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US Policy Scan 2020

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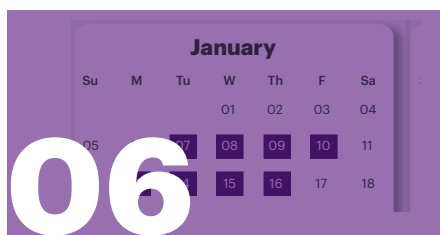
Happy New Year. The Dentons Public Policy Team is pleased to release its annual Policy Scan. This is our comprehensive overview of the policy and political landscape in 2020. We look to highlight movements across the spectrum of policy areas in the coming year. With our team's unmatched reach, we not only look at issues in our nation's capital but in every state capital in the union as well. We review the US Supreme Court docket and briefly profile the major cases of the term, both those still to be argued and those already argued with decisions pending. We look at trends across the globe and their impact on US policy. Finally, we delve into Election 2020 at the presidential, congressional, gubernatorial and state AG levels.

We also tackle impeachment. As of the publication of this document, the ground rules for, and the timing of, the impeachment trial of Donald J. Trump, including the question of whether any witnesses will be called, have yet to be determined. These impeachment ground rules will be established against the backdrop of an increasingly volatile and uncertain global landscape, and the resulting injection of national security and foreign policy issues to the forefront of the general election debate. However these procedural issues are finally resolved, we believe that the president will eventually prevail at the trial as there simply are not at least 20 GOP Senators who will vote for his removal. Some might call this cynical thinking on our part, but we prefer to see it as clear-eyed realism without illusion.

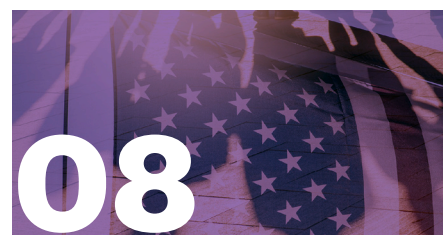
We hope that Policy Scan gives you the foundation to tackle obstacles and succeed in what is sure to be a chaotic and unprecedented year ahead.



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Year in review

The 116th Congress convened in January 2019 with the Democratic Party holding the majority in the House of Representatives after eight years of Republican control. With the loss of a Republican majority in the House, President Trump struggled to get many key pieces of legislation passed notwithstanding continued Republican control of the Senate. The past year was marked by debate over the impeachment of President Trump, labor and environmental provisions in the US-Mexico-Canada Agreement funding for the border wall between the US and Mexico which slowed the passage of appropriations bills and the National Defense Authorization Act.

Legislative action was stalled throughout much of the year. However, the shared need of the President and Congressional Republicans and Democrats to be able to point to some legislative achievements before heading into the 2020 elections led to Congress beginning to make significant progress in some key policy areas in December. As a result, the House and Senate added several days to their respective calendars and stayed in session for legislative business for almost a week longer than originally planned.

ADMINISTRATIVE ACTIONS

Federal Reserve interest rate cuts

Responding to the uncertainty created by the Trump trade war with China and a perceived slowdown in the rate of global economic growth, the Federal Reserve began to cut interest rates in 2019 for the first time since the 2008 financial crisis. Beginning in August, the FOMC (Federal Open Market Committee) made a quarter percentage point cut to the target federal funds rate, lowering the target range to between 2.00 and 2.25 percent. After two additional quarter point cuts in September and October, the current goal is to keep interest rates between 1.50 percent and 1.75 percent. After its December meeting, the FOMC announced that it would maintain its current target rate as it continues to sustain the expansion of economic activity, support labor market strength, and maintain an inflation rate near the Committee's 2 percent goal.

Though the Fed has typically been independent of executive branch involvement, President Trump criticized Chairman Jerome Powell's handling of US monetary policy throughout 2019, repeatedly pushing Powell to cut rates much more aggressively to 0% or below. He has called Powell a "terrible communicator" in the past and also falsely asserted that he has the power to remove Chairman Powell from his position, but after a November meeting with the Chairman, he tweeted that the meeting was "very good & cordial." Nonetheless, as many observers believe it is unlikely that the President can achieve

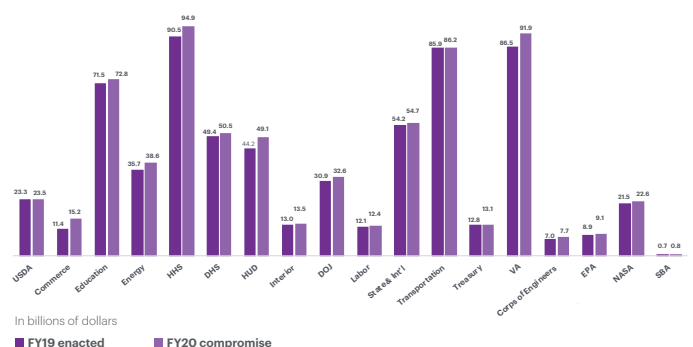
the level of economic growth he has promised without significant additional cuts to the target federal funds rate, the tensions between the President and Chairman Powell are expected to continue and could even heighten as the election approaches.

US-China trade war

The trade war between the US and China persisted throughout 2019, with multiple failed negotiation attempts resulting in additional tariffs and increased tariff rates. List 4A tariffs on \$112 billion of Chinese goods went into effect on September 1, 2019, and List 4B tariffs on

FEDERAL SPENDING SNAPSHOT: WHO GOT WHAT?

H.R. 1865 AND H.R. 1158



Sources: Both FY19 and FY20 numbers were calculated by the House Appropriations Committee

\$160 billion in Chinese goods were scheduled to go into effect on December 15, 2019. However, prior to the December deadline, the Trump administration announced it had reached a tentative “phase one” trade deal with China.

This deal included, among other things, postponement of the December 15 tariffs, a commitment by the US to lower tariff rates on List 4A goods from 15 percent to 7.5 percent, and a commitment by China to purchase more agricultural products from the US.

President Trump stated that the US and China will sign Phase I in January.

Key 2019 foreign policy actions

President Trump became the first sitting US president to enter North Korea after meeting with Kim Jong-Un in the demilitarized zone in June 2019. Despite announcing they would revive stalled talks on denuclearization, no progress was made throughout the rest of the year. In December 2019, the North Korean foreign ministry issued a statement reiterating Kim Jong Un’s year-end deadline for an agreement. The statement described dialogue touted by the US as “a foolish trick” aimed at delaying any action by North Korea until after the November 2020 election. “What is left to be done now is the US option, and it is entirely up to the US what Christmas gift it will select to get,” the statement said. While the North Korean’s promised “Christmas gift” has yet to be delivered, some have speculated that, in the absence of some progress in the talks, North Korea could elect to resume long range missile testing or even abandon negotiations with the US. In addition, Trump announced in September 2019 that peace negotiations with the Taliban had be halted after a US soldier was killed in a Taliban attack.

Q4 of 2019 was marked by Trump’s decision to withdraw US troops from Syria, despite opposition from both the international community and members of his own party. Shortly thereafter, Trump announced that ISIS leader Abu Bakr al-Baghdadi was killed during a US military raid in Syria on October 26, 2019.

Iran

Following the death of an American contractor and wounding of several American and Iraqi personnel in Kirkuk, Iraq by an Iranian-backed militia on December 27, and the subsequent storming of the US Embassy in Baghdad by supporters of the same militia on December 31, President Trump ordered an airstrike near Baghdad International Airport on January 2 that resulted in the death of Iran’s Islamic Revolutionary Guard Corps’ Quds Force Commander. The Administration states that the strike was a preemptive measure to mitigate the imminent threat posed by in-development plans to attack American diplomats and service members in Iraq and throughout the region. Iran’s retaliation is expected to take multiple forms, including cyberattacks and targeted use of its proxy forces against US interests and personnel. Many Democratic Members of Congress have expressed concerns about the decision to conduct the airstrike and its potential consequences, and they are actively seeking through legislation to limit President Trump’s ability to conduct future military operations against Iran without Congressional approval.

CONGRESSIONAL ACTIONS

Budget deal and appropriations

Congress successfully passed a budget deal in 2019, suspending the debt ceiling until 2021 and raising the budget caps for FY2020 and FY2021 to \$1.288 trillion and \$1.298 trillion, respectively. However, Congress failed to pass appropriations funding the government for FY20 by the Sept. 30, 2019, deadline, and instead passed a continuing resolution to temporarily fund the government through November 21, and then passed a second continuing resolution funding the government through December 20. On December 19, Congress reached an agreement on a \$1.37 trillion FY20 appropriations package that funds all of the federal government through September 30, 2020.

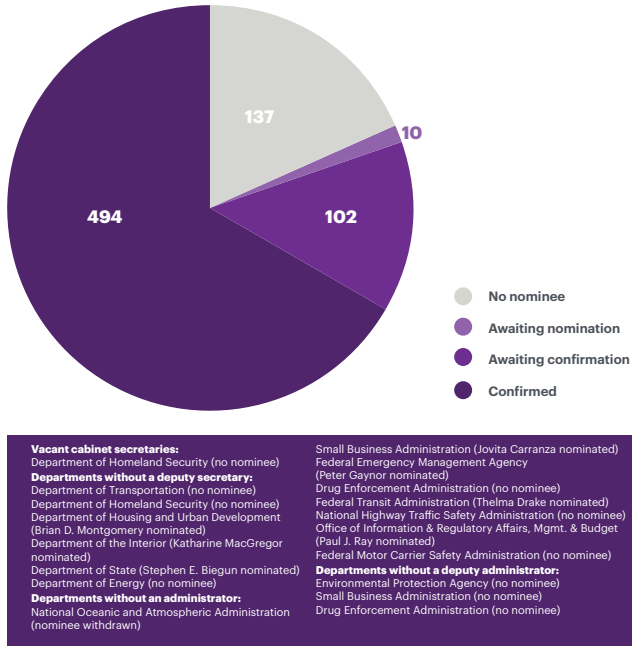
Repeal of ACA Financing

When Congress passed the ACA in 2010, it included new taxes to pay for the new spending and tax credits contained in the act. Since then, members of Congress, mostly led by Republicans have tried to repeal these new taxes on medical devices, “Cadillac plans” and health insurance premiums without offsets. They were finally successful in December, as all three of these taxes were repealed in the final appropriations bill. This cost the Treasury approximately \$400 billion over 10 years and was not offset.

Impeachment proceedings

In September 2019, a whistleblower complaint was released alleging that President Trump solicited interference by the Ukrainian government in the 2020 US presidential election, an action if established that would clearly violate both US law and the Constitution. The report claimed that Trump conditioned a White House visit for Ukrainian President Volodymyr Zelensky and nearly \$400 million in Congressionally appropriated military aid on the announcement of investigations into the Biden family. The release of this complaint prompted Speaker Nancy Pelosi to reverse her prior

102 NOMINEES TO KEY POSITIONS ARE AWAITING CONFIRMATION, WHILE 137 POSITIONS HAVE NO NOMINEE





Source: Washington Post, AS OF DECEMBER 16, 2019

opposition to pursuing an impeachment of President Trump and to announce the initiation of an impeachment inquiry. The resulting House impeachment inquiry lasted for three months, culminating in the House voting to impeach President Trump on two counts, abuse of power (230-197) and obstruction of Congress (229-198). Speaker Pelosi has not yet appointed House managers for the impeachment trial or sent the Articles of Impeachment to the Senate because she wants to tie transmittal of the impeachment articles to the successful negotiation of an agreement with Majority Leader Mitch McConnell regarding fair procedures for a Senate impeachment trial including potentially the calling of some Administration witnesses’.

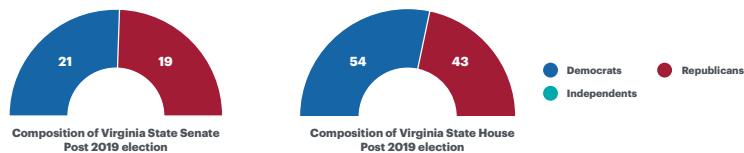
USMCA

Though the United States–Mexico–Canada Agreement was signed by the leaders of the three countries in November 2018, USMCA faced significant debate in Congress regarding what many House members and Senators considered to be its weak commitments to protecting workers, the environment and lowering drug prices. In December 2019, negotiators reached a deal on USMCA ratification that the House approved on December 19 which included commitments to enforcing labor reform in Mexico, adopting multilateral environment agreements and removing provisions that require 10 years of exclusivity for biologics. The Senate is expected to consider and approve the USMCA, most likely in January or early February 2020.

DEMOCRATS WON UNEXPECTED VICTORIES IN THREE 2019 STATE ELECTIONS

Race	Winner	Election results
Louisiana Governor	 John Bel Edwards (D)	2019 Governor 51.3% Democrats, 48.7% Republicans
		2016 Presidential 38.4% Democrats, 58.1% Republicans
Kentucky Governor	 Andy Beshear (D)	2019 Governor 49.2% Democrats, 48.8% Republicans
		2016 Presidential 32.7% Democrats, 62.5% Republicans

Virginia is now led by a Democratic governor and Democratic-majority legislature



JUDICIAL ACTIONS

The Supreme Court issued an opinion regarding the addition of a citizenship question to the 2020 census. The Court upheld a prior ruling preventing the question and sent the case back to a lower court. However, the Court gave the administration an opportunity to formulate a stronger argument for adding the question to the 2020 census. While the President has asked whether the census could be delayed until this question is resolved, as the timing of the census is mandated by the Title 13 of the US Code to occur on or about April 1, 2020, and time required to print and distribute the 2020 census forms, it's unlikely that a citizenship question could be added to the 2020 census even if the Supreme Court ultimately were to conclude that such a question is permissible.

The Supreme Court issued an opinion regarding the Trump administration's new asylum policy, which forces asylum seekers to apply for protections in at least one other country before coming to the US. The Court allowed the policy to be enforced while the legality of the policy continues to be litigated in cases before the lower courts. A case that addresses the legality of this policy is expected eventually to return to the Supreme Court, but the timeline for such a review is unclear.

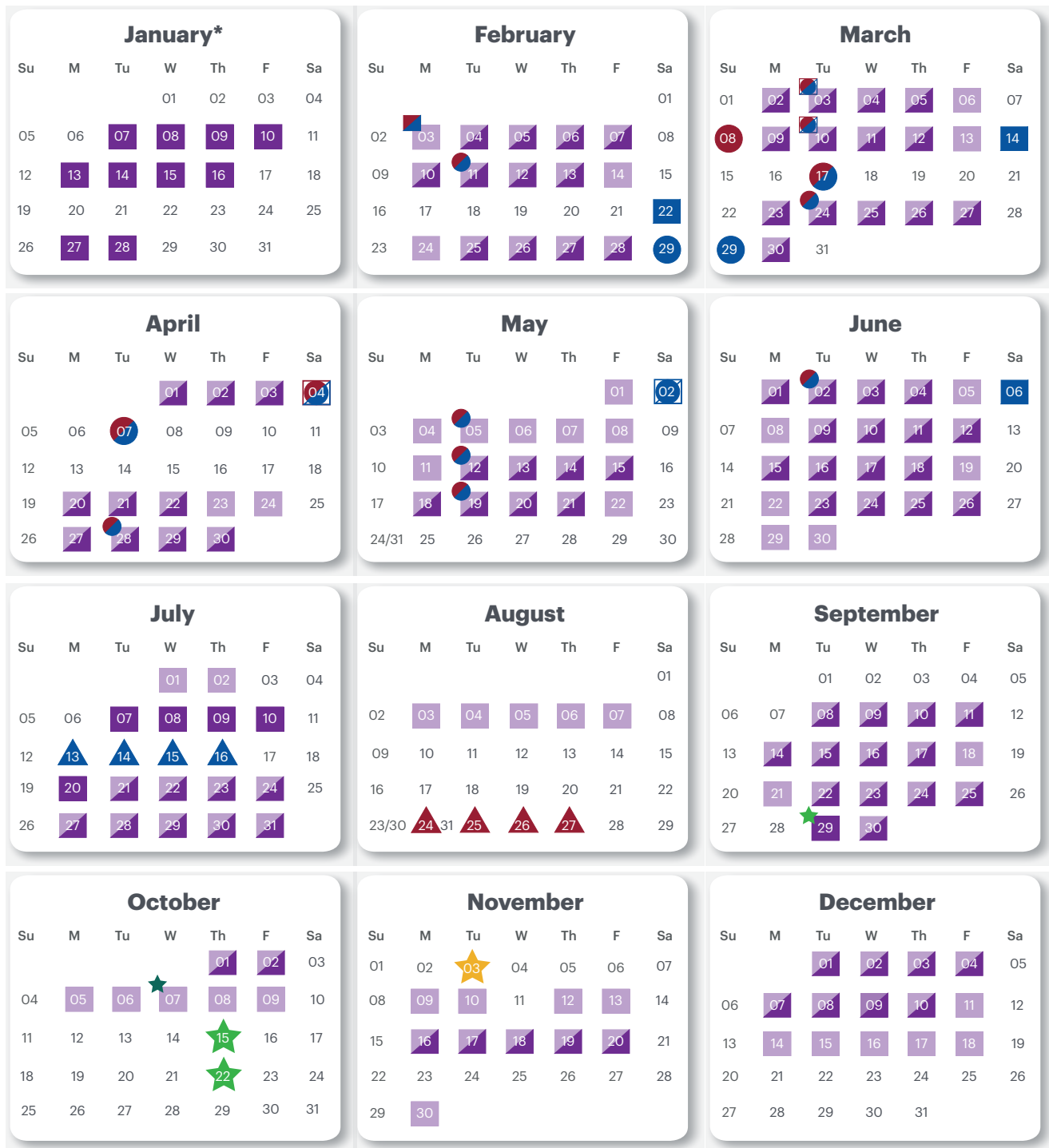
In June 2019, the Supreme Court decided two cases on gerrymandering and redistricting. The Court first decided in a case challenging the use of race in redistricting that the Republican-controlled Virginia House of Delegates lacked standing to challenge a federal district court decision striking down the maps adopted after

the state's Democratic attorney general refused to do so. The Court's decision did not address the issue of whether the maps in question violated the Voting Rights Act. In the second case, a major holding with respect to the legality of partisan gerrymandering, the Supreme Court held that partisan gerrymandering claims present political questions beyond the reach of the federal courts and that the federal courts may not intervene to block even the most partisan election maps drawn by state lawmakers.

With the exception of the smaller decline in the unemployment rate in the Rust Belt, most of the economic data in the swing states tracks **reasonably closely** with national trends. This suggests that, for now, local economic conditions are **unlikely to be a major determinant** of next year's election outcome. That said, with less than a year to go before the election, a divergence in the state of the key local economies could have meaningful implications for the political outlook and bears watching as the year progresses.

– Goldman Sachs on the economic state of the 2020 “swing states”

2020 Washington calendar



Senate scheduled to be in session

House scheduled to be in session

House and Senate scheduled to be in session

Democratic Caucus
Democratic Primary
Democratic Convention

Republican Caucus
Republican Primary
Republican Convention

Democrat Caucus and Primary
Republican Caucus and Primary
Republican and Democrat Caucus and Primary

VP Debate
Presidential Debate
Election day

*No January calendar released by the Senate

Primary dates

Date	State Primary
2/3/20	Iowa Caucus
2/11/20	New Hampshire Primary
2/22/20	Nevada (D) Caucus
2/29/20	South Carolina (D) Primary
3/3/20	Alabama, Arkansas, California, Colorado, Democrats Abroad (D), Maine, Massachusetts, Minnesota, North Carolina, Oklahoma, Tennessee, Texas, Vermont, Virginia (D) Primary American Samoa (D) Caucus
3/8/20	Puerto Rico (R), Idaho, Michigan, Mississippi, Missouri, North Dakota (D), Washington Primary
3/12/20	Virgin Islands (R) Caucus
3/14/20	Guam (R) and Northern Mariana (D) Caucus Wyoming (R) Convention
3/17/20	Arizona (D), Florida, Illinois, Northern Mariana (R), Ohio Primary
3/24/20	American Samoa (R) and Georgia
3/27/20	North Dakota (R) Convention
3/29/20	Puerto Rico (D) Primary
4/4/20	Alaska (D), Hawai'i (D), Louisiana, Wyoming (D) Primary
4/7/20	Wisconsin Primary
4/28/20	Connecticut, Delaware, Maryland, New York, Pennsylvania, Rhode Island Primary
5/2/20	Guam (D) Caucus and Kansas (D) Primary
5/5/20	Indiana Primary
5/12/20	Nebraska and West Virginia Primary
5/19/20	Kentucky and Oregon Primary
6/2/20	District of Columbia, Montana, New Jersey, New Mexico, South Dakota Primary
6/6/20	Virgin Islands (D) Caucus
The Republican Party in each of these locations has canceled its 2020 primary or caucus. All delegates are expected to be allocated to President Trump.	Alaska, Arizona, Hawai'i, Kansas, Nevada, South Carolina, Virginia

NEED THESE DATES IN OUTLOOK?

Download the entire 2020 US Policy Scan congressional calendar and key dates directly into your Microsoft Outlook calendar.

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Impeachment

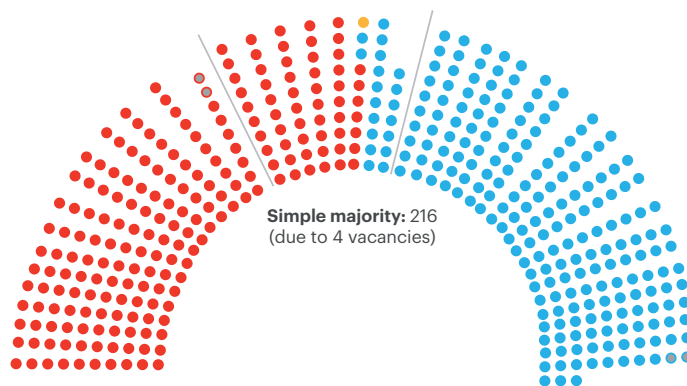
On Wednesday, December 18, 2019, the US House of Representatives voted to impeach President Donald J. Trump. President Trump now becomes the third president in the nation's history to be impeached by the House. The vote was a culmination of a three-month process that saw the House Committees on Intelligence, Foreign Affairs and Oversight conduct a lengthy investigation that included public and private hearings, depositions, press conferences, partisan bickering and much more.

The House Judiciary Committee submitted two articles to the House floor for a vote. The first—abuse of power—alleged that President Trump abused his office by corruptly soliciting the Government of Ukraine to publicly announce an investigation into former Vice President Joe Biden and a theory that Ukraine, not Russia, interfered in the 2016 presidential election, and conditioning the release of congressionally-appropriated military aid on such an announcement.

The second—obstruction of Congress—alleged that President Trump interfered with Congress' "sole Power of Impeachment" prescribed in the Constitution by preventing executive branch agencies, officers and officials, including acting White House Chief of Staff Mick Mulvaney and acting Office of Management and Budget Director Russell Vought, from complying with congressional subpoenas relating to the impeachment inquiry.

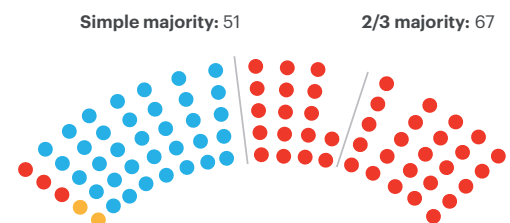
DEMOCRATS ARE FAR FROM THE THRESHOLD AT WHICH THEY WOULD HAVE ENOUGH VOTES TO IMPEACH AND CONVICT PRESIDENT TRUMP

House of Representatives



● Republican	198
● Independent	1
● Democratic seats	232
Vacancies	4

Senate



● Republican	53
● Independent	2
● Democratic seats	45
Vacancies	0

Impeachment process

- Simple majority vote in House to indict president for "treason, bribery, or other high crimes & misdemeanors"
- 2/3 vote in the Senate to convict president and remove from office

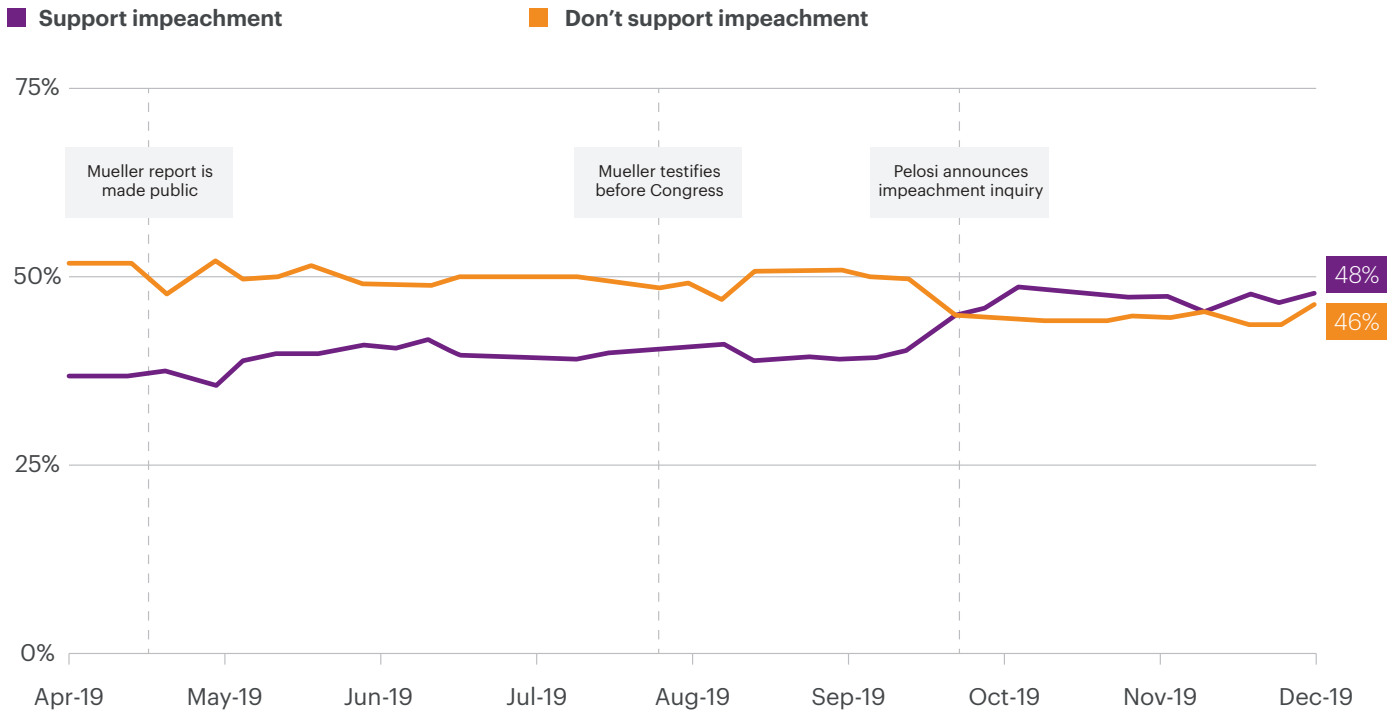
Under standard circumstances, the Speaker of the House would have sent the articles of impeachment to the Senate, and the House would have voted to appoint managers who would present the case in the Senate trial. The Senate would have one day from the delivery of the articles to begin consideration of such articles and would continue in session until the trial concluded.

However, that is not what happened. The House went into recess for the holidays before sending the articles to the Senate or appointing managers for the trial. There is much speculation as to whether and when Speaker Nancy Pelosi will deliver the articles to the Senate, given the fact that Senate Majority Leader Mitch McConnell and Senate Minority Leader Chuck Schumer have not yet reached a deal on the rules by which the Senate would conduct the trial. Leader

McConnell has said publicly that he would take direction from the White House on how to draft the rules for the trial, prompting Democrats to question the impartiality of the trial and threatening to call for a mistrial before it has even started. Speaker Pelosi said that she would wait to see what the trial's rules would look like before delivering the articles.

The Senate returned to session on January 3 and there is yet to be an agreement as to how the trial will proceed. Given the current makeup of the Senate, it is likely that should a trial happen, the President will be acquitted. However, a number of Republicans up for re-election in 2020 may play an important role in the ability of Leader McConnell to draft the set of rules that he wants.

MORE US ADULTS SUPPORTED IMPEACHMENT THAN THOSE WHO DID NOT FOR THE FIRST TIME AFTER THE ANNOUNCEMENT OF THE IMPEACHMENT INQUIRY



Sources: Calculated by FiveThirtyEight using a variety of polls (as of December 14, 2019)





Policy outlook

Although activity on major legislation may slow during the 2020 election year, the White House and Members of Congress in both chambers and on both sides of the aisle will continue to advance their public policy and political messaging interests through legislation that will likely inform and shape policy debates throughout 2020 and policymaking in 2021. Below is an overview of key public policy topics organized by subject.

DEFENSE AND SECURITY

Defense and security policy issues will remain a hot topic in Washington during the 2020 election year. Following a contentious process to produce a final version of the National Defense Authorization Act (NDAA) during his first year as Chairman of the House Armed Services Committee (HASC) in 2019, HASC Chairman Adam Smith (D-WA) has committed to keeping partisan provisions that will not pass muster in the Republican-controlled Senate out of the bill in 2020. The NDAA, which establishes policy and program funding priorities for the Department of Defense, has been enacted into law for 59 consecutive years. Other significant defense issues that will generate debate and discussion in 2020 include:

- **Deployment of US military forces:** In December 2019, the Trump Administration reported to Congress deployments covered by the War Powers Resolution to 19 different countries. US military forces are engaged in wars or counterterrorism missions, or at minimum, equipped for combat, in Afghanistan, Iraq, Syria, Yemen, Saudi Arabia, Jordan, Lebanon, Turkey, Somalia, Kenya, Djibouti, Niger, Cameroon, Chad, Nigeria, Cuba, Philippines, Egypt, and Kosovo. Of note is that this list does not reflect the entirety of the global deployment footprint of US Special Operations forces and US Intelligence community paramilitary forces.
- **US national security innovation:** The Trump Administration and a bipartisan group of key defense policymakers in Congress will continue to prioritize funding for defense innovation and a streamlining of defense acquisition processes to ensure that the US can compete with the rapid pace of technological development across the globe. This will include continued investment in and scaling of artificial intelligence and offensive cyber warfare capabilities, and continued investment in the development of hypersonic weapons, in addition to funding for other priority programs, capabilities, and initiatives.
- **US strategic alliances:** The importance to US security and geopolitical strategic interests of maintaining longstanding alliances and partnerships, such as with North Atlantic Treaty

Organization member countries, and other key partners in the Middle East, Africa, Asia, and Latin America, will be discussed throughout 2020 in the White House, in the halls of Congress, and on congressional and presidential campaign trails.

- **Nuclear and other strategic offensive weapons threat reduction:** The Trump Administration and Congress will consider the prospect of broadening the New START nuclear arms reduction and limitation treaty between the US and Russian Federation to include China before the treaty expires in February 2021. US officials will also continue to debate the most effective strategies for mitigation of continued nuclear proliferation in North Korea and Iran, and for keeping existing nuclear, chemical, biological, and radiological weapons out of the hands of other rogue state and non-state actors.

EDUCATION

In 2020, college affordability and student loan debt load will remain at the forefront of topics being raised by Democratic Members of Congress and presidential contenders. While the topic will be on the minds of an increasing number of voters, no major legislative action is likely to be completed in Congress in 2020.

Chairman Lamar Alexander (R-TN) of the Senate Health, Education, Labor and Pensions Committee has said he does not anticipate passage of a major rewrite of the Higher Education Act during an election year. He and Ranking Democrat Patty Murray (D-WA) remain far apart on what provisions should be included in a comprehensive bill.

- It is possible that the full House may advance the legislation introduced by House Education and Workforce Chair Bobby Scott (D-VA), and approved by his Committee, but a comprehensive bill adopted by the full House is unlikely to move in the Senate.
- Instead of major legislative initiatives, both Democratic and Republican Members of Congress will likely speak to the college affordability issue in campaign talking papers rather than through legislative action.

- College affordability and student debt will continue to be a major topic on the campaign trail for candidates for the Democratic nomination to challenge President Trump. Proposals vary from the most expensive—free public college for all proposed by Senator Bernie Sanders (D-VT)—to less expensive plans by Joe Biden, Pete Buttigieg, and Amy Klobuchar (D-MN) for free community college. Come summer and fall, Democrats will certainly be attempting to rally working class families, progressives, and young voters to support the Democratic nominee against President Trump on the college affordability issue.

ENERGY AND CLIMATE

Comprehensive energy legislation: As 2020 will be Senator Lisa Murkowski's (R-AK) final year atop the Senate Energy and Natural Resources Committee, she is committed to passing comprehensive energy legislation, a goal that has eluded her since she became Chair in 2015. Over the course of 2019, Murkowski's committee reported over 80 bills, largely on a bipartisan basis.

- Despite 2020 being an election year, there is general consensus among both Republicans and Democrats in the House and Senate on the framework for comprehensive energy legislation.
- The bill would focus on: (1) energy storage; (2) energy efficiency; (3) advanced nuclear reactors; (4) carbon capture; and (5) research and development in various other clean/renewable technologies.

Climate change legislation: House Speaker Nancy Pelosi (D-CA) recently stated that her chamber will vote on climate change legislation before the 2020 elections. It remains unclear what climate change bill the House could consider in 2020, but a variety of House Democrats have recently introduced or are developing climate legislation.

- For instance, Representative Don McEachin (D-VA) and 150 House Democrats introduced the 100% Clean Economy Act, which would establish a goal of a 100 percent clean US economy by mid-century. The legislation does not include any new regulatory or tax authority, but rather, would direct individual federal agencies to develop plans to reduce GHG emissions.
- This month, House Energy and Commerce Committee Democrats are expected to release discussion draft legislation that would aim to decarbonize the US economy by mid-century, and the House Select Committee on the Climate Crisis is also scheduled to release in March recommendations on legislative action to address climate change.

Deregulation: With one year left in President Trump's first term, the administration will continue its deregulatory agenda.

- Environmental Protection Agency Administrator Andrew Wheeler recently stated that two of EPA's top 2020 priorities will be to finalize (1) revamped tailpipe emission standards for light-duty motor vehicles and (2) a new rule designating the waters that are subject to the Clean Water Act.
- Courts will also consider a number of high-profile challenges to regulatory actions by the administration, including its

promulgation of an Affordable Clean Energy Rule to replace the Obama-era Clean Power Plan, and its revocation of California's waiver under the Clean Air Act, which allows the Golden State to set its own tailpipe emission standards for motor vehicles.

FINANCIAL SERVICES

Propelled by Chairwoman Maxine Waters (D-CA), the House Financial Services Committee operated at breakneck speed throughout 2019, holding 74 committee hearings, marking up 69 bills, and passing 55 bills through the House, 47 of which remain stalled in the Senate. In 2019, the Senate Banking Committee held 31 hearings and three nominations hearings, four of which dealt with Government-Sponsored Enterprises (GSEs) and housing finance reform.

Chairwoman Waters' 2020 focus is expected to be on:

- Oversight of the Consumer Financial Protection Bureau (CFPB), defending against the March 2020 Supreme Court challenge to CFPB's constitutionality, and challenging the OCC/FDIC proposed reforms to the criteria and metrics for measuring Community Reinvestment Act (CRA) compliance, reforms not supported by the Federal Reserve.
- Negotiating a compromise with Senate Banking Committee Chairman Mike Crapo (R-ID) so that a version of the Secure And Fair Enforcement (SAFE) Banking Act that would provide cannabis businesses with more access to the banking system can become law.
- Seeking to ensure that the Federal Open Market Committee's monetary policy decisions remain driven by the Federal Reserve's statutory mandate and not by political pressure from President Trump; and
- Promoting affordable housing and the 30-year mortgage by resisting the White House's plan to achieve housing finance reform and release of the GSEs from conservatorship through administrative actions rather than legislation.

Chairman Crapo's 2020 focus is expected to be on:

- Adding various public health provisions to the SAFE Banking Act, including a national study on the effects of marijuana, implementing a potency threshold of 2% THC content and preventing distribution of cannabis to anyone under the age of 21.
- Developing and advocating for his own legislative proposal for housing finance reform.

FINTech

With Facebook's controversial effort to launch the Libra cryptocurrency, the emergence of Apple Pay, the SEC's efforts against initial coin offerings as part of an attempt to determine the degree to which digital currencies are covered by federal securities laws, and the Office of the Comptroller of the Currency's (OCC's) issuance of a limited charter for fintech firms, a step that state financial regulators passionately reject, 2019 was an extremely active year on the judicial, regulatory and even the legislative front for matters involving cryptocurrency and blockchain. There is every reason to believe that 2020 will be even busier.

- In addition to several high profile and contentious hearings on Facebook's Libra where many Members attacked Facebook's founder Mark Zuckerberg, the House Financial Services Committee created two new task forces, focused on fintech and artificial intelligence, to delve deeply into the many legal, regulatory and technical issues raised by cryptocurrency.
- The bipartisan Commodity Futures Trading Commission (CFTC) Reauthorization Act of 2019 included a section on digital commodities that would require the CFTC to promulgate rules pertaining to the "heightened review" of derivatives contracts based on digital commodities like Bitcoin and Ethereum.
- A new Financial Action Task Force, comprised of Group of 20 countries, adopted a "travel" rule that requires extensive identifying information about individuals involved in cryptocurrency transactions with cryptocurrency exchanges as a way to prevent money laundering.
- At the district court level, in a case now on appeal, the New York Department of Financial Services won a lawsuit against the OCC alleging that the OCC overstepped its statutory authority when it decided to start offering limited fintech charters, arguing that the agency's chartering powers do not include nondepository financial institutions.
- Finally, in a notable development, the recent retirement of US Senator Johnny Isakson (R-GA) for health reasons resulted in the appointment of former Bakkt CEO Kelly Loeffler, the first person to come to the Senate directly from the digital currency world.

HEALTHCARE

The ACA

The legal fate of the ACA will continue its slow march back to the Supreme Court, and now its ETA seems to have been pushed back. In a 2-1 decision, the Fifth Circuit partially affirmed a district court decision that had declared the entire ACA invalid. The Fifth Circuit found the individual mandate to be unconstitutional after Congress set the individual mandate penalty at \$0. However, instead of affirming the district court's determination that the individual mandate's unconstitutionality invalidated the entire ACA, the court remanded the case (i.e., sent the case back down to the district court) for additional analysis on the question of severability.

- The Democratic attorneys general, led by California, who have intervened in the case, have already indicated that they will appeal the Fifth Circuit's decision to the Supreme Court. If the Supreme Court agrees to hear the appeal, the timing of the Fifth Circuit's decision in mid-December makes it less likely that the case will be heard during the Court's current term (which would have resulted in a decision in Summer 2020). However, the Court has broad discretion and could agree to expedited briefing and argument to allow the case to be considered this term. The Justices may want to hear the case this term in light of the significant uncertainty created by the litigation.
- If the Court declines to hear the appeal, the case will continue before district court Judge O'Connor, who must undertake a provision-by-provision severability analysis. The decision would

remain vacated (not in effect), and the ACA would not change until there is a final decision. (Whatever Judge O'Connor decides on remand will almost certainly be appealed back to the Fifth Circuit, and subsequently, to the Supreme Court.)

QUICK REFRESHER: At issue in the ACA case is whether the language in the 2017 Republican tax bill reducing to zero the tax penalty imposed for failing to have health insurance should render the rest of the law invalid. A group of Republican state attorneys general and governors argued that without the tax, the Supreme Court's justification for upholding the law in 2012 no longer exists, and thus, that the entire law is now unconstitutional.

Medicaid

Gubernatorial elections in 2019 in Kentucky and Louisiana highlighted that Medicaid continues to be an important issue for voters. Medicaid may be a significant issue in 2020 state elections as well. Medicaid expansion will likely be on the ballot in a number of states, particularly Missouri and Oklahoma. In addition, some states in 2020 will implement Medicaid expansions approved via ballot measures in 2018.

- Medicaid in 2020 is also a focus at the federal level. On November 18, 2019, the Centers for Medicare & Medicaid Services (CMS) published the Medicaid Fiscal Accountability Proposed Rule, which, if finalized as proposed, would make significant changes to existing state Medicaid financing structures and supplemental payment programs. While the comment period closes on February 1, 2020, we expect significant stakeholder and possible congressional action to follow.
- CMS continues to approve Medicaid work requirement policies despite ongoing judicial action. Although guidance regarding Medicaid block grants was pulled from review at the Office of Management and Budget, a final rule regarding Medicaid managed care regulations remains pending, and CMS has indicated that it plans action on transportation benefits.
- On the legislative front, the December 2019 Continuing Resolution extended the current Medicaid disproportionate share hospital (DSH) payments through May 20, 2020, but will require Congress to act in early 2020 to avoid \$4 billion in DSH payment cuts scheduled to be implemented as of May 20, 2020. Dentons will be following these and other issues in 2020.

FDA

The Food and Drug Administration (FDA) spent much of 2019 without a permanent leader following the March resignation of Dr. Scott Gottlieb. With Dr. Stephen Hahn nominated in early November and confirmed in the waning weeks of December, many assume the agency will pick up its pace again in 2020.

- The agency has made significant progress in its regulation of e-cigarettes and vaping devices, but guidance for these products has not yet arrived, and marketing applications for the devices remain under review. After proposing a ban on all flavored vapes in the fall, President Trump backtracked on the plan in November. Advisers say Trump was concerned about job losses, and polls suggested that he might have lost voters if he pressed forward

on the ban. However, on January 2, 2020, the FDA issued a ban on fruit and mint-flavored vaping cartridges in an effort to deter e-cigarette use among children.

- FDA's work around cannabidiol (CBD) should also resume anew in 2020. After holding several hearings and seeking public comment on how the agency should regulate the non-psychoactive compound in cannabis, the FDA will likely formally weigh in before 2020 concludes.

Drug prices

The biggest legislative battles are almost certain to be waged over drug pricing policy. Every Democratic candidate for president has unveiled a formal plan to lower drug prices. Several bills are pending in Congress, while federal agencies are working on their own approaches. President Trump has made lowering drug prices a central theme of his campaign.

- Some of the more sweeping pricing bills, like the one championed by House Speaker Nancy Pelosi, which cleared the House of Representatives, are DOA in the Senate. But smaller, more focused bills could have a better shot. Most lawmakers can agree that drug prices are too high. Getting them to agree on a method to tame them remains the tricky part.
- Areas where the two parties might find common ground include the creation of an international pricing index, which CMS is already pursuing; a means of addressing surprise medical bills; and an increase in transparency across the drug supply chain. Laws and regulations around the disclosure of list prices in direct-to-consumer ads will also likely resurface, with Senators Chuck Grassley (R-IA) and Dick Durbin (D-IL) aggressively pushing forward on this front. A similar rule from the Department of Health and Human Services that was overturned by a federal judge is also working its way back through appeals. The impact of the Trump Administration's effort for "reimportation" of drugs from Canada remains to be determined.

CANNABIS

After a historic session in 2019, cannabis legislation will slow in 2020 as House-passed reform measures hit the breakwall of a Republican-controlled Senate. Despite majority support for legalization in both parties, and bipartisan support for resolving such issues as the inability of legal cannabis businesses to engage in traditional banking, the only legislation likely to pass this year is the annual protection against federal action afforded states that have approved cannabis for medical purposes.

- In 2019, the House Judiciary Committee passed the first-ever bill legalizing cannabis at the federal level.
- After approval in the House, the SAFE Banking Act sits in the Senate with the Senate Banking Committee
- Appropriations riders to protect adult-use states, provide for banking access, and approve the medical use of cannabis by veterans were all stripped from the final appropriations bills in December 2019.

IMMIGRATION

Get ready for a debate about immigration in the Halls of Congress with the sole purpose being messaging to affect the 2020 election. Senior White House adviser Jared Kushner told Senate Republicans that the party should unite behind a 600-page immigration plan he crafted ahead of the 2020 election so the party can provide a positive vision for reform.

- Kushner acknowledged that his legislation is a starting point but argued it's important to shape messaging around a foundational bill concentrated on two areas where Republican lawmakers can largely agree: strengthening border security and shifting the nation to more of a merit-based immigration system.
- Kushner's bill does not address more controversial topics such as what to do about immigrants who came to the US illegally at a young age, known as "Dreamers," or E-Verify, a program that enables employers to check on the immigration status of workers.

TPS: In a November 2019 Federal Register notice, the Department of Homeland Security said it would extend TPS through Jan. 4, 2021 for Temporary Protected Status (TPS) program participants from El Salvador, Haiti, Honduras, Nepal, Nicaragua and Sudan. These six countries account for 98% of all current TPS recipients.

DACA: The Supreme Court has completed oral arguments over the Trump administration's attempt to end the Deferred Action for Childhood Arrivals (DACA) program and all eyes will turn toward the Court's decision, expected before the court's summer recess in July, that will inject the emotional policy issue directly into the 2020 presidential campaign.

- If the Justices rule that the Trump administration wrongly terminated the program, then the roughly 700,000 DACA recipients, sometimes referred to as "DREAMers," who have been protected from deportation and granted work permits, will be able to continue their American lives for an extended period. But if the Court sides with the Trump administration and allows it to end the program, it will set up a high-stakes, politically-wrought decision for the Trump administration just months before the November election. President Trump has tweeted that, "If Supreme Court remedies with overturn, a deal will be made with Dems for them to stay!"

Wall construction: The \$1.4 trillion budget deal, signed into law by the President in late December 2019, contained \$1.375 billion for border wall construction in Fiscal Year 2020 – what some following the issue called a "mixed bag" in which neither side got all it wanted.

- The funding was more than some Democrats wanted and less than the administration had asked for. The budget also includes funding to hire more immigration judges and restrictions on where the wall can be built, but no restrictions on the president's use of Pentagon funds for construction. Acting US Customs and Border Protection Director Mark Morgan said that, with the money in the fiscal 2020 budget, he is "absolutely confident" that the administration will meet its goals for border wall progress.

NATIVE AMERICAN AFFAIRS

Given the unique government-to-government relationship between tribal governments and the United States, Congress routinely considers federal legislation with potentially wide implications in Indian Country. Two groups of legislation that will be closely watched in this second session of the 116th Congress relate to the protection of Native women against domestic violence and sexual abuse, and the clarification of federal law governing online sports wagering on reservations.

- Online sports betting law and policy will continue to develop on a state-by-state basis, a development that tribes are watching closely to gauge the impact state-sanctioned sports betting may have on the tribal-state gaming compacts by which tribes conduct casino-style ("Class III") gaming. At the end of 2019, Representative Brindisi (D-NY) introduced a bi-partisan bill, H.R. 5502, the Removing Federal Barriers to Offering of Mobile Sports Wagers on Indian Lands Act, which is intended to facilitate the conduct of online sports betting operations by Indian tribes through tribal-state gaming compacts. Cosponsors include Brian Higgins (D-NY), Paul Gosar (R-AZ) and John Kato (R-NY). The legislation would clarify that tribes may provide intrastate online sports betting through servers located on Indian lands without contravening the requirements of the Indian Gaming Regulatory Act (IGRA). While some states are trying to devise state-law solutions to current concerns about the intersection of online sports and IGRA, this type of federal fix would provide a clearer and more comprehensive solution.
- Pending in Congress are several versions of legislation to reauthorize the Violence Against Women Act, including crucial tribal justice provisions, which are being closely watched by Indian Country. The House passed H.R. 1585, which had 167 cosponsors all but one of whom are Democrats, failed in the Senate due to some Republican Senators objections. Senator Dianne Feinstein has now introduced S. 2843 (Violence Against Women Reauthorization Act) with 68 cosponsors, all Democrats; Senator Joni Ernst (R-IA) introduced competing legislation (S. 2920 - same title) with 12 cosponsors. Several Indian organizations have expressed concern over provisions in S. 2920 that reduce the authority of tribes to exercise special criminal jurisdiction over non-Indian defendants, including a provision that provides for a blanket waiver of tribal sovereign immunity for any civil cause of action alleging a constitutional rights violation brought by a defendant against the tribe. Democratic and Republican Senators have not yet not been able to come to a compromise on VAWA reauthorization legislation.

PRIVACY

Following a year in which Big Tech commanded headlines concerning the alleged misuse of user data, online privacy emerged as a key legislative priority for both parties.

- House Energy and Commerce Committee staff circulated a bipartisan discussion draft that broadly defines the "covered information" deserving of privacy protection and creates affirmative data security obligations and breach notification requirements for online businesses. The bill would also give online users greater control over their personal information by allowing them to access, dispute and delete the information on them that companies have collected.

- On the Senate side, Senate Commerce Committee Chairman Roger Wicker (R-MS) and Ranking Member Maria Cantwell (D-WA) have both introduced bills that reflect many of the principles in the House discussion draft, but which differ from each other on two major issues: whether to allow a private right of action for consumers (Wicker opposes the idea, while Cantwell believes consumers should be able to sue businesses that misuse their information), and whether a federal law should expressly state that it preempts state laws (Wicker favors this, while Cantwell believes states should be involved in online privacy oversight).
- Despite some disagreement, Congress and the business community are aligned on a need for clear rules of the road on privacy. Therefore, expect significant strides to be made toward a comprehensive federal framework in 2020.

TRADE

In 2019, US trade policy was a year marked throughout by uncertainty, many ups and downs and volatile trade negotiations. This should come as a surprise to no one, as President Trump repeatedly stated his intention to overhaul US trade policies at the outset of his campaign and has been aggressively pursuing new, "America first," policies since he took office.

Heading into 2020, President Trump can now put the House's ratification of the USMCA in his win column. This was a hard-won fight, as there were steep hurdles with respect to labor enforcement that had to be cleared for House Democrats to agree to advance the deal forward in Congress. House Democrats can also point to numerous provisions of the USMCA as wins. The Senate is expected to take up the legislation early this year, depending on when the President's impeachment trial occurs, and bipartisan support is anticipated. The final deal will have to be re-signed by both Mexico and Canada as it has been significantly modified since it was inked by the three nations back in 2018.

The other star of trade news in 2019 was a preliminary trade deal in the US-China tariff war—a development with worldwide implications as both countries spent the year exchanging tariff escalations, while simultaneously seeking to negotiate a new trade deal. This deal was near complete in Spring 2019 before hopes were dashed by a radical reversal by China. The US and China spent the rest of 2019 trying to return to the finish line. The year concluded with the US and China striking a "phase-one" trade deal, though no text of this agreement has been released. The phase-one deal will have a signing ceremony in Washington, DC on January 15, 2020, and the President says that he expects to go to China later this year in pursuit of a more comprehensive deal.

As action-packed as 2019 was in trade, 2020 promises to be a worthy successor. Some top deals and disputes to watch include:

- Continued US-China trade deal negotiations.
- US-UK trade deal negotiations.
- US-EU trade negotiations and trade deficit disputes.

TRANSPORTATION

Not surprisingly, the overriding issue in transportation policy remains whether Congress and the President can reach an agreement on funding and investment for transportation and infrastructure projects before the most recent five-year transportation reauthorization, the FAST Act, expires in September 2020, or whether Congress will be required to pass one or more stopgap reauthorization and funding measures to fund and preserve existing programs.

- Both parties and the President profess to share a commitment to the importance of infrastructure funding and restoring and improving America's roads, bridges and airports. However, as revenues from the federal gas tax are grossly inadequate to fund the Highway Trust Fund, the shortfall must be made up from general revenues given Congress and the President's refusal to raise the gas tax.
- Whether Congress will be able to agree upon a bipartisan Surface Transportation Bill is still up in the air. Both sides of the aisle are earnestly working together, but the political dynamics in an election year may make success difficult.
- As one would expect in a presidential election year, however, there will likely be little done that does not absolutely have to be done. Some Democratic members will be reluctant to give President Trump any more big wins before Election Day 2020, while others who are partial to paying down the federal deficit will prefer maintaining the status quo in transportation spending rather than an additional government injection.
- The Water Resources Development Act is on track to pass in the House Transportation Committee early this spring with bipartisan support, and the Senate Environment and Public Works Committee is in the drafting stage with a major focus on clean water.
- Members of Congress have also shown interest in making a mark on Federal Aviation Administration certification procedures in the wake of the Boeing 737 Max crisis.

AUTONOMOUS VEHICLES

After a decade of hope and hype, autonomous vehicle legislation is moving as fast these days as the since-stalled technology.

- After a comprehensive AV regulatory regime sailed through the GOP-controlled House of Representatives in 2017, Congress appeared poised at last to formalize a national self-driving framework. The two years since, however, saw the effort wither on the vine over partisan disputes related to cybersecurity and consumer safety thresholds. Now, the arrival of federal AV legislation, like the underlying technology, is anyone's guess: sometime in the future, though no one can say when.
- Recently, Republican and Democratic staffs of the House Energy and Commerce and Senate Commerce committees have been huddling to develop a compromise AV bill. The bipartisan, bicameral work drafts focus on vehicle exemptions, testing, evaluation, and the establishment of an Automated Vehicles Advisory Committee. Despite this behind-the-scenes work, no timetable exists for the legislation's formal introduction.
- Still, even as legislation has hit stop-and-go traffic, the executive

branch has begun flexing its muscles. The Department of Transportation recently set aside \$60 million in federal grants to eight AV projects across the country while the National Highway Traffic Safety Administration (NHTSA) and Federal Motor Carrier Safety Administration recently concluded public comment periods aimed at determining whether the existing rules and regulations impede testing and deployment of self-driving vehicles.

- Elsewhere in the vast federal bureaucracy, the Federal Communications Commission voted in unanimously in December to reallocate 5.9 GHz spectrum for unlicensed uses, such as WiFi and cellular vehicle-to-everything (C-V2X) technology, which offer direct communications between autonomous and non-autonomous vehicles on the road, as well as to infrastructure, pedestrians and road workers. Currently, the band is reserved for dedicated short-range communications (DSRC) service, which enables only vehicle-to-vehicle and vehicle-to-infrastructure communications.
- C-V2X is expected to support new, advanced applications as wireless companies deploy more responsive 5G networks. Opening the band to C-V2X is backed by large automakers, wireless carriers, and wired broadband providers, who support the proposal's commitment to both C-V2X and unlicensed use. The Department of Transportation opposes the proposal due to concerns about unlicensed uses interfering with transportation communications, although there is not any conclusive research that settles the issue.

SMART CITIES

While much of the policy work related to Smart Cities occurs at the local level, the federal government can have a significant impact on these issues, particularly through research, development and deployment (RD&D) funding. For instance, Senator Maria Cantwell (D-WA) and Representative Suzan DelBene (D-WA) have introduced the Smart Cities and Communities Act that would establish grant projects to support smart city technologies and systems and job training in these emerging industries. The House version of this bill has been referred to the Energy and Commerce Committee, which could consider the measure in 2020. In addition, the following federal issues are also worth watching:

- **Grid Modernization:** At the committee level, both the House and Senate advanced grid modernization bills in 2019. Notably, the House bill would establish a Department of Energy smart grid regional demonstration initiative to support demonstration projects on "cost effective, advanced technologies" related to grid modernization. Grid modernization provisions could also be incorporated into a comprehensive energy bill that Senate Energy and Natural Resources Committee Chair Lisa Murkowski (R-AK) is preparing.
- **Electric Vehicles (EVs):** The Senate Environment and Public Works Committee, in 2019, advanced a new highway bill that included significant provisions to support EVs. For example, the Senate bill would create a \$1 billion grant program to fund infrastructure for EVs, along with natural gas and hydrogen vehicles. House Transportation and Infrastructure Committee

Democrats are slated to release their own highway bill in February, and this measure is also likely to include measures to incentivize EVs. Congress may also face renewed pressure to increase the 200,000 vehicle per manufacturer cap on the \$7,500 electric vehicle tax credit.

- **Facial Recognition:** In 2019, San Francisco and several other cities banned the use of facial recognition technology by city officials. There is also growing bipartisan concern at the federal level regarding commercial use of facial recognition technology, and 2020 could see increased scrutiny in this emerging field. Notably, Senator Roy Blunt (R-MO) and Senator Brian Schatz (D-HI) have introduced legislation that would prohibit companies using facial recognition technology from collecting and re-sharing data of consumers without their consent.

VENTURE TECH

In 2020, the venture capital (VC) community will continue to focus on key emerging sectors, such as artificial intelligence, mobility, healthcare innovation, fintech, cybersecurity and information security, and the Internet of Things, among others. In an effort to create a more favorable startup landscape in the US, VC firms and their advocates in Washington will likely pursue a broad and diverse array of aspirational policy objectives in the coming year, including:

- Modification of tax rules to promote new company formation.
- Reform of US visa programs to better attract top immigrant entrepreneurs and STEM talent to the US.
- Adoption of key protections for foreign investment into US venture funds and US startups.
- Increased access to capital for emerging companies across broader regions of the US.
- Reduction of barriers to technology transfer from government to commercial use.
- Regulatory approval process improvements at FDA and reimbursement process improvements at CMS.
- Increased research and development funding for federal basic research
- Continued implementation of federal acquisition reform measures to allow the federal government to deploy new commercial technologies more rapidly and effectively.

TAX

While Congress passed, and the President signed, some tax extenders in December 2019, there were a number of tax extenders that many Members of Congress support, such as a tax credit for offshore wind energy projects and biodiesel-related credits, that did not make it into this year-end package.

- Given the interest of many Congressional Democrats in clean energy-related tax credits, there is some basis for bipartisan cooperation on another tax extenders package. However, a number of legislators are reluctant to continue passing temporary tax extenders given the comprehensive overhaul of the tax code passed in 2017, the Tax Cuts and Jobs Act ("TCJA").
- The text of the TCJA includes several errors that need to be cured through a technical corrections bill, including a major error that adversely extended the time period over which certain items must be depreciated. However, as Congressional Democrats played no role in passing the TCJA, many are reluctant to provide the votes required to correct the bill's errors. As a result, as the price for their support, they are seeking inclusion of some of their own priorities, such as expanding refundable tax credits for low-income taxpayers or expanding the low-income housing tax credit. Thus, the stalemate over a technical corrections bill is likely to continue.
- While the Senate approved four bilateral tax treaties in 2019, there are three other tax treaties with Hungary, Poland and Chile that still must be negotiated. It is unclear whether these treaties will be considered and approved before the November elections.
- Finally, in addition to the three cases before the Supreme Court regarding subpoenas for the President's financial records (including his tax returns), the federal courts will consider several significant tax questions, including whether the federal government has the authority to expand by regulation the requirements for the Mayo Clinic to qualify as a tax-exempt educational facility under section 170 of the Internal Revenue Code and whether a California law requiring charitable organizations to disclose donor information to the state violates the First Amendment.

Supreme Court



As is customary, the Supreme Court will address several major cases before the end of its current term. Some have already been argued while others will be argued between January 13 and April 29, 2020.

Here is a list of the highest profile cases expected to be decided by the Court between January and early July 2020, with a brief description of the issue or issues to be determined.

CASES ALREADY ARGUED AWAITING DECISION

Altitude Express Inc. v. Zarda: Whether the prohibition in Title VII of the Civil Rights Act of 1964, 42 USC. § 2000e-2(a)(1), against employment discrimination “because of . . . sex” encompasses discrimination based on an individual’s sexual orientation. (argued 10/8/19)

Bostock v. Clayton County, Georgia: Whether discrimination against an employee because of sexual orientation constitutes prohibited employment discrimination “because of . . . sex” within the meaning of Title VII of the Civil Rights Act of 1964, 42 USC. § 2000e-2. (argued 10/8/19)

R.G. & G.R. Harris Funeral Homes Inc. v. Equal Employment

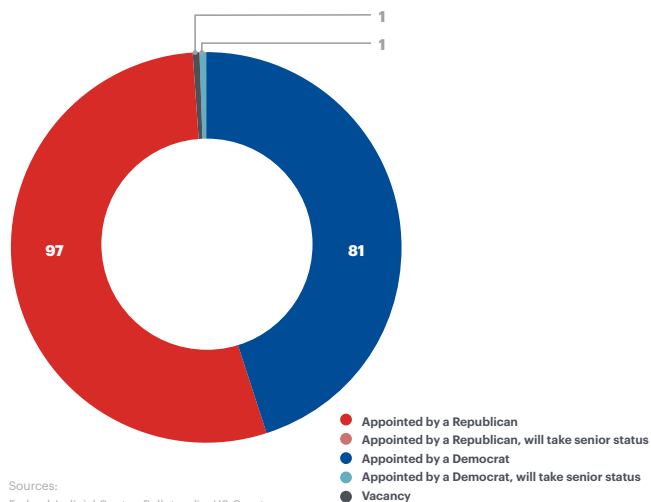
Opportunity Commission: Whether Title VII prohibits discrimination against transgender people based on (1) their status as transgender or (2) sex stereotyping under Price Waterhouse v. Hopkins. (argued 10/8/19)

Department of Homeland Security v. Regents of the University of California:

(1) Whether the Department of Homeland Security’s decision to wind down the Deferred Action for Childhood Arrivals (DACA) policy is judicially reviewable; and (2) whether DHS’s decision to wind down the DACA policy is lawful. (argued 11/12/19)

PRESIDENT TRUMP SHIFTED THE CIRCUIT COURT JUDICIARY FROM MAJORITY DEMOCRAT-APPOINTED TO REPUBLICAN

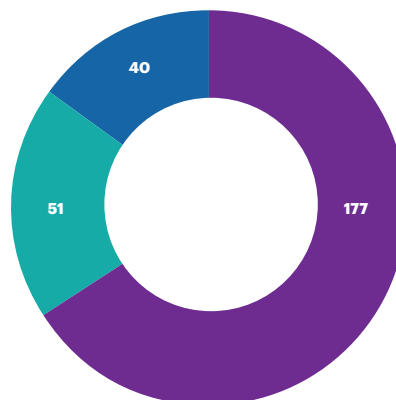
Current breakdown of all circuit court judges



TRUMP HAS HAD A RECORD FIRST-TERM RECORD OF 177 FEDERAL JUDGES CONFIRMED WHILE 40 SEATS REMAIN VACANT WITHOUT A NOMINEE

Status of key positions requiring Senate confirmation

AS OF DECEMBER 19, 2019



Sources: United States Courts
Alice Johnson | Slide last updated on: December 19, 2019

President Trump inherited **108** federal judge vacancies

As of December 19, 2019: **154** judiciary positions have opened up during Trump’s presidency and either remain vacant or have been filled

Total: **262** potential Trump nominations

Confirmed
Awaiting confirmation
No nominee

New York State Rifle & Pistol Association Inc. v. City of New York, New York: Whether New York City's ban on transporting a licensed, locked and unloaded handgun to a home or shooting range outside city limits is consistent with the Second Amendment, the commerce clause and the constitutional right to travel. (argued 12/2/19)

CASES ACCEPTED FOR REVIEW STILL TO BE ARGUED

Espinoza v. Montana Department of Revenue: Whether invalidating a generally available and religiously neutral student-aid program simply because the program affords students the choice of attending religious schools violates the religion (establishment and free exercise) or equal protection clauses of the US Constitution to. (to be argued 1/22/20)

Opati v. Republic of Sudan: Whether, consistent with the Supreme Court's decision in *Republic of Austria v. Altmann*, the Foreign Sovereign Immunities Act applies retroactively, thereby permitting recovery of punitive damages under 28 USC. § 1605A(c) against foreign states for terrorist activities occurring prior to the passage of the current version of the statute. (to be argued 2/24/20)

Seila Law LLC v. Consumer Financial Protection Bureau: 1) Whether the vesting of substantial executive authority in the Consumer Financial Protection Bureau, an independent agency led by a single director, violates the separation of powers; and (2) whether, if the Consumer Financial Protection Bureau is found unconstitutional on the basis of the separation of powers, 12 USC. §5491(c)(3) can be severed from the Dodd-Frank Act. (to be argued 3/3/20)

Liu v. Securities and Exchange Commission: Whether the Securities and Exchange Commission may seek and obtain disgorgement from a court as "equitable relief" for a securities law violation even though the Supreme Court has determined that such disgorgement is a penalty. (to be argued 3/3/20)

June Medical Services LLC v. Gee: Whether the US Court of Appeals for the Fifth Circuit's decision upholding a Louisiana law requiring physicians who perform abortions to have admitting

privileges at a local hospital conflicts with the Supreme Court's binding precedent in *Whole Woman's Health v. Hellerstedt*. (to be argued 3/4/20)

Trump v. Vance: Whether a grand jury subpoena, served on a custodian of the president's personal records and demanding production of nearly 10 years' worth of the president's financial papers and his tax returns, violates Article II and the Supremacy Clause of the Constitution. (March 2020 argument session; specific date not yet set)

Trump v. Mazars USA, LLP: Whether the Committee on Oversight and Reform of the US House of Representatives has the constitutional and statutory authority to issue a subpoena to the accountant for President Trump and several of his business entities demanding private financial records belonging to the President. (March 2020 argument session; specific date not yet set)

Trump v. Deutsche Bank AG: Whether the Committee on Financial Services and the Intelligence Committee of the US House of Representatives have the constitutional and statutory authority to issue a subpoena to creditors for President Donald Trump and several of his business entities demanding private financial records belonging to the President. (March 2020 argument session - specific date not yet set)

To date, the Supreme Court has granted review in 63 merits cases, 31 of which have been argued. It has decided two cases and entered a summary reversal in one case. The Supreme Court is not scheduled to meet to consider new petitions for review until January 10, 2020. At that time or shortly thereafter, it is likely to schedule additional cases for the Court's consideration and disposition by the time at the end of June or in early July, when it customarily completes its release of opinions until it returns for its next term commencing on the first Monday in October.



50 State outlook

ALABAMA

Republicans enjoy impressive supermajorities in both chambers of the Alabama Legislature as well as control of the governorship. Strains between Tea Partiers and Chamber of Commerce Republicans occasionally complicate the policy-making process, but the divide was bridged last year when both chambers passed an increase in the gas tax to invest in road and bridge infrastructure improvements.

Key issues in 2020

Prison and criminal justice reform:

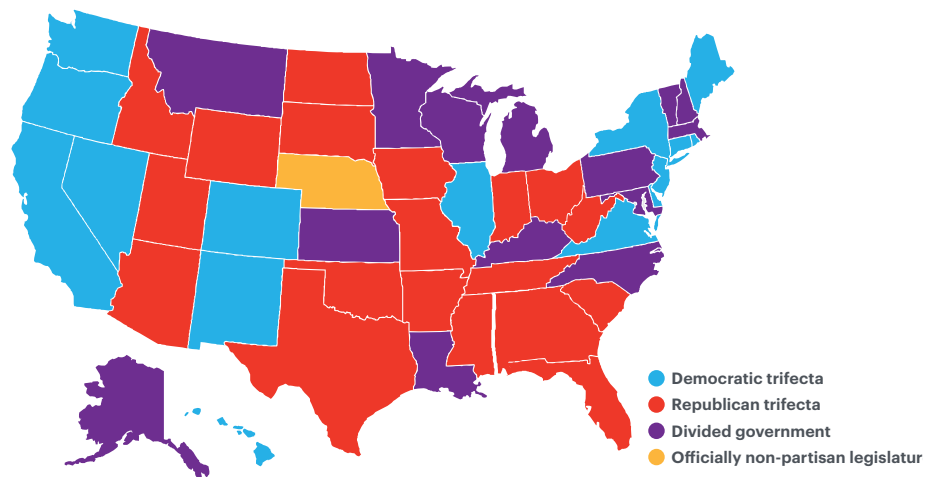
Leadership is expected to prioritize prison and criminal justice reform to reduce cost and address federal lawsuits against the state alleging overcrowded conditions and subpar social services in state prison facilities.

Small cell vs. 5G: Legislators may preempt local government regulation of small cell infrastructure in favor of a statewide framework for 5G systems, setting up a confrontation with cities and counties as well as the cable industry.

Medical cannabis: The Alabama Medical Marijuana Study Commission will soon decide whether to send recommended legislation to the Legislature in 2020. A draft bill circulated in November contained stipulations for licensing dispensaries, advertisement of the drug, a statewide seed-to-sale tracking system, and other regulatory measures.

Gaming: Efforts to create a state lottery bogged down after lawmakers disagreed on where the revenue would go, but it is likely that lottery legislation will re-emerge in 2020, along with proposals from the Poarch Band of Creek Indians to expand from electronic bingo into broader table games.

STATE HOUSE ELECTIONS



ALASKA

The legislative session opens January 14 after a contentious budget year which saw major cuts to higher education and reduced spending in nearly all major programs.

Key issues in 2020

Taxation: Bills proposing significant tax increases on the oil and gas industry persist as lower than expected oil prices reduce tax revenues from this dominant industry.

Permanent Fund Dividend: The Governor wants to restore the dividend that all Alaskans receive from oil and gas revenues to \$3000. The republican House and Senate forced the Governor to accept a \$1600 payout as they grappled with continued budget shortfalls.

Spending: After vetoing the legislature's initial budget, the Governor accepted restored funding in several areas including childhood learning, legal service and senior citizen programs. He also moderated on cuts to the University of Alaska system. Look for all of these programs to be subject to cuts again in 2020.

ARIZONA

The 2020 legislative session will likely be highly contentious because for the first time in decades Republicans are seriously concerned about losing their majority.

Key issues in 2020

Education funding: Republican lawmakers are discussing bills to increase K-12 funding in order to fend off a possible initiative campaign that would take the issue away from the Legislature.

Criminal justice reform: A bipartisan study committee led by Republican Representative Walt Blackman last year released a consensus set of policy suggestions for reforming the criminal justice system. Republican Governor Doug Ducey is also a fan. A good combination for action in 2020.

Tax reform and cuts: Tax reform and tax cuts are perennial favorites of GOP lawmakers, but they may get added interest if it appears that Republicans could lose the majority in either the state Senate or House of Representatives.

School safety: School safety is expected to remain a priority for Governor Ducey, who has been unsuccessful in passing major legislation to this point.

Legalizing cannabis for adult use:

Legalizing recreational cannabis will likely be back on the ballot in 2020 after a 2016 initiative to legalize adult use failed with 48.7 percent of the vote.

ARKANSAS

The General Assembly meets for its abbreviated fiscal session in April 2020.

Key issues in 2020

Medicaid: It appears the work requirement tied to the state's Medicaid expansion program, Arkansas Works, will be struck down in federal court, which could prompt the conservative Arkansas General Assembly, the state legislature, to consider withdrawing funding from the program altogether.

Possible special session: Republican Governor Asa Hutchinson may call a special session of the legislature to address vaping and hate crimes, but only if he has the votes to pass the bills.

Highway funding: A highway funding ballot initiative has the support of the Governor, the state Chamber of Commerce and several trade organizations. The initiative would make permanent a half-cent sales tax for highways, which is projected to raise \$205 million per year for highways and \$43 million per year for cities and counties.

CALIFORNIA

California expects a busy legislative year in 2020. The state's economy continues to perform above the national average and Democratic Governor Gavin Newsom projects a \$7 billion surplus in the next budget year.

Key issues in 2020

Housing: Look for legislation limiting local government's zoning authority and requiring more multifamily housing to be built near transportation hubs.

Disaster preparedness: Wildfires have caused significant loss of life and property in California over the past couple years prompting the state to continue to invest

in forest management practices while also looking for electricity providers to modernize transmission systems. Insurance companies may also receive attention due to the high number of home and business owners who can no longer obtain property insurance.

Homelessness: The state has provided more than \$500 million to local governments in an effort to address homelessness and is expected to focus next on mental health in an effort to ease the crisis.

Climate change: California and the Trump administration are locked in a number of legal and policy battles relating to climate change. The State Legislature will continue its efforts toward a zero-emission economy, including the likely passage of the most comprehensive legislation in the country regulating single-use packaging.

Water needs: Water quality and quantity issues will remain a top regulatory priority. The state has committed to negotiating voluntary agreements with water users and environmental interests to balance the needs of nature with those of agriculture, business and communities. Additionally, the implementation of the Sustainable Groundwater Management Act (SGMA) will start impacting communities and business interests throughout the state.

COLORADO

The Colorado General Assembly will be in session from January through May.

Key issues in 2020

Family Medical Leave Insurance (FAMLI)

program: This will be the sixth attempt by the legislature to pass the FAMLI bill, which would require employers and employees to pay into a state fund to support 12 weeks of paid family leave for pregnancies, infant or sick relative care, or recovery from illness. Disagreements include the definition of "familial relationship," set length of paid leave, and payment responsibilities. The actuarial cost is estimated to be between \$1 billion and \$2.2 billion.

Public health insurance option: In an attempt to bring down health insurance prices, the legislature plans to introduce a public insurance option. The option would only apply to the individual market for health coverage and would set caps on how much

hospitals can charge for treating people, require hospitals to participate, and require insurance companies of certain size to offer state-option plans.

Transportation funding: Look for several ballot initiatives to try and address funding for transportation and infrastructure maintenance and improvements across the state. The Tax Payers Bill of Rights (TABOR) prohibits the legislature from raising a tax without a popular vote approving the increase. It is likely that a new, indexed fee on gasoline and a streamlined process for approving a Regional Transportation Authority (RTA) to allow local communities to fund their own infrastructure projects will be proposed.

K-12 education funding: Last year the legislature passed the Governor's request to establish free full-day kindergarten. Now they have to pay for it while also addressing the Governor's new proposal to provide free preschool.

CONNECTICUT

The 2020 legislative session will be a "short session," beginning in February and wrapping up in May.

Key issues in 2020

Transportation infrastructure: Democratic Governor Ned Lamont's top priority is to shore up revenue to make investments in the state's aging highways and bridges. Tolling trucks and leveraging low-interest federal loans are considered two crucial elements of the plan.

Vaccines: The battle over state-mandated vaccination requirements for children is expected to come to a head this session, as Democratic leaders push for stricter vaccination requirements.

Gaming: Stakeholders on all sides are expected to mount another push to expand gaming in the state. Proposals are likely to include legalized sports betting, online gaming, and a new casino in Bridgeport.

Cannabis: Advocates for legalization and taxation of recreational cannabis plan to mount an aggressive lobbying effort to pass enabling legislation this session. Legislative leaders and the Governor are supportive, but

the issue has fallen short due to resistance from a coalition of urban and conservative lawmakers.

Budget: The General Assembly will once again face a perennial budget deficit due to the state's ongoing struggles to cover the costs of ballooning unfunded pension liabilities.

DELAWARE

Key issues in 2020

Cannabis: While the state expanded its medical-marijuana program, efforts to make cannabis legal for adult-use moved forward only in the House. Look for legalization efforts to gain momentum early in 2020.

Gun control: Three major gun control measures - ban on assault weapons, limits on magazine size, and training for gun ownership - all failed. The bills are the state's response to mass shootings and are likely to come up again in 2020.

FLORIDA

Republican Governor Ron DeSantis, who has a strong approval rating of 68 percent statewide, will include several initiatives as part of his "Bolder, Brighter, Better Future" budget for fiscal year 2020-21.

Key issues in 2020

Teacher pay: The Governor would increase the Florida Education Finance Program (FEDP) by more than \$1 billion, which includes \$600 million to raise the minimum salary for full-time classroom teachers.

Opioids: Over \$54 million is recommended to continue fighting the opioid epidemic, with \$17 million new dollars provided for mental health and substance abuse programs.

Infrastructure: To stimulate economic growth and employment in the state, the budget provides \$8.8 billion for the state Department of Transportation's Work Program and \$50 million for the Florida Job Growth Grant Fund to provide funding for public infrastructure and job training projects.

Elections: The Governor recommends \$6.6 million for state-level election oversight activities, with a focus on cybersecurity enhancements to Florida's election system

(\$1.3 million for ten new positions dedicated to providing local supervisors of elections with support and recommendations to combat cyber threats; and \$1.4 million for voter registration list maintenance services and voter outreach through the Electronic Registration Information Center (ERIC)).

Immigration: The Governor wants all Florida businesses to use a system to prevent undocumented immigrants from getting jobs in the state, but attempts to impose the mandate have gone nowhere in the Republican-dominated Legislature.

Ballot initiatives: Measures to be voted upon in a future election include initiatives to: (1) limit voting to only US citizens; (2) increase the minimum wage to \$15 by 2026; and (3) establish a top-two open primary system for state-office primaries.

GEORGIA

The 2020 legislative session will be a busy one, largely driven by Republican Governor Brian Kemp's continued focus on healthcare, rural economic development initiatives, public safety, school safety, and education. However, going into an election year where Democrats have, for the first time in a decade, a realistic chance of retaking the House, both parties are unlikely to take up contentious issues.

Key issues in 2020

Health care: Governor Kemp received the authority from the Georgia General Assembly, the state legislature, in 2019 to peruse a health care waiver from the federal government. The Governor will submit and seek federal approval for this waiver in 2020. The legislature will focus on health care legislation resulting from the work of several off-session study committees including maternal mortality, patient billing, indigent care, and scope of care.

Rural development initiatives: The House Rural Development Council continued its work exploring health care and economic development in the state's rural communities. While it is unlikely they will pursue as aggressive an agenda as they did in 2019, the group, led by powerful members of both the House and Senate, will surely introduce legislation.

Gaming: Faced with declining revenues, Georgia is increasingly studying sports betting, casino gambling and horse racing. A study committee has yet to agree on how to move forward and the Governor hasn't come out in support of any one strategy.

State Budget: Facing declining revenues and a campaign commitment to raise teacher pay, the Governor is tasking state agencies to find inefficiencies and cut costs in this year's budget cycle. Specifically, the Governor instructed several state agencies to reduce spending in the current 2020 fiscal year by 4% and by 6% in 2021. The cuts are aimed at shrinking the size of government, preparing for the possibility of a recession, and finding funding for the Governors priorities in light of shrinking state revenue.

HAWAII

This month, the Hawai'i State Legislature will review, revise and adopt the state budget submitted by Democratic Governor David Ige. The budget focuses on infrastructure, education and sustainability.

Key issues in 2020

Infrastructure: A \$2.6 billion (FY21) CIP (capital improvement plan) budget includes an additional \$151 million for airports, \$495 million for highways, \$220 million for public schools and \$87 million for the University of Hawai'i.

Prisons: Hawai'i's prison system is expected to receive additional funding for a healthcare unit at Halawa Correctional Facility (\$30 million) and planning for the relocation of the Oahu Correctional Center (\$20 million).

Teachers: The proposed budget includes additional compensation of \$14.5 million in FY20 and \$26.7 million in FY21 to address Hawai'i's teacher shortage; as well as \$19 million for Hawai'i's Promise, a program that enables students to obtain college credit during high school.

A colossal (and controversial) telescope:

Finally, the Legislature will consider the fate of a proposed Thirty Meter Telescope (TMT) on the island of Hawai'i. The TMT, which is proposed to be built on lands sacred to native Hawaiians, has created renewed interest and activism on indigenous rights issues related to land, water and development.

IDAHO

The fastest-growing state for the past three years, Idaho is facing a myriad of issues.

Key issues in 2020

Property tax relief: Idaho's growth from in-migration has increased home prices and property valuations, which in turn has increased property taxes. Idaho legislators will likely seek to provide property tax relief statewide.

Transportation/Infrastructure funding:

Funding for Idaho's roads is considered a priority, yet last year the Legislature rejected measures that would have increased the state's vehicle registration fee and it has yet to identify new sources of revenue.

Red Tape Reduction Act: In 2019, in an effort to become the "least regulated state in the country," Idaho passed the Red Tape Reduction Act. Through this process, the state's entire code was nullified, requiring all state agencies to review each rule, reduce redundancies and resubmit the rules they want to keep to the Legislature during the 2020 and 2021 sessions.

ILLINOIS

In November 2019 John Cullerton, President of the Illinois Senate, surprised the Democratic-controlled General Assembly, the state legislature, and his Senate, with an early retirement set for January, 2020. While maneuvering to replace him dominates the Senate, the looming prospect of numerous indictments of Senate and House members has cast a cloud over both chambers. In response, ethics reform will be front and center when the session convenes at the beginning of the year.

Key issues in 2020

Gaming: Last session a law was enacted authorizing a land-based Chicago casino, but the tax rate in the new law is discouraging investment so the city is seeking changes.

Cannabis: On January 1, Illinois became a legal adult-use state. That being said, legislation to incentivize and promote greater minority participation in the marketplace is likely.

Energy: Last session an omnibus energy package was ultimately tabled when

federal raids raised concerns about the behavior of top ComEd (Commonwealth Edison) employees, lobbyists and legislative members. The package may be reconsidered, but members also may be squeamish about tackling the issue.

Taxes: Democratic Governor J.B. Pritzker was successful in placing a constitutional amendment on the 2020 ballot to change the state's income tax from flat to graduated (progressive). This proposal and the campaigns supporting and opposing it, are likely to dominate the legislative session.

INDIANA

The Indiana General Assembly, the state legislature, will convene for its "short" session on January 6 and must conclude its work no later than March 15.

Key issues in 2020

Leadership: Longtime Republican Speaker of the House Brian Bosma announced on Organization Day in November 2019 that this would be his last session and he would not seek re-election. The Republican Caucus has elected Representative Todd Huston as speaker-elect. Rep. Huston will spend the next several months shadowing Speaker Bosma before taking over in May 2020.

Budget: Indiana has a record fiscal surplus of nearly \$2.7B. Though it is a non-budget year, the legislature will likely have a bill allocating a portion of the surplus for capital projects around the state.

Health care: Leaders in both chambers are looking at engaging on several health care-related issues, including increasing the smoking and vaping age to 21, a health care transparency portal to help consumers cut through the confusion of hospital/health care bills, and measures to limit surprise billing.

IOWA

Republicans continue to control the governorship and both houses of the Iowa General Assembly, but their majorities in both chambers are narrow going into the 2020 election year.

Key issues in 2020

Budget surplus: The state boasts a \$289 million budget surplus. Initial budget decisions, by law, will include supplemental

aid to the state's public schools, but it is likely the majority of the surplus will be returned to taxpayers via some form of tax reduction.

Sales tax increase for water quality: The idea stems from a 2010 ballot measure that approved a constitutional amendment to create a National Resources and Outdoor Recreation Trust Fund. Per the amendment, the next time the legislature approves a sales tax increase, three-eighths of every penny could be used to support the Fund. If the sales tax increase comes up, conservative leadership is likely to amend the formula of Fund allocations and distribute the remaining five-eighths of each penny to provide Iowans a net tax reduction.

Mental health funding: In May 2019, Governor Kim Reynolds signed a bill establishing a statewide children's behavioral health system that lacked a secured funding source. In the midst of a surplus and possible sales tax increase, legislators may push for assured funding for both the children and adult mental health systems.

Health care: The state Senate, including Majority Leader Jack Whitver (R), has set its sights on raising to 21 the legal age to purchase cigarettes and vaping products. There is also carry-over conversation on expansion of medical cannabis after Governor Reynolds' veto of a bipartisan expansion effort last year.

Workforce: Because of the state's low unemployment rate, Iowa employers are having a difficult time filling open positions. To streamline employment opportunities and increase workforce readiness, the Governor has created Future Ready Iowa, which houses initiatives such as the Last Dollar Scholarship and the Employer Innovation Fund.

KANSAS

Key issues in 2020

Broadband expansion: The Statewide Broadband Expansion Task Force is scheduled to release its legislative recommendations to the Legislature by January 15, 2020.

Budget: Democratic Governor Laura Kelly announced that she will release a proposed annual statewide budget (as opposed to the two-year budgets that were announced prior to her tenure). The result will be a budget

fight this year over providing additional funding to state programs and initiatives after years of budget cuts under former Governor Sam Brownback (R).

Abortion: The Kansas Constitution protects a woman's right to an abortion, the state Supreme Court ruled in April 2019. Lawmakers will likely attempt to pass a constitutional amendment in 2020 making it explicit that abortion is not a right and the court cannot interpret the constitution to say it is. If passed, the proposed amendment will be placed on an election ballot for a vote by the people.

Medicaid expansion: In 2019, the Kansas House of Representatives passed a Medicaid expansion plan similar to the one proposed by the Governor which would expand coverage to include any adult under the age of 65 whose income does not exceed 133 percent of the federal poverty level. The Senate, however, refused to take up the plan. Republicans in the Senate have now introduced their own plan and hope to pass a bill through their chamber by the end of January.

Sports wagering: Kansas hopes to join the ranks of states that have passed laws allowing sports wagering to take place. Since the US Supreme Court lifted the federal ban on sports betting in May 2018, 13 states have legalized the practice, 8 (including DC) have passed laws to do so but their launch dates are pending, and 24 states have pending legislation.

Tax policy: Several tax reform proposals will likely garner attention, including a move to decouple Kansas from certain provisions of the federal tax code, raise the standard deduction, provide relief for corporations, reform property taxes, and address online sales taxes and taxes on food.

Tort reform: The state Supreme Court struck down on constitutional grounds the state's cap on damages for noneconomic injuries, such as pain and suffering and mental anguish, which currently stands at \$325,000. Almost immediately, the business community called for legislative reform to correct the issue.

KENTUCKY

The 2020 legislative session is a 60-working day session during which the Republican dominated General Assembly must pass the state's biennial budget, but will no doubt also tackle a number of high-profile issues, from increased transportation funding to sports wagering. New Democratic Governor Andy Beshear can veto legislation, but vetoes can be overridden by simple majority.

Key issues in 2020

Transportation funding: Road contractors, the Chamber of Commerce, and city and county associations have prioritized legislation intended to increase the per-gallon gas tax by \$0.10 to \$0.20, increase electric vehicle registration fees, and retool the city-county distribution formula.

State budget: Kentucky's legislature is accustomed to lean budgets thanks to the massive costs required to pay down the public employee retirement systems' unfunded liabilities, the state's increased responsibility for Medicaid expansion, and burgeoning corrections costs. Governor Beshear campaigned on \$2,000 raises for the state's 42,000 public school teachers. House and Senate leadership have remained open to the proposal but have put the onus on the Governor to account for the \$80 to \$100 million it will cost.

Revenue measures and tax reform: The General Assembly passed substantive tax reform measures the past two sessions and appears to be taking a "wait-and-see" approach on their impact before making further changes in 2020.

School safety: In response to a fatal school shooting in western Kentucky, the legislature formed a working group on school safety, whose recommendations were included in a 2019 bill. That legislation was unfunded and, after a full review, public education associations have placed a nine-figure price tag on implementation. During the 2019 interim, legislators suggested funding solutions ranging from a bond issuance to finding dedicated revenues in the form of tax increases on vaping products.

LOUISIANA

Louisiana's 2019 fall election cycle ushered in significant changes in the state's political landscape: First, Democratic Governor John Bel Edwards was re-elected to a second term by a razor-thin margin. Second, term limits forced substantial vacancies in both chambers, resulting in a host of new inexperienced lawmakers joining the State Legislature. The 2020 legislative session begins March 9 and must adjourn sine die by June 1.

Key issues in 2020

Tort reform: There will likely be a push to lower the state's \$50,000 jury trial threshold to some lower figure. This matter has met stiff resistance from plaintiff's attorneys who maintain a very powerful presence in the state.

Budget: Louisiana has an anticipated \$500 million-plus surplus resulting from a series of increased "temporary" sales taxes and the elimination of a litany of tax exemptions and credits passed over the past few years. Fights over where to direct surplus spending will dominate the Legislature, with education funding a likely focal point.

Transportation: Competition for surplus dollars will likely involve efforts to address lingering backlogs at the Department of Transportation.

Equal pay and minimum wage: Governor Edwards once again intends to push for legislation (1) requiring employers to pay men and women equally for doing the same work and (2) boosting the minimum wage paid to Louisiana workers. Both these issues will likely face an unfriendly Legislature.

MAINE

Key issues in 2020

Health care: Members of the Maine Legislature will review bills (already approved for consideration by the state's Legislative Council) to expand MaineCare coverage, improve and increase access to reproductive healthcare, and create a grant program to treat substance abuse during pregnancy. Democratic Governor Janet Mills is expected to seek greater state control over managing Maine's Affordable Care Act exchange.

Broadband expansion: Legislators will explore various methods to expand access to broadband Internet for Mainers, particularly in rural areas. Legislation to increase funding for rural broadband is already up for consideration, and a new proposal to create a tax credit for new jobs that allow employees to work remotely is seen as an adjacent and potentially collaborative measure.

MARYLAND

The 2020 legislative session will be challenging and unpredictable as the longstanding leadership of both the House and Senate has changed, making both chambers more progressive.

Key issues in 2020

Funding for K-12 education: A commission has recommended increased investment of more than \$4 billion annually through a combination of state and local funds. The Governor has dubbed this group “the tax commission” as the state and several local jurisdictions will need to identify revenue sources, existing or otherwise, to implement its recommendations.

School construction: The Governor and the House and Senate leadership plan to introduce legislation to fully fund school construction projects using a share of casino revenues in the education lock box. Prioritizing facility needs will prove contentious.

Banning flavored tobacco products: House leaders plan to propose legislation banning all flavored tobacco products, including menthol cigarettes popular among African-American smokers.

Legalizing sports betting: The General Assembly will again consider legislation to authorize a referendum to legalize sports betting. This will need to be enacted this session in order to be placed on the ballot in the 2020 general election.

Restricting the transfer of long guns: Maryland regulates the sale, transfer and possession of handguns and assault weapons, but not the regulation of rifles or shotguns. Legislation to require a licensed firearms dealer to facilitate the transfer of a rifle or shotgun died in conference committee last session.

MASSACHUSETTS

With 2020 being both the second half of Massachusetts’ two-year legislative session and an election year, legislators will be busy fulfilling promises that were made at the start of the session in January 2019.

Key issues in 2020

Health care: Governor Charlie Baker (R) filed a bill in October 2019 that would expand access to behavioral health and primary care, target hidden consumer costs, and aim to hold drug companies accountable for unjustified price hikes.

Infrastructure and transportation: Increases in the state gas tax and ride service fees are on the table, as well as exploration of a dedicated funding source for the Massachusetts Bay Transportation Authority and a regional cap-and-invest program to reduce transportation sector emissions.

Sports betting: Governor Baker filed a bill legalizing sports betting in January 2019 with the hope that it would pass in time for the start of the NFL season in September. While legislators held a hearing on the legislation, they have yet to release their own version of the bill.

Affordable housing: Massachusetts housing production has slowed dramatically in recent decades, leading to a shortage in supply of affordable options. Governor Baker has filed legislation that would lower the threshold for new project approvals from a two-thirds majority of the relevant municipal body to a simple majority.

MICHIGAN

The Michigan Legislature, a full-time legislature, will return the third week of January, legislate till April when it takes a two-week spring break, after which the session will reconvene and continue until adjournment on the first of July.

Key issues in 2020

Infrastructure: Governor Esther Whitmer (D) continues to seek increased funding for roads.

Criminal justice reform: Michigan considers itself a leader in criminal justice reform. The Senate will likely consider a House-passed bill on expungement, while the House

will move to review measures on earned time or productivity credits and trauma recovery centers.

Regional transit: The Legislature is working to allow the counties and municipalities in the areas of Detroit and its suburbs to collaborate on a regional transportation system.

Ethics and election reforms: The Legislature may move to put a term-limits extension on the ballot along with other changes to Michigan’s lobbying laws and regulations and election system.

New payday loan product: In January the House will take up legislation to provide a new product to the payday loan industry. It will be a short-term, higher-amount loan not currently provided by other financial institutions.

MINNESOTA

The 2020 legislative session will begin on February 11 and focus on resolving issues left over from the previous session, specifically the passage of a supplemental budget bill and a bonding bill.

Key issues in 2020

Climate change: A debate on clean energy, global warming and achieving 100 percent renewable energy by 2050 will continue. Governor Tim Walz (DFL) has invested tremendous political capital and state resources into the discussion. His latest proposal—to adopt California’s vehicle emission standards—will be especially controversial this session.

Cannabis: The Governor has instructed all state agencies to prepare for the legalization of recreational cannabis. He intends to push this initiative with the strong support of the Democratic house and despite equally strong opposition in the GOP-controlled Senate.

Ethics: Over the past 12 months, the Minnesota Department of Human Services has faced numerous media reports and investigations regarding fiscal mismanagement. Estimates of nearly \$100 million in misspent funding will result in a strong legislative attempt to break up and restructure one of the state’s largest state agencies.

MISSISSIPPI

Session opens January 7 with a new Administration and 16 new members of the Senate. Budget issues will dominate debate as revenues from the newly passed lottery and settlement funds from the BP oil spill become available for infrastructure.

Key issues in 2020

Infrastructure: Dedicated revenues from the state lottery and the first year of revenues from the BP oil spill settlement mean increased competition for infrastructure projects.

Education: Look for legislators to target more spending for early education programs.

Medicaid expansion: Democrats will once again push for expanding Medicaid, but Republicans are steadfast in their opposition

MISSOURI

Republican Governor Mike Parson and Republican supermajorities in both the House and Senate will control the election-year agenda, which will include redistricting, online sales tax, public safety, tort reform and education reform.

Key issues in 2020

Redistricting: In 2018, voters approved a redistricting plan, dubbed “Clean Missouri,” backed by the state Democratic Party. The top priority of the Missouri Republican Party is to rewrite this plan to protect its legislative majorities.

Online sales tax: Missouri and Florida are the only states with a state-level sales tax that have not ratified a sales tax on Internet purchases.

Public safety: Governor Parson has partnered with the mayors of Missouri’s four largest cities to request that the state legislature restrict firearm access to minors, domestic abusers and prior offenders.

Tort reform: The American Tort Reform Association has ranked St. Louis as the fifth-worst “judicial hellhole.” The legislature plans to respond with a host of tort reform proposals, including limitations on punitive damages.

Education reform: Republican leadership in both chambers will once again attempt to expand charter schools and create education savings accounts.

MONTANA

Since Montana’s biennial Legislature (which meets in regular session for no longer than 90 days in each odd-numbered year) will not be in session in 2020, the election cycle will take center stage and likely drive policy agendas for the 2021 legislative session.

Key issues in 2020

Tech: A tax credit bill to incentivize broadband development passed in the 2019 Legislature only to be vetoed by Governor Steve Bullock (D). Currently, the Legislature’s Economic Affairs Interim Committee is studying ways to incentivize broadband, and legislation could result from their work. Additionally, the Transportation Interim Committee is studying establishing regulations to govern the use of self-driving vehicles.

Energy: What to do with the Colstrip coal-powered generation plants in Colstrip, MT, slated for decommissioning, and associated coal mining operations in southeastern Montana, will continue to dominate the energy policy debate in the state.

Criminal justice: Montana has followed a number of states in adopting criminal justice reform measures that aim to reduce recidivism and save the state critical revenue resources. The Legislature’s Economic Affairs Interim Committee is looking at ways to help individuals with a criminal background obtain occupational licenses, which can be a path to a better-paying job.

Education: Montana has one of the oldest workforces in the US. The Legislature’s Education Interim Committee is looking at ways to boost career and technical training opportunities for the state’s high school students.

Good government: The Legislature’s Energy and Telecom Interim Committee has taken up a study to review several aspects of the Montana Public Service Commission, including the election of commissioners, the structure of the commission, and the commission’s role and function in utility regulation in the state.

NEBRASKA

The 2020 legislative session will be a short one (60 days). It appears the budget will have approximately \$400 million in excess revenues.

Key issues in 2020

Taxation: Relief from high property taxes has been the top issue for Nebraska voters for some time. However Governor Pete Ricketts (R) and the Nebraska Legislature have only made moderate progress on this front. Look for more significant relief this session.

College athletes: Paying college athletes when businesses use their name, image or likeness, while also remaining on scholarship.

Health care: Bills that cap copays on insulin and address surprise billing.

NEVADA

In 2019, Nevada voters elected Democrat Steve Sisolak governor, giving the Democrats “trifecta” control of the executive branch and both chambers of the State Assembly. The election also established the first female-majority legislature in US history. While 2020 is an off year for the legislature, the interim session, which is comprised of a host of standing committees and issue studies, is already in full swing.

Key issues in 2020

Patient Protection Commission: One of Governor Sisolak’s first session agenda items was the creation of a Patient Protection Commission to drive future legislative and executive policy that addresses patient concerns.

Cannabis Control Board: Another first session agenda item for the Governor was the creation of a professional regulatory body for the cannabis industry. Modeled after the Gaming Control Board, it was designed to enhance and elevate the fledgling industry into another Nevada behemoth. The body will have professional staff and be comprised of both industry and non-industry professionals.

Education funding: During the 2019 legislative session, a new funding formula for K-12 was introduced with an eye on the next biennium for implementation. Information regarding the performance of the new funding formula should filter in over the

2020 interim, setting up a battle in the 2021 legislative session, as any changes to the way schools are funded will have both winners and losers.

NEW HAMPSHIRE

Key issues in 2020

Cannabis: Legalization stalled in the Senate, but legislators are likely to introduce competing bills to either fully legalize cannabis for adult use with a corresponding commercial marketplace, or simply legalize use and home growing without authorizing sale. Expansion of the medical cannabis program will also be considered, but must overcome objections from the Governor.

Infrastructure: The state's reliance on the gas tax to fund New Hampshire's roads is proving problematic as cars become fuel-efficient. Legislators may consider a road use fee to supplement the gas tax.

Plastic trash: A ban on single-use straws died in the Senate, but legislation to allow localities to ban plastic straws is still on the table.

Renewable energy: Despite repeated vetoes, measures to increase the size of solar facilities that can participate in net metering and subsidize biomass power will come back before the legislature.

NEW JERSEY

New Jersey's two-year legislative session commences on January 14. With no state offices up for reelection, 2020 promises to be a busy year on the legislative front.

Key issues in 2020

Cannabis: It is widely expected that both the General Assembly and the Senate will approve a constitutional resolution that would put the question of cannabis legalization before voters on the 2020 ballot.

Taxation: To pay for his spending priorities, Governor Phil Murphy (D) is expected to renew his effort to (1) raise the income tax on millionaires and (2) hike the sales tax to 7 percent.

Other: Other legislative issues to expect in 2020 include pension and health benefit reforms for public workers, bills to crackdown on the misclassification of independent

contractors, and business incentive legislation to attract and retain companies in the state.

NEW MEXICO

New Mexico has a particularly short session in 2020 - noon January 21 through noon February 20.

Key issues in 2020

Free tuition: The Governor hopes to get \$35 million to fund free in-state college tuition for New Mexico residents.

Cannabis: While legalization efforts fell short in 2019, the governor is expected to include it in her 2020 budget.

Health care: Look for the democratically controlled legislature to follow its success in backstopping Obamacare by protecting people with pre-existing conditions with additional measures aimed at shoring up consumer protection should the federal law fail.

NEW YORK

The 2020 legislative session begins on January 8 and will end in early June to accommodate the new June primaries. Democratic Governor Andrew Cuomo will be looking for money to fix a \$4 billion budget gap due in part to a projected \$6.1 billion Medicaid gap.

Key issues in 2020

New revenue: The Governor and Legislature will look at (1) legalizing cannabis for adult use and (2) approving online gaming as new revenue sources.

Privacy: New York is likely to follow California's lead in enacting stricter privacy standards for individual's data.

Regional initiatives: Look for New York to lead on regional transportation and climate issues, along with neighboring states in the Northeast and the mid-Atlantic.

NORTH CAROLINA

North Carolina has biennial sessions, with "long" sessions beginning in January of odd-numbered years and "short" sessions beginning in May of even-numbered years.

Key issues in 2020

Budget veto override: Democratic Governor Roy Cooper vetoed the GOP's \$24 billion two-year state budget in June 2019 because it lacked Medicaid expansion and robust pay raises for teachers. House Republicans were able to override the veto in September, putting the issue squarely in the Senate's hands as 2020 begins.

Medicaid expansion: North Carolina is one of 14 states that has not expanded Medicaid. Divisions remain among Democrats and Republicans on how to move forward. Complicating the issue is the upcoming February 2020 handoff of most of the state's Medicaid system to managed care companies.

Teacher pay: The state budget had average teacher raises of 3.9 percent over two years. Republicans offered Senate Democratic leadership a 4.9 percent increase as part of a larger proposal that was contingent on the Senate overriding the Governor's veto of the overall state budget.

Public school funding: The \$24 billion state budget vetoed by Governor Cooper has a variety of education-related items, including new funding for school construction, paying school lunch costs for low-income students and new curriculum requirements. It is unclear whether or how these items will be addressed when state lawmakers return in January.

NCDOT oversight: The state Department of Transportation spent \$296 million in FY2019, well above the budgeted \$50 million, due to disaster-related needs. The legislature will be closely watching NCDOT and requiring more transparency in 2020.

NORTH DAKOTA

North Dakota is one of four states in which the legislature meets biennially in odd-numbered years. Despite North Dakota's Legislative Assembly not meeting until January 2021, its lawmakers will be busy with several interim items.

Key issues in 2020

Legacy Fund: In 2010 voters approved the Legacy Fund, a constitutional change that directs 30 percent of monthly oil tax revenue to a savings account, which now stands at

\$6.5 billion. The Fund's principal cannot be tapped without a two-thirds vote from the House and Senate, but the earnings (\$400 million biennium) are currently directed into the state's General Fund.

Ethics Commission: North Dakota voters approved the establishment of a five-member ethics commission, a ban on foreign political contributions, and the enactment of constitutional provisions relating to lobbying and conflicts of interest.

ND's smart-state journey: North Dakota's Main Street Initiative provides community leaders with direct access to tools and resources to capitalize on their community's strengths and make sound planning decisions. These efforts help create vibrant communities that attract and retain the 21st-century workforce the state needs to compete and succeed in a global economy.

Unmanned aircraft systems: North Dakota is one of seven Federal Aviation Administration (FAA) UAS test sites conducting research to determine how to best integrate autonomous technology into the national airspace for both private and public uses.

OHIO

Key issues in 2020

Surprise billing: Bills moved forward in the House and Senate and will likely reemerge in 2020 to complement action at the federal level.

Mental Health: Bills were introduced in both the House and Senate to conform to the federal Mental Health Parity and Addiction Equity Act, which prohibits insurers from covering illnesses of the brain more restrictively than illnesses of the body.

Price transparency: The Senate passed a bill to require hospitals to provide patients with costs estimates for scheduled hospital procedures 7 days in advance.

OKLAHOMA

Key issues in 2020

Tribal gaming disputes: Republican Governor Kevin Stitt recently notified all tribes that have signed gaming compacts with the state that Oklahoma will resume auditing gaming operations as of January 2, 2020. This escalation comes as the tribes

and the Governor find themselves locked in a dispute as to whether or not the state's 15-year gaming compacts automatically renew in the new year. Revenue is, effectively, at the center of the dispute as the Governor would prefer to impose a higher exclusivity rate on certain slot machines, thus generating additional revenue for the state.

Budget: The State Board of Equalization recently certified an estimated \$8.3 billion in available state funds for Oklahoma's FY2020, an increase over FY2019 of just 0.1%. The Governor will need to find additional funding sources if he is to pursue meaningful efforts surrounding education, health care and criminal justice reform. Adding to the budgetary uncertainty is the fact that current budget projections indicate a 3.5 percent drop-off in revenue tied largely to projected decreases in gross production taxes for natural gas and oil.

Cannabis: Oklahomans voted to legalize medical marijuana in 2018. Now two residents have gone a step further, filing a ballot proposal to amend the state constitution to allow for possession and consumption of marijuana for a recreational or non-medical purpose for all individuals 21 and older.

OREGON

Republicans walked out of last year's session to protest action on a bill to reduce carbon emissions. That move succeeded, killing the bill and slowing an otherwise aggressive legislative session.

Key issues in 2020

Cap and trade: As the catalyst for the republican walkout, cap and trade remains a priority for the Governor and will be a major focus in 2020.

Cannabis use by employees: As an adult-use cannabis state, the legislature moved to protect employees who test positive for cannabis from termination. The bill died, but is likely to come back as the state works to improve its cannabis regulatory system.

Drug pricing: Legislation to improve transparency in drug pricing stalled in 2019, but will come back in 2020 along with legislation to address surprise billing.

Privacy: The Attorney General is hosting a working group intended to develop recommendations for privacy protections similar to those passed in California.

Guns: Legislation to fix the state's age restriction (18) fell victim to other controversies, but will be back on the docket in 2020.

PENNSYLVANIA

The General Assembly begins the second year of a two-year legislative session this month.

Key issues in 2020

Budget: The state is constitutionally obligated to pass a balanced budget by June 30 of each year. In early February, Democratic Governor Tom Wolf will outline his budget proposal to a joint session of the House and Senate. The House and Senate Appropriations Committee's will then hold budget hearings through early March.

Charter school reform: Both the Governor and the legislature want to reform the state's charter school system, with a focus on reducing payments to cyber charter schools.

Telemedicine: Last year the Senate passed a bill aimed at promoting telemedicine as a way to overcome barriers to quality patient care created by distance and to reduce the costs of those services. The House is likely to follow suit, but there are differing views on what should be included in the final product.

Criminal justice reform: In recent years the General Assembly has enacted several reforms to the criminal justice system, led by a bipartisan group of legislators. Reforming the probation and parole system is expected to be at the forefront of their efforts in 2020.

Infrastructure funding: The House Republican Caucus is preparing to introduce a package of bills to address infrastructure funding gaps in the state. The caucus created a task force last year to study the issue and the legislation will be based on its recommendations.

RHODE ISLAND

The Rhode Island General Assembly will be back in session on January 7 with Democrats holding comfortable majorities in both chambers.

Key issues in 2020

Financial outlook: Rhode Island faces a \$200 million deficit for fiscal year 2021. The state will start the year with a \$132.7 million structural deficit according to the House Fiscal Office projections. The budget gap is being driven by excess spending at state agencies, which are on pace to spend about \$21 million more than lawmakers authorized in the budget passed in early 2019.

Health care: Lifespan, the state's biggest hospital group and largest private employer, has reported a significant operating loss and announced that it is offering early retirement packages to some employees.

Cannabis legalization: Last year, Democratic Governor Gina Raimondo included in her proposed state budget the legalization of recreational cannabis. Instead, the General Assembly added six new medical marijuana dispensaries in the state budget. The Governor has indicated that she will again propose legalizing adult-use cannabis in the 2020 legislative session.

SOUTH CAROLINA

When the General Assembly returns to work on January 14, looming over the 2020 legislative session will be the election of all House and Senate seats.

Key issues in 2020

Budget: Driven by a growing economy and record low unemployment, state fiscal authorities forecast a record \$1.8 billion surplus in the 2020-2021 fiscal year. How to allocate that revenue will be a central debate when lawmakers return.

K-12 education: The House passed a bill last session that would overhaul the state's education system, including a new per-pupil spending formula. The Senate version of this bill has been passed out of committee with a lengthy debate in the full chamber expected to follow.

Santee Cooper: The legislature will vote this session on the future of state-owned electric and water utility. The options on the table include keeping the business under its current management, hiring another company to manage it or selling it outright to an investor-owned utility.

Rural broadband and small cell: Bringing broadband access to rural South Carolina has emerged as a top priority for policy makers and the business community. The House passed a bill in 2019 to expand access to high-speed Internet that will be taken up in the Senate. Also on the Senate agenda is House-passed legislation that establishes a statewide framework for deployment of small cell technology.

Tax reform: The ongoing legislative debate on a comprehensive overhaul of the state tax code has, for 2020, taken the shape of a more narrow bill to reform the business license tax fees imposed by municipalities.

SOUTH DAKOTA

Key issues in 2020

Hemp: Look for the legislature to try and override the governor's threatened veto and put in place a state hemp program to complement legalization of hemp at the federal level.

Mental health: Lawmakers are working to reduce acute mental health hospitalizations by making it easier for people to have access to mental health for crisis situations.

Budget: Budget talks will dominate the 2020 session as the state grapples with a slowing economy and the loss of tax revenues from the taxation of internet access services.

TENNESSEE

The second session of the 111th General Assembly will be the first for newly elected House Speaker Cameron Sexton (R).

Key issues in 2020

Criminal justice reform: Last summer, Republican Governor Bill Lee launched a Criminal Justice Investment Task Force to develop policy recommendations for reducing crime, addressing recidivism and supporting victims.

Medicaid block grant: The Lee administration released a proposal in early 2019 to replace the federal funding for TennCare, the state's Medicaid program, with an \$8 billion modified block grant. The legislature will have a vote on the final proposal if and when it is approved by the federal government.

Spending plan for TANF reserve: It recently came to light that the state had amassed a \$732 million balance in its Temporary Assistance for Needy Families (TANF) fund. A working group of legislators is currently reviewing ways in which the state can utilize this large reserve. Spending plans could include job training programs, housing costs, in-home services, opioid treatment, transportation and child care.

TEXAS

Key issues in 2020

Basking in budgetary balance: In 2019, Texans witnessed a highly successful biennial session of the state Legislature. State leaders and lawmakers passed a balanced, \$250 billion, two-year state budget that included an additional \$11.5 billion to reduce school property taxes, increases in teacher pay and aid to school districts, and \$3 billion for Hurricane Harvey relief and improvements in disaster preparedness, resilience and response.

Keeping busy during the "off" year: While the Legislature does not meet in regular session again until January 2021, legislative committees will soon be reviewing issues as directed by Lieutenant Governor Dan Patrick (R) and House Speaker Dennis Bonnen (R), including vaping, school violence prevention, data privacy, IT modernization, teacher recruitment and retention, and performance based-contracting.

UTAH

Key issues in 2020

Tax reform: Utah activists and residents are pursuing a citizen-initiated ballot referendum to repeal a new tax reform law passed in December 2019. The new law lowers the state income tax rate and provides larger dependent exemptions, but is opposed by a number of citizens because it raises sales taxes on food and gasoline.

Affordable housing: Current Utah state law prohibits any municipality from imposing any sort of rent control absent the express approval of the state legislature. In response to a growing lack of affordable housing in the SLC metro area and in Utah County, legislators plan to propose legislation that would simply allow towns and cities to choose for themselves whether or not they wish to implement rent controls within their own city limits.

VERMONT

The Vermont General Assembly, the state legislature, is set to convene on January 7 and to wrap the session in early May.

Key issues in 2020

Minimum wage: Facing a veto threat from Republican Governor Phil Scott, Democratic lawmakers, who control both chambers, struggled in 2019 to agree on a bill that would reach a \$15 minimum wage in the next few years and set sharper increases in the interim. "We're going to start the session with a new energy and resolve so that we can collectively, as two chambers, offer this package to Vermont workers," Senate Majority Leader Becca Balint said.

Paid family leave: The Vermont Senate approved a Paid Family Leave bill last May but the legislation was quite different from a proposal adopted in the House earlier in the session. The Senate and the House will now need to reconcile their two bills. A key difference is the House bill allows individuals to take leave time for a personal illness. The Senate plan does not. Either way, Governor Scott has consistently opposed a mandatory leave approach.

Carbon pricing, electric vehicles, energy markets and renewables: The Transportation and Climate Initiative (TCI), a regional low-carbon transportation policy proposal that would cap and reduce carbon emissions from the combustion of transportation fuels through a cap-and-invest program or other pricing mechanism, is starting to come into focus and the legislature will push the Governor to join.

Workforce: A report requested by the Legislature regarding the state's workforce needs is due this month and will likely lead to a conversation about tax credits and other incentives to attract health care workers.

Cannabis: Cannabis is legal in Vermont, but only for medical and recreation usage, not to sell. Advocates of tax and regulate will make another push to allow for the sale of marijuana in the state in 2020.

VIRGINIA

The 2020 legislative session will start January 8 and is scheduled to run for 60 days.

Democratic Governor Ralph Northam will have the benefit of his party controlling both the House of Delegates and the state Senate, the first time the Democrats controlled both chambers in nearly 30 years.

Key issues in 2020

Minimum wage: Multiple bills have already been filed seeking to raise the state's \$7.25 per hour minimum wage. These measures cover a range of options, ranging from an increase to \$9.75 per hour, effective July 1, 2020, to statutorily-mandated annual increases that set the wage floor at \$15 per hour in 2025, with future adjustments based on annual increases to the US Consumer Price Index.

Education: Proposals that seek to expand access to pre-kindergarten and community college are expected to feature prominently in discussions of the next biennial budget.

Gun control: Democrats have pledged to push for a raft of gun control measures, including mandating background checks on all firearm transactions, banning certain semiautomatic firearms and reinstituting a one-handgun-per-month purchase restriction.

Health care: Although a bipartisan majority approved a conditional expansion of Medicaid in Virginia in 2018, Governor Northam, shortly after the 2019 election results were clear, moved to block implementation of work requirements essential to winning Republicans' support. Democrats also have expressed interest in creating a state-run marketplace to increase enrollment, rather than continuing to rely on the federally-administered marketplace.

Criminal justice: Decriminalization of marijuana possession and renewed efforts to expand juvenile offenders' access to parole have drawn support from Democratic legislators, as has exploring the reinstatement of discretionary parole, which was abolished in 1995.

Casino gaming: Efforts to legalize casino gambling—and potentially reap substantial new state tax revenues—will feature prominently in the legislative session.

Local control: Democrats have increasingly advocated for local authority on the removal of Confederate monuments, particularly in progressive enclaves, such as Charlottesville and Norfolk.

WASHINGTON

A former democratic candidate for President, Governor Inslee was instrumental in moving the state's primary date up from May to March. Now off the campaign trail, Inslee and the democratic legislature have several issues left over from last year's session.

Key issues in 2020

Data Privacy: A proposal to require consumers to find out what data is collected and stored about them died in the House. The bill will come up again, especially in light of California's action on privacy issues.

Death Penalty: Following a state Supreme Court ruling, the legislature tried to remove capital punishment from state statutes. The measure stalled, but is likely to come up again this session.

Low-carbon Fuels: A cornerstone of the Governor's climate agenda, the legislature will revisit proposals to require reduced emissions from gasoline and other transportation fuels.

WEST VIRGINIA

Key issues in 2020

Manufacturing: A major business issue will be the elimination of property taxes on manufacturing machine inventory.

Education: After two consecutive statewide teachers' strikes during the past two legislative sessions, the Legislature will likely redirect its focus in 2020 to developing a new funding formula for the state's higher education system. There is also discussion in the K-12 arena on developing uniform language on how counties address absenteeism.

Budget: The state expects a budget shortfall, in part because monthly revenue estimates have missed recent projections due to the volatility of natural resource markets. As the Legislature looks at ways to tighten the budget, one idea that has Senate leadership support is eliminating the subsidy for greyhound racing.

Foster care: The state's well-documented opioid crisis has led to problems in its foster care system. Look for the Legislature to try and address the ongoing issues surrounding the state's overwhelmed foster care system, which has approximately 6,700 children, an increase of almost 70 percent in six years.

WISCONSIN

Democratic Governor Evers and republican majorities will once again square off in 2020.

Key issues in 2020

Taxation: A recent study by the nonpartisan Wisconsin Policy Forum found that most Wisconsin property owners would face considerably higher property tax bills due to state budget changes and local referendums. State lawmakers will introduce legislation to limit the increases.

Election reform: The House Speaker is lukewarm to the Governor's proposal to reimburse local clerks for the cost of holding special elections.

Appointments: More than half of the Governor's appointees have yet to be confirmed by the Senate.

WYOMING

Wyoming's 2020 legislative session will begin on February 10.

Key issues in 2020

Health care: A bill is set to come before the Wyoming Legislature that would prohibit the state's towns and municipalities from joining the state health insurance pool, potentially placing localities in the unenviable position of returning to a self-funded health insurance model for public employees. The bill was filed in response to concerns that localities are not remitting appropriate premiums and are therefore straining total budgetary costs without adequate contribution, despite the state Attorney General's interpretation of state law as allowing localities to join the state's group plan.

Statute of limitations: The Legislature is expected to consider legislation that would effectively double the statute of limitations for victims of child sexual abuse in civil proceedings. Following a national trend, the state will consider amending the current SOL (which allows a civil action to be filed up till the victim's 26th birthday or within 3 years after the time of discovery) to run until the victim turns 53.

Toll lanes on I-80: The Legislature will decide whether to take action on a proposed bill that would grant the Wyoming Transportation Commission the authority to create a tolling program and establish fees along Interstate 80. The bill, which is sponsored by the Joint Transportation, Highways & Military Affairs Committee in the state Senate, does not propose any fee amounts.

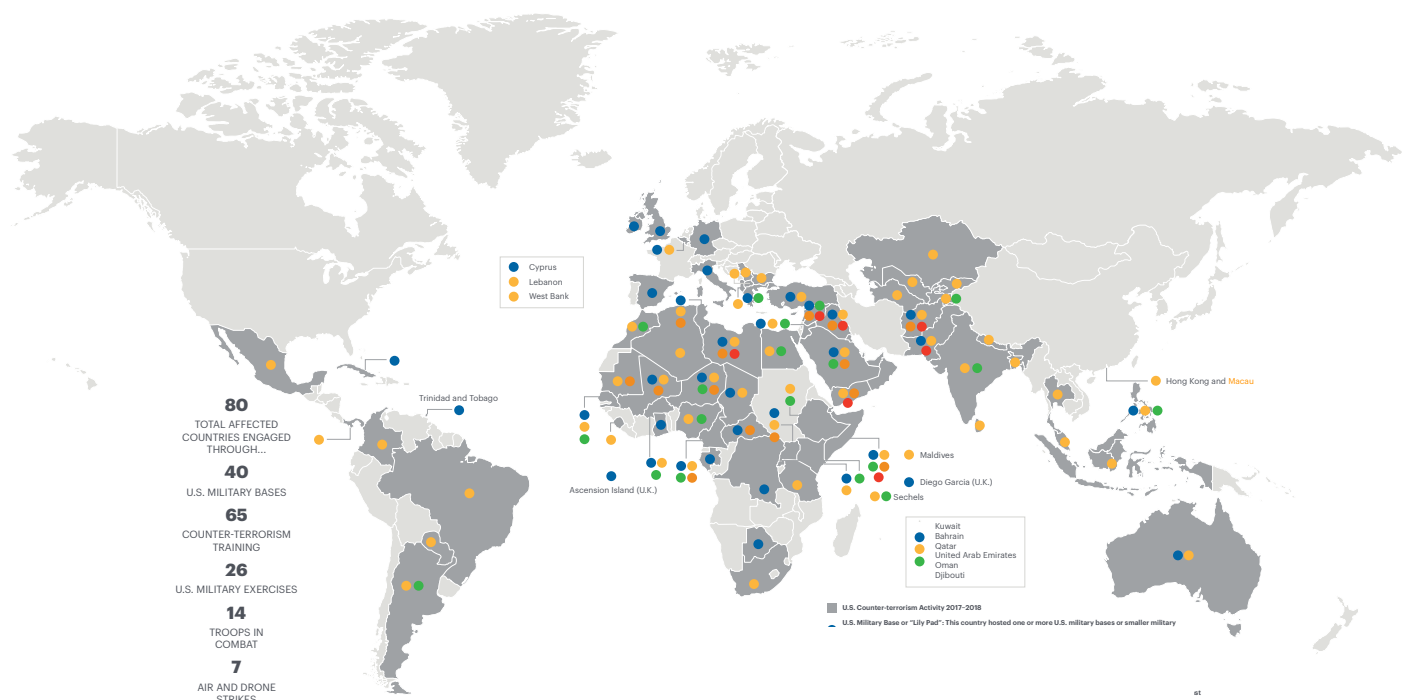
A view from the water's edge

1. WITHDRAWAL OF DEPLOYED US MILITARY FORCES

A trend is materializing as President Trump pursues his campaign promise to withdraw from overseas military engagements. In October 2019, the Trump Administration ordered a drawdown of US forces in Syria. Meanwhile, the Trump Administration reportedly deployed thousands of US troops to Saudi Arabia in 2019 to deter Iranian aggression.

Trump may continue to shift troop deployments in 2020, and may well fulfill his commitment to withdraw additional US forces from Afghanistan. These decisions could have major geopolitical and strategic security consequences that could factor into the November elections.

US COUNTER-TERRORISM ACTIVITY MAP

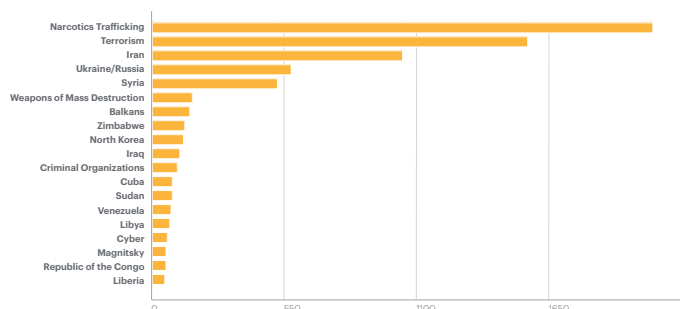


Source: Stephanie Savell and SW Infographics, Smithsonian Magazine, January 2019

2. INCREASED/ENHANCED SANCTIONS

President Trump has demonstrated a preference for using sanctions to discourage support for terrorism, punish adversaries, and disincentive corruption abroad. A study shows the US added 3,100 people and entities to the sanctions list in Trump's first three years as president. This is nearly as much as the 3,484 that President George W. Bush added during his entire eight years in office. Look for this trend to continue in 2020.

US TOP SANCTIONS PROGRAMS BY VOLUME



For instance, Trump is reportedly weighing new sanctions on Iran and North Korea. Moreover, for several countries against which Trump is resisting new sanctions, Congress is moving forward with its own regime. In December 2019, Congress included sanctions targeting Russia related to Nord Stream 2 pipeline construction in its annual defense policy bill, and the Senate Foreign Relations Committee advanced bipartisan, comprehensive Turkey sanctions legislation.

As the Trump Administration and Congress enact new sanctions regimes, there will be a consequent strain on US relations abroad, especially with countries not currently under sanctions, such as Turkey, and even with traditional Western allies with resident multinational companies affected by US sanctions. In 2020, the increasing use of sanctions by the US Government will create new tensions that test US diplomacy and increase compliance risk for US and other businesses operating globally.

3. INCREASE IN TRADE DISPUTES

In 2020, nations with which President Trump believes he can leverage better deals to address real or perceived trade imbalances will likely encounter US animus, while countries with which the US has favorable trading relationships will likely continue to reap US rewards.

The US is nearing a trade deal with Canada and Mexico, but President Trump has sparked new trade rifts with unlikely targets in Argentina, Brazil, France and Japan. In 2020, the Trump Administration is likely to initiate new trade disputes that may be in tension with US foreign policy objectives and create uncertainty or economic harm for US and other companies engaged in commerce in the nations involved.

STATUS OF PRESIDENT TRUMP'S MAJOR TRADE ACTIONS

United States-Mexico-Canada Agreement (USMCA)/NAFTA renegotiation Countries: Canada, Mexico



*Congressional negotiators reached a deal with the Trump administration on USMCA revisions in Dec. 2019

US-Korea Free Trade Agreement (KORUS) renegotiation Countries: South Korea



Sect. 232 – nat'l security – steel & aluminum Countries: All countries

Exempted indefinitely: Argentina, Brazil*, Australia, South Korea, Canada, Mexico*
**In December 2019, Trump announced he planned to impose these tariffs on Argentina and Brazil, though no plan has been finalized*



Sect. 232 – nat'l security – automobiles Countries: All countries



Sect. 301 – unfair trade practices – intellectual property theft, aircraft subsidies Countries: China, EU



*The first set of US and Chinese tariffs took effect on July 6

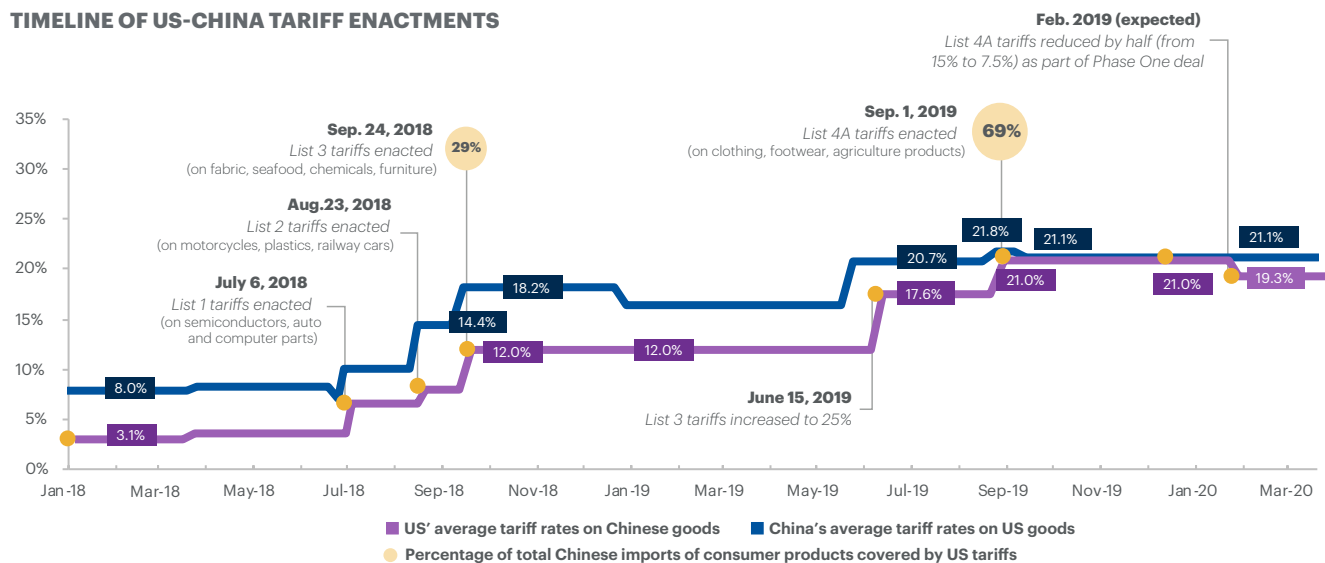
Sect. 201 – harm to domestic industry – solar cells and washing machines Countries: All countries



Sources: Congressional Research Service, United States Trade Representative, Bloomberg.

■ Complete ■ In progress ■ Stalled

TIMELINE OF US-CHINA TARIFF ENACTMENTS



List	Tariff	Value
List 1	25%	\$34B
List 2	25%	\$16B
List 3	10%, now 25%	\$200B
List 4A	15%	\$112B
List 4B	15%	\$160B

State of play

- On Dec 31, President Donald Trump said that he plans to sign a preliminary trade deal with China on Jan. 15 in Washington and will travel to Beijing later in 2020 to begin talks on a phase two agreement.
- On Dec. 13, the Trump administration announced it reached a "phase one" trade deal with China, which includes some tariff relief, increased agricultural purchases by China, and "structural changes" to intellectual property and technology issues.
- Both countries agreed to postpone tariffs expected to take effect Dec. 15.
- Though many details remain unclear, the US will maintain 25% tariffs on \$250B worth of Chinese imports and drop a 15% tariff on \$120B worth of imports to 7.5%.
- USTR Lighthizer announced that China committed to purchasing \$50B in American farm products, but Chinese officials themselves have not commented on a specific amount.

Sources: PIEE, CNN, Wall Street Journal, CNBC, Axios, Market Watch.

BREXIT UPDATE FOR THE COLONISTS

The UK is poised to **leave the EU on January 31, 2020**. Assuming the EU gives the OK.

However, this would only mark the next step in the Brexit process. Following its departure, the UK will enter a **"transition period" until 31 December 2020**.

During this period, the UK's trading relationship with the EU will remain the same while the **two sides negotiate a free trade deal**. At the same time, many other aspects of the UK's future relationship with the EU - including law enforcement, data sharing and security - will need to be agreed.

If a trade deal is ready in time, the UK's new relationship with the EU can begin **immediately** after the transition.

If not, the UK faces the prospect of having to trade with no agreement in force. This would mean **checks and tariffs on UK goods** travelling to the EU.

Prime Minister Johnson has also **ruled out any form of extension** to the transition period, meaning the clock is already ticking.

Campaign 2020

2020

If outsider Donald Trump's upset victory over sure-bet Hillary Clinton taught us anything in 2016, it was the peril in trusting the Amtrak Acela echo chamber (with the exception of the Dentons Public Policy team, of course). After a summer of panic in 2019, when some forecasters predicted a significant chance of a recession, the US economy's record-long expansion is expected to continue into the new year with sustained growth. In an ordinary political environment, it's the sort of economy that would virtually ensure an incumbent president's reelection. But 2020 is no ordinary election.

The Trump economy is indisputably growing, forcing Democrats to prosecute a tricky economic case against the president: growth, even on the current scale, isn't enough to position ordinary Americans to prosper in the modern economy. Trump will also be aided by limited to no ideological opposition within his own party, having remade the Republican party in much his own image over the past three years. Further, he is expected to have a significant financial advantage over his eventual Democratic opponent.

To Democrats' advantage, dramatic demographic shifts, including huge gains by youth and people of color, coupled with anxiety over a pessimistic global outlook and ongoing geopolitical tensions with Iran, China and Russia, among other nations, have left President Trump's quest for a second term a tenuous proposition.

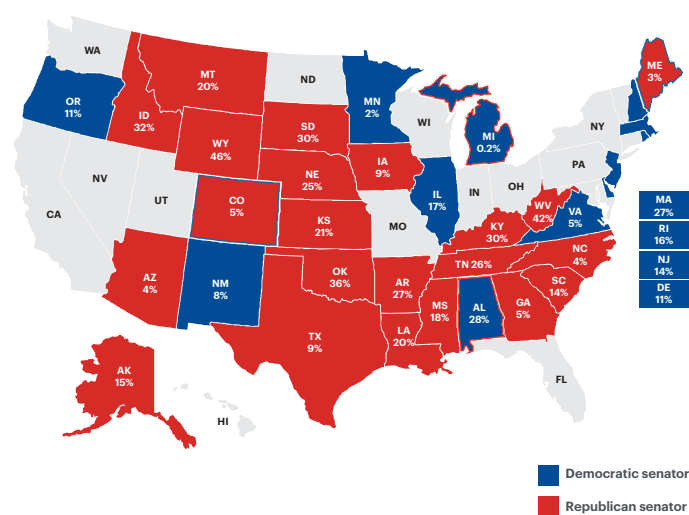
Some believe that Trump is a surefire bet to secure reelection, while others insist that the "right" Democratic ticket will no doubt unseat him. However, many known unknowns remain unresolved that could shape the outcome of the presidential and downballot elections,

including the ultimate impact of the Senate's impeachment trial and a notably unsettled Democratic primary contest.

Other events and circumstances will arise in 2020 that could influence voter sentiments and turnout, such as the Trump Administration's responses to new domestic and international crises.

Rather than speculating about the unknown, we have chosen to focus on the known. What follows is a compilation of key data and trends of significance to the federal and state level elections in 2020.

PERCENTAGES INDICATE THE SHARE BY WHICH EITHER TRUMP OR CLINTON WON IN 2016



Prognosticators' 2019 initial ratings had **248 electoral votes** at least leaning to the Republican nominee (Trump, almost certainly), **244 electoral votes** at least leaning to the Democratic nominee, and 46 Toss-ups. Since then, most have made **only one significant change**, pushing Hillary Clinton's most **narrow 2016 victory**, New Hampshire, from Toss-up to Leans Democratic, leaving a **248-248 split** with just 42 electoral votes' worth of Toss-ups (Arizona, Pennsylvania, Wisconsin, and Nebraska's Second Congressional District).

The 2020 race still looks like a 50-50 proposition to us.

2020 CANDIDATES FOR US PRESIDENT



Joe Biden



Elizabeth Warren



Bernie Sanders



Pete Buttigieg



Cory Booker



Amy Klobuchar



Andrew Yang



Deval Patrick



Marianne Williamson



Tom Steyer



Michael Bennet



Michael Bloomberg



John Delaney



Tulsi Gabbard



Donald Trump



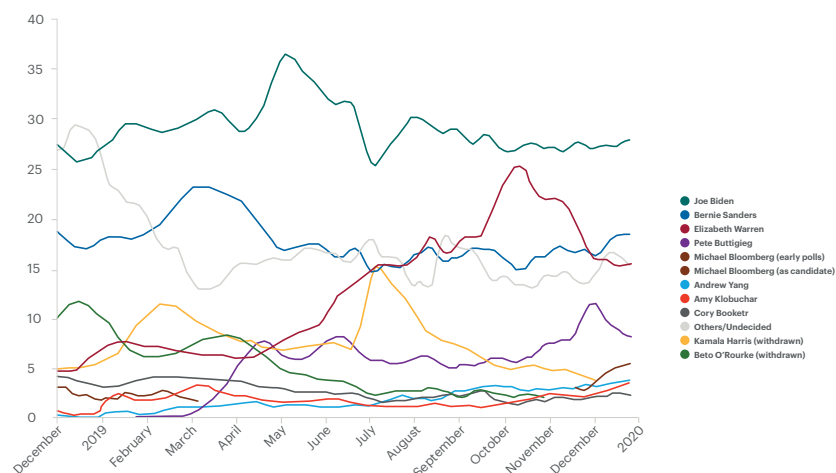
Bill Weld



Joe Walsh

DEMOCRATIC PRIMARY NATIONWIDE POLLING AGGREGATION

The following graph depicts the evolution of the standing of each candidate in the poll aggregators since December 2018.



PICK UP IN WAGE GROWTH FROM LOW WAGE INDUSTRIES



A little Inside Baseball by Governor Howard Dean

You will read many handwringing “analysis” pieces in the **next several months** about the possibility of a “brokered Democratic convention” where the convention is **not able to nominate a candidate** until much behind the scenes deal making and multiple ballots.

Here are tips for how to read these.

1. Don't read them at all. There hasn't been a brokered convention since 1952. Any articles about this between now and the last primary in June should only be read if you have too much time on your hands, or if you are a devotee of game theory.
2. The Democratic rules, including barring super delegates from voting on the first ballot, make a brokered slightly more likely. The fact that we have at this writing four or five leading candidates also makes a brokered convention slightly more likely. I put the chances at a whopping 2% as of today.
3. There is a long standing DNC rule that any candidate who gets less than 15% of the vote in a given state gets NO delegates. This eliminates most of the supposed leverage of underdog candidates. The winner really does have to win a national campaign.
4. At this time 16 years ago I was leading the polls in Iowa and New Hampshire by double digits. John Kerry was running fourth. Need I say (scream) more about the vagaries about making any predictions until at least after Nevada, and more likely after Super Tuesday occurs in the first week of March



SENATE RACES

SENATE “CLASS II” ROSTER



Cory Booker (NJ)



Chris Coons (DE)



Dick Durbin (IL)



Doug Jones (AL)



Ed Markey (MA)



Jeff Merkley (OR)



Gary Peters (MI)



Jack Reed (RI)



Jeanne Shaheen (NH)



Tina Smith (MN)



Tom Udall (NM)
Open Seat



Mark Warner (VA)



Lamar Alexander (TN)
Open Seat



Bill Cassidy (LA)



Susan Collins (ME)



John Cornyn (TX)



Tom Cotton (AR)



Steve Daines (MT)



Mike Enzi (WY)
Open Seat



Joni Ernst (IA)



Cory Gardner (CO)



Lindsey Graham (SC)



Cindy Hyde-Smith (MS)



Jim Inhofe (OK)



Kelly Loeffler (GA)



Mitch McConnell (KY)



Martha McSally (AZ)



Shelley Moore Capito (WV)



David Perdue (GA)



James Risch (ID)



Pat Roberts (KS)
Open Seat



Mike Rounds (SD)



Ben Sasse (NE)



Dan Sullivan (AK)



Thom Tillis (NC)

After the presidential race, Senate elections will be critical in 2020. Democratic control of that chamber will be needed to enact the agenda of a new Democratic president and to confirm his or her judicial nominations, or, if the presidency remains in Republican hands, to block GOP judicial nominees. Republicans currently hold a three-seat majority in the Senate, 53 to 47, so Democrats must gain a net of four seats for outright control, or three seats and the vice presidency (as the vice president casts the tiebreaking vote).

While the 2020 electoral map looks favorable to Democrats, with Republicans having to defend 23 seats to the Democrats' 12 and election forecasters such as Inside Elections, Sabato's Crystal Ball and The Cook Political Report currently rating Democrats' opportunities to pick up seats more favorably than Republicans—the competitive races in the Senate in 2020 will likely be on Republican-leaning turf: 20 of the GOP incumbents hail from states Trump carried in 2016—and every Senate contest that year went in the direction of the presidential vote.

Still, nonpartisan analysts like Democratic chances. “The Senate’s in play,” says Nathan Gonzales, editor of Inside Elections, which handicaps federal races. “Democrats have enough takeover opportunities to get there without having to win everything on the table.”

One factor in Democrats' favor is declining approval ratings of endangered Republican incumbents in battleground states. Political website FiveThirtyEight notes that the net approval ratings (approval rating minus disapproval rating) of the five most vulnerable GOP senators—Martha McSally (AZ), Susan Collins (ME), Cory Gardner (CO), Thom Tillis (NC) and Joni Ernst (IA) have all dropped. The declines are particularly concerning to the two senators from left-trending states, Collins and Gardner. As for the Democratic incumbents in competitive contests, only Senator Tina Smith (MN) saw a decline in her net approval (which still registers a fairly positive +13).

On the other hand, Republicans have been heartened by recent polling in Michigan suggesting that the state's Democratic-held seat could be in play. Two polls put Gary Peters barely ahead of or in a dead heat with Republican challenger John James, who lost Michigan's 2018 Senate race but performed better than expected given the “blue wave.”

That said, the path to a Democratic majority will be shaped by political dynamics that the pundits, much less the candidates, can't fully control. Political website FiveThirtyEight notes that “[t]he presidential race at the top of the ticket may be critical in determining which party wins control. In the 2016 election, for instance, every state with a Senate race backed the same party for both president and Senate for the first time ever.” Other known unknowns are the tumult surrounding Trump's impeachment trial and the strength of the Democrats' 2020 presidential nominee.

KEY 2020 SENATE RACES

ALABAMA

What the forecasters say: Leaning Republican

While Democrat Doug Jones is the most vulnerable senator from either party, Republicans are facing a crowded primary field that includes former Senator (and ousted Trump AG) Jeff Sessions, and disgraced former Alabama Judge Roy Moore, who lost to Jones in the 2017 special election, but never conceded and is seeking a rematch (if he can survive the primary season).

GEORGIA

What the forecasters say: Leaning Republican

GOP Sen. David Perdue is favored, especially as there is no clear frontrunner in the Democratic field. Potential challengers were in a holding pattern while Stacey Abrams, the party's former gubernatorial hopeful and de facto leader, considered entering the race, ultimately deciding not to despite Senate Minority Leader Chuck Schumer urging her to run.

COLORADO

What the forecasters say: A toss-up.

Cory Gardner is Republicans' most vulnerable incumbent. In 2018, Democrats, for the first time since 1936, won all five statewide executive offices and control of both chambers of the state legislature. He will likely face former Gov. John Hickenlooper, who faces a crowded field of primary competitors but has the endorsement of the Democratic Senatorial Campaign Committee. While Gardner has a cash advantage over Hickenlooper, it is not by much.

NORTH CAROLINA

What the forecasters say: A toss-up.

GOP Sen. Thom Tillis is facing a self-funding primary challenger and trying to get back in the good graces of President Trump (and his base) after criticizing the President's emergency declaration to build a wall along the southern border. Tillis was booed at Trump's most recent rally in NC. His likely rival, Cal Cunningham, is a former state legislator and an Army vet who raised almost as much as Tillis in the third quarter of 2019 and has the backing of the Democratic Senatorial Campaign Committee, (but still has a primary to contend with).

MAINE

What the forecasters say: Leaning Republican

While Republican Susan Collins has seen her vote share increase in each of her four Senate elections, including 67 percent of the votes cast in 2014, she's not so sanguine about 2020. Her vote for Kavanaugh and loyalty to Trump have not played well in a state with a strong blue tint, and Democratic challenger Sara Gideon, state House Speaker, while still facing a tough primary race herself, is outraising Collins since announcing her bid last June. Collins likely will need

some crossover votes in order to win a fifth term, but risks alienating conservative voters if, e.g., she sides with Democrats in calling for witnesses at the President's impeachment trial.

ARIZONA (Special Election)

What the forecasters say: A toss-up

Republican Martha McSally was appointed to fill the vacant seat of the late John McCain after losing the race for Arizona's other Senate seat to Democrat Kyrsten Sinema—making her the first Republican to lose a Senate race in Arizona since 1988. In this special election, she will face Democrat Mark Kelly, the husband of former Arizona Rep. Gabby Giffords as well as a Navy veteran and retired astronaut who has outraised McSally for the last three quarters. Other advantages, Democrats say, are a diversifying state and Kelly's appeal to independent voters.

OTHER CLOSELY WATCHED 2020 SENATE RACES

MICHIGAN

What the forecasters say: Likely Democrat

Although President Trump carried Michigan in 2016, it was by a very thin margin, and the power of incumbency combined with support from a Democratic Senatorial Campaign Committee that won't be ignoring battleground states in 2020 should enable him to fend off a challenge from John James, an Army veteran with a bigger war chest but for whom Trump's endorsement could ultimately prove to be a liability.

IOWA

What the forecasters say: Leaning Republican

Incumbent Senator Joni Ernst is considered one of the most vulnerable Republican senators. Democrats flipped two House seats in the midterms, nearly unseated a third representative and held the gubernatorial race to within three points—none of which augur well for 2020. But more significant is frustration with President Trump's handling of trade wars and tariffs—and Ernst's defense of his trade negotiation style—among local farmers and manufacturers. According to Morning Consult's latest quarterly Senator Approval Rankings, the Senator's net approval—the share of voters who approve of a senator's job performance minus the share who disapprove—dropped 9 percentage points between the second and third quarters of 2019, placing her underwater with Iowa voters (39 percent approve and 43 percent disapprove) for the first time. Moreover, her net approval dropped by 13 points among Republicans (compared with 9- and 7-point drops, respectively, among Democrats and independents).

NEW HAMPSHIRE

What the forecasters say: Likely Democrat

Democrat Jeanne Shaheen barely carried the state in 2014, winning by just over 3 points, and Democratic presidential nominee Hillary Clinton carried the state by fewer than 3,000 votes, so Shaheen should theoretically be at risk. But Republicans have no one strong to

run against her, especially after President Trump's former campaign manager Corey Lewandowski's December 31 announcement that he will not run for the seat after flirting with a bid for almost a year. A recent survey found that Lewandowski would have entered the GOP primary race with a double-digit lead over the other contenders, led by former state House Speaker Bill O'Brien and retired Gen. Donald Bolduc.

TEXAS

What the forecasters say: Likely Republican

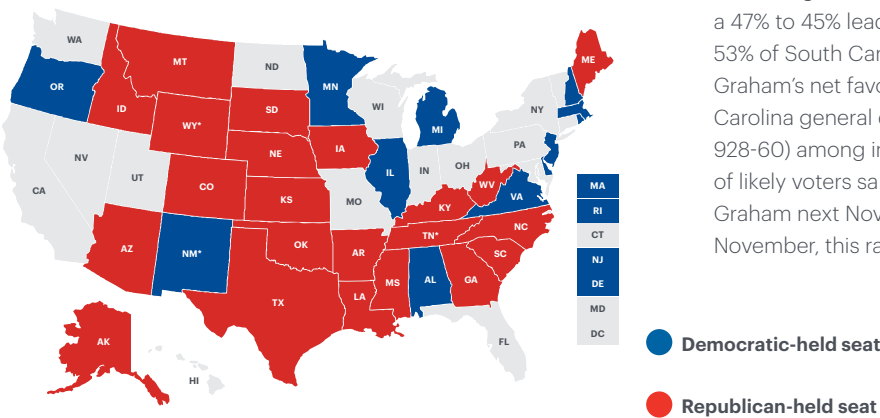
Republican incumbent John Cornyn has a whopping \$10.8 million war chest and faces a half-dozen Democratic primary contenders, all with significant name recognition issues and none with the national support that helped Beto O'Rourke in his surprisingly competitive battle against Senator Cruz.

GEORGIA

What the forecasters say: Leaning Republican

Governor Brian Kemp's selection of businesswoman Kelly Loeffler to succeed Johnny Isakson in the US Senate will shape not only the governor's legacy but the future of the Republican party in Georgia, where seismic demographic shifts have loosened the party's grip across the state. Only the second woman ever to represent Georgia in the US Senate, Loeffler isn't the typical statewide Georgia GOP candidate. With little to measure her partisan profile beyond the politicians whose campaigns she previously funded, some on the far-right have said she is insufficiently conservative to represent the state. Still, Loeffler has pledged to spend \$20 million of her

OUT OF THE 34 SENATE SEATS UP FOR REELECTION IN 2020, 23 SEATS ARE HELD BY REPUBLICANS



Democrats (12)		Republicans (23)			
Doug Jones (AL)	Jeanne Shaheen (NH)	Dan Sullivan (AK)	Jim Risch (ID)	Cindy Hyde-Smith (MS)	Lamar Alexander (TN)*
Chris Coons (DE)	Cory Booker (NJ)	Martha McSally (AZ)	Joni Ernst (IA)	Steve Daines (MT)	Lindsey Graham (SC)
Dick Durbin (IL)	Tom Udall (NM)*	Tom Cotton (AR)	Pat Roberts (KS)*	Ben Sasse (NE)	John Cornyn (TX)
Ed Markey (MA)	Jeff Merkley (OR)	Cory Gardner (CO)	Mitch McConnell (KY)	Thom Tillis (NC)	Shelley Moore Capito (WV)
Gary Peters (MI)	Jack Reed (RI)	David Perdue (GA)	Bill Cassidy (LA)	Jim Inhofe (OK)	Mike Enzi (WY)*
Tina Smith (MN)	Mark Warner (VA)	Kelly Loeffler (GA)	Susan Collins (ME)	Mike Rounds (SD)	

personal fortune to ward off challengers (of either party) when she runs in a special election later this year to serve out the remainder of Isakson's term.

KENTUCKY

What the forecasters say: Likely Republican

Many Democrats complain that Mitch McConnell, the self-described "Grim Reaper", has made the Senate the place where Democratic bills go to die. That said, McConnell is a fierce and effective campaigner who will raise huge sums of money to support his re-election bid, and President Trump, who won the state by 30 points in 2016, is again expected to win Kentucky easily next November. Nonetheless, buoyed by their success last November against Republican incumbent Governor Matt Bevin, by McConnell's 33 percent approval rating, one nearly as low as Bevin's, and by recent polling showing a dead heat, Democrats appear prepared to go all out in support of retired Lt. Colonel Amy McGrath, a former F-18 fighter pilot. As McGrath did not succeed in a 2018 House race that many commentators thought might be winnable, they question whether she can take down McConnell.

SOUTH CAROLINA

What the forecasters say: Likely Republican

South Carolina is a state with a Real Clear Politics Partisan Lean of + 17 Republican that President Trump won by almost 15 percent in 2016 and so one would think that Senator Lindsey Graham, a staunch opponent of President Trump's impeachment who was first elected to the Senate in 2002, would be cruising to re-election over former South Carolina Democratic Party Chairman Jaime Harrison. Yet in a recent poll, Graham holds only a 2-point lead over Harrison, well within the margin of error, and Graham could be vulnerable. According to a Change Research/Post and Courier poll, Graham holds a 47% to 45% lead over Harrison, with 9% of voters still undecided. 53% of South Carolinians have an unfavorable opinion of Graham. Graham's net favorability is 15 points underwater among likely South Carolina general election voters (38-53) and 32 points underwater 928-60) among independent voters. The poll found only 38 percent of likely voters said they will "definitely" or "probably" vote for Graham next November. If you are looking for a Senate surprise next November, this race could be it.
























































*Senators not seeking reelection in 2020

HOUSE RACES

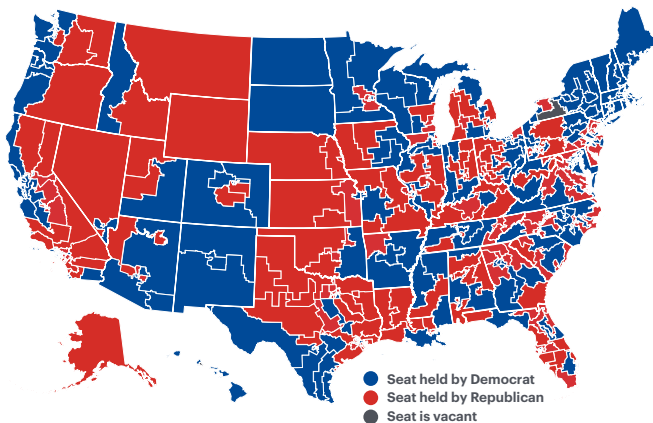
In the House, where all seats are up for election, Democrats currently hold a majority with 233 seats. The 2018 House election cycle was defined by an unusually large number of open seats. The 2020 cycle almost certainly won't feature as many, but there are still more than two dozen so far. And just like in 2018, the open seats that cover competitive turf provide more opportunities for Democrats than Republicans. Last cycle, only 375 of the 435 House seats featured an incumbent running for reelection, meaning that there were 60 open seats. That was the second-highest number of open seats in the post-World War II era, eclipsed only by 1992 election. That was a national redistricting year, and redistricting often leads to more open seats than normal years.

While seemingly daunting, the GOP does have a path to win the House, which largely goes through flipping a significant number of the 31 Trump-won districts held by Democrats. Such a result cannot be ruled out in an age where ticket-splitting is on the decline.

BATTLEGROUND RACES

									
Colin Allred (TX)	Cindy Axne (IA)	Ami Bera (CA)	Anthony Brindisi (NY)	Cheri Bustos (IL)	Matt Cartwright (PA)	Sean Casten (IL)	Gil Cisneros (CA)	TJ Cox (CA)	Angie Craig (MN 2)
									
Jason Crow (CO)	Joe Cunningham (SC)	Sharice Davids (KS)	Danny Davis (IL)	Antonio Delgado (NY)	Abby Finkenauer (IA)	Lizzie Fletcher (TX)	Jared Golden (ME)	Josh Gottheimer (NJ)	Jason Harder (CA)
									
Kendra Horn (OK)	Steven Horsford (NV)	Andy Kim (NJ)	Rep Ron Kind (WI)	Ann Kirkpatrick (AZ)	Conor Lamb (PA)	Susie Lee (NV)	Mike Levin (CA)	Dave Loebsack (IA) Open Seat	Elaine Luria (VA)
									
Tom Malinowski (NJ)	Sean Maloney (NY)	Ben McAdams (UT)	Lucy McBath (GA)	Debbie Mucarsel Powell (FL)	Tom O'Halleran (AZ)	Chris Pappas (NH 1)	Collin Peterson (MN)	Dean Phillips (MN)	Katie Porter (CA)
									
Max Rose (NY)	Harley Rouda (CA)	Kim Schrier (WA)	Donna Shalala (FL)	Mikie Sherrill (NJ)	Elissa Slotkin (MI)	Abigail Spanberger (VA)	Haley Stevens (MI)	Xochitl Torres Small (NM)	Lauren Underwood (IL)
									
Jennifer Wexton (VA)	Susan Wild (PA)								
									
George Holding (NC)	Kenny Marchant (TX) Open Seat								
									
Justin Amash (MI)									

US CONGRESSIONAL DISTRICTS



● Seat held by Democrat
● Seat held by Republican
● Seat is vacant

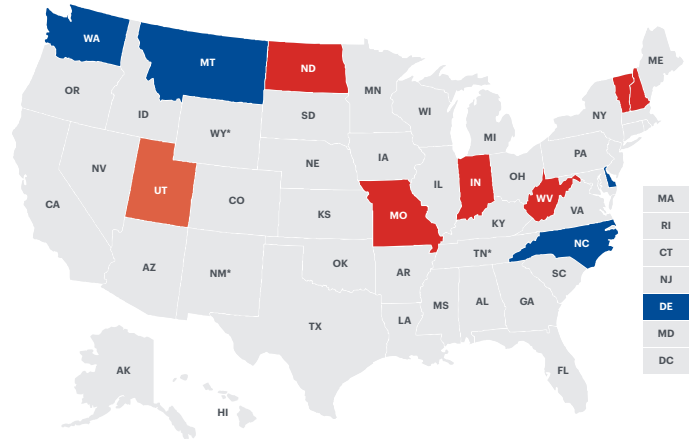
There are now **35 House members** who hold districts won by the other party's presidential candidate: **30 Democrats in Trump-won districts** and **five Republicans in Clinton-won seats**. There is a single independent.

GUBERNATORIAL RACES

Eleven states will hold elections for governor in 2020. Of those eleven states, only Montana features a term-limited incumbent. There are seven Republican and four Democratic seats up for election in 2020. Following the 2019 elections, Republicans retain a narrow 26-24 edge in governorships. That is big shift from mid-2017, when Democrats held just 15. History has shown, for whatever that is worth these days, that Gubernatorial races are likelier to defy federal partisanship than House and Senate races.



ONE OUT OF 11 GOVERNOR SEATS IS OPEN GOING INTO THE 2020 ELECTION

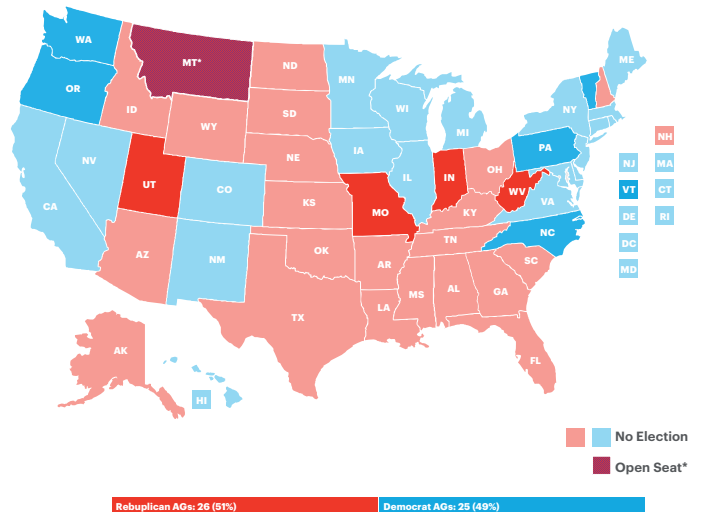


STATE ATTORNEYS GENERAL RACES

The current AG political landscape is fairly evenly split, with Republicans holding 26 seats and the Democrats holding 25 (including Washington, DC). In 2020, there will be 10 attorney general seats on the ballot. These elections are in Indiana, Missouri, Montana, North Carolina, Oregon, Pennsylvania, Utah, Vermont, Washington, and West Virginia. We expect the AG races in North Carolina and Indiana to be the key battleground states this year.



STATE ATTORNEYS GENERAL TRACKER



PUBLIC POLICY

Dentons' national team includes lawyers and professionals with experience in federal, state and local government with specialists in public policy, law, business, and public affairs. We help clients to anticipate, mitigate, and leverage matters of government through innovative, holistic public policy and regulation strategies. Our team blends core regulatory, legislative, and political experience across key industry sectors with practical guidance and a balanced perspective on domestic and global policy and regulatory initiatives that are important to you and your business.

KEY CONTACTS

For more information about key dates in the year ahead or to discuss your strategic planning for 2020, please contact any member of Dentons' Public Policy team, or your Dentons lawyer or professional.



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CSBrand-21462-Policy-Scan-2019-15 — 07/01/2020