

Federal Update



CapitalEdge

- CapitalEdge has been providing federal advocacy and information services to Avondale since late 2009
- CapitalEdge has over 20 years of experience representing the interests of Valley communities



CapitalEdge: What We Do

Advocacy



At CapitalEdge we provide our clients with a cost-effective, everyday presence in the nation's capital that is vital to promoting federal priorities in an effective manner.

Personalized Service



As one of the premier lobbying firms in Washington, DC that exclusively represents local governments, we at CapitalEdge believe that our clients comprise our nation's backbone.

Grants Assistance



Dwindling resources for federal domestic discretionary programs has made the federal grants process as competitive as ever, and that is where the experienced hands of CapitalEdge come into play.



The 115th Congress Overview

- Republicans control the White House, Senate, and House
 - ✓ 240 Republicans and 190 Democrats in the House (1 vacancy)
 - ✓ 52 Republicans, 46 Democrats, 2 Independents in the Senate
- Legislative gridlock has remained
 - ✓ White House and GOP leaders must contend with factions within their own caucuses
 - ✓ Only bills that have support of the “majority of the majority” come to the floor
- President Trump still finding his way with Congress; working to fill political posts
 - ✓ Out of approx. 1,200 posts that require Senate confirmation, the Trump Administration has made 413 nominations, 172 of whom have been confirmed



Legislative Items of Note

FY 2018 Budget:

- President proposed deep cuts to domestic programs
- CDBG, HOME, AmeriCorps, TIGER, NEA targeted for elimination in White House budget
- Thus far, Congress has rejected those proposals
- Continuing Resolution funding government through December 8
- Looking like most domestic programs will ultimately be funded at or near FY 2017 levels
- Combination of policy and funding decisions may lead to threats of a government shutdown



Legislative Items of Note

Presidential Priorities

- Health Care
 - ✓ 3rd time a charm? Needs Democratic support
- Tax Bill
 - ✓ Difficulty finding offsets; muni bonds and SALT at risk
- Infrastructure Package
 - ✓ Public-Private Partnerships may be the centerpiece
- Border Security
 - ✓ DACA, border wall, sanctuary cities



Legislative Items of Note

- Electronic Commerce
 - ✓ \$700m in uncollected online sales taxes in AZ
 - ✓ Legislative solution stalled in House

- Regulatory Reform
 - ✓ Waters of the United States and other Obama-era environmental regulations have been targeted

- Federal Preemption of Local Authority
 - ✓ Drones
 - ✓ Autonomous Vehicles
 - ✓ Telecom facilities siting



Election Outlook

- Mid-term elections are historically difficult for the party of the sitting President
 - ✓ In the 7 mid-terms since WWII in which a party had a sitting President with approval ratings below 50% and control of the House and Senate, that party has lost, on average, 41 House seats and 6.4 Senate seats
- Democrats would need to gain 30 seats in 2018 to control the House and 3 to control the Senate
- However, of the 34 Senate seats up in 2018, only two Republicans have been deemed “vulnerable” (AZ and NV) compared to 7 Democrats (WV, MT, ND, MO, IN)



Questions?

