

**LEGISLATIVE
OUTLOOK**

**ELECTION
ANALYSIS**



NOVEMBER 2014

OVERVIEW

On Tuesday, November 4, 2014, voters went to the polls and gave the Republican Party control of the U.S. Senate for the first time since 2006, and a larger majority in the House of Representatives. Holding majorities in both the House and the Senate, Republicans will now share more of the burden to govern. Republican leaders were quick to make public statements to counter the perception of their Party as obstructionist. Senator McConnell (expected to become the Majority Leader) and Speaker Boehner (expected to remain Speaker of the House) are already laying out plans to send various pieces of legislation to the President's desk early in 2015.

Congress still has a significant amount of work remaining when they return for the Lame Duck session in mid-November. The current Continuing Resolution (CR) is set to expire on December 11, and Congress must decide how to fund the government for the remainder of FY 2015. In addition, several key tax extenders are set to expire and must be renewed. Furthermore, the Administration has recently requested more than \$6 billion in emergency supplemental spending to combat the spread of Ebola. Congress will likely continue its oversight of the Administration's response to Ebola; consider the National Defense Authorization Act; address U.S. efforts to combat the Islamic State in Iraq and the Levant (ISIL); as well as potentially act on several other expiring pieces of legislation.

LEGISLATIVE OUTLOOK

Congress will meet for a lame duck session of the 113th Congress in mid-November and is set to adjourn on December 12. This is a relatively short amount of time, particularly given the Thanksgiving holiday, for Congress to accomplish a long list of unfinished business. Items most likely to be considered during a lame duck include:

FY 2015 Appropriations

The current short-term CR expires on December 11. There are three likely scenarios for how Congress will deal with funding the government for the remainder of FY 2015.

- First, and we believe most likely, Congress will consider an Omnibus for most of the spending bills, and include the more controversial bills (Labor-HHS, Interior) in a year-long CR. House and Senate leaders have expressed their desire for an Omnibus (or "CROmnibus" as some are calling it) and House and Senate Appropriations Committee staff have been working throughout this recess period to craft one. Senate Democrats will likely support this scenario as the current bills reflect their priorities, and Senate Republicans may be inclined to go along to counter their obstructionist image.
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- A second scenario would have Congress passing a one or two month CR to extend the process into January or February, allowing the new Senate Majority (and expanded House Majority) to craft legislative priorities more to their liking for FY 2015. However, since the top line budgets have already been agreed to in the Murray-Ryan deal, this scenario would not alter overall spending levels for FY 2015.
- Finally, Congress could pass a CR that extends the government through the rest of FY 2015 (to Sept. 30, 2015). Such a move would signal a desire to simply hold things as they are now and focus on FY 2016.

Tax Extenders

There are over 50 tax provisions (extenders) that have expired, the bulk of which expired December 31 of last year. Congress has traditionally extended these provisions, and we expect, at a minimum, Congress will extend these provisions retroactively for calendar year 2014. The Senate Finance Committee reported out an extenders bill earlier this year that retroactively restored these provisions and extended them through 2015. The House made a number of the more popular extenders, like R&D, permanent, while not taking action on the majority of the traditional extenders. We believe, given the limited number of days Congress will be in session and the potential for disagreement, that Congress is most likely to restore all the extenders retroactively, but may not extend them forward into 2015 or make any of them permanent.

National Defense Authorization Act

Congress has passed a National Defense Authorization Act for each of last 53 years, and we expect this year will be no different. Although the Senate Committee on Armed Services' bill has not yet been taken up by the full Senate, the House has passed their version of this legislation and have reportedly been working with their Senate Armed Services Committee counterparts to reconcile differences in each chamber's bill. There will likely be next to no policy riders in order to assure its passage.

Ebola Supplemental

On Wednesday, November 5, President Obama sent a supplemental request for nearly \$6.2 billion to fund the U.S. response to the Ebola outbreak in West Africa. The Senate Appropriations Committee has scheduled a hearing for November 12, and we expect the House will also hold hearings related to Ebola during the Lame Duck. Since much of this funding is deemed "emergency" it does not have to be offset, and will therefore be easier for Congress to pass. We expect Congress will provide supplemental funding – although possibly a slightly lower level than requested. It is also possible that Congress will use the Supplemental as the legislative vehicle to carry the FY 2015 Appropriations.



114TH CONGRESS

Congress is set to convene for the 114th session on January 3, 2015. With Republicans in control of both the House and Senate, we expect an active start to the year. First out of the gate, we believe Congress is likely to act on the Keystone XL Pipeline and a repeal of the Medical Device Tax. Both of the items passed the House of Representatives during the 113th Congress and were stalled in the Senate. Both will also test President Obama's willingness to use his veto authority, something he was rarely forced to do during his first six years in office.

In the Senate, Leader McConnell has indicated his desire to return to "regular order," meaning Committees will be more active in drafting legislation, and amendments from both parties will be considered on the floor. With Republicans in control of the Committees, we also expect significantly increased oversight activity in the Senate.

In the House, Majority Leader Kevin McCarthy issued a memo to the House Republican Caucus outlining his legislative priorities for the 114th Congress. In the introduction he outlined a number of recent issues facing the country, from Ebola to the Department of Veterans Affairs to Army Corps of Engineers projects, to the recent IRS problems, and noted the need to bring basic competency back to the operations of the national government.

He details how Congress should play a role in this:

"[T]he government's role in our lives must be measured, limited in its ambitions, constitutionally based, and focused on the big things that only governments can address. Unfortunately, the federal government today interferes too often in too many aspects of our daily lives, both big and small. Restoring competency in government requires both shrinking government to its appropriate scope and mission and reforming how government operates in its core sphere. Inefficient, ineffective, and incompetent federal agencies along with failed government policies have real world consequences. They hurt economic growth and job creation. Restoring economic growth and job creation will be the central policy goal of the next Congress and restoring competence in government will be part of that effort."

He also wants the committees to include "basic regulatory reforms" to any legislation that would authorize new regulations. In essence, these are designed to help reduce the often-onerous burden on businesses, especially small businesses, in complying with the law. As the House has already acted on some of these, the Majority Leader thinks the new leadership in the Senate may help to advance these.

With that as background, there are several issues Congress will be forced to deal with in the first session of the 114th Congress.



Budget and Sequestration

Sequestration, the automatic reduction in spending that was created in the Budget Control Act of 2011 and triggered when the “Super Committee” failed to reach an agreement on deficit reduction, is scheduled to return in FY 2016. The Murray-Ryan budget deal, reached in early 2014, had replaced sequestration for FY 2014 and FY 2015. Absent additional deficit reduction measures, sequestration would once again impact discretionary spending.

The President is required to submit his Budget proposal to Congress on the first Monday in February – although many expect his submission will be late this year due to the delay in finalizing FY 2015 spending levels. Both the House and the Senate are required to pass a Budget resolution by April 15, and although Congress has not passed a joint Budget Resolution in several of the last years, we fully expect Republicans will pass a Budget Resolution this year.

One of the benefits of passing a joint Budget Resolution is that it would allow Republicans to use the budget reconciliation process. Budget reconciliation is attractive to Republicans because it cannot be slowed or stopped by a filibuster, and allows them to pass legislation with only 51 votes. Under this process, a concurrent resolution is passed that instructs committees to report changes to the law in order to reconcile their budgets with the overall budget resolution. The House Budget Committee then reports an omnibus reconciliation bill and debate in the Senate would be limited to 20 hours. Under this strategy, the Republican Congress could load a budget package with spending reforms focused on Medicare, food stamps, Dodd-Frank, and tort reform just to name a few, that would force the President to potentially veto the package.

Debt Ceiling

At some point during the first half of 2015, the U.S. is likely to hit the “debt ceiling” again. The date is somewhat flexible, as it will depend on the pace at which the Department of the Treasury collects tax revenue, as well as Treasury’s use of “extraordinary measures” to delay reaching the borrowing cap. While previous debt ceilings have led us to the “fiscal cliff,” both Leader McConnell and Speaker Boehner have said they want to avoid the fiscal brinkmanship of the past. We expect that the debt ceiling will be raised, likely until sometime in 2016, forcing President Obama to request an additional debt ceiling increase during the next Presidential campaign.

Transportation

The Highway Trust Fund will run out of money during the spring of 2015, and Congress will need to enact legislation to continue funding the program. It is possible that Congress will consider new funding mechanisms to fund our nation’s surface transportation system, either in addition to, or instead of, the federal gas tax.

An FAA reauthorization bill may also be considered, as that authorization will expire in late September.



Health

While Republicans have consistently talked about repealing the Affordable Care Act (ACA), we do not believe that is a real possibility. Though it's probable that the House and Senate Republican majorities will seek votes on repealing or defunding the ACA, it's more likely that the Senate Republican Caucus will focus on stripping ACA's more vulnerable provisions, such as the tax on medical devices.

The Sustainable Growth Rate, the method currently used to determine Medicare payments to doctors, is another issue that must be addressed in the 114th Congress. Both the House and Senate passed permanent solutions to the "Doc Fix" in the last Congress, but could not agree on how to pay for it. We anticipate Congress to try and reach agreement on a permanent solution by March 2015 when the current short-term extension expires. It's also possible that Congress may pass another short-term extension.

Defense

Both the House and Senate Armed Services Committees will have new Chairmen in the 114th Congress, and we expect both will work to reassert Congressional oversight with increased oversight of the Obama Administration's response to international events, including the fight against ISIL, the situation in Russia, and the military's role in responding to the Ebola outbreak.

Both Committees can be expected to produce an FY2016 National Defense Authorization Act. With sequestration scheduled to return, we expect both will also play a significant role in trying to protect Department of Defense funding from additional cuts.

Also look for the House Armed Services Committee to continue a serious effort to comprehensively address defense procurement rules (D-FAR) to make the purchasing and development of new vehicles, weapons, and IT systems more efficient; this will be a large focus of the FY2016 NDAA with a potential standalone reform bill in 2016.

Education

There are multiple pieces of authorization legislation that may be considered in the 114th Congress, including the NASA Reauthorization and the America COMPETES Act. Congress did a significant amount of work on NASA Reauthorization and America COMPETES during the 113th Congress and much of that work will be carried over.

On the Higher Education Act Reauthorization, Senator Alexander, who will chair the Senate HELP Committee has indicated he will not use Senator Harkin's discussion draft from the 113th Congress and instead will start from a blank slate. Senator Alexander and Chairman Kline have also indicated they will address the Elementary and Secondary Education Act as well.

In terms of research funding, we do not expect to see increases in research expenditures during the 114th Congress. Indeed, with the looming debt ceiling and other budgetary negotiations, it is



possible that research dollars will decrease. One area that may see an increase, however, is NIH funding for disease research. This is an area that has long been supported by Republicans, and given the recent Ebola outbreak, will likely withstand budget cuts. Likewise, the GOP has indicated a desire to spend more Federal dollars on cybersecurity research.

Energy and Environment

We expect efforts to strengthen greenhouse gas emission laws and the Clean Water Act will be met with more resistance than before. Particularly, we expect Republicans will continue to block Administration efforts to implement rules redefining the term “waters of the United States” through Appropriations riders. Republicans will also use their new control to address the Keystone XL pipeline approval, push for expanding oil and gas exports, and perhaps restart the Yucca Mountain licensing process. Also, bipartisan consensus built up around Shaheen-Portman Energy Efficiency package could provide a useful starting point for an energy bill in the 114th Congress. Reforming the Toxic Substances Control Act (TSCA) could also be an issue that receives consideration late in 2015.

Cybersecurity and Technology

Cybersecurity issues remain at the forefront of the House and Senate Intelligence Committees’ list and will likely receive due consideration. To protect US critical infrastructure, the private sector has been pushing for federal managed mechanisms to collaborate on security threats and utilize federal intelligence from the DOJ, DHS, Intelligence, and military systems entities. However, concerns over proper data privacy protections in the Senate have all but sunk the best faith House information sharing legislative effort (Chairman Roger’s CISPA bill). That said, a package of House passed Homeland Security bills broadly codifying current executive branch cyber protection programs (*NCCIP*), cyber workforce challenges (*Boots on the Ground Act*), and cyber R&D (*CIRDA*) might see quick success in the lame duck or early in the new year.

Also on the tech front, expect a legislative overhaul of the Federal Information Security Management Act (FISMA - federal citizen and contractor data protections) and a federal approach to consumer data breach notification laws. Look for the House to launch a multi-year effort to comprehensively reform the Telecommunications Act of 1996 to ease regulatory uncertainty, address jurisdictional battles between the FCC and FTC, and perhaps establish a national broadband plan or address net neutrality. Senator Orrin Hatch has also signaled that finally moving the needed intellectual property reform and patent trolling legislation will be high priority items.

Trade

On trade, it is possible that the new Republican Senate, out of concern for bolstering US exports and domestic jobs, will pave the way for the Trans-Pacific Partnership (TPP) by granting the Administration Trade Promotion Authority (TPA) early in the 114th Congress. With the Administration looking at their final two years, there is a real opportunity for the President to build a lasting legacy by shifting focus to major trade negotiations, including: the Transatlantic Trade



and Investment Partnership (TTIP), World Trade Organization's trade facilitation and Information Technology Agreement (ITA), and the Trade in Services Agreement (TiSA) treaty.

Financial Services

On the financial front, look for Congress to begin addressing Dodd-Frank technical reforms by utilizing funding bills for the SEC, CSPB, and the CFTC in FY2016 budgets. Anticipated 2015 regulatory actions will keep this policy debate and oversight alive in the 114th Congress.

Immigration

Immigration reform will continue to be a hot button issue, with the thorny issue regarding possible deportation of "DREAMers" and unaccompanied minors. With the Senate now controlled by the Republicans, efforts to increase border security may gain new momentum. Depending on what happens with the President's pending executive action on amnesty, it is highly unlikely that the President and Senate Democrats would allow low hanging fruit, such as allowing more hi-tech visas to be stripped out of the broader immigration reform debate, including the amnesty issue for undocumented immigrants.

Tax Reform

We expect increased activity in both the Senate Finance Committee and House Ways and Means Committee as the new Chairmen seek to lay out their vision for tax reform. It is likely that both Committees will produce white papers and draft proposals which will lay the groundwork for comprehensive tax reform. However, we view comprehensive tax reform as largely out of reach until after the 2016 elections. That said, many of the of the current proposals contain revenue raising items that could be attractive on their own merits and pulled out to offset additional spending before comprehensive reform is considered.



ELECTION ANALYSIS

Senate Election Results and Changes

The Republicans gained control of the United States Senate for the first time since 2006. As of now, the 114th Senate chamber will be comprised of 53 Republicans, 44 Democrats, and 2 Independents (Sen. Bernard Sanders of Vermont and Sen. Angus King of Maine caucus organizationally with Senate Democrats.) The Senate seat in Louisiana will be determined in a December run-off between Senator Mary Landrieu (D) and Congressman Bill Cassidy (R), with the Republican widely anticipated to win.

The following Senators were re-elected for another 6-year term:

Republicans

Lamar Alexander (Tennessee)
Thad Cochran (Mississippi)
Susan Collins (Maine)
John Cornyn (Texas)
Mike Enzi (Wyoming)
Lindsey Graham (South Carolina)
James Inhofe (Oklahoma)
Mitch McConnell (Kentucky)
Jim Risch (Idaho)
Pat Roberts (Kentucky)
Tim Scott (South Carolina)

Democrats

Cory Booker (New Jersey)
Chris Coons (Delaware)
Richard Durbin (Illinois)
Al Franken (Minnesota)
Edward Markey (Massachusetts)
Jeff Merkley (Oregon)
Jack Reed (Rhode Island)
Brian Schatz (Hawaii)
Tom Udall (New Mexico)
Mark Warner (Virginia)

The new faces in the Senate include:

Alaska: The calculus for first-term Sen. Mark Begich has always been difficult, but was made especially so during this year of Republican ascendancy. Begich came to the Senate in 2008 by narrowly defeating scandal-plagued Sen. Ted Stevens, and while he campaigned tirelessly and ran away from President Obama and his agenda, former state Attorney General **Dan Sullivan** prevailed in the Land of the Midnight Sun. Sullivan and Begich both campaigned on issues of local interest to Alaska and Sullivan will likely seek a seat on the Senate Appropriations Committee.

Arkansas: The transition from blue-state to red-state was made complete in the Natural State with the election of first-term Congressman **Tom Cotton** over 2-term Sen. Mark Pryor (D). The Pryor name is a political legacy in Arkansas and Pryor's father, Sen. David Pryor, also previously served in the chamber. But the Republican prevailing winds in Arkansas proved too much, and despite the late campaigning from former President Bill Clinton, Cotton at age 37 becomes the youngest Senator. Cotton previously served on the Financial Services and Foreign Affairs Committees in the House.

Colorado: Perhaps no other "purple state" illustrated the heavy Republican trend of the night better than Colorado. The Silver State was won twice by President Obama, and Sen. Mark Udall (D) came from a storied political family well-known for their service. However, that was not enough for the first-term Senator as he lost decisively to 2-term Congressman **Cory Gardner**. Gardner was able to keep the focus of the race on immigration and economic issues, rather than social issues, and likely will look to continue to focus on business issues from his perch in the Senate. Gardner was a member of the House Energy and Commerce Committee.

Georgia: The retirement of long-time Sen. Saxby Chambliss led to an open seat in the Peach State and business executive **David Perdue** cruised to an easier-than-expected victory over Michelle Nunn, the daughter of former Georgia Senator Sam Nunn. Perdue earned a reputation in business as a "turnaround specialist" after working at Reebok and Dollar General and he is expected to bring a conservative perspective to the Senate. He has,

however, indicated a willingness to work across the aisle. He will seek a seat on the Senate Agriculture Committee.

Iowa: The retirement of 5-term Iowa icon Sen. Tom Harkin set the stage for one of the nation's most competitive Senate races. Democrats ran 4-term Rep. Bruce Braley as their standard-bearer; for years Iowa Democrats had been grooming Braley as a potential Senate replacement. Republican State Senator **Joni Ernst** however ran a sharp, populist campaign, highlighting her roots in the Hawkeye State, particularly on agriculture and economic issues, to cruise to a stunningly easy 9-point victory. Look for Ernst to make a push to join the Senate Agriculture Committee and perhaps the Senate Appropriations Committee, both of which Harkin served on for many years.

Michigan: One of the Wolverine State's most iconic political figures, 6-term Senator Carl Levin (D), retired this year, which led to an open-seat election captured by 3-term Congressman **Gary Peters** (D) of the Detroit-area. Peters defeated former Republican Michigan Secretary of State Terry Lynn Land by a comfortable margin. At one point it was thought this race could be competitive, but Peters pulled away in the last few weeks. Replacing the Chairman of the Senate Armed Services Committee will be difficult; Peters served on the House Financial Services Committee and it is unclear whether he will remain in that area or try to move to a more defense-related role.

Montana: After only one term in the U.S. House, Republican **Steve Daines** was elected by a sizeable margin over Democratic state representative Amanda Curtis in the Treasure State. This seat became vacant with the resignation of one of the Senate's long-serving members, Max Baucus to become the U.S. Ambassador to China. He was replaced by Lt. Gov. John Walsh, appointed to the Senate by Montana Gov. Steve Bullock. After the *New York Times* exposed plagiarism by Walsh while he was at the Army War College, he withdrew from the race and the little-known Curtis was nominated. Daines served on the Homeland Security, Transportation, and Natural Resources Committee while in the House.

Nebraska: The retirement of Sen. Mike Johanns (R) after only one term opened up a seat in the Cornhusker State and college official and conservative favorite **Ben Sasse** easily defeated trial attorney David Domina to claim the seat. Sasse is a former official in the administration of George W. Bush who also became one of America's youngest college presidents when he took over at Nebraska's Midland University. Sasse has been hailed as a "rising star" in the GOP by *National Review* and also likely will become one of the leading fiscal and social conservative voices in the Senate.

North Carolina: The Tar Heel State was one of the nation's top-watched Senate races and it came down to the wire as State House Speaker **Thom Tillis** emerged victorious by a little less than 2 percentage points over first-term Democrat Sen. Kay Hagen. The campaign in this seat was marked by a barrage of negative ads about Hagen's support of President Obama and Tillis's tenure in Raleigh. Tillis likely will attempt to gain membership on the Senate Armed Service Committee given North Carolina's heavy military presence.

Oklahoma: Two-term Republican Congressman **James Lankford** cruised to an easy victory over State Senator Constance Johnson (D) in the Sooner State. The election was required because of the decision of Senator Tom Coburn (R) to resign 4 years into his 6 year term. Lankford therefore will be on the ballot for

a full term in 2016. As a Member of the House, Lankford served as a member of the House Budget Committee and House Oversight and Government Reform Committee, and it remains likely government efficiency areas will remain a prime interest for him in the Senate.

South Dakota: Former Republican Governor **Mike Rounds** scored a victory in a three-way race over Democrat Rick Weiland and Independent Larry Pressler. There were times earlier this fall when national operatives thought the Mount Rushmore State could be in play via Republicans voting for Pressler, who served as a Republican in the United States Senate previously. However Weiland was unable to translate his experience as a former staff member for Sen. Tom Daschle (D-SD) and a FEMA official to enough votes. Rounds will replace Sen. Tim Johnson who served on the Senate Appropriations Committee; it is not clear whether this seat will stay with South Dakota.

West Virginia: 7th term Republican Congresswoman **Shelley Moore Capito** cruised to a comfortable win over Democrat Secretary of State Natalie Tennant in the race to replace the senior Senator from the Mountain State Jay Rockefeller (D). Both Capito and Rockefeller held seats on committees dealing with transportation issues and appointing Capito to the Senate Commerce, Science, and Transportation Committee seems like an apt proposition.

Sen. McConnell is expected to assume the position of Senate Majority Leader, and Senators Cornyn and Thune are likely to remain in their leadership positions, Majority Whip and Conference Chair, respectively.

For the Democrats, it remains to be seen whether Senator Harry Reid will seek and retain the position of Senate Democratic Leader. Senators Durbin (currently the Majority Whip) and Senator Schumer (Democratic Policy Committee Chair) would be in line for the Democratic Leader position should Senator Reid choose not to run. We believe it is unlikely that either Senator Schumer or Durbin would challenge Reid if he seeks the Leader position.

With the change in party control, the entire dynamic of the Senate committee structure will change. Republicans will now chair all committees and will have additional seats on each committee. The change will be felt on several of the power committees, particularly the Appropriations Committee, where stalwart Thad Cochran (R-MS) will be the new chair; the



Finance Committee, which will be chaired by Sen. Orrin Hatch (R-UT); and the Armed Service Committee, chaired by 2008 Republican presidential nominee Sen. John McCain (R-AZ).

Other key Committee Chairman include: Jim Inhofe (R-OK), will chair the Environment and Public Works Committee and is well known as one of the most prominent skeptics of climate change in the Senate; Senator Richard Shelby (R-AL), formerly the Ranking Member of the Senate Appropriations Committee, will chair the Senate Banking Committee and has been a frequent critic of the Dodd/Frank regulatory bill that was enacted in 2010; Senator Lisa Murkowski (R-AK) will chair the Senate Energy and Natural Resources Committee and has long been a proponent of increased domestic energy production.

COMMITTEE	CHAIR	RANKING MEMBER
Agriculture	Pat Roberts (R-KS)	Debbie Stabenow (D-MI)
Appropriations	Thad Cochran (R-MS)	Barbara Mikulski (D-MD)
Armed Services	John McCain (R-AZ)	Jack Reed (D-RI)
Banking	Richard Shelby (R-AL)	Sherrod Brown (D-OH)
Commerce, Science, & Transportation	John Thune (R-SD)	Bill Nelson (D-FL)
Environment & Public Works	Jim Inhofe (R-OK)	Barbara Boxer (D-CA)
Energy	Lisa Murkowski (R-AK)	Mary Landrieu (D-LA)/Maria Cantwell (D-WA)
Finance	Orrin Hatch (R-UT)	Ron Wyden (D-OR)
Foreign Relations	Bob Corker (R-TN)	Robert Menendez (D-NJ)
Health, Education, Labor & Pensions	Lamar Alexander (R-TN)	Patty Murray (D-WA)
Homeland Security & Government Affairs	Ron Johnson (R-WI)	Tom Carper (D-DE)
Intelligence	Richard Burr (R-NC)	Dianne Feinstein (D-CA)
Judiciary	Charles Grassley (R-IA)	Patrick Leahy (D-VT)
Small Business & Entrepreneurship	James Risch (R-ID)	Maria Cantwell (D-WA)/Ben Cardin (D-MD)
Veterans Affairs	Richard Burr (R-NC)	Bernie Sanders (I-VT)



House Election Results and Changes

In the House of Representatives, Republicans strengthened their hand by knocking off a number of incumbent Democrats, leading to their largest majority since 1949. Several races remain too close to call, but Republicans have netted at least a 12 seat gain.

Due to losses, retirements, and members running for other elected offices, among other reasons, the 114th Congress will include a freshman class of roughly 15 percent.

Significant change will come to the leadership of the House Committee structure in 2015. In 1994, the GOP imposed a six-year limit on how long a Republican congressman can chair a committee. As a result, almost half the committee chairmanships will change. Three term-limited chairmen already retired: House Ways and Means Chairman Dave Camp, Armed Services Chairman Howard "Buck" McKeon, and Natural Resources Chairman Richard "Doc" Hastings. Intelligence Chairman Mike Rogers of Michigan also retired.

House Appropriations Chairman Harold "Hal" Rogers of Kentucky is likely to remain the full Appropriations Committee Chair. However, several of the important Appropriations Subcommittee Chairmanships will change, including Commerce, Justice, Science, Transportation and Housing and Urban Development, and Labor-HHS.

Lamar Smith of Texas is expected to remain Chairman of the Science, Space, and Technology Committee. That committee authorizes NSF, NOAA, NASA, and DOE research programs. Rep. John Kline will remain as the chairman of the Education and Workforce Committee, which has jurisdiction over all education programs.

Several other committee chairmen are term-limited, and it will be up to the House Republican Steering Committee on how to proceed on this issue. They include: Agriculture Chairman Frank D. Lucas of Oklahoma, Budget Chairman Paul D. Ryan of Wisconsin, Oversight and Government Reform Chairman Darrell Issa of California, and Small Business Chairman Sam Graves of Missouri.

The House Republican Steering Committee is comprised of a collection of House leadership and other influential members of the House. The Speaker of the House has a number of votes on the Steering Committee and greatly affects the decisions rendered there. It is likely Kline will remain as Education Chairman given his closeness to Speaker John Boehner. It is also a given that Mac Thornberry (R-Texas) will become the next chairman of the Armed Service Committee. Rep. Tom Price (R-Georgia) will in most scenarios become the next chairman of the Budget Committee. 2012 GOP Vice-Presidential nominee Rep. Paul Ryan, who is term limited on the Budget Committee and Congressman Kevin Brady, who has seniority, are both vying for the Chairmanship of the powerful Ways and Means Committee.



A wild-card concerns the chairmanship of the House Oversight and Government Reform Committee, where current Chairman Issa may ask for a waiver to continue as chairman. Issa has been the point person in the House on investigations concerning the IRS, “Fast and Furious”, and other high-profile Obama administration issues. If he ends up leaving the chairmanship several members are positioned to succeed him, including Reps. Jason Chaffetz (R-Utah), Jim Jordan (R-Ohio), Michael Turner (R-Ohio), and John Mica (R-Florida). It appears Chaffetz has the lead. The Chairmanship of the House Intelligence Committee is appointed by the Speaker of the House and is not subject to the House Republican Steering Committee process.

A list is provided below of likely House Committee Chairmen and Ranking Members:

COMMITTEE	CHAIR	RANKING MEMBER
Agriculture	Michael Conaway (R-TX)	Collin Peterson (D-MN)
Appropriations	Harold Rogers (R-KY)	Nita Lowey (D-NY)
Armed Services	Mac Thornberry (R-TX)	Adam Smith (D-WA)
Budget	Tom Price (R-GA)	Chris Van Hollen (D-MD)
Education & the Workforce	John Kline (R-MN)/Virginia Foxx (R-NC)	Bobby Scott (D-VA)
Energy & Commerce	Fred Upton (R-MI)	Anna Eshoo (D-CA)/Frank Pallone (D-NJ)
Financial Services	Jeb Hensarling (R-TX)	Maxine Waters (D-CA)
Foreign Affairs	Ed Royce (R-CA)	Eliot Engel (D-NY)
Homeland Security	Michael McCaul (R-TX)	Bennie Thompson (D-MS)
Judiciary	Robert Goodlatte (R-VA)	John Conyers (D-MI)
Natural Resources	Rob Bishop (R-UT)	Raul Grijalva (D-AZ)/Frank Pallone (D-NJ)/Grace Napolitano (D-CA)
Oversight & Government Reform	Jason Chaffetz (R-UT)	Elijah Cummings (D-MD)
Rules	Pete Sessions (R-TX)	Louise Slaughter (D-NY)/Jim McGovern (D-MA)
Transportation & Infrastructure	Bill Shuster (R-PA)	Peter DeFazio (D-OR)
Science Space and Technology	Lamar Smith (R-TX)	Eddie Bernice Johnson (D-TX)
Small Business	Steve Chabot (R-OH)	Nydia Velazquez (D-NY)
Ways & Means	Paul Ryan (R-WI)	Sander Levin (D-MI)
Intelligence	Devin Nunes (R-CA)	Dutch Ruppersberger (D-MD)