

Pacific Coast Council of Customs Brokers & Freight Forwarders Assns., Inc.

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The View from Washington – February 2020

This is a very interesting, but odd time here in DC. The impeachment hearings and trial are ‘old news’; however, while partisan tensions are as high as ever, they have still done some big bipartisan things.

On every Congressperson’s mind is ‘decision-day’ (November 3) when voters will not only determine the occupant of the White House for the next 4 or 8 years, but will decide which will be the Majority party in the Senate and House. Are Congress and the White House eager to show more accomplishments before November, and if so, what is realistic? The relationship between the White House and the Speaker of the House is toxic, but that did not prevent them from working together to pass USMCA and avert a budget battle leading to a government shutdown.

On both sides of the Capitol, there is disagreement within the Majority parties, as to whether to continue to pursue partisan battles, or to move on to the kind of accomplishments they can brag about as they run for re-election in November. In the House, some Democrats want to continue the investigations of the President and hearings, while others have had enough and want to move on. In the Senate, the same thing: some Republicans wish to investigate the Bidens as well as processes at the FBI which led to the investigations of the President in the first place. But in the wake of the impeachment drama, others have had enough and want to move on. Fortunately, “let’s move on and accomplish something” seems to be prevailing, although the year is young, and attitudes can change on a dime.

The common wisdom is that not much gets done in an election year, but that has been disproven by passage of USMCA. More can be accomplished this year.

First, the Executive Branch. The President has substantial Executive Authority, and that is where most of the activity will be: regulatory authority to advance the commercial use of drones, lift restrictions on autonomous vehicles, and in the trade arena, launch trade agreement negotiations with Kenya, Great Britain, expand the recently signed US-Japan and US-China ‘phase one’ deals, adjust or extend retaliatory measures against EU for ‘tech taxes’ or Airbus subsidies. Of course, foreign affairs including military initiatives, remain the province of the President. The targeting of terrorist leaders or the deployment (or withdrawal) of troops left to the President, even though Congress will consider (but not pass) legislation to limit the President’s war powers.

Second, Congress. In the Senate, there is a clear top priority of the Republican Leader: to fill as many vacant federal judge positions as possible – it is being accomplished at record-breaking pace, generally on pure party-line votes. There is no such specific priority in the House. However, it may be possible this year for House and Senate to accomplish something never achieved before: develop a means to fund rebuilding of the nations’ transportation infrastructure that all agree is essential. This may be accomplished by increasing the Federal gas tax for the first time since 1992, or by supplementing the existing gas tax with some other revenue stream capturing electric vehicles (that do not pay any Federal gas tax).

Elections will grab the headlines, but legislative achievement and meaningful oversight over federal agencies forward, is still possible this year.