

Policy & Legislative Outlook November 13, 2020 9 – 11 AM CT

Presented in partnership with the City of San Antonio, Department of Neighborhood and Housing Services





9:00 AM Event Kick-Off

Welcome by Leilah Powell, Executive Director, LISC San Antonio

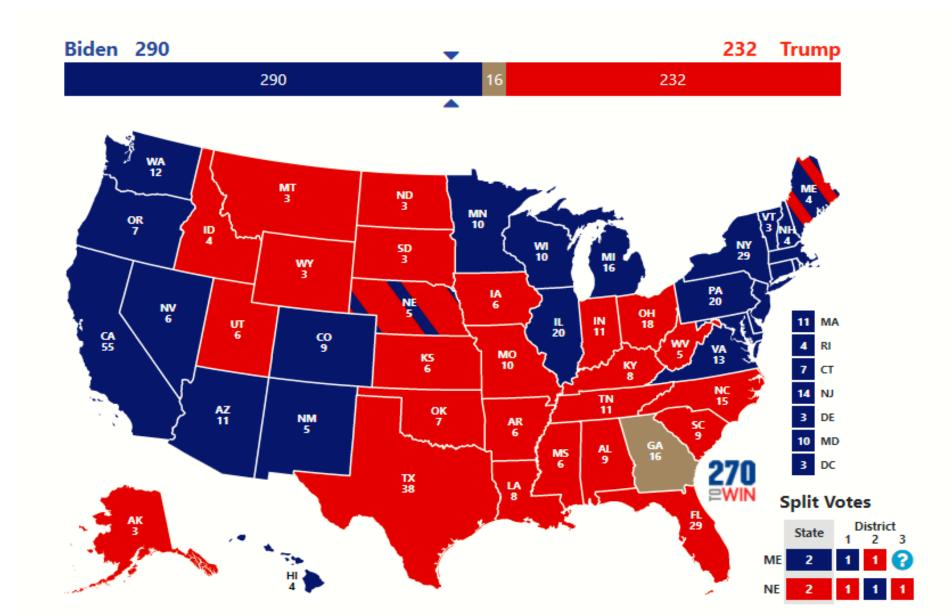
9:05 Keynote Panel

2020 Election Results & What to Expect in 2021

- Matt Josephs, SVP LISC Policy, Washington DC
- Mark Bordas, Managing Partner, Aegis Advocacy, Austin TX



Control of the White House



Potential Cabinet Secretaries: Treasury, HUD and HHS





Lael Brainard



Raphael Bostic



Sarah Bloom Raskin





Karen Bass



Eric Garcetti



Keisha Lance Bottoms







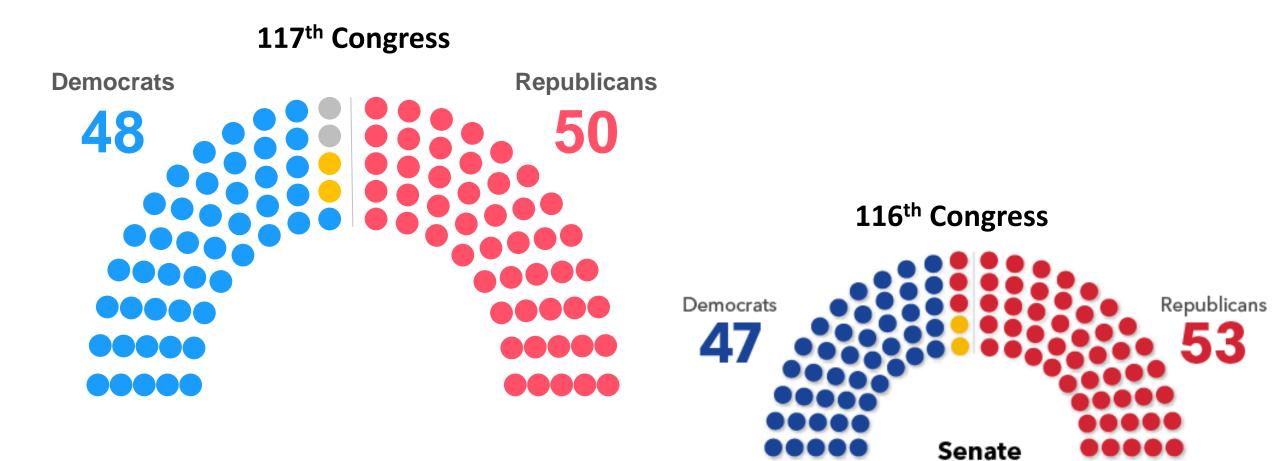


Mandy Cohen

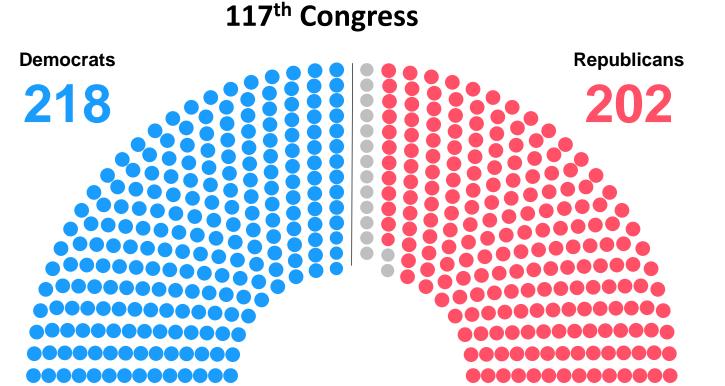


Michelle Lujan Grisham

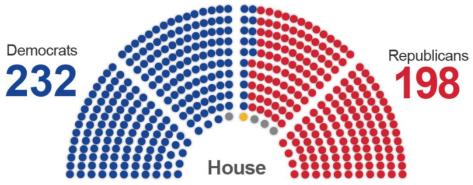
Control of the Senate



Control of the House of Representatives



116th Congress



Libertarian

• The four vacancies are in CA-50, due to the resignation of Duncan Hunter (R); GA-05, due to the death of John Lewis (D); NC-11, due to the resignation of Mark Meadows (R); and TX-04, due to the resignation of John Ratcliffe (R).

117th Congressional Leadership (Anticipated)



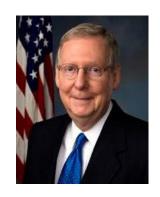


House (pending leadership elections)

Speaker of the House: Nancy Pelosi (D-CA)

Majority Leader: Steny Hoyer (D-MD)

Minority Leader: **Kevin McCarthy (R-CA)**



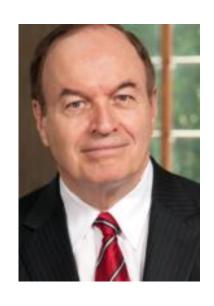
Senate (pending elections results)

Majority Leader: Mitch McConnell (R-KY)

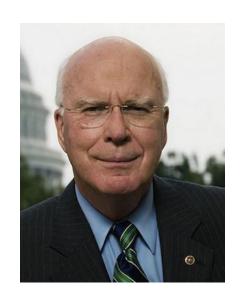
Minority Leader: Chuck Schumer (D-NY)



117th Congress: Senate and House Appropriations Committee Leadership (Anticipated)



Senator Richard
Shelby (R-AL): Chair
of the Senate
Appropriations
Committee



Senator Patrick
Leahy (D-VT):
Ranking Member of
the Senate
Appropriations
Committee



Reps. Rosa DeLauro (D-CT), Marcy Kaptur (D-OH), and Debbie Wasserman Schultz (D-FL) are in the running to replace Rep. Nita Lowey (D-NY).



Rep. Kay Granger (R-TX): Ranking Member of the House Appropriations Committee

Senate Appropriations Committee

Republicans (116th Congress)

Richard Shelby, AL (Chair)

Mitch McConnell, KY

Lamar Alexander, TN

Susan Collins, ME (Chair, THUD)

Lisa Murkowski, AK

Lindsey Graham, SC

Roy Blunt, MO (Chair, Labor/HHS)

Jerry Moran, KS

John Hoeven, ND

John Boozman, AR

Shelley Moore Capito, WV

John Kennedy, LA (Chair, FSGG)

Cindy Hyde-Smith, MS

Steve Daines, MT

Marco Rubio, FL

James Lankford, OK

Democrats (116th Congress)

Patrick Leahy, VT (Ranking Member)

Patty Murray, WA (Ranking Member, Labor/HHS)

Dianne Feinstein, CA

Richard Durbin, IL

Jack Reed, RI (Ranking Member, THUD)

Jon Tester, MT

Tom Udall, NM

Jeanne Shaheen, NH

Jeff Merkley, OR

Chris Coons, DE (Ranking Member, FSGG)

Brian Schatz, HI

Tammy Baldwin, WI

Chris Murphy, CT

Joe Manchin, WV

Chris Van Hollen, MD

House Appropriations Committee

Democrats (116th Congress)

Nita Lowey, NY (Chair)

Marcy Kaptur, OH

Peter Visclosky, IN

José Serrano, NY

Rosa DeLauro, CT

(Chair, Labor/HHS)

David Price, NC (Chair,

THUD)

Lucille Roybal-Allard, CA

Sanford Bishop, GA

Barbara Lee, CA

Betty McCollum, MN

Tim Ryan, OH

C.A. Dutch Ruppersberger, MD

Debbie Wasserman Schultz, FL

Henry Cuellar, TX

Chellie Pingree, ME

Mike Quigley, IL (Chair, FSGG)

Derek Kilmer, WA

Matt Cartwright, PA

Grace Meng, NY

Mark Pocan, WI

Katherine Clark, MA

Pete Aguilar, CA

Lois Frankel, FL

Cheri Bustos, IL

Bonnie Watson Coleman, NJ

Brenda Lawrence, MI

Norma Torres, CA

Charlie Crist, FL

Ann Kirkpatrick, AZ

Ed Case, HI

Republicans (116th Congress)

Kay Granger, TX

Harold Rogers, KY

Robert Aderholt, AL

Michael Simpson, ID

John Carter, TX

Kevin Calvert, CA

Tom Cole, OK (Ranking

Member, Labor/HHS)

Mario Diaz-Balart, FL (Ranking

Member, THUD)

Steve Womack, AR (Ranking

Member, FSGG)

Jeff Fortenberry, NE

Chuck Fleischmann, TN

Jaime Herrera Butler, WA

David Joyce, OH

Andy Harris, MD

Martha Roby, AL

Mark Amodei, NV

Chris Stewart, UT

Steven Palazzo, MS

Dan Newhouse, WA John Moolenaar, MI John Rutherford, FL

Will Hurd, TX

117th Congress: Senate Finance Committee & House Ways and Means Committee Leadership (Anticipated)









Senator Mike Crapo (R-ID): Chair of the Senate Finance Committee

Senator Ron Wyden (D-OR): Ranking Member of the Senate Finance Committee

Rep. Richard Neal (D-MA): Chair of the House Ways & Means Committee

Rep. Kevin Brady (R-TX): Ranking Member of the House Ways & Means Committee

117th Congress: Senate Banking, Housing and Urban Affairs Committee & House Financial Services Committee Leadership (Anticipated)



Senator Pat
Toomey (R-PA):
Chair of the
Senate Banking
Committee



Senator Sherrod Brown (D-OH): Ranking Member of the Senate Banking Committee



Rep. Maxine
Waters (D-CA):
Chair of the
House Financial
Services
Committee



Rep. Patrick
McHenry (R-NC):
Ranking Member
of the House
Financial Services
Committee

117th Congress: Senate Health, Education, Labor and Pensions Committee & House Education and Labor Committee Leadership (*Anticipated*)



Senator Richard Burr (R-NC) or Senator Rand Paul (R-KY)



Senator Patty
Murray (DWA): Ranking
Member of the
Senate HELP
Committee



Rep. Bobby
Scott (D-VA):
Chair of the
House
Education &
Labor
Committee



Rep. Virginia
Foxx (R-NC):
Ranking
Member of the
House Education
& Labor
Committee

New Members of Congress: Texas Delegation

House of Representatives

Pat Fallon (R-TX-4): Texarkana and Rockwall
August Pfluger (R-TX-11): Llano and San Angelo
Pete Sessions (R-TX-17): Waco and Bryan
Ronny Jackson (R-TX-13): Amarillo and Wichita Falls
Troy Nehls (R-TX-22): Pearland and Sugar Land
Tony Gonzales (R-TX-23): San Antonio and Del Rio

Beth Van Duyne (R-TX-24): Irving and Bedford

Lame Duck Session: FY 2021 Budget/Appropriations

- On October 1st, President Trump signed into law a short term funding bill to keep the federal government open through December 11th.
- The continuing resolution (CR) extends current funding levels past the September 30th end of the fiscal year and gives Congress more time to negotiate FY 2021 spending bills.
- The CR was needed since Congress has not passed any of the 12 regular appropriations bills. (The House passed 10 bills while the Senate did not pass any).
- It is possible that Congress will include certain tax provisions alongside an "omnibus" spending bill for the President's signature.

Funding Status of Key Housing and Community Development Programs

Program	FY 2020	FY 2021			
	Enacted	President's Request	Senate Appropriations Committee	House Mark	Enacted
Section 4 Capacity Building Program	\$36 M	0	\$41 M	\$45 M	TBD
HOME Program	\$1.35 B	0	\$1.375 B	\$1.7 B	TBD
Community Development Block Grant (CDBG) Program	\$3.425 B	0	\$3.45 B	\$3.5 B	TBD
CDFI Fund	\$262 M	\$14 M	\$262 M	\$273.5 M	TBD
Section 8 Tenant Based Rental Assistance	\$23.874 B	\$18.833 B	\$25.516 B	\$25.739 B	TBD
Project Based Rental Assistance	\$12.570 B	\$12.642 B	\$13.403 B	\$13.451 B	TBD
Section 502 Single Family Direct Loans	\$1 B	0	\$1 B	\$1 B	TBD

Lame Duck Session: Top Tax Priorities

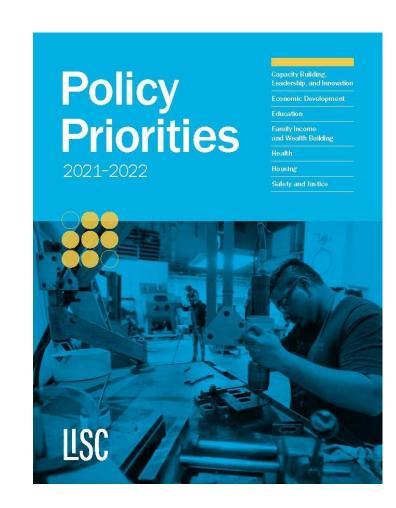
- 1. Make the New Markets Tax Credit (NMTC) a permanent part of the tax code at \$5 billion per year.
- 2. Ensure a 4 percent minimum rate for the Low Income Housing Tax Credit (LIHTC).

Lame Duck Session: COVID-19 Economic Relief Measures

- Four laws were enacted since March 2020, including the \$2 trillion CARES Act.
- In May, the House passed the HEROES Act, which would have provided an additional \$3 trillion in heath and economic assistance.
- Negotiations on an additional stimulus package stalled, but could resume in the lame duck session.
- The package could be between \$1.8 trillion to \$2.2 trillion, but there still significant disagreements over the total amount of the bill, the portion that will provided to states and localities, and whether to include liability protections for businesses.
- LISC's COVID-19 policy priorities include:
 - Support for small businesses and nonprofits through the Paycheck Protection Program;
 - Rental subsidies, project based subsidies and foreclosure/eviction protections for residents and owners of rental housing; credit protections for consumers
 - Direct financial assistance to CDFIs;
 - Additional funding for community development, childcare and AmeriCorps
 - Additional funding for state and local governments (i.e., Coronavirus Relief Fund)

LISC 2021 – 2022 Policy Proposals

- Prior to the 2020 election, LISC released a set of over 75 policy proposals that are housed in 17 different federal agencies.
- These proposals include:
 - Creating a new tax credit to support the rehabilitation of single family homes in distressed neighborhoods;
 - Expanding AmeriCorps national service opportunities to address the pandemic;
 - Growing the CDFI Fund;
 - Establishing a Transit-Oriented Development Loan Fund for CDFIs;
 - Creating infrastructure grants for child care facilities;
 - Funding community safety coordinators; and
 - Finding new funding streams to address social determinants of health.
- Complete policy proposals: www.lisc.org/policypriorities



Contact Information

Matt Josephs
Senior Vice President for Policy
mjosephs@lisc.org
202/739-9264





STATE LEGISLATIVE OUTLOOK

87TH REGULAR SESSION

NOVEMBER 13, 2020

MARK BORDAS

MANAGING PARTNER, AEGIS ADVOCACY

STATE LEGISLATIVE OVERVIEW

- Disorienting global pandemic, high unemployment, declining public sector revenue streams, and civil unrest, 2020 is poised to be a transformative year.
- Coming off the more contentious Presidential election years that tested the partisan norms and standards of campaign civility.
- Even with the prospect of a vaccine, unrealistic to assume that the social distancing protocols associated with COVID will disappear between now and the start of the legislative session, predictably altering standard legislative and public engagement during the session.
- The confluence of the above conditions within the context of the Texas Legislature, is sure complicate advocacy efforts during the session.
- Election cycles and legislative session inevitably brings changes, some of which are controllable or foreseeable, while other events and conditions are outside of our control or occur unexpectedly.
 - Open Speaker's race, although Rep. Dade Phelan (R-Beaumont) is the presumptive Speaker, new committee assignments
 - Senate election consequences with former State Rep. Roland Gutierrez (D-San Antonio, beating incumbent Pete Flores (R-Pleasanton) to the Senate's 3/5th rule, which is the number of Senators required to bring a bill to the floor.
 - With all 181 legislators and every major statewide officeholder required to run for re-election in 2022, partisanship with an eye for pleasing primary voters may influence how members interact throughout the session.



STATE LEGISLATIVE FUNDAMENTALS

- Some basic processes and activities will remain consistent and reasonably predictable, including the constitutionally mandated passage of a state budget, which has been hard hit due to the economic slowdown, redistricting, once census numbers are available, and the necessity to pass various sunset bills that will occupy considerable legislative time and attention.
- The Texas Legislature meets in a regular 140-day session every two years, convening the second Tuesday in January of every odd-numbered year. The governor can call additional special sessions, which cannot exceed 30 days. Next Session starts January 12, 2021. Lawmakers must adhere to a number of restrictions when approving state spending. These include limits set forth by the Texas Constitution and in state statute and those associated with federal funds.
- Pre-filing begins, November 9, 2020, thus far 702 bills and resolutions have been filed. The Regular Session concludes sine die, May 31, 2021.
- Adoption of House and Senate rules will set the table for the type of session we will see.
- Given the budget outlook, legislation with a fiscal note are unlikely to pass.
- Prospects of one or more special sessions.



TEXAS STATE ELECTIONS

- Approximately 66% of the 17 million registered Texas voters cast ballots in the 2020 general election, 6.6 percentage points higher than total turnout in 2016. Roughly 10 million voted early.
- Counties are beginning to canvass the election results, which will make them official at the county level and open the period for any recounts to be requested, or challenges to be filed. Counties and local jurisdictions must conduct their canvass by Tuesday, Dec. 17th. Gov. Greg Abbott (R) may conduct the state canvass as early as November 21, but he has until December 7 to do so.
- In the Presidential election, Texas voters favored President Trump, who took more than a 6-point lead over Biden, who fought hard in final campaign pushes to turn the state in Democratic favor.
- The 2020 general election was the state's first in recent history without an option for voters to check one box to vote for every candidate from a single party, and in addition to COVID, there was clearly some impact on the down-ballot, lower-profile races.



CAMPAIGN FINANCE – BIG PICTURE GOP SUPPORT

Traditional Major Republican Funding Sources

Additional Republican Funding Sources

- \$10,000,000 Republican State Legislative Committee
- \$2,500,000 Women Speak Out PAC
- \$2,300,000 Pro-Life America
- \$1,000,000 Charter Schools Now PAC
- \$630,000 Houston Region Business Coalition (HRBC)
- ❖ \$415,000 −The "C" Club
- \$425,000 –Texas Latino Conservatives PAC

\$17,270,000 - Total Additional Funding

\$45,605,000 –Total Republican Funding Sources

- \$17,475,000 –Texans for Lawsuit Reform PAC
- \$5,000,000 Associated Republicans of Texas
- \$4,000,000 –Governor Abbott Campaign
- \$940,000 Republican House Caucus
- \$920,000 Republican Lead Texas Forward

\$28,335,000 – Total Committed Funding



CAMPAIGN FINANCE - BIG PICTURE DEMOCRATIC SUPPORT

Major Democratic Funding Sources Summary

- \$12,000,000 Forward Majority Texas
- \$12,000,000 ActBlueTexas
- \$10,000,000 –House Democratic Campaign Committee
- \$8,200,000 –Everytown for Gun Safety (Bloomberg)
- \$3,500,000 –Texans for Insurance Reform (Trial Lawyers)
- \$3,150,000 —Powered by the People (Beto)
- \$3,000,000 –Future Now Fund TX (Pritzker)
- \$2,925,000 –Texas Trial Lawyers Association (Trial Lawyers)
- \$2,400,000 First Tuesday
- \$2,000,000 National Democratic Redistricting Committee (Holder)
- \$1,125,000 Annie's List
- ❖ \$750,000 −Lone Star Project

\$61,050,000 –Total Democrat Funding from Top-12 PACs (out of 39 active)



TEXAS LEGISLATIVE ELECTION RESULTS

- The 2020 Texas election can best be described as a "status quo" election, meaning that Democrats, after spending millions of dollars, did not mark one win in any of the statewide races from the Presidency, the high courts, the Railroad Commission, and remain in the minority of the congressional delegation, the Texas Senate and the Texas House.
- The Democratic party's latest effort to turn Texas blue and take over the Texas House of Representatives fell demonstrably short, particularly with Latino voters, while Republicans over performed across the state.
- Aside from picking up a potentially consequential Texas senate seat and losing one state House District seat, Democrats retained their gains from 2018, but overall did not move the partisan balance needle in any meaningful way.
- In sum, Texas remains a strong "red" state, despite an emotionally fueled Democratic narrative to convince Texas voters that the state was on the verge of turning "purple" or "blue".



TEXAS SENATE

- ➤ Before the election, Republicans had 19 seats to the Democrats' 12.
- Although unofficial, election results strongly indicate that the Texas Senate will add one additional Democratic member in a historically D district. Former State Rep. Roland Gutierrez (D-San Antonio), in his second attempt, beat Sen. Pete Flores (R-Pleasanton).
- The 2021 Session will see a new partisan balance in the Texas Senate, at 18 Rs and 13 Ds.
- The D pick up translates into the Rs losing their 3/5^{ths} supermajority, required to bring a bill to the floor under Senate rules. It will be interesting to see if the Senate ends up modifying the 3/5^{ths} rule because of the partisan change, when they convene in January.
- Committee Structure and current Chairmanships are not expected to change much.



TEXAS HOUSE

- Before the election, Republicans had 83 seats to the Democrats' 67.
- Although unofficial, with a prospect of maybe one or two challenges, the election results suggest no partisan makeup change in the 2021 Session. There will be 83 Republicans and 67 Democrats, with Rep. Drew Springer's (R-Muenster) seat possibly vacant, depending on the outcome of the runoff Special Election against defiant hairdresser owner, Shelly Luther.
- More specifically, the election in the House has produced one loss for the Republicans, Rep. Sarah Davis (R-Houston), and one loss for the Democrats, Rep. Gina Calanni (D-Houston).
- However, it appears Republican Angie Chen Button and Democrat Jon Rosenthal are eligible for a recount, which could alter the partisan balance some, but again, not in a consequential manner. Depending on those races, the Texas House will remain 83 Republicans and 67 Democrats.



SPEAKER'S RACE

- The hottest Texas political race to never see a public ballot is and always will be that for Speaker of the House. In the wake of Republican Speaker Dennis Bonnen's early retirement, veteran Republicans and Democrats alike began lining up in late October to gain their colleagues' support for the gavel.
- Last week, Rep. Dade Phelan (R-Beaumont), released a list of 83 members and members-elect 53 Republicans and 30 Democrats supporting his bid for Speaker. Rep. Chris Paddie (R-Marshall) withdrew and endorsed Phelan, as did the announced Democratic Speaker candidates Oscar Longoria (D-Mission), Joe Moody (D-El Paso) and Senfronia Thompson (D-Houston), after failing to flip the House.
- Rep. Trent Ashby (R-Lufkin) withdrew and endorsed Rep. Geanie Morrison (R-Victoria) shortly after issuing a statement calling for the Republican Caucus to "be afforded the opportunity to discuss ... and vote to back a candidate, per the Caucus bylaws." A few days later, Morrison dropped her bid, leaving Dade Phelan the presumptive Speaker.
- While the vote for Speaker will not actually occur until the legislature convenes in January and all new Representatives are sworn in, Rep. Phelan goes in as the presumptive Speaker.
- > The is certain to significant changes in Committee Chairmanships.



ANTICIPATED LEGISLATIVE SESSION PROTOCOLS

- Texas is a constitutional state that is required to meet in person. House and Senate are offering early signs of disagreement on the COVID protocols.
- > DPS working on guidelines for building security, but there will be limited access for guests, Likely no county days or outside events or visitors recognized from the dais.
- Temperature checks upon entering the Capitol, including sanitizer stations and enhanced air filters.
- For opening day, members only on the floor.
- ➤ Capitol Grill will be open for grab and go purchases only. It is expected that food can be brought into office but will need to use a pick-up point outside the Capitol.
- Committee hearings each committee room has been retrofitted with plexiglass dividers between seats, with the auditorium reserved for legislative hearings, available for 2 days for the House, 2 days for the Senate. Seating will be limited.
- Office by office decision for staffing.
- > TBD on voting away from the floor.



KEY ISSUES

- The biennial budget for FY 2022-23. The economic Stabilization fund (Est. 9.4 billion), delays and speed ups likely to get to the required balanced budget without raising taxes.
- Meeting state obligations for public school funding
- Congressional Redistricting. Census number expected late, April or May.
- Criminal Justice reforms
- Election reforms
- Sunset agencies
- Public Sector lobbying Prohibition
- > Other



QUESTIONS

THANK YOU



Q&A

Please submit questions via chat to Leilah Powell



10:00 First Break Out Session

Local Government Room

- City of San Antonio, Sally Basurto, Intergovernmental Relations Assistant Director, City of San Antonio
- Bexar County, Melissa Shannon, Director of Governmental Affairs, Bexar County

Statewide Association Room

- Texas Association of Community Development Corporations, Matt Hull, Executive Director
- Texas Affiliation of Affordable Housing Providers, Chris Akbari, Government Affairs Committee Chair

Research & Policy Room

- Urban BluePrint, Kyle Shelton, Deputy Director, Kinder Institute
- Texas Housing Group, Ray Miller, Assistant Director, City of Houston Housing and Community Development Department

Advocacy Room

- Texas Housers, Zoe Middleton, Southeast Texas Director and Adam Pirtle, Advocacy Co-Director
- Texas Housing Stability Collaborative, Linda Davis-Demas, Senior Director of Housing, BALANCE

Lightning Feedback

- What are you most <u>concerned</u> about during the coming state and federal legislative sessions?
 - What are you most optimistic about?
- What are some common themes you are hearing?

Please share with everyone in chat



10:30 Second Break Out Session

Local Government Room

- City of San Antonio, Sally Basurto, Intergovernmental Relations Assistant Director, City of San Antonio
- Bexar County, Melissa Shannon, Director of Governmental Affairs, Bexar County

Statewide Association Room

- Texas Association of Community Development Corporations, Matt Hull, Executive Director
- Texas Affiliation of Affordable Housing Providers, Chris Akbari, Government Affairs Committee Chair

Research & Policy Room

- Urban BluePrint, Kyle Shelton, Deputy Director, Kinder Institute
- Texas Housing Group, Ray Miller, Assistant Director, City of Houston Housing and Community Development Department

Advocacy Room

- Texas Housers, Zoe Middleton, Southeast Texas Director and Adam Pirtle, Advocacy Co-Director
- Texas Housing Stability Collaborative, Linda Davis-Demas, Senior Director of Housing, BALANCE

Coordinating Priorities: Quick Poll

- Are you interested in collaborating with other organizations and individuals on common legislative priorities and challenges?
 - If yes, provide the best contact information for you.
 - What are your top priorities in 2021?
 - ✓ Eviction and foreclosure prevention
 - ✓ Securing increased and/or emergency funding
 - ✓ State and federal regulatory changes
 - ✓ PSH/supportive housing
 - ✓ No top priority, but please keep me on your mailing list
 - ✓ Other (list in chat)

Please complete the poll; we'll save your information



10:55 Concluding Remarks

- Follow up and next steps
- Materials available at –
 https://www.lisc.org/san-antonio/what-we-do/resources/
- Thank you to our presenters and to you for joining us!