

The Post-Election Political Environment: Implications of the Election

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The White House

306 Biden – 232 Trump*

- Recounts, lawsuits pending
- Expected final: 306 Biden – 232 Trump
 - 2016: 304 Trump – 227 Clinton**
- Difference is unified government
 - Does Biden need to rethink priorities and appointments?

* RealClearPolitics, as of 12/1/20

** 7 Electors voted for candidates other than Trump and Clinton (306-232)

117th Congress

Senate: Republican Majority

- 116th Congress: 53 R – 47 D (lame duck: 52 R – 48 D)
- 117th Congress: 50 R – 48 D (GA, GA) (D +1)

- Republican Leader Mitch McConnell (R-KY)
- Republican Whip John Thune (R-SD)

- Democratic Leader Charles Schumer (D-NY)

117th Congress Committees: Senate

- Banking
 - R: ~~Mike Crapo (R-ID)~~; Pat Toomey (R-PA)
 - D: Sherrod Brown (D-OH)
- Finance
 - R: ~~Chuck Grassley (R-IA)~~; Mike Crapo (R-ID)
 - D: Ron Wyden (D-OR)
- HELP
 - R: ~~Lamar Alexander (R-TN)~~; Richard Burr (R-NC), Rand Paul (R-KY)
 - D: Patty Murray (D-WA)
- Appropriations
 - R: Richard Shelby (R-AL)
 - D: Patrick Leahy (D-VT)
- Agriculture
 - R: ~~Pat Roberts (R-KS)~~; John Boozman (R-AR)
 - D: Debbie Stabenow (D-MI)

117th Congress

House of Representatives: Democratic Majority

- 116th Congress: 232 D – 197 R – 1 Ind (5 vacancies)
- 117th Congress: 222 D – 212 R (1 undecided)* (R +11)

- Speaker Nancy Pelosi (D-CA)
- Majority Leader Steny Hoyer (D-MD)
- Majority Whip James Clyburn (D-SC)

- Republican Leader Kevin McCarthy (R-CA)
- Republican Whip Steve Scalise (R-LA)

* RealClearPolitics, as of 12/1/20

117th Congress Committees: House of Representatives

- Financial Services
 - D: Maxine Waters (D-CA)
 - R: Patrick McHenry (R-NC)
- Ways and Means
 - D: Richard Neal (D-MA)
 - R: Kevin Brady (R-TX)
- Education and Labor
 - D: Bobby Scott (D-VA)
 - R: Virginia Foxx (R-NC)
- Appropriations
 - D: ~~Nita Lowey (D-NY)~~; Rosa DeLauro (D-CT); Marcy Kaptur (D-OH); Debbie Wasserman Schultz (D-FL)
 - R: Kay Granger (R-TX)
- Agriculture
 - D: ~~Collin Peterson (D-MN)~~; David Scott (D-GA); Jim Costa (D-CA); Marcia Fudge (D-OH)
 - R: ~~Mike Conaway (R-TX)~~; Glenn Thompson (R-PA), Austin Scott (R-GA); Rick Crawford (R-AR)

Post-Election

- Lame Duck
 - COVID Relief
 - December 11 – Appropriations
- 117th Congress
 - Divided Government – gridlock or compromise legislation?
 - Slow Confirmations
 - Early Executive Actions?

Potential 117th Congress Issues: Financial Services

- ESG
 - Issuer disclosure
- Diversity & Inclusion
 - DIAA
 - Board and C-suite diversity disclosure
- Curb shareholder rights
 - Stock buybacks
 - Dividend payments

Potential 117th Congress Issues: Financial Services

- Money market fund reform
 - COVID-19 Market Impact Working Group
- Common ownership/ FTC Hart-Scott-Rodino proposals
- China delisting
 - PCAOB
- Cybersecurity
 - Protect fund data provided to regulators
- Electronic delivery

Potential 117th Congress Issues: Retirement Security and Tax

- Biden retirement proposal
 - “Equalizing” the tax benefits across the income scale
- SECURE 2.0 (Neal-Brady, Portman-Cardin)
 - Raise RMD to age 75
 - Increase catch-up amount to \$10K at age 60
 - Allow CITs in 403(b) plans
 - Expand MEPs to include 403(b) plans
- Universal access to retirement plans (mandated coverage)
- Review DOL proposals – Fiduciary, ESG, Proxy Voting

Potential 117th Congress Issues: Retirement Security and Tax

- Tax Legislation
 - ~~Repeal/replace 2017 tax law~~
- Investment income
 - ~~Tax capital gains and dividends as ordinary income~~
 - ~~Mark-to-market taxation of capital gains~~
- Financial transaction tax
- Infrastructure – tax-exempt bond financing
- International Regulated Investment Company
- IRS Certificates of Residency