

Tea Party Patriots Citizens Fund Weekly Report from Washington for 11/13/17

CALENDAR:

The House will return Monday, with first votes set for 6:30 PM. The House is scheduled to hold its last vote no later than 3 PM Thursday. The Senate also returns on Monday, with the first vote set for 5:30 PM. The Senate will stay in session through Thursday.

LAST WEEK ON THE HOUSE FLOOR:

The House came back to work last Monday, and took up and passed two bills under Suspension of the Rules.

On Tuesday, they took up and passed H.R. 3441, the Save Local Business Act. The bill passed by a vote of 242-181. Then they passed H.R. 3911, the Risk-Based Credit Examination Act, under Suspension of the Rules, by a vote of 389-32.

On Wednesday, the House voted for the Rule to consider H.R. 2201, the Micro Offering Safe Harbor Act. They also took up and passed H.R. 4173, the Veterans Crisis Line Study Act of 2017, under Suspension of the Rules.

Then they took up and passed H.R. 3043, the Hydropower Modernization Act, by a vote of 257-166.

Later that day, the House took up and passed H.R. 3705, the Veterans Fair Debt Notice Act of 2017, under Suspension of the Rules, by a vote of 422-10.

On Thursday, the House took up and passed H.R. 2201, the Micro Offering Safe Harbor Act, by a vote of 232-188.

And then they were done.

THIS WEEK ON THE HOUSE FLOOR:

The House will return Monday, with four bills teed up for consideration under Suspension of the Rules, and one Resolution.

On Tuesday, they'll bring up three more bills under Suspension of the Rules. Then they are scheduled to move to consideration of H.R. 2810, the Conference Report to accompany the National Defense Authorization Act, and H.R. 2874, the 21st Century Flood Reform Act.

On Wednesday, the House will consider five more bills under Suspension of the Rules.

The House Rules Committee has scheduled a meeting for Wednesday to consider the Rule for consideration of H.R. 1, the Tax Cut and Jobs Act, so I expect we'll see that on the floor Thursday.

And then they'll be done and gone for their Thanksgiving break.

LAST WEEK ON THE SENATE FLOOR:

The Senate came back to work last Tuesday, and voted to confirm John Gibson to be Deputy Chief Management Officer of the Department of Defense. The vote to confirm was 91-7.

Then the Senate voted to invoke cloture on the nomination of Steven Engel to be Assistant Attorney General, and then later that same afternoon, the Senate voted to confirm him to that job. Both the vote to invoke cloture and the vote to confirm were 51-47.

Later Tuesday, the Senate voted to invoke cloture on the nomination of Peter Robb to be General Counsel of the National Labor Relations Board. And on Wednesday, the Senate voted to confirm him. The vote to confirm was 49-46.

Later Wednesday, the Senate voted to invoke cloture on the nomination of William Wehrum to be Assistant Administrator of the Environmental Protection Agency. And on Thursday, the Senate voted to confirm him to that job. The vote to confirm was 49-46.

Later Thursday, the Senate voted to invoke cloture on the nomination of Derek Kan, to be Under Secretary of Transportation for Policy.

THIS WEEK ON THE SENATE FLOOR:

The Senate will return Monday, with the first vote scheduled for 5:30 PM. That will be a vote to confirm Derek Kan to be Under Secretary of Transportation for Policy. And then we'll see more votes on nominations for the rest of the week – Steven Bradbury to serve as General Counsel of the Department of Transportation, David Zatezalo to be Assistant Secretary of Labor, Joseph Otting to be Comptroller of the Currency, Donald Coggins, Jr. to be a federal district judge in South Carolina, and Dabney Langhorne Friedrich to be a federal district judge in the District of Columbia.

AT&T-TIME WARNER MERGER:

On the possible AT&T-Timer Warner merger, the Department of Justice has told AT&T that it would have to divest either the Turner television unit – which includes CNN – or DirecTV in order to win the Department's approval for the merger. Rather than go along with the divestment, AT&T is said to be preparing for a court battle, and, according to the WSJ, "arguing the opposition is politically motivated since there is no overlap between the two companies' businesses lines."

CLINTON EMAILS:

An early May 2016 draft of former FBI Director James Comey's statement terminating the Clinton email investigation says she had been "grossly negligent" in her handling of classified information, according to newly reported memos to Congress.

That tough language was softened significantly before the memo was released – Comey merely charged her with being "extremely careless" in her handling of classified information.

That change is significant, because federal law says gross negligence can be punished criminally, with fines or incarceration.

Said the original draft, "There is evidence to support a conclusion that Secretary Clinton, and others, used the email server in a manner that was grossly negligent with respect to the handling of classified information." According to a source who has seen the original draft, that original version was softened on or around June 10.

The documents sent to Congress did not include information indicating who recommended the textual changes. Senate Judiciary Committee Chairman Charles Grassley sent a letter Monday to current

FBI Director Christopher Wray demanding to know who made the changes, and what was his or her thinking.

In other Clinton email news, last Friday, U.S. District Judge James Boasberg dismissed a pair of lawsuits from Judicial Watch and Cause of Action Institute that were seeking to force the State Department to continue its search for Hillary Clinton's emails.

This same judge's earlier ruling dismissing the suits was overturned by a panel of the District of Columbia Circuit Court of Appeals, so we'll have to wait to see what the D.C. Circuit Court of Appeals does now.

GUNS:

As of Labor Day, Rep. Richard Hudson's H.R. 38, the Concealed Carry Reciprocity Act of 2017, has 212 cosponsors in the House. Importantly, the 209th Member of Congress to add his name as a cosponsor is Rep. Bob Goodlatte of VA, who is serving his last term as Chairman of the House Judiciary Committee, which has jurisdiction over the bill.

In the Senate, the companion legislation is Sen. John Cornyn's S. 446, the Constitutional Concealed Carry Reciprocity Act of 2017. That bill has 38 cosponsors.

The bills would do just what they sound like they would do – amend federal law to allow qualified individuals “to carry a concealed handgun into or possess a concealed handgun in another state that allows its residents to carry concealed firearms.”

Despite near-majority support in the House and significant support in the Senate, neither bill has moved out of committee.

IRS:

The good news is, IRS Commissioner John Koskinen's term of office is done as of last week, and we can't say “good riddance” fast enough. On his way out the door, he took his revenge on the Republicans he thinks made his life miserable for the last four years by having the IRS finally begin to enforce ObamaCare's employer mandate. At his direction, the IRS has sent out thousands of penalty letters to businesses the IRS believes are not complying with that employer mandate. No one is sure just how many businesses could be hit with penalties and interest, but by some estimates cited by the Wall Street Journal, it will be in the tens of thousands.

The CBO estimated in 2015 that employers would owe \$9 billion in FY 2016 and \$13 billion in FY 2017.

JUDICIARY:

Our allies at Judicial Crisis Network last week announced a campaign to support the confirmation of Kyle Duncan to the 5th Circuit Court of Appeals, based in New Orleans. The two-week ad campaign features a Duncan testimonial by Louisiana Attorney General Jeff Landry. Duncan was one of the attorneys representing the Beckett Fund for Religious Liberty in the *Hobby Lobby* ObamaCare challenge.

OBAMACARE:

Last Wednesday, the Congressional Budget Office released its score for repealing ObamaCare's individual mandate. According to CBO, repealing the individual mandate would save the federal government \$338 billion over the next decade, and would result in 13 million more people being uninsured. Of course, we would say that's 13 million more people exercising their own healthcare freedom to make their own decision not to buy a product they can't afford and don't want.

House and Senate GOP leaders are still considering whether or not they should add a provision repealing ObamaCare's individual mandate to the tax reform bills currently working their way through House and Senate. No decisions have yet been made, other than the House GOP Leadership's decision not to add ObamaCare individual mandate repeal to the House version of the Tax Cut and Jobs Act during the Ways and Means Committee markup session last week.

RUSSIA PROBE:

The best piece of analysis in a long time on the Russia probe is Kim Strassel's Friday column in the Wall Street Journal. Entitled "Lifting the Steele Curtain," she makes the argument that the Steele dossier – constructed by a former British intelligence agent working for Fusion GPS for its clients, the Clinton for President campaign and the Democratic National Committee – is "one of the dirtiest tricks in U.S. political history." As she points out, it's the first time in memory that a campaign commissioned opposition research on its opponent, then took the results of that opposition research, handed it to the federal government, which then began an investigation of its claims and then leaked the existence of that investigation to the media, leading the media to write that the campaign's opponent was under investigation by the federal government. I commend the entire column to your attention, and you can find it in this week's Suggested Reading.

SPENDING:

We're now less than one month away from Congress' December 8 deadline to pass a bill funding the government, and by all accounts, they're going to need more time. So look for both House and Senate to pass a short-term Continuing Resolution after they come back from the Thanksgiving break. I expect that extension will last less than a month, so they can finalize details on an omnibus spending package that will get us through the end of the fiscal year next September, and then bring that bill to the floor for a vote before Christmas. Of course, they didn't plan on a hurricane spending supplemental appropriations bill, so even a Christmas deadline is optimistic – one senior GOP legislative aide quoted by The Hill suggested, "That is an unrealistic timeline. It will take AT LEAST a solid legislative month once we get a topline ..."

TAX REFORM:

After a four-day markup session, the House Ways and Means Committee on Thursday finally approved, on a 24-16 party-line vote, H.R. 1, the Tax Cut and Jobs Act, and sent it to the Rules Committee for floor consideration. As mentioned above, House leaders currently plan to bring the tax reform bill to the floor of the House on Wednesday of this week.

The bill cuts the corporate rate from 35 percent to 20 percent, shrinks the number of brackets on the individual side from seven to four, and cuts tax rates for all incomes under \$1 million. As amended, it would eliminate the tax deduction for state and local income and sales taxes, but would allow for a deduction of up to \$10,000 on property taxes.

Importantly, changes were made during the markup session that brought on board the National Federation of Independent Business, which endorsed the bill after it came out of markup on Thursday.

U.S. Rep. Steve King got a long-sought provision added, which would save an estimated \$20 billion by requiring people claiming the child tax credit to provide a Social Security for their child, to prevent illegal immigrants from claiming the credit. The popular adoption tax credit was restored during the markup session.

Meanwhile, Senate GOP leaders unveiled their version of tax reform on Thursday.

The Senate bill contains both many similarities to and several significant differences from the House bill. While both bills drop the corporate tax rate from 35 percent to 20 percent, the Senate version delays that tax reduction for one year, so it doesn't go into effect until 2019.

This would have two effects – one fiscal, and one economic. On the fiscal front, delaying the tax cut by a year would reduce the so-called “cost” of the provision – that is, it would delay the drop in revenues collected by the Treasury that would be associated with a significant rate cut. In the Senate, they're trying to fit the tax cut into a \$1.5 trillion cut over ten years, so all the tax cuts contained in the bill can be made permanent.

On the economic front, we'd likely see a rush of businesses putting money toward capital investment, as businesses took advantage of full expensing against a 35 percent tax rate rather than wait a year and lose that extra 15 percent savings. But as Art Laffer points out, that would also mean lots of tax avoidance and sheltering next year – and that would likely include more offshoring. A delay in the drop in the corporate tax rate would deter foreign investment from coming to the United States in 2018, and that could lead to a loss of revenue to the government, perhaps as much as \$100 billion.

There are other differences between the Senate bill and the House bill. In the Senate bill, though they cut taxes on the individual side, they drop the top tax rate to 38.5 percent. The Senate bill would also keep deductions for medical expenses and for student loan interest that the House bill eliminates. And the Senate bill would completely eliminate the deduction for state and local taxes, rather than keeping the \$10,000 deduction for property taxes now found in the House bill. That's because in the Senate, no GOP Senators represent CA, NY, NJ, IL, or CT, the high-tax states whose GOP Representatives have been pitching a fit.

Further, the Senate bill would maintain the deduction for mortgage interest on loans up to \$1 million, while the House bill cuts that threshold to \$500,000.

The Senate bill includes an increase in the child tax credit from \$1000 to \$1,650, while the House bill raises it to \$1,600. Sens. Marco Rubio and Mike Lee say that \$1,650 is still too low, and want to raise it to \$2,000.

I've included a link in the Suggested Reading to a piece from the Daily Signal that compares the House and Senate tax bills to current law.

The Senate Finance Committee will hold its markup session on its bill beginning Monday afternoon at 3 PM. More than 350 amendments have been filed.

URANIUM ONE:

Last Tuesday evening, U.S. Rep. Andy Biggs led a Special Order on the House floor to discuss the Uranium One scandal. Joining him in the Special Order were Reps. Mark Meadows, Jim Jordan, Matt Gaetz, Trent Franks, Louie Gohmert, Scott Perry, Ted Yoho, and Jody Hice. I've included a link to

Rep. Biggs' press release about the Special Order in the Suggested Reading, and from that press release you can find links to video of each of the Congressmen addressing the topic.

SUGGESTED READING:

JENNY BETH MARTIN/TEA PARTY PATRIOTS:

[Hill: Jenny Beth Martin: Tax Reform Must Help Workers In America's New Sharing Economy](#)

[WT: Jenny Beth Martin: Russia's Century of Disinformation Campaigns](#)

AGENDA:

[Hill: This Week: House GOP Pushes Tax Reform Vote](#)

AT&T-TIME WARNER:

[CNN: AT&T Takeover Of Time Warner Hits Snag With DOJ As Dispute Goes Public](#)

[WSJ: Regulators Seek Significant Asset Sales in AT&T Deal for Time Warner](#)

CLINTON EMAILS:

[Hill: Early Comey Memo Accused Clinton Of Gross Negligence On Emails](#)

[WT: FBI Originally Deemed Clinton 'Grossly Negligent' in Handling of Secret Emails](#)

[WT: Botched Russia Assessment Raises Questions of Intel Chiefs' Motives](#)

[Hill: Judge Dismisses Lawsuits over Clinton Emails](#)

GUNS:

[SRC: We Have the Votes To Pass National Concealed Carry, but the Terrible Twins Are Blocking It](#)

IRS:

[IRS: Koskinen's Parting Gift from the IRS](#)

JUDICIARY:

[WE: Judicial Crisis Network Launches Ad Campaign For Federal Appeals Judge Nominee From Louisiana](#)

[NYT: Trump Is Rapidly Reshaping the Judiciary. Here's How.](#)

OBAMACARE:

[WE: Trump Readies Executive Order To Unravel ObamaCare's Individual Mandate](#)

[Politico: CBO: ObamaCare Mandate Repeal Would Reduce Deficit By \\$338 Billions](#)

RUSSIA PROBE:

[WSJ: Strassel: Lifting the Steele Curtain](#)

SPENDING:

[Politico: Democrats Emboldened After Elections - But Still Wary Of Shutdown Talks](#)

[Hill: GOP Lawmaker Says Congress Won't Meet Dec. 8 Spending Deadline](#)

TAX REFORM:

[RC: Small Business Concerns Threaten GOP Tax Overhaul](#)

[WaPo: Senate GOP Tax Bill Could Delay Corporate Tax Cut and Make Other Major Changes that Break Sharply with House Plan](#)

[Hill: GOP Criticism Of Tax Bill Grows But Few Are Ready To Vote Against It](#)

[Politico: Senate GOP Could Struggle To Match House On Taxes](#)

[Forbes: Tax Reform Means Tax Cuts For All Americans, Regardless Of Income](#)

[Politico: GOP Drubbing Scrambles Tax Reform Outlook](#)

[Politico: House Leaders Race To Round Up Tax Votes](#)

[BI: The Group That Represents America's Small Businesses Reverses Its Position on the New GOP Tax Bill](#)

[Politico: House GOP Punches Big Hole In Plan With Tax Avoidance Charges](#)

[Politico: Senate GOP's Tax Bill Points To Nasty Fight Ahead](#)

[WaPo: Hatch: The Senate Tax Bill Is Exactly What the Middle Class Needs](#)

[Politico: House Committee Advances Tax Overhaul Bill](#)

[Hill: Adoption Tax Credit Restores After Conservative Backlash](#)

[Ways And Means: 5 Fast Facts About How Tax Cuts, Jobs Act Delivers Tax Relief To Americans](#)

[DS: A Tale of Two Tax Bills: Comparing the House, Senate Reform Plans](#)

[Politico: Brady: House Will Not Accept Repeal of State, Local Tax Deduction](#)

[CNBC: Kudlow: A Pro-Growth GOP Tax Cut Is on the Way -- This Year](#)

URANIUM ONE:

[Congressman Andy Biggs: House Republican Members Renew Focus On Robert Mueller, James Comey, Uranium One, Fusion GPS, The Trump Dossier, Hillary Clinton And The Clinton Foundation](#)

MISCELLANEOUS:

[GQ: Inside Donald Trump's Election Night War Room](#)

[Esquire: Election 2016 Behind The Scenes](#)

[Daily Beast: Bannon Protégée Gets A New Job In The White House - And Its Not Going Well](#)

[NBC News: Bad Night For Trump Sets Stage For More GOP Infighting](#)

[WaPo: Woman Says Roy Moore Initiated Sexual Encounter When She Was 14, He Was 32](#)

[WaPo: Trump, McConnell Call Upon Roy Moore To Exit Alabama Race "If These Allegations Are True"](#)

[Politico: Republicans Might Be Stuck With Roy Moore](#)

[RC: Will Sexual Allegations Sink Roy Moore Campaign?](#)

[Hill: Moore Defends Himself as Pressure Mounts](#)

[WaPo: Trump Casts Doubt on Allegations Against Moore, Leaving Republicans an Impossible Choice](#)

[Hill: Republicans Float Pushing Back Alabama Special Election](#)

[USAT: 'Much Ado About Very Little': Roy Moore Allegations Met with Skepticism in Alabama](#)