

# White House Candidates on the Issues: Side-by-Side Comparison

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# About The Franklin Partnership

- Bi-partisan Washington, D.C.-based government relations firm
- Provide direct lobbying services on Capitol Hill, White House, Federal Agencies
- Strategic consulting on impact of government actions, politics on clients
- Speak to business, associations about impact of Washington on their operations
- Supply chain risk analysis
- Clients include:
  - Manufacturing companies and associations
  - Defense manufacturers
  - Hospitals, municipalities
  - Consulting, advisory groups



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# Overview and Disclaimers

The following slides represent an assessment of the possible affect of a second Trump term or a Biden administration on federal trade, tax, HR, environmental, and job training policy. The content is based on review of current and previous policy statements made publicly, on the extensive track records of both candidates on these issues, and on discussions with others in Washington and some close to the campaigns and current federal officeholders.

Promises made on the campaign trail do not always translate into policy. This is especially the case for tax, health care, infrastructure and other policy changes that would require Congress to pass bills in both the House and Senate. Senate Republicans maintaining control in the upper chamber versus Democrats taking power is a critical variable especially in a Biden administration that will alter outcomes.

The following is intended to help provide insight into possible outcomes and assist with anticipating different scenarios.

# Trump vs. Biden: Trade

Issue	Trump Administration II	Biden Administration
China 7.5% / 25% Tariffs	Remain in place through 2022	Remain in place at least through 2021
25% Steel Tariffs / 10% Aluminum Tariffs	Remain in place	Lifted in 2021 on allies (EU, Japan, etc.)
Auto, parts tariffs	Threat remains in place	No broad Section 232 auto tariffs
Boeing-Airbus Dispute	Tariffs remain until EU deal	Dispute resolved; Tariffs lifted in 2021
EU and France Digital Services Tax 301 Tariffs	If no deal, tariffs imposed	No tariffs, attempt to establish OECD global corporate minimum tax
Trade Agreements	Negotiations with UK, EU, Kenya, Japan mini-deal II	New trade agreements unlikely in 2021; AGOA, Caribbean Basin action possible (if not done in 2020)
Sanctions on China, Export Controls	Yes, to force supply line changes, protect technology	Yes, to pressure on human rights, protect technology
Supply Chains	Sanctions, tariffs to force companies to leave China	Higher taxes on offshoring, incentives for onshoring (taxes need Congressional)
Rare Earth Elements	Tariffs on imports; Increase domestic mining	Develop partnerships with trusted allies

# Trump vs. Biden: Taxes

*Note: Major changes to tax rates or policy require Congress to pass a bill with 51 or 60 Senate votes*

Issue	Trump Administration II	Biden Administration
21% C-Corporation Rate	No Change	Campaign says 28%; if Congress has votes to act, could see increase up to 28% (25% possible)
37% top individual rate	No change until 2025	If Democrats control House, Senate, top rate 39.6% returns for highest earners
Individual Tax Rates	If GOP holds Senate, could realign brackets for middle class cut	If Democrats control House, Senate, increase number of brackets
199A 20% QBI Deduction	On schedule to end Dec. 31, 2025	Narrow eligibility for high earners <u>and</u> high wealth; Phase out for high earners
Payroll Tax	Will seek a holiday for 2020, Congress would have to pass a bill	Impose a Social Security surcharge tax on higher earners
Net Operating Loss	No Change	Narrow CARES Act, limit which years
Capital Gains	Attempts to index to inflation	Treats as ordinary income for top earners
Itemized Deductions	Increase standard deduction	Cap deductions at 28% for high earners
Estate Tax	On schedule to revert Dec. 31, 2025	Lower exemption level from \$11.58m to \$5.49m

# Trump vs. Biden: Environmental Regulations

*Please note many environmental regulations are subject to court review, often reversal*

Issue	Trump Administration II	Biden Administration
Expedite Environmental Review Process for Infrastructure Projects – NEPA	Continue expedited process to limit time to review projects prior to approval	Maintain lengthier review with additional factors for consideration
Cost-Benefit Analysis	Limit non-economic factors during rulemaking	Include social cost of carbon, public health impact in rulemaking
Ground Level Ozone – NAAQS	Maintain current 70ppb levels	Possibly lower to 65ppb
Particulate Matter 2.5 Level – NAAQS	Maintain current levels	Lower permissible 8 hour limit
Auto emissions	1.5% annual increase	Up to 5% annual increase; State rights
Heavy Duty Truck Emissions – NOx	Tighter standards expected	Likely aligns with California standards
Power Plant Regulations	Regulate “inside-the-fenceline”	Revert to Obama secondary impact policy
Scientific Review Panels	Continue limiting studies, make reviews public	Rely on science panels; Results, reviewers often not fully made public
Waters of the U.S.	Continue to limit EPA jurisdiction	Revert to Obama policy, expand EPA power

# Trump vs. Biden: Human Resources Policy

Issue	Trump Administration II	Biden Administration
Federal Minimum Wage	Slight increase possible	Increase possible depending on Congress
Increase Overtime Threshold	No change for 2-3 years	Regular increases through regulatory changes
FMLA Expansion of Paid Leave	Some expansion likely	Yes for employee and dependents
EEOC Reporting	Fights Court Orders to release detailed EEOC data	Seeks to expand data reported, released
Union organizing votes	Restrictions expand	Revert to Obama-era policies – short term voting, harder to decertify, easier to organize
Affordable Care Act	Focus on Rx pricing	Revert to original Obamacare, expand coverage options, lower Rx pricing
Marijuana Legalization	No new guidance for employers, need DoJ to go along	Indicated no change for now, less federal enforcement
OSHA Inspections	Continue to increase, try to cooperate with businesses	Emphasis returns to pre-COVID PPE (hearing, inhalation, heat exposure requirements)
State Regulations	Significantly Accelerate on their own	Coordinate with federal government

# Trump vs. Biden: Job Training

*Note: Significant policy changes require Congress to pass a bill with 60 Senate votes*

Issue	Trump Administration II	Biden Administration
Higher Education Act	Passes Congress if no vote in 2020	Passes Congress if no vote in 2020
National Apprenticeship Act	Battle with Congress over IRAPs	Bill passes by end of 2022
Industry Recognized Apprenticeship Program (IRAP)	Continue Standards Recognition Entity (SRE) certifications	Pause/cancel IRAP program or make significant changes to audit standards
Job Training Funding/Grants	President's Budget will continue to cut funding but will sign increased spending bills	Increased funding for MEPs, TAA, WIOA, CTE, minority/women/youth training grants; focus on unions
College Transparency Data	Continue to publish data	More interested in access to college
Community Colleges	Continue to emphasize public-private partnerships	Increased role for community colleges in training and preparing students for work
Industry Partnerships	Continue to emphasize public-private partnerships	Emphasize industry, association should partner with unions
Work-based Learning	Expand opportunities	Include livable wage requirement
K-12 Curriculum	Continue business involvement	Focus on broadband access/learning tools



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