

# *David Jurch and Associates*

## WASHINGTON UPDATE

NOVEMBER 4, 2016

### **PALACE INTRIGUE**

Rumors are circulating on Capitol Hill that Speaker Paul Ryan may not seek reelection as Speaker of the House in the 115<sup>th</sup> Congress. Following Speaker John Boehner's unexpected resignation over a year ago, Congressman Ryan, then chairman of the powerful tax writing committee, reluctantly took the reins of power in the House. Should Republicans maintain control of the House after the elections, as expected, Paul Ryan should be able to enlist the support of a simple majority of his Republican colleagues when the closed vote is held on November 15. So while Ryan can afford to absorb defections within his party in November, that will not be the case when all 435 House Members of the 115<sup>th</sup> Congress vote for Speaker on January 3, 2017. If Ryan is to be Speaker in the next Congress, he will need 218 votes to secure the speakership. House Democrats are expected to welcome more members in the next Congress, leaving Ryan with a smaller GOP majority and, by extension, less flexibility to absorb party defections.

Speaker Ryan is in a rather precarious position. In many ways, Speaker Ryan has been buffeted by the same political headwinds that led to John Boehner's demise – the failure to appease or co-opt the hard-core base of his Republican conference while keeping the federal government open for business. It has been a delicate balancing act that has proven even more tenuous in the wake of Donald Trump's presidential nomination. Complicating matters for Speaker Ryan has been his less than enthusiastic embrace of the GOP presidential nominee, inviting, in turn, Mr. Trump's public scorn. Many House Freedom Caucus members have been critical of Ryan's "lackluster" support for Mr. Trump's campaign. Should Hillary Rodham Clinton win on November 8, Speaker Ryan is likely to be a target for retribution from disaffected House GOP members who will be looking for a head or two to roll. It is good to remember that when Ryan was elected Speaker last year, ten Freedom Caucus members did not vote for him. The combination of a smaller House GOP contingent with an increased number of Republicans willing to vote against him could well spell the end of Speaker Ryan's tenure. Of course, this is just an unsubstantiated rumor floating in the halls of Congress. As recently as today, Speaker Ryan, in an effort to dismiss the speculation, reaffirmed his intent to run for Speaker during a radio interview in Wisconsin.

## **COMING TO A HIGHWAY NEAR YOU – RECHARGING STATIONS SIGNAGE**

Good news for drivers of alternative fuel vehicles. The White House announced this week that drivers on federal highways will soon begin to see signage for charging/fueling stations that service vehicles powered by electricity, hydrogen, compressed natural gas, liquefied natural gas, and liquid petroleum gas. This new Federal Highway Administration (FHWA) initiative was mandated by the enactment of last year's Fixing America's Surface Transportation (FAST) Act (Public Law 114-94). FHWA has designated 25,000 miles of highway as alternative fuel corridors, denoting these highway segments as having sufficient energy specific refueling stations. For electric vehicles, recharging stations cannot be more than 50 miles apart. LNG stations can be up to 200 miles apart and still meet the FHWA definition of an alternative fuel corridor.

## **HOMEOWNERS AND BUYERS ASSISTANCE**

Georgia Senator Johnny Isakson (R-GA) and Oregon Senator Ron Wyden (D-OR) are pushing a bipartisan legislative initiative to extend the deduction for mortgage insurance premiums and an exclusion for income from canceled mortgage debt. Both tax breaks expire at the end of the year. The Isakson/Wyden provision is supported by the housing industry. However, House Ways and Means Committee Chairman Kevin Brady (R-TX), has yet to sign-off on the measure. Should this proposal secure the necessary congressional support, it could be inserted in an upcoming omnibus appropriations bill to be considered by December 9.