



Washington Update

February 2, 2015

The 114th Congress convened on January 6 with Republican majorities in both chambers. Lawmakers spent the first few weeks of the new Congress tackling a host of issues. Republicans quickly pushed for legislative approval of the long-stalled Keystone XL pipeline. Legislators searched for a path forward on expiring appropriations for the Department of Homeland Security (DHS), while also beginning discussions on upcoming deadlines for a new Highway Bill and a permanent replacement to Medicare's Sustainable Growth Rate payment formula. January also saw renewed calls for comprehensive tax reform as well as changes to how major bills are scored.

This flurry of legislative activity was set against the backdrop of President Obama's renewed push for his top agenda priorities, which he laid out in his annual State of the Union Address on January 20. The new Republican majorities met the Administration's policy priorities with skepticism, but both branches will need to work together in the coming months to avoid several impending deadlines. Below is a list of dates of key dates.

- **Feb. 27:** DHS funding expires
- **Mar. 15:** Debt limit suspension expires
- **Mar. 31:** Current Doc Fix of the SGR formula expires
- **Apr. 15:** Deadline for Congress to produce budget for FY16
- **May 31:** Highway Bill expires

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SENATE AND HOUSE FEBRUARY OUTLOOK

The Senate is expected to immediately turn to the DHS Appropriations bill, where Democrats are expected to oppose any language seeking to block the President's recent executive order on immigration. The Senate may turn to cybersecurity after it finds its way to resolve funding for DHS.

The House is expected to kick off February with a vote to expand tax breaks for 529 college savings plans following the White House's recent announcement that it would rescind its previous proposal to eliminate the tax break. The House is also likely to take votes to permanently extend several expired tax extenders. The House will also likely need to act on DHS Appropriations again prior to the current funding expiration date of February 27, 2015.

STATE OF THE UNION ADDRESS

On January 20, President Obama delivered his annual State of the Union Address before a joint session of Congress. The President struck a populist tone in his speech, focusing on policies that the Administration believes will spur economic growth and increase incomes for middle class and working families. In the address, the President laid out a series of proposals. Most notably, he called for major tax changes, including increasing taxes on capital gains and dividends and a new tax on banks with assets over \$50 billion. The President focused heavily on income inequality and called for increasing the minimum wage and expanding tax credits for middle class families. Other topics of the address included the Administration's proposal to make two years of community college free to all Americans and continued calls for passing immigration reform.

While Democrats praised the speech, Republicans roundly criticized the address. Republican leaders indicated that many of the President's proposals would not pass a Republican-controlled Congress, believing the mid-term elections gave them a decisive mandate to roll back government regulations and spending. Nevertheless, the President immediately began pitching his new plans to the public.

ISSUE—ENERGY

Once the 114th Congress convened, Republicans moved quickly on energy issues, fulfilling a promise to take action on stalled energy legislation.

Keystone XL

Republicans have long called on the Administration to approve TransCanada's Keystone XL pipeline project. In January, the new Republican-controlled Congress took steps to try to force approval of the pipeline through legislation. The House quickly passed a Keystone authorization [bill](#) in early January. In the Senate, Republican leaders gave their Keystone [legislation](#) the symbolically important bill number S.1. The bill passed on January 29 on a vote of 62-36. Nine Democrats voted in favor of the bill. The legislation

was the first chance for Leader McConnell to fulfill his pledge for a more open amendment process. Republicans claimed victory in this regard when during the upper chamber's deliberation on the bill, the Senate quickly reached the legislative milestone of surpassing the total number of amendments voted on in the Senate during the entirety of 2014. In fact, the Senate already has voted on twice as many amendments in the first month of 2015 than the Senate did in all of 2014.

The majority of congressional Democrats opposed the measure, and President Obama has pledged to veto the bill, seeing it as a usurpation of the Executive Branch's power to approve international infrastructure projects. Even with support from some red and purple state Democrats, Republican leaders are unlikely to have the numbers in the Senate to override the President's veto. Despite this fact, Republicans will have the President and most Democratic legislators on record as opposing the energy project.

Energy Exports

The House also advanced legislation this month that would fast-track approval of liquefied natural gas (LNG) exports. Passing on a bipartisan vote of 277-133, the [bill](#) would require the Department of Energy to decide on natural gas export applications within thirty days after its National Environmental Policy Act review.

ISSUE—FINANCIAL SERVICES

Congress faced a handful of financial services issues this month, most notably the reauthorization of the Terrorism Risk Insurance Act (TRIA) and the failed nomination of Antonio Weiss.

TRIA

Prior to adjourning in the December, the 113th Congress failed to extend the TRIA program past the expiration date of December 31, 2014. TRIA had come under fire from conservative lawmakers primarily over concerns about the use of taxpayer dollars as a backstop. The 114th Congress quickly got to work and passed a five year [extension](#), which was signed into law on January 12.

In addition to the TRIA extension, the new law includes minor changes to Dodd-Frank, including a provision exempting farmers and manufacturers from restrictions on derivatives collateral. The law also requires the Federal Reserve board to include a member with community banking experience and creates a national licensing board for insurance agents.

Weiss Nomination

In January, Antonio Weiss withdrew his nomination to serve as the Treasury Department's Undersecretary of Domestic Finance. Weiss' nomination was strongly opposed by Senator Elizabeth Warren (D-MA) and other progressives in the Senate who criticized Weiss for his lack of regulatory experience and close connections to the

financial industry. Weiss will still head to Treasury, serving Secretary Jack Lew as a special advisor.

ISSUE – GOVERNMENT FUNDING AND THE BUDGET

Legislators face several funding issues in the beginning of the new congressional term.

DHS Funding

The new Congress convened with an eye on solving a pressing funding issue. Before adjourning in December, the 113th Congress passed a so-called “CRomnibus”, an omnibus bill that fully funded the federal government through the end of Fiscal Year 2015 on September 30, 2015. The exception was the Department of Homeland Security (DHS), which was funded by a stop-gap Continuing Resolution (CR) through February 27, 2015. The short-term funding for DHS was advanced by congressional Republicans as a response to the President’s executive action on immigration that deferred the deportation of over four million workers.

There was some progress made in January on the issue. The House passed a [bill](#) that extended funding, but would also end funding for the President’s deferral program and halt the Deferred Action for Childhood Arrivals Program, which allows some undocumented immigrants to stay in the country if they arrived as children.

Though the House acted quickly to pass DHS funding legislation, Senate Democrats are uniformly opposed to the immigration provisions contained in the legislation and will likely block similar provisions in the upper chamber. Senate Minority Leader Harry Reid (D-NV) has called for a clean DHS funding bill without the immigration provisions. The White House and DHS Secretary Jeh Johnson have also called for full DHS funding, arguing that delaying funding would jeopardize security efforts as terror threats continue to grow.

Despite this opposition, Leader McConnell said that he is inclined to allow a vote on the funding bill. If the legislation should fail to receive the sixty votes required to invoke cloture and proceed to a final vote, the Senate will need to work quickly to devise a backup plan that keeps DHS funded past the February 27 deadline. Republican leaders in both chambers may face strong headwinds from some Republican lawmakers if House and Senate conservatives view a compromise bill as an insufficient response to the President’s immigration actions.

Budget and Appropriations

The White House released President Obama’s FY16 [budget request](#) on February 2. The budget proposal calls for nearly \$4 trillion in federal spending in the coming fiscal year and would expand tax benefits for middle income families.

One of the key elements of the President's proposal is to end the automatic spending cuts known as "sequestration," which were the product of the 2011 Budget Control Act (BCA). The spending cuts go into effect if federal spending exceeds the levels set by the BCA. The threat of the across-the-board cuts, which were temporarily alleviated following the 2013 Murray-Ryan budget deal, is set to return in FY16.

The President's budget request seeks to permanently end sequestration. The proposal calls for an increase of \$74 billion over the BCA caps, which would be split evenly between defense and domestic programs. Republicans were immediately critical of the proposal, accusing the Administration of using the budget to push a tax and spend agenda. The plan is unlikely to pass in the new Republican-controlled Congress. With GOP majorities in both chambers, sequestration has a greater chance of surviving in some form. However, the President's budget proposal alleviates some pressure on defense programs, a provision that could garner Republican support moving forward.

Ultimately, the Republican Congress will have the final say on the budget and spending levels for FY16. Congressional budget resolutions are not signed by the President and do not have the force of law. However, Republican leaders will need to produce a budget resolution that can pass the sixty vote threshold in the Senate.

In terms of timing, lawmakers could pass a budget resolution as early as March, setting top-line spending levels. Following the passage of the budget, the House and Senate Appropriations Committees will begin work on drafting the twelve annual programmatic funding bills. Typically, appropriations bills begin to receive floor consideration in the House in May, with an ambitious goal of finishing up passage of all the bills in both houses before the August recess.

Congressional Budget Office

Several developments put the Congressional Budget Office (CBO) in the spotlight this month. On January 26, the non-partisan budget and economic analysis office released its biannual review of government finances. The report delivered a mixed forecast, predicting that the federal deficit would fall for the sixth consecutive year and remain steady through the end of the decade before beginning to widen again. The report forecasts the deficit to top \$1 trillion by 2025, with the increase associated with the retirement of the Baby Boomer.

However, the report also predicted increased levels of economic growth in the coming years. The analysis suggested that the U.S. economy will continue to expand in the next several years due to projected increases in consumer spending, corporate investment and home sales. CBO expects a reduction in the federal unemployment rate to 5.3 percent by 2017.

The report was hailed by Democrats as proof that the President's economic policies are working. Conversely, Republicans warned of the long-term consequences of ignoring the projected growth in the federal deficit and its impact on the nation's overall debt.

Amid the news of CBO's analysis, lawmakers continue to discuss the use of dynamic scoring in budgetary analysis. Long championed by the GOP, dynamic scoring is a broader form of macroeconomic analysis that attempts to quantify changes in consumer behavior due to legislative changes. Republicans have long wanted to use the technique to analyze major tax legislation, though Democrats have criticized the method's accuracy and feasibility.

On the first day of the new Congress, the House adopted a rule that requires the CBO and the Joint Committee on Taxation (JCT) to use dynamic scoring in their budget analyses. Similarly, Senator Rob Portman (R-OH) introduced dynamic scoring legislation this month, though his bill would allow the technique to be used in an advisory capacity rather than making it mandatory.

(A recent op-ed on dynamic scoring, penned by Geoff Davis and James Carter, can be found [here](#).)

Whether the new Republican-controlled Congress will retain current CBO Director Doug Elmendorf for the 114th Congress was another topic of interest this month. The chairmen of the Senate and House Budget Committees, Senator Mike Enzi (R-WY) and Rep. Tom Price (R-GA), are tasked with recommending a candidate for the director position, with the final decision resting with Speaker John Boehner (R-OH) and President Pro Tempore Orrin Hatch (R-UT). Elmendorf has drawn mixed reaction from Republicans. Many conservatives have called for a clean start with a new CBO Director who will fully embrace dynamic scoring. However, Hatch recently announced his support for retaining Elmendorf, a key endorsement from a Senator that also serves as the chairman of the tax-writing Senate Finance Committee. For their part, Democrats strongly support keeping Elmendorf, warning against choosing a replacement that they fear would politicize the CBO.

Reconciliation

Debate continued among Republicans this month over how to use the budgetary procedure known as reconciliation. In certain situations, reconciliation can be used to limit Senators' ability to filibuster legislation. Republicans have previously discussed using the technique to advance a host of policy measures, including repeal of the ACA and comprehensive tax reform. In January, Senator John Thune (R-SD), the third-ranking Republican in the Senate stated that he hopes Senate Republicans will use reconciliation to pass tax reform legislation. However, some Republicans have warned that the procedure is not a panacea. Rep. Kevin Brady (R-TX), a top Republican on the House Ways and Means Committee, cautioned that reconciliation has limitations and said he would rather reform the tax code through regular order.

Debt Ceiling

Another fiscal issue that will need to be addressed early in the 114th Congress is the statutory limit on U.S. debt. The current debt ceiling suspension is set to expire on March 15, though, in the past, Treasury often has been able to extend the actual date of default on U.S. debt past the statutory date by instituting “extraordinary measures.” Independent analysts suggested this month that the actual default date could come as late as the beginning of October.

Little progress was made this month on debt ceiling legislation, but it remains a pressing issue for lawmakers. Speaker Boehner and Leader McConnell have pledged to avoid a default on the debt. The chief challenge for both leaders will be balancing the desire of Republicans for a “spending cuts-for-debt increase” strategy with Democrats’ refusal to negotiate on the debt ceiling.

ISSUE – HEALTH

Washington saw several healthcare related developments in January, including a high-profile departure within the Administration. The first ACA repeal vote is expected in the House in early February.

Tavener Resigns

On January 16, Centers for Medicare and Medicaid Services (CMS) Administrator Marilyn Tavener announced her resignation. She has held the post since 2013, becoming the first CMS Administrator to be confirmed by the Senate since 2006. Tavener oversaw the implementation of key portions of the Affordable Care Act (ACA), and her agency was roundly criticized for the botched rollout of Healthcare.gov. Principal Deputy Administrator Andy Slavitt will serve as acting Administrator until a successor is nominated and confirmed.

Any nominee to replace Tavener is expected to face tough scrutiny by the new Republican Senate. With Republicans firmly in control, President Obama’s choice to head CMS will need to quickly allay GOP concerns regarding ACA implementation. Proof of this challenge can be found in Leader McConnell’s statement that the new Administrator must not allow ACA implementation to distract from serving “seniors and the many vulnerable Americans. “

ACA Individual Mandate Penalty

In January, the Treasury announced that it expects two to four percent of taxpayers this year to face a fine for failing to obtain a qualified health insurance plan in 2014, which is required by the ACA’s individual mandate.

Medicare Physician Reimbursement

In January, lawmakers continued to look for a way forward on reforming the method of Medicare reimbursement known as the Sustained Rate Growth (SGR). In 2014, President Obama signed a bill to temporarily shield physicians from a 24 percent cut in Medicare reimbursement rates, another so-called “doc fix.” However, that law expires on March 31, and many in Congress want to provide a long-term solution to the ongoing reimbursement problem.

In 2014, the last Congress made significant progress on permanently reforming the SGR by agreeing to reforms that would provide half of a percent annual increase in Medicare payments and institute incentives for physicians to provide less costly services. Despite this agreement, negotiators were unable to compromise on a way to pay for the new system.

This month, legislators picked up where the last Congress left off. The House Energy and Commerce Committee held a two-day hearing series on replacing the SGR. At the hearing, members of both parties expressed a desire to permanently deal with the flawed SGR formula, but differed on how to pay for it. One solution floated at the hearing was requiring high-income seniors to pay increased Medicare premiums, an idea that has been supported by the White House in the past. However, some Democrats expressed concerns that Medicare would be turned into a need-based program.

Medical Device Tax

In mid-January, Chairman Hatch introduced a [bill](#) to repeal the ACA’s 2.3% excise tax on medical devices. Rep. Eric Paulsen (R-MN) is the lead sponsor of the House [version](#) of the bill. In the Senate, the bill has nearly thirty co-sponsors, including several Democratic Senators. Previous efforts to repeal the tax have received bipartisan support and could be an area of the ACA where Republicans and Democrats can find common ground. However, legislators will need to reach an agreement over whether the cost of repeal should be offset and, if so, how to defer the cost of repeal.

ISSUE – TAXES

The President’s tax plan and renewed calls for tax reform were the top tax stories in January.

The President’s Tax Plan

One of the pillars of the President’s 2015 State of the Union Address was to provide increased tax benefits to middle class families by raising taxes on the wealthy. President Obama’s tax plan would:

- Increase the capital gains and dividend tax rate to 28 percent
- End “stepped-up basis” taxation on inherited assets, with some exemptions

- Institute a .07 percent tax on liabilities on financial institutions holding over \$50 billion in assets
- Cap tax-exempt retirement and IRA deposits at \$3.4 million
- Remove tax-exempt status from 529 college savings plans and eliminate student loan interest deductibility
- Lower the corporate tax rate to 28 percent, place a minimum tax on foreign profits, and lengthen depreciation lives

In the President's plan, the increased revenue derived from these tax changes would be used to lessen the tax burden of middle income families by expanding key tax deductions, such as the child care and earned income tax credits.

Republican leaders criticized the plan for raising taxes at a time when the economy is still struggling to return to full strength. Democrats mostly welcomed the proposal. One exception was the President's plan to reform 529 plans. Democratic resistance to the measure was strong enough to prompt the Administration to backtrack and drop the idea from the President's tax plan.

The President's tax proposal has no chance of passing the Republican-controlled Congress. Instead, the plan is seen by many in Washington as a messaging tool for the President and congressional Democrats. Moreover, as the tax reform debate moves forward, the plan allows the President to plant a flag and help define the contours of any possible tax reform deal.

Tax Reform

In January, Senate Finance Committee Chairman Hatch and House Ways and Means Committee Chairman Paul Ryan (R-WI), both new to their posts, expressed a desire to push forward on a rewrite of the tax code.

This month, Chairman Hatch announced that tax reform is his top priority, stating that he is aiming to introduce tax overhaul legislation this year. To buttress his efforts, the Finance Committee announced in January the formation of five tax reform working groups to investigate various segments of the tax code and make recommendations for reforms. Tax areas covered by the working groups include: Individual Income, Business Income Tax, Savings & Investment, International Tax, and Community Development & Infrastructure. The groups' recommendations, which are expected by the end of May, will likely serve as the foundation for a future tax reform bill.

While the House Ways & Means Committee is not as far along in the planning process, GOP members decided at a planning retreat that they will also pursue a comprehensive path to tax reform.

Despite Republican criticism of the President's new tax proposals, both sides have expressed a desire to work together to reach a negotiated deal. The President and

Republican leaders have named tax reform as an area where they believe they can find bipartisan consensus. However, if comprehensive tax reform proves to be too far of a reach, smaller pieces of tax reform or possibly a business reform only bill might be the only agreeable options for all parties involved.

Tax Extenders

Before the 113th Congress ended, legislators passed a one year extension of the expired tax extenders, making them retroactive for 2014. As such, the latest extension expired on December 31, 2014. Congress will need to decide if it will renew extenders again and for how long.

Tax reform remains the priority for legislators. As such, lawmakers are likely to postpone any discussion of temporarily renewing extenders until efforts to pass tax reform legislation this year are exhausted. However, the Ways and Means Committee will hold a markup on seven piecemeal permanency bills for certain extenders on February 4.

Extenders to be considered for permanent extension include:

- Section 179 expensing
- Reduction of built in gains periods for S corporations
- Extension of basis adjustment to stock of S corporations making charitable contributions of property
- Tax deductions for contributions of real estate property for conservation
- Reduction of excise tax rate on net investment income of tax-exempt private foundations
- Deduction for charitable contributions to food inventories
- Tax-free distributions from individual retirement plans for charitable purposes

Another extender that legislators may look to make permanent in the future is the R&D tax credit.

ISSUE—TECHNOLOGY

Lawmakers continued work on several technology related issues in January.

Cybersecurity

At the top of Congress' tech agenda is cybersecurity. Both the White House and congressional Republicans have expressed a desire to improve the country's cybersecurity laws. President Obama highlighted the need for new cybersecurity legislation in his State of the Union Address. However, the parties remain divided on how best to deal with cyber threats. At a House Energy and Commerce Subcommittee on Commerce, Manufacturing, and Trade hearing this month, legislators debated how far the federal government should go in dictating corporate responses to data breaches. Some members called for tougher standards, including requirements on companies to inform consumers when any of their information, not just financial data, is illegally obtained through a cyber attack.

Currently, the Trade Subcommittee Chairman, Rep. Michael Burgess (R-TX), is working with Reps. Marsha Blackburn (R-TN) and Peter Welch (D-VT) to craft a data breach bill, which could be acted upon in the near future.

The Senate is also expected to act soon on cybersecurity by combining cybersecurity bills from the Intelligence Committee, the Homeland Security and Government Affairs Committee, the Commerce Committee, and the Judiciary Committee. Cybersecurity could be approved by both the House and the Senate by the end of the first quarter.

USPTO Nomination

On January 22, President Obama nominated Michelle Lee to serve as the Director of the U.S. Patent and Trademark Office (USPTO). Lee currently serves as the Deputy Director. The Senate Judiciary Committee held a confirmation hearing on January 22 during which Lee laid out a broad and ambitious agenda for her tenure, including continued work on patent quality, dealing with the backlog of patent applications, and ensuring patent protections for U.S. companies operating in foreign markets. Judiciary Committee Chairman Chuck Grassley(R-IA) predicted a quick confirmation of Lee.

Patent Reform

Michelle Lee's nomination to head the USPTO comes at a time when Congress is renewing its push to reform patent laws to crack down on frivolous litigation brought by so-called "patent trolls." Lawmakers attempted to move patent reform legislation in the last Congress, but failed to send a bill to the President's desk. Chairman Grassley and House Judiciary Chairman Bob Goodlatte (R-VA) have indicated that patent reform will be a top priority for their committees. Rep. Darrell Issa (R-CA), chairman of the House Judiciary Subcommittee on Intellectual Property, stated this month that he is working with Chairman Goodlatte to reintroduce the Innovation Act, which passed the House by a large majority. Similar legislation is expected to be introduced in the Senate.

Patent reform proposals are expected to face familiar challenges. Chief among these is the division between the high tech community and the biotech/pharmaceutical industry over how far the bill should go. Many patent holders fear that patent reform legislation could lead to difficulties for legitimate patent holders seeking to enforce rights against infringers.

Net Neutrality

The Federal Communications Commission's (FCC) efforts to increase regulations on the Internet were met with continued opposition from the GOP, though the party altered its position on net neutrality. Previously, Republicans have opposed net neutrality rules, but in a strategic shift this month, Republican legislators in both chambers unveiled a proposal that would enshrine many of the rules the FCC has proposed. The draft bill—supported by Senate Commerce Committee Chairman John Thune (R-SD), House Energy & Commerce Committee Chairman Fred Upton (R-MI), and Energy & Commerce

Subcommittee on Technology Chairman Greg Walden (R-OR)—would prohibit Internet service providers from instituting pay-for-play schemes or blocking and slowing Internet traffic. The bill would also prevent the FCC from reclassifying broadband as a Title II public utility.

It is this second provision that has given Democrats pause. In 2014, the White House endorsed the reclassification of broadband services, and the FCC is expected to propose such a move in February. Congressional Democrats have expressed opposition to the bill, but Republican leaders remain hopeful that they can build enough support among Democratic lawmakers to send the bill to the President. As such, Republicans are expected to negotiate with their counterparts to produce a bill that can clear both chambers.

ISSUE – TRADE

The Obama Administration pitched its trade agenda to Congress this month. U.S. Trade Representative Michael Froman testified in hearings held by the Senate Finance and House Ways and Means Committees, urging legislators to back the President's trade agenda. During the hearing, Ambassador Froman announced that the Trans-Pacific Partnership (TPP), a free trade agreement for twelve Pacific Rim nations, could be completed within months.

Republican leaders believe that trade is an area where they can work closely with the Administration, with Chairman Hatch using the Senate Finance hearing to express his support for Congress to pass trade promotion authority (TPA) in order to allow for an up or down vote on TPP in the Senate. Democrats, meanwhile, remain wary of TPA instructions and the President's broader trade agenda, fearing the effects on American jobs.

ISSUE – TRANSPORTATION

Congress looked for a path forward this month on reauthorizing surface transportation programs. In July 2014, President Obama signed an extension of the 2012 Highway Bill (MAP-21) that reauthorized the programs until May 31, 2015. In January, legislators continued to debate how to overcome the projected shortfall in the Highway Trust Fund (HTF), the Highway Bill's primary funding mechanism.

On January 28, the Senate Environment and Public Works (EPW) Committee, which is one of the committees with jurisdiction over the Highway Bill, held a hearing on reauthorization. Committee members heard testimony from Transportation Secretary Anthony Foxx. Secretary Foxx pledged to work with Congress to solve the HTF crisis and also announced that the Administration plans on rolling out an updated version of a long-term Highway Bill. President Obama's previous proposal, known as the GROW

America Act, was unveiled last year and included \$302 billion for surface transportation over four years.

Also during the hearing, Senator David Vitter (R-LA) laid out what he and many other observers believe are the three options for fixing the HTF: (1) raising the gas tax combined with a tax cut elsewhere, (2) increasing energy production to funnel royalties into the HTF, or (3) temporarily reducing the repatriation tax rate to incentivize corporations to return foreign earnings, theoretically resulting in new tax revenue which would be used to replenish the HTF.

There are congressional proponents and opponents for each measure. In particular, there has been stiff opposition to an increase in the gas tax. Chairman Ryan, whose Ways and Means Committee is tasked with funding a reauthorization bill, flatly ruled out an increase this month.

In his budget request, President Obama proposed a 19 percent global minimum tax on future foreign earnings and allocating the generated tax revenue toward transportation programs. The proposal also calls for a 14 percent tax on existing corporate cash accounts stored overseas. The tax would be mandatory regardless of whether companies repatriate the funds. The White House's Office of Management and Budget predicts that the plan would generate \$478 billion for a six year transportation reauthorization program.

If lawmakers cannot reach an agreement to pay for a new Highway Bill, Congress will likely be forced to once again temporarily extend MAP-21 and pay for it through another transfer from the Treasury's general fund, a move that both parties wish to avoid.

RECENT POLLING**Job Approval: President Obama**

Poll	Date	Results
Rasmussen Reports	Feb. 1	Approve 51, Disapprove 48
Gallup	Jan. 31	Approve 47, Disapprove 47
Fox News	Jan. 27	Approve 45, Disapprove 51

Job Approval: Congress

Poll	Date	Results
Fox News	Jan. 27	Approve 18, Disapprove 73
The Economist/ YouGov	Jan. 26	Approve 19, Disapprove 57
USA Today/ Suffolk	Jan. 24	Approve 14, Disapprove 75

Direction of the Country

	Date	Results
Reuters/Ipsos	Jan. 28	Right Direction 33, Wrong Direction 54
The Economist/ YouGov	Jan. 26	Right Direction 32, Wrong Direction 60
USA Today/ Suffolk	Jan. 24	Right Direction 36, Wrong Direction 53