



November 9, 2022

**MEMORANDUM**

TO: NCSHA Members  
FR: NCSHA Policy and Government Affairs Team  
RE: Preliminary 2022 Election Analysis

**What We Know Now (and What We Don't)**

It appears the Republicans have reclaimed control of the House of Representatives. However, major news outlets have not declared that yet—and whatever margin the Republicans may have is likely to be slim compared to historical averages. Party control of the Senate will not be determined for several days, and possibly not until the results of a December 6 run-off election in Georgia. Currently, 49 Senate seats will be held by Republicans, and 48 by Democrats, with the outcomes in currently Democratic-held states Arizona, Georgia, and Nevada uncertain.

In the 36 states with governor's elections, virtually all incumbents or candidates of the incumbent's party in open elections were elected. Notable exceptions include newly elected Democrats Maura Healey in Massachusetts and Wes Moore in Maryland. Results are still not yet announced in Alaska, Arizona, Nevada, and Oregon.

Regardless of the different potential election outcomes, Congress will hold a post-election session, during which it needs to address fiscal year 2023 appropriations because the current continuing resolution keeping the government open expires December 16. Congress will also consider a number of other major bills, very likely including a tax extenders bill.

We will update this analysis as we learn more. Please let us know if you have questions or comments.

**Republicans on Track to Reclaim House Majority**

At the time of writing, the announced results indicate the new House will have at least 204 Republicans and 176 Democrats and projections imply Republican candidates will win enough additional elections to gain a majority. However, the Republican majority will likely be relatively slim compared to recent House majorities. If House Republicans are in the majority, we expect Kevin McCarthy (CA) will be the House Speaker. There may be significant changes in the House Democratic leaders. The House will have at least 40 new members.

**Senate Control Subject to Last Three Undeclared Elections**

At the time of writing, which party will control the Senate is uncertain, subject to the outcome of three elections where the party of the winner is not yet determined. Current results show the new Senate will include at least 48 Democrats and 49 Republicans. It could take several days for announcements on which candidates will win these elections, and the Georgia election will not be determined until a December 6 run-off election between incumbent Raphael Warnock (D) and Republican Herschel Walker.

In the case of a 50-50 split, Vice President Harris will be the tie-breaker, effectively giving the Democrats the majority and clearing the way for Chuck Schumer to remain Majority Leader. If the Republicans are in the majority, Mitch McConnell (KY) will probably take over the position he previously held as Majority Leader, though there is some discussion about whether he may face a challenge from one of his colleagues. There will be at least three new members of the Senate.

### **Senate Committee Outlook**

Senate Appropriations Committee. Senate Appropriations Committee Chair Patrick Leahy (D-VT) and Ranking Member Richard Shelby (R-AL) both chose not to seek reelection this year. Patty Murray (D-WA) won her reelection bid and is expected to take over for Leahy as the lead Democrat on the committee. Susan Collins (R-ME), who was not up for reelection, has already been announced as Shelby's replacement as the lead Republican on the committee. Nine Senators on the committee were up for reelection; eight have been reelected (including Murray) and one race (Alaska) has yet to be decided at the time of writing.

Senate THUD Appropriations Subcommittee Chair Brian Schatz (D-HI) won his reelection campaign and is expected to retain his leadership role on the Subcommittee. Ranking Member Collins will be replacing Shelby as the lead Republican on the full Committee but is also expected to replace him as Republican lead on the Senate Appropriations Defense Subcommittee, meaning another Republican would take her place on the THUD Subcommittee. A successor for Collins in this scenario has not been named yet.

Senate Banking Committee. Sherrod Brown (D-OH) will remain the top Democrat on the Banking Committee, whether as Chair or Ranking Member. With Pat Toomey (PA), the current top Republican on the Banking Committee, retiring, it is likely that Tim Scott (SC) will be taking over the top Republican spot.

If Brown remains Chair, affordable housing will likely remain a key part of the Committee's agenda. Brown held several hearings this Congress on the affordable housing crisis and is likely to continue pushing for Congress to do more to support housing.

If Scott becomes Chair, his priorities are expected to align with his Opportunity Agenda, a series of policy proposals he has outlined to increase working families' economic mobility. This Congress, Scott has introduced several bipartisan bills to help low- and moderate-income households access the financial system, including legislation to expand the types of data that go into credit reporting and to give credit unions more flexibility in the kinds of loans they can offer. Scott is also a leading champion of Opportunity Zones and supports legislation to extend their authorization and increase reporting requirements.

Tina Smith (R-MN) and Mike Rounds (R-SD) will likely remain in their leadership roles on Housing, Transportation, and Community Development. Smith and Rounds worked together this Congress on legislation to support more affordable housing opportunities for rural areas and Native Americans.

In addition to Toomey, former Committee Chair and long-time Committee member Richard Shelby (AL) is also retiring. In addition, Committee Democrats Raphael Warnock (GA) and Catherine Cortez Masto's (NV) reelection races have not yet been called, with Warnock heading to a runoff election December 6 against Republican candidate Herschel Walker. Cortez Masto has been a strong NCSHA partner, working with us to draft and introduce bills to strengthen Mortgage Revenue Bonds and Mortgage Credit Certificates and to reauthorize the HOME program.

Senate Finance Committee. Regardless of whether Democrats hold or Republicans take control of the Senate, Senators Ron Wyden (D-OR) and Mike Crapo (R-ID) will continue to serve as their party's lead member on the Finance Committee. Both were up for election this year and handily won.

There will be changes to committee makeup regardless of which party wins control. Three Finance Committee Republican members retire at the end of the year: Richard Burr (NC), Rob Portman (OH), and Pat Toomey (PA). Ten other committee members were up for election this year, including Wyden and Crapo. Of those, nine have won reelection, and one race—Catherine Cortez Masto's (D-NV)—is still not settled. Cortez Masto is the lead sponsor of the NCSHA-endorsed Affordable Housing Bond Enhancement Act.

### **House Committee Outlook**

House Appropriations Committee. House Appropriations Committee Chair Rosa DeLauro (D-CT) and Ranking Member Kay Granger (R-TX) secured reelection and are likely to retain their leadership roles on the Committee.

Ten current members of the Committee are retiring from Congress at the end of the session, including current Vice Chair Brenda Lawrence (D-MI), which opens a leadership position for the Democrats should they retain control of the House. Ten races involving current committee members are undecided at the time of writing; the rest of the incumbents all secured reelection.

Transportation, Housing and Urban Development (THUD) Appropriations Subcommittee Chair David Price (D-NC) was one of the retiring members of the Committee. Price's successor, whether as Chair or Ranking Member, has not yet been announced. Ranking Member Mario Díaz-Balart (R-FL) won reelection and appears likely to remain in his Republican leadership role on the Subcommittee.

House Financial Services Committee. Regardless of which party wins a House majority, Representatives Maxine Waters (D-CA) and Patrick McHenry (R-NC) will likely remain the top Democrat and Republican, respectively, on the Financial Services Committee next Congress. If Waters remains as Chair, she could continue her push to secure substantial federal resources for affordable housing and increase homeownership opportunities for persons of color and other underserved populations. She was

instrumental in inserting more than \$170 billion for housing in the 2021 House-passed version of the Build Back Better Act, including historic investments in HOME, Section 8, and down payment assistance. In his post as Ranking Member, McHenry largely opposed these efforts, arguing they would be inflationary and ineffective.

McHenry recently said in a media interview his priorities as Chair would be to conduct vigorous oversight of federal agencies under the Committee's jurisdiction, particularly the Securities and Exchange Commission; reform securities law to help more businesses access capital; regulate cryptocurrencies; and increase protection of consumers' personal data.

McHenry has not at this time outlined a housing agenda for the Committee, but in the past has argued the key to addressing the affordable housing shortage is through deregulation to allow more for more homebuilding, stopping inflation to tamp down costs, and financial innovation. Since taking over as Ranking Member in 2018, McHenry has demonstrated a willingness to work with Committee Democrats on several issues, suggesting he could potentially develop bipartisan legislation as Chair.

Representatives Emanuel Cleaver (D-MO) and French Hill (R-AR) will likely remain their respective parties' leaders on the Housing, Community Development, and Insurance Subcommittee.

The committee will experience some turnover next Congress. Democratic committee members Ed Perlmutter (CO) and Michael San Nicolas (Guam) announced prior to the election they would not return next Congress, while Carolyn Maloney (NY) and Al Lawson (FL) lost their reelection bids, and Cindy Axne's (IA) reelection bid is currently too close to call. Republican committee members leaving the House include Lee Zeldin (NY), Ted Budd (NC), Anthony Gonzalez (OH), and Van Taylor (TX).

House Ways and Means Committee. Should Republicans take control of the House of Representatives, they will need to choose a new chairman of the Ways and Means Committee, as the current ranking member, Representative Kevin Brady (R-TX), retires at the end of the 117<sup>th</sup> Congress. Currently, three members are vying for that spot: Vern Buchanan (R-FL), Adrian Smith (R-NE), and Jason Smith (R-MO). Buchanan and J. Smith are cosponsors of the Affordable Housing Credit Improvement Act. Should either succeed to the chairmanship, they would be well-positioned to assist in the enactment of our Housing Credit priorities.

Should Democrats hold the House, current Ways and Means chairman, Representative Richard Neal (D-MA) would maintain his position at the committee's helm. Neal has long been a strong supporter of the Housing Credit and Housing Bond programs, having previously been the lead sponsor of the Affordable Housing Credit Improvement Act (AHCIA) prior to his ascension to chairman when he passed that bill to Representative Suzan DelBene (D-WA).

Regardless of which party controls the House in the 118<sup>th</sup> Congress, there will be changes to the committee line-up, due to members not returning next year. In addition to Brady, Ron Kind (D-WI) and Stephanie Murphy (D-FL) retire at the end of the year, Tom Rice (R-SC) lost his primary election, and Tom Suozzi (D-NY) lost his bid for governor of New York in the primary. Lastly, Jackie Walorski (R-IN), the lead Republican sponsor of the AHCIA and a stalwart supporter of affordable housing, tragically died in a car

crash in August. Several other Ways and Means committee members' races remain uncalled as of this writing.

### **Governors**

Thirty-six states held governor's elections. In most states, the incumbents or candidates of the incumbent's party were elected. Notable exceptions include the elections of Democrats Maura Healey in Massachusetts and Wes Moore in Maryland. Results are still not yet announced in Alaska, Arizona, Nevada, and Oregon. Of the other states, incumbents were reelected in Alabama, California, Colorado, Connecticut, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Maine, Michigan, Minnesota, New Hampshire, New Mexico, New York, Ohio, Oklahoma, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Wisconsin, and Wyoming and new governors were elected in Arkansas, Hawaii, Nebraska, and Pennsylvania.