

Washington Agenda:

Once again, Senate efforts to agree on legislation to repeal and replace the Affordable Care Act and tax reform dominated the agenda in Washington, D.C., this week.

On Tuesday, in the face of certain defeat, Senate Majority Leader Mitch McConnell (R-KY) called off plans to hold a vote on the latest Republican effort to repeal and replace the Affordable Care Act. Senator McConnell said that he would continue with his efforts to repeal and replace the Affordable Care Act. “We haven't given up on changing the American health care system,” Senator McConnell said. “We're not going to be able to do that this week, but it still lies ahead of us, and we haven't given up on that.”

Despite his promise that he had not “given up,” McConnell made clear that he intended to focus on tax reform. “Where we go from here is tax reform,” he told reporters.

On Wednesday, Republican leaders released a plan to overhaul the U.S. tax code that “envisions” the repeal of certain tax credits but does not specifically eliminate the Historic Tax Credit (HTC). Work on the plan is expected to begin next week. Although this is a priority for Republican lawmakers and President Trump, completing a tax overhaul will be very difficult.

Disaster Assistance:

On the heels of Hurricane Maria hitting Puerto Rico and the U.S. Virgin Islands, we continue to work with our partners in the historic preservation community to make sure that future disaster funding includes money for the repair and rehabilitation of historic properties that were damaged by the storms. In response to the damage caused by Hurricane Harvey, earlier this month Congress passed legislation providing \$15.25 billion for disaster funding. The bill did not include funding for the repair and rehabilitation of historic properties that were damaged by the storms.

House Ways and Means Chairman Kevin Brady (R-TX) package of recovery-related tax breaks which is expected to become law this week, did not include a temporary increase of the HTC. Although the previous hurricane response bills have included a temporary increase in the HTC, because the fate of the HTC in a tax overhaul is still uncertain, lawmakers were not willing to temporarily increase it.

Before the year is over, there are likely to be two more disaster funding packages to help communities recover from the effect of hurricanes. One package is likely to be passed in October. A large final package is likely to be included in an overall government funding bill that will be passed in December.

Fiscal Year 2017 ends on September 30th, but Congress included a continuing resolution (CR) through December 8th in the bill providing disaster relief to Hurricane Harvey victims. The CR funds the government at Fiscal Year 2017 levels. If lawmakers are unable to pass an omnibus bill before December 8th, it is likely that they will pass a CR for all of Fiscal Year 2018, which runs through September 30th 2018. That would mean that the government would be funded at Fiscal

Year 2017 levels for all of Fiscal Year 2018. A final disaster package is likely to be attached to that CR. Our goal is to make sure that the disaster package includes money to identify and repair historic buildings that have been damaged, and to make sure that any 106 reviews do not hold up the rebuilding process.

Tax Reform and the Historic Tax Credit:

On Wednesday, Republican leaders released a plan to overhaul the U.S. tax code that “envisions” the repeal of certain tax credits but does not specifically eliminate the Historic Tax Credit (HTC). Prospects for the plan becoming law are unclear. Furthermore, if Congress and President Trump are somehow able to produce a comprehensive tax plan, the final bill is likely to be very different from a blueprint that may be released next week.

“We are moving forward with a unified framework that paves the way for bold, transformational tax reform—tax reform that will bring more jobs, fairer taxes and bigger paychecks,” House Ways and Means Committee Chairman Kevin Brady (R-TX) told reporters. “We have a lot of work ahead. But this moment marks a major step forward in the process.”

Republican lawmakers and President Trump proposed making sharp reductions in tax rates on businesses and many individuals. The framework sketches out a range of tax changes—including lower taxes on corporate profits, incentives for business investment, fewer and lower individual income tax brackets and the end of estate taxes—that Republicans say will boost economic growth and benefit middle-income families.

The framework of the tax plan explicitly retains the low-income housing tax credit (LIHTC) and “envisions the repeal of other business credits.” The HTC along with the new markets tax credit (NMTC), renewable energy tax credits: investment tax credit (ITC) and production tax credit (PTC) are likely among the “envisioned” tax credits. Lawmakers and administration officials who drafted the plan, specifically mention the tax credits that they envision repealing to limit controversy about the plan.

As noted above, it is unclear if work on a tax overhaul can be completed. In fact, many are saying that passing a tax overhaul is not possible.

Regardless of if the HTC is threatened or not, it is important to continue to educate lawmakers about how the HTC creates jobs and preserves the character of communities throughout the country. If you can do so, please urge lawmakers to protect and strengthen the HTC in any tax overhaul. Please continue to reach out to Senators and members of the House of Representatives to support the Historic Tax Credit Improvement Act.

Senator Ben Cardin (D-MD) introduced the Senate version ([S. 425](#)) and Rep. Mike Kelly (R-PA) introduced the House version ([H.R. 1158](#)). Senator Susan Collins (R-ME) is the lead Republican on the Senate bill and Rep. Earl Blumenauer (D-OR) is the lead Democrat on the House bill. The goal is to have these bills included in any tax reform package that moves forward. Senator Cardin is on the Senate Committee on Finance, which has jurisdiction over tax reform, and Congressmen Kelly and Blumenauer are members of the House Committee on Ways and Means, which also has jurisdiction over tax reform. S. 425 is co-sponsored by Senators Susan Collins

(R-ME), Thad Cochran (R-MS), Kirsten Gillibrand (D-NY), Roger Wicker (R-MS), Patrick Leahy (D-VT), Senate Minority Leader Charles Schumer (D-NY), Senate Energy and Natural Resources Committee Ranking Democrat Maria Cantwell (D-WA), Tammy Baldwin (D-WI), Roy Blunt (R-MO), Gary Peters (D-MI), Sheldon Whitehouse (D-RI), and Bob Casey (D-PA). H.R. 1158 is cosponsored by 35 House Democrats and 38 House Republicans.

Infrastructure:

Although discussion of a massive infrastructure project bill has been overshadowed by the conversations about the Affordable Care Act and an overhaul of the tax code, it is still a possibility and therefore something that we are monitoring.

President Trump has promised that there will be a \$1 trillion infrastructure bill. It is unclear when and how Congress will be able to pass a \$1 trillion infrastructure package. President Trump's Fiscal Year 2018 Budget for the Department of Transportation included \$200 billion for infrastructure projects that would be unable to generate private investment. President Trump has said the remainder of the \$1 trillion in infrastructure spending he has promised would come from public private partnerships. On Tuesday, National Economic Council Chairman Gary Cohn told reporters that he continued to hope action on infrastructure would come this year but that it would "come on the heels of taxes."

A large infrastructure investment program presents two possible challenges for SHPOs.

- An influx of Section 106 reviews that could overwhelm SHPOs.
- "Streamlining of regulations" may circumvent or erode the Section 106 process.

We are working with our historic preservation partners to make sure SHPOs receive adequate funding to deal with an increase in Section 106 reviews. We will also push back on efforts to weaken Section 106 reviews.

We are also working to include a provision in an infrastructure bill that funds SHPO survey and digitization efforts.

Expanding the Federal Role in Permitting and Interior Department Reorganization:

On Monday, in speeches to the National Petroleum Council both Secretary of the Interior Ryan Zinke and Secretary of Energy Rick Perry questioned the role that states play in the permitting process.

"This is not a simple 'yes or no' question," Secretary Perry said, "the idea that the governor of New York can stop a pipeline going across because he thinks that's the political best decision. The issue is, are the people in the state, or are the people on the other side of that state, well served by the political decision of a state ... if the energy resources that can keep their people safe are economically viable? Is America's energy in the domestic United States, in the continental United States, a national security issue?"

While also talking to the Council, which is a Department of Energy advisory council comprised of energy industry executives and energy experts, Secretary Zinke said a "structural" change is needed to ensure that the federal government's permitting process is "more joint in the very beginning." He added that industry encounters requirements from multiple agencies,

hamstringing projects for years. "Within a year, you should know whether that project is worth continuing investment or not," Secretary Zinke said. "But when you have some of these permits that are 15, 16 years, then it becomes a war of attrition."

In the speech, Secretary Zinke also discussed his efforts to implement a major reorganization of the department. "We do have good people" Secretary Zinke said, "but the direction has to be clear and you've got to hold people accountable."

During the speech, the Secretary said there is a government culture that prizes analysis over action. "There's too many ways in the present process for someone who doesn't want to get (a regulatory action) done to put it a holding pattern," Secretary Zinke told the Council. The Council, which is made up of energy company employees, advise the Department of Energy. Although the Secretary declined to provide the full details of the reorganization plan, he mentioned that it is likely to call for moving several agencies, including the Bureau of Reclamation and Bureau of Land Management, to undetermined Western states.

"It's going to be huge," the Secretary said. "I really can't change the culture without changing the structure."

Besides moving employees, Secretary Zinke said he wants to speed up permits for oil drilling, logging and other energy development that now can take years.

"The president wants it yesterday," Secretary Zinke said, referring to permits for energy development. "We have to do it by the law."

Many news stories on the speech focused on Secretary Zinke's statement that one third of the Department of Interior's employees are not loyal to President Trump.

Senator Maria Cantwell (D-WA), who is the top Democrat on the Senate Energy and Natural Resources Committee, which has jurisdiction over the Department of the Interior, criticized Secretary Zinke.

"Secretary Zinke's comments yesterday betray a fundamental misunderstanding of the role of federal civil service," Senator Cantwell said. "Public servants at the Department of the Interior are non-political employees charged with implementing and enforcing laws passed by Congress and have incredible domain expertise in their areas of responsibility. Replacing them with purely political people will not protect our public lands or protect taxpayers from special interest sweetheart deals."

SHPO and THPO Western Regional Meeting

The SHPO and THPO western regional meeting will take place in Boise from October 10th through Oct 12th.

Tuesday October 10, 2017

12:00 PM Registration

1:00 PM – 5:00 PM SHPO Meeting

Meeting for SHPOs and SHPO staff professionals organized with attention to unique program-specific information, updates such as tax credit administration issues, state tax credit programs, and Main Street. These discussions and presentations will provide important information and updates from federal and other preservation partners.

1:00 PM – 5:00 PM THPO Meeting

Meeting for Tribal Historic Preservation Office (THPO) professionals organized with attention to unique historic preservation interests and needs. These discussions and presentations will provide important information and updates from federal and other preservation partners.

Wednesday, October 11, 2017, Joint Meeting of SHPOs and THPOs

8:00 AM Registration/Coffee

8:30 AM - 9:15 AM Introductions and Opening Remarks

9:15 AM - 10:00 AM ACHP Report

10:00 AM - 10:15 AM Break

10:15 AM - 11:15 AM NCSHPO/NATHPO Legislative Updates

11:15 AM - 12:00 PM NPS & HPF Update

12:00 PM - 1:30 PM Lunch on your own

1:30 PM - 3:15 PM Breakout Sessions: (Tentative)

o Archaeology o Data Management/GIS o Bulletin 16 update o SHPO Organizational Structures

3:15 PM - 3:30 PM Break

3:30 PM - 5:00 PM Break Out Sessions (Tentative)

o Mid-Century Main Streets (evaluation and guidance) o NR Landscapes o NAGPRA o State Historic Preservation Plans o Regulatory Reform

5:00 PM Adjourn

Thursday, October 12, 2017, Joint Meeting of SHPOs and THPOs

8:00 AM Registration/Coffee

8:30 AM - 8:45 AM Remarks

8:45 AM - 10:30 AM TCPs & Bulletin 38 Summary

10:30 AM - 10:45 AM Break

10:45 AM - 11:45 AM Partner Panel (NTHP, NAPC, etc.)

11:45 AM - 12:00 PM Closing Remarks

12:00 PM Adjourn

NCSHPO Fall Board Meeting:

The [NCSHPO](#) fall board meeting will take place in Chicago on November 13th. There will be a reception the night before in the restored Art Deco lobby of Chicago's Main Post Office. The board meeting will take place in the Burlington Room of Chicago's Union Station. Originally the Women's Dining Room, this palatial space was hidden for decades by a nest of offices and dropped ceilings until 2016, when Amtrak undertook a sensitive restoration, reviewed under Section 106. Amtrak has allowed us to use this beautiful space free of charge. Our meeting will include a tour of the historic station and its recent restoration projects. On Tuesday November 14th, the day after the board meeting, there will be a tour of historic sites in the Fox River Valley west of Chicago. Following the tour, there will be a reception in what will soon be Illinois' newest NHL, the privately-owned Ford House. We have secured a block of rooms at the Palmer

House Hotel, 17 E. Monroe (1927 by Holabird and Roche). The cost is \$212 per night for a single or double, \$237 for a triple. To reserve online, [click here](#). To reserve by phone, call 877-865-5321, and ask for the NCSHPO or National Conference of State Historic Preservation Officers block. Reservations must be made by 5 PM CST, October 13

SHPO Spotlight: S.C. Homeowner Historic Rehabilitation Tax Credits:

In their monthly newsletter, the South Carolina Department of Archives and History (SCDAH) highlighted the use of the state homeowner historic rehabilitation tax credits to rehabilitate a 1-1/2 story Craftsman Bungalow (built ca. 1920), located within Greenville’s East Park Historic District. Development began in 1908 on the East Park neighborhood, located just a few blocks from Main Street, and was completed in three distinct stages by three different developers to provide a park-centered lifestyle. The neighborhood consists of 147 primarily residential properties and it is an “excellent showcase of how middle and upper classes responded to changes in architectural styles, transportation, social and political issues, increasing population, economic ups and downs, and commercial encroachment...” (National Register Nomination, Page 23). The current owner recently completed a rehabilitation project with the use of the state homeowner historic rehabilitation tax credits. The overall project included repairs to the foundation, energy efficiency upgrades, refinishing of the hardwood floors, and a second-floor addition in the rear. For more information about this program click [here](#). Please open the attachment to see a photograph of the bungalow.

Upcoming Events

Oct. 10-12, 2017— **SHPO and THPO Western Regional Meeting**, Boise, ID.

Oct. 18-21, 2017— **49th Annual Conference of the International Society for Landscapes, Place, & Material Culture: “Mormons, Miners and the American West.”** Salt Lake City, UT. <http://www.pioneeramerica.org/annualmeetingregister.html>

Oct. 20-21, 2017—**Local History and Historic Preservation Conference**, LaCrosse, WI. wisconsinhistory.org/conference

Oct. 29-Nov. 1, 2017 – **Keeping History Above Water**, Annapolis, MD. <http://www.historyabovewater.org/2017-conference/>

Nov. 3-4, 2017— **20th Annual Civil War Symposium**, Columbia, SC. <https://sarchivesandhistoryfoundation.org/category/news-events/>

Nov. 12-14, 2017— **NCSHPO Fall Board Meeting**, Chicago, IL.

Nov. 14-17, 2017 – **2017 PastForward Conference**: Sponsored by the National Trust for Historic Preservation, the conference themes are ReUrbanism, Technology, and Health, Chicago, IL. <https://pastforwardconference.org/pastforward2017/info booth/209609/62328>

Mar. 12-14, 2018 — **NCSHPO Annual Conference**, Washington, DC.

Mar. 15-16, 2018 — **Missouri Conference on History**, Jefferson City, MO. <http://shsmo.org/mch/>

Apr. 18-20, 2018— **Indiana-Preserving Historic Places 2018 Conference**, Columbus, IN.

Apr. 26-28, 2018— **2018 NY Statewide Preservation Conference**, Albany, NY.

June 6-8, 2018— **2018 Arizona Historic Preservation Conference**, Scottsdale, AZ.

[Conference Facebook Page](#)

Please do not hesitate to ask to have upcoming events added to the list. Please send e-mails to monoson@ncshpo.org