

TO: NACHSA Members

FROM: Rachel Mackey, Washington Representative

Tom Joseph, Washington Representative

DATE: November 13, 2024

RE: Post-Election Outlook for Federal Human Services Priorities

Following the highly contentious November 5 general election, a new era of unified political control of Washington appears imminent as Republicans close in on retaining their razor-thin advantage in the House of Representatives. With Donald J. Trump set to make his return to the White House next year and Republicans flipping the Senate, a GOP House majority would put the Party on track to control both ends of Pennsylvania Avenue for the first time since 2017-2018. During that time, congressional Republicans were successful in sending then-President Trump several major pieces of legislation, including the \$1.5 trillion *Tax Cuts and Jobs Act*.

Before Republicans can flex their newfound political muscle in the New Year, lawmakers will attempt to put the finishing touches on several major items that are pending before the current Congress. The GOP's electoral gains will set the tone for the lame-duck session, which began yesterday.

The single most consequential item for lawmakers to address in the post-election session is the fiscal year 2025 budget. Ahead of adjourning in October, Congress approved – and President Biden signed into law – a Continuing Resolution (CR) extending FY 2024 spending levels through December 20. While many rank-and-file members have pushed for passage of a full-year appropriations package, it appears that GOP leaders will look to extend the current stopgap measure into March of next year. The move would allow a unified Republican Congress to craft a spending package that aligns more closely with President Trump's fiscal priorities. Lawmakers may, however, advance a standalone disaster relief measure in the coming weeks to address the fallout from Hurricanes Milton and Helene.

Aside from approving another CR, Congress will look to finalize the *National Defense Authorization Act (NDAA) of 2024*, which is expected to be the vehicle for several other

priority measures. Other bills that could be considered in the lame duck include a package of health-care extenders and an extension of the National Flood Insurance Program.

To follow is a look at how the election results are expected to shape several major issues of interest to county human services agencies, both in the lame-duck session and in the early days of the new Trump administration.

Lame Duck Action on Child Welfare and Child Support: Congress may use the lame-duck session to pass bipartisan legislation making key updates to child welfare prevention and child support programs. The NACHSA-supported measure, the *Protecting America's Children and Families Act* (H.R. 9076/Bill Summary), passed the U.S. House of Representatives on a vote of 405-10 ahead of the August recess. In the Senate, members are likely to initiate an informal process known as "hot-lining," which puts legislation on track to pass by Unanimous Consent. The outlook is positive for this cost-neutral legislation, which has the support of 269 local, state, Tribal, and national organizations focused on children and families. Additionally, there is pressure to adopt the measure given that the underlying Title IV-B for child welfare prevention programs expires on December 20 if Congress does not act.

Children and Families: The Trump White House may opt to roll back HHS's Administration for Children and Families (ACF) regulatory actions issued by the Biden administration, such as rules directing states to offer sufficient designated placements for LGBTQI+ youth in foster care, capping co-payments for participants in the federal child care subsidy program, and increasing wages for Head Start workers. As a key partner in the development and enactment of the 2018 *Family First Prevention Services Act* (FFPSA) – which created a new category of reimbursement for states investing in child welfare prevention services – ACF leadership under Trump may be amenable to working on technical fixes to the law, which has been burdened by implementation challenges.

Hunger and Nutrition: The 2018 Farm Bill, which addresses a vast range of policies from rural development and nutrition assistance to forest management reforms, officially expired on September 30. While some programs under the bill have temporary authority to continue, others are now in limbo. To avoid any large-scale disruptions in the agriculture sector and rural economies, Congress will need to act during the lameduck session to either reauthorize the Farm Bill or extend the current one.

The path forward, however, is uncertain, as the changing political landscape presents both opportunities and challenges for advancing a new Farm Bill in the coming months.

Negotiations have stalled due to deep partisan divides on key issues, particularly regarding proposed cuts to the SNAP, adjustments to commodities programs, and funding for climate initiatives aimed at promoting sustainable agriculture. Given the breadth and complexity of the bill, as well as these unresolved issues, the most likely outcome may be a temporary extension of the existing Farm Bill, buying lawmakers additional time to reach consensus.

Significant cuts to the Supplemental Nutrition Assistance Program (SNAP) are unlikely to move via a Farm Bill negotiated either during the lame duck or new congressional session, given the need for sponsors to secure a filibuster-proof majority in the Senate. However, the U.S. Department of Agriculture (USDA) under the Trump administration may attempt to revive regulatory efforts from his first term to limit eligibility in the program, particularly for childless adults. Additionally, the SNAP program could be targeted for cost-savings in a budget reconciliation measure, including eliminating the use of the Thrifty Food Plan as one of the methods to increase SNAP benefits. There may also be a Republican push to require documentation of immigrant status for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and school meals programs.

Health Safety Net: Changes at the U.S. Department of Health and Human Services (HHS) are expected to be front and center as the Trump administration takes power. While the president-elect did not run on a substantive commitment to repeal the *Affordable Care Act*, his campaign stated that he hopes to bring down costs, with his administration unlikely to support extending enhanced subsidies created under the 2021 American Rescue Plan Act. The subsidies, which expire next year, provide financial support for middle-class families, small-business owners and others to purchase health insurance.

A Trump HHS is also almost certain to reshape the regulatory landscape for Medicaid. For starters, the Centers for Medicare and Medicaid Services (CMS) is expected to shift its emphasis on the use of Section 1115 Waivers from the Biden-Harris approach, which has centered on addressing health disparities and promoting integrated, "whole person" solutions, to demonstrations that restrict eligibility including through work requirements and other changes. The administration also has the authority to modify or terminate existing waiver terms, but a public comment process must occur along with negotiations with the state. CMS cannot unilaterally alter or end a waiver without state involvement. On the legislative front, congressional Republicans may pursue legislative action aimed at capping the federal government's financial contribution to the Medicaid program via the budget reconciliation process if the GOP does indeed control both chambers of Congress.

Immigration: Allies of President-elect Trump are framing his victory as a mandate to carry out his campaign promise of mass deportation of undocumented immigrants. Already, Trump has named immigration hardliners Tom Homan (his former acting head of Immigration and Customs Enforcement) and Stephen Miller to key posts, naming Homan as "border czar" and Miller as White House deputy chief of staff for policy.

Conservatives are discussing the inclusion of an ambitious border-security in the potential budget reconciliation package. While Senate rules would permit funding for the border wall and additional Border Patrol agents to be included in a budget reconciliation bill, potential reforms to the nation's asylum and parole laws are likely to be closely scrutinized by the Senate parliamentarian and could be ruled nongermane to the reconciliation process. Efforts to limit undocumented immigrants, refugees or individuals in mixed-status families from accessing certain safety net programs may also be wrapped up in these negotiations.

Regardless of what happens on Capitol Hill, President-elect Trump is expected to avail himself of Executive Branch actions that would advance his immigration agenda, including curbing appeals, strengthening workplace enforcement, and reversing Bidenera policies that prioritized the deportation of serious criminals and recent border-crossers.

Furthermore, county governments can expect renewed pressure from the incoming administration to cooperate with Immigration and Customs Enforcement in removal of undocumented individuals found within their jurisdictions. Should the president-elect's mass deportation pledge come to fruition, the potential impact on national and local economies and labor markets would be significant.

Expanded deportation efforts could target recipients of Deferred Action for Childhood Arrivals, also known as "Dreamers," as well as repeal current Temporary Protected Status (TPS) designations for populations currently fleeing wars, natural disasters, and other country-specific circumstances. Trump has also pledged to roll back or suspend refugee resettlement, consistent with the significant reductions his administration oversaw during its first term.

Finally, the incoming president has pledged to quickly recommence construction of the border wall. The Department of Homeland Security has roughly \$1 billion in construction funds left from Trump's first term, while some supplies remain stockpiled along the border where they were left when President Biden froze the project in January 2021.

Tax Reform: With key provisions of the Tax Cuts and Jobs Act (TCJA) set to expire at the end of 2025, tax reform will be a major priority for the 119th Congress. Several major elements of the law – such as the TCJA's lower individual income tax rates, increased standard deductions, and the expanded Child Tax Credit – are all slated to sunset. If Congress does not act to extend these provisions, the tax code will revert to pre-2018 rules. While most of the Act's individual tax provisions are temporary, many of the corporate tax changes, including the reduction in the corporate tax rate, were made permanent and are not at risk of expiring. Given the likely GOP control of the House, their intention is to use the budget reconciliation process—which requires just a simple majority to pass the Senate but brings a significant set of budgetary and parliamentary requirements—to enact a tax package within the first 100 days of the new administration.

While the GOP is unlikely to reduce the current size of the Child Tax Credit, we can expect them to prioritize changes that prevent immigrants with Individual Taxpayer Identification Numbers from claiming the credit for their U.S. citizen children.