

**What's Happening in Washington**

February 17, 2017

Welcome to the first edition of Cobham & Congress, your bi-monthly update on what's happening in Washington, from the Cobham Government Relations (GR) Team. We look forward to keeping you up-to-date on political and policy activity relevant to our business.

Since the start of the 115th Congress and Trump Administration, the GR team has hit the ground running, establishing priorities for FY 18, and meeting with over 15 members of Congress and their staffs, and several industry partners, to advocate for our company. Some highlights include meeting with Rep. Higgins' (NY-26) Chief of Staff to discuss Orchard Park's priorities, talking to Sen. Moran (KS) about the FAA challenges facing our business, and hosting a meeting with Rep. Kuster (NH-2), to talk about our Exeter facility.

As far as a national budget is concerned, the defense industry remains in a holding pattern waiting for further information from Congress and the Administration. However, there have been plenty of ideas floated around both conferences about how to address defense spending going forward without coalescence around one particular plan (Omnibus, Continuing Resolution).

In mid-January, Senate Armed Services Committee Chairman, John McCain, issued a white paper which called for a five-year \$430 billion increase in defense spending. For Fiscal Year 2018, the recommended spending level for the defense base budget would be \$640 billion. That figure is \$54 billion above what the Obama administration had planned in its last five-year defense plan and does not include an additional \$60 billion for Overseas Contingency Operations. The proposed FY18 funding would be \$91.4 billion above the current Budget Control Act (BCA) caps. The Trump administration has stated they intend to draft an emergency defense supplemental for FY2017 with a target of at least \$18 billion, which will likely be submitted by March 1st. All services have revised their unfunded requirements documents in light of this news. It is thought that most of the funding that was stripped from the final FY2017 National Defense Authorization Act will be funded through the supplemental. However, adding funding to build President Trump's wall on the Mexican- American border might delay or derail passage of the defense supplemental.

Beyond the supplemental, the appropriations committees must also finalize their spending bills for FY2017. The current continuing resolution expires on April 28, 2017, though neither party seems to know the likely outcome of the FY2017 bill process. Some have indicated a year-long CR and others have said that the defense bill will get a separate vote and that the rest of the 11 appropriation bills will be on a full year CR. House Armed Services Chairman Mac Thornberry stated yesterday that he doesn't expect lawmakers will support a continuing spending resolution to fund the Pentagon through the remainder of the year.

While President Trump has largely put in place his Cabinet and top Senior Officials, albeit at a historically slow pace, upset came less than a month into the Administration with the resignation of National Security Advisor Michael Flynn this week, due to scandal over his Russian contacts. Some of President Trump's confirmed Cabinet Secretaries include Defense Secretary Jim Mattis, VA Secretary David Shulkin, Department of State Secretary Rex Tillerson, Homeland Security Secretary John Kelly, Treasury Secretary Steven Mnuchin, HHS Secretary Tom Price, Education Secretary Betsy DeVos, Transportation Secretary Elaine Chao, Attorney General Jeff Sessions, and CIA Director Mike Pompeo.

**PAC Board Spotlight ~ Mike Barbero**



Mike Barbero is the Senior Vice President of Washington Operations and Government Relations and serves as the Chairman of the Board of Cobham PAC. He has been with Cobham and a part of the government relations team for 9 years. Mike has the privilege of representing Cobham when interacting with Members of Congress, their staffs, and the Administration, to keep them well informed on Cobham's initiatives, so we can have a partnered approach to our business growth.

According to Mike "the Appropriations Clause in the Constitution is the cornerstone of Congress's "power of the purse." It assigns to Congress the role of final arbiter of the use of public funds. With that, I believe it is important that Cobham and the employees of Cobham have a say in how those public funds are expended with respect to Cobham's business. Cobham PAC provides direct opportunities for the Government Relations team to engage those members of Congress whose interest aligns with those of Cobham and our technologies and capabilities. Congress has a vote on the budget and we need to be able to discuss those areas that affect our business."

To Mike, the greatest part of being a PAC member is taking advantage of the PAC Match Program. "Over the years, I have used my company match to support causes that are important to me, like Blackhorse Association's scholarship fund for the children of 11<sup>th</sup> ACR soldiers, and Donors Chose, helping to procure iPads for my daughter's third grade students. I also really enjoy seeing the wide range of non-profits our members give to every year, and the impact they have on their respective communities." In his spare time, you will find Mike out on the golf course, enjoying scotch and cigars, and playing with his Labs.

## Upcoming Events/Announcements

On Monday, we published the [2016 Cobham PAC Recap](#). Because of our members, we raised \$113,468.73 in receipts in 2016, and were able to give \$128,500 to federal candidates supportive of Cobham and the defense industry. We gained 24 new members, and were able to donate over \$109,000 to 100+ unique charities on behalf of our members, through our PAC Match Program.

Be on the lookout for the [Cobham PAC website](#) fresh-face update! For more information about COBHAM PAC, go to [www.cobhampac.net](http://www.cobhampac.net) and use your company email and password "cobhampac" to learn about how to join.

## On this Day in History ~ February 17

1782 - The American-allied French navy began a 14-month-long series of five battles with the British navy in the Indian Ocean.

1801 - The U.S. House of Representatives broke an electoral tie between Thomas Jefferson and Aaron Burr. Thomas Jefferson was elected president and Aaron Burr became the Vice President.

1878 - In San Francisco, CA, the first large city telephone exchange opened. It had only 18 phones.

1934 - The first high school automobile driver's education course was introduced in State College, PA.

1964 - The U.S. Supreme Court ruled that congressional districts within each state had to be approximately equal in population (Westberry v. Sanders).

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