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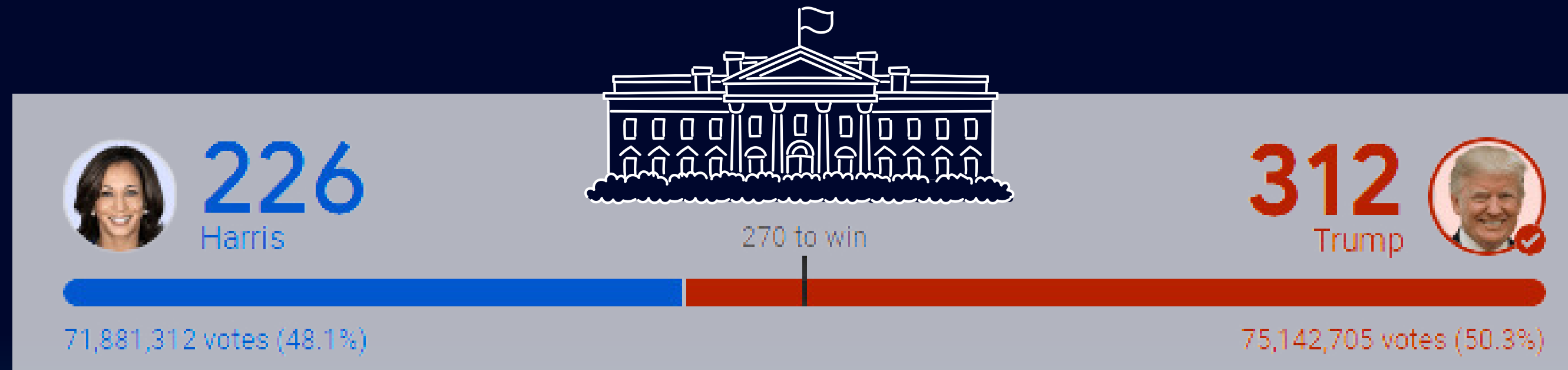
Federal Election Outcomes & Policy Outlook

NOVEMBER 2024

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2024 Election Outcome

White House

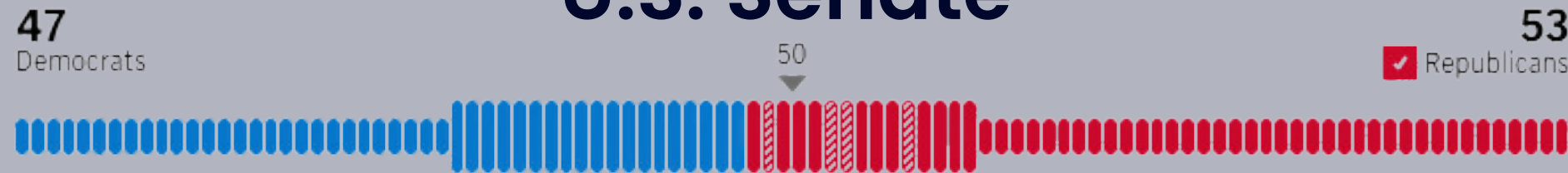


- Trump delivered a decisive victory, winning the popular vote as Republican nominee, the first time a GOP candidate has won the popular vote in two decades.
- Harris underperformed in traditionally blue states, leading to a breach of the “blue wall,” revealing a potential shift in the voting patterns of key demographic groups.
- Trump’s coalition of voters was a drastic shift in the nature of the two parties, with pro-labor, blue-collar workers crossing over to meet Trump’s populist messaging.
- “It’s the economy, stupid” - the 2024 presidential race seemingly came down to the famous James Carville retort.

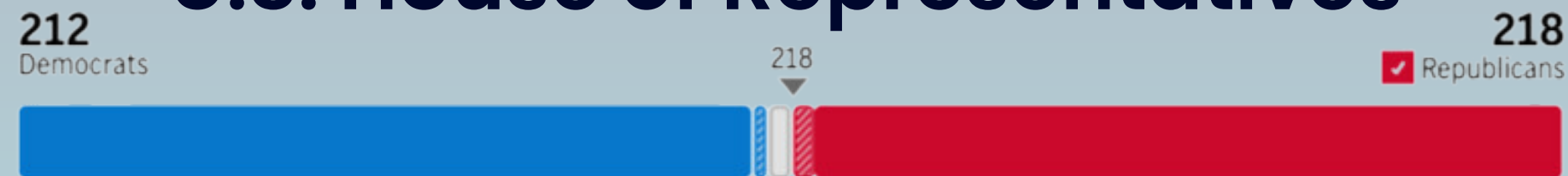
2024 Election Outcome

Congress

U.S. Senate



U.S. House of Representatives



- Republicans flipped three Senate seats - WV (Justice), OH (Moreno), and MT (Sheehy) - with one additional flip, PA (McCormick), outstanding.
- A handful of victorious Democratic Senate candidates outperformed the top of the ticket - AZ (Gallego), MI (Slotkin), NV (Rosen), and WI (Baldwin).
- With a few races outstanding, the GOP has likely solidified the House majority for the 119th Congress, although the margin of the majority is still unclear at this time.
- Trump's recent cabinet nominations of three House GOPers (Gaetz, Stefanik, and Waltz) could leave Johnson with a slimmer majority than last Congress.
- Obama, Trump, and Biden have all come in to office with unified party control, before ceding a majority two years later.

Trump Administration

Key Personnel – Announced



State
Marco Rubio



Attorney General
Matt Gaetz



Homeland Security
Kristi Noem



C.I.A.
John Ratcliffe



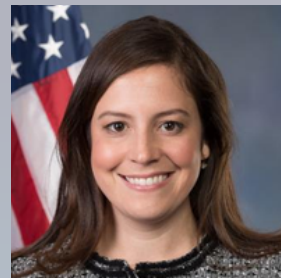
Chief of Staff*
Susie Wiles



Border Czar*
Thomas Homan



D.N.I.
Tulsi Gabbard



U.N.
Elise Stefanik



H.H.S.
Robert F. Kennedy Jr.



Interior
Doug Burgum



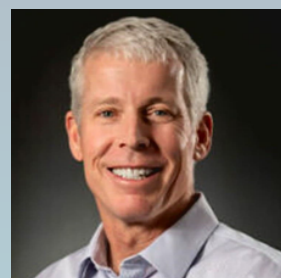
Gov. Efficiency*
Elon Musk



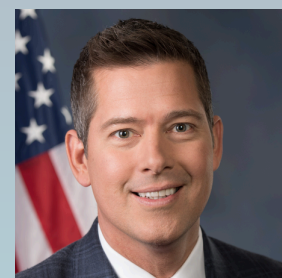
Gov. Efficiency*
Vivek Ramaswamy



Veterans Affairs
Doug Collins



Energy
Chris Wright



Transportation
Sean Duffy

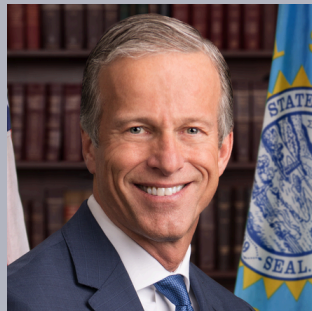
**No Senate confirmation required*

As of Nov. 18 9PM EST.

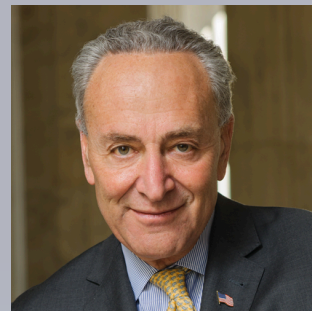
119th Congress

Congressional Leadership

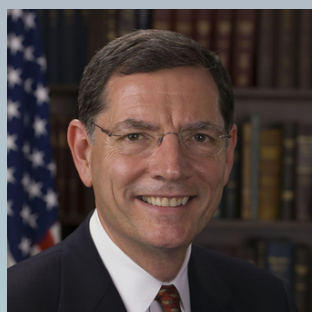
U.S. Senate



Majority Leader
John Thune (R-SD)



Minority Leader
Chuck Schumer (D-NY)*



Majority Whip
John Barrasso (R-WY)



Minority Whip
Dick Durbin (D-IL)*

U.S. House of Representatives



Speaker
Mike Johnson (R-LA)*



Majority Leader
Steve Scalise (R-LA)*



Minority Leader
Hakeem Jeffries (D-NY)*



Majority Whip
Tom Emmer (R-MN)*



Minority Whip
Katherine Clark (D-MA)*

**Pending outcome of party leadership elections*

119th Congress

U.S. Senate – Committee Leadership Changes

Committee	Chair (GOP)	Ranking Member (D)
Agriculture	John Boozman (AR)	Amy Klobuchar (MN)*
Appropriations	Susan Collins (ME) or Mitch McConnell (KY)*	Patty Murray (WA)
Banking	Tim Scott (SC)	Elizabeth Warren (MA)*
Energy & Natural Resources	Mike Lee (UT)*	Martin Heinrich (NM)*
Environment & Public Works	Shelley Moore Capito (WV)	Sheldon Whitehouse (RI)* or Jeff Merkley (OR)*
Foreign Relations	Jim Risch (ID)	Jeanne Shaheen (NH)*
Judiciary	Chuck Grassley (IA)*	Dick Durbin (IL)

*Denotes new committee party leader

119th Congress

U.S House of Representatives - Committee Leadership Changes

Committee	Chair (GOP)	Ranking Member (D)
Appropriations	Tom Cole (OK)*	Rosa DeLauro (CT)
Education & Labor	Burgess Owens (UT)*, Joe Wilson (SC)*, or Tim Walberg (MI)*	Bobby Scott (VA)
Energy & Commerce	Brett Guthrie (KY)*, Bob Latta (OH)*, or Richard Hudson (NC)*	Frank Pallone (NJ)
Financial Services	Andy Barr (KY)*, Bill Huizenga (MI)*, Frank Lucas (OK)*, or French Hill (AR)*	Maxine Waters (CA)
Foreign Affairs	Ann Wagner (MI)*, Darrell Issa (CA)*, Marianne Miller-Meeks (IA)*, or Brian Mast (FL)*	Gregory Meeks (NY)
Transportation & Infrastructure	Sam Graves (MO)* or Rick Crawford (AR)*	Rick Larsen (WA)

**Subject to Steering Committee recommendations*

2025 Industry Outlook

What to Expect

Agriculture

Technology

Energy & Environment

Trade

Health Care

Transportation & Infrastructure

Tax

Agriculture

2025 Industry Outlook

Trump Administration Agenda

- **USDA Reversal & Deregulation:** Expect Trump and USDA leadership to reframe the agency's mission, moving away from Biden-era climate change and equity programs.
- **Secondary Tariff Impacts:** Any retaliatory tariffs emanating from China will likely target U.S. farmers and the ag. sector. Trump 45 responded by setting up a direct payment program, which gave over \$20 billion in subsidies. How will Trump respond this time?

Congress Agenda

- **Farm Bill:** The Republican-controlled Congress will prioritize issues like shielding farmers from trade wars, improving work programs, and expanding broadband in rural America.
- **Foreign Investment in U.S. Farmland:** Republicans will focus on limiting Chinese investment in U.S. farmland while balancing the need for foreign capital in agriculture.
- **Nutrition:** Republicans may push for significant reforms to SNAP, particularly increasing work requirements, during the Farm Bill negotiations.

What to Watch for Agriculture

- **Ag Sec. Pick:** Trump's selection of a new Secretary of Agriculture, potentially Sid Miller, Thomas Massie, or Kip Tom, will influence the next Farm Bill and responses to a trade war with China.
- **U.S. Hemp Industry:** Republicans will decide whether to end provisions from the 2018 Farm Bill that legalized industrial hemp, a rapidly growing sector for U.S. farmers.

Energy & Environment

2025 Industry Outlook

Trump Administration Agenda

- **Expanded Oil & Gas Opportunities:** Trump is likely to shift focus back to traditional sources of energy production, which could include increased leasing opportunities for both offshore and onshore oil and gas development, while scaling back offshore wind.
- **Rollback Climate Standards:** Rollback of Biden emission standard and other climate priorities. Some of Biden's green energy tax credits will almost assuredly fall casualty to Trump 47's agenda.

Congress Agenda

- **Permitting Reform:** Permitting reform and efficient energy project delivery will be a top focus of the GOP Congress.
- **TSCA Reauthorization:** Within the next two years, Congress must reauthorize the EPA's chemical governance program.

What to Watch for Energy & Environment

- **Easier Approvals, Higher Litigation Risk:** Approval of energy projects by DOE and FERC is expected to be much easier. However, litigation risk has been severe and is unlikely to lessen as courts have increasingly required stricter NEPA reviews.
- **Forever Chemicals:** Biden's EPA mandated new, rigorous PFAS standards – will Trump's EPA leave them intact, offer reforms, or rescind the mandates?

Health Care

2025 Industry Outlook

Trump Administration Agenda

- **Make America Healthy Again:** As HHS Secretary, expect RFK, Jr. to continue to reject vaccine mandates, fluoride in water, and food additives, while promoting less traditional approaches to medicine.
- **Health Care Transparency:** Trump will likely revive his first term's emphasis on price transparency for providers and payers.
- **Minimum Staffing Rule:** A second Trump term will likely seek to rescind the Biden administration's minimum staffing rule for nursing homes.

Congress Agenda

- **Reconciliation:** Republican use of the reconciliation process could enable partial changes to the ACA and entitlement programs.
- **Medicaid:** Republicans may again try to require Medicaid work requirements for some adults. They may also push for changes to federal funding to states.
- **Artificial Intelligence (AI):** Congress will remain interested in AI's potential to support medical innovation and its potential for abuse (such as in utilization management).

What to Watch for Health Care

- **ACA Repeal:** Will the GOP pursue ACA repeal or focus their political capital elsewhere (e.g., tax reform)?
- **RFK, Jr. vs. GOP:** RFK, Jr.'s unorthodox views on vaccines and chemicals will likely conflict with traditional Republican health care priorities (e.g., promoting health research and reducing regulation).
- **Enhanced Premium Tax Credit Expiration:** Congress will need to decide whether to extend enhanced ACA premium tax credits set to expire in 2025.

Tax

2025 Industry Outlook

Trump Administration Agenda

- **TCJA 2.0 – Trump’s Proposed Plan:**
 - Reduce the corporate base rate to 20%, with a lower 15% threshold available for companies with U.S. manufacturing
 - Extension of the 20% deduction for pass-through business income
 - Restoration of R&D business expensing
 - Modify, or eliminate altogether, the State and Local Deduction (SALT) cap
 - Extension of lower marginal individual income tax rates
- **Fate of OECD Tax Deal:** Trump’s victory casts a cloud of uncertainty over the fate of the OECD minimum tax rate negotiated by the Biden Administration.

Congress Agenda

- **Budget Reconciliation:** A unified GOP Congress will attempt to use this unique legislative mechanism, allowing them to expedite consideration and circumvent a Senate filibuster.
- **No Taxes on Tips:** Republican congressional leadership and Trump seem aligned in favor of eliminating federal taxes on tips for service workers as part of any tax overhaul.
- **IRA Tax Credits:** While a full repeal may be unlikely, some of the IRA’s centerpiece tax incentives could be on the chopping block – including EV tax credits.

What to Watch for Tax

- **Domino Effect:** Reconciliation is a complex process and governed by strict procedural rules – can the GOP check all the requisite boxes?
- **Keeping Troops in Line:** Will GOP leaders be able to effectively manage their slim majorities – and lawmakers’ competing tax priorities – amid the external noise and chaos?
- **Offsetting Tariffs with Tax Cuts:** President-elect Trump has proposed tariffs as revenue raisers to offset any tax cuts – if tax reform fails, how will the market (and the public) react?

Technology

2025 Industry Outlook

Trump Administration Agenda

- **AI Strategy:** Expect a shift in AI focus from bias, discrimination and transparency to deregulation and national security. Biden's AI EO could get the axe.
- **National Security Tools:** Trump is likely to use a wide-variety of mechanisms – export controls, a new outbound investment regime, CFIUS and even the emergency powers act (IEEPA), to help prevent the outflow of sensitive technologies.
- **Cybersecurity:** Trump 45 launched the nation's first cyber strategy, but how will a renewed focus on cyber jive with proposed cuts to DHS' lead cyber agency?

Congress Agenda

- **Privacy Legislation:** Comprehensive federal data privacy legislation is sure to be on the GOP's tech policy agenda. Can a unified GOP government break the impasse?
- **Crypto/Blockchain:** Republicans have largely unified behind crypto and blockchain technology. Expect a digital market structure bill to move this Congress.
- **Content Moderation:** Some GOP lawmakers view a Section 230 rewrite as necessary to hold Big Tech accountable for alleged conservative bias.
- **Telecomm:** Online Safety bills have had momentum, but pressure will mount next Congress if KOSA/COPPA do not advance in the lame duck. FCC spectrum authority is also on the agenda.

What to Watch for Technology

- **The Musk Factor:** Elon Musk has been attached at the hip to Trump. How engaged will he be in shaping tech policy alongside relevant agencies?
- **Antitrust:** Expect Lina Khan to be out at the FTC, although VP Vance has praised her in the past. Trump has been aligned with aggressive and populist antitrust enforcement – will the same pattern persist?
- **DOGE:** Trump has tapped Vivek Ramaswamy and Musk to shrink the federal government and reduce waste – will technology components be in the crosshairs?

Trade

2025 Industry Outlook

Trump Administration Agenda

- **Tariffs in the spotlight:** Trump has proposed a 10% universal tariff on all global imports, regardless of origin.
- **Escalation with China:** POTUS-elect may seek to impose 50-60% duties on all imported Chinese goods and services.
- **Further Weakening of the WTO:** Trump's preferred unilateral approach may further undermine global trade regimes.

Congress Agenda

- **MFN Status:** A GOP congress may be aligned with the President's proposal to revoke China's "most favored nation" WTO status.
- **Trade Authority Delegation:** Will Congress seek to examine whether too much trade authority has been delegated to the Executive Branch?
- **African Growth and Opportunity Act (AGOA):** Preferential trade program benefitting sub-Saharan African nations expires at the end of September 2025. Will it be extended?

What to Watch for Trade

- **Key Appointments:** Lighthizer's involvement is guaranteed, whether he is the USTR or in the background.
- **USMCA Review:** The U.S., Canada or Mexico is likely to use procedural review mechanism in 2026 which may trigger a full-blown renegotiation.
- **Industrial Policy:** How will the Administration address the CHIPS Act and other manufacturing incentives programs?

Transportation & Infrastructure

2025 Industry Outlook

Trump Administration Agenda

- **A New Infrastructure Week:** Investments in transportation and infrastructure will remain a priority for the Trump Administration but focus will shift away from sustainability, environmental justice, and climate-oriented projects and programs.
- **Faster and Cheaper:** The new Administration will want to reduce regulatory burdens that delay projects and drive up costs.
- **Trump's Legacy:** Trump will want credit for infrastructure investments.

Congress Agenda

- **Repeal and Reorient:** Republican lawmakers will scrutinize Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act spending and attempt to reprogram or repeal funding designated for "green" or progressive priorities, including the Justice40 Initiative.
- **Surface Transportation Reauthorization:** The surface transportation programs authorized under the IIJA expire in 2026. The 119th Congress will undertake reauthorization.

What to Watch for Transportation & Infrastructure

- **Abandoning Regulations and Progressive Policies:** The Trump Administration expected to rollback consumer protections, emission reduction targets, and GHG goals.
- **The Future of EVs:** Elon Musk's presence in the administration may influence the future of EV charging programs (i.e., CFI and NEVI).
- **Scope of Work:** The bill to replace IIJA could be narrowly focused on surface transportation programs - or another broader infrastructure package.



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