

**Memorandum**

**TO:** Miami-Dade County  
**FROM:** Greenberg Traurig  
**DATE:** January 31, 2018  
**RE:** January Monthly Report

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Below please find a summary of Greenberg Traurig's efforts on behalf of Miami-Dade County in January. If you have any questions, or if we can be of any further assistance, please let us know.

***Overview of 2017***

When Congress began its legislative agenda for 2017, it was presented with an environment Washington had not seen since 2009, one-party control in the legislative and executive branches. With a majority in both houses and President Donald Trump in the White House, the Republican Party set in motion an ambitious plan to fulfill promises made during a tough 2016 campaign. Congress laid out priorities dealing with health care, tax reform and infrastructure, to name a few. Political battles saw some issues delayed, others abandoned, but some accomplished as well. Comprehensive tax reform was signed into law in December and the Trump Administration, through both legislation and executive orders, scaled back a host of regulations with the goal of spurring economic growth and job creation.

***Budget & Appropriations***

While the FY2018 budget year began on Oct. 1, 2017, there have already been two continuing resolutions, or CRs, to temporarily fund the federal government. Important programs to the county such as the Children's Health Insurance Program, Community Development Block Grant program, Social Services Block Grant, Community Services Block Grant, and the One-Time Assistance to Needy Families programs find themselves dependent upon an always contentious budget process. Like previous budget deliberations, last year's discussions brought neither clarity nor conclusion to Capitol Hill's ongoing budget battles. Issues such as a border wall, the Deferred Action for Childhood Arrivals (DACA) program and other politically contentious subjects complicated the difficult balancing act of keeping the government funded while addressing the hot-button issues.

GT has kept Miami-Dade County up-to-date on the FY 2018 congressional budget and appropriations process. Our team continues to work with the Delegation and Congressional leadership to advocate for funding and support for programs that are important to the County, including public safety programs. GT also provided various reports on the disaster aid bills that followed a historically destructive hurricane season.

## ***Water Infrastructure***

The Water Resources Development Act (WRDA) has returned to a two-year cycle, with a vote expected in the latter part of 2018. WRDA is hugely important since it addresses Army Corps of Engineers' (Corps) water infrastructure projects associated with flood prevention, beach replenishment and environmental restoration, as well as authorizes and manages the Harbor Maintenance Trust fund, which helps counties embark on large scale projects such as port expansion and harbor dredging, and Corps policy issues.

Expected to be addressed later this year is the Waters of the United States (WOTUS), with the Supreme Court expected to rule on court jurisdictional issues with WOTUS-related cases. Additionally, the EPA will be hard at work rewriting the WOTUS rule, as well as revising their current policy on the replacement of lead and copper service lines in drinking water systems. The EPA is expected to release its final list of county ozone designations under the 2015 rule by April 30, 2018.

GT continues to work with Miami-Dade to advance the County's priorities on disaster relief/restoration projects, and our team continues to keep County officials updated on the status of WRDA reauthorization legislation. GT tracked and analyzed Disaster aid packages that passed following the destruction of Hurricane Irma, and provided early copies of such proposal drafts. Our team has also provided analysis of National Flood Insurance program reform legislation, and has continued to track related bills on behalf of the County.

## ***Healthcare***

While legislation formally repealing the Affordable Care Act did not pass in the Senate in 2017, it doesn't mean that issues pertaining to health services provided by counties are immune from further congressional action. Programs such as Medicaid will continue to be a major issue in 2018.

There is some concern right now about measures that would further shift Medicaid costs to counties, including proposals to institute block grants or per capita caps. These proposals would increase the amount of uncompensated care provided by counties and reduce counties' ability to provide for the health of their residents.

Additionally, the Children's Health Insurance Program, which has been temporarily funded through recent CR's, must be addressed through full funding and long-term reauthorization. This program, like many other issues important to the County, faces long-term funding uncertainty.

GT continues to work with the County's congressional delegation to advance legislation that tackles mental health reform and the nation's opioid addiction crisis, and has kept Miami-Dade updated on the status and outlook for these pieces of legislation.

## ***Tax Reform***

President Trump signed the "Tax Cuts and Jobs Act" into law on Dec. 22. The Senate passed the bill on Dec. 20 by a party-line vote of 51 to 48; Sen. John McCain (R-Ariz.) was absent for medical treatment. The House passed the bill later in the day by a vote of 224 to 201. No House Democrats supported the bill, and 12 Republicans voted no, most of them representing California, New York and New Jersey; taxpayers who itemize in these high-tax states are likely to be hurt by the legislation's cuts to the state and local tax deduction.

The overhaul is forecast to raise the federal deficit by hundreds of billions of dollars – and perhaps as much as \$2.0 trillion – over the coming decade. Estimates vary depending on assumptions about how much economic growth the law will spur, but no independent estimates follow Treasury Secretary Steven Mnuchin in predicting a net reduction to the national debt as a result of the overhaul.

The law cuts corporate tax rates permanently and individual tax rates temporarily. It permanently removes the individual mandate, a key provision of the Affordable Care Act, which is likely to raise insurance premiums and significantly reduce the number of people with coverage. The highest earners are expected to benefit most from the law, while the lowest earners may actually pay more in taxes once most individual tax provisions expire after 2025.

While tax reform may have passed Congress and become law, there is still work to be done as it pertains to implementing a sweeping overhaul of the federal tax code. Over the coming months, Congress will vote on technical fixes to the bill, some of which could affect counties. GT will continue to track this process and update the County on all relevant changes.

## ***Entitlement Reform***

With tax reform signed into law, there is still a notion within both chambers that the deficit hole it created must be filled. Medicaid funding could be in the crosshairs of this potential reform, as being a large “pay-for” towards the tax reform created deficit hole. As of now, House Speaker Paul Ryan has stated his desire to tackle entitlement reform while Trump has been lukewarm to the idea. Senate Majority Leader Mitch McConnell has stated he does not intend to address entitlement reform this year.

Entitlement programs are not restricted to Medicaid, Medicare and Social Security, however, and could include other programs such as the Supplemental Nutrition Assistance Program (SNAP). GT recently created a report for the County outlining the President’s new budget proposal and a proposed overhaul to SNAP changing the way SNAP recipients would receive their benefits.

## ***Regulatory Issues***

Whether it came as legislation or executive orders, the administration's regulatory reform agenda will continue to take shape in 2018.

From infrastructure to water resources management, public lands and emergency relief, In 2017 President Trump declared a more business-friendly, less regulatory environment will expedite implementation, spur business growth and hasten economic development and job growth.

Regulatory frameworks were not restricted to land, environment, and infrastructure sectors in 2017, but economic reforms also played a part as well, notably the Department of Labor's decision not to defend the Obama Administration's rulemaking on overtime pay. There were concerns over the increased administrative and financial burden the rule would impose on the County.

It's expected that Congress will address cybersecurity reform in 2018 and engage in new debates centered on the funding of the 2020 United States Census. Congress also, throughout all federal agencies, will be looking at new regulations which could lead to federal preemption of local authority in issues such as unmanned aerial systems and wireless facility siting and 5G wireless network deployment. Preemption is something that will be on our radar as new developments unfold. GT will continue to keep the County updated on new regulations and regulatory proposals.

### ***Media Updates***

GT continues to send daily media updates on legislative and political issues to the County in order to ensure that the Commission and staff remain up-to-date on developments within the Beltway. Our team has continued to send those interested individuals information regarding issues such as tax reform, health care, and appropriations, among others. We will continue to monitor the issues most relevant to the County and provide timely and accurate information in order to make certain that the County is aware of any developments which may provide an opportunity to accomplish established goals.

(Below is an example of one of GT's Washington Updates, which are sent to County officials every day.)

Good Morning,

Below is a look at today's news and events in DC. If you have any questions or need anything, please let us know.

Thanks,

Katie

## **Today at a Glance: January 30, 2018**

### **Top Lines for the Day**

- The House votes for a third time on fiscal 2018 defense cash, with a provision to allow for busting the spending caps.
- State of the Union. President Donald Trump delivers his first State of the Union address tonight.
- EPA oversight. Administrator Scott Pruitt faces tough questions at a Senate hearing.
- Infrastructure proposal details likely to be unveiled at State of the Union.
- House Appropriations Chairman Frelinghuysen announced he will retire.

**House:** Convenes at noon for consideration of a House amendment to a Senate amendment to the fiscal 2018 defense appropriations measure (HR 695). The House will recess by 5 p.m. and reconvene around 8:35 p.m. for a joint session to receive the president's address.

**Senate:** Convenes at 10 a.m. to resume consideration of the nomination of David Stras to be a U.S. circuit judge for the 8th Circuit. From 12:30 to 2:15 p.m., senators will recess for weekly caucus lunches, after which the Senate is expected to vote on confirmation of the Stras nomination.

### **Committee hearings of interest today:**

- House Budget Committee hearing on Oversight of the Congressional Budget Office, Tuesday 10am.
- House Education and the Workforce Committee hearing on "Protecting Privacy, Promoting Policy: Evidence-Based Policymaking and the Future of Education." Tuesday, 10am.
- Senate Health, Education, Labor and Pensions Committee hearing on "Reauthorizing the Higher Education Act: Accountability and Risk to Taxpayers." Tuesday, 10am.

- House Science, Space and Technology Committee hearing on "Energy Department: Management and Priorities." Tuesday, 10am.
- Communications and Technology Subcommittee of House Energy and Commerce Committee hearing on "Closing the Digital Divide: Broadband Infrastructure Solutions." Tuesday, 10am.
- Senate Environment and Public Works Committee hearing on oversight of the Environmental Protection Agency. Tuesday, 10am.
- House Judiciary Committee markup of H.R.3808, the "Infrastructure Expansion Act of 2017," to preclude absolute liability in any action against a property owner or contractor for projects receiving federal financial assistance for infrastructure and transportation development. Tuesday, 11am.
- Transportation and Protective Security Subcommittee and Emergency Preparedness, Response and Communications Subcommittee joint hearing on "Securing our Surface Transportation Systems: Examining the Department of Homeland Security's Role in Surface Transportation Technologies." Tuesday, 2pm.

### **Defense Spending Bill Would Break Caps, Add \$1 Billion**

The House on Tuesday is expected to vote for the third time on a bill to fund the military for fiscal year 2018 with the latest measure adding \$1.2 billion and a provision making the measure exempt from spending caps.

The latest version of the defense bill (HR 695) will appropriate more than \$659 billion for defense, as the latest measure tacks on \$1.2 billion for war spending, consistent with a November request from the Trump administration for additional funds for the war in Afghanistan. The new measure designates \$584 billion in regular defense appropriations and \$75.1 billion in Overseas Contingency Operations, or war, accounts.

Tuesday's likely vote stems from a deal between the conservative House Freedom Caucus and House GOP leadership. As Congress was hurtling toward a government shutdown earlier this month, House leadership promised the conservative bloc that the chamber would again vote on the defense spending bill (HR 3219) that passed the House in July 2017, in exchange for the group voting on a continuing resolution to fund the government through Feb. 8 (PL 115-120).

The bill is likely to come to the House floor just hours before President Donald Trump delivers his State of the Union address.

Members of the Freedom Caucus, known for their steadfast fiscal conservatism, say they are taking on this legislative battle on constitutional grounds.

"Providing for the common defense is more than just a promise to our citizens and military. It is the foremost responsibility of the federal government, established in the Preamble to the U.S.

Constitution," Freedom Caucus member Jody B. Hice of Georgia wrote in an op-ed for the Augusta Chronicle over the weekend.

But there's also a political motive for the Freedom Caucus and House Republicans. If the House passes the legislation, it would then fall on the Senate to take up the cap-busting bill.

The bill would almost certainly fail in the Senate, where Democrats would likely block the measure, allowing House Republicans in an election year to shift blame of legislative gridlock to the Senate.

Senate Democrats have demanded an equal boost in domestic spending. The Republicans' narrow 51-49 majority in the Senate makes it impossible to advance the legislation without Democratic support.

### **State of the Union will be used to Prod on Immigration and Infrastructure**

In his first official State of the Union address, President Donald Trump will tell the country how the “roaring” economy is “lifting up” folks of all backgrounds and ask Congress to pass sweeping immigration and infrastructure legislation, says a senior administration official.

Trump will speak from the well of the House chamber shortly after 9 p.m. on Tuesday evening in an address the senior official described as crafted with a “bipartisan” and “unifying” message. But the address will come under a black cloud: the ongoing Justice Department and congressional probes into potential ties between his 2016 campaign and Russia, as well as whether he obstructed justice with some of his actions since taking office.

On specific policies, Trump will try to “get the country excited about the urgency” of the need to devote a large sum of federal monies to rebuilding America’s “depleted” roads, bridges, airports, tunnels, and seaports, the senior official said. In addition to trying to sell the need for a massive infrastructure bill — perhaps as large as \$1.7 trillion — he also will talk about “how we’re going to do it right and how we’re going to do it fast,” the official told reporters Friday.

Trump also will “talk about his plan,” a package Trump and his staff has promised for a year but not yet delivered.

Immigration also will play a major role. The official referred reporters to details of framework for legislation the White House previewed on Thursday and will release in full on Monday. Trump will use Tuesday’s speech to try and convince Americans that his mix of border security, legalization for immigrants already here and limiting legal migration options is the best approach.

On trade, the senior official said the president will have a message similar to the one he delivered during a major speech in Asia last year, that any deals must be “fair and reciprocal.”

On national security, the senior administration official gave no indication there would be new policy announced, but the president will reiterate positions on North Korea and Iran and his intention to rebuild the military.

Overall, the senior official described the address as “not the ’state of the Republican Party or the ’state of the base,” saying it will focus on “national issues” and “commonsense agenda items.”

The White House will use the annual guests in the first lady’s box to spotlight individuals who have “benefited” from the Republican tax overhaul law and “faces” of the opioid crisis, a second administration official said.

That same official “expects” White House and administration officials to fan out across the country after the speech to help sell its contents, but she declined to get into specific plans.

### **EPA's Pruitt to Face Grilling Before Senate Environment Panel**

Nearly a year after taking the helm of the agency, EPA Administrator Scott Pruitt will appear Tuesday for the first time at an oversight hearing before the Senate panel where he endured a contentious confirmation process before becoming the nation’s chief environmental regulator.

The EPA has been touting its aggressive deregulatory actions — issues Pruitt will likely be eager to talk about at the Senate Environment and Public Works Committee hearing. But he will also encounter Democrats ready to challenge him about gutted environmental regulations, including the EPA’s move just days ago to reduce protections from hazardous air pollution.

He will also appear just days after announcing that the EPA will not, for now, lift stream and wetland protections imposed by the Obama administration that effectively blocked the proposed Pebble minerals mine near Alaska’s Bristol Bay.

The panel includes Sen. Dan Sullivan, R-Alaska, who has called for the Pebble mine developers to have the opportunity to seek federal permits, though he has also held that environmental protections for the salmon-rich watershed must be maintained.

The EPA on Friday said that after “hearing directly from stakeholders and the people of Alaska” it was suspending a process it had started to lift restrictions that preclude mining, while it seeks more information on the project’s impact on the area’s natural resources.

Lawmakers will also have the opportunity to seek clarity on comments made Thursday by Bill Wehrum, assistant administrator for the EPA’s Office of Air and Radiation, implying that the agency could create a national automobile pollution standard. Such a move could affect California’s authority to set more stringent vehicle emissions restrictions within its boundaries.



The auto industry has asked for a unified policy to replace emissions standards set under the Obama administration and managed by the EPA, the Transportation Department and the California Air Resources Board.

With Sen. Kamala Harris, D-Calif., no longer on the panel, it is unclear how much attention that issue could receive, although other liberal lawmakers could bring it up.

They will have other topics to bring up, regardless of the most recent EPA actions. Speaking on the Senate floor Monday evening, Sen. Sheldon Whitehouse, D-R.I., called for tough questioning about Pruitt's travel expenses, his installation of a private communications booth at EPA's headquarters and the shrinking of the agency's workforce.

Such a line of questioning is unlikely from committee Republicans, who helped push through Pruitt's nomination, one of the most controversial of President Donald Trump's picks.

Republicans who spent much of the Obama years railing against environmental policies they saw as burdensome to industry have welcomed Pruitt and his deregulatory fervor, along with his efforts to craft a smaller EPA.

Since taking office last February, Pruitt has focused much of his efforts on undoing multiple environmental regulations promulgated under the Obama administration, many of which he sued against as Oklahoma attorney general. Those include the Clean Power Plan, which set limits on carbon emissions from power plants nationwide, and the Waters of the United States rule that expanded federal pollution authority over streams and wetlands.

"In the past year, Administrator Pruitt has made great strides in undoing overbearing regulations while still protecting the environment with effective enforcement of our laws," Sen. James M. Inhofe, R-Okla., a Pruitt ally, said through an aide. "I plan to ask Administrator Pruitt about his initiatives for the next year as well as discuss environmental cleanup efforts at Brownfields and Superfund sites."

Still, Republicans have had bones to pick with Pruitt, notably over the Renewable Fuel Standard that sets minimum biofuels use in transportation fuel stocks. Pruitt backed away from a proposal last year to lower the total amount of biofuels from what was called for in 2018 under the standard, after an uproar from farm-state lawmakers from both parties, led in part by Senate panel member Joni Ernst, R-Iowa.

In anticipation of Pruitt's testimony, Sen. Edward J. Markey, D-Mass., sent three letters to Pruitt seeking justification for his decisions including on climate change, fuel efficiency standards and toxic chemicals.

In a Jan. 18 letter, Markey posed several questions, focusing on the exclusion of climate change from EPA's draft strategic plan for 2018-22; the removal of EPA web pages on climate change; and the flooding of two Superfund sites in Texas during Hurricane Harvey and the release of toxins from one of them.

"Under your oversight, the core EPA mission has been consistently undermined, often through secretive and opaque internal decisions," Markey said in another letter dated Jan. 19.

“There have been a series of attacks against the agency’s ability to protect public health and safety, regulate industry and hold polluters accountable. This onslaught leaves the American public vulnerable to environmental and health catastrophes and is especially alarming when viewed in context with repeated ethical questions raised by your conduct of your senior staff.”

A separate Jan. 19 letter questioned Pruitt’s meetings with industry interests involved in court cases the administrator had said he would recuse himself from.

A spokeswoman for Markey said the senator had not received a response from Pruitt by the deadline of Friday. Markey can be expected to seek answers to those questions directly from the EPA administrator on Tuesday.

### **Ahead of Trump's Infrastructure Proposal, Funding Is Divisive**

President Donald Trump is expected to outline a proposal to spark \$1 trillion or more in U.S. infrastructure spending in his State of the Union address Tuesday. His proposal is also expected to reveal sharp differences within and between the political parties despite widespread agreement that the country’s infrastructure —especially roads and bridges — needs the money.

Trump’s proposal, as described last week by DJ Gribbin, his special adviser for infrastructure policy, won’t include new revenue. Gribbin said \$200 billion in federal spending would be offset by cuts elsewhere, particularly to mass transit and Amtrak, ideas that urban Democrats and some Republicans are likely to resist.

“I cannot conceive how they can call it an infrastructure plan if they’re cutting Amtrak,” Sen. Richard Blumenthal, D-Conn., said. “It would be beyond absurd.”

But Gribbin’s ruling out of a proposal to increase the gasoline tax to pay for the infrastructure spending also pits two Republican groups against one another: the Trump administration and several conservative organizations on one side and traditional and powerful business groups, such as the U.S. Chamber of Commerce, the American Trucking Associations and others on the other side.

“The thing that’s going to be really challenging when Congress gets this — and their proposal will be the starting point and then we’ll have an opportunity to weigh in with it — is how it’s paid for,” Sen. John Thune, the chairman of the Senate Commerce, Science and Transportation Committee, told reporters. “That’s really going to be the biggest challenge in getting something across the finish line. . . . Democrats probably aren’t going to be willing to vote for something that doesn’t have some revenues attached to it. And that’ll make it hard to get Republicans.”

Gribbin didn’t close the door on a gas tax, saying Congress could opt to do that. But a Congress that just passed income tax cuts in mostly partisan votes isn’t likely to raise the gas tax in an election year without the backing of the president.

Trump's proposal is expected to be \$200 billion in federal spending over 10 years to leverage \$1 trillion — perhaps more according to recent Trump comments — over the same time. The White House is expected to include energy, telecommunications, water and wastewater, and even Veterans Affairs facilities along with transportation in its proposal.

The American Trucking Associations published a proposal on Jan. 24 to raise federal fuel taxes by 20 cents per gallon over the next four years. That followed the U.S. Chamber of Commerce's rollout of a plan to raise the tax by 25 cents over five years. Both groups estimated such an increase would raise more than \$300 billion for the Highway Trust Fund.

The current rate, in place since 1993, is 18.4 cents per gallon for gas and 24.4 cents per gallon for diesel.

The ATA proposal came one day after groups representing the far-right grassroots came out against any new tax for infrastructure.

### *Conservative Divide*

Americans for Prosperity and the Freedom Partners Chamber of Commerce sent a letter dated Jan. 23 to the president urging him to reject a gas tax increase. They argued it would undo the recent tax overhaul (PL 115-97).

“Increasing the federal gas tax to fund new infrastructure projects would be the wrong approach,” the letter said. “Not only would it undermine the benefits of recent tax-cut legislation, it would disproportionately hurt the least fortunate — who pay a higher percentage of their income in energy costs — and lead to higher prices on goods and services throughout the country.”

Chrissy Harbin, vice president of external affairs for Americans for Prosperity, said the group wasn't ruling out any other plan to pay for up to \$200 billion in federal spending on infrastructure. She said the group would evaluate other proposals as they are made. Harbin declined to endorse a specific path to raising the necessary revenue, but said it should not hurt consumers. The gas tax proposal would be “regressive” and hurt voters' pocketbooks, she said.

“There's a number of ways they could pay for it and we're open to alternatives,” she said. “We are concerned about placing new burdens on taxpayers.”

ATA President Chris Spear called his group's proposal a conservative solution. The gas tax is paid only by those who use the roads. It's efficiently administered and it allows for upfront funding instead of deficit spending, he said.

“That's real money. It's immediate. You'll see immediate results,” he said in a phone interview. “I think folks on the Hill need to understand: It's conservative. . . . Those that are advocating devolution to the states, there's nothing conservative about having to continue to borrow highway trust money from China.”

Neil Bradley, the chamber's executive vice president and chief policy officer, said in an email statement that the group's proposal acknowledged the reality that spending on infrastructure would be costly.

"We're ready to work with anyone who is willing to get this done and we welcome alternative ideas to fund that investment," he said. "But let's be clear, America won't move ahead if we are trying to rebuild and modernize on the cheap."

Marcia Hale, the president of Building America's Future, a bipartisan group that advocates more spending on infrastructure and has pushed for a gas tax hike, said a vote to increase the tax would be tough on some lawmakers, but not impossible. Hale worked in the Clinton White House when the last increase in the gas tax was approved in 1993.

"It's not an easy vote for anybody, obviously," she said. "But it's taken on the sort of mythological proportions of a vote that we don't think it deserves."

### **Race to Succeed Frelinghuysen at Appropriations Getting Crowded**

At least three potential successors to retiring House Appropriations Chairman Rodney Frelinghuysen have emerged, opening the door to a scramble after the midterm elections and a year's worth of jockeying for favor among House Republican colleagues.

GOP Reps. Robert B. Aderholt of Alabama, Kay Granger of Texas, and Tom Cole of Oklahoma all threw their hats in the ring on Monday. Their decisions came hours after Frelinghuysen made his pending retirement official, ending weeks of speculation about whether the New Jersey Republican would leave amid a tough re-election campaign and tension about his voting record.

Frelinghuysen, who will turn 72 in April, has had a couple of high-profile departures from GOP policy initiatives that led some conservatives to push for his ouster.

Frelinghuysen initially came out against Republicans' efforts to repeal and replace the 2010 health care law (PL 111-148, PL 111-152) — though he ended up voting for the version (HR 1628) House leaders ultimately brought to the floor in May 2017. Frelinghuysen also voted against the GOP's signature tax overhaul (PL 115-97), both on the initial House version and on the final House-Senate compromise, which limited state and local tax deductions many of his constituents favor.

Frelinghuysen is also facing his toughest re-election campaign since first being elected in 1994.

His retirement will start off a serious race among the more senior subcommittee chairmen to take over the committee that determines more than \$1 trillion in annual federal spending — should Republicans maintain control of the House following the midterm elections.

State-Foreign Operations Subcommittee Chairman Harold Rogers of Kentucky technically is the most senior Republican on the panel after Frelinghuysen, but Rogers already served a full six

years as chairman and is thus barred from obtaining the gavel again unless granted a waiver from leadership.

### *Granger, Aderholt, Cole Running*

As the most senior Republican after Rogers on the panel, Aderholt — who currently is chairman of the Agriculture appropriations subcommittee — would have a strong claim on the top slot although the GOP Steering Committee and Conference consider additional factors outside seniority. In a statement following Frelinghuysen's announcement, Aderholt seemed to acknowledge conservatives' longstanding concerns with how appropriators have wielded power and doled out federal dollars in the past.

"It is too soon to talk about changes and reforms to the appropriations process, but there is no doubt that major changes need to be made," Aderholt said in statement. "If allowed by my colleagues to serve as the next chairman of the Appropriations Committee, I look forward to addressing these challenges."

Granger also officially threw her hat in the ring Monday, saying in a statement that she has already received encouragement to run for the gavel. "I will work hard to earn the support of my colleagues, and I look forward to a spirited race," Granger said.

Granger vied for the top slot prior to the 115th Congress, before the GOP Conference ultimately chose Frelinghuysen. Selecting Granger this time would also give House Republicans another female chairmanship, as they are down to one after former House Budget Chairman Diane Black stepped down earlier this month to focus on her Tennessee gubernatorial bid.

Among the three most senior Republicans on Appropriations after Rogers, Granger is the most prodigious fundraiser, pulling in \$1.02 million this cycle through both her campaign committee and leadership PAC as of Sept. 30, 2017, according to data compiled by the Center for Responsive Politics.

Granger also would follow Frelinghuysen's path to the gavel through the helm of the Defense subcommittee, responsible for about half of all annual discretionary spending. She pointed out in a statement Monday that in fact Frelinghuysen had preceded her as Defense subcommittee chairman, though she made no mention of any plans to run for the full committee chairman at this stage.

If Granger gets the nod it would also give Texas a lock on several influential House chairmanships, should the GOP retain control in November, including Kevin Brady at Ways and Means; Pete Sessions at Rules; Mac Thornberry at Armed Services; and Michael McCaul at Homeland Security. While two Texas GOP committee chairs are retiring at the end of this Congress — Jeb Hensarling at Financial Services and Lamar Smith at Science, Space and Technology — putting the chairmanship of both Appropriations and Ways and Means, as well as Rules, which sets the terms of floor debate, in the hands of one state delegation could prove controversial.

Meanwhile, Cole — currently chairman of the Labor-HHS-Education subcommittee — is way down in seniority on the panel, or seventh after Rogers, but his panel controls the second-largest pot of annual discretionary dollars after Defense. Cole is also a former National Republican Congressional Committee chairman and has the ear of GOP leaders. And with \$1.7 million in cash on hand, Cole has the ability to hand out lots of help to House lawmakers in marginal districts before November.

While he did not issue a statement expressing his intent to run, Cole's communications director Teresa Davis confirmed to reporters that Cole would in fact enter the race.

The field could get even more crowded in the coming days and weeks. Another Appropriations subcommittee "cardinal," Interior-Environment Chairman Ken Calvert, R-Calif., was coy about his intentions Monday, preferring to focus on praise for Frelinghuysen. However Calvert in a statement added that "I look forward to talking to my Appropriations Committee colleagues and Steering Committee members about who is best suited to follow in Rodney's footsteps as Chairman."

Calvert is one slot ahead of Cole in seniority.

Additionally, Financial Services Subcommittee Chairman Tom Graves, R-Ga., who is further down the seniority list than Cole, left open the possibility of making a run for the full committee's top slot. "Today is the chairman's day, and I'll make a decision on where I can best serve later on," Graves said in a statement released through a spokesman.

### *Political Winds Shifting*

Had Frelinghuysen sought re-election he may have faced an uphill battle, partially due to his relatively weak fundraising, although that may have been in anticipation of his likely retirement. Frelinghuysen raised \$157,000 during the third quarter of 2017, but Democrat Mikie Sherill raised \$498,000. Frelinghuysen was also out-raised by Democratic candidate Tamara Harris, who donated and loaned her campaign \$300,000.

While Frelinghuysen has historically won re-election by a wide margin, the political winds in his part of the country have begun to move the Democrats' way — demonstrating why whoever succeeds Frelinghuysen as the top Republican appropriator may find themselves as ranking member instead.

Frelinghuysen took 58 percent of the vote in 2016, coinciding with a narrow margin of victory for President Donald Trump over Democratic candidate Hillary Clinton of less than one percentage point in New Jersey's 11th District. By comparison, GOP presidential candidates Mitt Romney and Sen. John McCain, R-Ariz., had each outperformed former President Barack Obama in Frelinghuysen's district by about 5 percentage points in 2012 and 2008, respectively, according to data compiled by Daily Kos.

Frelinghuysen still vastly outperformed Trump among his constituents, defeating his Democratic challenger by 19 percentage points in 2016. However two years prior, Frelinghuysen took 76 percent of the vote and won by 52 percentage points. Frelinghuysen's departure is likely to make it tougher for Republicans to keep control of New Jersey's 11th House district. Inside Elections

with Nathan L. Gonzales had rated Frelinghuysen's seat as "likely" to remain in GOP hands prior to his retirement announcement Monday, despite the political headwinds facing Republicans in November. With the 12-term incumbent out of the picture, however, Inside Elections moved the race to a "tossup" on Monday.