

From: POLITICO Pro Energy
To: megan_bloomgren@ios.doi.gov
Subject: Afternoon Energy, presented by ExxonMobil: Trump advisers to huddle on Paris — Zinke: Everything on the table for offshore drilling review — Exxon's LNG exports project gets approval
Date: Tuesday, April 25, 2017 4:01:27 PM

By Kelsey Tamborrino | 04/25/2017 04:57 PM EDT

TRUMP ADVISERS' MEETING ON PARIS DEAL RESET FOR THURSDAY: A meeting of senior advisers to hash out internal divisions over the Paris climate change agreement has been rescheduled for Thursday, two administration officials told POLITICO. The meeting could help decide the fate of the United States' involvement in the accord, which won the support of nearly 200 nations in Paris in 2015. President Donald Trump's advisers hope to make a recommendation to the president about how he should proceed, Andrew Restuccia and Josh Dawsey [report](#).

Several of Trump's close advisers and Cabinet secretaries, including Jared Kushner and Secretary of State Rex Tillerson, are said to support staying in the deal. But chief strategist Steve Bannon and EPA Administrator Scott Pruitt strongly oppose the pact and have been privately making the case that the U.S. should withdraw.

SOURCES: PRUITT URGED MINERS TO PRESS TRUMP ON PARIS: A coal mining industry group's board of directors voted today to press Trump to withdraw from the Paris climate change agreement — just one day after EPA's Pruitt met with the group's leadership and urged them to push the issue, two sources [told Andrew](#).

Pruitt personally attended a meeting of the National Mining Association's executive committee on Monday to lay out his concerns with the Paris accord, and called for the group to publicly support pulling out, according to one source.

PERRY: RENEGOTIATE PARIS: Energy Secretary Rick Perry said today he'd advise Trump to stay in the Paris climate agreement and "renegotiate" the landmark deal, but he also criticized European Union countries for not acting more aggressively on their promises. "I'm not gonna say [that] I'm gonna go tell the president of the United States, 'Let's just walk away from the Paris accord,'" he said at the Bloomberg New Energy Finance Summit in New York City. "But what I'm gonna say is I think we probably need to renegotiate it."

At the G-7 energy ministers' meeting earlier this month, Perry said he'd heard "a lot of cheerleading for the Paris accord and keeping the U.S. involved in that," but he singled out Germany's energy policies and rising emissions because of the country's decision to shutter its nuclear power plants. "My point is, don't sign an agreement and then expect us to stay in an agreement if you're not gonna really participate and be a part of it," he said. "In my [G-7] remarks, I said it's about words versus actions." Perry said that EU officials publicly tout the Paris agreement, but in private meetings with him "it's like, 'How do we get that [liquefied natural gas]?' " And while the Energy secretary acknowledged that replacing coal-fired power in Europe with gas could reduce emissions, Perry criticized EU officials for exaggerating their accomplishments. Darius Dixon has more [here](#).

CHINA JOINS IN: China is raising doubts that the U.S. is meeting its own commitments under the Paris climate agreement. Bloomberg reports the country joined the U.K., Brazil and other countries in [queries](#) filed with the United Nations, scrutinizing U.S. climate progress.

"The responses illustrate the potential global humiliation — if not outright retaliation — the U.S. could incur if Trump decides to keep the country in the pact even as he eviscerates policies central to keeping its carbon-cutting commitment," Bloomberg [writes](#). Trump administration officials are still debating whether the U.S. will remain in the agreement.

Welcome to Afternoon Energy and happy Tuesday! I'm your host Kelsey Tamborrino. Send your thoughts, news and tips to ktamborrino@politico.com, mdaily@politico.com and njuliano@politico.com, and keep up with us on Twitter at [@kelseytam](https://twitter.com/kelseytam), [@dailym1](https://twitter.com/dailym1), [@nickjuliano](https://twitter.com/nickjuliano), [@Morning_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**** Presented by ExxonMobil:** Natural gas is fueling a resurgence in American manufacturing. We're playing our part. Our new projects along the Gulf Coast are expected to create more than 45,000 jobs right here at home. These are jobs natural gas is helping make happen, all while reducing America's emissions. Learn more at: ExxonMobil.com **

WHEN IT COMES TO OFFSHORE REVIEW, EVERYTHING'S ON THE TABLE:

Interior Secretary Ryan Zinke said today he intends to look at all options when his agency reviews its offshore drilling plans. Zinke, who was in Washington speaking at an Outdoor Industry Association event, said the review will consider whether to allow development in areas excluded from the five-year offshore drilling plan of the Obama era. Esther Whieldon reports that Zinke did not specifically address the indefinite leasing bans that former President Barack Obama imposed in his final days in office — bans that legal experts are split on whether the Trump administration can reverse. Trump is expected to sign an executive order on Friday directing Zinke to launch the offshore energy review. More [here](#).

I'VE GOT THE GOLDEN PASS: The Department of Energy today [announced](#) it has signed an order authorizing Golden Pass Products LLC to export domestic liquefied natural gas to countries that do not have a free trade agreement with the U.S. The approval is the final major regulatory step in Exxon Mobil and Qatar Petroleum's \$10 billion Golden Pass and its efforts to ship LNG starting in 2021, Ben Lefebvre [reports](#).

BEYER TALKS CLIMATE CHANGE: Virginia Rep. [Don Beyer](#) sat down with Alex Guillén to talk about his views on climate change and why he's made it a signature issue during his time in Congress. Beyer, the top Democrat on the House Science Committee's oversight panel, said he is drumming up opposition to Trump's proposed EPA cuts and outlined his campaign for a bipartisan carbon tax.

Beyer said Science committee members "don't like being called climate change deniers, and [Chairman [Lamar Smith](#)] doesn't say that it's a hoax. I think they prefer climate change 'skeptical.' They prefer to say this is not settled science, there's still a great deal of uncertainty, and we can't be making long-term policy decisions with the uncertainty of it. I obviously take the opposite view. Even though there's always uncertainty in science, all science is contingent, we need to act on what we know now. If we don't it's going to be too late." Read more [here](#).

GROUPS SUE EPA OVER OHIO ALGAE BLOOMS: Conservation groups are suing the EPA in an attempt to force the agency to label key portions of Lake Erie "impaired" because of its large algae blooms that appear each summer. Annie Snider [reports](#) that the groups — including National Wildlife Federation — have brought a [lawsuit](#) in the U.S. District Court for the District of Columbia against the agency. The suit argues EPA is shirking its duty to approve or disapprove Ohio's list of impaired waters, which must be submitted every other year. Under the Clean Water Act, EPA had 30 days to approve or disapprove the list, which

the state submitted Oct. 20, 2016.

FORMER U.N. AMBASSADORS WRITE TO SAVE FUNDING: Nine former U.S. ambassadors to the United Nations today wrote a letter to House and Senate leaders, urging Congress not to cut the organization's funding and warning that the U.S. could pay the price in the long run. Trump's proposed "America First" [budget](#) eliminates funding for U.N. climate change programs and slashes funding overall for the U.N. and related agencies, including peacekeeping efforts and international organizations. More [here](#).

'MANY' PROBLEMS LEFT TO TACKLE IN BUDGET: As the budget deadline looms, appropriators are still negotiating "many" issues within each of the fiscal 2017 measures and debating inclusion of Obamacare subsidies, a Democratic aide told Pro Budget's Jennifer Scholtes. "There are still many open items that are unresolved, which span the gamut of the 11 unfinished bills," House Democratic appropriations spokesman Matt Dennis said. But appropriators are still hoping for enactment of an omnibus, with updated funding, Jennifer [reports](#), rather than a long-term stopgap that drags out current levels through the end of the fiscal year. "It's still attainable," Dennis said. "That's what we're working toward. ... Our goal is still to get an omnibus."

RECOMMENDED READING: Of the 556 key positions in Trump's administration that require Senate confirmation, the president has yet to announce a nominee for 470 of them. The Agenda's Danny Vinik breaks down the biggest roles left open [here](#) for the Agenda.

MAIL CALL — STRENGTHEN ENERGY STAR: More than 1,000 U.S. companies [signed](#) a letter to Congress and the White House on Monday, asking them to strengthen the Energy Star program that was proposed for elimination under Trump's budget. "ENERGY STAR is a model for successful collaboration between the public and private sectors," the signers write. "It enjoys a long track record of success and should be strengthened, not weakened, to ensure it continues providing these important benefits to the public while helping us meet our energy and environmental goals." Read the letter [here](#).

HEARING ANNOUNCEMENT: The House Natural Resources Committee's federal lands subcommittee [announced](#) today it will hold an oversight hearing titled "Examining the Consequences of Executive Branch Overreach of the Antiquities Act." The hearing will take place at 10 a.m. on May 2 in 1324 Longworth House Office Building and comes as Trump [directs](#) Secretary Zinke to review past presidents' monument designations under the Antiquities Act.

QUICK HITS:

- Baker Hughes trims first quarter losses, [FuelFix](#).
- Today's energy jobs are in solar, not coal, [The New York Times](#).
- Trump acts fast to strike rules — but what's the long-term impact? [E&E News](#).
- Trump's climate cuts could result in half-billion extra tons of CO2 in the air, [InsideClimate News](#).

WIDE WORLD OF POLITICS:

- Ryan on the hot seat to [deliver for Trump](#)

— Trump expected to include [Democrat-friendly spending](#) in tax plan

— Lawmakers: Flynn did not disclose Russia payments in [security clearance application](#)

**** Presented by ExxonMobil:** Energy is fundamental to modern life and drives economic prosperity - in small communities across America and around the world. We need a range of solutions to meet growing energy demand while reducing emissions to address the risk of climate change. Visit the Energy Factor to learn more about some of the bold ideas and next-generation technologies we're working on to meet this challenge: [EnergyFactor.com](#) **

To view online:

<https://www.politicopro.com/tipsheets/afternoon-energy/2017/04/trump-advisers-to-huddle-on-paris-022525>

Stories from POLITICO Pro

Trump advisers' meeting on Paris deal reset for Thursday [Back](#)

By Andrew Restuccia and Josh Dawsey | 04/25/2017 03:25 PM EDT

The Trump administration has rescheduled a meeting of senior advisers to hash out internal divisions over the Paris climate change agreement for Thursday, two administration officials told POLITICO.

The meeting could help decide the fate of the United States' involvement in the accord, which won the support of nearly 200 nations in Paris in 2015. Trump's advisers hope to make a recommendation to the president about how he should proceed.

Several of Trump's close advisers and Cabinet secretaries, including Jared Kushner and Secretary of State Rex Tillerson, are said to support staying in the deal. But chief strategist Steve Bannon and EPA Administrator Scott Pruitt strongly oppose the pact and have been privately making the case that the U.S. should withdraw.

While the list of attendees is unclear, Tillerson, Bannon, Kushner, National Economic Council Director Gary Cohn, national security adviser H.R. McMaster and Energy Secretary Rick Perry are expected to be at the meeting.

The meeting had been [scheduled](#) to take place last week, but it was postponed because several Trump advisers traveled with the president to Wisconsin.

Trump's advisers and energy industry officials have been engaged in a months-long behind-the-scenes effort to sway the president. Aides who support staying in the deal have argued Trump could still achieve his policy goals, with less international blowback, by [weakening](#) Obama's pollution-reduction targets while trying to negotiate [greater global support for fossil fuels](#). They've won the support of several energy companies, including a few major [coal producers](#).

Meanwhile, Republicans in Congress and hard-line conservatives have argued that the president must withdraw altogether, noting that Trump promised during the campaign to cancel the agreement.

Trump is expected to make a final decision by late May, when he'll travel to Italy to participate in a G-7 meeting.

A White House spokeswoman did not immediately respond to a request for comment.

[Back](#)

Sources: EPA's Pruitt urged miners to press Trump to exit climate pact [Back](#)

By Andrew Restuccia | 04/25/2017 03:55 PM EDT

A coal mining industry group's board of directors voted on Tuesday to press President Donald Trump to withdraw from the Paris climate change agreement — just one day after EPA Administrator Scott Pruitt met with the group's leadership and urged them to push the issue, two sources told POLITICO.

Pruitt personally attended a meeting of the National Mining Association's executive committee on Monday to lay out his concerns with the Paris accord, and called for the group to publicly support pulling out, according to one source.

Trump has often aligned himself with coal miners, promising to revive the industry that has suffered sharp job losses over the past decade as the U.S. appetite for the energy source has waned. Just last month, Trump went to the EPA's headquarters with a group of coal miners to sign an [executive order](#) rolling back President Barack Obama's regulation curbing carbon emissions from power plants.

Pruitt has emerged in recent weeks as one of the administration's leading critics of the 2015 Paris deal, calling it a "bad deal for America" in a recent interview. An EPA spokesman confirmed Pruitt attended the NMA meeting, saying that he "discussed the problems with the Paris agreement."

The NMA board's decision is the latest evidence of the split within the coal industry over the Paris deal. Several major coal companies have [signaled](#) their openness to the U.S. remaining in the Paris agreement if the White House can negotiate more global [support](#) for technology that would reduce the carbon footprint of coal.

But other coal companies, including Murray Energy, which is led by Trump supporter Robert Murray, are vociferously opposed to the accord, which has won the backing of nearly 200 nations.

The NMA vote was 26-5, with some members abstaining, according to one source.

The NMA board's decision to weigh in raises the stakes in the behind-the-scenes standoff within the White House over the international climate accord. Several White House aides, including senior adviser Jared Kushner, are said to be in favor of remaining in the agreement, while chief strategist Steve Bannon supports withdrawing.

White House aides who want to remain in the pact have sought to build support among energy companies in recent weeks. But several [Republicans](#) and [industry groups](#) have launched a counter-offensive to increase momentum for exiting the agreement. Sen. [John Barrasso](#) distributed a [document](#) arguing for leaving the Paris agreement at a Tuesday policy lunch with Senate Republicans.

Trump's top advisers are set to meet [on Thursday](#) in hopes of making a formal recommendation to President Donald Trump. Trump is expected to decide whether to stick with the accord before the G-7 summit at the end of May.

NMA is still writing its statement urging a Paris withdrawal and it's unclear when it will be sent to the White House, one source said. A National Mining Association spokesperson declined to comment.

[Back](#)

Perry presses to 'renegotiate' Paris climate deal, jabs EU [Back](#)

By Darius Dixon | 04/25/2017 01:48 PM EDT

Energy Secretary Rick Perry said Tuesday he'd advise President Donald Trump to stay in the 2015 Paris climate agreement and "renegotiate" the landmark environmental pact, and he criticized European Union countries for not acting more aggressively on their promises.

"I'm not gonna say [that] I'm gonna go tell the president of the United States, 'Let's just walk away from the Paris accord,'" he said at the Bloomberg New Energy Finance Summit in New York City. "But what I'm gonna say is I think we probably need to renegotiate it."

Senior Trump officials, including Perry, had planned to meet to discuss the agreement last week before the session was [postponed](#).

At the G-7 energy ministers' meeting in Italy that Perry attended earlier this month, he said he'd heard "a lot of cheerleading for the Paris accord and keeping the U.S. involved in that," but he singled out Germany's energy policies and rising emissions because of its decision to shutter its nuclear power plants.

"My point is, don't sign an agreement and then expect us to stay in an agreement if you're not gonna really participate and be a part of it," he said. "In my [G-7] remarks, I said it's about words versus actions."

Perry said that EU officials publicly tout the Paris agreement, but in private meetings with him "it's like, 'How do we get that [liquefied natural gas]?'"

And while he acknowledged that replacing coal-fired power in Europe with gas could reduce emissions, Perry criticized EU officials for exaggerating their accomplishments.

"Don't get up on the front end and make all these speeches about how good you're doing when the fact of the matter is you're not. I'm about, show me what you've done, not what you've said," he said.

Perry's interviewer, BNEF Head of Americas Ethan Zindler, summarized his position as: "You want to stay at the table in Paris but renegotiate, and your concern is other parties, mainly the EU, are not doing enough to meet their obligations."

"That would be a pretty good broad brush at it," Perry said.

There has been a growing push inside the Trump administration to renegotiate the U.S.

commitments under the pact, although Washington cannot simply reopen the deal that has been approved by nearly 200 nations. Still, the Paris agreement does not have penalty mechanisms for countries that fail to meet their domestic goals, and the U.S. can use its position to try and leverage broader concessions.

The White House is expected to announce whether it will remain in the climate change agreement before the G-20 meeting next month.

[Back](#)

Zinke says everything on the table for offshore drilling review [Back](#)

By Esther Whieldon | 04/25/2017 09:23 AM EDT

Interior Secretary Ryan Zinke plans to look at all options when the agency reviews its offshore drilling plans, he said today.

President Donald Trump on Friday is expected to sign an executive order directing the Interior to consider opening new areas of the Outer Continental Shelf for energy development.

The review will consider whether to open up development in areas excluded from the five-year offshore drilling plan completed in the final months of the Obama administration, Zinke said. It is also expected to consider whether to reverse leasing bans in parts of the Arctic and Atlantic oceans that former President Barack Obama imposed in his final days. Zinke did not specifically address the indefinite leasing bans, which legal experts are divided over whether the Trump administration can reverse.

"We're going to look at everything and I think a new administration should, you know, look at the policies and make sure the policies are appropriate," Zinke told reporters after a speech in Washington at an Outdoor Industry Association event today.

Also at the event, Zinke said he speaks with Trump weekly. He "doesn't micromanage me" and "gives me a lot of latitude," Zinke said.

The secretary also hinted at his reorganizations plans for the agency, which he announced when he took office earlier this year. Zinke said the agency will no longer be managed by bureau silos. "We're going to reorganize according to ecosystems and break up the centralization in D.C. and Denver," Zinke said.

WHAT'S NEXT: Trump on Friday is expected to sign the executive order directing Zinke to launch the far-reaching offshore energy review.

[Back](#)

DOE approves Exxon's LNG exports project [Back](#)

By Ben Lefebvre | 04/25/2017 10:33 AM EDT

The Department of Energy today approved Exxon Mobil and Qatar Petroleum's \$10 billion Golden Pass liquefied natural gas plant to export LNG to countries with which the U.S. doesn't have free trade agreements.

The approval is the final major regulatory step in Golden Pass' efforts to ship LNG starting in 2021. The company now joins the growing list of government-approved LNG exporting projects that are expected to make the U.S. one of the largest gas suppliers in world.

Exxon and Qatar filed for federal approval in 2013 to add export capability to their import terminal at Sabine Pass, not far from where Cheniere Energy shipped the first-ever LNG export from the U.S. last year. The company received final FERC approval for Golden Pass in December 2016.

The DOE approval comes as the political fight over LNG exports has all but died out. Natural gas prices remain not much higher than the bottoms hit in 2012 after the shale boom created a supply glut. Even as Cheniere Energy started its LNG exports last year, domestic prices are also nowhere near as high as the \$15/MMBtu reached at the end of 2005.

WHAT'S NEXT: Golden Pass now has the go-ahead to start building the export terminal and plans to start shipping in 2021.

[Back](#)

POLITICO Pro Q&A: Rep. Don Beyer [Back](#)

By Alex Guillén | 04/25/2017 10:51 AM EDT

Rep. [Don Beyer](#) doesn't sit atop the environmental appropriations panel like his predecessor from Virginia's 8th District, Jim Moran, but he has made climate change a signature issue during his time in Congress.

Now in his second term, the self-described "science nerd" is the top Democrat on the House Science Committee's oversight panel, and he sits on the Natural Resources Committee as well. In an interview in his Longworth office, Beyer lamented the direction of the Science Committee, said he is drumming up opposition to President Donald Trump's proposed EPA cuts and outlined his campaign for a bipartisan carbon tax.

This interview has been edited for length and clarity.

As a member of the Science Committee, what are your sources for science news and information?

I've been reading Science News for years and years and years, and I get a subscription to Scientific American. Those are the two big ones. I'm good friends with Craig Venter [the biologist who helped map the human genome], who lived in Old Town [Alexandria], where I got to know him. And then my favorite first cousin is a guy named George Church, who heads the genetics lab at Harvard.

It's an interesting time for the Science Committee, because it had always been kind of a sleepy panel. But Chairman [Lamar Smith](#) has increased the investigatory activity on subjects like climate change science and cybersecurity. Do you think that's the right path for the committee?

On the one hand I do think it's a legitimate use of the committee to test things, to make sure that government resources are being spent well. It shouldn't just be there for us to be fascinated and entertained by the advances in science, there should be a relevant public

purpose. On the other hand, I get incredibly dismayed by the way our chairman is going about it. So much of this smacks as anti-science, as modern-day Luddite, as a push-back against science and regulations that emerge from scientific study that may affect certain industries.

Mr. Smith represents Texas. And we have Mr. [\[Frank\] Lucas](#), Mr. [\[Jim\] Bridenstine](#), a couple Oklahomans who represent the fossil fuel interests there. And we know how prominent the Koch brothers are to the Republican party. So there's lots and lots of attacks on climate change.

So the committee is being redirected to work on what their constituents in the fossil fuel industry are interested in?

I think so, very much. It's tricky for them because there's so much evidence that climate change is real. They don't like being called climate change deniers, and Lamar doesn't say that it's a hoax. I think they prefer climate change "skeptic." They prefer to say this is not settled science, there's still a great deal of uncertainty, and we can't be making long-term policy decisions with the uncertainty of it. I obviously take the opposite view. Even though there's always uncertainty in science, all science is contingent, we need to act on what we know now. If we don't it's going to be too late.

Trump's budget severely slashed EPA's funding and would get rid of 3,200 employees, at least some of whom live in your district for sure.

We obviously have heard of many that are putting resumes out right now. People are scared and discouraged and dispirited. ... My expectation, my hope is that the committees will be far more reasonable and logical than [Office of Management and Budget Director] Mick Mulvaney and the Trump skinny budget, in that there are thoughtful Republican cardinals — the [Tom Coles](#), [Mike Simpson](#)s of the world — who are institutionalists, who helped build these programs over decades, [and] are going to do the best to protect them. But it's also naïve to think there won't be any cuts to EPA. We'll try to survive in the short run and win some elections in the middle run.

Trump's skinny budget also targeted a lot of programs that have heavy GOP support, like Rep. [Hal Rogers](#)' pilot program for cleaning up old mine sites.

Which I thought was very sad. Along with the thing we worked with Hal Rogers and [Rep.] [Morgan Griffith](#) on, which is using the excess coal mine clean-up money to start reinvesting in those coal communities. Trump had said he was going to bring coal back and help all these people come back to work, and so far there's been absolutely no indication that we're creating coal jobs. We want to think about what else we can do in these coal communities that can help revive them. One of the things, by the way, that Trump's also not jumped on board is protecting coal miner pensions [and health insurance], which we've tried to do a couple of times. [Sen.] [Mitch McConnell](#) may be one of the big obstacles there.

Are you hopeful that will actually happen in the end?

I'm very, very hopeful. It's incredibly unfair. It's a really dangerous job, and a vast number of them end up getting sick, black lung or brown lung or lots of missing fingers, bad backs, bad knees. I think it's incredibly important that we do our best to make them whole with their health insurance. It's not a perpetual problem; there's a finite number of people with finite medical needs, we just need to take care of it.

Broadly speaking on energy and environment issues, do you see room for compromise with Republicans in the next two years on anything?

Yes. The one where I see real possibilities is ways to price carbon. I know they hate the social cost of carbon model, and there are legitimate beefs about where's the discount rate set, should it be 2 percent or 6 percent or whatever. Those are fair arguments that I don't know we necessarily won in the hearings [that the Science Committee recently held]. But the overall idea that Democratic economists over to Republican economists, the full ideological range, think that the best way to suppress the use of fossil fuels and the best way to encourage more rapid development of alternative energy sources, solar wind, etc., is to adequately price carbon.

There was an article ... last week or week before last with James Hansen of NASA fame saying that he agreed with a Republican proposal to tax carbon. And [Secretary of State Rex] Tillerson, formerly of Exxon Mobil, said that. I had lunch a year and a half ago with the head of BP oil who said that they supported a carbon tax. Many of them would like to see the carbon tax as a trade-off for the strict EPA emissions controls. And frankly, as long as the bottom line, the clean-up is achieved, why not find the most efficient mechanism for it? And so I think there's room to work with them depending on what other political problem it solves.

For example, assuming the border adjustment tax goes nowhere, which I think is a pretty safe assumption, how do they fund the corporate tax and even personal tax reform they'd like to see? Carbon tax might be the way. Or the infrastructure plan that so far Trump has only talked about [relying on] public-private partnerships. ... A carbon tax might be a way to get a really meaningful infrastructure going.

Would your fellow Democrats go along with getting rid of these EPA regulations in exchange for a carbon tax?

I don't know. I think they'd be open to it if they were convinced or shown that the net impact on the environment was the same or better. There's many versions of the carbon tax. The one I like best is the economic dividend, where you give the money back to every person. And part of the reason I like it is because my working assumption is that this would be something that Republicans would like best, because it doesn't raise the overall tax burden, it doesn't make the government any bigger. And as a Democrat I really like the fact that it keeps it from being regressive, because that would be the one major danger. But if we're giving all the money back then it becomes progressive at the bottom level.

Seems like a heavy lift for the next few years.

Yeah, although we have to keep working on it. We're trying to develop all the literature around it. Seventeen Republican members now in the Climate Solutions Caucus. That's better than the four or five there were the last time. We're moving in the right direction. And of course the expectation is if climate change is an ever-greater problem there will be ever-greater evidence in people's districts. Their constituents will be ever more ready to adopt solutions. I don't want to say we're on the right side of climate change, but as long as it continues to gather momentum, we're more likely to have Republicans come on board.

What about NEPA reform, where are you on that? Are you open to any compromise, or is it too dangerous to do that at this point?

I would be open for compromise. I don't know specific NEPA changes that are needed. I'm more familiar with possible changes to the Endangered Species Act. And there are clearly some. I remember Republicans on the Natural Resources Committee have complained about how some of the notification requirements have to be done in little newspapers as opposed to putting them on the internet. So there are ways to modernize it.

Trump reopened the 2022-2025 EPA car emissions standards for more review, and one of the arguments the industry made is that the standards will lead to job losses, including at car dealerships because of lower sales from higher prices caused by the standards. Is that something you're worried about?

Not at all. Twenty-two miles per gallon was the CAFE standard, from 1992 through 2008. And this is a classic case of showing where the market doesn't work, because there were many, many improvements, engineering-wise over those years, but because the market wasn't demanding fuel efficiency we turned them all into bigger, more powerful cars. So we had Expeditions and Excursions, amazing things like that. And then Obama came in, and right away raised it from 22 to 36 by 2014, 2015. And all the manufacturers belly-ached for a few minutes and then got to work, and they're all doing that right now.

[Back](#)

Conservation groups sue EPA to force decision on Lake Erie algae [Back](#)

By Annie Snider | 04/25/2017 12:34 PM EDT

A coalition of conservation and business groups is suing EPA in a bid to force the agency to label key portions of Lake Erie "impaired" because of the massive algae blooms that appear there each summer.

The [lawsuit](#), brought by the National Wildlife Federation and five other groups in U.S. District Court for the District of Columbia, argues EPA is shirking its duty to approve or disapprove Ohio's list of impaired waters, which must be submitted every other year. Under the Clean Water Act, EPA had 30 days to approve or disapprove the list, which the state submitted Oct. 20, 2016.

The groups are seeking a rejection of that list, which did not include the open waters of Lake Erie's western basin despite the fact they are regularly plagued by algae blooms. The blooms are fed by upstream pollution, largely from agricultural sources. During the summer of 2014, one such bloom tainted the city of Toledo's drinking water intake, fouling water for 400,000 residents for a weekend.

Listing the waterway as impaired would trigger a requirement that the state write a Total Maximum Daily Load, or pollution diet, aimed at stanching pollution, and could open the door to federal funding for cleanup efforts.

While EPA has not acted on Ohio's list of impaired waters, it has approved Michigan's, which did list portions of Lake Erie as impaired.

[Back](#)

Nine former ambassadors tell Congress to protect U.N. funding [Back](#)

By Nolan D. McCaskill | 04/25/2017 01:13 PM EDT

Former U.S. ambassadors to the United Nations on Tuesday urged Congress not to cut the organization's funding, as President Donald Trump's skinny budget proposes, warning that the U.S. could pay the price in the long run.

"We understand frustration in Congress at what can seem a needlessly slow pace of critical management, budgetary, and accountability reforms at the U.N., all of which we have fought hard to advance during our respective tenures at the helm of the U.S. Mission in New York," the nine ambassadors wrote in a letter to House and Senate leaders.

"We fought those battles differently and did not always agree. Nevertheless, in our experience, the U.S. is much more effective in pressing reforms when it stays engaged and pays its dues and bills," the letter said. "Withholding or slashing funding for the U.N., by contrast, weakens our hand, alienates allies whose support is critical to our reform priorities, undermines essential U.N. activities that promote core American interests and values, and costs us more over the long term. It also cedes the agenda to countries that can be hostile to our interests and more than willing to see the U.S. give up its seat at the table."

Trump's [proposed budget](#) eliminates funding for U.N. climate change programs and slashes funding overall for the U.N. and related agencies, including peacekeeping efforts and international organizations.

Trump hosted ambassadors on the U.N. Security Council at the White House on Monday. He called the U.N. "an underperformer" but noted it "has tremendous potential" and argued that its budget needs to be examined because "costs have absolutely gone out of control." He also jokingly jabbed Nikki Haley, America's current U.N. ambassador, asking if everyone likes her.

"Otherwise she could be easily replaced, right?" he quipped. "No, we won't do that. I promise you we won't do that."

The former ambassadors, a combination of diplomats who served under Republican and Democratic administrations, include Samantha Power, Susan Rice, John Negroponte, Bill Richardson, Madeleine Albright, Edward Perkins, Thomas Pickering, Donald McHenry and Andrew Young.

In the letter, they acknowledged the U.N.'s shortcomings — they said it's imperfect and needs reform — but insisted that it "remains an indispensable instrument for advancing the global stability and prosperity on which U.S. interests and priorities depend."

"We therefore urge you to support U.S. leadership at the U.N., including through continued payment of our assessed and voluntary financial contributions to the Organization," they wrote.

Highlighting the conflict in the Middle East, a saber-rattling North Korea and the growing threat of extremism and organized crime, the former diplomats argued that "[t]he U.S., despite its wealth and military might, cannot afford to take on these issues alone, nor should it have to."

[Back](#)

'Many' spending issues remain unresolved as budget deadline looms [Back](#)

By Jennifer Scholtes | 04/25/2017 11:08 AM EDT

With the border wall battle potentially behind them, appropriators are still negotiating "many" issues within each of the fiscal 2017 measures and debating inclusion of Obamacare subsidies, a Democratic aide said this morning.

"There are still many open items that are unresolved, which span the gamut of the 11 unfinished bills," House Democratic appropriations spokesman Matt Dennis said.

President Donald Trump [suggested](#) Monday night that he will not insist on border wall funding in this latest spending package. But even with that major sticking point seemingly off the table, passage of a full-year spending package is not necessarily attainable by the Friday deadline, potentially necessitating a short-term continuing resolution to buy more time for negotiations.

"Keep in mind that once negotiators have completed what they will do, it still takes time to commit that to paper," Dennis said.

Appropriators are still hoping for enactment of an omnibus, with updated funding, rather than a long-term stopgap that drags out current levels through the end of the fiscal year.

"It's still attainable," Dennis said. "That's what we're working toward. ... Our goal is still to get an omnibus. The president's movement on the border wall was not the sole remaining issue."

Jennifer Hing, Republican spokeswoman for the House Appropriations Committee, said this morning that "we are still moving forward and making progress on the omnibus negotiations."

Because agreement on border wall funding had been discussed as a trade for the Obamacare subsidies Democrats desire, the prospects of getting that health care funding in the fiscal 2017 package is likely to have diminished.

[Back](#)

Trump's biggest unfilled jobs [Back](#)

By Danny Vinik | 04/25/2017 01:24 PM EDT

Heading into the 100th day of Donald Trump's presidency, the leader who promised to overhaul American tax policy hasn't named anyone to fill the top tax job in Washington. After promising a shake up of government hiring, he still has an empty slot for Washington's head of personnel. And as he takes on a rollback of Barack Obama's regulatory state, he hasn't submitted his nomination for the nation's regulatory czar.

Trump's government so far is as notable for who it's missing as for what it has done. The gaps making headlines are his empty cabinet posts—former presidents Bush and Obama both had their cabinets filled by the 100th day of their presidencies, while Trump still doesn't have a confirmed labor secretary or U.S. trade representative, and added his agriculture secretary only on day 95.

But when it comes to the real functioning of government, there are a host of crucial lower-profile jobs that are not only still empty but have no one in line to fill them—and are likely to

have serious effects on Trump's ability to put his promises into action. For [470 of 556 key positions](#) that require Senate confirmation, Trump has yet to announce a nominee at all, according to a tracker maintained by the Partnership for Public Service and Washington Post. In nearly half the cases where he has announced a nominee, the White House hasn't formally sent the nominations to the Senate, awaiting clearance from the Office of Government Ethics and an FBI background check.

Though many of these empty jobs might sound obscure—deputies, assistant secretaries, general counsels—they're often critical to Trump actually delivering on his promises. Cabinet secretaries serve as the face of their respective departments, but it's the next tier of presidential appointees who do the day-to-day work ensuring Trump's ideas make real headway through the massive government bureaucracy.

Of the 15 deputies in cabinet-level departments, Trump has formally nominated candidates for just four—and only one, Elaine Duke at the Department of Homeland Security, has been confirmed. (Trump's nominee for deputy attorney general is set to be confirmed later today.) In one job, Trump has actually been going backwards: Todd Ricketts, Trump's original pick for deputy secretary at Commerce, withdrew his nomination last week. And a number of other key jobs outside of the cabinet, from the Federal Reserve to the White House budget office, are still waiting for Trump to formally send nominee names to the Senate.

Of course, senior roles in the government aren't exactly empty. Nearly every unfilled position has someone keeping the seat warm in an acting role. But the lack of permanent personnel creates uncertainty throughout agencies and makes it harder for the Trump administration to develop real proposals to get laws passed.

"When you are in an acting role, you are the equivalent of a substitute teacher," said Max Stier, CEO of the Partnership for Public Administration, a nonpartisan group that has tracked the nomination process. "They can be a phenomenal educator but those around them understand that they are short-termers and are not going to be perceived as having real authority."

The White House blames Democrats for the slow pace of nominations. On NBC's "Meet the Press" on Sunday, Chief of Staff Reince Priebus argued that cabinet secretaries had to be confirmed before choosing lower level staff. "We've got a secretary of commerce that was chosen in November, not confirmed until February," Priebus said. "That person is going to take the time to choose who his undersecretaries are." But the administration hasn't always been so deferential, sometimes nominating deputies along with secretaries—and even after confirmation of cabinet secretaries, the White House been slow to officially nominate the next tier of management.

What are the biggest unfilled roles in the Trump administration, beyond the missing cabinet secretaries? Creating an objective ranking is impossible; there's no way to make direct comparisons across departments. But a number of key unfilled positions stand out, either because of their role within government, or responsibilities in implementing Trump's specific promises.

1. Deputy Director, Office of Management and Budget. Trump promised to run the government like a business, and he's already taken multiple steps to do so, creating a new Office of American Innovation run by his son-in-law Jared Kushner. But it's OMB that has the staffing and the actual authority to oversee and reform agencies across the federal government.

Following an executive order from Trump, OMB Director Mick Mulvaney released a 14-page memo in April directing agencies to create plans to reduce staff size and become more efficient. It's an ambitious plan that will require a huge amount of manpower, and Mulvaney is heading into it without the two deputies who are supposed to execute his plans.

The OMB deputy director may not sound like an especially powerful position—the wonky No. 2 to an already wonky post—but it's traditionally a crucial job, touching on every corner of the government. As the administration develops its annual budget, the deputy oversees the development of each agency's individual budget, ensuring it actually does what the president wants. In Trump's case, his budget blueprint for fiscal 2018 proposed sharp cuts, including large reductions in personnel. The OMB deputy director will be tasked with enforcing it.

On April 7, Trump announced he was nominating Russ Vought, a former vice president of Heritage Action, the lobbying arm of the conservative think tank Heritage Foundation, for the role, but he has not formally sent the nomination to the Senate. The nomination is a sign of progress, though another big role at OMB also remains unfilled: the deputy director for management, who is responsible for managing day-to-day government functions, such as procurement and IT issues. For that job, there's no nominee in sight.

2. Assistant secretary for tax policy, Treasury Department. Given the difficulties of replacing the Affordable Care Act, tax reform is perhaps the biggest domestic policy issue where Trump could leave a legacy. The last time Congress successfully overhauled the tax code was in 1986, a testament to its difficulty—and an indication to many that the time is ripe for an overhaul. The White House is speeding ahead, releasing a set of principles this week ahead of Trump's 100th day in office.

The Treasury Department is the lead agency overseeing and developing policy ideas on tax issues, and the assistant secretary for tax policy is the department's top official on taxes. The White House has promised to develop its own tax proposal, a massive undertaking that requires extensive policy development, economic analysis and communication with stakeholders. Central to that process would be—normally—the assistant secretary for tax policy. Trump has yet to announce someone for the position.

3. Deputy secretary, State Department. The president has more direct power over foreign affairs than perhaps any other arena, and Trump has promised a new approach, rethinking the principles and interventionism of both his conservative and liberal predecessors. Secretary of State Rex Tillerson, one of Trump's first major nominees, is new to the federal government and has struggled to navigate the State Department bureaucracy, sidelining senior staff and conducting little outreach to lower level officials. The generals who serve as Trump's key advisers on defense and national security have actually said they need support from State to help the U.S. military, and Trump's young presidency has already faced its share of overseas challenges, starting with Syrian President Bashar al-Assad's gassing of his own people, and an increasingly aggressive North Korea, all of which require a strong diplomatic hand.

Yet Trump is still trying to operate without one of his most important diplomats: the deputy secretary of state. The exact priorities of the deputy secretary of state change with each administration, but the role oversees the day-to-day operations of the department and plays a senior role in diplomatic relations, including attending National Security Council meetings and representing the United States at international events and conferences. On April 11, Trump said he would nominate John Sullivan, a Republican lawyer, for the job, but has not formally sent the nomination to the Senate. [UPDATE: The White House sent Sullivan's nomination to

the Senate on Tuesday.]

4. Deputy secretary, Defense Department. The deputy secretary of defense is a critical position for managing the nation's armed forces, overseeing the operations and policies of each agency at the Pentagon, which has an annual budget of more than \$500 billion. (The military has already provided Trump with his single biggest claim to appearing effective, striking Syrian airfields after Assad's gas attack.) But as with the State Department, Trump has announced—but not formally nominated—someone for the No. 2 position at the Pentagon. In March, he tapped Patrick Shanahan, a Boeing executive, for the role. Robert Work, an Obama holdover, is currently acting deputy secretary of defense.

5. Vice Chair of Supervision, Federal Reserve. Trump has made a great deal of noise about rolling back Dodd-Frank financial reforms and promising to deregulate Wall Street. But he hasn't formally nominated anyone for perhaps the most important financial regulatory position in the government: the vice chair of supervision at the Federal Reserve. In this, Trump has something in common with Obama, who never formally nominated anyone for the position after the passage of Dodd-Frank in 2010. Former Fed Governor Daniel Tarullo informally filled the role since its creation, but he resigned in April, giving Trump a key opening to shape financial regulatory policy.

The vice chair of supervision, who also sits on the Fed Board of Governors, oversees the Fed's oversight of its regulatory responsibilities, which were greatly expanded under the 2010 Dodd-Frank law. They include the annual bank "stress tests" to gauge whether large banks have enough capital to survive an economic downturn and the "living wills" for the banks determined to be systemically important to the economy. Last week, POLITICO [reported](#) that Trump plans to choose Treasury veteran Randy Quarles for the job, although the White House has not announced the nomination. Fed Governor Jerome Powell is serving in Tarullo's place in the interim.

In addition, the Fed's Board of Governors has two other vacancies, the first opportunity for Trump to [begin reshaping the central bank](#).

6. Administrator, Office of Information and Regulatory Affairs. Beyond financial deregulation, Trump has promised to roll back Obama-era regulations across the federal government. In fact one of his first high-profile announcements was an executive order in January requiring agencies to eliminate two regulations for every new regulation issued, among other things. The person in charge of rules overall is the administrator of OIRA, sometimes called the regulatory czar. The job would, presumably, be the linchpin of any major assault on regulations. It's still unfilled, although earlier this month, Trump announced he intended to nominate Neomi Rao, a law professor at George Mason University, for the position. As of press time, however, he has not formally sent the nomination to the Senate.

7. Director, Office of Personnel Management. Along with downsizing agencies, Trump has promised to better use federal resources, removing underperforming employees and promoting effective ones. Such changes will require deep buy-in from agencies, along with significant oversight and direction from the Office of Personnel Management, which effectively oversees the entire government workforce.

During the Clinton administration's reinventing government initiative, for instance, OPM offered federal employees incentives of up to \$50,000 to leave their jobs. Eventually, more than 420,000 jobs were cut, with only 25,000 coming through layoffs. If Trump intends to

reduce the federal workforce in a similar way, his OPM director will play a critical role. He has yet to announce any nominee for the position.

[Back](#)

Trump to sign offshore drilling EO Friday, monument order Wednesday [Back](#)

By Esther Whieldon | 04/24/2017 04:55 PM EDT

President Donald Trump will sign an executive order Friday directing the Interior Department to review options for offshore oil and gas drilling, according to a source familiar with the situation.

It is one of several executive orders the president is planning to issue this week ahead of his 100th day in office Saturday. Trump will ask Interior to consider opening new areas of the Outer Continental Shelf for energy development. Obama in his last days in office blocked off large portions of the Chukchi Sea in the Arctic and dozens of underwater canyons off the East Coast from drilling.

Trump will initiate the offshore review two days after he signs an order Wednesday directing Interior Secretary Ryan Zinke to review past president's monument designations under the Antiquities Act, the source said.

Republicans and others have criticized President Barack Obama's designations of more than two dozen monuments, most notably Bears Ears National Monument in Utah. Once an area becomes a national monument, it is largely off limits to drilling, fishing and mining and although presidents in the past have revised their predecessor's designations, none have fully revoked a monument.

The monument order will direct the Interior to review prior monument designations and float options for legislative changes or modifications to the monuments.

WHAT'S NEXT: It will probably take the Interior Department months to come up with offshore drilling and monuments plans in response to Trump's orders. Any concrete policy changes would likely require lengthy new rulemakings — or may need Congress to pass new legislation. And environmentalists would almost certainly sue to block any new offshore drilling or elimination of national monuments.

[Back](#)

Ryan on the hot seat to deliver for Trump [Back](#)

By Rachael Bade and John Bresnahan | 04/25/2017 05:19 AM EDT

Paul Ryan is entering a crucial stretch of his speakership, with the White House pressing him to notch wins on President Donald Trump's priorities even as he faces the same internal dynamics that sunk his predecessor.

As lawmakers return from their two-week Easter recess, Ryan will be on the spot as the party tries to avoid a government shutdown and push a repeal of Obamacare through the House after failing the first time. Yet the House leader is being buffeted by forces beyond his control, including an unpredictable president unschooled on how to get legislation passed in Congress,

and a group of GOP lawmakers who've so far resisted pressure to compromise on health care.

A victory on either or both issues would deliver a crucial boost for Ryan, coming off his rocky start as speaker under Trump. The Wisconsin Republican's failure last month to persuade his conference to pass his Obamacare replacement plan forced the White House to intervene. On top of that, the most critical piece of his tax reform plan has been dismissed by many Republicans.

The setbacks threaten to relegate the speaker to playing a backup role to the White House in the looming debate over tax reform, the speaker's longtime pet issue. They also have undermined the influence of his position, as conservatives sidestep him to negotiate directly with the White House and moderates grow frustrated that they're being steamrolled by a White House too busy courting the far right.

"Is Paul Ryan in a tough spot? Yes ... In some ways it's harder than it used to be because the president is now the leader of the party," said a senior House Republican. "You do hear: 'Is Paul Ryan the right person to lead the conference?' But we're still in the same place we were a year and a half ago. Who would lead the conference? He's the best person to lead the conference, and there isn't a close second."

"He has a really tough job, and I think he's managing it well," an administration official added. "We all look back and see things we could have done better, but he's got a very diverse conference that has a lot of different views."

Without so much as a heads-up to the speaker, Trump administration officials last week began whispering to reporters that an Obamacare repeal vote was expected Wednesday, the day after lawmakers returned from recess.

That wasn't Ryan's plan at all; his team needed time to whip votes for the compromise the White House struck with wary conservatives. But impatient senior Trump officials wanted to pressure Ryan to move fast, administration and Hill sources said.

That very public and awkward display — which sent House GOP leaders into a frenzy trying to tamp down expectations — was just the latest example of the Trump administration pressuring Ryan to deliver. Over the past few weeks, White House officials have leaned on Ryan to show progress on the health care repeal: At a private meeting two weeks ago, chief of staff Reince Priebus said Ryan's speakership could be in jeopardy if the House failed to revive the health care plan.

When Ryan couldn't persuade conservatives in the House Freedom Caucus to back the bill, the White House pushed him aside and started talking to conservatives about how to get them to "yes." If those changes to the bill will win over a large slice of the House Freedom Caucus, as they're expected to this week, Ryan will find himself under enormous pressure to bring enough moderates on board to ensure passage.

The situation carries a big upside for the speaker but also potential perils. Passage of a health care bill would be a huge accomplishment for Ryan — perhaps his biggest as speaker — but it's bound to put him in the doghouse with moderate Republicans.

Some centrists are unhappy that the White House has taken the lead in negotiations and given concessions to conservatives. They say people with pre-existing conditions could be hurt by

the compromise, and don't want to vote on a bill they fear will put a target on their back in the midterms next year — only to see the measure stall in the Senate.

"It would be politically tone deaf," a top staffer to one moderate member said of the pending deal struck by the White House and conservatives. "Are you going to go back to your district and say, 'An amendment that lets insurance companies charge older or sicker people more got me to 'yes.'"

Comments such as those are significant coming from centrists, who are often the strongest allies of GOP leadership. But hard-line conservatives are dissatisfied with the speaker, too.

Just as they did before ousting Speaker John Boehner in 2015, conservatives are grumbling privately that Ryan has not been inclusive enough in his stewardship of the conference. They've even coined a phrase to express their frustration, according to one congressional source: "It's Paul Ryan's world and we're all just living in it."

"Everyone has always said he's this policy genius, who is the future of the party when it's, 'Actually, you gave us a half-baked bill that the Senate hates, conservatives hate and moderates hate,'" the source continued. "We think that's probably going to be his hardest thing to come back from; we lost faith in him as a policy maker."

Ryan's office did not respond to a request for comment. But the speaker's defenders argue he has held countless meetings to discuss his bill with rank-and-file members. Ryan has said the tensions within his conference are the result of "growing pains," as the GOP adjusts to governing as opposed to opposing a Democratic president.

No one is talking about ousting Ryan now. A handful of Freedom Caucus sources who played a role in taking out Boehner told POLITICO in recent weeks they weren't planning a mutiny. Several of those members said they believe Ryan will remain in his post for the entire Congress if he wants to — though they said the election for speaker for the next Congress, in 2019, could be a different story.

That means Ryan has time to turn things around. In addition to keeping the government open and passing Obamacare in the coming weeks, the White House will be looking to make progress on a major tax cut Trump promised on the campaign trail.

This could be tricky for Ryan, particularly because the White House appears headed in a much different direction from Ryan's plan. The speaker, insiders joke, has been dreaming of doing comprehensive tax reform since he started walking. He's envisioned a plan that would do away with tax loopholes and deductions and use the money to lower tax rates, thereby not increasing the deficit.

But Trump officials have made clear that they're not necessarily with Ryan, suggesting tax cuts needn't be paid for at all. The speaker, in that regard, may be forced to drop his own tax policy vision for Trump's.

[Back](#)

Trump expected to include Democrat-friendly spending in tax plan [Back](#)

By Nancy Cook and Ben White | 04/25/2017 09:35 AM EDT

When the Trump administration unveils its broad tax proposal on Wednesday, its marquee policy ideas are expected to include infrastructure spending and a childcare tax credit, developed by Ivanka Trump — moves the White House hopes will bring Democrats to the negotiating table on a tax overhaul, according to four sources familiar with the plan.

The proposal is not likely to include the border adjustment tax, the controversial idea espoused by Speaker Paul Ryan that has divided the business community. And it is expected to tout a corporate rate of 15 percent; Trump promised businesses as much during a campaign economic speech in Detroit in August.

The plan is not expected to include details on ways to offset new spending, or deep tax cuts — though, internally, the White House remains divided as to how much it should address the deficit in tax reform.

Instead this broad-brushstroke plan is meant to show voters that the Trump administration is making progress on its policy agenda as it approaches the 100-day mark and that the White House, not Capitol Hill lawmakers, is driving any overhaul of the tax system. That's important to the administration after it felt burned by the failure to repeal and replace Obamacare.

The border adjustability provision is crucial to the House Republican plan, and Trump's opposition would force tax writers back to the drawing board because they were counting on it to generate revenue to fund other tax cuts.

Trump's blueprint will closely mirror his proposals on the campaign trail last year, leading some to dismiss the still-fluid plan as more of a public relations stunt than a stab at real policymaking.

"We will be disappointed on Wednesday when we see that this is the big announcement," said one lobbyist. "They should not be building this up for a big nothing burger."

Ironically, Capitol Hill's primary influence on Trump's tax proposal comes from the duo of Democratic Minority Leader Chuck Schumer and Republican Sen. Rob Portman.

Back in the summer of 2015, the two came up with an international tax plan that took one-time corporate repatriation money and funneled it into the Highway Trust Fund to fix the nation's crumbling infrastructure — an idea that has received the support in the past of Ryan and even former President Barack Obama. "It's the only thing we've seen out there that has some bipartisan support," Schumer said in July 2015.

Now, the Trump administration is trying to resurrect this idea as a way to tackle infrastructure spending and tax reform as part of one package and to woo Democrats by pitching an idea put forward by one of their most vocal leaders, Schumer.

Senior congressional Democrats, however, threw cold water on Trump's tax framework on Tuesday.

"If they're only talking about the corporate rate and not helping small business, I think that would for me be a nonstarter," Michigan Sen. Debbie Stabenow, a member of Democratic leadership, told reporters. Of the planned tax cuts, she added, "I've seen no plan in the past that could get to that level without adding to the deficit."

The Senate Finance Committee's top Democrat, Oregon's Ron Wyden, was just as dubious of

Trump's plan.

"You didn't hear much of anything about working families," Wyden said. "I'm certainly not going to support a tax proposal that gives crumbs to working families and cakes to the fortunate few."

Even Republicans were skeptical of Trump's tactic.

"I think doing infrastructure in a tax reform bill would be largely, I believe, designed to attract Democrats to get on board, and I just don't know if there are going to be any Democrats that are gonna be available for support of a tax reform bill," said Sen. John Thune, a Republican leader. "We'll see."

"And it's probably going to end up being, in the end ... a Republican-only exercise," Thune added.

Until five days ago, the White House had no concrete tax proposal.

It had not settled on the size of the tax cuts, or whether a package should add to the deficit or keep it as-is — philosophical ideas that would guide the shape of any package.

Nor does it have in place key Treasury staffers like the assistant secretary of tax policy, who in past administrations, would advise on tax tweaks.

Then, the president made an appearance at the Treasury Department on Friday afternoon alongside Secretary Steven Mnuchin and in a move that surprised even those-in-the-know, he offered to unveil a tax plan on Wednesday.

That promise made White House and Treasury officials scramble to hastily reach consensus on the highlights of a tax plan before they meet on Tuesday with Republican leaders including Majority Leader Mitch McConnell, Speaker Ryan, Chairman of the Ways and Means Committee Kevin Brady and Senate Finance Chairman Orrin Hatch.

As of Monday evening, Hatch said that he had yet to see the administration's proposal. As for the 15 percent corporate rate, Hatch expressed skepticism.

"He's always wanted to do that. I'm not sure that he's going to be able to get away with that because you won't very well be able to balance the budget," Hatch told POLITICO before answering a call on his cell from his former chief-of-staff turned White House staffer, Rob Porter.

Burgess Everett, Elana Schor and Brianna Gurciullo contributed to this report.

[Back](#)

Lawmakers: Flynn likely broke law in not revealing Russia payments [Back](#)

By Austin Wright | 04/25/2017 11:17 AM EDT

Former national security adviser Michael Flynn did not disclose payments for a 2015 speech in Moscow in his application to renew his security clearance in 2016, the leaders of the House Oversight Committee told reporters Tuesday.

The omission likely broke the law, the lawmakers said.

"As a former military officer, you simply cannot take money from Russia, Turkey or anybody else," Oversight Chairman Jason Chaffetz (R-Utah) said. "And it appears as if he did take that money. It was inappropriate. And there are repercussions for the violation of law."

Rep. Elijah Cummings of Maryland, the panel's top Democrat, noted that knowingly falsifying or concealing information on a security clearance application form, called an SF-86, is a felony punishable by up to five years in prison.

Chaffetz and Cummings [sent letters](#) to the White House and federal agencies last month seeking Flynn's security clearance applications and other documents. The Defense Intelligence Agency, where Flynn formerly served as director, provided the committee with Flynn's security clearance documents. Cummings said the White House refused to comply with the committee's request for other documents.

Flynn was forced to resign as President Donald Trump's national security adviser in February after it became clear he had misled Vice President Mike Pence about the nature of his pre-inauguration phone calls with Russia's ambassador.

Flynn has come under scrutiny for his [lobbying](#) on behalf of Turkey and for a paid speech he gave in 2015 at an event in Moscow celebrating the Russian propaganda outlet RT. At the event, Flynn was seated at a table with Russian President Vladimir Putin.

Flynn was paid nearly \$34,000 for the Moscow speech, documents show — something Cummings [has suggested](#) could be a violation of the Constitution's emoluments clause, which bars government officials from accepting gifts or payments from foreign governments. The Defense Department has issued guidance warning retired military officers that they are still bound by the emoluments clause because they are subject to recall.

Chaffetz said his committee would be turning over the issue to the Army and Defense Department to make a final determination, which Chaffetz said could include recovering the money he was paid.

"Gen. Flynn had a duty and an obligation to seek and obtain permission to receive money from foreign governments prior to any engagement with them," Chaffetz said. "It does not appear to us that that was ever sought, nor did he get that permission."

Flynn's lawyer, Robert Kelner, said in a statement that Flynn briefed the Defense Intelligence Agency on his Moscow trip.

"As has previously been reported, General Flynn briefed the Defense Intelligence Agency, a component agency of the Department of Defense, extensively regarding the RT speaking event trip both before and after the trip, and he answered any questions that were posed by DIA concerning the trip during those briefings," Kelner said.

[Back](#)

Was this Pro content helpful? Tell us what you think in one click.



Yes, very

Somewhat

Neutral

Not really

Not at all

You received this POLITICO Pro content because your customized settings include: Afternoon Energy. To change your alert settings, please go to <https://www.politicopro.com/settings>



This email was sent to megan_bloomgren@ios.doi.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA
