

Monthly Legislative Update

January 9, 2018

NADO
NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS

Presentation Overview

- Updates on FY2018 Appropriations, Disaster Relief, Tax Reform, Rural Task Force, Nominations/Confirmations
- Looking Ahead
 - Infrastructure
 - FY2019 Appropriations
 - Farm Bill
- 2018 Washington Conference and Congressional Partnership Awards



FY2018 Appropriations Update

- Congress passed Continuing Resolution through January 19 before the holidays
- Appropriators can make no progress toward a compromise on FY2018 spending without a decision from leadership on spending caps; little progress has been made
- Democrats seek parity between defense and non-defense increases
- Cap increase will require passage by both chambers (with 60 votes in the Senate)
- Once parameters are set, Congress will need time to consider a final omnibus appropriations bill for FY2018

FY2018 Budget Caps

	FY2018 Budget Cap	FY2018 House Budget	FY2018 Senate Budget
Defense	\$549b	\$621.5b	\$551b
Non-Defense	\$515.7b	\$511b	\$518.5b



FY2018 Appropriations and the Immigration Debate

- Primary obstacle to enactment of a FY2018 spending package: Protection of immigrants under Deferred Action for Childhood Arrivals (DACA) aka “Dreamers” and border wall spending
- President Trump has released a border security plan calling for \$18 billion over 10 years
- Democrats pushing for protections for “Dreamers” from deportations which are expected to begin in early March



Tax Reform

- Tax Cuts and Jobs Act Signed by President Trump on December 22
- Bill costs \$1.46 trillion over ten years
- Reduces corporate tax rate from 35 to 21 percent
- Maintains \$10,000 deduction of state and local taxes (SALT)
- Lowers individual tax rates
- Eliminates individual health care mandate



Tax Reform

- Raises estate exemption up to \$11 million from \$5.5 million
- Allows 20 percent deduction for pass through business
- Eliminates corporate AMT and raises threshold for individuals and married couples
- Sets smaller mortgage interest rate deduction

Disaster Relief

- Two disaster relief bills totaling \$52 billion have been signed into law
- White House sent third aid package to Congress on November 17, totaling \$44 billion
- House passed bill on December 21 providing \$81 billion; Senate has not yet taken action



Disaster Relief

- House bill includes:
 - \$600 million for EDA to administer technical assistance, planning, and infrastructure grants (2 percent may be transferred for salaries and expenses)
 - \$26 billion for HUD Community Development Block Grants
 - \$10.5 billion for Army Corps of Engineers projects
 - \$1.374 billion for Federal Highway Administration emergency relief funding

Rural Prosperity Task Force

- Task force recommendations issued Jan. 8
- Over 100 recommendations in 5 areas:
 - e-Connectivity for Rural America
 - Improving Quality of Life
 - Supporting a Rural Workforce
 - Harnessing Technological Innovation
 - Economic Development
- Task force proposes establishment of *Commission on Agriculture & Rural Prosperity*
- President will sign two executive orders regarding broadband: Interior resources & streamlining permitting of towers in federal right-of-way



Rural Prosperity Task Force

Under Improving Quality of Life, language is included on the CEDS:

“Encourage community resilience at the local level by requiring that federal planning strategies, such as the Economic Development Administration’s Community Economic Development Strategies (CEDS), include identification of strategic industries for rural regions and plans for disaster preparedness and recovery” (p. 25)



Key Agency Nominations/Confirmations

- Christopher Caldwell, Delta Regional Authority Federal Co-Chair, confirmed by Senate on December 21
- Tim Thomas nominated for Federal Co-Chair of the Appalachian Regional Commission on January 4



Looking Ahead: Infrastructure

- Administration's number one priority for 2018
- Blueprint expected to be released this month
- \$1 trillion price tag with \$200 billion in direct spending divided into four pots
 - Rural infrastructure
 - Existing credit programs
 - “Transformative” projects
 - State and local government identified projects that come to the table with existing funding
- White House attempting intra-agency MOU on two-year environmental permitting process



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)



Looking Ahead

- State of the Union Address: January 30
- President's FY2019 budget: first week of February?
 - NADO to provide analysis through special webinar and budget report
 - Last year's webinar available [here](#)





WASHINGTON CONFERENCE 2018
MARCH 18 - 21



2018 Washington Conference: March 18 -21

- Congressional Partnership Awards
 - Recognizes representatives and senators' outstanding work on behalf of regional development organizations
 - Deadline to submit nominations is Feb 28
 - Applications are available [here](#)
- 2018 Conference preview webinar: TBD



Questions?



NADO

REGIONAL STRATEGIES. PARTNERSHIPS. SOLUTIONS. NADO.ORG

Joe McKinney

Executive Director

202.624.5947

jmckinney@nado.org

Susan Howard

Legislative Director

202.624.8590

showard@nado.org

Josh Shumaker

Legislative Associate

202.624.8482

jshumaker@nado.org



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400 NORTH CAPITOL STREET, NW
SUITE 388

WASHINGTON, DC 20001

[NADO.ORG](https://nado.org)

[RURALTRANSPORTATION.ORG](https://ruraltransportation.org)