

## Private Sector Priorities in the Capitol City

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- How we got here:
  - In a period of 6 weeks this spring Congress authorized almost \$3 trillion dollars in aid.
    - 3 ½ COVID Bills – Early March to April 2020
      - Vaccine development
      - Paid sick leave
      - Loans and other support for individuals and businesses
  - In the summer Speaker of the House Nancy Pelosi introduced phase 4 bill that was roughly an additional \$3 trillion. Senator Majority Leader Mitch McConnell wanted to slow down and evaluate where and how the first \$3 trillion was being spent prior to enacting any further aid packages.
  - Since then, stalemate.
- Where we are:
  - Late October 2020. No additional COVID stimulus has passed.
  - Congress in recess until mid November.
- Where we are going
  - **Best guess: Elections both for President and Congress are tight. Lots of bitterness and strong differences in policy opinions.**
  - If Vice President Biden is elected he will feel intense pressure from the more liberal side of his party.
  - Continuing Resolutions/Funding the Government
    - December 11<sup>th</sup> - Current continuing resolution that keeps government funded expires on December 11<sup>th</sup>. This means a contentious lame duck session.
    - None of the appropriations bills that fund federal agencies have been signed into law. House has passed several. Senate has not passed any. They will have to reconcile and pass another continuing resolution or find their way to a huge omnibus appropriations bill. **Best guess: Congress passes an additional continuing resolution through December 31<sup>st</sup> or early 2021.**
    - President Trump Re-elected + Republican Controlled Senate – Continuing resolution through the end of December, followed by a blockbuster omnibus appropriations bill before the end of the year. Appetite for another COVID stimulus bill fades rapidly. Contin
    - Vice President Biden Elected + Democratic Controlled Senate – Continuing resolution through early 2021. Omnibus appropriations bill and phase 4 COVID Stimulus in early 2021.
  - An Interesting Middle of January
    - January 3, 2021 – New Congress Sworn In. Outside chance dealing with a 50/50 Senate. But still a sitting Republican Vice President Mike Pence who would vote as a tiebreaker through middle of January.
  - Status Quo = President Trump Re-Elected + Republican Controlled Senate + Democratic Controlled House.

- Economic recovery focused on tax and regulatory relief, continuing funding for health care programs and liability reform efforts.
- Expect continued legislative gridlock and more executive orders on trade, immigration and anti-trust.
- Likely to see states take issues like climate change, data privacy and independent contractors
- Generally more trade tension around the world, particularly with China.
- Probably an investment in a fairly traditional infrastructure package and some attempt to revise anti-trust laws.
- Blue Tidal Wave = Vice President Biden Elected + Democratic Controlled Senate (+5) + Democratic Controlled House (+20).
  - Economic recovery efforts likely to be more aggressive than under a President Trump scenario.
  - Could see an attempt to eliminate the filibuster, expand the Supreme Court or add additional states like D.C. and Puerto Rico.
  - Likely repeal of portions of the Tax Cuts and Jobs Act, a vote on some type of a green new deal and some version of a Medicare public option in health care.
  - Will certainly be a labor agenda and more efforts to re-regulate through the Congressional Review Act which allows regulatory changes late in a President's term to be undone.
  - Encourages caution of doing too much too quickly and overreaching as there is potential to create more division within the Democratic party.
- Blue Low Tide = Vice President Biden Elected + Democratic Controlled Senate (+2) + Democratic Controlled House (+10).
  - Economic recovery efforts. Likely more aggressive than under a President Trump scenario.
  - Likely an effort to raise corporate tax rate and revise the Affordable Care Act and provide some form of a public option.
  - Generally an effort to invest in infrastructure that would include green energy.
  - A focus on passing the PRO Act to require all union workers to contribute to union dues and allow employees to sue employers who illegally interfere with unionizing efforts rather than taking their complaints to the National Labor Relations Board.
  - Not right away, but a focus to pass significant immigration reform and an attempt to revise anti-trust laws.
- The question, but also an opportunity = Will the center hold? Centrists, moderates on either side of the aisle will likely be the dominate faction for whether anything can get accomplished. What good policies can get done in that environment? Likely something on immigration, trade, and infrastructure.