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Capital Snapshot

March 2024

This Month's Capital Snapshot Deck Includes

- An overview of the upcoming congressional schedule, including key dates in March 2024
- A run-through of notable congressional developments, including the impeachment of U.S. Secretary of Homeland Security Alejandro Mayorkas, FY24 government funding, Senate Minority Leader Mitch McConnell's (R-KY) decision to step down as Senate Republican Leader, Rep. Tom Suozzi's (D-NY-3) special election victory, and subsequent swearing in, and President Joe Biden's State of the Union address
- An update on developments, outlook, and priorities for key policy and legislative areas
- An outlook on the current Congress and the state of play for the 2024 congressional and presidential elections
- A look at current trends and factors that could impact the 2024 political and legislative landscape

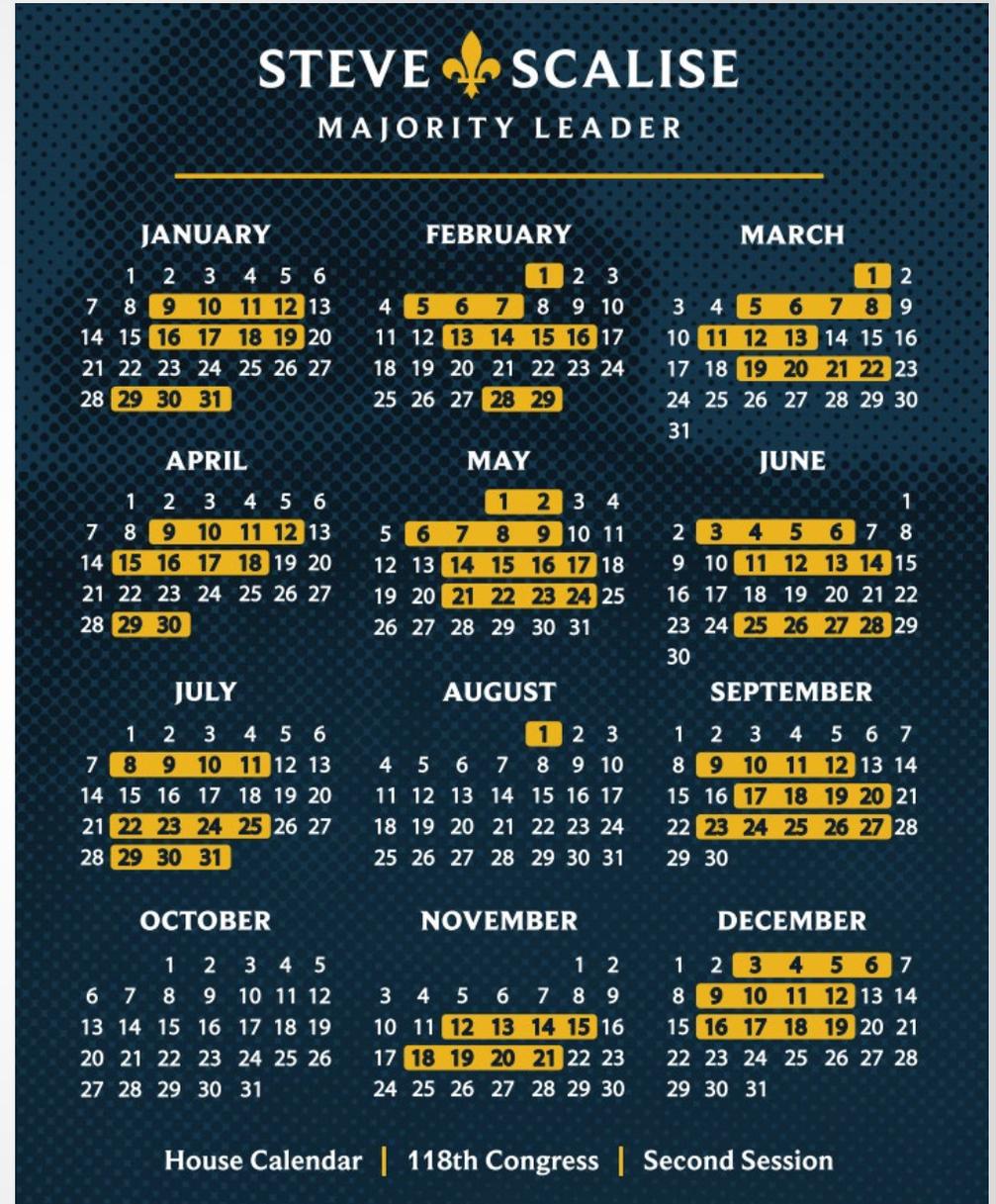
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Congressional Schedule for March 2024

March 2024 House Calendar

- There are 12 legislative days scheduled in the House for March 2024, with seven legislative days left this month.
- The House will be in recess during the week of March 25 as part of the two-week Easter recess, which runs through April 5.
- Currently, there are 88 legislative days scheduled in the House for the remainder of 2024.
- There are just seven legislative days left until the remaining six FY24 appropriations bills expire on March 22.



March 2024 Senate Calendar

- There are 13 legislative days scheduled in the Senate for March 2024, with eight legislative days left this month.
- The Senate will be in recess during the week of March 25 as part of the two-week Easter recess, which runs through April 5.
- Currently, there are 101 legislative days scheduled in the Senate for the remainder of 2024.
- There are just eight legislative days left until the remaining six FY24 appropriations bills expire on March 22.

UNITED STATES SENATE
118th Congress, 2nd Session

2024

TENTATIVE SCHEDULE

JANUARY							FEBRUARY							MARCH						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	2	3							1	2
7	8	9	10	11	12	13	4	5	6	7	8	9	10	3	4	5	6	7	8	9
14	15	16	17	18	19	20	11	12	13	14	15	16	17	10	11	12	13	14	15	16
21	22	23	24	25	26	27	18	19	20	21	22	23	24	17	18	19	20	21	22	23
28	29	30	31	25	26	27	28	29	24	25	26	27	28	29	30					
<small>SENATE CONVENES JANUARY 8, 2024</small>													31							
APRIL							MAY							JUNE						
	1	2	3	4	5	6				1	2	3	4							1
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
28	29	30	26	27	28	29	30	31	23	24	25	26	27	28	29					
													30							
JULY							AUGUST							SEPTEMBER						
	1	2	3	4	5	6				1	2	3	1	2	3	4	5	6	7	
7	8	9	10	11	12	13	4	5	6	7	8	9	10	8	9	10	11	12	13	14
14	15	16	17	18	19	20	11	12	13	14	15	16	17	15	16	17	18	19	20	21
21	22	23	24	25	26	27	18	19	20	21	22	23	24	22	23	24	25	26	27	28
28	29	30	31	25	26	27	28	29	30	31	29	30								
OCTOBER							NOVEMBER							DECEMBER						
	1	2	3	4	5					1	2	1	2	3	4	5	6	7		
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
27	28	29	30	31	24	25	26	27	28	29	30	29	30	31						

Red dates = Senate not in session

2ND SESSION CONVENES—JANUARY 8, 2024
TARGET ADJOURNMENT—DECEMBER 20, 2024

Legislative, Political, and Policy Updates and Overviews

The House Impeaches Secretary Alejandro Mayorkas

- House Republicans, led by Homeland Security Chairman Mark Green (R-TN), [charged](#) Department of Homeland Security (DHS) Secretary Alejandro Mayorkas (D) with “willful and systemic refusal to comply with the law” and a “breach of public trust.”
- On January 30, the House Homeland Security Committee held a [markup](#) of articles of impeachment against Secretary Mayorkas. The committee voted on party lines, 18-15, to favorably forward the impeachment resolution ([H.Res. 863](#)) to the full House.
- On February 6, the House held a vote on the Secretary Mayorkas [impeachment articles](#); however, the vote failed, [214-216](#), and Secretary Mayorkas was not impeached at the time.
 - Three Republicans voted against impeachment: Reps. Ken Buck (R-CO), Tom McClintock (R-CA), and Mike Gallagher (R-WI). This resulted in a 215-215 tie. Rep. Blake Moore (R-UT) then changed his vote to “Nay” to allow him to offer a motion to reconsider the vote.
- On February 13, the House held a second impeachment vote, this time impeaching Secretary Mayorkas by a very narrow margin of [214-213](#).
 - House Majority Leader Steve Scalise’s (R-LA) return to Washington, D.C. was critical; he had missed the previous week’s vote due to medical treatments, but his vote during the second vote proved to be decisive.
 - Reps. Buck, McClintock, and Gallagher once again voted against the impeachment resolution.
- Prior to the impeachment of Secretary Mayorkas, it has been nearly 150 years since a Cabinet official was last impeached. Secretary of War William Belknap was impeached in 1876.
- We understand that the Senate will consider the articles of impeachment as soon as they formally receive them from the House, which will likely be after the FY24 appropriations bills are resolved later this month. Senate President Pro Tempore Patty Murray (D-WA) is expected to oversee the trial.
 - The Senate is expected to acquit Secretary Mayorkas of his charges, and the Senate might even vote to table or dismiss the trial altogether.
 - If a full trial is conducted, all Democrats are expected to vote to acquit; a few Republicans may potentially do the same. For example, Sen. Mike Rounds (R-SD) recently stated “malfeasance in office is not, the way we read it, a reason for impeachment.” Other senators from both parties have commented that they think this impeachment is a waste of time.



Homeland Security Secretary
Alejandro Mayorkas



House Homeland Security Chairman
Mark Green (R-TN)

Senator Mitch McConnell to Step Down as Senate Republican Leader

- On February 28, Senate Minority Leader McConnell (R-KY) [announced](#) on the Senate Floor that this term will be his last as Senate Republican Leader, stating, “one of life’s most underappreciated talents is to know when it’s time to move on to life’s next chapter.”
- Leader McConnell, who has served as the senior U.S. senator from Kentucky since 1985, has been the leader of the Senate Republican Conference since January 3, 2007, and is the longest serving Senate party leader in U.S. history.
- Senator McConnell has served two stints as Senate Minority Leader, first from January 2007 to January 2015, and again from January 2021 to now. He also served as Senate Majority Leader from January 2015 to January 2021.
- The Senate Republican Conference will elect a new party leader for the next Congress, the 119th Congress, in November 2024, after the general presidential election. Whoever is elected the next leader will assume the duties of the role when the new Congress begins on January 3, 2025.
- At this time, the top two declared candidates to become the next Senate Republican Leader are current Senate Minority Whip John Thune (R-SD) and Sen. John Cornyn (R-TX), who was Senate Minority Whip from 2013 to 2015 and Senate Majority Whip from 2015 to 2019. Both Sens. Thune and Cornyn announced their candidacies within the last few days.
- Sen. John Barrasso (R-WY), currently the Chairman of the Senate Republican Conference, announced this week that he is running to be the next Senate Republican Whip, which is the #2 Senate Republican position.
- Other senators who may consider bids for the position of Republican Leader include Sen. Marco Rubio (R-FL), Sen. Rick Scott (R-FL), and Sen. Steve Daines (R-MT), currently the Chair of the National Republican Senatorial Committee (NRSC). Sen. Daines is reportedly being encouraged to run by former President Donald Trump (R).



Senate Minority Leader
Mitch McConnell (R-KY)

Rep. Tom Suozzi Wins Special Election; Returns to Congress

- On February 13, former Rep. Tom Suozzi (D-NY) won the special election for New York's 3rd congressional district, defeating Republican nominee Mazi Pilip (R-NY) by a margin of [53.9% - 46.1%](#).
- Rep. Suozzi reclaimed the seat for Democrats and was [sworn into office](#) on February 28. He will now finish the current term of former Rep. George Santos (R-NY), who was [expelled](#) by the House on December 1, 2023.
- House Democrats praised Rep. Suozzi's win, arguing it highlights the opportunity for Democrats to flip the House this upcoming November. House Minority Leader Hakeem Jeffries (D-NY) told the press that "Tom Suozzi talked about issues, fixing challenges, solving problems. And there are certainly lessons to be learned in that regard from other candidates as we approach November."
- House Republicans downplayed the loss, with Speaker Mike Johnson (R-LA) pointing out that the election result was relatively close despite a large spending advantage by Democrats in the race.
- As a result of Rep. Suozzi's special election win, House Republicans' already narrow margin becomes 219-213. The 219-213 majority is only a *two-seat* majority, as Republicans can only afford to lose two votes on a bill for it to pass on a partisan basis.
- Now that Rep. Suozzi has been sworn in, there are three vacancies in the House: NY-26 (Rep. Brian Higgins (D)), OH-6 (Rep. Bill Johnson (R)), and CA-20 (Rep. Kevin McCarthy (R)).



Rep. Tom Suozzi (D-NY-03)

President Joe Biden Delivers His Third State of the Union Address

- On March 7, President Joe Biden (D) delivered his third [State of the Union](#) address to a joint session of Congress as the 2024 presidential general election campaign takes shape.
- The president opened his [address](#) by stating the United States will not walk away from Ukraine and emphasized that the U.S. must stand up to Russian President Vladimir Putin. President Biden strongly urged the House to pass the [Bipartisan National Security Bill](#), which the Senate passed in a bipartisan [70-29](#) vote in February, to provide aid and assistance to Ukraine, as well as Israel and Taiwan.
- The president expressed support for Israel, firmly denounced Hamas’s attack on October 7, 2023, and stated “Israel has a right to go after Hamas.” He urged Hamas to release the hostages it still holds.
 - The president also lamented the loss of innocent Palestinians who have been killed in Gaza and highlighted Israel’s responsibilities to civilians. He announced that he is directing the U.S. military to lead an emergency mission to [establish](#) a temporary pier on the coast of Gaza to distribute food, water, medicine, and temporary shelters. He also urged Israel to allow more aid into Gaza.
- The president also discussed the need to defend democracy and voting rights, not only abroad, but also in the United States, and said January 6 posed a “grave” threat to U.S. democracy.
- President Biden discussed reproductive health policy and promised that if Americans elect a Congress that supports the right to choose, he will restore *Roe v. Wade* as the law of the land.
- The president praised the passage of the *Inflation Reduction Act* ([P.L. No: 117-169](#)), particularly its prescription drug pricing provisions. He also called on Congress to expand the scope of the law’s drug pricing negotiations by increasing the number of drugs subject to Medicare price negotiations to 50 per year, up from 10 currently and 20 starting in 2029. He also declared he wants to expand the \$2,000 out-of-pocket cap on prescription drug costs in Medicare to those on private insurance.
- The president also called for tax increases on high-income households and corporations, demanding that wealthy Americans “pay their fair share.”



President Joe Biden (D) delivering his State of the Union address to a joint session of Congress; Vice President Kamala Harris (D) and House Speaker Mike Johnson (R-LA) listen to the president’s address.

FY24 Appropriations



Speaker Mike Johnson (R-LA)

- On February 29, Congress approved another short-term Continuing Resolution (CR) ([H.R. 7463](#)), averting a partial government shutdown on March 1.
- Keeping with the laddered approach, the deadline for the first six FY24 appropriations bills is now March 8, and the deadline for the remaining six bills is March 22.
- The stopgap resolution came after lawmakers struck a deal on six appropriations bills. Speaker Mike Johnson (R-LA), who had opposed another short-term funding stopgap, agreed the deal represented enough progress to hold a vote on the CR, buying more time for Congress to complete the remaining appropriations bills.

FY24 Appropriations

Upcoming Funding Deadlines:

- Congress has until **March 8** to address appropriations for:
 - Agriculture, Food and Drug Administration
 - Commerce, Justice, Science, and related agencies
 - Energy and Water Development and related agencies
 - Interior, Environment, and related agencies
 - Military Construction, Veterans Affairs, and related agencies
 - Transportation, Housing and Urban Development, and related agencies
- Congress has until **March 22** to address appropriations for:
 - Defense
 - Financial Services and General Government
 - Homeland Security
 - Labor, Health and Human Services, Education
Legislative Branch
 - State, Foreign Operations, and related programs



Senate and House Appropriations Committee Chair Patty Murray (D-WA) and Ranking Member Susan Collins (R-ME)

FY24 Appropriations



House Minority Leader Hakeem Jeffries (D-NY), Senate Minority Leader Mitch McConnell (R-KY), Senate Majority Leader Chuck Schumer (D-NY), and Speaker of the House Mike Johnson (R-LA)

- On March 3, congressional appropriations leaders published [bill text](#) and [explanatory statements](#) for the six-bill appropriations package containing the following bills:
 - [Agriculture-Rural Development-FDA](#)
 - [Commerce-Justice-Science](#)
 - [Energy and Water](#)
 - [Interior-Environment](#)
 - [Military Construction-Veterans Affairs](#)
 - [Transportation-Housing-Urban Development](#)
- On March 6, the House passed this six-bill appropriations minibus package in a bipartisan vote of [339-85](#).
 - The House considered the measure under a suspension of the rules, meaning it needed a 2/3 majority to pass. Ultimately, 80% of voting members voted “Yea” on the bill.
 - 132 Republicans voted in favor of the minibus, but 83 Republicans voted against it.
 - 207 Democrats voted “Yea,” while just 2 voted “Nay.”
- On March 8, after first voting on a set of four amendments, all of which failed, the Senate passed the [minibus package](#) in a bipartisan vote of [75-22](#). 21 of the 22 “Nay” votes came from Republicans.
- President Biden [signed](#) the minibus package into law on the morning of March 9.

FY24 Appropriations



House Freedom Caucus Chair Bob Good (R-VA)

- There remains the possibility of a partial government shutdown with respect to the six remaining appropriations bills expiring on March 22. Ninety-seven Republicans voted against the latest CR.
- The remaining six appropriations bills are among the most contentious and controversial policy riders and threaten to derail negotiations.
 - The remaining six bills are: (1) Defense; (2) Financial Services and General Government; (3) Homeland Security; (4) Labor, Health and Human Services, Education (L-HHS); (5) Legislative Branch; and (6) State, Foreign Operations.
- In a February 21 [letter](#), over two dozen House Freedom Caucus members raised the possibility of supporting a year-long CR instead if Republican policy riders are not included in appropriations bills.
- The Congressional Budget Office [estimates](#) a CR through the end of FY24 would lead to tens of billions of dollars in cuts to both defense and nondefense spending, as mandated under the Fiscal Responsibility Act ([P.L. 118-5](#)).

FY24 Supplemental Aid and Border Security



Senators Chris Murphy (D-CT) and Kyrsten Sinema (I-AZ), two of the three senators who negotiated the bipartisan border deal

- On February 7, the Senate failed to advance a [\\$118 billion package](#) that included border security measures and military and humanitarian assistance to Israel and Ukraine.
 - Sens. Chris Murphy (D-CT), Kyrsten Sinema (I-AZ), and James Lankford (R-OK) negotiated the package.
- Rapid erosion of support for the package came after pushback from Speaker Johnson and former President Donald Trump (R).
- Instead, the chamber shifted course, approving an [alternative package](#) on February 13 that excludes border security measures and policies but would provide \$95 billion in aid for Israel, Ukraine, and priorities for the Indo-Pacific in a bipartisan [70-29](#) vote.
- Speaker Johnson remains adamant that the House will not take up the legislation as-is. The chamber previously failed to advance a \$17.6 billion Israel military and humanitarian aid bill ([H.R. 7217](#)) under suspension of the rules (requiring a two-thirds majority to pass) in a [250-180](#) vote, so it is unclear how the House will proceed.

FY24 Earmarks Overview

- Despite weighing whether to renew a ban on Congressionally Directed Spending (CDS or “earmarks”), House Republicans are set to receive a sizable share of earmarks included in the pending FY24 appropriations bills.
- Of the \$7.4 billion included in the House’s appropriations bills for earmarks, Republicans will receive \$4.5 billion, while Democrats receive \$2.7 billion, a 62-37% split.
- House Appropriations Energy and Water Subcommittee Chair Chuck Fleishmann (R-TN) is set to receive the most earmarked funds (\$273 million), followed by Reps. Randy Weber (R-TX) at \$144.3 million and Rick Crawford (R-AR) at \$121.3 million.
 - The top individual Democrat in the House is Rep. Veronica Escobar (D-TX), whose district is set to receive \$19.2 million in CDS.
- In the Senate, Sen. Lisa Murkowski (R-AK) is receiving the most earmarked funds (\$465 million). The second largest amount goes to the Maine senators, Sen. Angus King (I-ME) and Appropriations Committee Vice Chair Susan Collins (R-ME), set to receive \$431 million for their state.

National Defense Authorization Act (NDAA)

Background: The NDAA is the annual defense legislation that sets the budget and priorities of the Department of Defense (DoD). The bill has passed every year for over six decades and maintains a bipartisan, bicameral process to ensure passage.

FY25 NDAA Update: The president's FY25 Budget Proposal is expected to be released on March 11. Meanwhile, the House Armed Services Committee has already begun work on drafting its version of the FY25 NDAA, having set a member priority deadline for March 1. The Senate Armed Services Committee set a deadline of April 8 for member requests.

We expect both committees to begin the annual budget hearings shortly after the release of the Budget Proposal. HASC and SASC committee markups will begin once the committees have been able to draft the chairmans' marks, likely in May.



Tax Update

- Bipartisan, House-passed legislation ([H.R. 7024](#)) to extend expiring provisions of the Tax Cuts and Jobs Act remains stalled in the Senate this month.
 - Senate Finance Committee Republicans, led by Ranking Member Mike Crapo (R-ID), are opposed to (1) provisions allowing taxpayers to use prior-year income to claim the Child Tax Credit and (2) the bill's revenue-raising provisions; they are demanding a markup.
 - Sen. Thom Tillis (R-NC) outlined his opposition in a February 29 [Wall Street Journal op-ed](#) urging the Senate to reject the bill in its current form.
 - Republicans in the Senate appear split on whether to advance the legislation, with Sen. Young, for instance, highlighting his support.
- Ways and Means Committee Chair Jason Smith (R-MO) continues to lobby Senate Republicans on the bill.
 - Chair Smith is seeking Republicans from the Finance Committee to surpass the 60-vote threshold if opposition continues.



Ways and Means Committee Chair Jason Smith (R-MO)



Senate Finance Committee Ranking Member
Mike Crapo (R-ID)

Financial Services Update

Capital Formation Bill Moving

- The House Financial Services Committee hopes to pass a capital formation bill through the House this week, but controversy over spending may be an obstacle. The individual provisions in the Expanding Access to Capital Act ([H.R. 2799](#)) have bipartisan support, which could improve its chances of passage.

China Outbound Investment

- House Financial Services Chair Patrick McHenry (R-NC), House Foreign Affairs Chair Michael McCaul (R-TX), and House China Select Committee Chair Mike Gallagher (R-WI) are negotiating outbound limitations on investment in China. The active talks are working to find consensus around related bills introduced by Rep. Andy Barr (R-KY) and Reps. McCaul and Gregory Meeks (D-NY). Rep. Gallagher endorsed the McCaul-Meeks legislation.
- In addition, Republican Study Committee (RSC) Chair Kevin Hern (R-OK) and RSC National Security Task Force Chair Joe Wilson (R-SC) [introduced](#) the Countering Communist China Act ([H.R. 7476](#)) last week, messaging the party's interest in exerting influence on this issue.



House Financial Services Committee Chair
Patrick McHenry (R-NC)



House Foreign
Affairs Chair Michael
McCaul (R-TX)



House China Select
Committee Chair Mike
Gallagher (R-WI)

Artificial Intelligence Update

- House leadership announced the creation of a bipartisan AI task force led by Reps. Jay Obernolte (R-CA) and Ted Lieu (D-CA).
 - The task force, composed of 12 Republicans and Democrats, will work to identify areas of bipartisan consensus on AI policy issues and develop legislative solutions.
- Senate AI Working Group leaders Todd Young (R-IN) and Mike Rounds (R-SD) indicated the group is preparing to release a report detailing the group's plans for AI legislation during the remainder of the 118th Congress.
 - Sen. Young suggested he is meeting with the leadership of relevant congressional committees to schedule markups of legislation immediately following the report's release.



Sen. Todd Young (R-IN)



Sen. Mike Rounds (R-SD)

Energy and Environment Updates – Hydrogen Tax Credits



Treasury Secretary Janet Yellen



Sen. Shelley Moore Capito (R-WV)

- The Treasury Department is facing pushback from hydrogen hubs over [proposed guidance](#) implementing Inflation Reduction Act (IRA) Section 45V clean hydrogen production tax credits.
- In a February 26 [letter](#), leaders of all seven of the regional clean hydrogen hubs urged Treasury to broaden the restrictions because “many of the projects generating these investments and supporting jobs will no longer be economically viable” under the proposed guidance.
- In a February 23 [letter](#), Senate Environment and Public Works Committee Ranking Member Shelley Moore Capito (R-WV) argued that the proposed guidance will dampen private sector investment associated with hydrogen hubs.
- According to media reports, Department of Energy (DOE) officials have privately pressed the Treasury Department to relax the guidance to allow the new industry to better access the credit, particularly those involved in the Hydrogen Hubs Program.

Energy and Environment Updates – LNG Approval Pause

- Both the House and Senate held hearings in February aimed at the Biden administration’s [temporary pause](#) on pending export permits of liquefied natural gas (LNG) to non-Free Trade Agreement (FTA) countries while the Department of Energy (DOE) updates analyses used in the authorizations.
- In a Senate Energy and Natural Resources Committee [hearing](#) on February 8, DOE Deputy Secretary David Turk defended the temporary pause, underscoring that the pause will not affect the United States’ ability to supply LNG to allies. Republicans sharply criticized the pause and Committee Chair Joe Manchin (D-WV) called it “reckless and dangerous.”
- On February 15, the House approved the Unlocking our Domestic LNG Potential Act ([H.R. 7176](#)) in a 224-200 vote, with nine Democrats joining Republicans in approving the bill. The legislation would transfer authority to approve export of LNG from DOE to the independent Federal Energy Regulatory Commission (FERC), effectively ending the Biden administration’s pause.



Senate Energy and Natural Resources Committee Chair Joe Manchin (D-WV) and Energy Department Deputy Secretary David Turk

Energy and Environment Updates – EPA Power Plant Regs

- In a [statement](#) on February 29, the Environmental Protection Agency (EPA) announced changes to proposed [performance standards](#) for fossil fuel-fired power plants delaying action on regulations governing greenhouse gas emissions from existing natural gas plants. The standards will still apply to coal power plants and other fossil fuel-fired generators and is expected to be finalized next month.
- Instead, EPA will develop comprehensive regulations applying to existing natural gas plants in a separate rulemaking – this rule will not be finalized before the November election.
- EPA Administrator Michael Regan stated this “stronger, more durable approach will achieve greater emissions reductions than the current proposal,” but some environmental organizations and progressive lawmakers, including Sen. Sheldon Whitehouse (D-RI), have [criticized](#) the proposal.



EPA Administrator Michael Regan

Energy and Environment Updates – FERC Commissioners

- On February 9, the White House [announced](#) current acting chair of the Federal Energy Regulatory Commission (FERC), Willie Phillips, will serve as the official chair after leading the commission in an acting capacity since January 2023.
- FERC Commissioner Allison Clements, whose term ends in June, announced in February she will not seek a second term on the commission.
- On February 29, the White House [announced](#) the nomination of three individuals to serve as commissioners on the Federal Energy Regulatory Commission: Judy Chang, David Rosner, and Lindsay See. Under statute, no more than three members of FERC can serve from the same party – Senate Minority Leader Mitch McConnell recommended See’s nomination, while Chang and Rosner were chosen by President Biden.
- As there are currently two vacant seats on the five-member commission, the Senate will need to approve at least one additional FERC commissioner before Clements vacates her seat to maintain a quorum on the commission.



Education: House Education Committee Activity

- Last week, the House cancelled plans to vote on the Bipartisan Workforce Pell Act ([H.R. 6586](#)), which would allow students to use Pell Grant funding for short-term job training programs.
 - After the teachers' unions and higher education associations publicly opposed the bill over its pay-for (risk-share funding from universities that pay the endowment tax under the Tax Cuts and Jobs Act (P.L. 115-97)), there were no longer enough Democrats to support the measure under a procedural vote that would have required a two-thirds threshold for passage.
 - With the likelihood of the bill failing on the floor, House Republican leadership removed it from the floor calendar.
- It will be increasingly more difficult for Chairwoman Virginia Foxx (R-NC) to move her other higher education priorities, including the College Cost Reduction Act ([H.R. 6951](#)), to the floor this year.
- House Republicans are expected to release their First Amendment bill this month, but a path forward to the floor is unclear.



House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC) and Ranking Member Bobby Scott (D-VA)

Education: Congressional Oversight

- Both parties continue to exercise their oversight authorities to advance education policy priorities.
 - **Antisemitism Investigations**
 - On February 29, the House Education and the Workforce Committee held a bipartisan member [roundtable](#) on Antisemitism at Postsecondary Institutions. Student speakers from several institutions shared anecdotes of antisemitism on their campuses.
 - Committee members agreed on the importance of conducting oversight on this issue, but they disagreed on the solution.
 - Some Republicans wanted to revoke federal funding for universities that do not properly address antisemitism.
 - Some Democrats called for increased funding for the Department of Education’s Office of Civil Rights to investigate claims of antisemitism and other forms of discrimination.
 - **FAFSA Rollout**
 - On February 27, the Department of Education [announced](#) its progress on the 2024-2025 “Better FAFSA” implementation, including a more generous aid calculation.
 - Chair Foxx criticized the department for not consulting Congress in advance of these changes and inserted a student aid calculation fix in the Continuing Resolution ([H.R. 7463](#)) passed by Congress February 29. The department’s calculation will be available for the 2024-2025 award year, and the congressionally adjusted calculation will be applied in the following years.



House Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC)

Education: Department of Education Updates

- On February 5-8, the Department of Education held the second session for its Program Integrity and Institutional Quality Negotiated Rulemaking, covering cash management, return of Title IV funds, distance education, state authorization, accreditation, and TRIO.
 - The department published updated [issue papers](#) ahead of the third and final session on March 4-7, where negotiators are unlikely to reach consensus on most topics.
- The department held a fourth session for its Student Loan Debt Relief Negotiated Rulemaking on February 22-23 to discuss regulatory text to support borrowers experiencing hardships.
 - After negotiators reached consensus, a proposed rule on this topic is expected to be released in May.
- This month, the department sent its proposed final Title IX [rule](#) to the Office of Management and Budget (OMB), the last step in the process before the agency publishes the final rule.
 - According to the department's [Unified Agenda](#), the final rule is expected to be released in March, but OMB has up to 90 days to review the rule, which could delay this timeframe for releasing the final rule.



Secretary of Education Miguel Cardona

Education: Child Care Updates

- On March 1, the Department of Health and Human Services (HHS) released its final [rule](#) on the Child Care & Development Block Grant (CCDBG) program, which will take effect April 30. Specifically, the final rule would:
 - Cap co-pays at 7% of participating families' income
 - Push states to eliminate co-pays for several targeted groups
 - Direct states to pay child care providers fairly and on time
 - Streamline eligibility and enrollment processes for families
- In November 2023, HHS published a [notice](#) for proposed rulemaking related to new requirements for Head Start Program Performance Standards, including requiring Head Start educators be paid in line with preschool teachers.
 - Congressional Democrats leading on childcare issues recently warned about the potential reduction of Head Start slots if the rule is implemented.



Secretary of Health and Human Services (HHS) Xavier Becerra

Health Care Funding — Health Updates



Leaders of the House and Senate
Appropriations Committees

- **On March 3, lawmakers released the legislative text of six FY24 appropriations bills, including for Ag-FDA.**
 - In addition to flat-funding the FDA at \$6.7 billion, the package delays Medicaid Disproportionate Share Hospital (DSH) cuts until January 1, 2025, provides a temporary 1.68% Medicare payment increase for physicians in addition to the 1.25% increase passed by Congress last year, and aims to increase access to mental health and substance use disorder providers participating in Medicaid and CHIP.
 - The bill does not include more contentious health care riders related to pharmacy benefit managers (PBMs), hospital transparency requirements, and site-neutral payments, nor does it reauthorize the SUPPORT Act and the Pandemic and All-Hazards Preparedness Act (PAHPA). These policies could be considered during the lame-duck session in December.
- **Next Steps:** After Congress passes this funding package, it must pass six other appropriations bills by March 22. The second tranche of bills — particularly L-HHS — cover agencies that attract more controversial provisions, which may lead to a more difficult and lengthy negotiating process for Congressional leaders.

Drug Shortages and Inspections — Health Updates



W&M Chairman Jason Smith (R-MO)

- **On February 6, the House Ways & Means (W&M) Committee held a hearing on “Examining Chronic Drug Shortages in the United States.”**
 - Members discussed the impact of drug shortages on disadvantaged and rural communities and expressed concerns about international influence on the U.S. drug supply chain.
- **That same day, the House Energy & Commerce (E&C) Oversight & Investigations (O&I) Subcommittee held a hearing on “Protecting American Health Security: Oversight of Shortcomings in the FDA’s Foreign Drug Inspection Program.”**
 - Members discussed the FDA’s resources, inspection improvement, and the impact of the COVID-19 pandemic.
- **Next Steps:** Lawmakers continue to express concerns over drug shortages in the U.S. and increased reliance on foreign drug manufacturers, particularly given persistent foreign manufacturing safety violations and potential risk to American consumers. E&C O&I Subcommittee leadership has confirmed that there will be a follow-up hearing on the FDA’s Foreign Drug Inspection Program later this year.

House Energy & Commerce Committee – Health Updates

- **On February 14, the E&C Health Subcommittee held a [hearing](#) on “Legislative Proposals to Support Patients and Caregivers.”**
 - The 19 bills considered relate to various aspects of the U.S. public health system, including emergency medical services and health care providers, maternal and pediatric health, disease research and prevention, support for family caregivers, and increased access to care.
- **On February 29, the E&C Health Subcommittee held a [hearing](#) on “Legislative Proposals to Support Patients with Rare Diseases.”**
 - The 18 bills considered aimed to increase access to rare disease treatments, but members were divided on bills that would reform the Medicare Drug Price Negotiation Program established by the Inflation Reduction Act (IRA). Committee Democrats, including E&C Ranking Member Frank Pallone (D-NJ), argued that the bills would undermine the program’s intent to lower drug prices, while Republicans, like Rep. John Joyce (R-PA), said the bills would “drive more investment into the rare disease space.”
- **Next Steps:** While it is unclear what other health care policies will be considered at E&C this year, Chair Cathy McMorris Rodgers (R-WA) continues to advocate for the Lower Costs, More Transparency Act ([H.R. 5378](#)). Note that she announced her intention to retire at the end of the 118th Congress.
 - Other health care leaders retiring from Congress, including Reps. Michael Burgess (R-TX) and Larry Bucshon (R-IN), are working to move their own health care policies before the end of this Congress as well.
 - E&C Health Subcommittee Chair Brett Guthrie (R-KY) is one of numerous members running to replace Chair Rodgers as the head of E&C.

Senate — Health Updates

- **On February 2, members of the 340B Senate Bipartisan Working Group released a [discussion draft](#) of the *SUSTAIN 340B Act*.**
 - Introduced by Sens. John Thune (R-SD), Debbie Stabenow (D-MI), Shelley Moore Capito (R-WV), Tammy Baldwin (D-WI), Jerry Moran (R-KS), and Ben Cardin (D-MD), the discussion draft includes proposals to require greater transparency of how 340B sites are using savings from the program, more stringent definitions of child sites, and increased audit authority and data-sharing to prevent providers from achieving duplicate savings.
 - The 340B Senate Bipartisan Working Group is seeking feedback on the discussion draft by Monday, April 1. While certain senators have expressed a desire to enact legislation in this Congress, meaningful legislative action may be difficult due to remaining partisan challenges from prior Congresses.
- **On February 8, the Senate Finance Committee held a [hearing](#) on the impact of AI on the health care industry.**
 - Committee members of both parties acknowledged the potential benefits of AI for improved healthcare efficiency, but suggested guardrails must be established to avoid discrimination and ensure AI-informed decisions reflect a patient’s best interests.
 - On February 20, House Speaker Mike Johnson (R-LA) and Democratic Leader Hakeem Jeffries (D-NY) [announced](#) the establishment of a bipartisan AI Task Force, led by Reps. Jay Obernolte (R-CA) and Ted Lieu (D-CA).
- **On February 8, the Senate HELP Committee held a [hearing](#) titled, “Why Does the United States Pay, by Far, the Highest Prices in the World for Prescription Drugs?”**
 - Following a threat to subpoena by Senate Democrats, the hearing featured the CEOs of three pharmaceutical companies – Merck, Johnson & Johnson, and Bristol Myers Squibb – and three expert witnesses on drug pricing. When asked targeted questions about the high prices of drugs in the U.S. market, the CEOs pointed to PBMs and other market forces as roadblocks for patients to access drugs.

Biden Administration – Health Updates



President Biden giving a speech on drug costs

- **CMS recently submitted initial offers for negotiated prices to the manufacturers of the first 10 Medicare Part D drugs selected for negotiation.**
 - On March 4, President Biden [announced](#) that all participating manufacturers submitted counteroffers, so CMS’ negotiation process continues. The negotiated prices will be finalized and published in September 2024, with prices taking effect in January 2026.
- **On February 12, a federal court dismissed PhRMA’s lawsuit challenging the IRA’s Medicare Drug Price Negotiation Program, ruling that the lawsuit was filed in the improper venue.**
 - In response, PhRMA and its members expressed that they are disappointed with the decisions and are weighing additional legal action. Additional cases challenging the negotiation program are expected to reach federal appeals courts and possibly the U.S. Supreme Court.
 - Drug pricing issues remain at the forefront of Congressional and regulatory action, particularly as the Biden administration and Democrats tout the IRA’s cost-savings to patients ahead of the 2024 elections.

Federal Regulatory Agencies – Health Updates



House Minority Leader Hakeem Jeffries and
HHS Secretary Xavier Becerra

- **On February 5, HHS Secretary Xavier Becerra denied an appeal which would have directed the NIH to exercise march-in rights for Xtandi, a prostate cancer drug which costs nearly \$200,000 a year.**
 - Secretary Becerra upheld NIH’s explanation that the use of march-in rights are not justified because Xtandi is “widely available to the public” and any execution of march-in rights would be a lengthy, time-intensive exercise.
 - Secretary Becerra acknowledged the ongoing need for prescription drug price reform and commended President Biden’s recent calls to lower U.S. drug prices.
- **On February 15, CMS released the second part of draft guidance for the Medicare Prescription Payment Plan for the program’s first year, 2025.**
 - The draft guidance outlines requirements for Medicare Part D plan sponsors, including outreach and education requirements, pharmacy processes, and operational considerations. The program allows patients to spread out-of-pocket costs over the year instead of paying in a single lump sum. Comments are due by March 16, 2024.

Federal Regulatory Agencies — Health Updates



Federal Trade Commission (FTC) Chair
Lina Khan

- **On February 6, the FTC issued a [public comment](#) expressing support for an expansive and flexible approach to march-in rights, including providing that federal agencies can “march-in” on the basis of high prescription drug prices.**
 - The FTC’s comment explains that march-in rights can be a valuable tool to address potential harms in the pharmaceutical industry in addition to other government-wide approaches to address “patent thickets.”
- **On February 14, the FTC and HHS [publicly called for information](#) to better understand the root causes of generic drug shortages.**
 - FTC Chair Lina Khan released several tweets placing particular scrutiny on the impact that PBM “middlemen” have on drug shortages. Stakeholders have 60 days to submit comments to Regulations.gov.
- **On March 5, the FTC held a [public workshop](#) titled, “Private Capital, Public Impact: An FTC Workshop on Private Equity in Health Care.”**
 - The purpose of the workshop was to hear from stakeholders and experts with experience on the effects of private equity investment in the health care system.
 - The workshop focused on highlighting the ways in which private equity acquisitions affect the health care industry, examining real-world scenarios, and discussing possible solutions. No new regulatory actions were announced as part of the workshop.
 - However, that same day, the Justice Department’s (DoJ) Antitrust Division, the FTC, and HHS [jointly launched](#) a cross-government public inquiry into private-equity and other corporations’ “increasing control over health care.”
 - As part of this inquiry, the agencies issued a [Request for Information](#) (RFI) requesting public comment on deals conducted by health systems, private payers, private equity funds, and other alternative asset managers that involve health care providers, facilities, or ancillary products or services.

Update on California's Budget Deficit

- **The California Budget Deficit**

- The deficit appears to be worse than initially projected, as estimated by the nonpartisan Legislative Analyst's Office (LAO).
- The LAO now estimates the deficit to be \$73 billion, which is \$15 billion more than was previously projected.
- This is nearly double the \$38 billion shortfall that Governor Gavin Newsom (D) estimated in January.

- **Budget Subcommittee hearings have begun in the state legislature as they begin to examine the governor's budget proposal.**

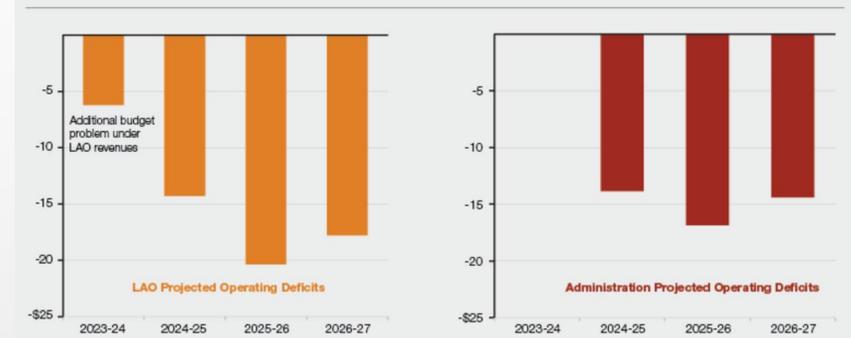
- The legislature is expected to revise the budget and will work with the governor while doing so.
- The next version of the budget will be released on or around May 15 (the May Revise).



California Governor Gavin Newsom (D)

Figure 1

Operating Deficits Somewhat Larger Under LAO Projections
(In Billions)



Source: California Globe, March 5, 2024

California's Super Tuesday

- On March 5, California held its primary elections on “Super Tuesday.”
- The most-watched race was the contest to fill the seat that was occupied by the late Senator Dianne Feinstein (D-CA) (which is now temporarily being held by Sen. Laphonza Butler (D-CA)).
 - While there were additional candidates, this was essentially a four-way race between Rep. Adam Schiff (D-CA), Rep. Katie Porter (D-CA), Rep. Barbara Lee (D-CA), and Steve Garvey (R).
- Rep. Schiff and Mr. Garvey emerged victorious in California’s “top-two” or “jungle” primary system. The two will advance to November’s general election matchup.
 - Reps. Porter and Lee split off the remaining Democratic vote.
- Other Congressional races will be determined in November. Notable competitive races in “swing districts,” which could determine control of the U.S. House, include:
 - CA-13 (Rep. Duarte vs. Gray); CA-22 (Rep. Valadao vs. Salas); CA-27 (Rep. Garcia vs. Whitesides); CA-40 (Rep. Kim vs. Kerr); CA-41 (Rep. Calvert vs. Rollins); CA-45 (Rep. Steel vs. Tran/Nguyen-Penalosa); CA-47 (Baugh vs. Min)
- State legislative races: notable members terming out or announcing they will not run again leads to a number of state races where the key fight is one between progressive Democrats vs. moderate Democrats.
- State ballot measure: with California facing upwards of a \$58 billion dollar deficit, Governor Newsom has put forward Prop 1, which authorizes the state to borrow \$6.38 billion in bonds to fund mental health and substance abuse.



Rep. Adam Schiff (D-CA)



Steve Garvey (R)

California Legislative Session Begins

- Over 2,000 bills have been introduced.
 - 1,505 in the Assembly and 619 in the Senate
 - Almost a third are “spot bills” – which means they will be amended to have their substance put in by the end of March to be considered active.
 - 2024 legislative timeline:
 - Policy hearings begin March 1 for new bills
 - Last day for policy hearings is May 3
 - Fiscal bills must be heard and reported to Floor by May 17
 - Bills need to have moved to the next house by May 24
 - Policy committees resume
 - Budget Bill must be passed by June 15
 - Last day for policy committees is July 3
 - Summer Recess July 4-August 4
 - Session begins
 - Fiscal committees last day to hear bills is August 16
 - Floor session only August 19-31
 - Session ends August 31
- The Governor must sign or veto bills by September 30. California has the “pocket signature,” so he must veto a bill in order to stop it from becoming law.



California Legislators (Re)Introduce Headlines

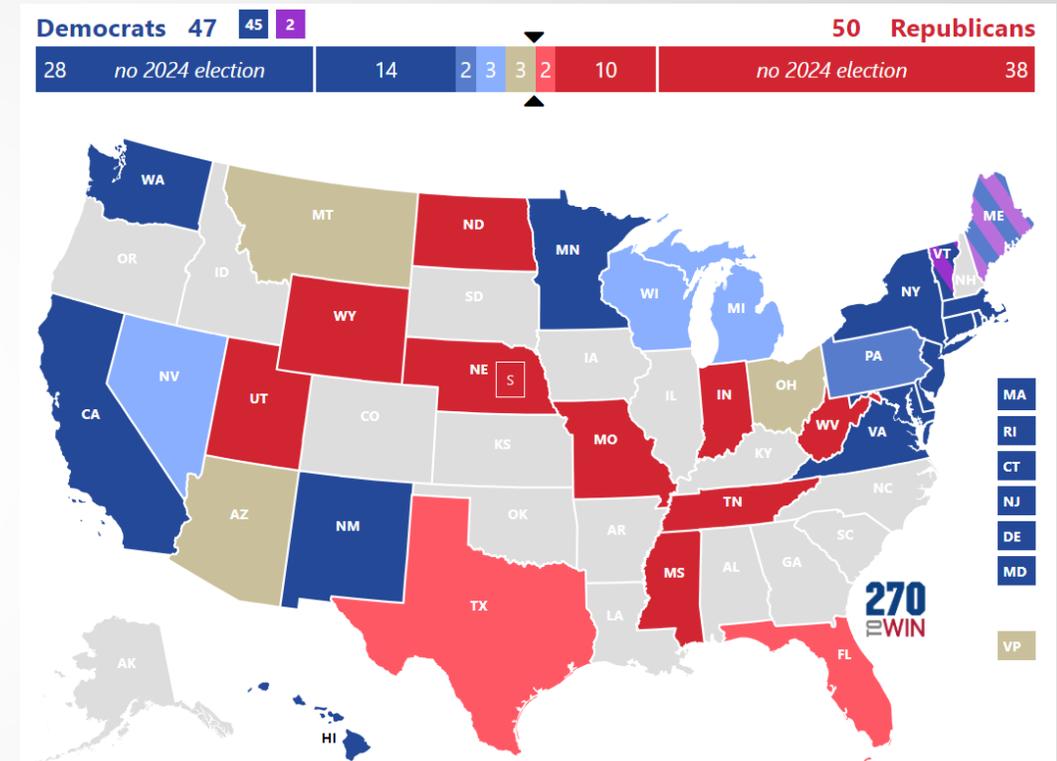
- Some notable bills, even those that Governor Newsom vetoed are back:
 - [AB 2200](#) (Kalra-D): reintroduced single payer as the “Guaranteed Health Care for All”.
 - [AB 2010](#) (Kalra-D): intends to limit state contracting with companies directly or indirectly contributing to tropical deforestation.
 - [SB 1116](#) (Portantino-D): reintroduced a bill that would allow striking workers to receive unemployment insurance benefits.
 - [SB 1413](#) (Niello-R): change daylight savings and establish standard time year-round.
 - [SB 1012](#) (Wiener-D; Waldron-R): would set a framework to legalize psychedelic therapy. Last year a broader bill was vetoed.
 - [SB 1167](#) (Blakespear-D): would ban chain restaurants from serving or offering single-use cups to a customers dining or drinking on premises.



State of Play of the 2024 Elections

Senate 2024 Outlook

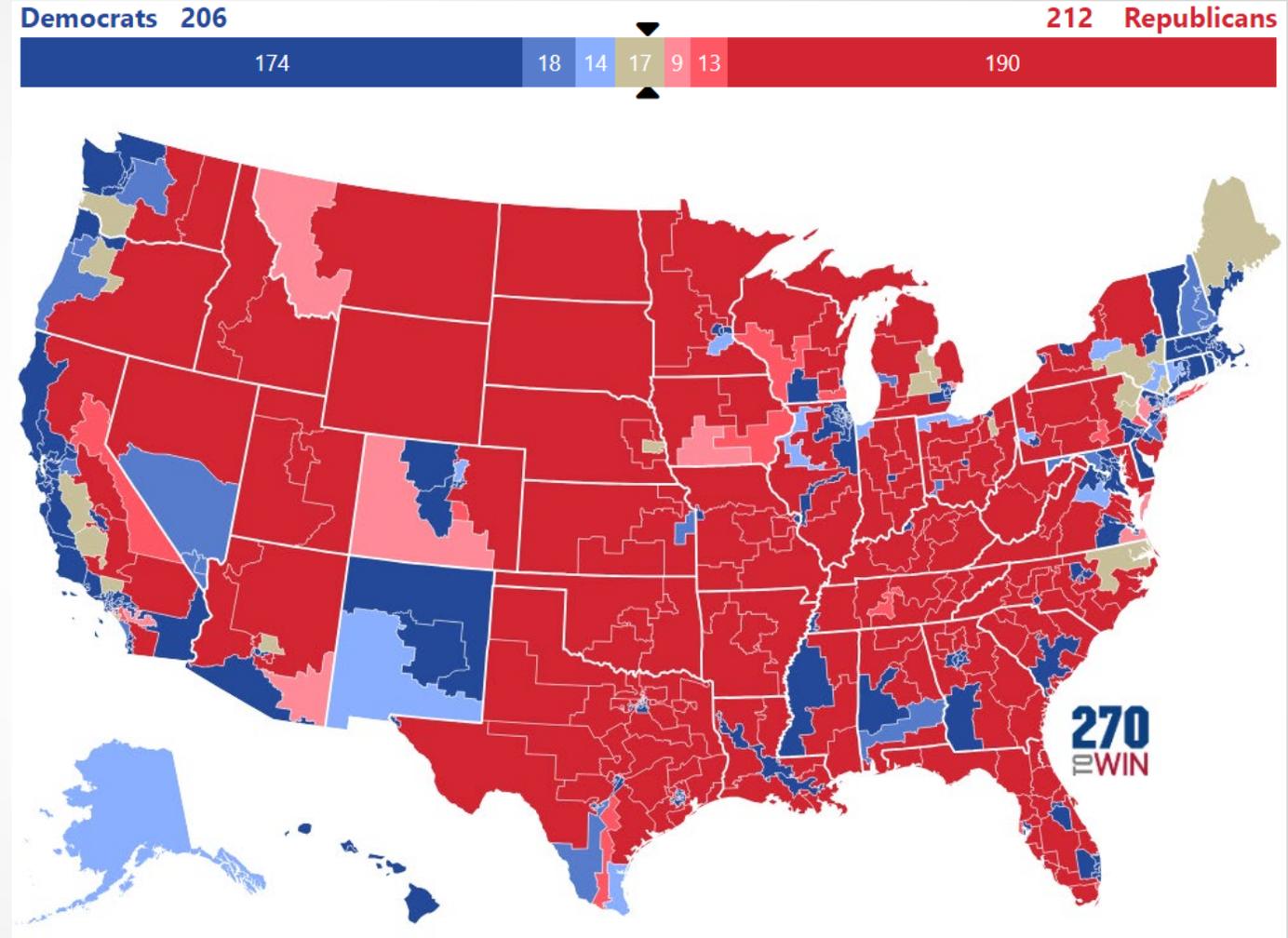
- Democrats have a very narrow 51-49 majority and have a difficult Senate map for 2024.
- Three Democratic incumbents are from states which former President Trump won in both 2016 and 2020 (Montana, Ohio, and West Virginia).
 - Sen. Joe Manchin (D-WV) announced this past November that he will not seek re-election in 2024. This all but guarantees that the Republicans will pick up this Senate seat in November 2024.
- Democrats will also be defending seats in other competitive states such as Arizona, Nevada, Michigan, Pennsylvania, and Wisconsin.
- On March 5, Sen. Kyrsten Sinema (I-AZ), who caucuses with the Democrats, [announced](#) she will not seek re-election to her seat this November. The 2024 Arizona Senate matchup will likely be Rep. Ruben Gallego (D-AZ) vs. 2022 gubernatorial candidate Kari Lake (R).
- Republicans hold 38 seats that are not up for election in 2024; of the just 11 GOP seats up for election, nine seats are “Safe R” and two seats are “Likely R.”
 - If Republicans win the presidency in 2024, then 50 seats will be enough for a majority.
 - If Democrats retain the presidency in 2024, then Republicans will need 51 seats for a majority.
- While the contest for control of the Senate will be very competitive, due to an advantageous map, Republicans are currently favored to win back the chamber in 2024.



Sources: UVA Center for Politics, Sabato’s Crystal Ball; 270 To Win

House 2024 Outlook

- Republicans currently have a razor thin majority of 219-213. 218 is needed for a majority.
- Although it is early, for the 2024 elections, 190 seats are currently projected as “Safe R,” while 212 seats are rated as Safe, Likely, or Leans R.
- On the other hand, for 2024, 174 seats are rated as “Safe D,” while 206 seats are rated as Safe, Likely, or Leans D.
- Last year, North Carolina Republicans gerrymandered their congressional map which will net Republicans 3, and possibly 4, new seats in November 2024.
- Meanwhile, New York Democrats finalized and passed a new congressional map for 2024 in late-February. The map, while slightly favorable to Democrats, could have been a lot more aggressive. The map will net Democrats 1-2 new seats, but other seats that could have been made bluer will still be “Toss-Ups” in November.



Sources: UVA Center for Politics, Sabato's Crystal Ball; 270 To Win

House 2024 Outlook (Toss-Up, Leans, and Likely Seats)

Democrats		
TOSS-UP (9)	LEANS DEMOCRATIC (14)	LIKELY DEMOCRATIC (18)
CA-47 Open (Porter)	Mary Peltola (AK-AL)	AL-2 Open (Moore)
Jared Golden (ME-2)	Yadira Caraveo (CO-8)	Josh Harder (CA-9)
MI-7 Open (Slotkin)	Jahana Hayes (CT-5)	Mike Levin (CA-49)
MI-8 Open (Kildee)	Frank Mrvan (IN-1)	Sharice Davids (KS-3)
Don Davis (NC-1)	Eric Sorensen (IL-17)	MD-6 Open (Trone)
Emilia Sykes (OH-13)	Angie Craig (MN-2)	Hillary Scholten (MI-3)
Matt Cartwright (PA-8)	Gabe Vasquez (NM-2)	Annie Kuster (NH-2)
Susan Wild (PA-7)	Anthony D'Esposito (NY-4)	Chris Pappas (NH-1)
M. Gluesenkamp Perez (WA-3)	Pat Ryan (NY-18)	NJ-3 Open (Kim)
	Brandon Williams (NY-22)	Susie Lee (NV-3)
	Marcy Kaptur (OH-9)	Steven Horsford (NV-4)
	Chris Deluzio (PA-17)	Dina Titus (NV-1)
	Vicente Gonzalez (TX-34)	Tom Suozzi (NY-3)
	VA-7 Open (Spanberger)	Greg Landsman (OH-1)
		Val Hoyle (OR-4)
		Andrea Salinas (OR-6)
		Henry Cuellar (TX-28)
		Kim Schrier (WA-8)

SAFE DEMOCRATIC FLIP (1)
Garret Graves (LA-6)

Total seats rated Safe Democratic: 174
Total seats rated Safe, Likely, or Leans D: 206

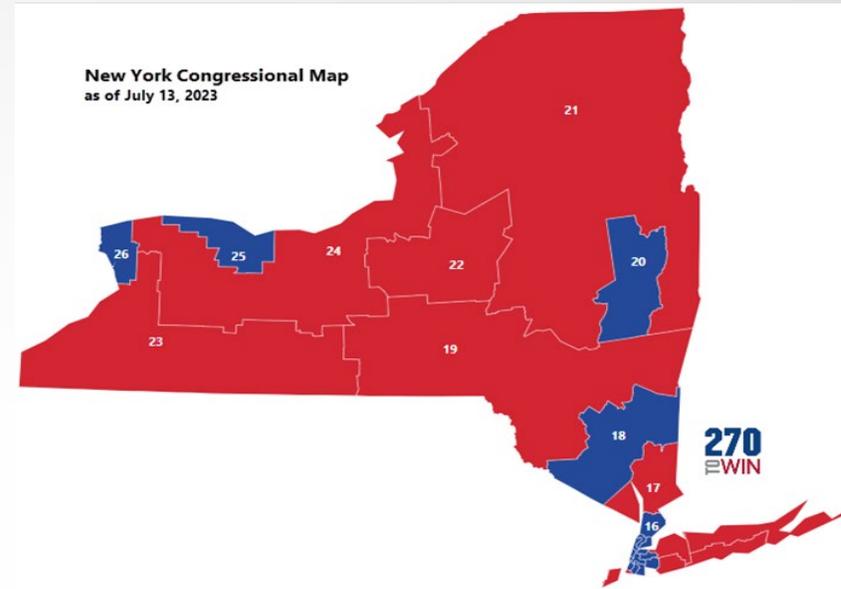
Republicans		
TOSS-UP (8)	LEANS REPUBLICAN (9)	LIKELY REPUBLICAN (13)
David Schweikert (AZ-1)	Juan Ciscomani (AZ-6)	Kevin Kiley (CA-3)
John Duarte (CA-13)	Ken Calvert (CA-41)	Young Kim (CA-40)
Mike Garcia (CA-27)	Michelle Steel (CA-45)	CO-5 Open (Lamborn)
David Valadao (CA-22)	CO-3 Open (Boebert)	Anna Paulina Luna (FL-13)
Don Bacon (NE-2)	Zach Nunn (IA-3)	María Elvira Salazar (FL-27)
Mike Lawler (NY-17)	John James (MI-10)	M. Miller-Meeks (IA-1)
Marc Molinaro (NY-19)	Ryan Zinke (MT-1)	Nick LaLota (NY-1)
L. Chavez-DeRemer (OR-5)	Tom Kean Jr. (NJ-7)	Brian Fitzpatrick (PA-1)
	Jen Kiggans (VA-2)	Scott Perry (PA-10)
		Andy Ogles (TN-5)
		Monica De La Cruz (TX-15)
		Bryan Steil (WI-1)
		Derrick Van Orden (WI-3)

SAFE REPUBLICAN FLIPS (3)
NC-14 Open (Jackson)
NC-6 Open (Manning)
NC-13 Open (Nickel)

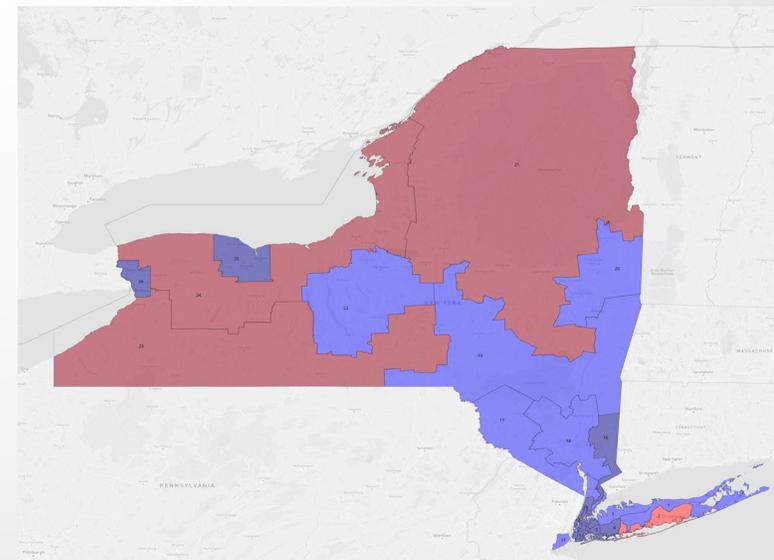
Total seats rated Safe Republican: 190
Total seats rated Safe, Likely, or Leans R: 212

New York's Congressional Map Redrawn for 2024

- On December 12, in a 4-3 [ruling](#), New York's top court (the New York Court of Appeals) ordered the New York congressional map to be redrawn. This opened the door for New York's Democratic governor and Democratic state legislature to draw a new pro-Democratic gerrymandered congressional map for the 2024 election cycle.
- **Why is this significant?** The current map that is in use for New York's congressional delegation right now has yielded a congressional delegation that is 15D - 11R.
 - Of note, while Democrats currently hold 15 of New York's 26 congressional seats, Joe Biden won 19 out of the 26 congressional districts – so if congressional Democrats won in all Biden-won districts, even the ones that the president narrowly won, the delegation would be 19D - 7R.
- However, New York Democrats were given the opportunity to draw a new congressional map that could have yielded Democrats as many as seven new congressional seats, as Dems could now draw a map that could yield a congressional delegation of 22D - 4R.



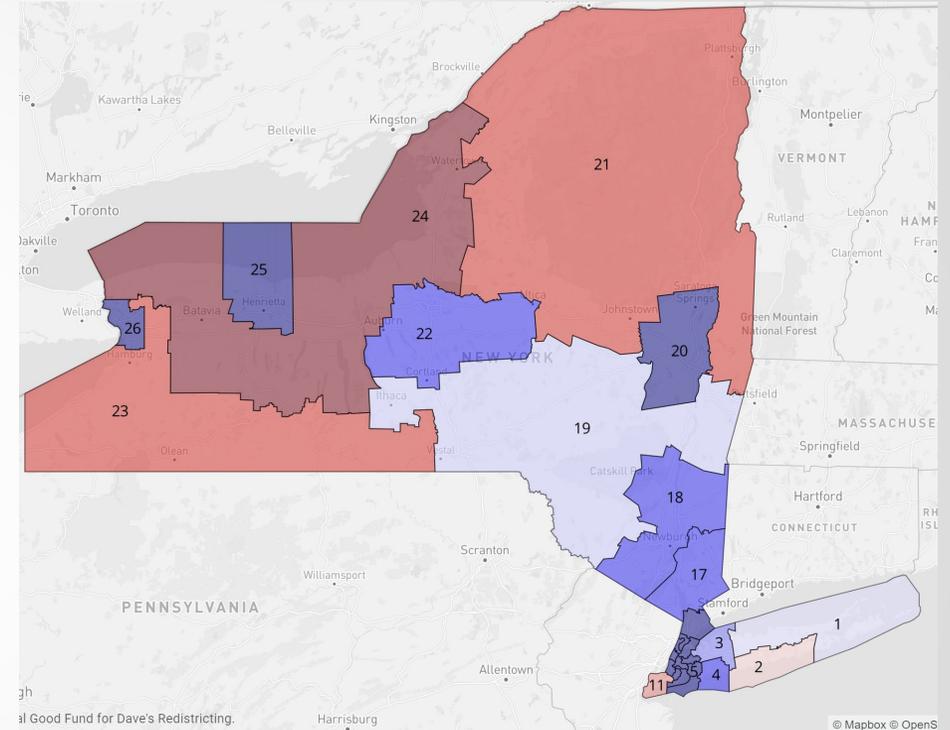
Current New York Congressional Map



An example of a potential Democratic gerrymandered map

New York's Congressional Map Redrawn for 2024

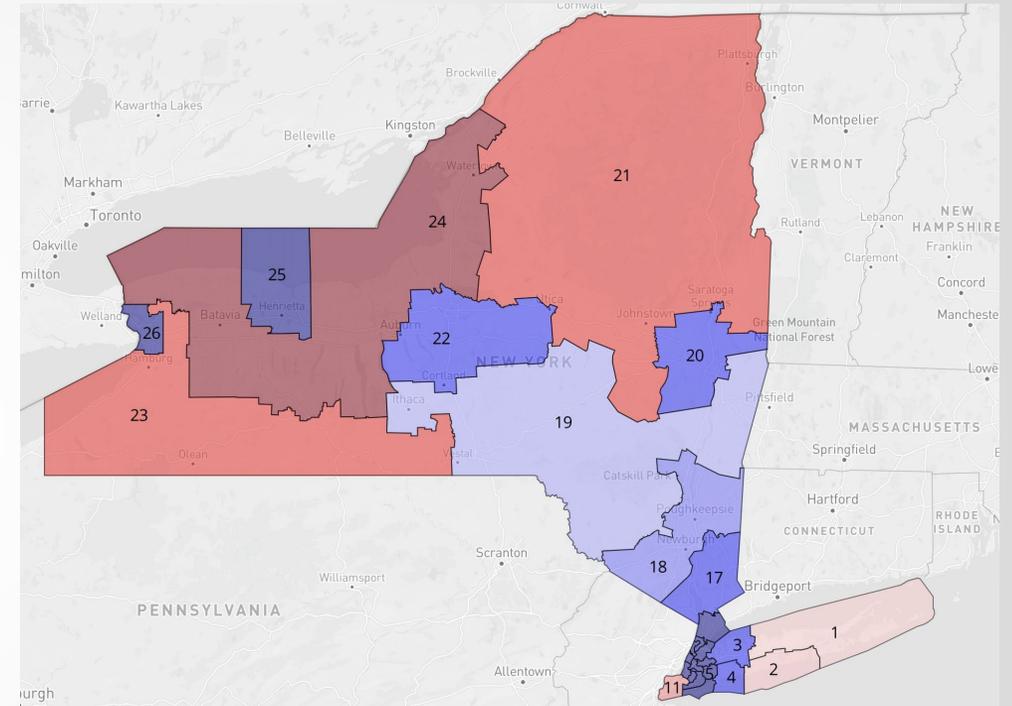
- On February 15, the New York Independent Redistricting Commission (IRC) unveiled and approved its proposed 2024 congressional map.
- Soon after the IRC approved its proposed map, the New York State Legislature, controlled by Democrats, rejected the map and began the process of drawing their own map.
- Democrats in the state legislature had the opportunity to draw an aggressive gerrymander that would create more “blue” seats and give Democrats a stronger chance of flipping control of the U.S. House.
- However, Democrats in the state legislature ultimately drew a modest and safe map that was relatively similar to the current map in use and the IRC’s proposed map.
- The state legislature’s new map will only net Democrats one seat on average. This unaggressive approach was likely taken to lower the chances of this map being challenged in court.



New York IRC Proposed Map

New York's Congressional Map Redrawn for 2024

- While the new map has less changes to the old map than expected, there are still a few noteworthy developments. The map:
 - Makes NY-3 (Rep. Tom Suozzi (D-NY)) and NY-18 (Rep. Pat Ryan (D-NY)) slightly more blue
 - Makes NY-22 (Rep. Brandon Williams (R-NY)) a few points bluer
 - Keeps NY-19 (Rep. Marc Molinaro R-NY)) at the same partisan lean
 - Keeps NY-11 (Rep. Nicole Malliotakis (R-NY)) at the same partisan lean
 - Makes NY-1 (Rep. Nick LaLota (R-NY)) a couple points redder
- On February 28, Governor Kathy Hochul (D-NY) [signed](#) the new congressional map into law; the map's new districts will be in effect for the upcoming November 2024 election.
- The state legislature's new map will only *maybe* net Democrats 1-2 new seats on average (compared to North Carolina, where a new Republican gerrymander will *very likely* net Republicans there 3-4 seats).
- New York Democrat's unaggressive approach was likely taken to lower the chances of this map being challenged in court.



**Official New York 2024
Congressional Map**

Super Tuesday: 2024 Democratic Presidential Primary

- Incumbent President Joe Biden (D) will be the Democratic nominee for president in 2024, having won all 15 state primaries and caucuses on Super Tuesday (March 5).
- President Biden won these contests by anywhere from +52 points (Minnesota) to +87 points (Iowa).
- After receiving very small shares of the vote on Super Tuesday, Rep. Dean Phillips (D-MN) dropped out of the race and endorsed President Biden.
- On February 7, soon after receiving less than 3% in the Nevada primary, Marianne Williamson (D) announced she was suspending her campaign. However, on February 28, she restarted her campaign after receiving 3% of the vote in the Michigan primary.



Incumbent President Joe Biden (D)

Super Tuesday: 2024 Republican Presidential Primary

- Former President Donald Trump (R) dominated the Republican primary on Super Tuesday, [winning](#) 14 out of the 15 contests that day.
 - In the states that Trump won, he won by anywhere from +14 points (Utah) to +76 points (Alaska).
 - Former UN Ambassador Nikki Haley (R) won Vermont by +4 points.
- After only winning one primary on Super Tuesday, Ambassador Haley [ended her campaign](#) on March 6.
- After his plethora of Super Tuesday wins, and with Ambassador Haley dropping out of the race, former President Trump is now the presumptive Republican nominee for president.



Former President Donald Trump (R)

Factors That Could Impact the 2024 Political Landscape

February 2024 Jobs Report

- On March 8, the U.S. Department of Labor's Bureau of Labor Statistics [announced](#) (1) total nonfarm payroll employment exceeded forecasts to increase by 275,000 in February 2024, but that (2) the unemployment rate slightly rose to 3.9%.
 - The December 2023 number was revised down by -43,000, from +333,000 to +290,000, and the January 2024 number was revised down by -124,000, from +353,000 to +229,000.
 - While the unemployment rate rose from 3.7% in January to 3.9% in February, the unemployment rate still remains below 4%, marking the 25th such consecutive month.
- Average hourly earnings were up 0.1% for February, slightly below the 0.2% forecast, while wages are up 4.3% from a year ago, slightly under the 4.4% forecast.
- Health care was the leading industry, with a net gain of 67,000 new jobs. Other leading industries included government, with 52,000, restaurants and bars, with 42,000, social assistance, with 24,000, construction, with 23,000, and transportation and warehousing, with 20,000.
- The employment report for March 2024 will be [released](#) on April 5.



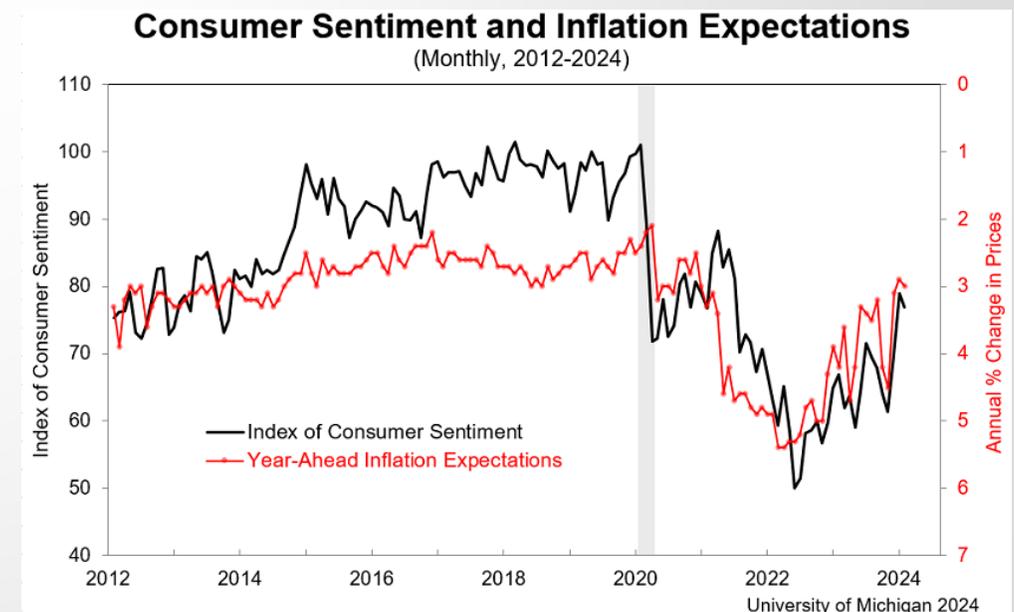
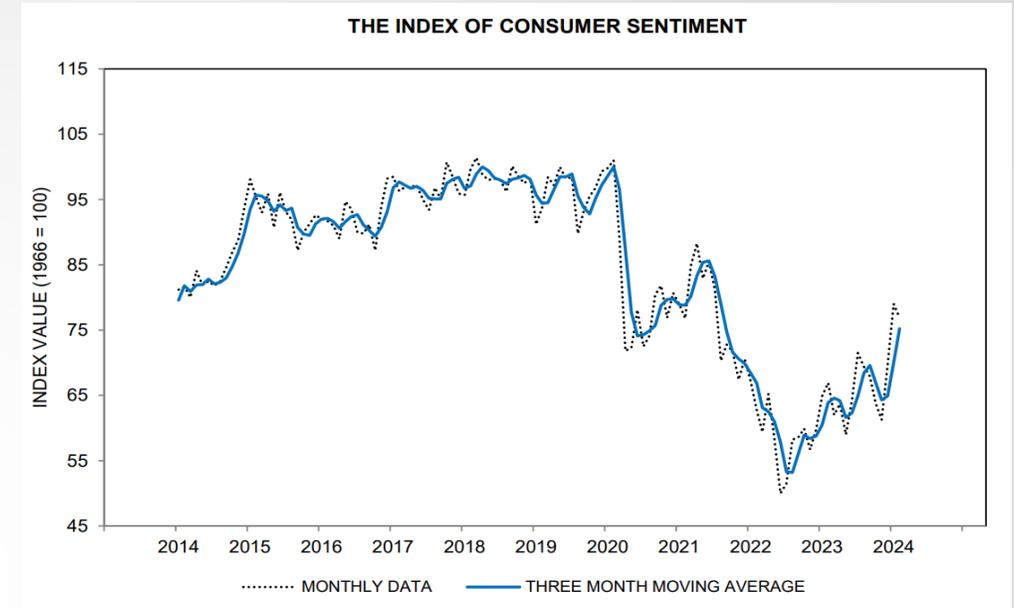
Inflation Report

- On February 13, the U.S. Bureau of Labor Statistics [announced](#) the Consumer Price Index (CPI) increased by 0.3% in January 2024 on a seasonally adjusted basis.
 - Economists had expected a 0.2% gain in January.
 - This CPI figure slightly increased from December 2023 (0.2%).
- The Bureau of Labor Statistics also reported that the CPI increased 3.1% from January 2023.
 - Economists had expected a 2.9% annual gain for January.
 - However, this CPI annual gain was down from 3.4% in December.
- “Core CPI,” which excludes food and energy prices, rose by 0.4% in January 2024 and 3.9% on an annual basis from January 2023.
 - The forecast from economists was 0.3% for the month and 3.7% for the year, so both core CPI figures were slightly above expectations.
 - Shelter and housing prices contributed more than two-thirds of the headline inflation increase. These prices increased by 0.6% for January 2024, and by 6.0% over the last 12 months.
- The Federal Reserve aims for a 2% annual inflation rate over the long term.
- The CPI report for February 2024 will be [released](#) on March 12.



Consumer Sentiment Report

- Consumer sentiment for February stands at 76.9, which is a -2.7% decrease from January (79.0).
 - However, this is an annual increase of +14.9% from February 2023 (66.9).
 - While consumer sentiment slightly fell this past month, it comes just after back-to-back months of significant increases in the consumer sentiment report.
 - The December 2023 reading of 69.7 was a +13.7% increase from November's reading of 61.3, and a +16.6% increase from December 2022 (59.8).
- The Index of Consumer Sentiment varies by political party
 - 94.6 among Democrats
 - 73.4 among Independents
 - 62.3 among Republicans
- Year-ahead inflation expectations slightly rose from 2.9% in January to 3.0% in February. However, this is still a notable decrease from 4.5% in November 2023.



Thank you



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