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CONGRESS PASSES SPENDING BILL TO AVERT GOVERNMENT SHUTDOWN

On Wednesday, Congress passed a continuing resolution (CR) to fund the government through December 9. With only two days to spare before the end of the fiscal year and a government shutdown, the bill passed with bipartisan support, with a Senate vote of 72-26 and a House vote of 342-85. The CR funds almost all federal agencies and associated programs and projects at fiscal year (FY) 2016 levels and prohibits federal agencies from starting new programs, projects or activities.

Congress has until December 9 to pass the remaining 11 appropriations bills, pass another CR, or pass an omnibus bill. Since there is little support for passing an omnibus bill by members of the House, including the current Speaker of the House, Paul Ryan (R-WI), a more likely alternative may be passing a few bills at a time, called minibuses, that may include three or four spending bills. If Congress does not pass these bills by December 9, it can pass another CR until the end of the year or into next year to allow time for more negotiations. Two significant factors that will impact the likelihood of completing appropriations bills by the end of the year are the outcome of the Presidential elections and which party controls the Senate next year. Some members of Congress may want to push funding decisions until next year if they feel the election outcomes will improve their negotiating positions.

SENATE REPUBLICANS OPPOSE ESTATE VALUATIONS DISCOUNT PROPOSAL

This week 41 Republican senators sent a letter to Treasury Secretary Jacob Lew urging the Administration to withdraw its' proposal to minimize the number of estates that will be eligible for valuation discounts and avoidance of double taxation via the estate, gift or transfer taxes. The use of valuation discounts on family-controlled entities began in 1993 and quickly surged as a popular tool for estate planners. In valuation discounts, the amount assets are worth is reduced. For example, a company may not be particularly marketable or a stake in a company is a minority interest. That allows the assets to fall under the estate tax threshold, which is \$5.45 million for individuals and \$10.9 million for families.

The IRS approach would impact family businesses by assuming that every owner is deemed to have a six month period to sell his or her interest - even where no right actually exists. Under this mechanism, all minority and most lack of marketability discounts will be eliminated or greatly suppressed.

The letter was signed by Senators Orrin Hatch (R-UT), chairman of the Senate Finance Committee, John Thune (R-SD), Pat Roberts (R-KS), John Cornyn (R-TX), Johnny Isakson (R-GA), Chuck Grassley (R-IA), Mike Crapo (R-ID), Dean Heller (R-NV), Roy Blunt (R-MO), John McCain (R-AZ), Steve Daines (R-MT), David Perdue (R-GA), Tom Cotton (R-AR), Susan Collins (R-ME), Cory Gardner (R-CO), Jerry Moran (R-KS), Mike Enzi (R-WY), Marco Rubio (R-FL), Dan Coats (R-IN), Lamar Alexander (R-TN), Richard Shelby (R-AL), John Barrasso (R-WY), Mark Kirk (R-IL), Jim Inhofe (R-OK), Kelly Ayotte (R-NH), Roger Wicker (R-MS), Jim Risch (R-ID), Ted Cruz (R-TX), John Boozman (R-AR), Shelly Moore Capito (R-WV), Mike Rounds (R-SD), Deb Fischer (R-NE), Bob Corker (R-TN), Tim Scott (R-SC), Joni Ernst (R-IA), James Lankford (R-OK), Jeff Flake (R-AZ), Thad Cochran (R-MS), Thom Tillis (R-NC), David Vitter (R-LA), and Ben Sasse (R-NE).

As previously reported, PMAA joined the Family Business Coalition and 118 other signers in a letter to Treasury opposing the proposed regulations. PMAA has also been working with the Family Business Estate Tax Coalition (FBETC) to coordinate an alternative legislative plan to repeal or limit the scope of the regulations once finalized. Recently, Rep. Warren Davidson (R-OH) introduced H.R. 6100, known as the "Protect Family Farms and Businesses Act." The PMAA supported bill would halt the death tax increase, which barring Congressional action could go into effect later this year.

URGE YOUR LAWMAKERS TO CAP THE ETHANOL MANDATE AT 9.7 PERCENT

PMAA asks that you urge your members to cosponsor PMAA supported legislation known as "The Food and Fuel Consumer Protection Act," (H.R. 5180) introduced by Reps. Flores (R-TX), Welch (D-VT), Goodlatte (R-VA) and Costa (D-CA) which would cap the ethanol mandate at 9.7 percent of projected gasoline demand. Since PMAA's Day on the Hill, 117 lawmakers have cosponsored the legislation.

Click [here](http://www.congressweb.com/pmaa/11/) (<http://www.congressweb.com/pmaa/11/>) to urge your House lawmakers to cosponsor the legislation.

HOUSE PASSES BILL TO DELAY OVERTIME RULE

A bill that would delay implementation of the Department of Labor's (DOL) burdensome overtime rule by six months was passed on Wednesday. The bill, introduced by Rep. Tim Walberg (R-MI), passed the House by a vote of 246-177, with 5 democrats voting in support. When speaking about the overtime rule, Rep. Walberg stated that the rule "burdens hard-working small business owners" and "jeopardizes vital services for vulnerable Americans."

On May 17, 2016 the DOL announced a final rule that doubles the minimum salary threshold required to qualify for the Fair Labor Standards Act's ("FLSA") "white collar exemption" to \$47,476 per year (\$913 per week). The current annual

requirement is \$23,660 (\$455 per week). The new salary threshold is scheduled to go into effect on December 1, 2016. Although the bill passed the House, the Senate is unlikely to take up the legislation before the December 1 implementation date. PMAA urges its members to prepare for implementation of the rule as it is currently scheduled.

2017 WPMAEXPO - LAS VEGAS, NEVADA

WPMA EXPO

Mark your calendars for February 21-23, 2017. Make plans now to attend the 2017 WPMAEXPO. It will be held once again at the Mirage in Las Vegas, Nevada.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

December 8, 2016 – Washington (WOMA) Christmas Party – SAFECO Field – Seattle, Washington

February 21-23, 2017 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

March 1, 2017 – Utah (UPMRA) Day on Capitol Hill – Salt Lake City, Utah

May 18-19, 2017– Nevada (NPM&CSA) Big Dogs Shootout – TBD, Nevada

June 6-8, 2017 – Montana (MPMCSA) Convention – Northern Hotel – Billings, Montana

June 19-22, 2017 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

June 22, 2017 – Utah (UPMRA) Summer Classic PAC Golf Outing – TBD, Utah

August 2-4, 2017 – Idaho (IPM&CSA) Convention – Sun Valley Resort – Sun Valley, Idaho

August 21-23, 2017 – New Mexico (NMPMA) Convention – Sandia Resort – Albuquerque, New Mexico

September 13-15, 2017 – Utah (UPMRA) Convention – Zermatt Resort – Midway, Utah

June 18-21, 2018 – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

August 8-10, 2018 – Idaho (IPM&CSA) Convention – Coeur d'Alene Resort – Coeur d'Alene, Idaho

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Petro Pete: “Never test the depth of the water with both feet.”

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