to be questioned by the committee staff, but so far it hasn’t followed up on those offers because it doesn’t want to interview them until it has reviewed their documents and emails, which the committee hasn’t asked for. Flynn, through his lawyer, also has offered to talk but only until he first receives immunity, a step the committee is not ready to consider.

So far, the five staffers assigned to the case have been methodically reviewing the classified raw intelligence documents that formed the basis for the intelligence agencies January assessment that Russia intervened in the 2016 election and that they did so to help elect Trump. That has led the discovery of more documents that are potentially relevant. It also has compiled a lengthy witness list that staffers have begun to winnow down.

**House Intelligence investigation:** The House committee announced that it had asked FBI Director Comey and NSA Director Adm. Mike Rogers to appear at a closed hearing on May 2. It also is seeking to reschedule a previously planned public hearing with former Deputy Attorney General Sally Yates, former Director of National Intelligence James Clapper and former CIA Director John Brennan. Yates is expected to be asked about warnings she gave to White House counsel Don McGahn that Flynn had misrepresented a conversation he had with Russian Ambassador Kislyak on December 29, the day then President Obama announced new sanctions against Russia. The committee has also privately agreed to a witness list and what issues are to be addressed.

However, the Washington Post reported partisan divisions remain. All of the witnesses agreed to on Russian involvement in the 2016 election and possible collusion with the Russian efforts were requested by Democratic members while Republican members focused on witnesses regarding leaks of information since Trump was inaugurated and suggested leaks by Obama officials or inappropriate unmasking of the identities of Americans overheard in surveillance of foreign targets. This suggests what appear to be two totally different investigations, divided along partisan lines.

**Russian hacking of French election:** The New York Times reported that the campaign of the French presidential candidate Emmanuel Macron has been targeted by the same Russian operatives responsible for the hacking of the Democratic National Committee and John Podesta, according to a report by Trend Micro, a cybersecurity firm. The firm said that on March 15, they spotted a Russian intelligence hacking group targeting Macron’s campaign, sending emails to campaign officials and others with links to fake websites designed to bait them into turning over passwords. The Russian group began registering decoy internet addresses in late March and in April to mimic the name of Macron’s party. The websites were registered to a block of web addresses that belong to the Russian intelligence hacking group. The firm said the same group had been attacking a German foundation linked to Chancellor Merkel’s political party.

Weeks before the first round of French voting, Macron’s campaign stated that he was concerned that sophisticated digital attacks on their campaign were coming from Russia. He said that the campaign’s website had also been attacked and that slated articles about Macron were released on the French language services of Sputnik and RT, Russian government controlled news outlets. In the US campaign, such stories were later spread on social media.

**International Trade**

***Possible NAFTA executive order:*** Politico reported that the **Trump administration has developed a draft executive order withdrawing the US from NAFTA**. The order could be unveiled late this week or next week. The effort (which still could change in the coming days as more officials weigh in) would indicate the administration’s intent to withdraw from the pact by triggering the timeline set forth in NAFTA. The approach appears designed to extract better terms with Canada and Mexico.

***Canadian lumber tariffs:*** The New York Times reported that the **Trump administration announced that it would impose new tariffs on Canadian softwood lumber imports.** The United States and Canada have been at odds over softwood lumber for over 100 years, with the current dispute going back to 1982. The United States imported $5.7 billion in softwood lumber last year alone, mainly for residential home building.

The problem starts with a fundamental difference in forestry ownership. In the United States, forest lands are largely held by lumber companies while in Canada, they tend to be owned by provincial governments. American lumber mills contend that Canadian provinces subsidize their industries by charging low royalty rates for cutting trees. A temporary truce under President George W. Bush, which effectively limited Canadian exports to the United States, expired in 2015.

Responding on Monday to a complaint filed by American mills, the Commerce Department found that five Canadian companies received subsidies worth 3 percent to 24 percent and ordered equivalent tariffs on each of them. For other Canadian lumber companies, The Department set a tariff rate of 20 percent for other Canadian lumber companies. The department will issue a final determination in September. Commerce Secretary Wilbur Ross stated that the Administration had tried to negotiate a settlement but had failed. The tariffs are likely to be opposed by American homebuilders, who say they raise the cost of new houses. A [study last year](http://eyeonhousing.org/2016/05/15-tariff-on-canadian-lumber-would-cost-4666-u-s-jobs/) by the National Association of Home Builders found that a 15 percent tariff would increase new home prices by 4.2 percent.

**Public lands**

***National monument review:*** The Washington Post and New York Times reported that Interior Secretary Zinke said that Trump on April 26 will authorize him to review any national monument created since January 1, 1996 of at least 100,000 acres to make sure that “the people have a voice” in which lands receive the highest level of federal protection. This would impact lands and ocean areas protected by Bill Clinton, George Bush and Barack Obama. The review has been specially crafted to include monuments in Utah, including Grand Staircase-Escalante (Clinton 1996) and Bears Ears (Obama 2016). Zinke said he would make recommendations within 45 days on what to do about the Bears Ears monument. That monument is supported by tribes and environmentalists, but opposed by all Republican public officials in Utah. He said he will issue a final report with 120 days.

Zinke said he will examine whether any designations had led to “loss of jobs, reduced wages and reduced public access” in areas where grazing, fishing and other extractive activities take place. He acknowledged that with several monuments, some jobs have been created by recreational opportunities.

George Bush conducted a review of monument designations in 2001, looking at Bill Clinton’s monument designations, including Grand Staircase-Escalante, but chose not to alter any of the monuments Bill Clinton had created.

Legal experts say that the Antiquities Act language does not include any authority for presidents to rescind or modify a national monument created by their predecessors, That authority is limited to Congress.

***Oil drilling executive order:*** Trump is planning to issue an executive order on April 28 that would open up protected waters in the Atlantic and Arctic Oceans to offshore oil drilling. The order would direct Interior Secretary Zinke to revisit an Obama administration plan that would have put those waters off limits to drilling through 2022. Friday’s order is also expected to call for the lifting of a permanent ban on drilling in an area including many of those same waters, a measure Mr. Obama issued in December 2016.

The orders are not likely to lead either to significant new energy development or to job creation in the near future. With oil prices around $50 a barrel and a production glut in world markets, few oil companies are making plans to expand into costlier, riskier offshore drilling, such as in the Artic. The legal challenges that the orders will face could take many years to resolve. The effort to undo Obama protections may run into legal hurdles. President Obama invoked a never-used provision in a 1953 law, the Outer Continental Shelf Lands Act, which he said gave him authority to act unilaterally to create a permanent drilling ban on portions of the ocean floor from Virginia to Maine and along much of the Alaska coast. There has never been a legal challenge of a drilling ban, because there has never been one before.

**Net neutrality**

***New FCC rules:*** The Washington Post reported that **the FCC released a plan on April 26 to undo its existing net neutrality rules**, which made Internet service providers “common carriers”. This reflects a conflict between internet providers on one side and tech companies and consumers on the other. This is the first step toward undoing a key Obama-era decision, one that forced Internet providers to behave more like legacy telephone companies. The stricter rules for the providers had made it illegal to block or slow down websites for consumers. Internet providers argue they need weaker rules in order to continue upgrading their networks and to find new ways of making money. Consumer groups say giving them free rein will cause them to abuse their position as gatekeepers between customers and the rest of the Internet, controlling what web users can see and do online and at what cost. Tech firms see net neutrality as key to their businesses and strongly supported the existing net neutrality rules.

**Paris agreement**

The long-expected internal meeting at the White House between Trump administration factions on whether to withdraw from the Paris climate accords or no will take place Thursday, April 27.