

# Monthly Legislative Update

October 31, 2017

**NADO**  
NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS

# Presentation Overview

- FY2018 Appropriations Update
- Disaster Relief Package
- FY2018 Budget Resolution and Tax Reform
- Looking Ahead



# FY2018 Appropriations Update

- House and Senate passed Continuing Resolution for FY2018 in early September
  - Deal brokered between President Trump and congressional Democrats
  - Funds programs at current levels through December 8
  - Temporarily lifts the debt ceiling through December 8
  - Provided initial emergency assistance for victims of Hurricane Harvey totaling \$7.85 billion; extends National Flood Insurance Program (NFIP) through December 8
  - Senate approved 80 to 17; House approved 316 to 90



# FY2018 Appropriations Update

- CR bought time for House to pass a FY2018 budget resolution, setting stage for reconciliation as a tool to move tax reform
- CR also necessary to allow for negotiation of final discretionary spending caps



# FY2018 Appropriations Update

- FY2018 omnibus spending package passed House by vote of 211 to 198 on September 14
- Omnibus package totals \$1.13 trillion in discretionary spending, violating the levels set by the Budget Control Act of 2011
- Senate Appropriations Committee has approved 8 of 12 bills (Labor-HHS-Ed, State-Foreign Operations, Legislative, THUD, Commerce-Science-Justice, Energy-Water Development, Military Construction-VA, and Agriculture)
- Delays upending timeline: disaster recovery, Senate Appropriations Committee Chairman Cochran's illness



# Disaster Relief

- Latest disaster relief bill approved by House and Senate; President signed on October 26
- \$36.5 billion funds recovery efforts in Puerto Rico/flood insurance/wildfire control
  - \$18.67 billion for FEMA's disaster relief fund
  - \$16 billion in debt forgiveness for the National Flood Insurance Program
  - \$1.27 billion in supplemental nutrition assistance funds for low-income Puerto Rico residents
  - \$576.5 million for wildfire suppression
- Third aid package expected from White House next month

# FY2018 Budget Resolution

- Budget resolutions are *blueprints*
- Senate passed its FY2018 Budget Resolution on October 19
- Senate-passed budget resolution adheres to FY2018 budget caps established by Budget Control Act (\$541.1 billion for defense and \$515.7 for non-defense)
- Includes \$1.5 trillion in annual deficit spending over 10 years to pay for proposed tax cuts
- Original House budget resolution called for a deficit-neutral tax plan and at least \$203b in cuts to entitlement programs over 10 years
- House adopted Senate version on October 26 by a vote of 216 to 212



# FY2018 Budget Resolution and Tax Reform

- FY2018 Budget Resolution sets framework for consideration of tax reform under the budget reconciliation process
- Budget reconciliation allows for simple majority approval in Senate (lower threshold than usual 60 votes required)
- Attempts were made to use FY2017 budget reconciliation process to address health care



# Looking Ahead: Tax Reform

- House Ways and Means Committee to release details on November 1
- Senate Finance Committee working parallel
- House leadership would like a bill passed by Thanksgiving
- On the table: cuts to corporate tax rates, cuts to taxes on unincorporated businesses, cut to taxes for individuals

# Looking Ahead: Tax Reform

- Concerns over local and state tax deductions known as SALT
- Questions over raising deficit to cover tax cuts without reducing spending



# Looking Ahead: Infrastructure

- On hold until after tax reform is passed
- President stated public-private partnerships do not work
  - DOT Secretary has since mentioned private participation involvement
- Gasoline tax increase as part of tax reform proposal?
- \$1 trillion price tag with \$200 billion in direct spending



# Looking Ahead: NFIP Reauthorization

- Extension through December 8, included in CR passed last month
- House passed series of measures addressing reform and reauthorization, Senate has yet to take up any measures
- Ongoing program debt – currently at \$30 billion
- Introducing more private participation to reduce government risk, cost
- \$16 billion in debt forgiven in recent disaster package
- Trump Administration requests insurance subsidy for low-income homeowners paid for through premiums of other policyholders



# Looking Ahead: Farm Bill

- Farm Bill expires September 30, 2018
- Bill to fund agriculture, conservation, nutrition, and forestry policy
- In 2014, controversy around SNAP
- NADO has met with House and Senate Agriculture Committee staff to share priorities
- Coalitions involved (Campaign for Renewed Rural Development, REBUILD Rural Coalition)



# Save the Date

- Next Monthly Legislative Calls
  - Tuesday, November 28<sup>th</sup> at 2:00 p.m. ET
- 2018 Washington Policy Conference:  
March 19-21



# Questions?



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