

Becker Spotlight: November 17, 2020

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The incoming Biden Administration began to take shape today with a formal announcement of President-elect Joe Biden's top White House advisers. Congressman Cedric Richmond (D-LA) will be leaving a safely Democratic House seat to serve as a senior adviser to the President and Director of Public Engagement for the new

administration. Jen O'Malley Dillion, who served as campaign manager, will be the Deputy Chief of Staff. Ron Klain was previously announced as Chief of Staff. Mike Donilon, Dana Remus, and Steve Richetti will also serve as senior advisers to the President. Julissa Reynoso Pantaleon will serve as Chief of Staff for Dr. Jill Biden and Anthony Bernal will serve as a senior adviser to the incoming First Lady. Julie Rodriguez was named Director of Intergovernmental Affairs and Annie Tomasini will be the Director of Operations.

House Democrats, despite the disappointing election results, are also preparing for another Congress in the majority. Democrats will hold their leadership elections this week. There will be no major changes at the top for Democrats, as Speaker Nancy Pelosi, Majority Leader Steny Hoyer, Majority Whip Jim Clyburn, and Caucus Chair Hakeem Jeffries will all retain their posts. The highest-ranking contested leadership race is for the role of Assistant Speaker, with Rep. Katherine Clark running against Rep. David Cicilline for the position. The election to succeed Clark as Caucus Vice Chair will feature Rep. Pete Aguilar (CA) and Rep. Robin Kelly (IL). The more recently created role of Caucus Leadership Representative, a leadership spot reserved specifically for members who have served five terms or less, has three candidates: Michigan's Brenda Lawrence and freshman Jason Crow (CO) and Colin Allred (TX).

House Republicans also held leadership elections today and formally re-elected Kevin McCarthy (CA) as their leader for another term. McCarthy will certainly look to serve as Speaker in the future if Republicans can wrest control of the chamber from Democrats in 2022. House Republicans also re-elected Steve Scalise of Louisiana and Liz Cheney of Wyoming to serve as Minority Whip and Conference Chair, respectively.

In the Senate, though control of the chamber may not be decided for another two months, there is still much to be done before the end of the year. Majority Leader Mitch McConnell will look to confirm any and all outstanding judicial appointments. In addition to filling any federal judgeships, McConnell plans to confirm Judy Shelton to the Federal Reserve Board of Governors this week. That plan is in jeopardy with the news of Senator Chuck Grassley's positive Covid test today. With Grassley in quarantine and three other Republicans opposing Shelton's nomination, McConnell may need to get creative to confirm Shelton this week. The timing of the confirmation is very important here because Democrat Mark Kelly, winner of a special election to finish the late John McCain's term, can be seated in the Senate as early as November 30th, further complicating the math for McConnell. Legislatively, there are two major tasks ahead as well.

Though public sentiment may be more focused on the possibility of passing another economic stimulus package before the end of the year, Congress will likely first turn its attention towards reaching a spending agreement before the December 11th expiration date of federal government funding. Last week, Senate Republicans released their draft FY2021 funding bills, roughly a month into the fiscal year. While the current funding expiration date is fast approaching and much work remains, both Democrats and Republicans have publicly expressed a desire to reach a deal and a shutdown is unlikely at this point. The question is whether Congress will be able to come to terms on a full funding agreement or whether another Continuing Resolution (CR) will be needed. A CR would kick the can down the road until, most likely, either February or March, when control of the Senate will be known and neither party will have to be overly concerned about an important election coming up in just a few weeks.

In addition to funding the government, Congress must also decide the legislative fate of a number of tax extenders, including provisions related to the CARES Act, that are set to expire at the end of the year. Among these expiring provisions are tax breaks or credits related to alternative energy, beer, wine, and distilled spirits, aviation industry excise taxes, and film and television production expensing rules. While certain tax extenders can expire and then be renewed sometime the next year with almost no impact on consumers or business, others, like those related to industries paying excise taxes quarterly or monthly, will require more immediate attention. Additionally, the expiration of certain provisions of the tax code - including those related to the moratorium on evictions, student loan forbearance, and small business debt relief provisions - will also have direct, discernible and, in some cases, immediate impact on individuals and businesses, making them top candidates for extensions before the end of the year.