Wrap-Up On the 115th Congress and Outlook for the 116th

By Leslie Mozingo | Strategics Consulting

Understanding the results of the midterm elections, the composition of Congress, new leadership positions and committee assignments provides valuable insight into Washington dynamics and how policymaking might play out on various issues this coming year. The following article highlights important political developments as Capitol Hill transitions from the 115th Congress to the 116th Congress.

Midterm Elections

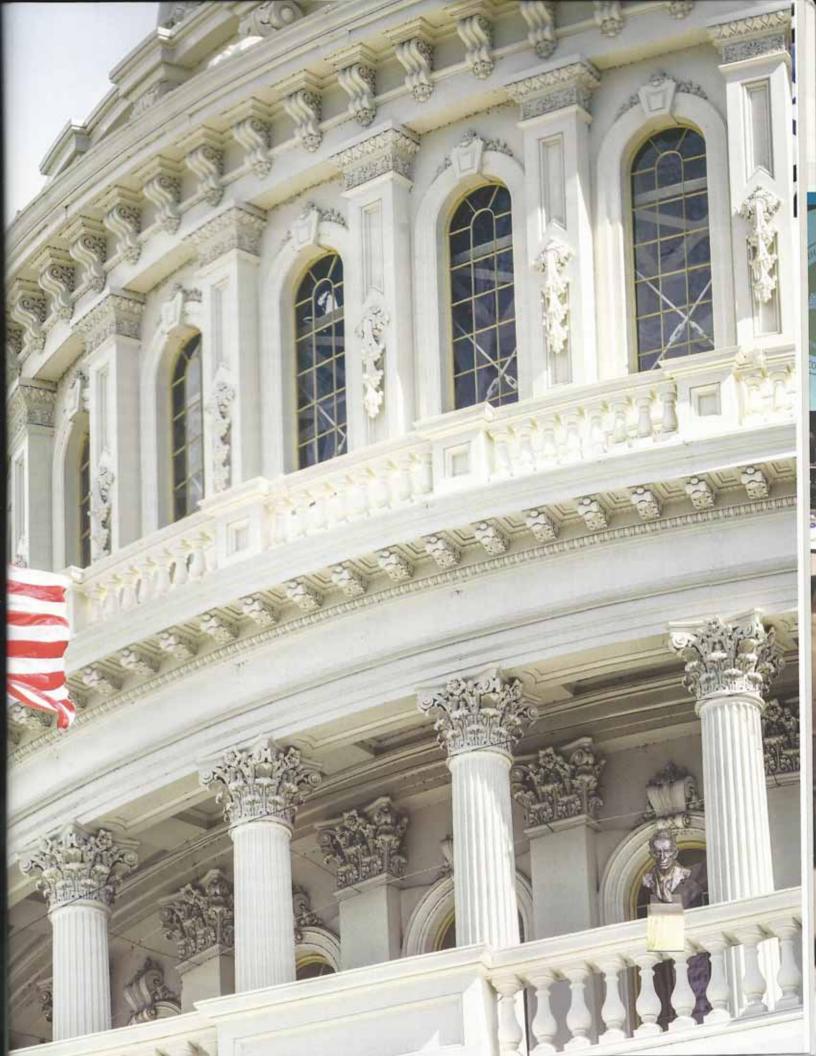
Voter turnout for the midterms rose substantially in 2018, marking the highest percentage of registered voters going to the polls since 1966. Democrats were able to flip the balance of power in the U.S. House of Representatives by winning enough seats to become the majority party in the 116th Congress, thereby regaining control of powerful committees. Women made history during the 2018 midterm elections by winning an unprecedented number of electoral contests. Now, more than 100 will hold office becoming the largest group of women to serve in Congress.

Composition of Congress

In every midterm election since 1918, the president's party has lost 30 or more seats. In the House, Democrats gained 40 seats, 17 more than the 23 seats they needed to win control of the House. During the 115th Congress the House was comprised of 235 Republicans and 193 Democrats with 7 seats vacant. The Senate had 47 Republicans, 51 Democrats, and 2 Independents. The newly seated 116th Congress now has 235 Democrats and 199 Republicans, and 1 undecided seat in the House, due to an investigation into allegations of election fraud in the race for North Carolina's 9th Congressional District. In the Senate, Republicans held on to control of that chamber and increased their majority with 53 Republicans, 45 Democrats and 2 Independents.

Leadership and Committees

Minority Leader Nancy Pelosi (D-CA) returns to her position as Speaker of the U.S. House of Representatives. However, her time in that role is limited to a maximum of four years as a result of an agreement she worked out with her Democratic opponents, who demanded term limits on party leadership and committee chair positions. Prior to these new rules, Democrats did not impose term limits on top committee spots as Republicans do. Republicans allow members of





their party to serve in Chair and Ranking Member positions for a combined total of six years on a single committee.

The electoral results and shifts in leadership brought many changes to congressional committees, including key changes in the North Carolina Congressional Delegation. The following list shows where each member will serve:

Congressman Walter Jones (R-NC-3) passed away February 10, 2019, on his 76th birthday. Jones represented his district for 34 years, first in the NC General Assembly and then in Congress. He will be remembered as a principled policy maker and vocal advocate for service members. According to state law, a special election is required to fill the NC-3rd district seat.

Congressman David Price (D-NC-4) will return to controlling a gavel as one of the 12 powerful cardinals on the House Appropriations Committee as he once again becomes Chairman of the Subcommittee on Transportation, Housing and Urban Development, and Related Agencies. He will also serve as a senior member on the Homeland Security Appropriations Subcommittee. Chairman Price remains the only member of the North Carolina Congressional Delegation with a position on the powerful Appropriations Committee.

Congresswoman Virginia Foxx (R-NC-5) will give up the gavel as Chair of the House Committee on Education & the Workforce to be Ranking Member on the House Committee on Education and Labor. The committee was renamed by Democratic leaders.

Congressman Mark Walker (R-NC-6) will join the House Education and Labor Committee. He has left his position as Chairman of the Republican Study Committee to serve as Co-Chair of the Congressional Prayer Caucus.

North Carolina's 9th Congressional District

remained in limbo at the time this article went to print. While initial results reported Republican Mark Harris the winner, the election has not been certified pending an investigation into possible campaign violations. Meanwhile, Sen. Tillis has encouraged 9th district constituents to call on his office with federal needs until the seat is filled.

Congressman Patrick McHenry (R-NC-10) is no longer Chief Deputy Whip for the House Republicans, but is now the Ranking Member of the House Financial Services Committee.

Congressman Mark Meadows (R-NC-11) was rumored to be considering the White House Chief of Staff position, but instead remained on Capitol Hill and continues his role as House Freedom Caucus Chairman. He will also be the new Ranking Member on the House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings, and Emergency Management.

Congresswoman Alma Adams (D-NC-12) will keep her position on the House Committee on Education and Labor, and she has gained a position on the coveted House Committee on Financial Services, too.

Appropriations

The 115th Congress ended without Congress reaching final agreement on seven unfinished FY19 spending bills. There was an effort to combine them into one package, but a dispute over \$5.7 billion for a border wall prevented a deal from being reached before the federal budget expired for certain agencies. The White House, backed by Congressional Republicans refused to sign a new spending bill without the funding and Democrats refused to appropriate the money, resulting in a partial government shutdown. It was considered partial because it did not include all government agencies. The impasse became the longest



government shutdown on record, reaching 35 days. On January 25th, 2019 President Trump signed a Continuing Resolution (CR) to end the shutdown and temporarily fund affected federal agencies until February 15. Meanwhile a bipartisan, bicameral conference committee will negotiate a compromise agreement on FY19 funding for border security. Once Congress completes the FY19 spending cycle, lawmakers will need to start discussions on other thorny fiscal matters including addressing budget caps, raising the debt ceiling, which expires in March, and FY20 appropriations.

Issues

On October 24th, 2018, President Trump signed into law comprehensive opioid legislation called the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act. It was followed by an October 30th release of the White House Office of National Drug Control Policy (ONDCP) and the U.S. Department of Agriculture (USDA) joint report, the Rural Response Guide to Help Communities Address Substance Use Disorder and Opioid Misuse.

On December 11th, the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (Army Corps) released a new proposed "Waters of the U.S." (WOTUS) definition to replace the controversial 2015 rule. The new WOTUS rule would create six categories of regulated waters and includes 11 exemptions. EPA accepts public comments for 60 days after the definition is officially published in the Federal Register.

Just before the 115th Congress ended, the President signed the Agriculture Improvement Act of 2018 (P.L. 115-334), better known as the Farm Bill, on December 20th, 2018. The Act created a new grant program providing \$600 million for

broadband deployment and requires governors to sign off on state requests for work requirement waivers in areas with high unemployment. Also on December 20th, Congress cleared criminal justice reform legislation known as the First Step Act (P.L. 115-391).

The Way Ahead

Looking forward, Congress has plans for several major initiatives. Both sides have political pressure to solve immigration reform and border security. The new House Transportation and Infrastructure Chairman Peter DeFazio (D-OR) plans to introduce a \$500 billion infrastructure package by May 2019, as well as separate legislation to raise airport user fees. Congress must also address how to sustain the Highway Trust Fund and pass surface transportation reauthorization before the current law, known as the FAST Act (P.L. 114-94), expires at the end of 2020.

The Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) is considering climate change hearings and a bill and has expressed a bipartisan commitment to start from scratch on a comprehensive energy bill. The Higher Education Act, last reauthorized in 2008, is supposed to be renewed every five years, so it is overdue. The Older Americans Act was last reauthorized in 2016 for three years, so it is also up for renewal.

Housing finance reform is a possibility, too. With Federal Housing Finance Agency Director Mel Watt, a former North Carolina Congressman and Barack Obama appointee, has led the agency since President Trump took office. President Trump's pick for his replacement, pending Senate confirmation, wants reform to include removing the government-sponsored enterprises out of conservatorship that began in 2008.