

## WASHINGTON NEWS

POLITICAL  
NOTEBOOK

DISTRICT OF COLUMBIA

Pruitt asked Trump  
for Sessions' job

WASHINGTON – Scott Pruitt appealed to President Trump to fire Attorney General Jeff Sessions and give him the job, despite mounting claims of management and fiscal abuse piling up at his Environmental Protection Agency, according to a report Tuesday.

The scandal-scarred EPA boss pitched Trump on the job change during an Oval Office meeting this spring, CNN reported, citing three people with knowledge of the conversation.

Had Trump said yes, the network reports Pruitt would have held Sessions' position for 210 days under the Vacancies Reform Act before returning to Oklahoma to run for office. CNN also reported in March that the former Oklahoma attorney general was posturing for a possible U.S. Senate bid in 2020.

But advisers at Trump's White House dashed Pruitt's request, which coincided with one of the president's most recent complaints that Sessions recused himself from the Russia probe.

— *New York Daily News*

CALIFORNIA

Feinstein won't seek  
Dems' endorsement

WASHINGTON – California Democratic Sen. Dianne Feinstein has decided not to seek her state party's endorsement, calling for party unity ahead of the November election.

Feinstein and State Sen. Kevin de Leon, a fellow Democrat, advanced to the general election after finishing 1-2 in the state's top-two primary last month. The four-term incumbent wrote in an email Tuesday addressed to party leaders calling for no formal endorsement.

For the first time in nearly 30 years, Feinstein did not win the party's backing prior to the June 5 primary.

"Republicans would like nothing more than to see Democrats fighting each other, and a formal endorsement in our race will divide our party at the exact time we need to come together and focus on the general election," she wrote. "You can help prevent that by voting no endorsement."

— *CQ-Roll Call*

WEST VIRGINIA

Trump touts coal,  
criticizes pipelines

CHARLESTON, W. Va. – President Trump traveled to coal country on Tuesday and touted the struggling energy industry as a safer bet than oil, just weeks after the administration reportedly explored plans to throw coal companies a lifeline.

Trump told guests at a West Virginia charity dinner for veterans that oil pipelines are a national security risk and susceptible to bombings. He suggested the vulnerability could boost the coal industry as natural gas and green energy gains steam.

"You bomb a pipeline, that's the end of the pipeline," Trump said during rambling remarks at the "Salute to Service" event. "With coal, that stuff is indestructible. You can move it around on a truck. Dump it at a plant. It can rain on top of it for a long time," he mused. "You hit those pipelines, it's gone and that's the end of it." Gov. Jim Justice, a coal mining tycoon, attended.

Last month, Bloomberg reported that the Trump administration drafted a memo outlining the Energy Department's plan to revitalize the industry by declaring it a critical necessity to national security, defense and infrastructure in case of an "adversarial attack or a natural disaster." Trump's remarks at the Greenbrier resort appear to be the public attempt to breathe life into the leaked memo.

— *Washington Post*



Getty Images

President Trump's trade and economic moves often have unintended consequences, making a bad problem worse and complicating efforts to execute a coherent strategy.

## How Trump's policy decisions undermine the same industries he pledged to help

BY CORAL DAVENPORT  
AND ANA SWANSON

NEW YORK TIMES

WASHINGTON – "The assault on the American auto industry is over," President Trump declared last spring in Detroit, promising auto executives that he would throttle back Obama-era regulations on vehicle pollution.

The moment embodied one of Trump's main political promises – to promote pro-business policies that unshackle industry and the economy. He has pledged to create an oil and gas boom that will spawn "massive new wealth" and to renegotiate the North American Free Trade Agreement to eliminate "big trade barriers" for U.S. products.

His new taxes on metal imports "have already had major, positive effects" on classic Rust Belt industries like steel and aluminum, White House officials have said.

Even as the president's pro-business stance is broadly embraced by the corporate community, in some significant cases the very industries that Trump has vowed to help say that his proposals will actually hurt them. They also warn that policies designed to aid one group will eat into someone else's business in ways that policymakers should have anticipated.

"I would like to tell the president, 'Man, you are messing up our market,'" said Kevin Scott, a soybean farmer in South Dakota and the secretary of the American Soybean Association.

The idea of changing NAFTA, he said, "gives us a lot of heartburn in farm country."

At the same time, Scott said, China's threat to impose tariffs this week on U.S. soybeans – in direct response to Trump's tariffs on other Chinese-made products – is already having a negative effect on the prices farmers see. In recent days, Canada imposed its own retaliatory tariffs against the United States. And on Friday, General Motors warned that Trump's threat of tariffs on imported cars could backfire, killing American jobs and leading to "a smaller GM."

Scott voted for Trump, and he approves of administration efforts to roll back environmental regulations, "But if we lose those Chinese and Mexican markets, it will be hard to get them back," he said. China and Mexico are the two biggest markets for U.S. soybean exports.

Richard Newell, president of Resources for the Future, a nonpartisan research organization in Washington, described the administration's overall approach as "whack-a-mole policy" that suggests a lack of appreciation of the complexity of global commerce. "The law of unintended consequences abounds," Newell added.

If nothing else, experts say, the unpredictability of many of Trump's proposals – the lack of clarity on when or how NAFTA might be renegotiated; the risk of potential litigation over his rollback of auto-pollution rules; the ways in which other countries might

retaliate against Trump's tariffs – seeds confusion across the U.S. economy, making it tough for businesses to plan effectively for the future.

"That just wreaks havoc with American farmers and businesses with the investments they have to make," said Matthew Slaughter, a professor of international business at Dartmouth College. "It creates massive uncertainty for these industries."

Automakers, for instance, had sought looser emissions rules. However, Trump's proposed rollback goes further than expected, and now automakers say it could ultimately spawn years of legal battles and perhaps even subject the industry to more regulations, not fewer, if individual states start enforcing their own, separate rules. They also fear that Trump's recent threats to impose tariffs on imports of European autos could trigger a trade war, raising prices for all vehicles.

A spokesman for the White House, Raj Shah, acknowledged that while some policies might not always be to the liking of specific industries, "A lot of these groups benefit from broader policies – all these groups benefit from the tax cut and regulatory relief."

"The only constituency the president is looking out for is the American people," Shah said.

Trump's policies have their strong supporters.

"The steel tariffs, the aluminum tariffs, the auto tariffs, have the potential to put people to work in industries

like steel production," said Jeff Ferry, the research director for the Coalition for a Prosperous America, a nonprofit group that advocates closing the U.S. trade deficit. "The electorate is no longer buying the theories economists are peddling about free trade lifting all boats," Ferry said.

### 'Disappointed' in Rust Belt

The president has repeatedly promised to protect metal producers, iconic Rust Belt industries that the administration says are hurt by low-priced imports from countries like China.

American steelworkers have cheered his moves.

"The steel tariffs are important to the growth and the survival of the domestic industry because of the massive challenge that global overcapacity presents," said Scott Paul, president of the Alliance for American Manufacturing. "There is some evidence that the strategy may be working. You're seeing a number of steel mills come back online."

But not all metal producers agree with the administration's strategy.

"We are disappointed by the broad tariffs on aluminum imports into the United States," said Marco Palmieri, president of Novelis North America, an aluminum-maker. "This action does not provide relief from our industry's most significant trade issue, which is subsidized Chinese aluminum overcapacity. Instead, the tariffs bring the unfortunate potential to increase cost for the consumer."

## 5 years pass, 'dysfunction' at FEC keeps key post vacant

BY DAVE LEVINTHAL  
AND SUHAUNA HUSSAIN

CENTER FOR PUBLIC INTEGRITY

WASHINGTON – The Federal Election Commission enforces and regulates the nation's campaign finance laws, and so it needs lawyers – about one third of its 330 or so staffers fit that description.

But this week marks five years since the FEC employed a bona fide, duly appointed general counsel to oversee its attorneys and orchestrate the agency's legal efforts – a void that is a "reflection of the dysfunction at the FEC," says the last man to hold the job, Tony Herman, now senior counsel at Covington & Burling, a law firm based in Washington, D.C.

When Herman resigned as general counsel on July 5, 2013, after a two-year stint marked by internal power struggles, President Barack Obama was serving the first year of his second term, the Dow Jones industrial average hovered near 15,100 points and "selfie" had just entered the popular lexicon.

It's a situation, several former leading FEC lawyers contend, that continues to keep the ideologically divided and oft-gridlocked agency from fully

executing its mission.

Notably, it "hurts the morale of the staff and the credibility of the agency," said Larry Noble, a former FEC general counsel from 1987 to 2000.

So what gives?

FEC commissioners, who alone may appoint a general counsel – one of two positions at the agency mandated by federal statutes (the other is staff director) – have in the past offered several explanations for why their search has proven fruitless.

Among them: one early candidate did not have sufficient commissioner support, and another took a different position. Despite its potential power and prestige, the job also doesn't pay enough by lawyerly standards – the FEC earlier this decade advertised it at \$147,200 annually – to attract many talented candidates who might earn high six-figures in the private sector.

These days, FEC Chairwoman Caroline Hunter, a Republican, and Vice Chairwoman Ellen Weintraub, a Democrat, aren't offering any reasons at all. "Seriously, again? Aren't you tired of writing this story?" Hunter said.

"I don't have any news for you," Weintraub said.

Commissioner Steven Walther, an

independent who often votes with the FEC's Democrats, says other high-profile FEC positions, which are either vacant or filled on an "acting" basis, have been the FEC commissioners' greater focus.

Those positions include inspector general, accounting director, chief financial officer, deputy staff director and associate general counsel for policy.

Until this decade, the FEC had never gone more than a year without a top lawyer. After Herman resigned, the FEC went more than two years without anyone at all leading its legal department before appointing Daniel Petalas "acting general counsel" in 2015.

When Petalas left in 2016 to become a principal at law firm Garvey Schubert Barer, commissioners elevated Lisa Stevenson to "acting general counsel" status, where she's remained for the past 22 months.

Hunter and Weintraub declined to say whether they'll ever vote to make Stevenson's posting permanent or why they haven't done so already. Stevenson also declined to comment.

But the overarching problem with relying on any acting general counsel

is twofold, Noble said.

First, an acting general counsel will be inherently reluctant to take forceful or provocative stands, aware that he or she may be simply holding the seat for someone else – while also not wanting to anger FEC commissioners who have the power to permanently appoint him or her to the job.

Secondly, Noble said, "someone in an acting position is perceived as not having the same standing or authority as a permanent general counsel, both outside the agency and within the agency." Herman agreed. "It's hard to have the same persuasive power," he said. For now, it will take unanimous agreement among FEC commissioners to appoint a fully fledged general counsel. That's because the six-member commission has only four commissioners – President Trump hasn't nominated anyone to fill either of two vacancies – and the FEC needs a minimum of four votes to take most any substantive action, such as fining a political committee, passing a new rule or, in this case, giving its legal department a permanent leader.

— *The Center for Public Integrity is a nonprofit investigative news organization based in Washington.*