



2024 Election

Impacts

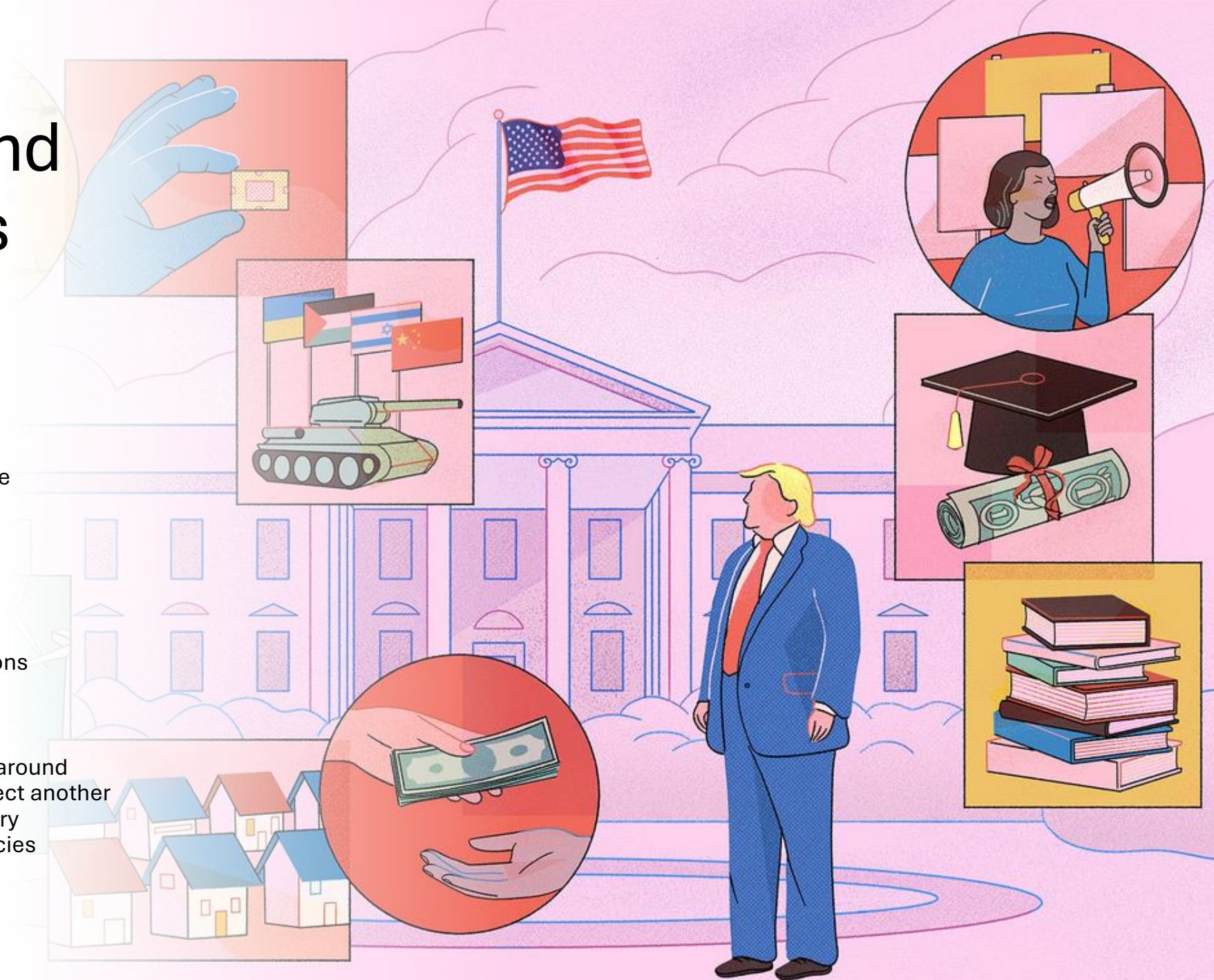
Presented by Bill Simmons and Chris Andresen

November 2024

AHFA Annual Board of Directors Meeting

Trump's Second Term Priorities


- Tariffs
 - Revenue for tax reform
 - Leverage in trade negotiations
 - Rebuild US manufacturing base
- Immigration & Southern Border
 - Rescind policies that Biden Administration put in place
- Tax Reform
 - Dozens of 2017 Tax bill provisions expiring at end of 2025
- Deregulation
 - Building on first term success around shrinking regulatory state, expect another round of aggressive deregulatory measures across federal agencies



Republican Congress

- Republicans could win up to 55 Senate seats – significant governing majority
 - New Senate Republican Leader as Sen. McConnell steps down
 - Sens. John Thune, John Cornyn, and Rick Scott running to replace
- House Republicans appear likely to maintain their slight majority
- Republican sweep of WH, House, and Senate opens legislative possibilities using budget reconciliation process
 - Allows legislation related to ‘revenue and spending’ to move through Senate under simple 50 vote majority
 - Important vehicle for tax reform and other priorities

The Budget Reconciliation Process Has Been Used to Enact 8 Pieces of Legislation Over the Past 21 Years.

			Cost	Number of Years Covered
● 2001		Economic Growth and Tax Relief Reconciliation Act of 2001	→ \$1.3 Trillion	→ 11
● 2003		Jobs and Growth Tax Relief Reconciliation Act of 2003	→ \$349.7 Billion	→ 11
● 2006		Deficit Reduction Act of 2005	→ -\$38.8 Billion*	→ 5
		Tax Increase Prevention and Reconciliation Act of 2005	→ \$70 Billion	→ 5
● 2007		College Cost Reduction and Access Act of 2007	→ -\$0.7 Billion*	→ 6
● 2010		Health Care and Education Reconciliation Act of 2010	→ -\$109 Billion*	→ 5
● 2017		Tax Cuts and Jobs Act	→ \$1.5 Trillion	→ 10
● 2021		American Rescue Plan	→ \$1.8 Trillion	→ 11

Legend	
	Republican Controlled Congress
	Democratic Controlled Congress
	Republican President
	Democratic President

Source: Congressional Research Service.

Note: *The three reconciliation bills with a negative cost had the effect of reducing projected budget deficits.

Potential Cabinet Picks

- Key economic advisor, Amb. Robert Lighthizer, is under consideration for several posts including Secretary of Treasury or Secretary of Commerce
 - Important appointment given his influence around tariff policy
- Several loyal Members of Congress possible cabinet members
 - Rep. Elise Stefanik, Sens. Bill Hagerty, Tom Cotton, Marco Rubio
- Former rivals also under consideration including Gov. Doug Burgum



What's Next for Democrats?

- Party without a clear leader following poor election performance
- President-elect Trump restored his victories in the Midwest (PA, MI, WI)
 - Biden won those 'Blue Wall' states in 2020 so a turnaround is possible
- Clear that Democrats need a more coherent economic message to connect with voters across all demographics

