



## Washington Update

Jacoby Lawrence
Capitol Hill Partners

November 21, 2024

### Washington Update







118<sup>th</sup> Congress Lame Duck 119<sup>th</sup> Congress



FY 25 Funding



Legislation

### A Decisive Trump Victory

- 312 to 225 electoral college victory
- Trump won all 7 swing states
- All but 2 of the 50 states Washington and Utah went more heavily for Trump in 2024 than in 2020.
- The biggest shift to the right since Ronald Reagan's 1980 election.



### A Decisive Trump Victory

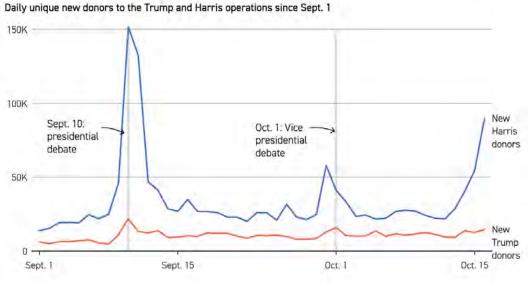
- Trump won the popular vote by nearly 3 million votes
  - Trump's first popular vote win.
  - The first Republican in 20 years to win the popular vote since George W. Bush in 2004.
- The first President in over 120 years, since Grover Cleveland, to be elected in nonconsecutive terms
- "This will truly be the Golden Age of America"
   -Donald J. Trump
   November 6, 2024



#### A Decisive Trump Victory – Despite Fewer Donors

- Harris/Biden donors: Over 7 million
- Trump 2024 donors: Over 3 million

#### The donor gap has continued to grow in Harris' favor as the election has neared

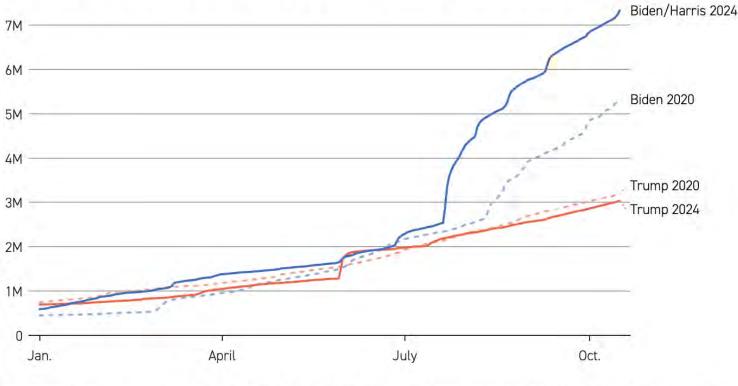


Note: New donors include people who made their first donation to the Harris or Trump campaigns or any of their affiliated joint fundraising committees.

Source: POLITICO analysis of FEC da Jessica Piper/POLITICO

#### Trump's donors have lagged 2020; Harris has exceeded Biden

Total Trump, Harris and Biden donors, including to campaign and joint fundraising committees, over 2020 and 2024



Note: Time period displayed begins Jan. 1 of each election year, but unique donor totals date back to the start of each campaign. Donors date of acquisition based on their first donation to any of the candidates' campaign committees or affiliated joint fundraising committees.

Source: POLITICO analysis of FEC data

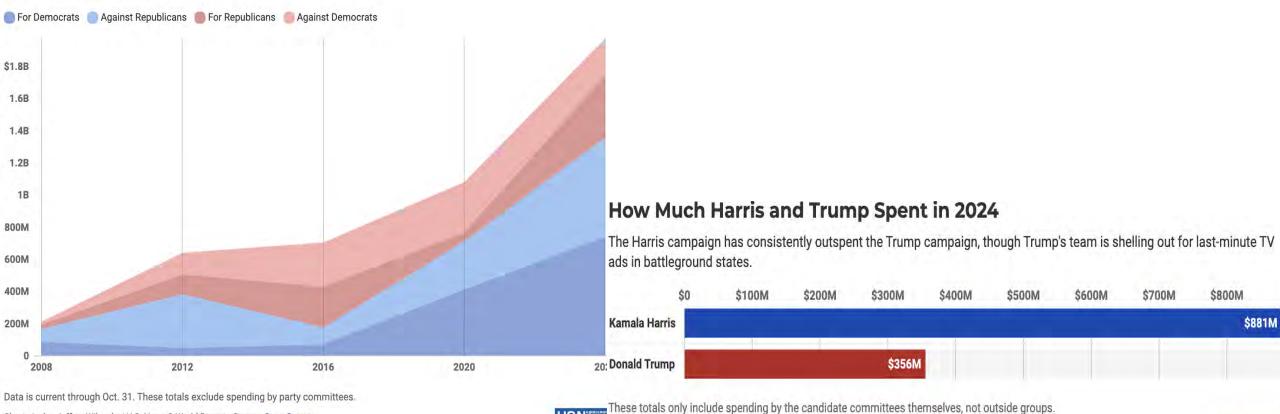
Jessica Piper/POLITICO

## A Decisive Trump Victory – Despite Less Campaign & Outside Spending

#### **How Outside Spending Has Changed in Presidential Elections**

Chart: Jaclyn Jeffrey-Wilensky | U.S. News & World Report • Source: Open Secrets

Super PACs, nonprofits and other political operatives are spending more than ever to promote their chosen candidates (and denigrate their opponents).

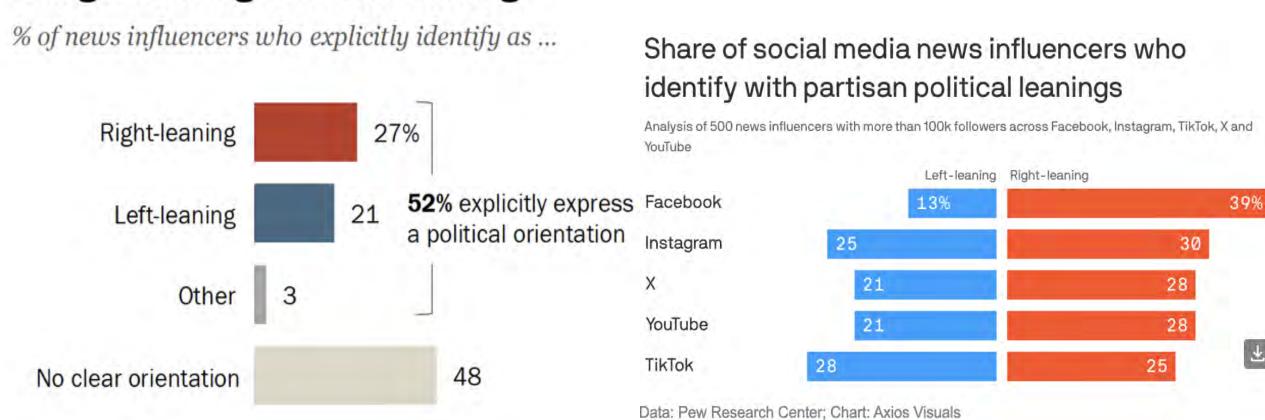


Chart; Jaclyn Jeffrey-Wilensky | U.S. News & World Report • Source; Federal Election Commission

**USNews** 

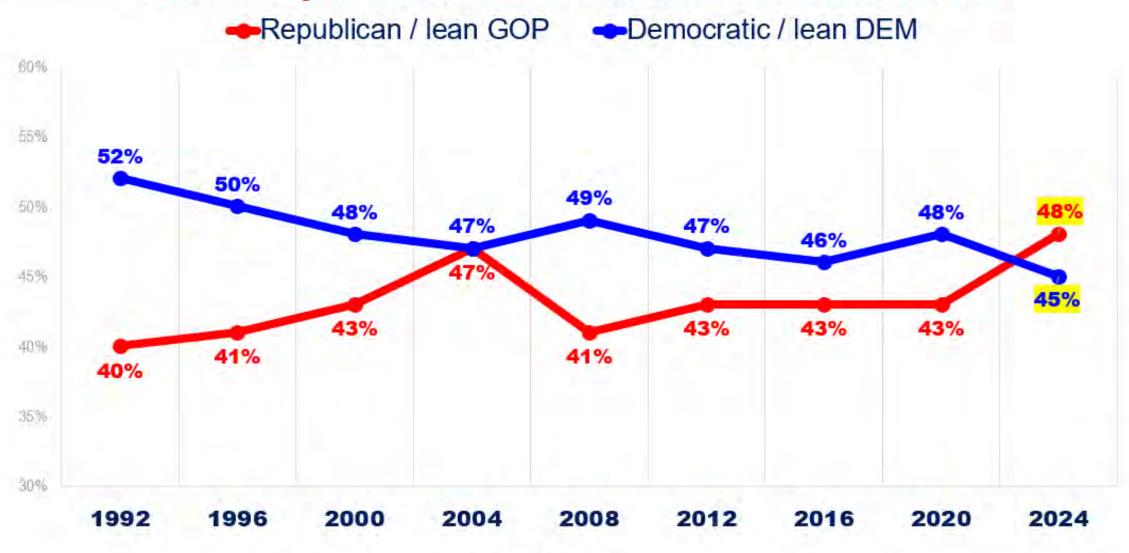
#### Though Social Media News Influencers Lean Conservative

## More news influencers explicitly identify as right-leaning than left-leaning



#### MORE VOTERS NOW IDENTIFY / LEAN REPUBLICAN

#### Voter Party ID in the 3rd Quarter of Each Election Year



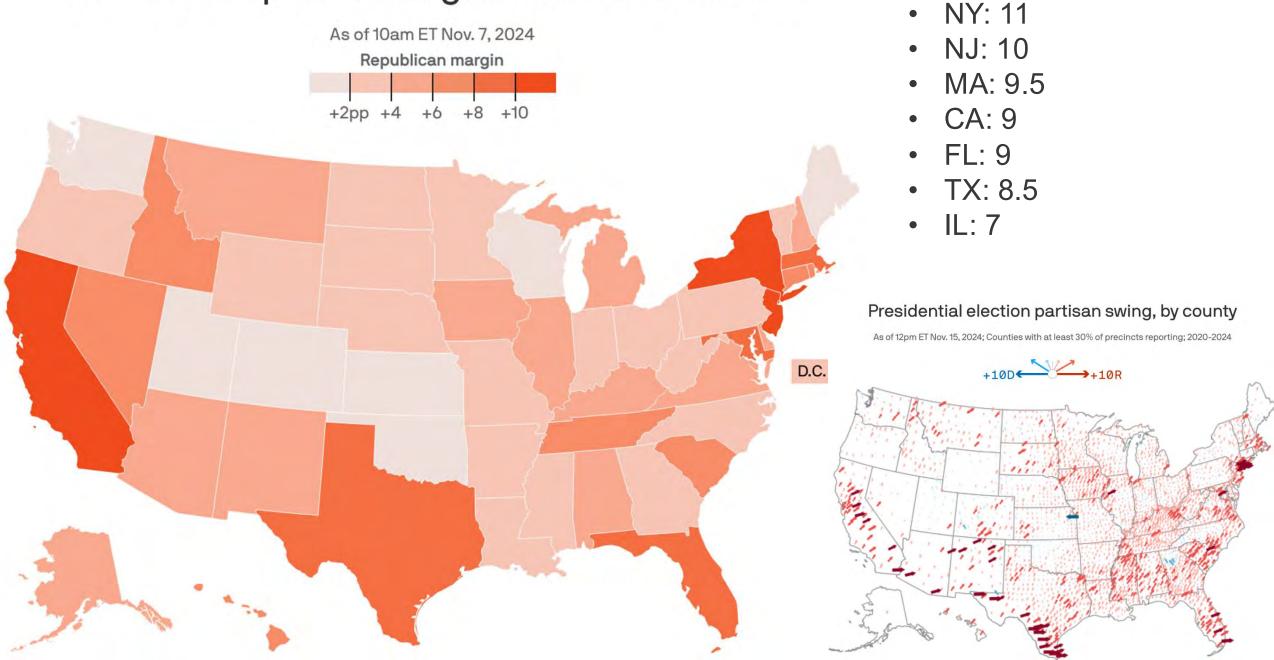
MEHLMAN

Source: Gallup per WSJ, Zitner

## 6-point Net Swing in Margin to Trump from 2020

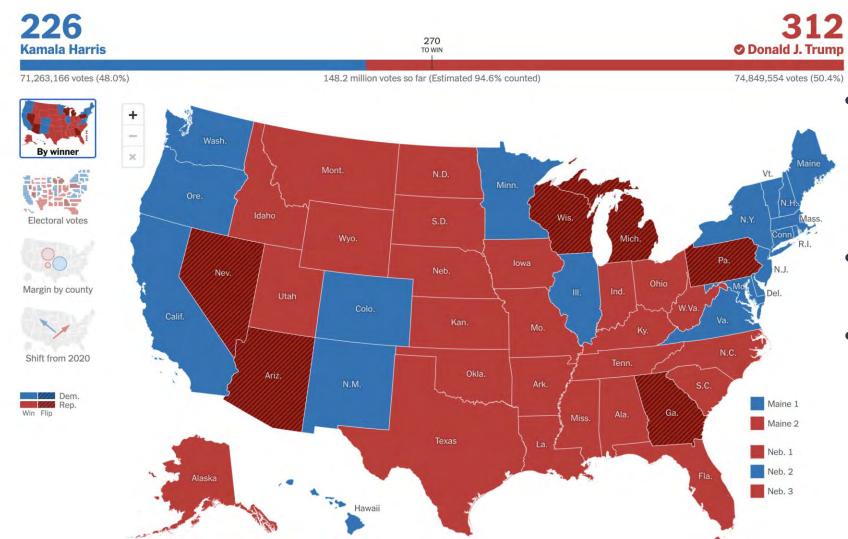
Trump	1.5-2
Biden	4.5
Trump	-2
Obama	3.7
Obama	7.2
Bush	2.4
Bush	-0.5
Clinton	8.5
Clinton	5.6
Bush	7.8
Reagan	18.2
Reagan	9.7

#### Shift in Trump vote margin from 2020 to 2024



Shifts towards Trump

### Trump Won All 7 Swing States



Swing states tend to break in one direction, and 2024 was no exception

In 2016, Trump won 6 of 7

In 2020, Biden also won 6 of 7

## 7 Swing State Margins

#### Raw vote margins in swing states

Wisconsin: 29,687\*

Nevada: 46,195

Pennsylvania: 80,306\*

Georgia: 115,550

Michigan: 127,522\*

Arizona: 185,795

North Carolina: 189,550

7 swing states Margins

Arizona: 5.7pts

Georgia: 2.2pts

Michigan: 1.4pts

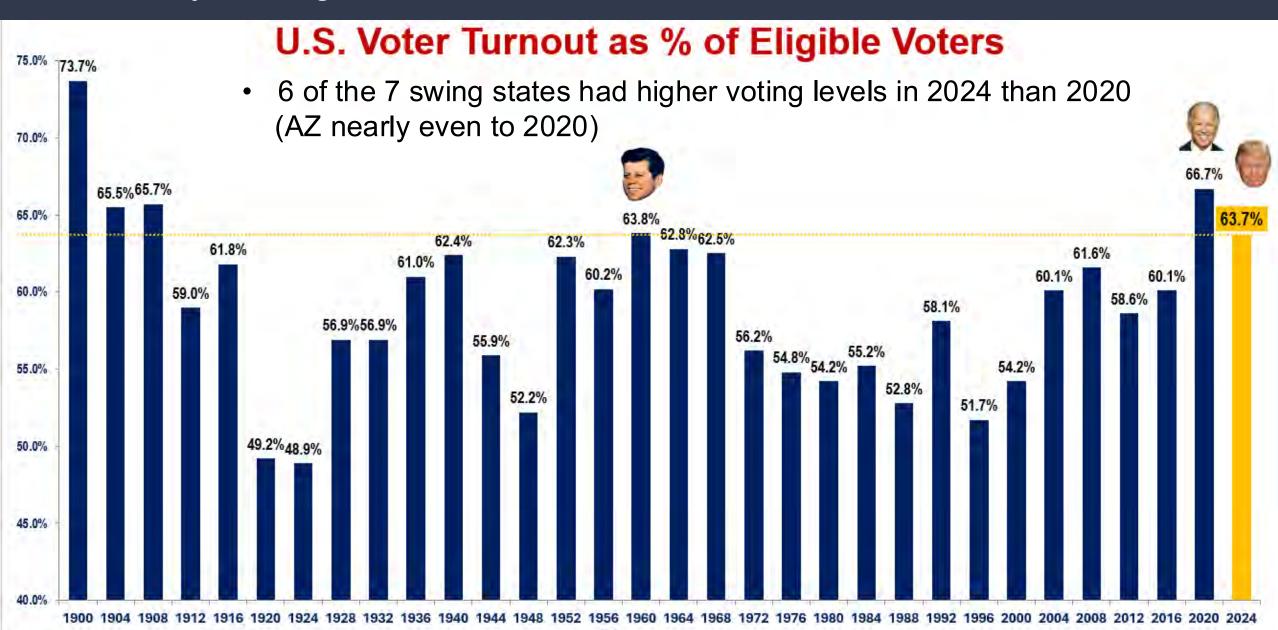
Nevada: 3.1pts

North Carolina: 3.4pts

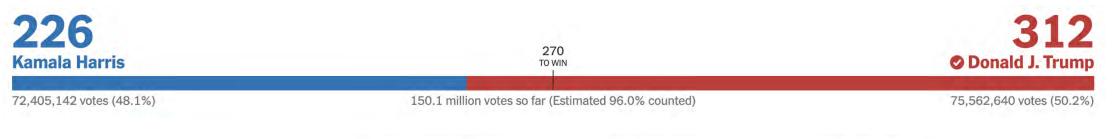
Pennsylvania: 1.9pts

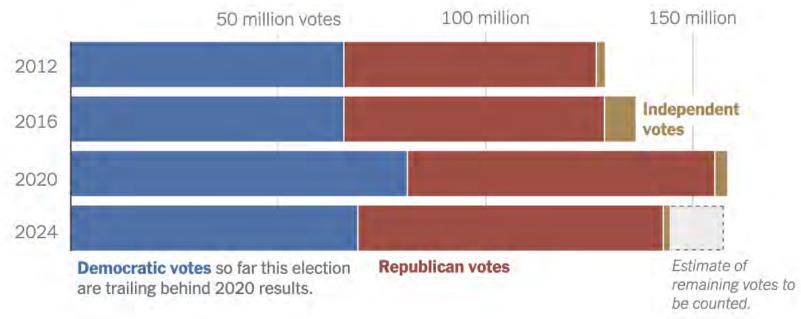
Wisconsin: 0.86pts

#### 2024 Likely 2<sup>nd</sup> Highest Turnout Since 1908



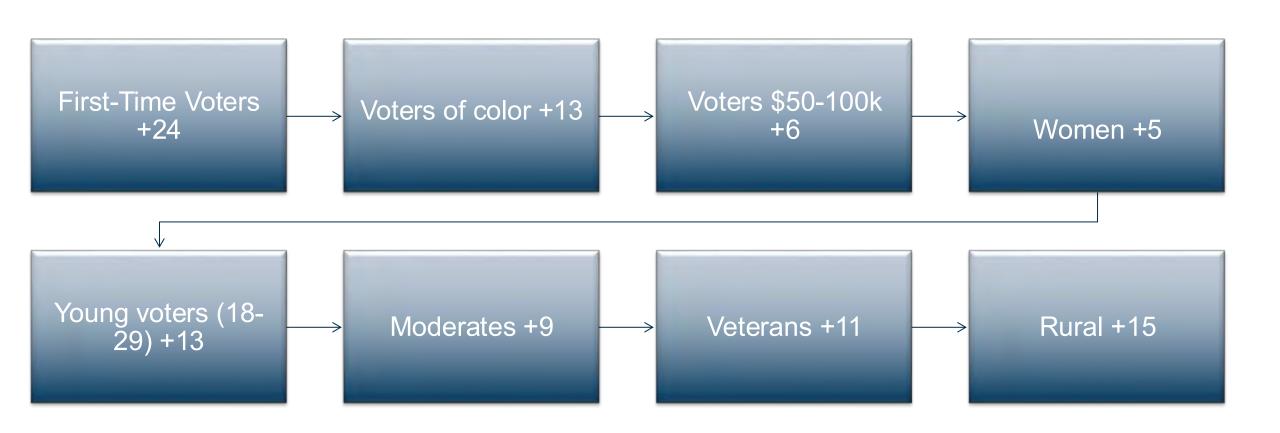
## Trump: 3 million more votes compared to 2020 Harris: 6 million fewer votes compared to Biden



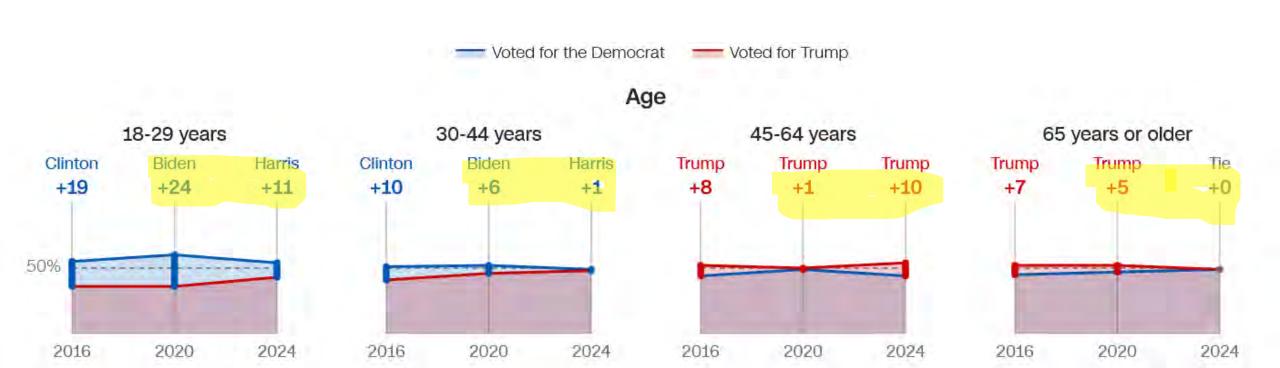


Note: Vote counts for 2024 as of Nov. 8. Sources: Federal Election Commission; The Associated Press. By The New York Times

## Trump Won Across the Board – Improvement vs. His 2020 Margin

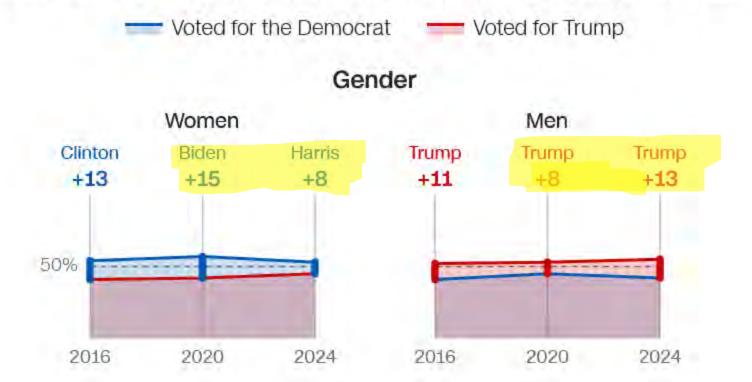


#### Age – Voters 18-64 Shift Toward Trump, Seniors Toward Harris



#### Gender - Trump Made Significant Gains with Both Men and Women

#### Women lean toward Harris, and men lean toward Trump



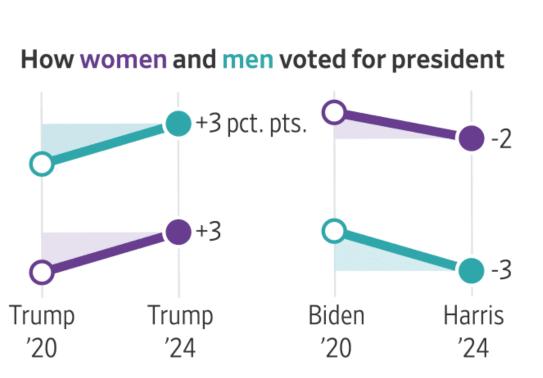
- Harris won women by 8-10pts
- Biden won women by 11-15pts in 2020
- Hillary Clinton won women by 13-15pts in 2016

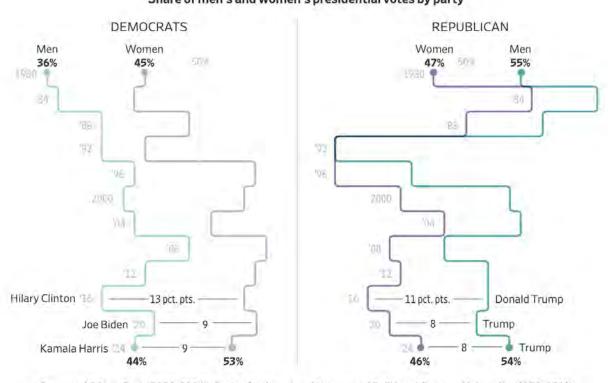
## Gender Gap Remained the Same Men and Women's Trendlines Did Not Differ in 2024

#### The Election Gender Gap Was Expected to Be Huge but Was Unremarkable

Age and educational status played a larger role in party divisions

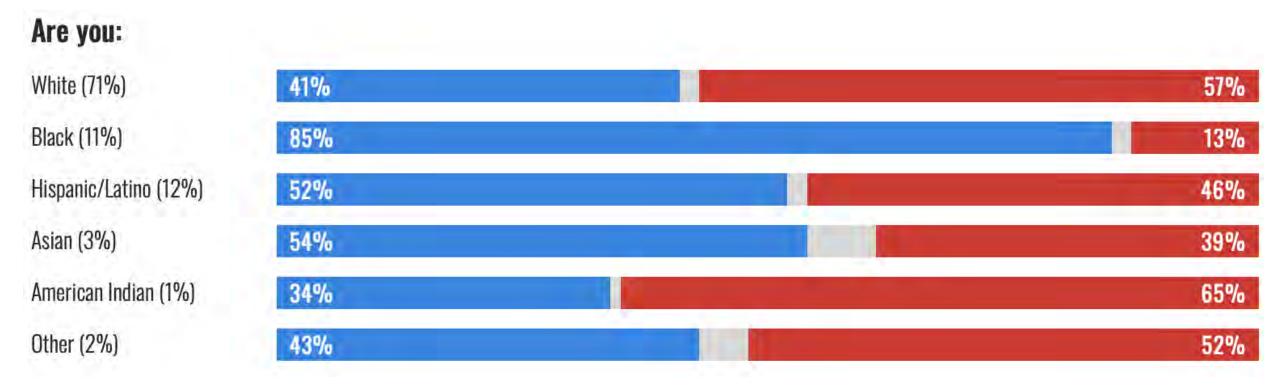
#### Share of men's and women's presidential votes by party



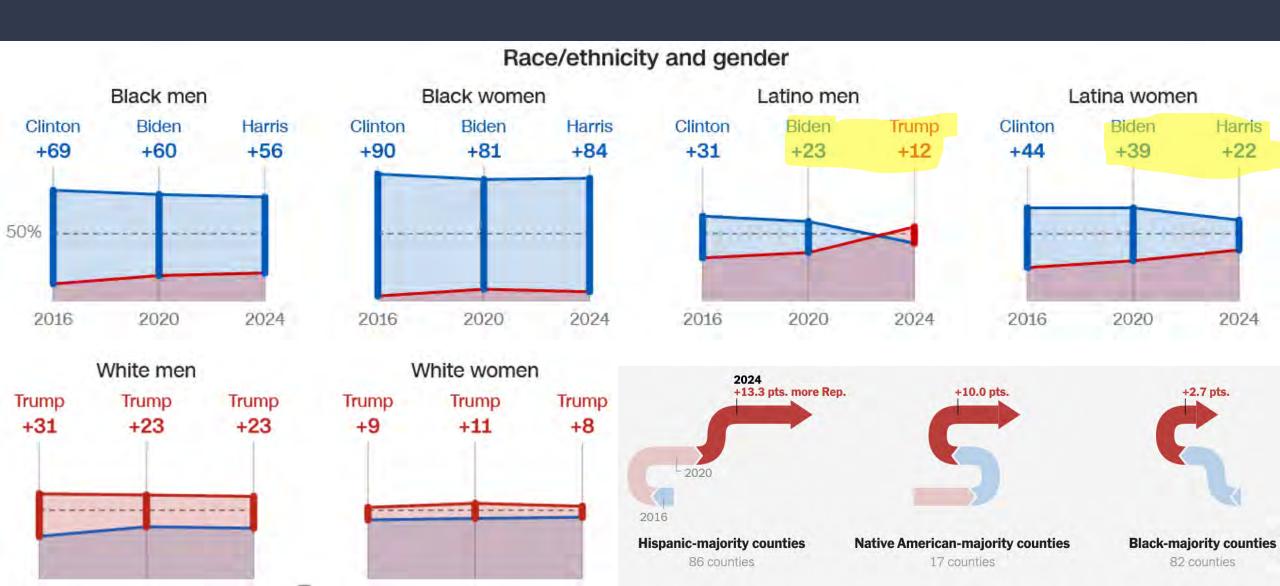


Sources: AP VoteCast (2020-2024); Center for American Women and Politics at Rutgers University (1980-2016)

### Race and Ethnicity

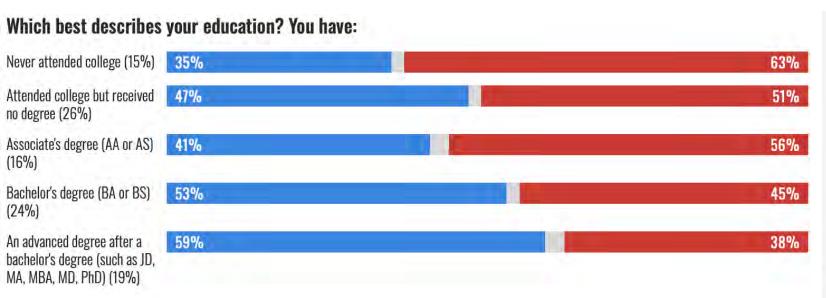


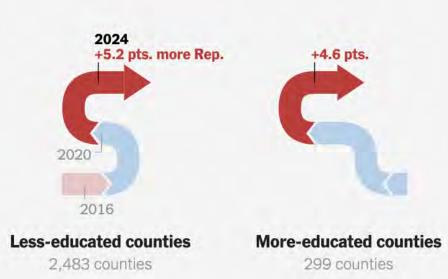
#### Race and Ethnicity – Hispanic/Latino Shift Toward Trump



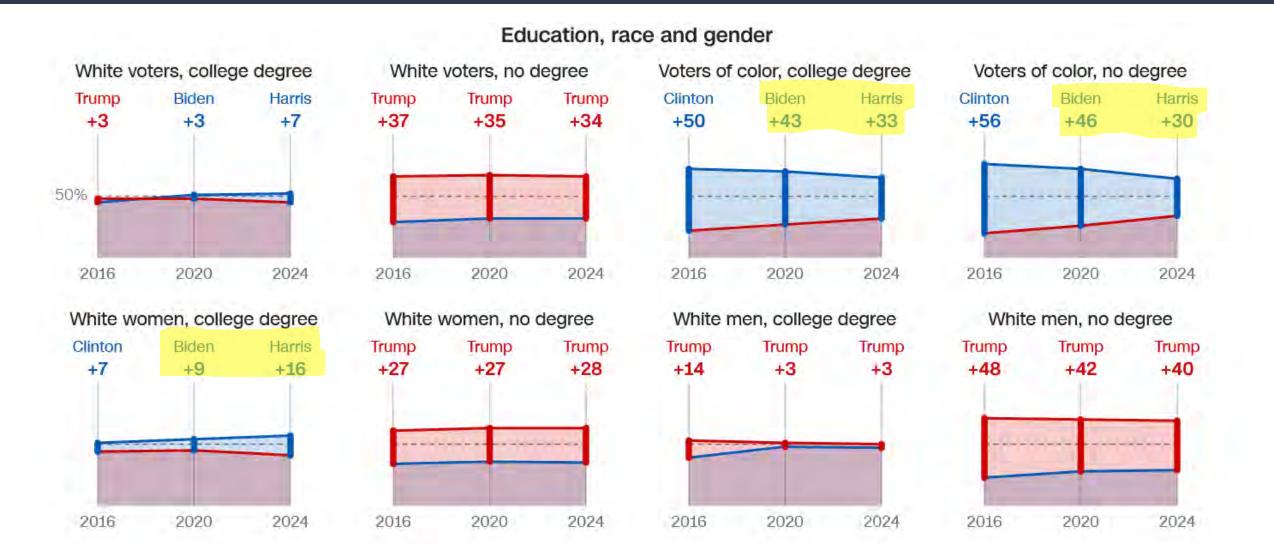
#### Education – Trump Won Voters Without A Four-Year Degree

 Harris won college-educated voters by 10 percentage points, 1 point better than Biden's showing in 2020

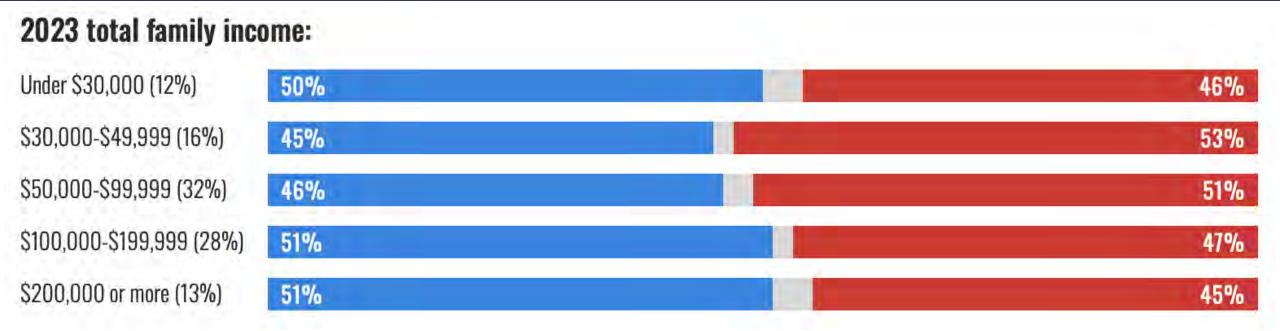




#### Education – Race and Gender



#### Income – Trump Wins \$30-99k, Harris Under and Above



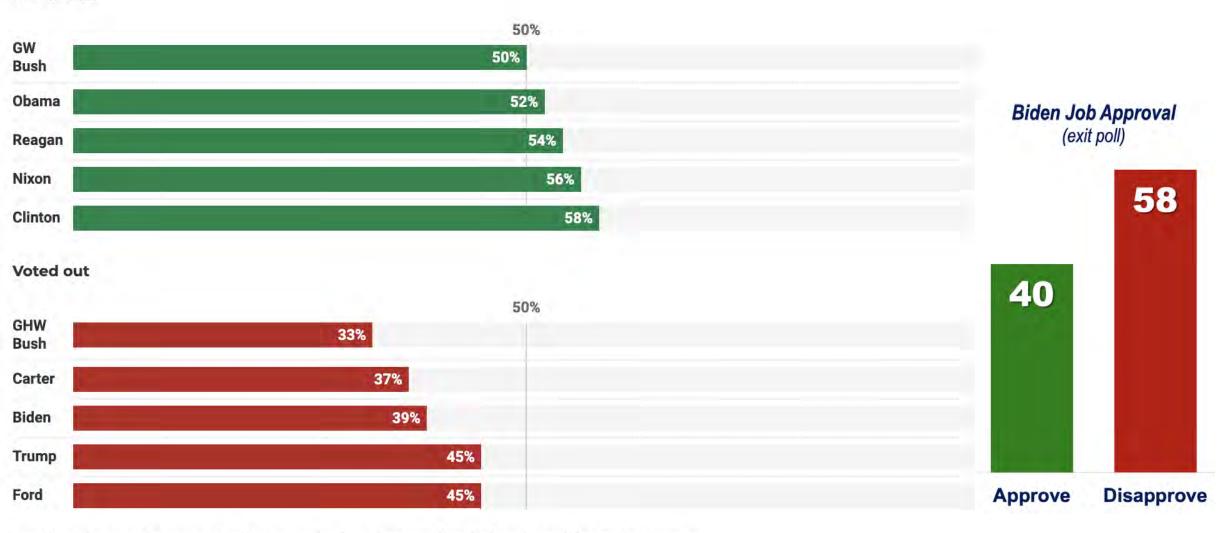
## Key Factors that Propelled Trump to Victory Anti-Incumbency – A Desire for Change

- Incumbent presidents with low public-approval ratings almost never win reelection.
  - Jimmy Carter in 1980
  - George H. W. Bush in 1992
  - Trump himself in 2020
- Party in power loses even when its unpopular president isn't running.
  - Harry Truman in 1952
  - Lyndon B. Johnson in 1968
  - George W. Bush in 2008

#### **Higher Approval, Higher Chance Of Winning**

Since Nixon, every president with an approval rating higher than 50% has won a second term. Biden's approval, meanwhile, was at 39%.





Presidential approval measured by Gallup on the date closest to Oct. 1 of each candidate's election year. Chart: Louis Jacobson, Jaclyn Jeffrey-Wilensky | U.S. News & World Report + Source: Gallup

## A Change Election – Trump was the Candidate Who Offered Change



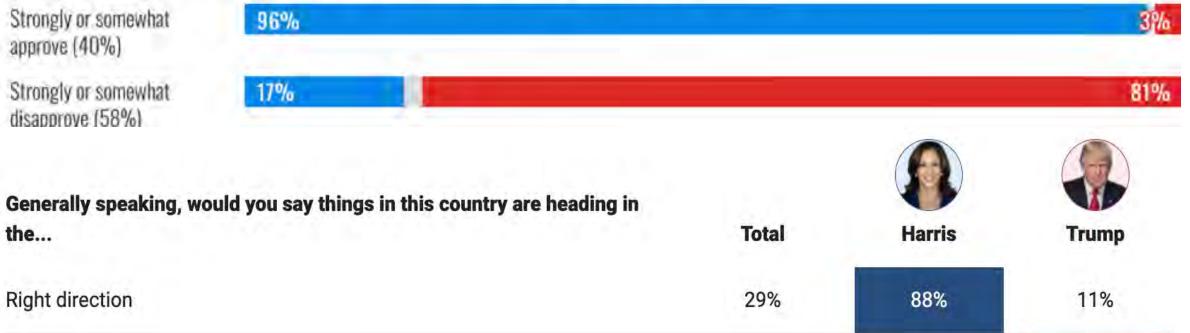
- 9th election out of the last 10 when the country voted for change.
- 73% of voters thought that Trump was more likely to bring about needed change in our country compared to only 25% for Harris.

## A Change Election

The first presidential election since 1976 without a Bush, Clinton, or Biden on either ticket.

### Biden's Unpopularity Hurt Harris

## How do you feel about the way Joe Biden is handling his job as president?



70%

32%

66%

Sample: 120,033 Respondents

Wrong direction

#### Harris Failed to Differentiate Herself from Biden

The View co-host Sunny Hostin: "If anything, would you have done something differently than President Biden, during the past four years?"

Harris: "There is not a thing that comes to mind.."

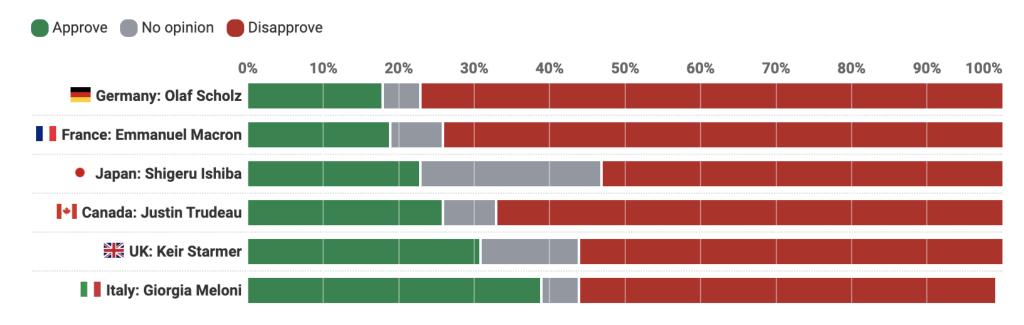


#### Incumbency Disadvantage – A Desire for Change

 Incumbent parties have lost ground, or lost power altogether, in 10 major democracies that held elections in 2024.

#### **Low Approval Goes International**

No leader of the other six G7 nations has an approval rating better than 40%.



#### Voters Wanted Substantial Change/Complete and Total Upheaval



Sample: 32,406 Respondents

### 2024 Voter Analysis – Most Important Issues

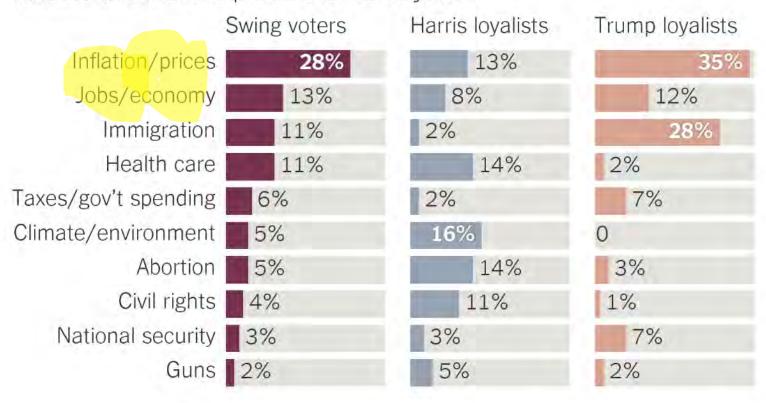
Which one of the following would you say is the most important issue facing the country?	Total	Harris	Trump
The economy and jobs	39%	37%	61%
Health care	8%	79%	19%
Immigration	21%	10%	89%
Abortion	11%	85%	15%
Most important issue			

22,914 total respondents

	Foreign policy	Abortion E	Economy	Immigration	Democracy	
	4%	14%	32%	11%	34%	
<ul><li>Harris</li></ul>	37%	74%	19%	9%	80%	
<ul><li>Trump</li></ul>	57%	25%	80%	90%	18%	

#### 2024 Voter Analysis – Most Important Issues

What is the most important issue to you?

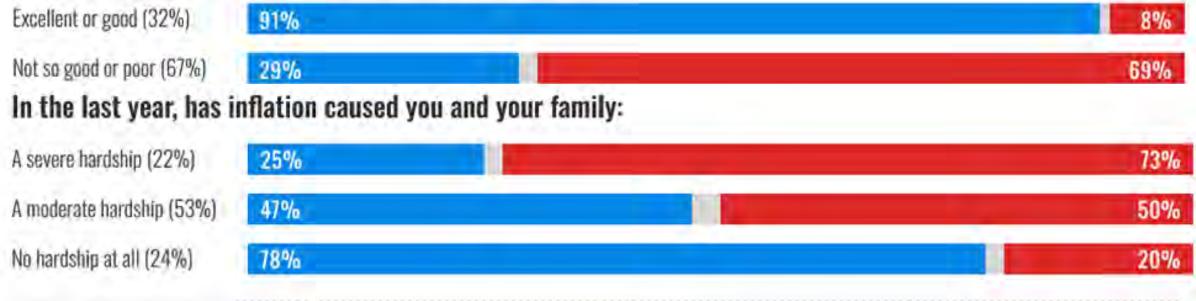


Shows all answers given by at least 3 percent of registered voters

By The New York Times | Source: Economist/YouGov nationwide polls, Aug. 2024

# Two thirds Believe the Economy is in Poor Shape Three Quarters Feel Impacted by Inflation this Past Year More Voters Trust Trump on the Economy

## Do you think the condition of the nation's economy is:

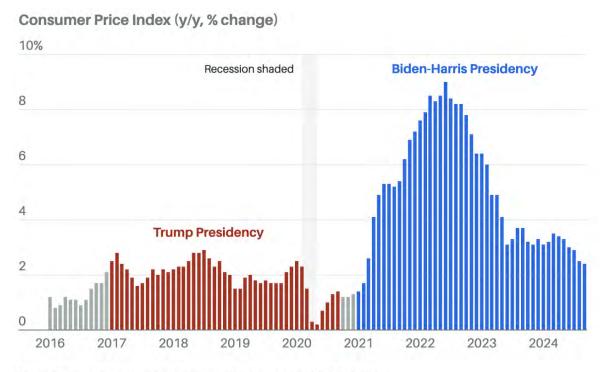


#### Who do you trust more to handle the economy?

Kamala Harris (46%)	98%	1%
Donald Trump (52%)	5%	93%

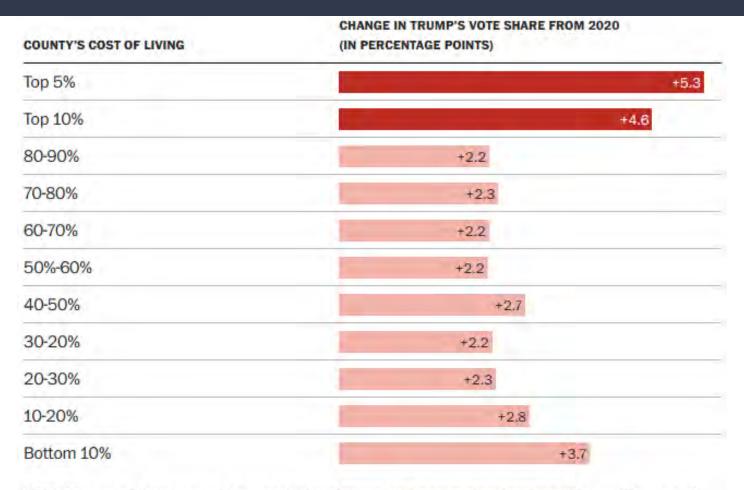
#### Inflation Affects Everyone

"Even in a recession, only a small share of the population finds themselves unemployed, whereas in an inflationary episode, everyone experiences the frustration of higher prices." - Axios



Note: Seasonally adjusted. Comparable time spans highlighted. Source: Bureau of Labor Statistics

#### Counties with the Highest Cost of Living Shifted Most Toward Trump



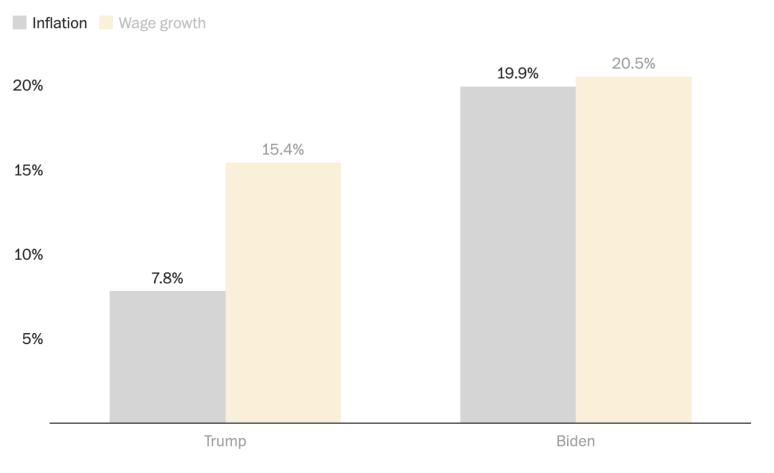
NOTE: The cost-of-living percentiles are calculated based on the county-level regional price parities data of 2022 from the Bureau of Economic Analysis.

Source: AP, Bureau of Economic Analysis, author analysis

## 1. Inflation vs. wages

#### Wage growth was much higher than inflation under Trump

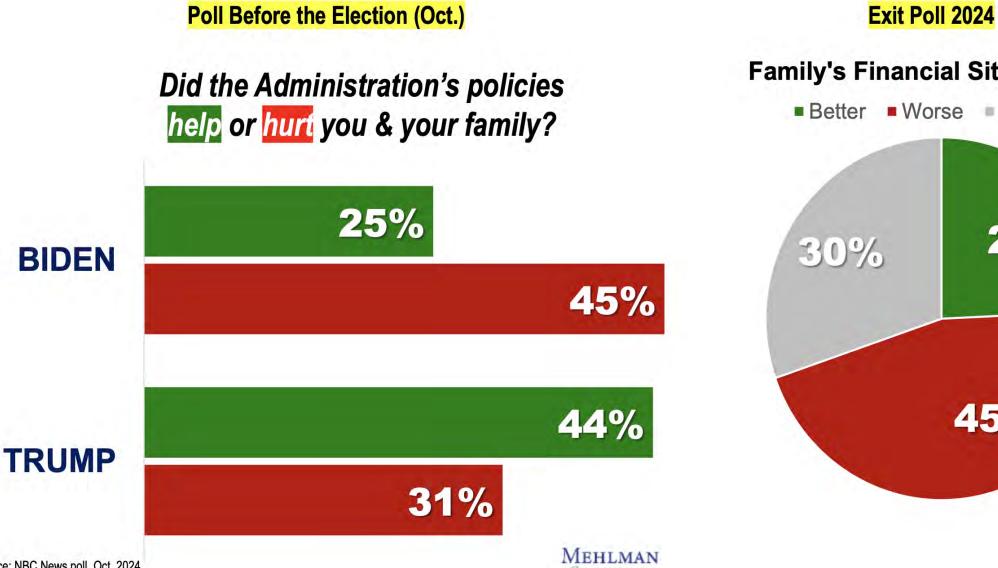
Percent change since each president took office of the consumer price index and average hourly earnings for production and non-supervisory workers.



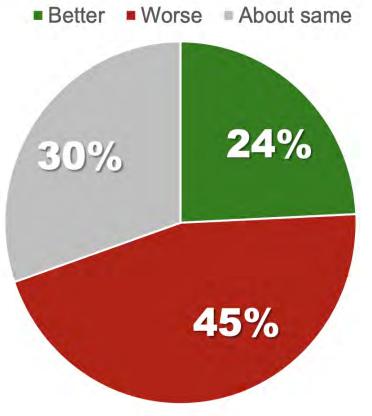
Trump data from January 2017 to January 2021. Biden data from January 2021 to September 2024.

Source: Bureau of Labor Statistics (via FRED)

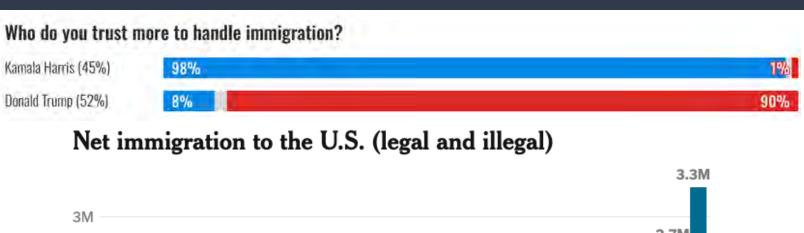
# Voters Remember the Trump Years as Better than Biden's

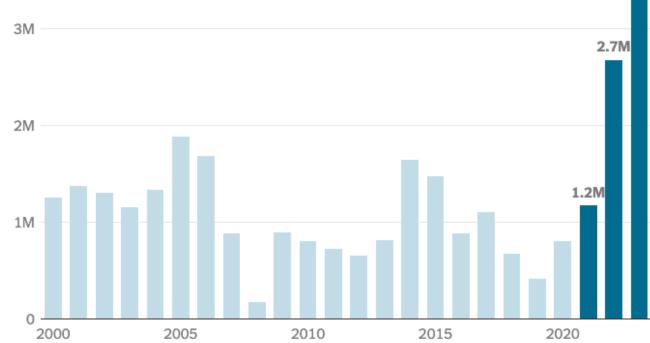


#### **Family's Financial Situation Today**



# Voters Favor Trump on Immigration

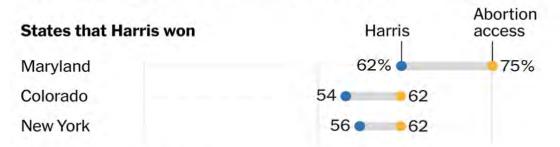




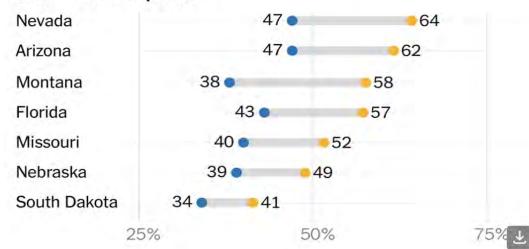
# Voters Favor Harris on Abortion, Though Trump Minimizes Damage

#### Support for Harris vs. abortion access

In every state with a 2024 ballot initiative on abortion access, more voters supported the initiative than supported Kamala Harris.



#### States that Trump won



# Voters Wary of Both Candidates - Trump

- Unfavorable opinion (very or somewhat) Trump: 51% (9% of Trump supporters)
- Unfavorable opinion (very or somewhat) The Republican Party: 50%
- Would you say Trump looks out for people like you? 51% No, 48% Yes
- Would you say Trump is honest and trustworthy? 58% No, 41% Yes
- Would you say Trump has the moral character to be president? 55% No, 43% Yes
- How concerned are you that Trump's views are too extreme? 59% somewhat/very concerned
- While 36% consider themselves a MAGA Republican, 64% do not
- Feeling if Trump elected President: 49% Concerned or Scared
- How concerned are you that electing Trump would bring the U.S. closer to being an authoritarian country? 55% very/somewhat concerned

# Voters Wary of Both Candidates - Harris

- Unfavorable opinion (very or somewhat) Harris: 50% (6% of Harris supporters)
- Unfavorable opinion (very or somewhat) The Democratic Party: 52%
- Would you say Harris looks out for people like you? 51% No, 48 Yes
- Would you say Harris is honest and trustworthy? 52% No, 47% Yes
- Would you say Harris has the moral character to be president? 46% No, 53% Yes
- How concerned are you that Harris's views are too extreme? 56% somewhat/very concerned
- Feeling if Harris elected President: 50% Concerned or Scared
- How concerned are you that electing Harris would bring the U.S. closer to being an authoritarian country? 46% very/somewhat concerned

# 2028 Presidential

2028 🗸		% Chance		
	J.D. Vance	45%	Marco Rubio	5%
	Vivek Ramaswamy	10% -	Nikki Haley	3%
	Donald J. Trump Jr.	8%	Sarah Huckabee Sanders	3%
	Ron DeSantis	6%	Greg Abbott	3%
	Robert F. Kennedy Jr.	5%	Glenn Youngkin	3%
1	Donald J. Trump	5%	•	

2028 🕶		% Chance	Wes Moore	6%
Ly,	Gavin Newsom	18%		
	Josh Shapiro	13%	Andy Beshear	6%
	Gretchen Whitmer	11% -	Michelle Obam	6%
	Pete Buttigleg	10%	J.B. Pritzker	5%
	Kamala Harris	9%		
	Alexandria Ocasio-Cort	6% +1	Mark Cuban	4%

Source: Kalshi

# 2024 Election: Congressional Races

The Congressional races saw more modest Republican gains.

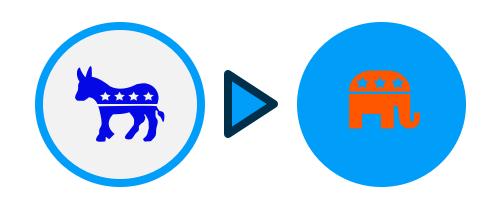
Political prognosticator Charlie Cook said the only thing extraordinary about the 2024 Congressional elections was that they were ordinary.



# 2024 Election: Senate Races

- The Senate map favored Republicans in 2024
  - 34 Seats up
    - 23 Democratic seats
    - 11 Republican seats

- Of those 23 Democratic seats:
  - 7 in states won by President Trump in either 2016 or 2020
  - 8 in competitive states



# Pre-Election Cook Political Report Race Ratings of 2024 Senate Seats

Solid Democrat 12 DEM, 2 IND Likely Democrat 1 DEM Lean
Democrat
1 DEM, 1 IND

Toss Up 4 DEM Lean Republican 1 DEM, 2 GOP Likely Republican 1 GOP Solid Republican 1 DEM, 8 GOP

Butler (CA)

Murphy (CT)

Carper (DE)

Hirono (HI)

Warren (MA)

Klobuchar (MN)

Vacant (NJ)

Heinrich (NM)

Gillibrand (NY)

Whitehouse (RI)

Kaine (VA)

Cantwell (WA)

King (ME)\*
Sanders (VT)\*

Cardin (MD)

Sinema (AZ)\*
Rosen (NV)

Stabenow (MI)
Brown (OH)
Baldwin (WI)
Casey Jr. (PA)

Tester (MT)
Fischer (NE)
Cruz (TX)

Scott (FL)

Manchin (WV)\*
Braun (IN)
Hawley (MO)
Wicker (MS)
Cramer (ND)
Ricketts (NE)
Blackburn (TN)
Romney (UT)
Barrasso (WY)

Democrat-held seat

Republican-held seat

Incumbent not seeking reelection

\*The seats of Sens. Sinema (AZ), King (ME), Sanders (VT), and Manchin (WV) are considered "Democrat"

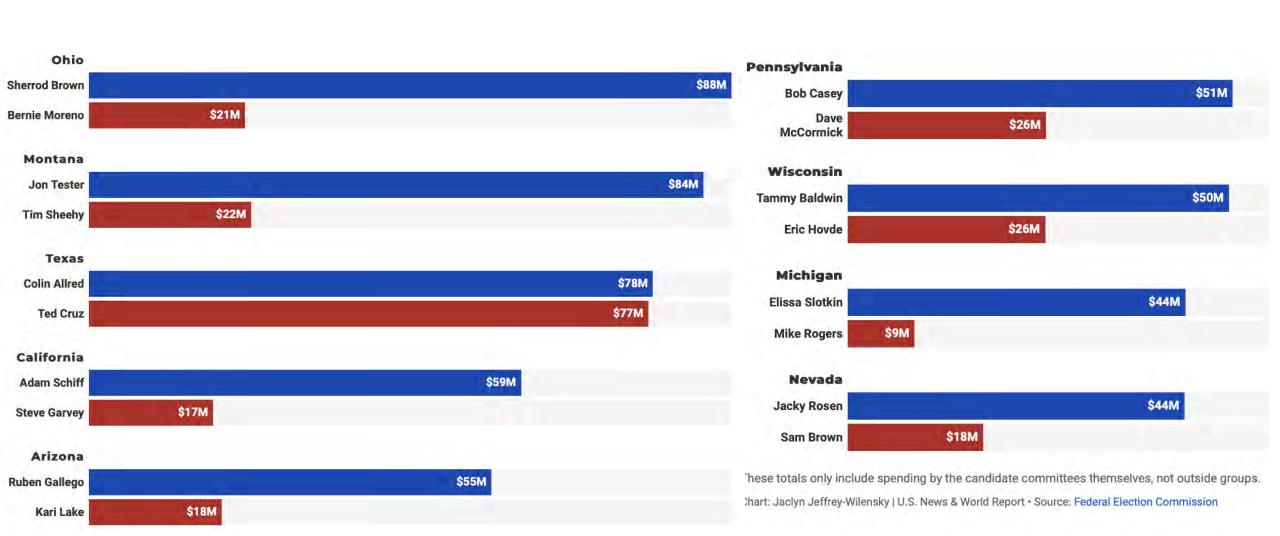
# Senate: 4 Seat Republican Gain

- 2024 Outcome: 53-47 Republican majority
  - Was 51-49 Democratic majority
- Republicans flip 4 Democratic seats
  - WV, OH, MT, and PA (states Trump won)

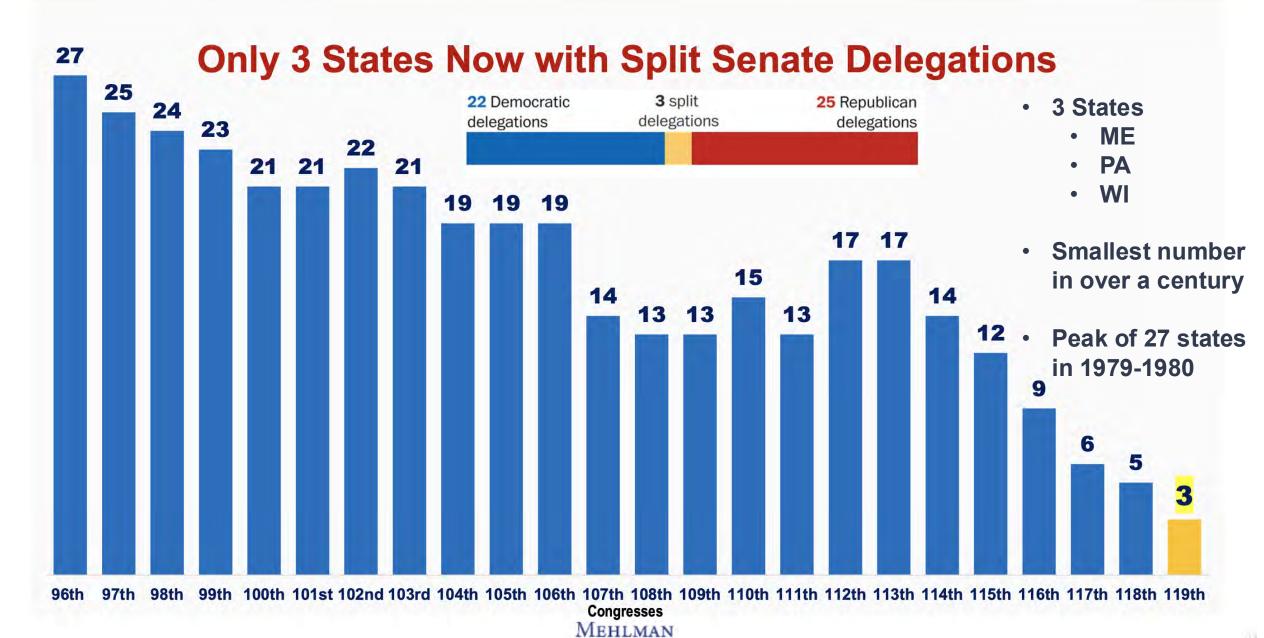


- Democrats held 4 competitive seats due to Dem crossover/split ticket voting
  - AZ (Trump 5pt margin, Sen-Elect Gallego 2pt margin)
  - NV (Trump 4pt margin, Sen. Rosen 2pt margin)
  - MI (Trump 1.5pt margin, Sen-Elect Slotkin narrow margin)
  - WI (Trump narrow margin, Sen. Baldwin narrow margin)

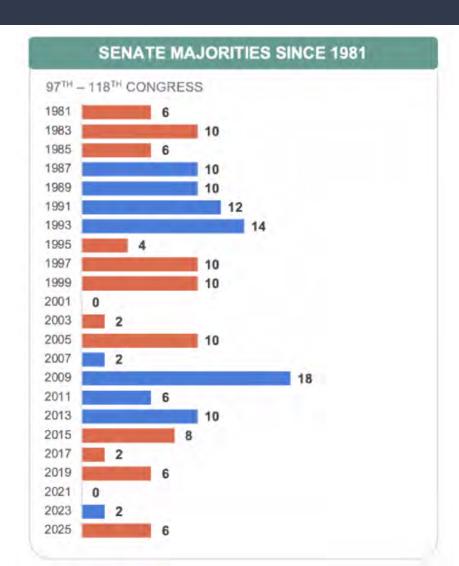
# Republicans Won the Senate Despite Being Outspent



#### FEWEST SPLIT SENATE DELEGATIONS IN MODERN HISTORY IN 2025-26



# Senate Majorities Within Historical Context



# 53-47 Senate Republican Margin Provides Much Needed Cushion

- Sen. Susan Collins (R-ME)
  - Voted to convict Trump on impeachment charge
- Sen. Lisa Murkowski (R-AK)
  - Voted to convict Trump on impeachment charge
- Sen. Mitch McConnell (R-KY)
- Sen. Todd Young (R-IN)
- Sen. Mike Rounds (R-SD)
- Sen. Thom Tillis (R-NC)
  - Up for reelection in the swing state in 2026
- Sen. John Cornyn (R-TX)
- Sen. Bill Cassidy (R-LA)
  - Voted to convict Trump on impeachment charge
- Sen. John Curtis (R-UT)

# Senate – Two Seats Await Gubernatorial Appointments, then Special Elections

- Sen. J.D. Vance (R-OH) is Vice President-Elect
- Sen. Marco Rubio (R-FL) nominated to be Secretary of State

# Senate – 2026 and 2028 Outlook

- 2026 –23 Republican seats open, 10 Democratic seats
   +Special election for VP J.D. Vance's Senate seat
  - +Special election if Sen. Marco Rubio becomes Sec. of State
  - Only 2 potentially vulnerable Republican seats
    - Sen. Susan Collins (R-ME)
    - Sen. Thom Tillis (R-NC)
  - Other notable Republican races
    - Sen. Dan Sullivan (R-AK)
    - Sen. Steve Daines (R-MT)
    - Sen. Mitch McConnell (R-KY)
  - Vulnerable Dems
    - Sen. Jon Ossoff (D-GA)
    - Sen. Gary Peters (D-MI)
  - Somewhat vulnerable Dems
    - Sen. Jeanne Shaheen (D-NH)

- 2028 Republicans will be on defense in just two battlegrounds
  - Sen. Ted Budd (R-NC)
  - Sen. Ron Johnson (R-WI)
  - Other notable Republican races
    - Sen. Lisa Murkowski (R-AK)
    - Sen. John Thune (R-SD)
    - VP J.D. Vance's successor
    - Sen. Marco Rubio's Successor
  - Vulnerable Dems
    - Sen. Mark Kelly (D-AZ)
    - Sen. Catherine Cortez Masto (D-NV)
    - Sen. Rafael Warnock (D-GA)
    - Sen. Maggie Hassan (D-NH)

# 2024 Election: House Races

- All 435 House seats up for reelection
- There were 16-18 Republicans up in 2024 representing districts that voted for Biden in 2020 and 5 Democrats up representing districts that voted for Trump 2020.





# **Pre-Election** Cook Political Report Race Ratings of competitive 2024 House seats 22 Toss Ups

**Likely Democrat** 16 DEM, 1 GOP

**Lean Democrat** 10 DEM, 3 GOP

Toss Up 10 DEM, 12 GOP

Likely Lean Republican 1 DEM, 7 GOP 9 GOP

AL-02 New Seat CA-09 Harder

FL-09 Soto

IL-17 Sorensen

IN-01 Mrvan

KS-03 Davids

MI-03 Scholten

MN-02 Craig

NH-01 Pappas

NV-01 Titus **NV-04 Horsford** 

NY-03 Suozzi

OH-01 Landsman

OR-04 Hovle

**OR-06 Salinas** 

TX-28 Cuellar WA-08 Schrier CA-47 OPEN

CA-49 Levin CT-05 Haves

MD-06 OPEN

NE-02 Bacon

NV-03 Lee

NY-04 D'Esposito

NY-18 Ryan

**NY-22 Williams** 

OH-09 Kaptur

OH-13 Svkes

PA-17 Deluzio

TX-34 Gonzalez

AK-AL Peltola

CO-08 Caraveo

ME-02 Golden

MI-08 OPEN

NC-01 Davis NM-02 Vasquez

PA-07 Wild

PA-08 Cartwright

VA-07 OPEN

WA-03 Perez

AZ-01 Schweikert

AZ-06 Ciscomani

CA-13 Duarte

CA-22 Valadao

CA-27 Garcia

CA-41 Calvert

CA-45 Steel

IA-01 Miller-Meeks

IA-03 Nunn

NY-19 Molinaro

**OR-05 Chavez-DeRemer** 

PA-10 Perry

Republican

AZ-02 Crane

CO-03 OPFN

MI-07 OPFN

MI-10 James

MT-01 Zinke

NJ-07 Kean Jr.

VA-02 Kiggans

WI-03 Van Orden

NY-17 Lawler

CA-03 Kiley CA-40 Kim

FL-13 Luna

FL-27 Salazar

NY-01 LaLota

PA-01 Fitzpatrick

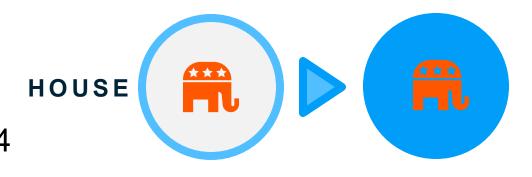
TX-15 De La Cruz WI-01 Steil

Democrat-held seat Republican-held seat

Freshman member

# 2024 Election: House Races – A Status Quo Election

- Votes still being counted
  - Thus far, very narrow GOP majority
    - 219 seats have been called for Republicans
    - 213 seats have been called for Democrats
    - 3 yet to be called
  - Net change will be minimal—within a couple seats of the current 221-214 Republican majority
    - Rep. Matt Gaetz resigned in November making the majority this Congress 220-214



## 2024 Election: House Races

### Slim margin will grow slimmer

- Trump nominees leaving the House
  - Rep. Elise Stefanik (R-NY) Ambassador to the UN
  - Rep. Michael Waltz (R-FL) National Security Adviser
  - Rep. Matt Gaetz (R-FL) Attorney General

## Speaker Mike Johnson (R-LA):

"I have begged and pleaded with the new president, 'Enough already.' Because our numbers are small"



# Orange County

• President Ronald Reagan: "...something that I have said over and over again: Orange County is where the

good Republicans go before they die."

Reagan Presidential Library in Simi Valley (Ventura County)

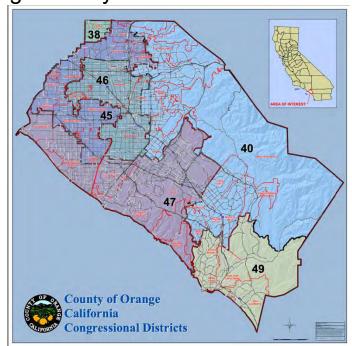
Richard Nixon Presidential Library and Museum in Yorba Linda

#### Costa Mesa (conference site) - CA#47

- Rep. Dana Rohrabacher, Republican, 1989-2019, 48<sup>th</sup> District
- Rep. Harley Rouda, Democrat, 2019-2021, 48<sup>th</sup> District
- Rep. Michelle Steele, Republican, 2021-2023, 48<sup>th</sup> District
- Rep. Katie Porter, Democrat, 2023-present, 47<sup>th</sup> District
  - Placed 3<sup>rd</sup> in March, 2024 CA Senate Primary, did not advance
- Dave Min (Democrat) vs. Scott Baugh (Republican), 47<sup>th</sup> District
  - Min won 51.4% to 48.6% with 93% of the vote reported

#### North OC - CA#45

- Rep. Michelle Steel vs. Democrat challenger Derek Tran
  - One of the 5 uncalled House races
  - 3<sup>rd</sup> most expensive House race in the country (1<sup>st</sup> most expensive in terms of outside spending)
  - As of today, Tran leads by 397 votes with 95% of the vote reported

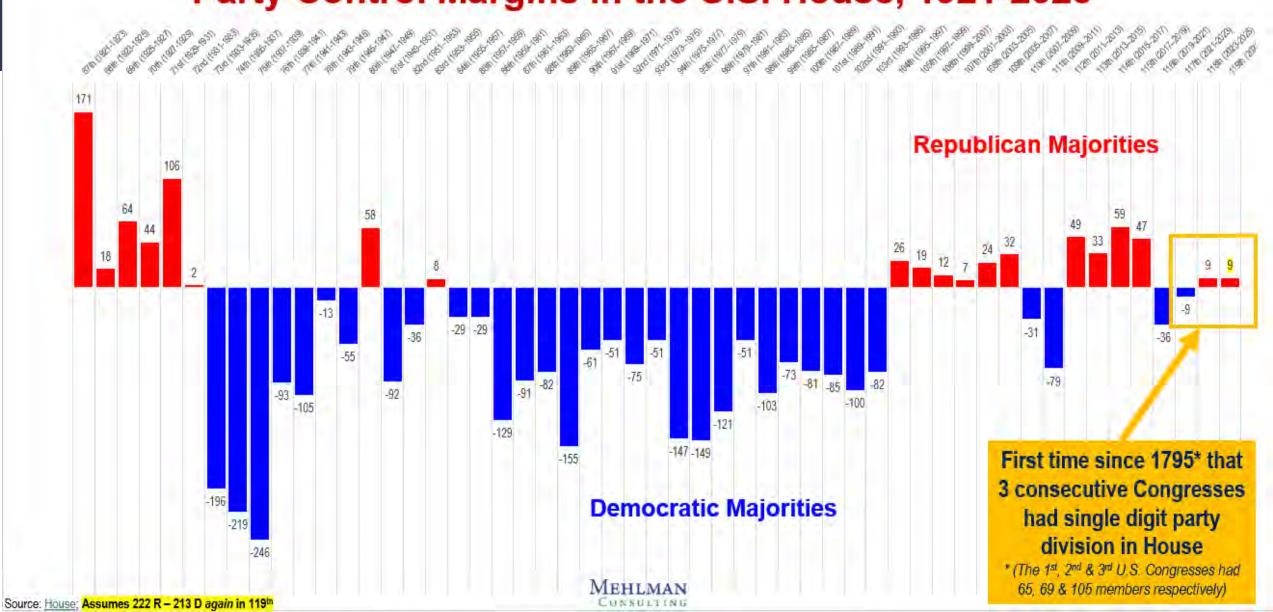


#### SouthWest OC - CA#49

Mike Levin (D) 52% vs Matt Gunderson (R) 48%

#### 119th HOUSE: 3RD SINGLE DIGIT MARGIN IN A ROW

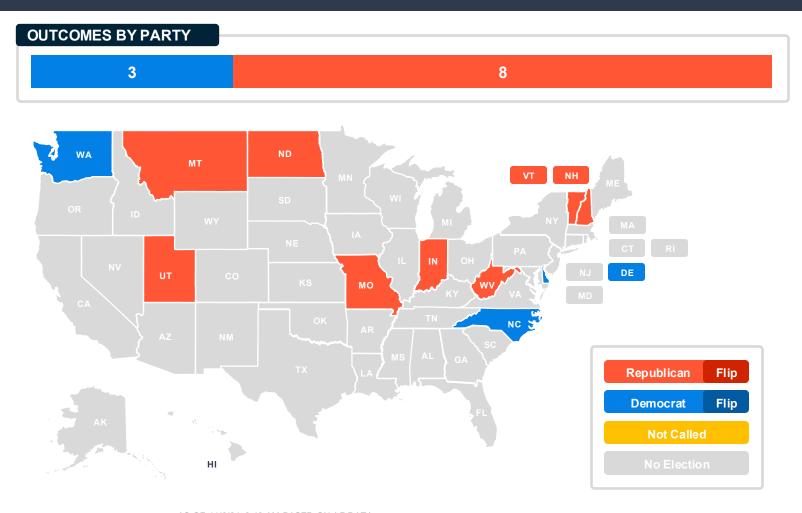
# Party Control Margins in the U.S. House, 1921-2023



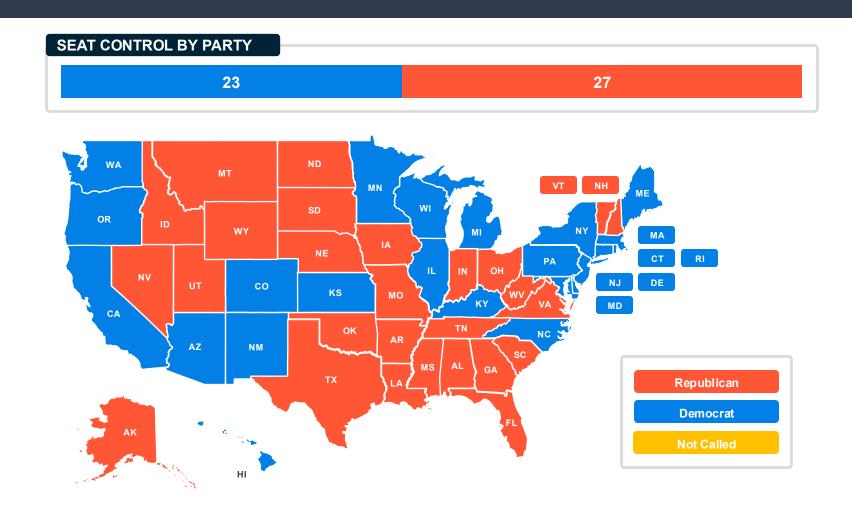
# 2024 State Elections: Status Quo Gubernatorial Races, GOP Gains in State Legislatures

- Governors races Republicans defended 8 seats to Democrats 3 seats.
  - None changed hands
- Republican governors will maintain control of 27 states to 23 for Democrats.
- 85 state legislative chambers held elections across 44 states in 2024 (all but AL, LA, MD, MS, NJ, VA)
  - Shifts in 9 states
  - Dems outspent GOP 4 to 1 in state legislative races but GOP made gains
    - GOP flipped MI House
    - GOP gains created a tie in MN House
    - GOP broke Dem supermajorities in NY and VT
    - GOP gained supermajorities in IA and SC
    - Dems broke supermajority in NC House

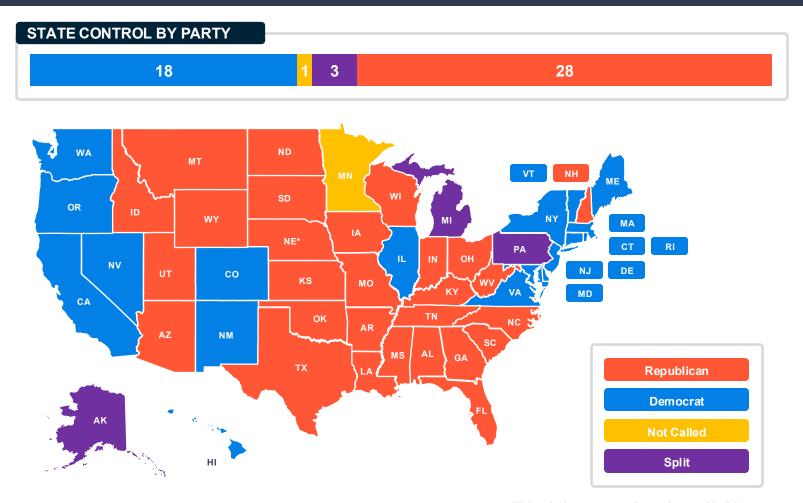
# 2024 Gubernatorial Election Results



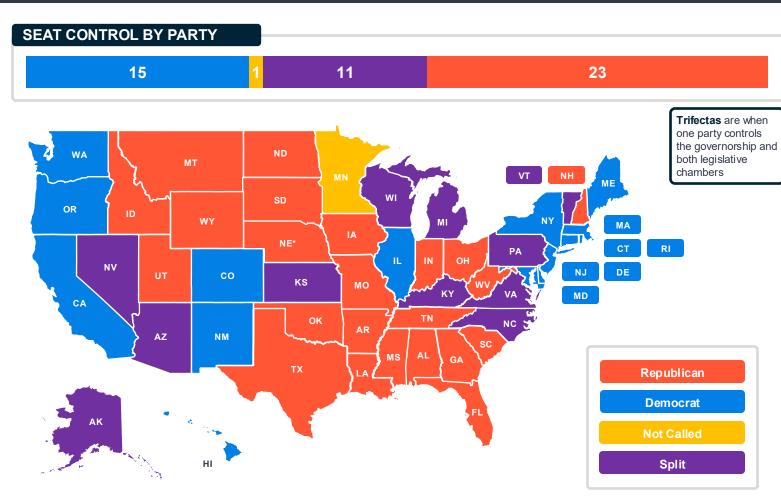
# 2025 Governor Makeup



# 2025 State Legislature Makeup



# 2025 State Trifectas



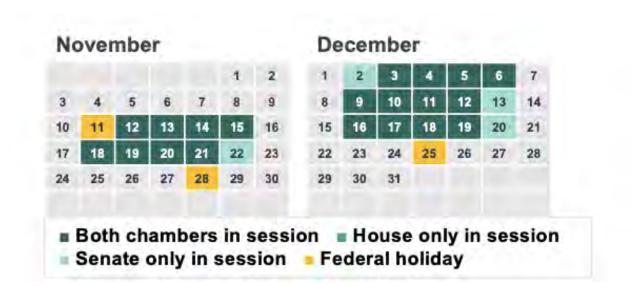
#### Liberal state resistance

- In CA, Gov. Newsom is holding a special session of the state legislature which convenes Dec. 2.
- SF City Attorney David on lawsuits: "...need to be aggressive but smart. It's important that we not do harm by creating bad precedent."
- In NY, Gov. Hochul has resurrected congestion pricing

\*Nebraska has a non-partisan unicameral legislature

# Lame Duck: Post Election Until Next Congress

- Only a 5 week session, through Dec 20
- 119<sup>th</sup> Congress begins January 3, 2025
- Lame Duck
  - Biden-Harris
  - 51-49 Dem Senate
  - 220-214 GOP House
  - Leadership Elections
  - Committee Assignments
    - Chairs by early December
    - Committee Membership by late January
- Congress passed a FAFSA bill, which Biden will sign, mandating an Oct 1 start date



# Lame Duck: Sen. Majority Leader Chuck Schumer's Agenda

- FY 25: Funding the government
- Disaster aid
  - Hurricanes Helene and Milton and prior disasters
  - WH requested nearly \$100 billion this week
- National Defense Authorization Act (NDAA) - floor action expected next month
- Confirming judicial appointments
- Possibly farm bill reauthorization

# Public Laws enacted by Congress You Are Here 694 581

MEHLMAN

PRODUCTIVITY CRATERED THIS CONGRESS

# Congressional Leadership in the Upcoming 119th Congress

#### **Senate**

- Senate Majority Leader: John Thune (R-SD)
  - Previously Whip, #2 leadership position
  - Replacing Sen. Mitch McConnell (R-KY), who led Senate GOP for 18 years
  - 29 to 24 secret ballot victory over Senator John Cornyn (R-TX)
  - Sen. Rick Scott (R-FL) drew 13 supporters in first round of ballots





- Senate Minority Leader Chuck Schumer (D-NY)
  - Senate Dem leader since 2017

# Congressional Leadership in the Upcoming 119th Congress

#### House

- Speaker Mike Johnson (R-LA)
  - First elected October 25, 2023, after Kevin McCarthy (R-CA) was ousted by 8 conservatives on October 3
  - Unanimous nomination last week
  - Still needs to be elected Speaker by House majority on January 3, 2025
    - Prior to Speaker election
      - Government funding expires Dec 20
- House Minority Leader Hakeem Jeffries (D-NY)
  - House Dem leader since 2023





# House Rules – Motion to Vacate Change Helps Speaker Johnson

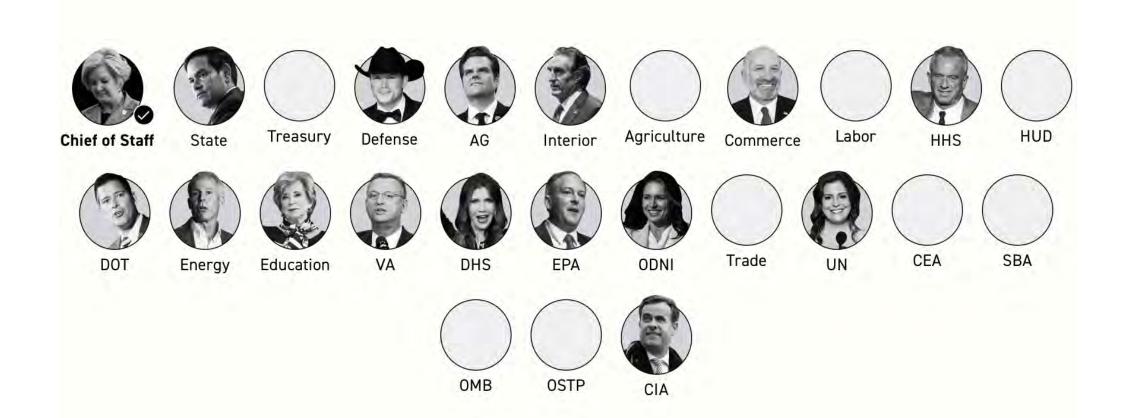
- The MTV threshold will be raised from 1 to 9, a major victory for Speaker Johnson
- Only one member was needed to make a motion to vacate the Speaker
  - A concession made by Kevin McCarthy to become Speaker after 15 ballots
  - The procedure was eventually utilized to oust former Speaker Kevin McCarthy (R-CA), leaving the chamber without a Speaker for over 3 weeks
- There was a failed attempt to oust Johnson earlier this year
  - Democrats stepped in to save Johnson, given his role in passing FY 24 Funding and national security supplemental/Ukraine aid

# Senate Republicans Say They Will Keep the Filibuster Intact

- Republicans would need 60 votes in the Senate, and thus bipartisanship, to move funding bills and any bills outside of reconciliation.
- Trump has pushed the Senate GOP to ditch the filibuster and could do so again if his priorities aren't deemed eligible for the budget reconciliation process that helps the Senate pass legislation with a simple majority.

# 2024: Trump's Second-Term Cabinet

Confirmed O Announced 15 Open 9



# Trump's Cabinet

#### A Quick Look Back at Trump's First Term

- Only 2 nominees lost any Republican votes in the Senate confirmation process (both were confirmed)
  - ED: Betsy DeVos lost Sen. Susan Collins (R-ME) and Sen. Lisa Murkowski (R-AK)
- 3 Trump nominees withdrew (3 for Clinton, 2 for George W. Bush, 3 for Obama)
  - DOL: Andrew Puzder

#### **DeVos's Path**

- Jan. 17, 2017: Senate HELP Committee confirmation hearing
- Feb. 7, 2017: Confirmed by the Senate in a 51-50 vote, with VP Mike Pence casting the tie-breaking vote (historical first)

#### DOL

- Feb. 16, 2017: Alexander Acosta nominated.
- April 27, 2017: Acosta confirmed by the Senate in a 60-38 vote.

#### **Senate History**

- 1989 was the last time the Senate rejected a Cabinet nominee
  - 47-53 vote on Sen. John Tower for Defense Secretary

# Trump Nominates Linda McMahon for Education Secretary

- Graduated from East Carolina University with a bachelor's degree in French and teaching certification
- CEO of WWE until 2009
- In 2009, she was appointed to the Connecticut State Board of Education and served for 1 year
- Served on the board of trustees of Sacred Heart University, a private college in Fairfield, CT
- 2010 Senate campaign lost to Sen. Richard Blumenthal (D-CT)
- 2012 Senate campaign lost to Sen. Chris Murphy (D-CT)
- Administrator of SBA
  - Confirmed by Senate 81-19
- America First Policy Institute
  - Chair of the Board
  - Chair, Center for the American Worker
- Co-chair of Trump's transition team

#### ED Sec Nominee Linda McMahon - AFPI Positions

- AFPI has not called for eliminating ED
- Supports the Bipartisan Workforce Pell Act
  - Passed the House December 2023
- Supports A Stronger Workforce for America Act (WIOA reauthorization)
  - Passed the House in April 2024
- Skills-based hiring
  - Eliminating degree requirements from public sector job requirements
  - Governors should issue EOs on their model EO that shifts state hiring practices towards skills-based hiring
  - Policymakers should encourage partnerships between companies, high school CTE programs, technical institutions, apprenticeship programs, and other avenues for skills training outside four-year colleges

#### ED Sec Nominee Linda McMahon - AFPI Positions

- CTE Clear accountability for outcomes
- Pathways to employment
  - Workforce education grant program that would allow businesses and industries to develop on-the-job training programs that suit their specific needs.
- Supportive of apprenticeships
- Opposition to free community college for all
- DEI, Antisemitism, Gender/LGBTQ issues, student loans, parental rights, school choice, accountability in public schools, higher education accreditation reform

# 2024 GOP Platform and Agenda 47

- Eliminate Department of Education
- Eliminating administrative positions
- Creation of additional, drastically more affordable alternatives to a traditional four-year degree
- Options for accelerated and low-cost degrees
- Providing meaningful job placement and career services
- Implementing college entrance and exit exams

# 2024 GOP Platform and Agenda 47

- Supporting project-based learning and schools that offer meaningful work experience
- Exposing politicized education models
- Funding proven career training programs
- Enforce civil rights laws to stop schools from discriminating on the basis of race
- Higher education accreditation reform
- Universal school choice
- Restore parental rights

# The Heritage Foundation's Project 2025

- ED: Federal education policy should be limited and, ultimately, ED should be eliminated
- OCTAE: OCTAEs programs should be transferred to DOL
- Data Collection: Data collection efforts in higher education should be housed at DOL
- HEA: Accreditation Reform
  - The Secretary of Education should refuse to recognize all accreditors that abuse their power
  - New accreditors should also be encouraged to start up
  - Prohibit mandating of DEI policies
- HEA: Student Loans
  - Privatize all lending programs, including subsidized, unsubsidized, and PLUS loans (both Grad and Parent)
  - Terminate the Public Service Loan Forgiveness Program (PSLF)
- Executive Orders: Minimize bachelor's degree requirements
- Eliminate Gear-Up

# The New Trump Administration – One Party Rule

One party rule typically only lasts two years, but can make major changes

Administration will seek major discretionary cuts in FY 26 – education and workforce programming vulnerable

- Biden appointees must depart by January 20<sup>th</sup> Trump: 4,000 appointees, 1,200 require Senate confirmation
- Deregulation unwinding Biden rulemaking (Title IX, Restoration of IRAP's)
- D.O.G.E.: EOs; 3 major kinds of reform regulatory rescissions, administrative reductions, and cost savings
- Emphasis on skills, non degree pathways
- Farm Bill SNAP E&T
- WIOA reauthorization
- Workforce (Short term) Pell
- National Apprenticeship Act reauthorization codify IRAPs; neither chamber produced bipartisan bill
- CTE reauthorization
- Higher Education endowment tax
- TANF reauthorization enhanced focus on employment and training
- Work requirements for means tested programs ex. Medicaid
- More flexibility for states?

# Reconciliation Will be a Major Focus

#### Reconciliation

- Special expedited legislative process in the Senate to advance high-priority budgetary items and tax cuts
- Only requires a simple Senate majority no filibuster
- Senate GOP aims to have a budget resolution ready for the start of the upcoming Congress, which convenes on January 3.
- The budget resolution will include reconciliation instructions that make significant cuts to mandatory programs and further Trump Admin policy goals
- Senate parliamentarian
  - HEA provisions?

# Trump 2.0: Trump's First 100 Days

#### Day 1

- Executive Orders
- Budget resolution with reconciliation instructions

#### April 30 – Reconciliation (5 pillars)

- Tax Cuts
  - \$4 trillion in expiring provisions from the 2017 tax law
    - individual tax cuts, elevated standard deduction and doubled child tax credit are expring
    - Lowering the corporate tax rate to 15%?
    - Exempting tips from income tax?
    - Exempting overtime pay from income tax?
- Energy policy
- Border security/immigration
- Repealing Biden policies with corresponding spending cuts
- Downsizing federal agencies

# Committee Assignments Should Be Finalized By Late January House Appropriations Committee and Labor-H Subcmte – No Change



Chair, Full Committee Tom Cole (R-OK)



Chair, Labor-HHS Rob Aderholt (R-AL)



Ranking Member, Full Committee and Labor-HHS Subcommittee Rosa DeLauro (D-CT)

#### House Education and the Workforce Committee

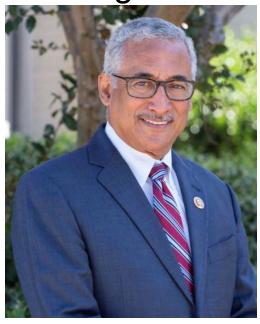
Two contenders to be Chair





Rep. Burgess Owens (R-UT) Rep. Tim Walberg (R-MI)

Ranking Member



Rep. Bobby Scott (D-VA)

# Senate Appropriations Committee

- Chair Susan Collins (R-ME)
- Ranking Member Patty Murray (D-WA)





# Senate Labor-HHS Appropriations Subcommittee

- Chair Shelley Moore Capito (R-WV)
- Ranking Member Tammy Baldwin (D-WI)





#### Senate HELP Committee

- Chair Bill Cassidy (R-LA)
- Ranking Member Bernie Sanders (I-VT)







# 2023 Debt Ceiling Agreement



The Fiscal Responsibility Act of 2023, passed with strong bipartisan support June 2023

- Negotiated by Speaker McCarthy (R-CA) and Senate Majority Leader Schumer (D-NY)
- Debt ceiling extended until January 1, 2025
- Sets discretionary funding caps for FY 24
  - Nondefense: essentially flat funding
    - After taking into account \$69 billion side deal
  - Defense: 3% increase
- Sets discretionary funding caps for FY 25
  - 1% increase for defense and nondefense

#### FY 24 - Became Law March 2024

#### FY 24 topline agreement

- Defense (3% increase)
- Nondefense (flat funding)
- Adult Education State Grants: \$715,455,000
- National Leadership activities: \$13,712,000

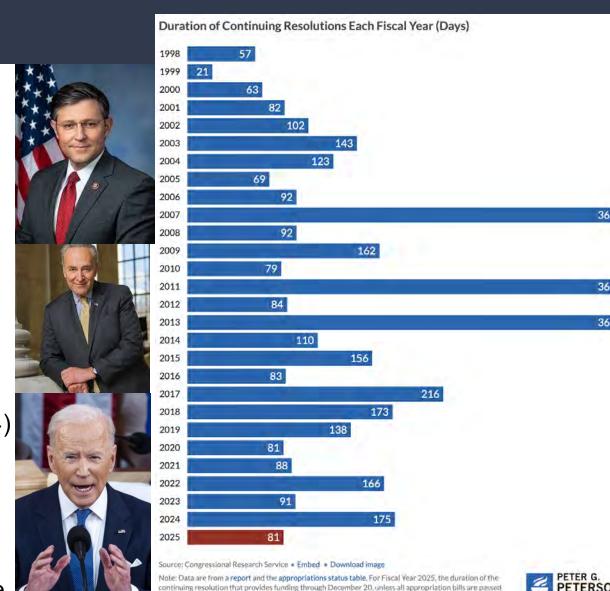




# FY 24's Lengthy Process

#### FY 24 Continuing Resolutions (CRs)

- CR #1: through November 17, 2023
- CR #2: through January 19 and February 2, 2023
- CR #3: through March 1 and March 8, 2024
- CR #4: through March 8 and March 22, 2024
- 1st full-year "minibus" for six FY 24 bills (March 9, 2024)
  - (Agriculture, CJS, Energy-Water, Interior-Environment, MilCon-VA, THUD)
- 2nd full-year "minibus" for six FY 24 bills (March 23, 2024)
  - (Labor-HHS-Ed, Defense, Financial Services-GG, Homeland Security, Leg Branch, State-Foreign Ops)
- Despite the House GOP majority, all FY 24 CRs passed with more Democratic than Republican votes in the House



### FY 25 Appropriations – Current Status



#### 2023 Debt Ceiling Agreement

- Sets discretionary funding caps for FY 25
- 1% increase for defense and nondefense
- However, House and Senate are writing their FY 25 bills to different toplines (\$90+ billion apart), and need to reach a topline agreement

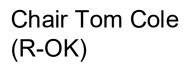
#### **Continuing Resolution (CR)**

- Passed CR mid September 2024 to keep government open through December 20<sup>th</sup>
- Provides 10 weeks to complete FY 25 appropriations bills

#### FY 25 HOUSE APPROPRIATIONS

 The House advanced all 12 appropriations bills out of subcommittee as well as full committee and has approved 6 of the 12 on the floor.







Ranking Member Rosa DeLauro (D-CT)

#### FY 25 HOUSE APPROPRIATIONS

House Appropriators reduced overall domestic spending by \$75 billion below FY 24

Labor-HHS Appropriations felt the greatest impact:

- 11% less overall funding than last year
- 13% cut to Education programming
- 23% cut to DOL programming
- Eliminates 57 programs and reduces funding for 48 programs

Party line vote in Committee – no floor action



Chair Tom Cole (R-OK)



Ranking Member Rosa DeLauro (D-CT)

#### FY 25 SENATE APPROPRIATIONS

- Passed 11 of 12 appropriations bills through Committee on a bipartisan basis.
- Different approach than in the House – kept \$54 billion "side deal" in Debt Limit Agreement and added \$34 billion for FY 25.



Chair Patty Murray (D-WA)



Ranking Member Susan Collins (R-ME)

#### BIPARTISAN SENATE LABOR-HHS BILL

- \$6 billion above FY 24 enacted level
- Bipartisan bill approved by Committee 25-3



Labor-HHS Subcommittee Chair Tammy Baldwin (D-WI)



Ranking Member Shelley Moore Capito (R-WV)

## FY 25 Funding

- President Biden's FY 25 Request:
- Adult Education State Grants: \$715,455,000 (flat-funding)
- National Leadership activities: \$18,712 (increase)
- FY 25 House
- Adult Education State Grants: \$715,455,000 (flat-funding)
- National Leadership activities: \$13,712,000 (flat-funding)
- FY 25 Senate
- Adult Education State Grants: \$715,455,000 (flat-funding)
- National Leadership activities: \$13,712,000 (flat-funding)
- FY 25 Final
- TBD

# FY 25 Appropriations – Potential Scenarios



#### Scenario #1 –

- No FY 25 lame duck funding agreement
- CR into 2025
  - Likely March 2025

#### Supporters

- Speaker Mike Johnson (R-LA)
- If Republicans recapture White House and Congress, they may prefer additional CR's to rewrite appropriations bills in the next Congress

# FY 25 Appropriations – Potential Scenarios



#### Scenario #2

- "Clear the decks" by passing FY 25 in the lame duck
- <u>Likely deal</u> more funding than House wants, more riders than Senate wants

#### Supporters

- House Majority Leader Steve Scalise (R-LA)
- House Appropriators Chair Tom Cole (R-OK)
- Senate Appropriations Chair Susan Collins (R-ME)
- Former House Speaker Kevin McCarthy

#### · Challenge

- Time is running out
- Significant funding disparities between House and Senate bills

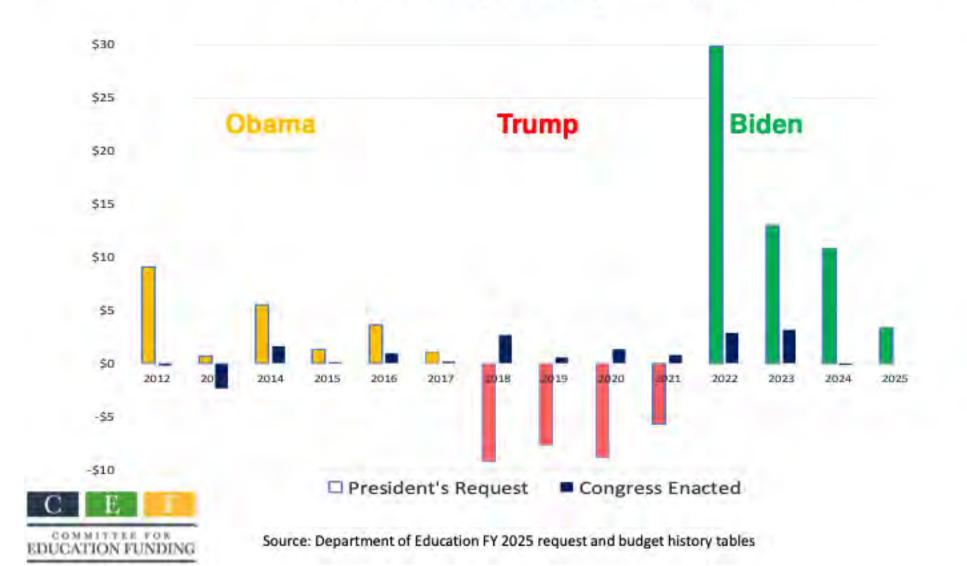
# Waiting in the Wings



- Debt ceiling January 2025
  - Though extraordinary measures could last til Summer 2025

# Department of Education Funding: President's Requested Change and Enacted Change

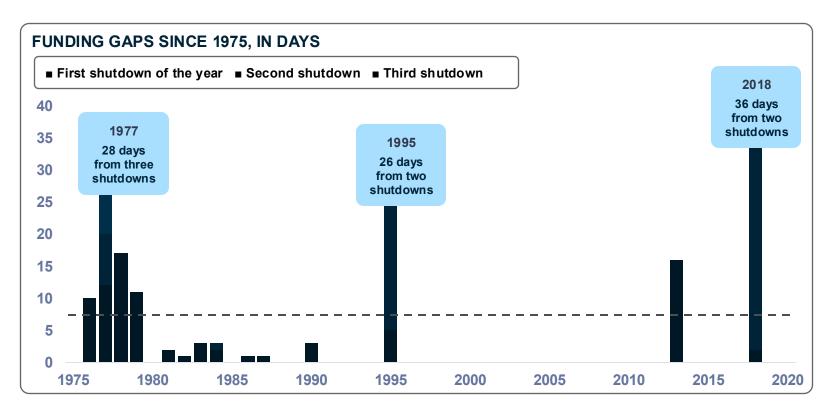
Billions of Discretionary Dollars, Change vs Prior Year



## Government Shutdowns under Trump's First Term

- FY 18: January 2018 (2-3 days)
  - First under unified Republican leadership (WH, House, Senate)
    - Issue of contention: DACA
- FY 18: February 2018 (9-hour funding lapse)
- FY 19: December 22, 2018 January 25, 2019 (35 days)
  - Started under unified Republican leadership (WH, House, Senate)
  - Resolved under divided Congress (D House, R Senate)
  - Longest government shutdown in history
  - Partial government shutdown (5 of the 12 appropriations bills had already been enacted, including Labor-H and Defense)
  - Issue of contention: Border wall, border security

#### **Government Shutdowns**



- What a Shutdown Means for ED
  - 90% of ED staff furloughed
  - Student loan disruptions
  - Regulatory delays

#### **WIOA Reauthorization - House**

- A Stronger Workforce for America Act
  - The House Education and the Workforce Committee advanced the bill in a 44-1 vote
  - Passed on House floor 378-26 in April 2024



Chair Virginia Foxx (R-NC) Ranking Member



Ranking Member Bobby Scott (D-VA)

# House Passed WIOA Reauthorization Bill – A Stronger Workforce for America Act

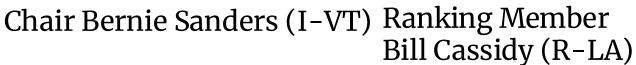
#### **Key changes**

- 50% training requirement for Adults and Dislocated Workers at local level
- Increased flexibility for States in designating local workforce areas
- Streamlined Eligible Training Provider process
- Expanded use of WIOA funds for incumbent worker training
- Codifies REO and SCCTG grants
- Increased emphasis on the use of real-time labor market information
- <u>State option</u> creating <u>Critical Industry Skills Fund</u> with Governor reserve, up to 10% local funds, and additional state funds -- for employer driven training, intermediaries, sector partnerships.

#### WIOA Reauthorization - Senate

- Senate HELP Committee
- Bipartisan WIOA reauthorization bill drafted
- Markup delayed over inclusion of "blacklisting" bill language preventing employers from receiving WIOA funds where there are labor violations – previously handled administratively





#### WIOA Reauthorization - Senate

- Revamped Eligible Training Provider process Automatic designation for postsecondary provider that offers a credential
- Increased state flexibility four state pilot with consolidated WIOA funding
- Additional 10% for state funding of industry-sectoral training through partnerships with employers.
- Improved performance reporting metrics

#### WIOA Reauthorization - Senate

- No mandatory percentage of funds spent on training
- Does not codify SCCTG
- New youth apprenticeship grant program
- Improved data systems reporting including usage of UI wage records in performance reporting

# WIOA reauthorization – What to Expect?

- Time is running short for any lame duck action
- Not enough time to bring bill through Senate HELP Committee and the floor
- Bicameral, bipartisan staff discussions on crafting a consensus bill a strategy that worked when WIOA passed in 2014
- Draft bill could be completed in the coming days
- Challenge navigating "blacklisting" bill language

# Workforce (Short-Term) Pell

- Would expand the utilization of Pell Grant funds to high quality, short-term (between 8 and 15 weeks) education programs
- House The Bipartisan Workforce Pell Act
  - Advanced the House Committee on Education & the Workforce bill in December 2023
     37-8 vote (6 Ds, 2 Rs opposed the bill)
- Senate: Jumpstart Our Businesses by Supporting Students Act (JOBS Act)
  - 53 Senate backers (though not Sen. Sanders, Sen. Cassidy, Sen. Murray)
  - Senate HELP Committee has jurisdiction, though bill has not received a vote in Committee
    - A July 2023 markup was canceled
- Key Differences
  - House bill provides eligibility to high performing for-profit and online programs
    - In Senate bill, for-profits are not eligible
  - House bill has a funding offset that would end federal student loans at the 50-60 wealthiest institutions that are subject to the federal endowment tax
    - Senate bill does not have this funding offset

# Workforce (Short-Term) Pell

#### Three major challenges:

- Senior Dems opposition Sens. Sanders, Murray, and Durbin
- How to pay for it?
- How to handle eligibility of for-profit providers?

ED Sec. nominee Linda McMahon backs the House bill and the incoming Trump Administration will focus on non-degree pathways

## **Pell Grants**

- Congress sets the maximum grant level annually
- For 2021-22 the maximum grant was \$6,495
- Biden Administration's goal has been to double the maximum Pell Grant
- Doubling the Pell Grant would increase the maximum grant to \$12,990
- House GOP has requested flat funding for FY 25

## Pell Grants: \$900 Increase Under Biden Administration

- FY 22
  - \$400 increase (\$6,895 for the 22-23 award year).
- FY 23
  - \$500 increase (\$7,395 for the 23-24 year)
- FY 24 Enacted
  - Flat funding (\$7,395 for the 24-25 year)

- FY 25 President's Budget Request
  - \$750 increase (\$8,145)
- FY 25 House Bill
  - Flat funding (\$7,395)
- FY 25 Senate Bill
  - \$100 increase (\$7,495)
- FY 25 Enacted
  - TBD

### Tax-Free Pell Grant Act

- Introduced in the Senate by Sen. Sheldon Whitehouse (D-RI) and Chuck Grassley (R-IA)
  - Finance Committee
- Introduced in the House by Rep. Lloyd Doggett (D-TX) and Rep. Mike Kelly (R-PA)
  - Ways & Means Committee
- By better coordinating Pell grants with the AOTC, the bill would make Pell Grants fully tax-free.

# Higher Education Act (HEA) Reauthorization

- HEA reauthorization is under the jurisdiction of House Education & the Workforce Committee and the Senate HELP Committee
- HEA was most recently comprehensively reauthorized in 2008 and is due for reauthorization
- HEA not expected to be reauthorized this Congress (not in lame duck)
- The House introduced several bills focused on HEA reauthorization this Congress

# Higher Education Act (HEA) Reauthorization

- The College Cost Reduction Act
  - Introduced January 11, 2024 by Chair Virginia Foxx (R-NC)
  - 153 Republican co-sponsors
  - Advanced Committee 22-19 in a party line vote
  - Has not had a House floor vote
  - Addresses
    - Accreditation
    - Pell
    - Loans
    - Regulatory relief

# Higher Education Legislation

- H.R. 3724, the End Woke Higher Education Act
  - Passed the House in September 2024
    - 213-201 vote, with four Democrats joining Republicans
  - Includes:
    - H.R.3724, the Accreditation for College Excellence (ACE) Act
      - Introduced by House Education & the Workforce Committee, Higher Education and Workforce Development Subcommittee Chairman Burgess Owens (R-UT)
      - Aims to "prohibit accreditors from requiring the colleges they accredit to meet any political litmus tests, such as requiring adherence to DEI standards, as a condition of accreditation."
    - H.R.7683, the Respecting the First Amendment on Campus Act
      - Introduced by Rep. Brandon Williams's (R-NY) \*Lost House seat in 2024 elections
      - Requires institutions of higher education to adopt and adhere to principles of free speech.

### Farm Bill Reauthorization

118<sup>th</sup>

House Agriculture Committee

Chair Glenn "G.T." Thompson (R-PA)

Ranking Member David Scott (D-GA)

Senate Agriculture Committee

Chair Debbie Stabenow (D-MI)

Ranking Member John Boozman (R-AR)

119th

House Agriculture Committee

Chair Glenn "G.T." Thompson (D-GA)

Jim Costa (D-CA) is challenging Rep. David Scott to be Ranking Member

Senate Agriculture Committee

Chair John Boozman (R-AR) or Mitch McConnell (R-KY)

Ranking Member Amy Klobuchar (D-MN) or Michael Bennet (D-CO)









### Farm Bill Reauthorization

Farm bill reauthorization expired Sep. 30, 2024, though most funding goes through Dec 31, 2024.

#### House

- \$1.5 trillion, five-year reauthorization
  - Approved by the House Agriculture Committee in May 2024 in a 33-21 vote.
    - 4 Democrats voted with Republicans to advance the legislation
    - New healthy foods pilot program would allow states to voluntarily participate and restrict the use of SNAP benefits for the purchase of unhealthy food items.
      - Struck from the Subcommittee bill via voice vote.
  - \$30 billion cut to the Supplemental Nutrition Assistance Program (SNAP)
    - SNAP provisions would keep the Thrifty Food Plan cost neutral, effectively barring SNAP benefits
      from increasing or decreasing except to reflect the cost of living.
    - Chair Thompson (R-PA) said SNAP would account for \$1.2 trillion of the \$1.5 trillion cost of the bill over 10 years, and the Committee would have to find spending offsets in order to add SNAP funding.

### Farm Bill Reauthorization

#### **Senate**

- In June 2024, Senate Republicans released their farm bill framework
- Senate Democrats released their 1,400-page farm bill on Monday
- Outgoing Senate Agriculture Chair Stabenow:
  - "I absolutely am not going to put my stamp on the largest cut in SNAP in 30 years, which is in the House bill"

#### What's Next

- Likely: 1 year extension during lame duck
- Reauthorization on next Congress's agenda

#### How Can You Make A Difference

#### Educate:

- NASDAE Fact Sheets Continue to update and distribute
- Invite Members of Congress (and State Legislatures) to visit local program
- Document and share success stories
- Strengthen partnerships and "be at the table" for planning, funding, managing, and evaluating

## Questions?

Jacoby Lawrence jlawrence@caphillpartners.com

