



## November 14, 2016

Congress is back in town this week for a post-election Lame Duck session. Although the new 115<sup>th</sup> Congress will not be sworn in until early January, the newly elected freshmen members will start their orientation and several party leadership elections will take place. Since Republicans will control the presidency and both houses in the new Congress, there is little incentive for them to accomplish much during the remainder of this session. However, one critical "must-do" agenda item is dealing with the FY'17 appropriations. Currently, the entire federal government is operating under a temporary Continuing Resolution (CR), which expires on December 9. There are two different approaches under consideration:

- Pass another short-term Continuing Resolution (CR) into next spring, so that the new Congress and president can have an opportunity to influence the funding levels; or
- Pass a year-long CR or FY'17 omnibus bill through September 30, 2017, so that the new Congress and president can focus immediately on the FY'18 budget process.

The outlook for other pending legislation, such as an expiring tax extenders bill, WRDA authorization for Corps of Engineers and other water projects, comprehensive energy reform bill, and DOD authorization, is unclear. Any legislation that is not completed before Congress adjourns for the session at the end of the year dies and must be reintroduced in the new Congress.

## Trump Administration Transition and Priorities

President-elect Trump has identified the leaders of his transition team and is starting to name some key appointments. Here is a [link](#) to the Trump transition website. Two people have been named to date to manage the US DOT transition. Shirley Ybarra will lead the agency review team and Martin Whitmer will be responsible for overseeing transportation policy. Shirley is a senior transportation policy analyst with the Reason Foundation, a DC think tank. She previously served as the Deputy Secretary and then Secretary of Transportation in Virginia under Governors Gilmore (R) and Allen (R) and as a political appointee at US DOT during the Reagan Administration. Martin runs his own consulting firm, Whitmer and Worrell. He previously served at US DOT during the George W. Bush Administration working for Secretary Norm Mineta. Before that, he worked at ARTBA, a transportation industry association, where he managed government affairs and the Public Private Ventures Division. Both have been long-time champions of P3 legislation and projects.

Donald Trump talked frequently about being a big supporter of infrastructure investment on the campaign trail and even highlighted it in his election night acceptance speech. He is a builder and a developer, so he knows the industry well. Given the bi-partisan nature of



infrastructure, there is a growing belief that infrastructure may become a "healing" issue that can bring both parties together in the new Congress for an early, big win for both sides.

However, it is important to note that the Trump campaign plan for transportation is a private sector financing plan, not a government funding plan. His \$1 trillion campaign proposal, as currently written, does not include a federal gas tax increase or a solution to stabilize the Highway Trust Fund fiscal cliff, which will occur at the end of the FAST Act authorization if no measures are taken to increase revenue. Rather, it is dependent on tax reform, tax credits, and debt financing. This is not the traditional way most transportation programs have been funded and it may not benefit projects, such as transit and routine highway work, which currently do not have a revenue stream to pay back the loans.

## Election Updates

A number of election results have been finalized since the November 9 Washington Update. They include:

In the US Senate, New Hampshire incumbent Senator Kelly Ayotte (R) was defeated by Maggie Hassan (D), the outgoing governor. This currently gives Republicans 51 seats, Democrats 46 seats, and Independents (who caucus with the Democrats) 2 seats. There will be a runoff election in Louisiana on December 10 for the open seat currently held by a Republican to fill the final Senate seat.

At this time, Democrats have a net gain of two seats. Although Republicans remain in the majority, most critical legislation requires a supermajority of 60 votes to pass which will require some Democratic support.

In the US House, Republicans will hold approximately 238 seats to the Democrats 193 seats with 4 races still undecided or subject to a recount. This will be a net gain of five or six seats for the Democrats.

## 115<sup>th</sup> Congress Committee Leadership

Republicans will retain control of both the House and Senate, although Democrats had a net gain of seats in both bodies. However, due to retirements and term limits, there will be a number of changes to key committee leadership.

In the Senate:

Environment & Public Works Committee – Chairman Jim Inhofe (R-OK) is term limited and the senior Democrat Barbara Boxer (D-CA) is retiring. Next in line for chair is either John Barrasso (R-WY) or, possibly, Shelley Moore Capito (R-WV). For Democrats, the ranking member will likely be either Tom Carper (D-DE) or Ben Cardin (D-MD).



Senate Banking Committee (has jurisdiction over transit) – Chairman Richard Shelby (R-AL) is term limited. Mike Crapo (R-ID) is next in line to replace him. Sherrod Brown (D-OH), the senior Democrat, is expected to remain in that role.

Senate Commerce Committee (has jurisdiction over rail, aviation and highway safety) – The current leadership of Chairman John Thune (R-SD) and Bill Nelson (D-FL) are expected to continue. However, the Aviation Subcommittee Chair, Kelly Ayotte (R-NH), lost her election.

Senate Finance Committee (has jurisdiction over taxes) – The current leadership of Chairman Orrin Hatch (R-UT) and Ron Wyden (D-OR) is expected to remain the same.

Senate THUD (US DOT) Appropriations Subcommittee – The current leadership of Susan Collins (R-ME) and Jack Reed (D-RI) is likely to remain the same unless they opt to move to other subcommittees.

In the House:

House Transportation & Infrastructure Committee – The “Big 4” leadership is expected to stay the same – Chairman Bill Shuster (R-PA) and ranking Democrat Peter DeFazio (D-OR) and Highways & Transit Subcommittee Chairman Sam Graves (R-MO) and ranking Democrat Eleanor Holmes Norton (D-DC). However, Bob Gibbs (R-OH) is term limited as Chair of the Water Resources Subcommittee. There will be nine vacancies on the T&I Committee: six Republican seats and three Democratic seats. Chairman Shuster will be term limited in 2018.

House THUD (US DOT) Appropriations Subcommittee – The current leadership of Mario Diaz Balart (R-FL) and David Price (D-NC) is likely to remain the same unless they opt to move to other subcommittees. Rep. Rodney Frelinghuysen (R-NJ) is expected to become the new full Committee Chairman replacing Hal Rogers (R-KY) who is term limited.

House Energy & Commerce Committee – The current chair Fred Upton (R-MI) is term limited. Reps John Shimkus (R-IL) and Greg Walden (R-OR) are competing to replace him.

House Ways & Means Committee (has jurisdiction over taxes) - The current leadership is expected to continue with Chairman Kevin Brady (R-TX) and Sander Levin (D-MI).