

NLBMDA Releases 2017 National Policy Agenda

By Ben Gann

On February 10, NLBMDA finalized its National Policy Agenda for 2017 as the 115th Congress embarks on an ambitious agenda and President Donald Trump lays out the priorities of the new Administration. Republicans control both legislative chambers and the executive branch for the first time in 10 years.

House Republican leaders have planned an aggressive agenda in Trump's first year as president, and are looking at repealing Obama-era regulations, tax reform, and major changes to the Affordable Care Act (ACA). House Majority Leader Kevin McCarthy (R-CA) has compared the 2017 House schedule to the one in 1995 when Republicans were very active after taking control of the lower chamber for the first time in 40 years.

Regulatory Reform

Congressional Republicans are using the Congressional Review Act (CRA) to repeal some regulations enacted toward the end of the Obama Administration. The CRA empowers Congress to overturn a regulation within 60 legislative days of enactment by allowing the House and Senate to pass a resolution of disapproval through an expedited process by simple majority before being presented to the president for signature.

In January, President Trump signed an executive order (EO) that requires the removal of two federal regulations for every new federal regulation that is implemented. The EO will expand the scope of regulatory review and is intended to dramatically reduce the overall amount of federal regulation.

For its part, the House of Representatives has already taken early action on several regulatory reform bills. On January 5, the Regulations from the Executive in Need of Scrutiny (REINS) Act (H.R. 26) was approved by a vote of 237 to 187. The legislation increases accountability and transparency in the federal regulatory process by requiring Congress to approve all major rules before taking effect.

In addition, on January 11, the Regulatory Accountability Act (H.R. 5) was passed 237 to 187. The legislation updates the federal rulemaking process.

Health Care

Lumber dealers tell NLBMDA that health care costs continue to have a major impact on their operations. In response to that, NLBMDA is a member of the [Stop The HIT Coalition](#), which includes a diverse group of trade and business associations working to

repeal the health insurance tax (HIT) and protect the affordability of health care coverage.

As part of President Obama's health care reform bill, in 2014, a new fee was levied on health insurance companies. Although the HIT is levied on all insurance companies that offer fully-insured plans, the tax is passed down in the form of higher premiums to small and medium-sized business that offer fully-insured plans, which unlike large companies do not typically self-insure a health care plan.

The Jobs and Premium Protection (H.R. 246) repealing the HIT has been introduced in the House by Reps. Kristi Noem (R-SD) and Kyrsten Sinema (D-AZ). NLBMDA will continue its work on repeal of the HIT and other reforms that reduce health care costs and compliance for dealers.

Tax Reform

Speaker of the House Paul Ryan (R-WI) has indicated that reform of the tax code is a goal for House Republicans in 2017. Rep. Kevin Brady (R-TX), Chairman of the House Committee on Ways and Means, also wants to move ahead on tax reform and has said that it is something that happens only once in a generation. Comprehensive tax reform was last enacted in 1986, leading some to speculate that perhaps the moment has arrived for a major rewrite of the tax code.

Lawmakers could look to bring overseas profits back to the U.S. as a way of paying for programs and reducing the budget deficit. According to the Joint Committee on Taxation (JCT), U.S. based multinational corporations have approximately \$2.6 trillion in profits offshore to avoid paying corporate income taxes. As the European Commission (EC) begins cracking down on the special tax deals some American companies have with EC member countries, repatriating foreign earnings may now appear more attractive for some U.S.-based multinational corporations.

NLBMDA has been consistent in its support for comprehensive tax reform, but believes any reform of the tax code should preserve the mortgage interest deduction for home owners and should level the playing field for small businesses by not unfairly disadvantaging family-owned businesses.

Dealers are encouraged to come to the nation's capital to discuss legislative issues affecting the lumber and building material industry with their lawmakers at the 2017 NLBMDA Spring Meeting and Legislative Conference, March 27 through March 29, 2017

in Washington, D.C. It is a great opportunity to meet with elected officials and network with other dealers.

To read the entire [NLBMDA 2017 National Policy Agenda](#), please visit www.dealer.org.