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From: Walker, Ryan [/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS [REDACTED]]
Sent: Fri 02/12/2016 5:12:59 AM (UTC)
Subject: Re: Pro Report: Walden wins House E&C gavel — Inhofe: WRDA deal reached — GOP to set clock to come up with ACA replacement

Redacted - First Amendment

Ryan P. Walker
Senior Director, Federal Gov't Affairs
BP America, Inc.
Sent from my iPhone

On Dec 1, 2016, at 9:02 PM, Morrell, Geoff [REDACTED]@bp.com> wrote:

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Geoff Morrell

Begin forwarded message:

From: Pro Report <[REDACTED]@politicopro.com>
Date: December 1, 2016 at 6:12:22 PM EST
To: <[REDACTED]@bp.com>
Subject: Pro Report: Walden wins House E&C gavel — Inhofe: WRDA deal reached — GOP to set clock to come up with ACA replacement
Reply-To: POLITICO subscriptions <[REDACTED]@politicoemail.com>

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Good afternoon and welcome to Pro Report, your daily rundown of the day's top policy news. I'm your host, Maggie Chan. Send feedback and song recs to politicopro@gmail.com and follow me [@politicopro](#) on Twitter. Don't forget to follow [@politicopro](#) Your [throwback](#). Let's get started.

With help from John Lauinger

WALDEN NABS CHAIRMANSHIP OF HOUSE E&C: Rep. Greg Walden won the gavel of the House Energy and Commerce Committee today, beating out Reps. John Shimkus and Joe Barton for the chairman post, according to congressional and industry sources. The decision is expected to be announced later tonight. He succeeds Rep. Fred Upton, who is stepping down as chairman due to Republican term limits.

WE HAVE A WRDA DEAL: Senate Environment and Public Works Chairman Jim Inhofe said this afternoon that House and Senate negotiators have reached a deal on a major water resources package that includes aid for Flint, Mich. "Inhofe said he expected the agreement on a final Water Resources Development Act would be posted imminently," Pro Energy's Annie Snider reports, "and would fund \$170 million worth of aid to Flint, Mich., and other communities by winding down a DOE loan program for advanced vehicle manufacturing — the offset used in the Senate's measure. But lobbyists following the negotiations expect the final deal will hew closer to the House-passed measure, without most of the Senate measure's reforms to clean water and safe drinking water programs."

GOP TO SET CLOCK FOR DELIVERING ACA REPLACEMENT: "Congressional Republicans are setting up their own, self-imposed deadline to make good on their vow to replace the Affordable Care Act. With buy-in from Donald Trump's transition team, GOP leaders on both sides of the Capitol are coalescing around a plan to vote to repeal the law in early 2017 — but delay the effective date for that repeal for as long as three years," report Rachael Bade and Burgess Everett for POLITICO.

Time's a-tickin': Republicans have had years to come up with an Obamacare alternative that they could agree on, but to no avail — so maybe this fiscal cliff-esque deadline will work. They're "crossing their fingers that the delay will help them get their own house in order, as well as pressure a handful of Senate Democrats — who would likely be needed to pass replacement legislation — to come onboard before the clock runs out and 20 million Americans lose their health insurance. The idea is to satisfy conservative critics who want President Barack Obama's signature initiative gone now, but reassure Americans that Republicans won't upend the entire health care system without a viable alternative that preserves the law's popular provisions."

Could be 'Armageddon' for many: "Millions of Americans, including many struggling with opioid addiction, risk losing access to mental health treatment if Republicans make good on their promise to do away with Obamacare," writes Pro Health Care's Brianna Ehley. "Full repeal of the health law would gut major benefits and protections for what HHS estimates is 60 million people with mental illness and substance abuse disorders — creating barriers to treatment at a time when opioid abuse is epidemic, suicide rates are at a record high and there's a severe shortage of psychiatric beds."

A MEDICARE OVERHAUL, THOUGH? LIKELY NOT IN THE CARDS: Republicans' control of Congress and the White House next year gives them a big opening to hit the gas on "replacing Medicare's open-ended entitlement with an option of a fixed contribution to help seniors purchase private insurance," a proposal the GOP, led by House Speaker Paul Ryan, has

been pushing for years, write Pro Health Care's Jennifer Haberkorn and Adam Cancryn. But some leading Republicans don't seem to be too keen to talk about this opportunity. Sen. Orrin Hatch, chairman of the Finance Committee, which oversees Medicare, said this week: "We'll have to see. We're going to have a whole new look at a lot of things. ... It depends on what it is, it depends on how it is written, it depends on what it would do." And Senate Majority Leader Mitch McConnell dodged two questions about replacing Medicare at a press conference Tuesday. "I am not going to speculate on what the agenda may be on a variety of issues," he said. And Ryan said today he hasn't spoken with Trump about changing Medicare: "We haven't discussed [it] with the administration and we'll do it as the year goes on."

"Democrats are salivating at the idea of a fight over Medicare, a policy battle that they feel benefits them politically because they can frame themselves as the defender of seniors and entitlement programs," Jennifer and Adam write. "Republican lawmakers acknowledge overhauling Medicare is a politically sensitive issue. It was just a few years ago that Democrats ran ads accusing Ryan of trying to push a wheelchair-bound grandmother over a cliff."

BRADY: TAX REFORM TO COME WITH A SIDE OF TRADE-OFFS: House Ways and Means Chairman Kevin Brady today conceded that for Republicans to get what they want in tax reform — lower rates and a much simpler tax code — they must deal with "significant trade-offs." Pro Tax's Brian Faler writes that Brady cited "a long-standing interest write-off for businesses, a deduction for state and local taxes, and a break for those who adopt children" as the type of provisions Republicans must give up to attain their ultimate goal. Brady, in a speech at The Heritage Foundation, said: "Add anything back to this you want — we can add single provisions, we can add dozens of provisions — hundreds of provisions [but] the only way to lower rates for everybody is to eliminate the hundreds of special tax provisions for some."

To infrastructure or not: "[Brady said] lawmakers will continue to discuss whether to siphon off some of the money raised through reform to pay for infrastructure projects — 'we know we'll be having these discussions going forward' — though [he] made clear he prefers to use all of the revenue to instead finance lower rates," Brian adds. And "he downplayed House Republicans' differences with President-elect Donald Trump over how to rewrite the code, calling them 'more than manageable.'"

Benefits of reform could be smaller than they appear: A research note by Goldman Sachs says "the economic benefits of key elements of House Republicans' business tax reform plans could be smaller than advertised," Brian writes. "It sees positive as well as negative effects of two of their major proposals, and is skeptical Republicans can make good on promises to cut the corporate tax rate to 20 percent, from the current 35 percent. A Republican proposal to allow companies to immediately write off the cost of their investments would reduce their costs, the bank said, but another proposal to junk a long-standing business deduction for interest expenses would increase them."

DOJ APPEALS OVERTIME RULE INJUNCTION: The Justice Department's filing of an appeal today comes the same day the Labor Department's overtime rule would have gone into effect had a Texas court not blocked the regulation with a preliminary injunction. "The regulation doubles (to \$47,476) the salary threshold under which virtually all workers are guaranteed time-and-a-half pay whenever they work more than 40 hours in a given week," write Marianne LeVine and Josh Gerstein for Pro Labor and Employment. "In his decision, Judge Amos Mazzant hinted strongly that his delay of the rule's implementation would be followed by a permanent injunction blocking the rule. The appeal comes the same day that Democrats and worker advocates held a press conference to urge President-elect Donald Trump to keep the overtime rule. Trump would inherit the appeal on Jan. 20, and, given Trump's past criticism, it seems doubtful he would direct the Justice Department to continue litigating the matter."

NEAL'S PATH TO REPLACE LEVIN AT W&M CLEARS: Just two days after Rep. Xavier Becerra said he would seek to succeed Rep. Sander Levin as the top Democrat on the House Ways and Means Committee, Becerra has been named California's attorney general. "The

surprise move clears the field for Rep. Richard Neal unless someone else decides to make a bid for the post. Levin had backed Becerra as his replacement," writes Pro Tax's Toby Eckert. Becerra, who said he's "deeply honored" by the appointment, will replace Kamala Harris, who is heading to the Senate.

SENATE VOTES TO EXTEND IRAN SANCTIONS FOR 10 YEARS: The upper chamber unanimously voted today to renew the Iran Sanctions Act for 10 years. The House has already passed the measure. Without an extension, the sanctions law expires at the end of the year. The Iran Sanctions Act was first enacted in 1996 and "imposes penalties on Iran's energy sector and other industries, but gives the president authority to waive those sanctions — and [President Barack] Obama has done so under the terms of the Iran nuclear deal," writes Pro Defense's Austin Wright. "The White House has suggested the extension is unnecessary, saying the president already has authority to re-impose sanctions on Iran, but it has not explicitly threatened a veto."

IN FCC AUCTION, TV AIRWAVES COST DROPS TO \$40B: Pro Technology's Margaret Harding McGill has the skinny: "The cost of TV airwaves dropped to \$40.3 billion in the FCC's incentive auction today as broadcaster bidding in the third stage of the auction closed. The FCC has offered decreasing payments to TV stations for their spectrum during the monthlong reverse auction bidding. The agency says it expects to resume auctioning off the airwaves for wireless broadband Dec. 5.

Recap of earlier stages: "The FCC reduced the amount of spectrum it's seeking to buy from broadcasters to 108 megahertz after the second stage of the auction ended in October with wireless carriers and others bidding \$21.5 billion, failing to reach the \$54.6 billion price tag from broadcasters. Auction watchers have predicted a multi-stage process before bids are high enough to cover the cost of the spectrum."

BOUSTANY EYEING USTR JOB: "Rep. Charles Boustany voted for every single trade deal President-elect Donald Trump considers terrible, but that isn't stopping him from seeking the next administration's top trade spot," Pro Trade's Adam Behsudi succinctly writes. "The Louisiana Republican's star could be rising as a possible pick for U.S. trade representative, with the outgoing lawmaker engaged in talks with Trump's transition team about the position, said a source close to the talks. He's selling himself as playing a leading role in securing passage of one the two major trade enforcement bills Congress enacted last year." Boustany only lukewarmly supported Trump during the campaign, but he was close with Vice President-elect Mike Pence, who leads Trump's transition efforts, when he served in the House.

"In advocating himself for the USTR job, [Boustany] is aligning himself with Trump by talking up his role in authoring trade enforcement provisions that made it into last year's Customs and Border Protection reauthorization (H.R. 644). The president-elect is likely to make enforcement a central focus of his trade policy after railing against trade 'cheaters' like China. Boustany had long pursued the measures, which requires Customs to act more aggressively against claims of duty evasion."

Other transition news you can use: Sen. Joe Manchin for Energy secretary? Scott Brown for Veterans Affairs? Meanwhile, Senate Agriculture Chairman Pat Roberts and ranking member Debbie Stabenow are fighting over the vetting of Trump's Cabinet nominees, such as requiring candidates to submit tax returns. Much more can be found on Pro's Transition 2017 page.

SHELBY AIMING TO MOVE SEC NOMINEES: Senate Banking Committee Chairman Richard Shelby said today he's "trying to see if we can move some things on the floor ... like SEC nominees." The nominations of Hester Peirce and Lisa Fairfax have been idling since the Banking panel approved them in May. A spokesman for Mitch McConnell said there are "no announcements or guidance."

CALENDAR FOR FRIDAY

- The House votes on the fiscal 2017 National Defense Authorization Act.
- Vice President Joe Biden participates in a meeting of the U.S.-Colombia Advisory Council. Cartagena, Colombia.
- Secretary of State John Kerry travels to Rome and Vatican City. Dec. 2-3.
- 9 a.m.: NTSB Chairman Christopher Hart and WMATA General Manager Paul Wiedefeld testify at a House Oversight and Government Reform Transportation and Public Assets Subcommittee hearing on "A Safe Track?: Oversight of Washington Metropolitan Area Transit Authority's Safety and Maintenance." 2154 Rayburn.
- 2:30 p.m. (1:30 p.m. local): Education Secretary John King and his predecessor, Arne Duncan, participate in a roundtable discussion "with youth and local leaders about the supports provided to young people who have left juvenile justice facilities and are returning to their communities," at the Illinois Department of Juvenile Justice's Chicago Day Reporting Center, Chicago. King at 6:30 p.m. (5:30 p.m. local) speaks on a panel at the Teach to Lead Inclusion, Equity and Opportunity Summit, also in Chicago.

That's all for today.

To view online:

<https://www.politicopro.com/tipsheets/pro-report/2016/12/inhofe-wrda-deal-reached-020368>

Stories from POLITICO Pro

Walden beats out Shimkus to head Energy and Commerce panel [Back](#)

By Rachael Bade | 12/01/2016 05:57 PM EDT

Rep. Greg Walden won a closed-door election to become the next House Energy and Commerce Committee chairman Thursday — beating a more senior lawmaker to seize the coveted gavel of one the most powerful congressional panels in Washington.

The House Republican Steering Committee — a panel made up of leadership, chairmen and several dozen elected members representing different regions and elements of the GOP Conference — chose the Oregon Republican over Illinois Rep. John Shimkus in the secret ballot election.

Walden's victory is significant because Shimkus was more senior and had also been laying the groundwork for his bid for months. Walden — the outgoing National Republican Congressional Committee Chairman — was unable to campaign until recently because he was focused on helping GOP incumbents win reelection.

But given how well Republicans performed on Election Day — losing only a handful for seats — senior GOP lawmakers decided to reward Walden for his efforts, rather than favoring Shimkus' seniority.

Rep. Joe Barton (R-Texas), who is technically next in line to head the panel, also ran for the position, but was not really a factor in the race.

As chairman, Walden will play a lead role in the effort to replace Obamacare after Republicans vote to repeal the signature health care law and create a system of their own, a complicated process that could take years.

Even before the race, many senior Republicans considered Walden to be the favored candidate because of his impeccable NRCC record. Taking the reins of the Republican Conference's fundraising arm in 2011, he played a key role in building the chamber's largest GOP majority in

90 years. And despite pollster predictions that Republicans could lose as many as 20 seats this cycle, the Democrats picked up a mere six.

Top Republicans attributed that strong performance to Walden's work.

Walden also came into the race with a number of top allies on the panel — though Shimkus had House Majority Whip Steve Scalise (R-La.), his former roommate, in his corner.

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Inhofe: House, Senate have reached WRDA deal [Back](#)

By Annie Snider | 12/01/2016 02:14 PM EDT

House and Senate negotiators have reached a deal on a major water resources package, Sen. [Jim Inhofe](#) said this afternoon.

Inhofe said he expected the agreement on a final Water Resources Development Act would be posted imminently, and would fund \$170 million worth of aid to Flint, Mich., and other communities by winding down a DOE loan program for advanced vehicle manufacturing — the offset used in the Senate's measure.

But lobbyists following the negotiations expect the final deal will hew closer to the House-passed measure, without most of Senate measure's reforms to clean water and safe drinking water programs.

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GOP may delay Obamacare replacement for years [Back](#)

By Rachael Bade and Burgess Everett | 12/01/2016 05:10 AM EDT

Prepare for the Obamacare cliff.

Congressional Republicans are setting up their own, self-imposed deadline to make good on their vow to replace the Affordable Care Act. With buy-in from Donald Trump's transition team, GOP leaders on both sides of the Capitol are coalescing around a plan to vote to repeal the law in early 2017 — but delay the effective date for that repeal for as long as three years.

They're crossing their fingers that the delay will help them get their own house in order, as well as pressure a handful of Senate Democrats — who would likely be needed to pass replacement legislation — to come onboard before the clock runs out and 20 million Americans lose their health insurance. The idea is to satisfy conservative critics who want President Barack Obama's signature initiative gone now, but reassure Americans that Republicans won't upend the entire health care system without a viable alternative that preserves the law's popular provisions.

"We're talking about a three-year transition now that we actually have a president who's likely to sign the repeal into the law. People are being, understandably cautious, to make sure nobody's dropped through the cracks," said Senate Majority Whip John Cornyn (R-Texas).

The tentative strategy is reminiscent of Capitol Hill's infamous "fiscal cliff" days, when Congress imposed simultaneous deadlines to raise the debt ceiling, extend expiring tax cuts and fund the government. The hope was that it would create irresistible political pressure to get behind a bipartisan mega-fiscal deal.

This time, however, it's access to health care for tens of millions of people that's on the line.

"I think once it's repealed, you will have hopefully fewer people playing politics and [instead]

coming together to try to find the best policy," House Majority Leader Kevin McCarthy (R-Calif.) said Tuesday. He added that when there is "a date certain that something's going away ... you know you have to have something done."

The strategy presents significant risks. The fight over a replacement is guaranteed to be messier than the cathartic repeal vote. Giving themselves as many as three years to figure it out shows that Republicans are well aware of how tough it will be.

Trump has made the GOP's task harder by saying he wants to preserve elements of the the law that protect people with pre-existing conditions and allow young people to remain on their parent's health insurance until they turn 26 years old, pricey provisions that will complicate Republican efforts to merely gut the law. Plus, there are millions of people now relying on Obamacare's Medicaid expansion that the GOP will be loath to cast off the insurance rolls.

And following a repeal vote, insurance companies could bail on Obamacare immediately, even if there is a three-year grace period, leaving people with no health plans.

"The flaws in Obamacare are obvious to me. The solutions are much harder," said Sen. Lindsey Graham (R-S.C.).

Moreover, there is already some intraparty turmoil over the repeal timeline, starting with Lamar Alexander, chairman of the Senate Health, Education, Labor and Pension Committee. He's pressing to have a replacement plan ready before tackling repeal, which could significantly delay things, given that Republicans are far from a consensus on what kind of replacement they want.

The Tennessee Republican has notably began swapping the words "repeal and replace," used by Republicans for years, to "replace and repeal."

"There's an eagerness to address it, so I think there's no doubt we'll start immediately to replace and repeal Obamacare, but the president-elect has said that the replacement and the repeal need to be done simultaneously, and that means to me that we need to figure out how to replace it before we repeal it," he said.

Most Republicans, particularly in the House, want to repeal as soon as possible and deal with the replacement later. Rep. Tom McClintock (R-Calif.), a staunch conservative, said the party must "take no chances; do it now." And House leadership has heard those demands clearly.

"This law, you have to remember, is hurting families in America," said Speaker Paul Ryan during a news conference on Wednesday. "So we have to bring Obamacare relief as fast as we possibly can in 2017."

The Obamacare repeal road map Republicans are sketching out is complicated. They are already eyeing passage of a fiscal 2017 budget as soon as January to unlock a fast-track tool that would allow the Senate to clear a repeal by a simple majority. Republican aides predicted the entire repeal, done through so-called reconciliation, will be finished in the first 100 days of Trump's presidency — though that timeline is fluid.

Top Republicans are keen to show voters they're working to immediately deliver on their campaign pledge to curb the health law. After campaigning against Obamacare for more than six years, the party could face a major backlash from its base if it stalls.

If the GOP wants to take rapid action, its best bet is to stick close to the playbook it used to pass a 2015 repeal bill that Obama vetoed. That measure included a two-year delay, and it cleared many of the parliamentary hurdles and whip counting required to pass major pieces of legislation.

"That stuff was all vetted," said South Dakota Sen. John Thune, the chamber's No. 3 Republican leader. "The repeal piece will be very similar."

House conservatives are largely on the same page on repeal.

"When you look at how long it took with the insurance companies and the health care industry to re-engineer for all the changes that came out of Obamacare, you need to give them a couple years," said Republican Study Committee Chairman Bill Flores of Texas, defending a two-year repeal delay.

Replacement is the far tougher task. The replacement plan is likely to be brand new, using principles laid out in Ryan's "better way" agenda as a guide, sources said. Republicans have largely coalesced around Ryan's plan, but there are still outstanding and controversial policy details to be ironed out, such as how — or if — people should get assistance to buy insurance.

Senate Republicans are talking about avoiding a massive bill and moving the replacement legislation in chunks: One that tackles purchasing insurance over state lines; another that deals with pre-existing conditions; another establishing new insurance plans for small businesses. That would take a long time and could bog down the process, but GOP leaders are eager to avoid the appearance of jamming a huge bill through Congress after criticizing Democrats for doing the same.

"We're not going to pass another 2000-page bill like the Democrats have," Cornyn said. "The way to realistically address this is to go step by step, to build consensus, get 60 votes and pass those various pieces."

Gathering those 60 votes will prove difficult, so the GOP hopes the transition period and end-date on Obamacare will also give Republican lawmakers leverage with Democrats by forcing them to come off the sidelines and participate in rebuilding the health care system, even after opposing GOP efforts to tear it apart.

"The blame will fall on the people who didn't want to do anything," McCarthy said, foreshadowing a likely GOP talking point should Democrats block a replacement plan.

But Democrats said the GOP plan to put the onus on the minority party won't work.

"They break it, they buy it," said Sen. Patty Murray (D-Wash.), a Democratic leader.

The time frame leaders choose will undoubtedly affect their leverage with Senate Democrats. Ten Senate Democrats in red or purple states that went for Donald Trump are up for reelection in 2018. The pressure on those Democrats to negotiate could increase if chaos from the expiring Obamacare system occurs just as they're trying to keep their seats.

"You might have one line of thinking to at least go along with the Republicans to see where you can work together with some fixes," said Sen. John McCain (R-Ariz.)

If Republicans choose to wait until 2019 or 2020, however, they could find themselves with a larger majority, picking up seats in the 2018 election — though it's not likely they'd win the nine needed to get to 60 votes and avoid having to work with Democrats.

Jennifer Haberkorn contributed to this report.

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Obamacare repeal could be 'akin to Armageddon' for people with mental illness [Back](#)

By Brianna Ehley | 12/01/2016 08:30 AM EDT

Millions of Americans, including many struggling with opioid addiction, risk losing access to mental health treatment if Republicans make good on their promise to do away with Obamacare.

Full repeal of the health law would gut major benefits and protections for what HHS estimates is 60 million people with mental illness and substance abuse disorders — creating barriers to treatment at a time when opioid abuse is epidemic, suicide rates are at a record high and there's a severe shortage of psychiatric beds.

The GOP's drive towards repeal comes after a handful of Republicans from states hit hard by the opioid abuse epidemic like Sens. [Rob Portman](#) (Ohio) and [Rand Paul](#) (Ky.), made combating substance abuse and expanding access to treatment a pillar of their 2016 campaigns. President-elect Donald Trump also promised to "dramatically expand access to treatment" as part of his plan to combat opioid abuse. All support repeal of the Affordable Care Act.

"The ACA created the largest expansion of mental health and substance use disorder coverage in a generation," said Director of National Drug Control Policy Michael Botticelli during a White House briefing. "It's making a real difference in people's lives on a daily basis."

Paul Gionfriddo, president of Mental Health America, said full Obamacare repeal "would be akin to Armageddon" for people with mental illness.

One GOP leader on mental health policy, Rep. [Tim Murphy](#) (R-Pa.), backs ACA repeal but says he'll push to preserve protections for mental illness in the GOP's replacement plan.

"We'll have some work to do in terms of parity — to maintain that level of coverage for mental health treatment," Murphy told POLITICO. But generally, while ACA replacement plans are in flux and may be for some time, the Republicans have favored less regulation and fewer coverage mandates.

Obamacare included mental health as an "essential benefit" that insurers must cover at the same level as other medical care for the 20 million people covered under the ACA's exchanges and Medicaid expansion. The health law also prohibits coverage denials for people with pre-existing conditions, including mental illness. The uninsured rate for adults with "serious psychological distress" dropped from 28.1 percent in 2012 to 19.5 percent in the beginning of 2015, according to the most recent figures from the CDC.

At the same time as Republicans on Capitol Hill are mapping out repeal plans, Congress is about to pass a three-years-in-the-making bipartisan mental health reform measure, championed by Murphy among others. It doubles down on current parity laws, including ACA protections, authorizes new and existing federal prevention and treatment programs and restructures leadership at the Substance Abuse and Mental Health Services Administration.

The measure, which is part of a larger medical innovation 21st Century Cures bill that easily passed the House on Wednesday and is likely to go through the Senate early next week, does not include new funding, though it authorizes \$1 billion to fight opioid abuse. That money would still need to be appropriated.

Democrats who worked on passing the bipartisan bill say repealing Obamacare could nullify the legislation's impact.

"If they go ahead and repeal the ACA, all that we're trying to do here with this mental health bill is essentially going to be meaningless because there's not going to be any coverage for mental health care," said Rep. [Frank Pallone](#), the ranking Democrat on the House Energy and Commerce Committee. "This is a great bill and we worked on it a lot, but it's not going to be worth much if we repeal the Affordable Care Act."

Most Republican replacement ideas floated call for fewer government mandates. House Speaker [Paul Ryan](#)'s 37-page health care blueprint does not address mental health, although, according to a recent [study](#) published in Health Affairs, treatment costs the country more than \$200 billion a year.

President-elect Trump has said he is open to preserving the ACA provision banning insurers from denying coverage for pre-existing conditions, but doing so without a mandate to keep healthy people in insurance risk pools is likely to send premiums soaring.

An existing parity law that applies to people getting insurance through their employer would remain intact under Obamacare repeal, but people on Medicaid and in the individual market would lose those protections.

"Emergency rooms better start staffing up because their psychiatric units are going to be overflowing," Sen. [Chris Murphy](#) (D-Conn.) told POLITICO.

Democrats who have been working on mental health reform for decades say they are still committed to trying to preserve the ACA's protections for people with mental illness.

Asked if she will work with Republicans on a replacement plan to keep mental health parity, Sen. [Debbie Stabenow](#) (D-Mich.) said "I'm absolutely going to do everything I can. But the first thing I'm going to do is try to stop repeal."

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Republicans hesitant to push Medicare overhaul [Back](#)

By Jennifer Haberkorn and Adam Cancryn | 12/01/2016 10:58 AM EDT

Democrats on Capitol Hill are already preparing to go to the mat to defend against Republican efforts to privatize Medicare — but the battle may never come.

Republican control of the White House and Congress set up an opening that GOP leaders had been waiting for: a chance to push ahead their "premium support" overhaul of Medicare. House Budget chair [Tom Price](#) — tapped this week to be Donald Trump's health secretary — said so himself.

Led by House Speaker [Paul Ryan](#), Republicans for several years have proposed replacing Medicare's open-ended entitlement with an option of a fixed contribution to help seniors purchase private insurance. But interviews with more than a dozen Republicans reveal they're not so eager to pursue aggressive changes to the Medicare program, at least not in the first year or so of the Trump administration.

"We'll have to see," said Sen. [Orrin Hatch](#) (R-Utah), chairman of the Senate Finance Committee, which oversees Medicare. "We're going to have a whole new look at a lot of things. ... It depends on what it is, it depends on how it is written, it depends on what it would do."

Senate Majority Leader [Mitch McConnell](#) dodged two questions about Medicare premium support at a press conference Tuesday. "I am not going to speculate on what the agenda may be on a variety of issues," he said.

Democrats are salivating at the idea of a fight over Medicare, a policy battle that they feel benefits them politically because they can frame themselves as the defender of seniors and entitlement programs.

"Democrats from blue states, purple states, red states are going to link arm-and-arm to protect Medicare for our seniors and ensure that Republicans don't succeed in putting our seniors health care at risk," incoming Senate Majority Leader [Chuck Schumer](#) (D-N.Y.) told reporters on Tuesday.

While President-elect Donald Trump has been clear about his intentions to repeal Obamacare, he vowed to protect Medicare on the campaign trail, even criticizing Republicans who had called for major changes to the program. But Trump has recently sent signals that he no longer sees

Medicare as untouchable. After the election, he laid out a health care platform that called for "modernizing" the program — a phrase that the would-be GOP reformers use.

The Price pick reinforced that. The Georgia orthopedic surgeon has championed Ryan's Medicare plan, which has been a central part of Republican budgets since 2011.

Before Trump tapped him to run HHS, Price floated the idea that Republicans by next summer could do Medicare reform through a fast-track budget resolution called reconciliation that doesn't allow for a Democratic filibuster. However, there's a split within the party about how to use reconciliation — many other Republicans have said should use it for tax reform.

Ryan, too, has said that he'd like to see Medicare changes included in an Obamacare replacement plan, though he didn't specify whether that would include premium support.

"Obamacare rewrote Medicare, rewrote Medicaid, so if you're going to repeal and replace Obamacare, you have to address those issues as well," Ryan said in a Fox News interview shortly after the election.

Still, Republican lawmakers acknowledge overhauling Medicare is a politically sensitive issue. It was just a few years ago that Democrats ran ads accusing Ryan of trying to push a wheelchair-bound grandmother over a cliff.

"I'm not going to get into getting quoted on something that gets me locked into a position that I've got to explain my way out of," Sen. [Johnny Isakson](#) (R-Ga.) said when asked whether he likes the idea of premium support. "But everything's on the table as far as I'm concerned."

But Democrats aren't waiting to wage this fight. House Minority Leader [Nancy Pelosi](#) in a letter to her Democratic colleagues warned that "House Republicans are readying their plans to end the Medicare guarantee." Sen. [Joe Donnelly](#) (D-Ind.), who will likely face a tough reelection fight in 2018, recently put out two press releases pledging to protect Medicare and already said he'll oppose Price's nomination.

The lukewarm GOP support for pushing through Medicare premium support in 2017 isn't necessarily a sign that they've given up on the idea. House conservatives are especially eager to tackle Medicare reform, even if they're not exactly sure yet how and when to do it. And while Senate Republicans were more cautious, they also stopped short of ruling out an overhaul someday.

"I've always supported" premium support, said Sen. [Mike Crapo](#) (R-Idaho). "But I can't say that I've been in a lot of discussions recently about that."

House Ways and Means Committee Chairman [Kevin Brady](#) (R-Texas) said in an interview that the GOP will decide where Medicare fits into their legislative priorities during their January retreat. He suggested Republicans and Democrats may be able to agree on smaller reforms that are less politically divisive.

To be sure, Republicans have already loaded up their agenda with plenty of thorny health care items — the biggest, of course, is repealing and replacing Obamacare right away.

Adding Medicare to that debate "would fall in the category of biting off more than we can chew," said Senate HELP Committee Chairman [Lamar Alexander](#).

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Ryan hasn't discussed Medicare with Trump [Back](#)

By Jennifer Haberkorn | 12/01/2016 12:19 PM EDT

House Speaker [Paul Ryan](#) today said he hasn't spoken with President-elect Donald Trump about any potential changes to Medicare.

"I have not discussed Medicare with President-elect Trump," Ryan said in response to a question about his plans to add a "premium support" option to Medicare. "We haven't discussed [it] with the administration and we'll do it as the year goes on."

He blamed Democrats — who have stepped up their attacks on GOP Medicare plans since the election — for fear mongering.

"You're getting the latest wave of Democratic talking points of trying to play 'Mediscare' politics," he said.

But Ryan defended his premium support plan and did say that he worries that Medicare's current trajectory will mean that the program won't be around for his generation.

"We're going to have to do things to preserve and shore up the program," he said.

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Brady says tax reform will come with 'significant trade-offs' [Back](#)

By Brian Faler | 12/01/2016 11:33 AM EDT

The House's top tax writer today acknowledged that tax reform would come with "significant trade-offs" but urged those concerned about losing their favorite provisions to focus on the broader benefits of a revamped code.

Ways and Means Chairman [Kevin Brady](#) (R-Texas) conceded that Republican plans to cut things like a long-standing interest writeoff for businesses, a deduction for state and local taxes, and a break for those who adopt children are controversial.

But hanging onto provisions like those will force Republicans to retreat from their goals of much lower rates and a radically simplified code, said Brady.

Lawmakers could "add anything back to this you want — we can add single provisions, we can add dozens of provisions — hundreds of provisions," he said Thursday in a speech at the Heritage Foundation. But "the only way to lower rates for everybody is to eliminate the hundreds of special tax provisions for some."

"While some would like to have fights over individual provisions in the tax code, the debate that we're looking for in America is whether Americans want something this fair and this simple and this understandable and we willing to make the trade-offs to get there, or want to stick with the status quo," said Brady.

Lawmakers will continue to discuss whether to siphon off some of the money raised through reform to pay for infrastructure projects — "we know we'll be having these discussions going forward" — though Brady made clear he prefers to use all of the revenue to instead finance lower rates.

He downplayed House Republicans' differences with President-elect Donald Trump over how to rewrite the code, calling them "more than manageable."

Republicans may "ultimately" be forced to use a go-it-alone strategy of muscling tax reform through the Senate, known as reconciliation, he said, but added Republicans want Democrats' input.

"We're going to offer a wide-open opportunity for our Democrats to bring their best ideas

forward and engage on tax reform" but "if they'll take the opportunity, I don't know yet, but we're going to open that door in a major way."

"While reconciliation may ultimately be the only option, we're going to start differently."

Republicans also don't know yet where tax-reform will fit in next year's agenda, said Brady.

"It's difficult to know now," he said, since the incoming administration needs more time to "fill their team out, think about their first 100 days" and "get their feet on the ground."

"The timetable for us is to continue to listen to this feedback through the end of the year — our tax team is writing key provisions of this as we speak," he said.

Republicans want to introduce their plan in "early 2017," but "we don't know yet where this fits in the first 100 days of governing, but where it fits, we're going to be ready to deliver pro-growth tax reform."

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Goldman Sachs: Economic benefits of business tax reform could be smaller than advertised

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By Brian Faler | 12/01/2016 03:40 PM EDT

Republicans have high hopes for what tax reform may do for the economy, but Goldman Sachs appears to be less sanguine.

In a research [note](#), the bank said the economic benefits of key elements of House Republicans' business tax reform plans could be smaller than advertised.

It sees positive as well as negative effects of two of their major proposals, and is skeptical Republicans can make good on promises to cut the corporate tax rate to 20 percent, from the current 35 percent.

A Republican proposal to allow companies to immediately write off the cost of their investments would reduce their costs, the bank said, but another proposal to junk a long-standing business deduction for interest expenses would increase them.

"The two policies would roughly offset over the first year, boosting investment by less than 1 percent," wrote David Mericle and Daan Struyven. Over the longer run, the proposals "would raise the user cost of capital and reduce investment."

The projected benefits of adopting so-called expensing are reduced by the fact that lawmakers already approved expanded investment write-offs for businesses last year as part of a major tax deal. That means the move to full-bore expensing is less of a leap, Goldman Sachs said.

It also assumed those "bonus depreciation" provisions that lawmakers agreed to extend for five years would eventually be made permanent, in the absence of tax reform, further marking down the boost from expensing. That's not an assumption the official Joint Committee on Taxation would make, which compares lawmakers' proposals to what's currently in the law.

Republican plans to cut the corporate rate to 20 percent "would have a positive effect on investment in the long run as well," Goldman Sachs concluded, though it also said it doesn't expect lawmakers to be able to push the rate down that far — reducing the economic dividends of any tax overhaul.

"We expect that budgetary constraints will push the statutory rate higher than that, resulting in an impact on investment that is more neutral in the long run and that could be slightly negative if the

statutory rate does not decline sufficiently."

Goldman Sachs did not analyze the entire Republican plan.

Wednesday, President-elect Donald Trump's pick for Treasury secretary, Steven Mnuchin, who worked at Goldman Sachs for 17 years, told CNBC that "we can absolutely get to sustained 3 or 4 percent GDP."

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Justice Department appeals overtime injunction [Back](#)

By Marianne LeVine and Josh Gerstein | 12/01/2016 12:52 PM EDT

The Justice Department appealed a preliminary injunction today against the Labor Department's overtime rule.

Until last week's injunction by a U.S. District Court in Texas, the rule was set to take effect today. The regulation doubles (to \$47,476) the salary threshold under which virtually all workers are guaranteed time-and-a-half pay whenever they work more than 40 hours in a given week.

In his decision, Judge Amos Mazzant hinted strongly that his delay of the rule's implementation would be followed by a permanent injunction blocking the rule.

The appeal comes the same day that Democrats and worker advocates held a press conference to urge President-elect Donald Trump to keep the overtime rule. Trump would inherit the appeal on Jan. 20, and, given Trump's past criticism, it seems doubtful he would direct the Justice Department to continue litigating the matter.

In an August interview, Trump said, "Rolling back the overtime regulation is just one example of the many regulations that need to be addressed to do that. We would love to see a delay or a carve-out of sorts for our small business owners."

At the press conference, soon-to-be Senate Minority Leader Chuck Schumer (D-N.Y.) said Trump's decision would be a "test" for whether he would follow up on his "rhetoric" to help working class Americans.

"Match your actions to the rhetoric of your campaign," Schumer said. "This is one of the first ways you can do it."

Sen. Elizabeth Warren (D-Mass.) echoed similar remarks.

"Every day out on the campaign trail, President-elect Donald Trump said he would take on the rigged system in Washington D.C.," Warren said. "He can appeal this court decision or he could ask his friends in Congress right now ... to simply pass a law to make everyone of those people eligible for overtime. All he has to do is speak out."

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Becerra named California attorney general, opening Neal's leadership path on Ways and Means [Back](#)

By Toby Eckert | 12/01/2016 12:31 PM EDT

Rep. Xavier Becerra was named California attorney general today, just two days after saying he would vie to replace Rep. Sander Levin as the top Democrat on the Ways and Means Committee.

The surprise move clears the field for Rep. Richard Neal unless someone else decides to make a bid for the post. Levin had backed Becerra as his replacement.

"Xavier has been an outstanding public servant — in the State Legislature, the U.S. Congress and as a deputy attorney general," Gov. Jerry Brown said in a statement. "I'm confident he will be a champion for all Californians and help our state aggressively combat climate change."

Becerra said he was "deeply honored" by the appointment.

"It has been an extraordinary privilege to serve my fellow Californians in Congress for the past 24 years, fighting for working families like my parents, and I look forward to continuing that battle as California's attorney general," he said in the statement from Brown's office.

Becerra will replace Kamala Harris, who was elected to the Senate last month.

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Senate votes unanimously to extend Iran sanctions [Back](#)

By Austin Wright | 12/01/2016 02:22 PM EDT

The Senate voted unanimously Thursday to extend sanctions on Iran for 10 years as President-elect Donald Trump faces calls not to immediately scrap a nuclear pact with Iran that he labeled "disastrous" on the campaign trail.

The House-passed measure would renew the Iran Sanctions Act, first enacted in 1996 and set to expire at the end of the year. The White House has suggested the extension is unnecessary, saying the president already has authority to re-impose sanctions on Iran, but it has not explicitly threatened a veto.

The Sanctions Act imposes penalties on Iran's energy sector and other industries, but gives the president authority to waive those sanctions — and Obama has done so under the terms of the Iran nuclear deal.

Supporters of the extension say keeping the law on the books would send a signal to Iran that the United States can quickly re-instate the sanctions if the Islamic Republic violates the nuclear pact.

"If the sanctions architecture has expired, then we have no sanctions which we can snap back," Sen. Robert Menendez (D-N.J.), a senior member of the Foreign Relations Committee, said on the Senate floor ahead of the vote. With the law's extension, "The Iranians will know the consequences of any breach."

Added Sen. Richard Blumenthal (D-Conn.): "We can ill afford to allow sanctions that deter and impede Iran's development of conventional weapons of mass destruction to expire."

Critics of the extended sanctions are concerned Iran might view them as a provocation — and the country's supreme leader has already said as much. On Iranian state television, Ayatollah Ali Khamenei said that "if this sanction is implemented, this is definitely a violation of the agreement, without any doubt," as CNN [reported](#) last week.

In a conference call with reporters, Sen. Chris Coons (D-Del.), a member of the Foreign Relations Committee, said he thinks the extension will lead to some "aggressive posturing by the hard-liners in Iran" but that it won't cause the country to walk away from the nuclear deal.

The sanctions vote comes as Congress and the incoming Trump administration are weighing their options for dealing with Iran, which has continued to test ballistic missiles.

On Capitol Hill, lawmakers are considering putting in place stricter sanctions to curb Iran's provocative military actions and support groups the U.S. has designated as terrorist organizations. Such sanctions would not be aimed directly at Iran's nuclear program — so

lawmakers say they would not violate the nuclear pact, which seeks to stop Iran from obtaining a nuclear weapon in return for sanctions relief.

Meanwhile, the incoming Trump administration faces calls not to entirely scrap the nuclear deal on Day One, as POLITICO has previously [reported](#).

Senate Foreign Relations Chairman Bob Corker (R-Tenn.), for instance, said the United States has already given up much of its leverage by allowing Iran to access billions of dollars in frozen assets.

"I think the beginning point is for us to cause them to strictly adhere [to the deal]," Corker, a candidate to be Trump's secretary of state, said on MSNBC last month. "And I think that what we have to remember is, we have to keep the Europeans and others with us in this process."

On Wednesday, White House press secretary Josh Earnest said Obama had not yet decided whether to sign the extended sanctions.

"We'll take a look at what bill is passed and determine whether or not the president will sign it," Earnest said. "But for those in Congress who are interested in making sure the administration has sufficient authority, I can confirm that we do, and I can confirm that we have not been shy about using it."

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TV airwaves cost drops to \$40 billion in FCC auction [Back](#)

By Margaret Harding McGill | 12/01/2016 03:54 PM EDT

The cost of TV airwaves [dropped](#) to \$40.3 billion in the FCC's incentive auction today as broadcaster bidding in the third stage of the auction closed.

The FCC has offered decreasing payments to TV stations for their spectrum during the monthlong reverse auction bidding. The agency says it expects to resume auctioning off the airwaves for wireless broadband Dec. 5.

The FCC reduced the amount of spectrum it's seeking to buy from broadcasters to 108 megahertz after the second stage of the auction ended in October with wireless carriers and others bidding \$21.5 billion, failing to reach the \$54.6 billion price tag from broadcasters. Auction watchers have predicted a multi-stage process before bids are high enough to cover the cost of the spectrum.

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Boustany making bid for top trade spot [Back](#)

By Adam Behsudi | 12/01/2016 03:46 PM EDT

Rep. [Charles Boustany](#) voted for every single trade deal President-elect Donald Trump considers terrible, but that isn't stopping him from seeking the next administration's top trade spot.

The Louisiana Republican's star could be rising as a possible pick for U.S. trade representative, with the outgoing lawmaker engaged in talks with Trump's transition team about the position, said a source close to the talks. He's selling himself as playing a leading role in securing passage of one the two major trade enforcement bills Congress enacted last year.

"He has a strong case that can be made for why he is qualified for that position," the source said, adding that he doesn't view the need to expand trade and Trump's key priority of stronger enforcement as mutually exclusive.

But Boustany has given Trump only lukewarm support, declining to offer the New York billionaire his full-throated endorsement during the campaign. That contrasts with most of Trump's Cabinet picks so far, who by and large expressed strong and often early support.

Still, the former heart surgeon and Lafayette native's name is on the tongues of some House colleagues who are in a position to influence the new administration, including fellow lawmakers on the Ways and Means Committee, the source said. He also had close ties to Vice President-elect Mike Pence during the Indiana governor's tenure in the House, where they championed conservative causes together.

When Pence, who is leading Trump's transition efforts, was added to the ticket, Boustany praised the decision: "I consider Mike a personal friend," he said in July.

Boustany won't be returning to his House seat after failing to clinch a spot in the run-off election for Louisiana's vacant Senate seat this month, but he has positioned himself as an expert on trade and has claimed an "intense personal interest" in the topic. He made a strong effort to win the chairmanship of the House Ways and Means Trade subcommittee in the last Congress but lost out for seniority reasons.

In advocating himself for the USTR job, the lawmaker is aligning himself with Trump by talking up his role in authoring trade enforcement provisions that made it into last year's Customs and Border Protection reauthorization (H.R. 644). The president-elect is likely to make enforcement a central focus of his trade policy after railing against trade "cheaters" like China.

Boustany had long pursued the measures, which requires Customs to act more aggressively against claims of duty evasion. In his coastal district, the measure would help protect seafood producers by preventing Asian exporters of shrimp and crayfish from circumventing steep dumping tariffs.

Devin Nunes, a fellow Ways and Means member who has a seat on the Trump transition team's Executive Committee, said through a spokesman that he couldn't comment on whether Boustany was being considered for the position.

Ohio Republican Pat Tiberi, an ally of Gov. John Kasich, one of Trump's opponents in the GOP presidential primary, called Boustany "a strong advocate for American jobs and ensuring our trade laws are strictly enforced.

"He played an instrumental role when we passed Trade Promotion Authority and as a colleague of mine on the Ways and Means Committee, I greatly appreciate his leadership," the former Ways and Means Trade Subcommittee chairman said in a statement.

Last March, however, Boustany did not offer Trump a formal endorsement after acknowledging the likelihood the real estate mogul would clinch the Republican nomination, saying only that he would support the front-runner if he became the party's nominee.

In October, after the release of a recording in which Trump boasted of grabbing women by their genitals, Boustany condemned Trump for his "reprehensible" comments. But he indicated the revelation wouldn't change his vote and he didn't disavow the candidate. His spokesman at the time said Boustany was strongly against Hillary Clinton becoming president and urged Trump "to work to repair his relationship with women and independents who are crucial to victory this fall."

On Oct. 28, Boustany tweeted that he supported Trump, and in a separate tweet the same day he called Clinton the "most corrupt major-party nominee in modern history."

Trump's transition team has been circumspect about who the president-elect is eyeing for the position, but during the campaign, Trump indicated that he wanted someone with a business background as his chief trade negotiator.

"I'm a free trader. But the problem with free trade is you need really talented people to negotiate for you," Trump said in a June 2015 [speech](#) announcing his candidacy. "If you don't have people that know business, not just a political hack that got the job because he made a contribution to a campaign, free trade is terrible."

Boustany, a co-founder of the Friends of the Trans-Pacific Partnership caucus, will also have to square his penchant for globalism and ardent advocacy for free trade deals — and a voting record to go with it — with Trump's defensive world view. Labor groups could also be less than pleased with the nomination, given his strong support for most trade agreements that came to Congress during the administrations of presidents George W. Bush and Barack Obama.

"Our engagement through international economics, trade, these trade agreements, is vital and is linked to our national security," he said at an [event](#) at the American Enterprise Institute, a free market think tank, in 2014. "This is a lesson we learned from the '30s, it is a lesson we learned post World War II and it plays to our strengths."

Boustany also told a trade-friendly crowd at the Washington International Trade Association in 2014 that he would be a "champion" for them as Congress wrestled with the Obama administration's ambitious trade agenda, especially fast-track legislation needed to pass the massive deals the White House was negotiating in Asia and Europe. The group, which is backed by pro-trade corporate sponsors, also recognized Boustany as a congressional leader on trade issues that year.

Despite being a strong proponent of Obama's signature TPP deal, he tempered his support during the campaign with the argument that the Obama administration had failed to meet the demands that lawmakers laid out in trade promotion authority legislation last year, especially in the area of intellectual property protections for biopharmaceuticals.

A source close to the lawmaker warned that Boustany's role in creating the TPP caucus shouldn't be taken as his implicit approval of the deal, but rather his desire to see closer congressional involvement in the negotiations. In the end, he felt the agreement didn't pass muster, the source said.

"I've supported the process of getting to a good Trans-Pacific Partnership deal," Boustany said in an October [interview](#) with the Baton Rouge newspaper The Advocate. "Once the negotiations were concluded and we thoroughly reviewed the final text, we don't have a deal that is satisfactory at this stage. They basically stepped outside of what we laid out in very specific congressional priorities. That's why it won't come to a vote now."

Boustany's views of the TPP also could have been driven by a tepid response from the U.S. shrimp industry and the fact that rice growers were unhappy with the limited access the deal provided to Japan's market. He [said](#) he feared the trade pact would cede Louisiana rice growers' market share in Mexico to Vietnam, another major rice producer that could make major gains in that Latin American market under the TPP.

Boustany also muted his support for the Asia-Pacific deal out of concern for other sensitive industries in his district. He [opposed](#) having TPP open any more U.S. market access for foreign sugar, which would weaken protections for sugarcane growers in southern Louisiana under a program that sets strict market access quotas. In defense of the state's shipping industry, Boustany has also been a [vocal opponent](#) of repealing the Jones Act, a 1930 law that other countries view as a trade barrier because it prohibits foreign-flagged or -manufactured ships from hauling cargo between U.S. ports.

The possible USTR candidate also brings experience dealing with one of America's most irksome trading partners — and favorite target of Trump — as co-chairman of the congressional U.S.-China working group. But he has been measured in his response to accusations that China is a currency manipulator — a charge Trump leveled repeatedly during his campaign.

Boustany voted against legislation to get tough with China over currency manipulation in 2010, a big priority of labor groups and steel manufacturers. Trump, meanwhile, has pledged to name China a currency manipulator on his first day in office, although it's unclear what actual steps he is willing to push after that declaration.

The president-elect's trade advisers softened that position shortly before the election, however, writing in an op-ed that instead of specifically promising to label China a currency manipulator, Trump would "order the Treasury Department to label any country undervaluing its currency to gain competitive advantage over U.S. manufacturers a currency manipulator."

Still, Boustany's free trade sentiments largely outweigh his protectionist streak, which could mean he will be seen as an ally by U.S. businesses uncertain of how a Trump administration will affect their efforts to expand in foreign markets.

With some Louisiana's largest ports in his district, for example, Boustany has been a booster of expanding exports of liquefied natural gas, which are restricted under licensing requirements.

"The prospect for LNG exports, which the epicenter of all of that is in my congressional district in South Louisiana, and also the potential for crude oil exports, all these things are changing the landscape of the international economy, and this is an opportunity for the United States to lead," he said at the American Enterprise Institute event.

His calls to ease those restrictions are another way his views could naturally align with Trump's, whose energy plan aims to reenergize U.S. shale gas and crude oil production.

But Boustany has one handicap that could keep him from getting the job. He is a politician, not a corporate titan, and Trump has repeatedly promised to bring in the "greatest business people in the world" to negotiate on behalf of the United States.

"We've had people who are political hacks making the biggest deals in the world," Trump said in October during one of the presidential debates. "We don't use our great [business] leaders, many of whom back me and many of whom back Hillary. We don't use those people. Those people are the greatest negotiators in the world."

Doug Palmer contributed to this report.

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Sources: Manchin eyed for Energy secretary job [Back](#)

By Darius Dixon | 12/01/2016 01:53 PM EDT

President-elect Donald Trump's transition team is considering Sen. Joe Manchin of West Virginia for the Energy secretary job, according to three sources close to the discussions.

The conservative Democrat "is being considered to show the coal people how serious Trump is about coal," one source said.

Manchin told POLITICO Thursday afternoon that he and his staff haven't been contacted by Trump's transition team and he didn't have any trips to New York City on his calendar. But Manchin, who is up for reelection in 2018 in a state that has become increasingly more Republican over the past decade, also didn't dismiss the notion of taking DOE's top job in the Trump administration.

"If I can do anything that would help my state of West Virginia, and my country, I would be happy to talk to anybody," he told POLITICO. "Other than that, I haven't heard anything ... I have nothing scheduled."

Just last month, Manchin was named the vice chair of the Senate Democratic Policy and Communications Committee.

Earlier today the Trump transition announced that North Dakota Sen. [Heidi Heitkamp](#), another Democrat, would be making a trip to Trump Tower Friday.

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Elizabeth Warren throws support behind Scott Brown for VA secretary [Back](#)

By Louis Nelson | 12/01/2016 02:54 PM EDT

Former Massachusetts Sen. Scott Brown, whose name has been floated as a possible pick to lead the Department of Veterans Affairs for President-elect Donald Trump, can count on the support of his former rival, Sen. Elizabeth Warren.

Warren (D-Mass.) said Thursday in an interview on Boston public radio station WGBH that she would endorse Brown, the man whom she unseated from the Senate in 2012 after a nasty campaign, if Trump were to pick him to lead the VA.

"If Scott Brown is the nominee for Veterans Affairs, I have no doubt that he would put his heart and soul into trying to help veterans," Warren said in her interview, which was reported by [The Boston Globe](#). "And I would put my heart and soul into trying to help him do that. You bet I'd support him for that."

Brown, who served in the National Guard for more than 30 years, confirmed last week that Trump was considering him to lead Veterans Affairs. After meeting with Trump, Brown told reporters that he had expressed interest in the job because serving veterans and veterans' issues is a "passion" for him. He added that "the toughest job in the Cabinet is to lead the VA, because while it has so many angels working there, it has so many great problems as well."

Warren also had kind words for another former Massachusetts politician, Mitt Romney, who is believed to be one of four finalists to be Trump's secretary of state. While she was less effusive in her praise of Romney than she was of Brown, the liberal firebrand appeared open to the idea of the 2012 GOP presidential nominee leading the State Department.

"I'd like to hear more, but I think Mitt Romney is a smart man, and I think he's got a pretty level-headed view of the world," Warren said.

While the potential nominations of Brown and, to a lesser extent, Romney were received warmly by Warren, she has been harshly critical of other picks by the president-elect. A regular opponent of the financial industry, Warren said the selection of former Goldman Sachs executive Steven Mnuchin to be treasury secretary "should send shivers down the spine of every American who got hit hard by the financial crisis."

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Roberts, Stabenow spar over vetting of Trump Cabinet [Back](#)

By Helena Bottemiller Evich | 12/01/2016 03:12 PM EDT

Senate Agriculture Chairman [Pat Roberts](#) has a message for ranking member [Debbie Stabenow](#): President-elect Donald Trump's Cabinet picks will not go through more vetting than those nominated by Barack Obama.

The message was sent publicly, through a statement to the press Thursday, right after Stabenow led a [press conference](#) with top Democrats calling for a new requirement that all nominees turn over the last three years of their tax records as part of the Senate vetting process.

Currently, only three Senate committees require nominees to submit tax records, the senior Democrats said. The Agriculture Committee is not one of them.

"Donald Trump campaigned on a promise that he would drain the swamp. Instead, he is flooding it with America's wealthiest elites," Stabenow said during the presser. She was standing between two large signs that read: "Senate Dems to Trump: Don't Rig the Cabinet" and "Donald Trump Keeps DC swampy."

As the presser concluded, Roberts responded with a statement contending the committee should examine Trump's nominees "in the same manor it vetted President Obama's nominees."

"After all, the Obama Administration was the so-called 'most transparent Administration in history,'" Roberts says.

Roberts further argues that the vetting process is already "comprehensive and includes broad inquiries into nominees' finances. Until now, I was not aware of any concerns about the Committee's document requests. I see no reason to change course."

During the press conference, Stabenow said Democrats would formally seek changes to the vetting process in January, asking to more broadly include tax returns. The Michigan Democrat was joined at the presser with Washington Sen. [Patty Murray](#), the third ranking Democrat, and Oregon Sen. [Ron Wyden](#).

"A review of a nominee's tax return can show many things, including whether they're following the rules and paying their taxes, whether they're sheltering their money in tax havens overseas that are costing us jobs," Stabenow said.

The Senate Agriculture Committee does not currently require a copy of tax returns in the vetting process, but it does ask questions regarding taxes dating back 10 years, according to an aide.

"We've never before seen a Cabinet like this, that's made up of so many wealthy insiders and big money interests," she said. "President-elect Trump needs to remember that his nominees work for their American people and the American people, their bosses, have a right to know of any conflicts of interest that may arise."

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Dems want to see Cabinet nominees' tax returns [Back](#)

By Katy O'Donnell | 12/01/2016 01:14 PM EDT

Three top Senate Democrats are pushing for a rules change that would require Cabinet nominees to submit tax returns to the relevant congressional committees ahead of nomination hearings.

Democrats slammed President-elect Donald Trump for nominating a slew of "wealthy insiders" to what Sen. [Patty Murray](#) (D-Wash.) called his "gold-plated and mahogany Trump-style Cabinet" in a press conference announcing the effort today.

If the Democrats succeed, nominees would have to turn over returns for the last three years. Just three committees — the Senate Budget, Finance, and Homeland Security committees — have the authority to mandate that disclosure now.

"We've never before seen a Cabinet like this, that's made up of so many wealthy insiders ... The American people — their bosses — have the right to know of any conflict of interest that may arise," said Sen. [Debbie Stabenow](#) (D-Mich.).

The law already requires Cabinet appointees to divest themselves of certain holdings or recuse themselves on issues where they have a direct financial interest. But Stabenow said that,

especially given recent momentum for tax reform, lawmakers should be able to look at a nominee's past tax practices.

"It is relevant whether folks are following all the tax rules. I also think, as a member of the Finance Committee, that it's very relevant as we are looking at how we close offshore loopholes ... that we know whether or not a Cabinet official working with us has taken advantage of those loopholes," Stabenow said.

Trump's own refusal to release his tax returns and potential conflicts of interest gives the effort urgency, Finance ranking member [Ron Wyden](#) (D-Ore.) said.

"With the President-elect flouting a 40-year bipartisan tradition of disclosure and transparency, we think it's more important than ever to ensure that senior officials across government aren't operating under a different tax code than everyone else," he said.

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Shelby looks to move SEC nominees [Back](#)

By Zachary Warmbrodt | 12/01/2016 03:46 PM EDT

Senate Banking Committee Chairman [Richard Shelby](#) is leaving open the possibility that two vacant seats at the SEC might be filled by the end of this Congress.

In an interview today, Shelby said he was "trying to see if we can move some things on the floor ... like SEC nominees."

"You never know what will happen around this place," Shelby said. "It's about three or four minutes to midnight."

The nominations of Hester Peirce and Lisa Fairfax have been languishing since the committee approved them as part of a batch of appointees in May.

A source familiar with Shelby's thinking said he was focused on trying to confirm Peirce, a former staffer for the Alabama Republican.

A spokesman for Senate Majority Leader [Mitch McConnell](#) said there were "no announcements or guidance."

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