



### Greetings!

During the month of April, Lobbyit sat down with Congressman Krishnamoorthi's office to discuss Perkins reauthorization and the Career and Technical Education Act. Rep. Krishnamoorthi is the Co-Founder of the Middle Class Jobs Caucus, as well as a member of the Manufacturing Caucus and the Community College Caucus - all of which are relevant to CTE program development to improve America's workforce.



### **House GOP makes good on promise to repeal Affordable Care Act**

This week, the House of Representatives made a successful second attempt to repeal the Affordable Care Act (ACA) by passing the American Health Care Act (AHCA). In reality, however, the AHCA does not repeal the ACA, with perhaps 90 percent or more of the provisions of the original ACA in place. It does, however, eliminate almost \$900 billion in taxes imposed by the ACA on higher-income taxpayers and health care providers or insurers. In addition, the AHCA cuts funding for Medicaid by roughly \$800 billion by phasing out expansion and allowing states to move Medicaid to a block grant or per capita program.

Under a block grant or per capita cap model, federal Medicaid spending would rise at a specified growth rate, irrespective of the actual rise in Medicaid spending in a state. Given that individuals with disabilities and seniors account for a disproportionate amount of Medicaid enrollees, limits on federal spending could put pressure on states to limit Medicaid spending over time, if Medicaid spending increased faster than the growth in federal contributions. The AHCA narrowly passed the House with a 3 vote margin, and faces an even tougher battle in the Senate, where Senate Republicans would need to sway not only Democrats, but possibly some members of its own party as well.

### **Meeting with the office of Congressman Krishnamoorthi**

Today, Reps. Krishnamoorthi and GT Thompson will be introduced Perkins reauthorization language for CTE. Other original co-sponsors include Reps. Nolan, Langevin and Katherine Clark.

The bill is basically the same as last year, however there are a few minor changes. In last year's bill, HR 5587, the Secretary had 90 days to approve state plans and if no action was taken by the Secretary, the state plan was automatically approved. However, in this year's bill, there is no dormant approval process. The Secretary has 120 days to act on a state plan or action must be taken (either approval or denial). Additionally, if the plan isn't found to be reasonable, the then Secretary must provide technical assistance. CTE legislation is a vital piece of legislation that will help fill the gaps in America's workforce.

Rep. Krishnamoorthi's office is also eager to facilitate a skilled-trades briefing with the CTE caucus this fall. This will be an excellent opportunity for AMI to showcase careers in the marina industry and the vital need for CTE to help close the jobs gap.

### **Small Business Administration Hearing:**

This week, the Small Business Administration Committee held a hearing on ways to ensure economic growth for small businesses. Members on both sides of the aisle, as well as witnesses, provided testimony that stressed the need to provide programs to educational training programs and apprenticeships. In addition, witnesses also suggested that the government should incentivize businesses to reserve portions of their cash flow in order to

provide workforce training. More information can be found in the memo LobbyIt provided to AMI.

Moving forward, LobbyIt will work with House Education and the Workforce Committee to gauge when the CTE bill will be brought for markup. Additionally, LobbyIt will engage with Senators Casey and Enzi's office, who are likely to be responsible for introducing CTE legislation in the Senate.

## Legislative/Regulatory Activity

### **H.R. 419 - Promote Workforce Development for the Advancement of Manufacturers Act of 2017**

Representative Brenda L. Lawrence (D-MI) introduced the Promote Workforce Development for the Advancement of Manufacturers Act of 2017 on January 10, 2017. On January 10, 2017, the bill was referred to the House Committee on Ways and Means. The bill does not yet have any cosponsors.

This bill amends the Internal Revenue Code to allow manufacturing employers located in the United States to receive a business-related tax credit for the manufacturing training expenses of their employees. The definition of "manufacturing training expenses" includes related course work, certification testing, and essential skill acquisition.

### **S.85 - Restoring Access to Medication Act of 2017**

Senator Pat Roberts (R-KS) introduced the Restoring Access to Medication Act of 2017 on January 10, 2017. On January 10, 2017, the bill was read twice and referred to the Committee on Finance. Senators Heidi Heitkamp (D-ND) and Johnny Isakson (R-GA) are currently cosponsors to the bill.

This bill repeals provisions of the Internal Revenue code that were added by the Patient Protection and Affordable Care Act that limit payments for medications from health and medical savings accounts and health flexible spending arrangements to only prescription drugs or insulin. This allows distributions from such accounts for over-the-counter drugs.

*Related Bills: H.R.394 - Restoring Access to Medication Act of 2017*

### **H.R. 25 - Fair Tax Act of 2017**

Representative Bob Woodall (R-GA) introduced the Fair Tax Act of 2017 on January 3, 2017. On January 3, 2017, the bill was referred to the House Committee on Ways and Means. The bill currently has 35 cosponsors.

This bill proposes a national sales tax on the use or consumption in the United States of taxable property or services in lieu of the current income and corporate income tax, employment and self-employment taxes, and estate and gift taxes. The rate of the sales tax will be 23% in 2019 with adjustments to the rate in subsequent years. There are exemptions from the tax for used and intangible property or services purchased for business, export, or investment purposes, and for state government functions.

Under the bill, family members who are lawful U.S. residents receive a monthly sales tax rebate (Family Consumption Allowance) based upon criteria related to family size and poverty guidelines.

The states have the responsibility of administering, collecting, and remitting the sales tax to the treasury.

Tax revenues are to be allocated among:

- (1) the general revenue;
- (2) the old-age and survivors insurance trust fund;
- (3) the disability and insurance trust fund;
- (4) the hospital insurance trust fund; and
- (5) the federal supplementary medical insurance trust fund.

No funding is authorized for the Internal Revenue Service after FY2021.

The bill terminates the national sales tax if the Sixteenth Amendment (authorizing income tax) is not repealed within 7 years after the enactment of this bill.

*Related Bills: S.18 - Fair Tax Act of 2017*

### **S.18 - Fair Tax Act of 2017**

Senator Jerry Moran (R-KS) introduced the Fair Tax Act of 2017 on January 3, 2017. On January 3, 2017, the bill was read twice and referred to the Senate Committee on Finance. The bill currently has four cosponsors.

This bill proposes a national sales tax on the use or consumption in the United States of taxable property or services in lieu of the current income and corporate income tax, employment and self-employment taxes, and estate and gift taxes. The rate of the sales tax will be 23% in 2019 with adjustments to the rate in subsequent years. There are exemptions from the tax for used and intangible property or services purchased for business, export, or investment purposes, and for state government functions.

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### **H.R.933 - Employee Empowerment Act**

Representative Keith Ellison (D-MN) introduced the Employee Empowerment Act on February 7th, 2017. On February 7th, 2017 it was referred to the Committee on Education and Workforce and the Committee on the Judiciary. On March 9th, 2017 it was referred to the Subcommittee on the Constitution and Civil Justice. Representative John Lewis (D-GA) cosponsors the bill.

This bill strengthens the current protections available under the National Labor Relations Act by providing a private right of action for certain violations of such Act. It allows employees to bring civil action in a district court for the unfair labor practices.

### **H.R.958 - Wasteful EPA Protections Elimination Act**

Representative Sam Johnson (R-TX) introduced the Wasteful EPA Protections Elimination Act on February 7th, 2017. On February 7th, 2017 the bill was referred to the Committee on Energy and Commerce, the Committee on Transportation and Infrastructure, the Committee on Agriculture, and the Committee on Science, Space and Technology. On February 8th, 2017 the bill was referred to the Subcommittee on Water, Resources and Environment. The bill currently has no cosponsors.

This bill terminates all existing grant programs of the EPA, its National Clean Diesel Campaign, and its environmental justice programs. The EPA may not establish new grant programs. Federal funds may not be used by the EPA:

- (1) to implement any ozone standard after this bill's enactment;
- (2) to regulate greenhouse gas emissions from mobile sources, or from fossil fuel-fired electric utility generating units;
- (3) for the Greenhouse Gas Reporting Program, Climate Resilience Fund, Climate Resilience Evaluation Awareness Tool, Green Infrastructure Program, Climate Ready Water Utilities Initiative; or
- (4) for climate research at the EPA's office of Research or Development.

The EPA must:

- (1) discontinue operation and maintenance of its field offices and activities carried out through those offices; and
- (2) dispose of or lease any underutilized property.

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**Until next month,**

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