

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Anna Palmer Jake Sherman Daniel Lippman
Sent: Wed 7/26/2017 5:04:23 PM
Subject: Playbook Power Briefing, presented by BP: TRUMP says military will 'not accept or allow' transgender troops -- STEVE SCALISE discharged from hospital -- REPEAL AND DELAY vote scheduled for 3:30 -- Budget vote in September

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Today's Playbook Power Briefing presented by BP

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GOOD NEWS -- House Majority Whip Steve Scalise (R-La.) was discharged from the hospital today and will begin "a period of intensive inpatient rehabilitation," according to a statement from MedStar Washington Hospital. **Full statement** <http://bit.ly/2h33j1J>

Good Wednesday afternoon and happy hump day.

DRIVING TODAY -- NON-HEALTH CARE NEWS -- TRANSGENDER INDIVIDUALS BANNED FROM MILITARY SERVICE -- [@realDonaldTrump](https://twitter.com/realDonaldTrump) on Twitter, in three separate tweets: "After consultation with my Generals and military experts, please be advised that the United States Government will not accept or allow Transgender individuals to serve in any capacity in the U.S. Military. Our military must be focused on decisive and overwhelming victory and cannot be burdened with the tremendous medical costs and disruption that transgender [sic] in the military would entail. Thank you". **Story from Louis Nelson** <http://politi.co/2h3gqcQ>

SIREN -- REPUBLICAN LEADERSHIP in the Capitol had no idea this policy change was coming. They did not get a heads up from the White House.

DEFENSE SECRETARY JIM MATTIS is on vacation.

-- **MATTIS** announced a six-month delay on allowing openly transgender individuals from joining the military at the end of last month (**story from Jacqueline Klimas** <http://politi.co/2tYTpsv>).

THE BIG QUESTION: Will Trump kick transgender people out of the military if they are already serving?

ONE CONSERVATIVE HILL REPUBLICAN GCHATS US ABOUT THE WHITE HOUSE -- "I swear their every instinct is wrong."

-- **A 2016 STUDY** from the RAND Corporation, a nonprofit research organization that

gets the majority of its funding from the Defense department, national security agencies and the U.S. military, estimated the "costs of gender transition-related health care treatment are relatively low," increasing costs by "between \$2.4 million and \$8.4 million annually, representing a 0.04- to 0.13-percent increase in active-component health care expenditures." **Key findings** <http://bit.ly/2tZcWcu> ... **Full report** <http://bit.ly/2tYX9dJ>

FROM REPUBLICANS -- @JohnBerman: "JUST NOW: GOP Sen.Richard Shelby responded to new transgender policy. He said (roughly) 'I think everybody should be able to serve.'" ... **@jasonnobleDMR:** "Americans who are qualified and can meet the standards to serve in the military should be afforded that opportunity," **@SenJoniErnst** says." ... **@yashar:** "McCain on trans ban: 'No reason to force service members who are able to fight, to leave military, regardless of their gender identity'"

WHY THIS MATTERS FOR D.C. -- THIS ISSUE is incredibly divisive on Capitol Hill. We saw that last week, when a similar amendment was offered on the House floor, and it failed. **THE GOP "SECURITYBUS" SPENDING BILL** is on the floor, and we hear Democrats are going to try to attach language to it to overturn this ban.

STATEMENT FROM THE PENTAGON: Navy Cpt. Jeff Davis, a DoD spokesman: "We refer all questions about the President's statements to the White House. We will continue to work closely with the White House to address the new guidance provided by the Commander-in-Chief on transgender individuals serving the military. We will provide revised guidance to the Department in the near future."

-- **IN OTHER WORDS:** Ask the guys on Pennsylvania Avenue.

GET SMART FAST -- Quick facts from Jacqueline Klimas, Matt Nussbaum and Connor O'Brien on transgender service members and existing Pentagon policy.
<http://politi.co/2eNvNW9>

***** **A message from BP: We employ more than 14,000 people in the U.S. and support another 130,000 jobs all across the country.** *See how this impacts your community.* *****

FASCINATING COMMENT, from **HOUSE MAJORITY LEADER KEVIN MCCARTHY (R-CALIF.)** about **TRUMP** on David Brody's "Faith Nation" on CBN: "When you give [Trump] all the information, he usually makes the right decision. But sometimes I find some people don't give him the opportunity to give him all the information and steer him in one direction or another." <http://bit.ly/2eO9vDL>

SPOTTED -- EPA Administrator Scott Pruitt, dining at Le Diplomate Tuesday night... again! Reminder: he went there after the U.S. withdrew from the Paris climate accords.

THE NEXT HEALTH CARE VOTES -- THE SENATE will vote at 3:30 p.m. on repeal and delay. It is expected to fail.

CLICKER -- From the Senate Budget Committee: "In order to assist people following the action on the floor this week, the Senate Budget Committee will be posting amendments and floor alerts during the health care debate on our budget blog".
<http://bit.ly/2uZdXFN>

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ON THE HORIZON ON OBAMACARE REPEAL -- From BURGESS EVERETT, JEN HABERKORN and SEUNG MIN KIM: "Now the Senate GOP is aiming for what Health and Human Services Secretary Tom Price called the 'lowest common denominator' as its likely end game: repealing Obamacare's individual and employer mandates as well as its tax on medical devices. Though the contents of that so-called 'skinny repeal' could still change, but those three elements may be all the Senate can pass at this point. Sen. Lindsey Graham (R-S.C.) on Tuesday called the possibility of a skeletal plan a 'political punt,' but it may be that that can clear the narrowly divided chamber.

"**We'll see at the end of the day** what's in it but overall I think I'd support it,' said Sen. Dean Heller of Nevada, the most vulnerable GOP incumbent. He said slashing Obamacare's Medicaid expansion or its growth rate should be a non-starter. At the other end of the GOP spectrum, Sen. Rand Paul (R-Ky.) also signaled he could live with the minimalist approach. ... That would leave out the divisive issues of future cuts to Medicaid spending and efforts to create a new tax credit system for the individual markets. Republicans can only lose two votes on whatever they pass in the end. ...

"**Republicans need a score** on any proposal from the Congressional Budget Office to vote at a 50-vote threshold. They are aiming for a vote on Friday on their final plan after the unlimited amendment process on the 'vote-a-rama,' expected sometime Thursday. In the final bill designed by Republicans at the end of the process, Republicans could try to add in more elements than repealing the mandates and device tax, but that could complicate efforts to get a quick CBO score." <http://politi.co/2eNTldi>

-- **AND ...** Remember how hard it was for the House to figure out something to pass? A negotiation between the House and Senate will be tricky. Then both chambers have to pass whatever comes out of that negotiation.

COMING ATTRACTIONS -- "Republican Study Committee chief: Ryan promises budget vote in September," by Sarah Ferris: "The House GOP budget resolution is finally headed to the floor - just not until September. Republican Study Committee Chairman Mark Walker says he has struck a deal with House Speaker Paul Ryan to revive the fiscal blueprint, in exchange for dropping demands for a full GOP omnibus this week. The legislation, which is crucial to unlocking the Republican plans for a tax overhaul this fall, has been stalled for months amid Republican infighting."
<http://politi.co/2h35yM2>

ELAINA PLOTT in WASHINGTONIAN -- "Eric Cantor: 'If You've Got That Anger Working for You, You're Gonna Let It Be'": "If you hang around Twitter on a day when President Trump does something especially head-turning and Paul Ryan goes especially quiet, you'll likely encounter some quip about how blissful John Boehner must be. ... There's no such narrative around Eric Cantor, the former Republican House majority leader from Richmond who was spectacularly ousted in his 2014 primary by a no-name economics professor. 'There's no denying that he misses all of it,' says Cantor's former deputy chief of staff, John Murray -- a sentiment the ex-congressman himself confirms. When he talks to Boehner, Cantor tells me, Boehner will say something to the effect of 'I am so glad I'm not there dealing with those mm-mm-mms' -- those pesky Freedom Caucus members whom many in the GOP hold responsible for sparking the party's new populist flavor and egging on the anger that led to Trump's election. Not Cantor. 'I never felt like that,' he says. ...

"Cantor is still painstakingly abreast of what's going on in the Capitol, texting often with members such as Kevin McCarthy, his successor, and Patrick McHenry, chief deputy whip, to offer advice and then popping up on cable news to reassure Republicans that the party is just going through 'growing pains.' ...

"Asked if he feels partly responsible for [the Republican party's] current predicament [with struggling to repeal Obamacare], Cantor is unequivocal. 'Oh,' he says, '100 percent.' He goes further: 'To give the impression that if Republicans were in control of the House and Senate, that we could do that when Obama was still in office ...' His voice trails off and he shakes his head. 'I never believed it.'" <http://bit.ly/2h2J6CD>

OTHER TRUMP TWEETS -- @realDonaldTrump at 6:49 a.m.: "The crowd in Ohio was amazing last night - broke all records. We all had a great time in a great State. Will be back soon!" ... **at 7:13 a.m.:** "Senator @lisamurkowski of the Great State of Alaska really let the Republicans, and our country, down yesterday. Too bad!" ... **at 9:48 a.m.:** "Why didn't A.G. Sessions replace Acting FBI Director Andrew McCabe, a Comey friend who was in charge of Clinton investigation but got..." ... **at 9:52 a.m.:** "...big dollars (\$700,000) for his wife's political run from Hillary Clinton and her representatives. Drain the Swamp!"

-- **TRUMP** seems to be referring to money Andrew McCabe's wife Jill got in political contributions from groups linked to Virginia Gov. Terry McAuliffe, who is friends with the Clintons.

REINCE SURVIVAL WATCH -- NYT's Peter Baker, Jeremy Peters, and Rebecca R. Ruiz: "Reince Priebus, the chief of staff, is still on the bubble and said to be looking for a graceful exit of his own." <http://nyti.ms/2eNCMhN>

FOR TRUMP'S WIN BOARD -- "Trump to Announce Apple Supplier Foxconn Opening Wisconsin Plant," by Bloomberg's Justin Sink: "President Donald Trump will announce Wednesday that Foxconn Technology Group plans a new factory in Wisconsin, fulfilling the Taiwanese manufacturing giant's promise to invest in the U.S.

The factory will open in the home district of House Speaker Paul Ryan, a Wisconsin Republican, who personally lobbied Trump and White House chief of staff Reince Priebus to help secure the plant. It's expected to employ about 3,000 people at first and, after an initial \$10 billion investment, the facility is scheduled to expand over a 2 1/2-year period ...

"Foxconn chairman Terry Gou plans to join Trump, Ryan, Wisconsin Governor Scott Walker, and Vice President Mike Pence at the White House to make the announcement. The decision to place the plant in Ryan's southeastern Wisconsin district is a political win for the speaker ... [and] Priebus ... Both were personally involved in securing the factory for Wisconsin. Ryan met with Foxconn executives on June 20 in Washington to pitch them on the state, and three weeks later, held a dinner along with Walker for company officials." <https://bloom.bg/2uZBfuV>

WHAT LANGLEY IS READING -- "Director Pompeo Details How the CIA Is Changing Under President Trump" -- Washington Free Beacon's Bill Gertz: <http://bit.ly/2uC4u4G>

THE HILL'S ANNUAL 50 Most Beautiful list: <http://bit.ly/2uXw674>

WHAT THEY'RE READING AT CRAIG'S -- "Bill Clinton, James Patterson Courting Spielberg, Clooney to Adapt 'President' Book," by the Hollywood Reporter's Rebecca Ford and Kim Masters: "Hollywood will be getting a visit from one of the most high-profile names in politics this week as a battle begins to brew for the film rights to one of the biggest literary properties of the year. Former President Bill Clinton and best-selling author James Patterson will be meeting producers to talk about an adaptation of their novel *The President Is Missing*, due out in June 2018.

"CAA's Richard Lovett is handling the rights to the project, which is being treated as a top-secret property. Sources say a 10-page proposal was sent out to buyers and top producers on Monday. It was sent via an expiring link and watermarked. Not everyone who received the proposal will be invited to have a meeting with Clinton and Patterson, however. Sources say that Clinton and Patterson themselves will meet with interested producers this week. J.J. Abrams, Steven Spielberg and George Clooney are among those who will be taking in-person meetings with the pair. Producer Steve Bing, known to be a close friend of Clinton, is also said to be getting a meeting." <http://bit.ly/2tZ5Zbq>

SPOTTED: Heather Podesta and Joan Nathan at separate tables last night at the Watergate Hotel's Kingbird restaurant at the 50th anniversary dinner celebrating the opening of the hotel and honoring the hotel's former chef Jean-Louis Palladin ... Corey Lewandowski, Jonathan Karl and John Santucci having breakfast at 7:30 a.m. this morning at the Hay Adams ... at the Trump Hotel last night: Anthony Scaramucci, Kellyanne Conway, Corey Lewandowski, and Rep. Peter King (R-N.Y.).

TRANSITIONS -- Lauren Fritts has started as director of WeWork public affairs, based

in the company's HQ on 18th Street in Chelsea. For the past year, she has been consulting for various non profit and media companies and before that spent five years with Chris Christie, including as digital director on his presidential campaign. ... **Mike Godwin** has joined the Niskanen Center as a senior fellow. He was most recently the director of innovation policy at the R Street Institute.

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