



The Daily Dish

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A new poll shows that more people approve of TPA, the fast track trade bill. [The NBC/WSJ poll](#) found that 37 percent of people think that TPA will benefit America while 31 percent disagree. Passing TPA will likely lead to the quick approval of trade deals such as the Trans-Pacific Partnership and Transatlantic Trade and Investment Partnership. [Just TPP could increase](#) U.S. GDP by \$77 billion and create 550,000 jobs over the next ten years.

Team Periscope or Team Meerkat? Make sure to follow [@AAF on Twitter](#), Periscope, and Meerkat so you don't miss out on our discussion with Senator Lankford (@SenatorLankford) on regulations at about 4:15 today.

The U.S. will become one of the world's largest oil exporters if the federal government lifts the bell bottom era [ban on crude exports](#). According to [Bloomberg](#), a new government sponsored study shows that "America would be capable of sending as much as 2.4 million barrels a day overseas in 2025 if federal policy makers were to eliminate restrictions on most crude exports." This would make the U.S. fourth in the world in crude exports.

Eakinomics: What to Do With Reconciliation

Now that the Senate passed the conference agreement on the budget resolution, the congressional leadership now has at its disposal the ability to pass legislation under reconciliation. Specifically, the budget resolution instructs 5 committees — Ways and Means, Energy and Commerce, and Education and Workforce in the House and Finance and Health, Education, Labor and Pensions in the Senate — to pass out of committee by July 24 legislation reducing the deficit by \$1 billion (for each committee). These separate bills would be bundled together in the respective Budget committees and considered under expedited procedures and a simple majority threshold for passage in the Senate. In short, they are a legislative fast track for getting bills to the president.

What can and will be done with the reconciliation option? The three leading contenders are:

1. Repeal Obamacare. Yes, there would likely be enough votes to pass the House and Senate, but there are two catches. The first is that reconciliation was designed to be a budgetary tool and any provision (like a McCarron Ferguson exemption for multi-state plans) that the parliamentarian rules is not budgetary in nature cannot be removed in reconciliation. That means that a complete repeal simply may not be possible. The second is that President Obama will simply veto the bill. Without 67 votes in the Senate to override the veto, nothing changes.

2. Pass tax reform. Tax reform is hard, but it might be possible for Republicans to settle on a single plan to lower rates and broaden the base in the individual and corporation income taxes. Again, however, President Obama has consistently fought for higher tax rates and will simply veto the bill after all the work putting together a reform. Since tax reform creates some losers, Republicans will have alienated some stakeholders with no law to show as a result. Alternatively, Republicans might focus only on business taxation — an area the president has said he is interested in pursuing. But if they can find a reform that satisfies both the Republicans in Congress and the White House, they will have also found a bill that Senate Democrats can support. That means they can get to 60 votes and don't need reconciliation anyway.

3. Repeal Obamacare and pass tax reform. The hitch here is mechanical. Congress is allowed one spending bill and one tax bill. Both Obamacare repeal and tax reform (because of refundable credits) have both tax and spending elements. They could be combined, but the resulting bill is neither a repeal or a reform and the politics become less appealing.

4. Something else. Who knows what might happen in 2015. The Democrats used reconciliation as the final step of passing Obamacare not because that was the plan, but because they had to after the surprise victory of Scott Brown. They had included instructions in their budget resolution and they proved useful.

From the Forum

[Targeted Regulatory Reform: Centers for Medicare and Medicaid Services](#) by Sam Batkins, AAF Director of Regulatory Policy; and Chris Holt, AAF Director of Health Care Policy

[529 College Savings Plans: Common Sense Tax Incentives](#) by Chad Miller, AAF Director of Education Policy