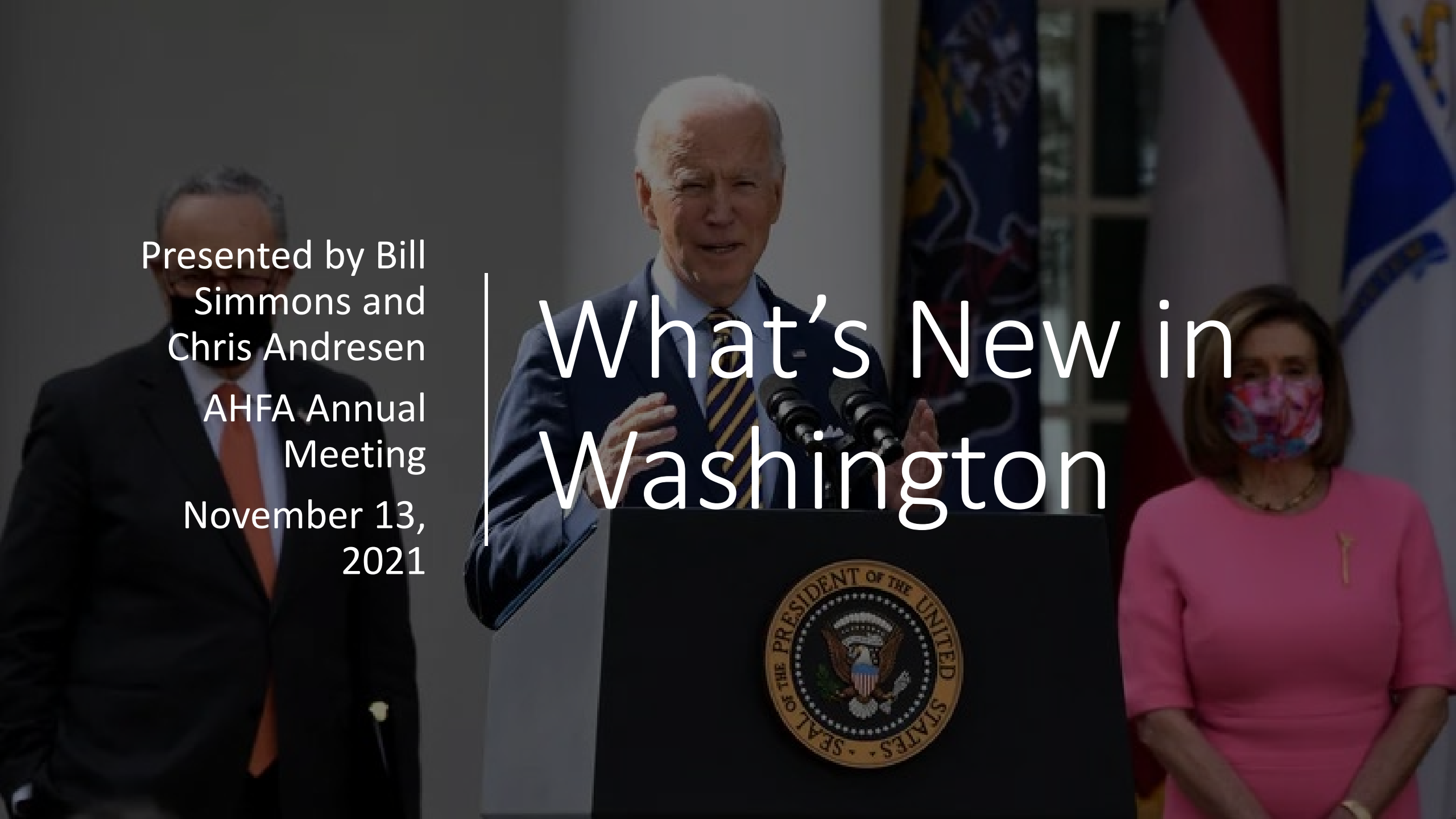


Presented by Bill  
Simmons and  
Chris Andresen  
AHFA Annual  
Meeting  
November 13,  
2021

# What's New in Washington



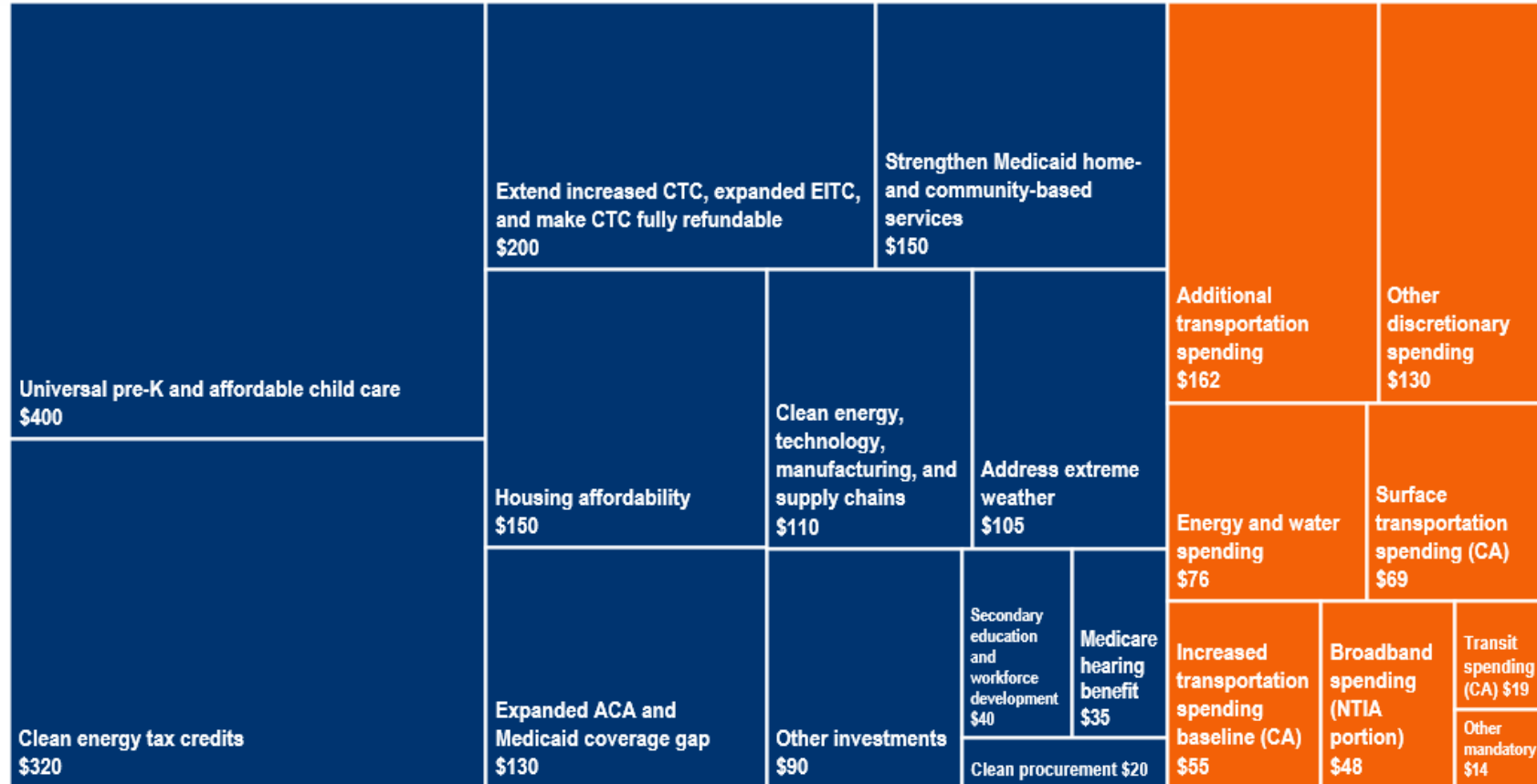
- House Democrats finally advanced a key portion of President Biden's domestic agenda by passing bipartisan infrastructure bill
  - Previously passed the Senate with 69 votes in August 2021
- Social spending plan still must overcome disagreements with Senator Manchin (D-WV) and Senator Sinema (D-AZ) in several key areas
- House moderates have demanded a Congressional Budget Office (CBO) Score before House passage
- House and Senate are hoping votes on the broader spending package happen during the week of November 15th



**BUILD BACK  
BETTER**

# Spending in Build Back Better Agenda

Billions



**Reconciliation Bill: \$1.75 trillion**

**BIF: \$573 billion**

Source: The White House, Congressional Budget Office, Joint Committee on Taxation.



# Tax Provisions (Revenue)

Policy	Original WH	JCT/CBO/CRFB
Impose a 15 percent domestic minimum tax on large corporations	\$325 billion	\$320 billion
Impose a 1 percent surcharge on corporate stock buybacks	\$125 billion	\$125 billion
Impose a 15 percent global minimum tax & reform international taxation	\$350 billion	\$375 billion
Impose a 5 percent surtax on income above \$10 million & an 8 percent surtax on income above \$25 million	\$230 billion	\$230 billion
Expand the 3.8 percent Net Investment Income Tax	\$250 billion	\$250 billion
Extend and expand limits on deductibility of business losses	\$170 billion	\$160 billion
Increase IRS funding to boost tax enforcement ( <i>not JCT</i> )	\$400 billion	\$120 billion*
Repeal Trump-era drug rebate rule ( <i>not JCT</i> )	\$145 billion	\$150 billion
<b>Subtotal, Original White House Offsets</b>	<b>\$1,995 billion</b>	<b>\$1,730 billion</b>
Restore Superfund taxes on oil and enact other tax changes	n/a	\$45 billion
Reduce prescription drug costs ( <i>not JCT</i> )	n/a	\$100 billion
Extend \$72,500 SALT deduction cap beyond 2025	n/a	\$265 billion <sup>+</sup>
<b>Total, Build Back Better Offsets</b>	<b>\$1,995 billion</b>	<b>\$2,140 billion</b>

# OSHA ETS – Employee COVID-19 Vaccination Requirement

- ***\*Federal Appeals Court in New Orleans has temporarily blocked the mandate\****
- ETS goes into effect immediately
  - OSHA is accepting public comments until December 6, 2021
- Covered employers (> 100 employees) will be responsible for determining vaccination status, verifying that status, and maintaining records for those employees
  - **The deadline for the vaccination requirement is January 4, 2022**
- Employers must provide up to 4 hours of paid leave for employees to receive each vaccine dose as well as necessary sick time to recover from any side effects
  - The ETS does not require employers to pay for the cost of weekly testing unless covered by other laws/policies





# Supply Chain Disruption

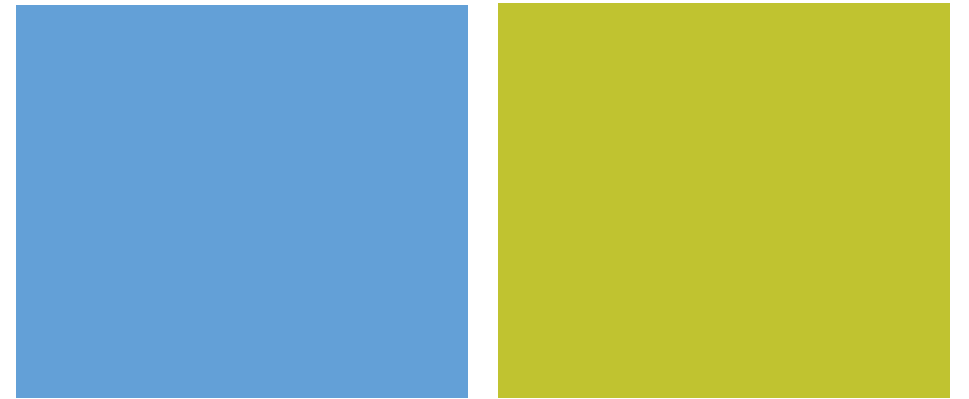


- Administration and congressional leaders are exploring various ways to improve supply chain performance
- Ocean Shipping Reform Act (OSRA) would give the Federal Maritime Commission (FMC) greater authority over shippers
  - Require shippers to notify customers when goods physical available
  - Reforms related to demurrage/detention, unreasonable allocation of vessel space and equipment
  - Develop minimum service standards to meet the public interest
- AHFA is engaging with stakeholders on the newly announced dwell fees at the Ports of LA and Long Beach



# STURDY Act

- STURDY Act passed the House in June 2021
- Awaiting Senate action
  - Senate Commerce Committee could consider at any time
- Former top House Energy and Commerce Consumer Protection staffer, Alex Hoehn-Saric, is newly confirmed CPSC Chairman
- STURDY Act provides accelerated rulemaking authority to CPSC outside of the statutory Section 7 and 9 process



# 2022 Midterm House Ratings – Crossover Districts

District	Member	Party	Year first elected	D - R Margin		
				House	President	Gap
CA-21	Valadao, David	R	2012*	-0.9%	10.9%	11.8%
CA-25	Garcia, Mike	R	2020**	-0.01%	10.1%	10.1%
CA-39	Kim, Young	R	2020	-1.2%	10.1%	11.3%
CA-48	Steel, Michelle	R	2020	-2.1%	1.5%	3.6%
FL-27	Salazar, Maria E.	R	2020	-2.7%	3.2%	6.0%
IA-3	Axne, Cindy	D	2018	1.4%	-0.1%	1.5%
IL-17	Bustos, Cheri	D	2012	4.1%	-1.6%	5.6%
ME-2	Golden, Jared	D	2018	6.1%	-7.4%	13.5%
MI-8	Slotkin, Elissa	D	2018	3.6%	-0.8%	4.4%
NE-2	Bacon, Don	R	2016	-4.6%	6.5%	11.1%
NJ-3	Kim, Andy	D	2018	7.8%	-0.2%	7.9%
NY-24	Katko, John	R	2014	-10.2%	9.1%	19.2%
PA-1	Fitzpatrick, Brian	R	2016	-13.1%	5.8%	19.0%
PA-8	Cartwright, Matt	D	2012	3.6%	-4.4%	8.0%
TX-24	Van Duyne, Beth	R	2020	-1.3%	5.4%	6.8%
WI-3	Kind, Ron	D	1996	2.7%	-4.7%	7.3%

Sources: Our Campaigns, Daily Kos Elections, @BenJ\_Rosenblatt



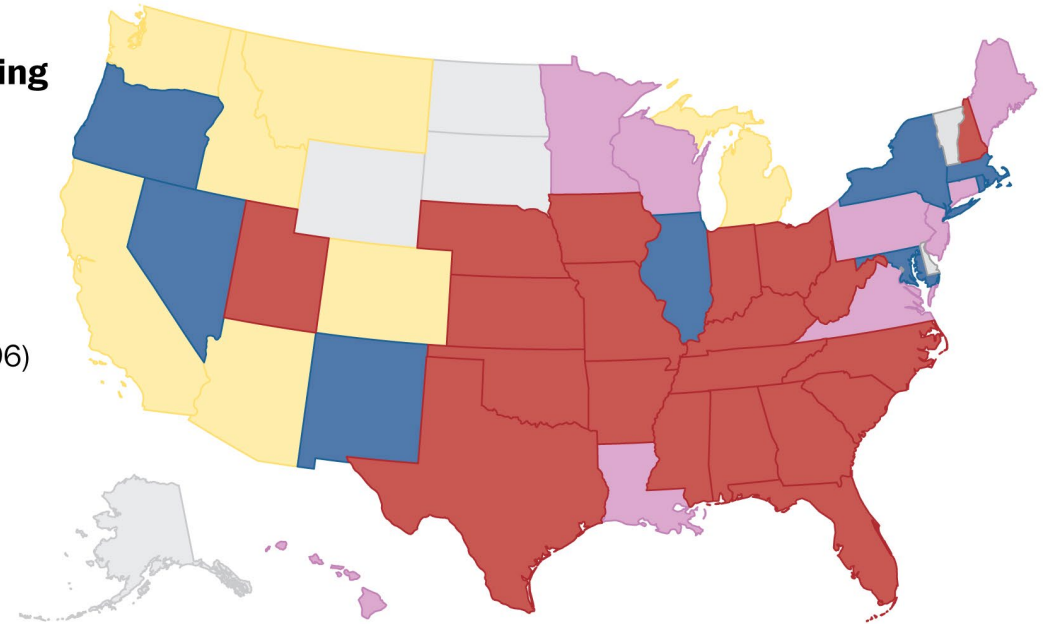
# Effects of Redistricting

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- 7 states will lose a seat
  - CA, MI, OH, PA, NY, IL, WV
- 5 states gains seats
  - TX (+2), CO, MT, NC, FL
- 14 House Democrats have announced retirement (more to come)

## Who controls redistricting in each state?

- Republicans (187 districts)
- Democrats (75)
- Both parties (71)
- Independent commission (96)
- Single district (6)



# 2022 Senate Ratings

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