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Capital Snapshot

May 2024

This Month's Capital Snapshot Deck Includes

- An overview of the upcoming congressional schedule, including key dates in May 2024
- A run-through of notable congressional developments, including updates on the Motion to Vacate that was filed against Speaker Mike Johnson (R-LA), and the status of House seat vacancies and upcoming related special elections
- An update on developments, outlook, and priorities for key policy and legislative areas
- An outlook on the current Congress and the state of play for the 2024 congressional and presidential elections
- A look at current trends and factors that could impact the 2024 political and legislative landscape

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Congressional Schedule for May 2024

May 2024 House Calendar

- There are 14 total legislative days scheduled in the House for May 2024.
 - There are 10 legislative days remaining in the month of May.
- The House will be in recess during the week of May 27 in observance of Memorial Day.
- Currently, there are 66 legislative days scheduled in the House for the remainder of 2024.



May 2024 Senate Calendar

- There are 15 total legislative days scheduled in the Senate for May 2024.
 - There are 12 legislative days remaining in the month of May.
- The Senate will be in recess during the week of May 27 in observance of Memorial Day.
- Currently, there are 78 legislative days scheduled in the Senate for the remainder of 2024.

UNITED STATES SENATE
118th Congress, 2nd Session

2024

TENTATIVE SCHEDULE

JANUARY							FEBRUARY							MARCH						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	2	3							1	2
7	8	9	10	11	12	13	4	5	6	7	8	9	10	3	4	5	6	7	8	9
14	15	16	17	18	19	20	11	12	13	14	15	16	17	10	11	12	13	14	15	16
21	22	23	24	25	26	27	18	19	20	21	22	23	24	17	18	19	20	21	22	23
28	29	30	31	25	26	27	28	29	24	25	26	27	28	29	30					
<small>SENATE CONVENES JANUARY 8, 2024</small>													31							
APRIL							MAY							JUNE						
	1	2	3	4	5	6				1	2	3	4							1
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
28	29	30	26	27	28	29	30	31	23	24	25	26	27	28	29					
													30							
JULY							AUGUST							SEPTEMBER						
	1	2	3	4	5	6				1	2	3	1	2	3	4	5	6	7	
7	8	9	10	11	12	13	4	5	6	7	8	9	10	8	9	10	11	12	13	14
14	15	16	17	18	19	20	11	12	13	14	15	16	17	15	16	17	18	19	20	21
21	22	23	24	25	26	27	18	19	20	21	22	23	24	22	23	24	25	26	27	28
28	29	30	31	25	26	27	28	29	30	31	29	30								
OCTOBER							NOVEMBER							DECEMBER						
	1	2	3	4	5					1	2	1	2	3	4	5	6	7		
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
27	28	29	30	31	24	25	26	27	28	29	30	29	30	31						

Red dates = Senate not in session

2ND SESSION CONVENES—JANUARY 8, 2024
TARGET ADJOURNMENT—DECEMBER 20, 2024

Legislative, Political, and Policy Updates and Overviews

Update on the Motion to Vacate Filed Against Speaker Johnson

- On March 22, Rep. Marjorie Taylor Greene (R-GA) filed a motion to oust House Speaker Mike Johnson (R-LA). If the motion is agreed to, Speaker Johnson would be removed from the speakership.
- When filing the motion, Rep. Greene did not ask for it to be “privileged,” meaning the House was not required to immediately bring it up for a vote.
- Soon after filing the motion, the Congresswoman argued “the current Speaker has shown he cannot stand up to the Democrats” and also stated the “House Republican Majority needs leadership that will stand up for America.”
- In the weeks since Rep. Greene filed the motion, Reps. Thomas Massie (R-KY) and Paul Gosar (R-AZ) announced their support for removing Speaker Johnson from his post.



Rep. Marjorie Taylor Greene (R-GA)

Update on the Motion to Vacate Filed Against Speaker Johnson

- On April 30, House Minority Leader Hakeem Jeffries (D-NY), House Minority Whip Katherine Clark (D-MA), and House Democratic Caucus Chair Pete Aguilar (D-CA) released a [joint statement](#) in which they announced that they will vote to table Rep. Greene’s Motion to Vacate, adding “if she invokes the motion, it will not succeed.”
 - The House Democratic leaders cited Congress passing supplemental national security financial assistance for Ukraine, Israel, and Taiwan as the main reason for voting to keep Speaker Johnson in office.
 - While some House Democrats still favor pressuring the Speaker to make some concessions in exchange for Democrats saving his job, the statement from House Democratic leadership indicates that motion is likely to be defeated.
- On May 1, while speaking at a [press conference](#) outside the Capitol, Rep. Greene [announced](#) she will call for a vote to vacate the Chair the following week, arguing that Speaker Johnson is “the Uniparty Speaker” and is “exactly what is wrong with the Republican establishment.”
 - Rep. Greene also cited Leader Jeffries’ “endorsement” of Speaker Johnson as another reason to vote to remove the latter from office.
 - She contended that calling this vote will allow the American people to “see who stands with the Uniparty and who stands with the people.”
- However, on May 6, after meeting with Speaker Johnson in his office, Rep. Greene said she will temporarily hold off on forcing a vote. She will meet with Speaker Johnson again on May 7 regarding whether or not to force a vote.



Speaker Mike Johnson (R-LA)

Congressman Donald Payne, Jr. Passes Away

- On April 24, Rep. Donald Payne, Jr. (D-NJ) passed away at the age of 65 due to a heart attack that had occurred earlier that month on April 6.
- Rep. Payne was serving his sixth full term in the House of Representatives at the time of his passing.
- Rep. Payne represented New Jersey's 10th congressional district in the House, which includes Newark and portions of Jersey City.
- Before assuming office in November 2012, the 10th congressional district was represented by Rep. Payne's father, Rep. Donald Payne, Sr. (D-NJ), who had represented the 10th district from 1989 until his passing in March 2012.
- Rep. Payne's funeral service took place on May 2 in Newark.



The Late Rep.
Donald Payne, Jr. (D-NJ)

State of the House – Member Departures

- On April 24, Rep. Mike Gallagher's (R-WI) previously-announced [resignation](#) from Congress became effective. Rep. Gallagher's initial retirement announcement came just a few days after he was one of only three Republicans to vote against the [impeachment](#) of Homeland Security Secretary Alejandro Mayorkas. During the 118th Congress, up until his departure, he was the Chairman of the Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party.



Former Rep. Mike Gallagher (R-WI)

State of the House – House Democrats Win a Special Election

- On April 30, the state of New York held a special election for their 26th congressional district, which includes Buffalo, some of its surrounding suburbs, and Niagara Falls.
- The seat was vacant after former Rep. Brian Higgins (D-NY) resigned effective February 2. State Senator Tim Kennedy (D-NY) emerged victorious in the special election by a comfortable margin of 68.6% to 31.4%, holding onto the House seat for Democrats.
- That evening, House Minority Leader Jeffries released a statement celebrating Rep.-elect Kennedy's victory, remarking that he "is a dedicated public servant who will be a champion for the people of Western New York."
- Rep. Kennedy was sworn into office on the evening of May 6. Now that he has been sworn in, the House has 217 Republicans and 213 Democrats, with five vacancies.
 - This is just a **one-vote** margin for the House Republican majority; Speaker Johnson can only afford to lose one vote on any party-line measure.



Newly-elected Rep.
Tim Kennedy (D-NY-26)

Status of House Vacancies and Relevant Upcoming Special Elections

- The House currently has five vacancies. The current party breakdown in the House is **217 Republicans** and **213 Democrats**.
 - Former Speaker Kevin McCarthy (R-CA-20) resigned from his congressional seat effective December 31, 2023.
 - The primary for the special election occurred on March 19, 2024, and the special election will take place on May 21, 2024. The top two finishers in the primary were State Assemblyman Vince Fong (R-CA), who was the former District Director for now-former Rep. Kevin McCarthy (R-CA), and Tulare County Sheriff Mike Boudreaux (R-CA).
 - Since a Republican is now guaranteed to win this seat, after this special election, the House will then stand at **218 Rs** and **213 Ds**, which will be a **two-vote** majority for the House GOP.
 - Rep. Bill Johnson (R-OH-6) resigned effective January 21, 2024 to become the new President of Youngstown State University.
 - The primary for the special election occurred on March 19, 2024, and the special election will take place on June 11, 2024. The Republican candidate will be State Senator Michael Rulli (R-OH) and the Democratic candidate will be Michael Kripchak (D-OH).
 - This seat is “Safe R,” so after this special election, the House will then very likely stand at **219 Rs** and **213 Ds**, still a **two-vote** GOP majority.
 - Rep. Ken Buck (R-CO-4) resigned effective March 22, 2024.
 - There was no primary for this seat; instead, each party’s nominee was selected by a committee of party leaders and elected officials in the 4th congressional district. The GOP nominee is Greg Lopez, the former mayor of Parker, Colo., and the Dem nominee is Trisha Calvarese.
 - This seat is “Safe R,” so after this special election (to be held on June 25, 2024), the House will then very likely stand at **220 Rs** and **213 Ds**, a **three-vote** GOP majority.
 - There will **not** be a special election for Rep. Mike Gallagher’s (R-WI-8) seat. His resignation occurred at a point in which Wisconsin law stipulates that the seat be filled in the November general election. Thus, the seat for Wisconsin’s 8th district will not be filled until January 3, 2025.
 - The late Rep. Donald Payne, Jr. (D-NJ-10) passed away on April 24, 2024.
 - The primary for the special election for this seat will take place on July 16, 2024, and the special general election will take place on September 18, 2024.
 - This seat is the most Democratic district in New Jersey, and is thus “Safe D,” so after this special election, the House will then very likely stand at **220 Rs** and **214 Ds**, back down to a **two-vote** GOP majority.

FY24 National Security Supplemental Package

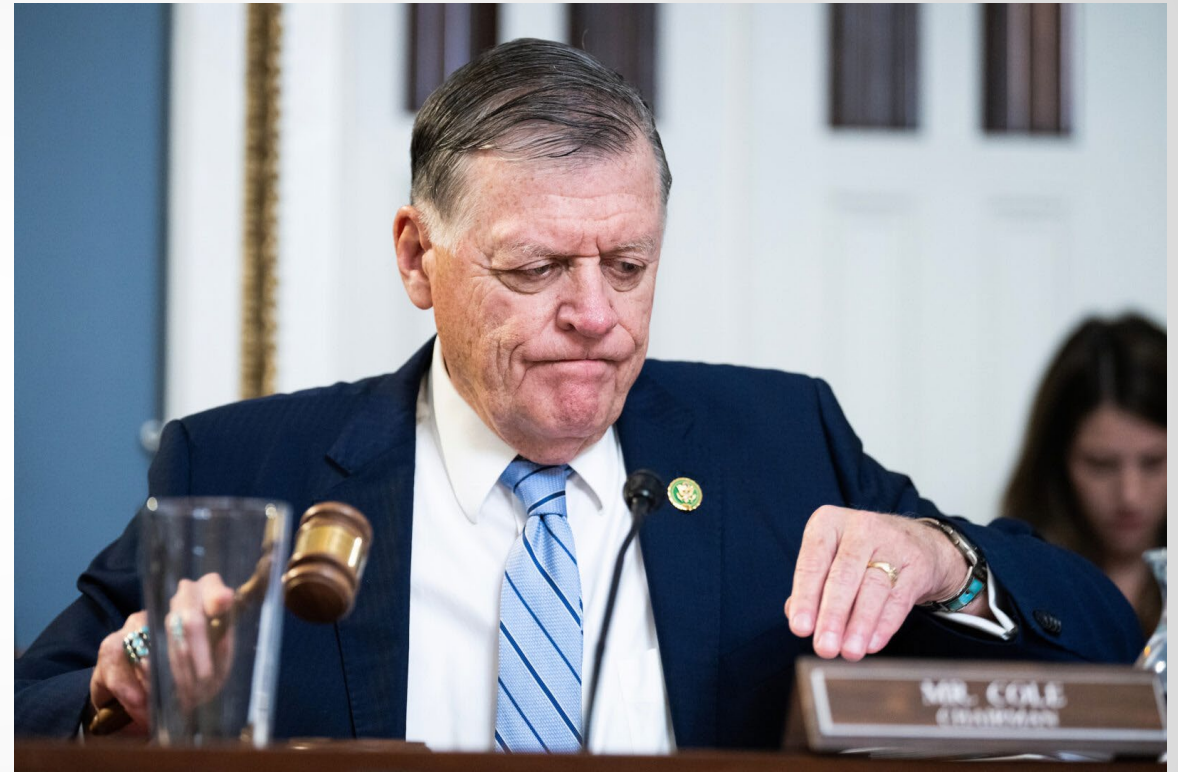


House Minority Leader Hakeem Jeffries (D-NY), Senate Minority Leader Mitch McConnell (R-KY), Senate Majority Leader Chuck Schumer (D-NY), and House Speaker Mike Johnson (R-LA)

- On April 24, President Biden signed into law a national security supplemental appropriations package ([P.L. 118-50](#)) after it was passed in the Senate in a bipartisan (79-18) vote. The package included:
 - US\$60.8 billion for military and humanitarian assistance to Ukraine
 - US\$26.4 billion in assistance to Israel and humanitarian aid to Gaza;
 - US\$8.1 billion to help Taiwan and other Indo-Pacific allies
 - A “sidecar” bill includes measures which: (a) authorize the seizure of roughly US\$5 billion in frozen Russian assets for Ukraine, (b) increase sanctions on Russia, Iran, and China, (c) require the divestiture of Chinese ownership of TikTok, and (d) ban data brokers from selling Americans’ personal information to China, Russia, Iran, and North Korea
- Negotiations in the House had been stalled for months while Speaker Mike Johnson (R-LA) weighed options to overcome opposition from far-right members of the House Republican caucus. Ultimately, the House held four separate votes on each part of the package, but Speaker Johnson was required to rely on Democratic votes to advance the legislation.

Appropriations Committees Leadership Changes

- On March 22, former Chairwoman Kay Granger (R-TX) announced her decision to step down following the conclusion of the Fiscal Year (FY) 2024 appropriations process.
- On April 9, the House Republican Caucus voted to approve Rep. Tom Cole (R-OK) as the new chair of the House Appropriations Committee. Chairman Cole ran unopposed after securing support from the majority of the Appropriations Subcommittee chairs. The selection of Chairman Cole led to rotations of several subcommittee gavels.
- The Senate Appropriations Committee also made subcommittee changes in April. Senate Appropriations Committee Chairwoman Patty Murray (D-WA) announced the selection of Sen. Kyrsten Sinema (I-AZ) to lead the Military Construction, Veterans Affairs, and Related Agencies Subcommittee for the duration of this Congress.
- Chair Murray will remain leader of the Energy and Water Subcommittee for the remainder of this Congress, after stepping into the role following the passing of Sen. Dianne Feinstein (D-CA) last year.



House Appropriations Chairman Tom Cole (R-OK)

Appropriations Subcommittee Leadership Changes

- With Chairman Cole relinquishing his role as the Chairman of the Transportation, Housing and Urban Development (THUD) Subcommittee to chair the Full Committee, several subcommittee leadership changes were announced, including the following:
 - Rep. Steve Womack (R-AR) will chair T-HUD, after previously leading Financial Services and General Government
 - Rep. Dave Joyce (R-OH) will chair Financial Services and General Government, after previously leading Homeland Security
 - Rep. Mark Amodei (R-NV) will chair Homeland Security, after previously leading Legislative Branch
 - Rep. David Valadao (R-CA) will chair Legislative Branch



Rep. Steve Womack (R-AR)

FY25 Appropriations Cycle Continues



House Appropriations Chairman Tom Cole (R-OK)

- Last week, House Appropriations Chairman Tom Cole (R-OK) announced updated guidance for community project funding requests that maintains the previous fiscal year restrictions on earmarks in the Labor, Health and Human Services, Education, and Related Agencies (L-HHS) appropriations bill, and adds new restrictions within the T-HUD accounts.
- The [House](#) and [Senate](#) Appropriations Committees announced submission deadlines for community project funding, programmatic funding, and report language requests, which span from early- to mid-May.
- Work continues on FY25 appropriations bills at the committee level, with the House and Senate Appropriations Committees and authorizing committees of jurisdiction holding budget hearings with agency officials on their respective budget requests.
- Treasury Secretary Janet Yellen, Transportation Secretary Pete Buttigieg, Education Secretary Miguel Cardona, and Energy Secretary Jennifer Granholm were among those who testified before committees recently on their agencies' FY25 funding priorities.

National Defense Authorization Act (NDAA)

Background: The NDAA is the annual defense legislation that sets the budget and priorities of the Department of Defense (DoD). The bill has passed every year for over six decades and is considered the last real “must-pass” bill by many in Congress, leading to a bipartisan, bicameral process to ensure passage.

Upcoming Key Dates: The House Armed Services Committee (HASC) will markup its version of the FY25 NDAA during the week of May 13. HASC Chairman Mike Rogers (R-AL) has indicated plans to incorporate a multi-billion-dollar package of military quality of life improvements in the underlying bill based on recommendations from a bipartisan HASC panel report released in April. The Senate Armed Services Committee (SASC) will conduct its markup during the week of June 10. During the markups, committee members will offer and consider hundreds of amendments to the Chairman’s mark.

On the Horizon: After the markups, both chambers will consider the separate version on the House and Senate floor for further amendments from all members. Following this, committee conference will take place, likely starting at the staff-level during the August recess and continuing through the fall.



Tax Update

- This month, the Ways and Means (W&M) Committee announced 10 Republican “Tax Teams” developed to “study key tax provisions from the 2017 Trump tax cuts that are set to expire in 2025.”
- Tax teams include:
 - American Manufacturing
 - Working Families
 - American Workforce
 - Main Street
 - New Economy
 - Rural America
 - Rural America
 - Community Development
 - Supply Chains
 - U.S. Innovation
 - Global Competitiveness
- Team meetings are expected to begin work as early as the week of May 6 and membership of the teams is available [here](#).
- Senate Finance Committee Ranking Member Mike Crapo has signaled an intention to launch a similar effort, but details are forthcoming.



Ways and Means Committee Chair Jason Smith (R-MO)



Ways and Means Tax Subcommittee Chair Mike Kelly (R-PA)

Financial Services Update

Path Forward for Stablecoin Legislation

- Recent reports suggested Majority Leader Schumer might support adding the stablecoin bill to the must-pass FAA reauthorization, along with a cannabis banking bill. Minority Leader Mitch McConnell (R-KY) continues to signal he opposes cannabis banking.
- Senate Banking Committee Chair Sherrod Brown (D-OH) said he is open to pairing stablecoin regulation with his push for Sen. Merkley's (D-OR) SAFER Banking Act (S. 2860) to open access to the financial system for cannabis businesses.
- Contrary to these reports, we judge it **unlikely** that significant, non-germane items will be included in the FAA reauthorization.
- With Chair McHenry's imminent retirement, expect to see a stepped-up effort to get bipartisan consensus to move what would be part of his legacy before the end of this Congress.



Senate Majority Leader
Chuck Schumer (D-NY)



HFSC Chair
Patrick McHenry
(R-NC)



HFSC Ranking
Member Maxine
Waters (D-CA)

Artificial Intelligence Update

- This month, Senate Commerce Committee Chair Maria Cantwell (D-WA) and AI Working Group member Todd Young (R-IN) introduced legislation ([S. 4178](#)) to codify the AI Safety Institute, increase investments in AI testbeds, and promote voluntary standards-based regulation of AI technology.
 - The legislation was set to be marked up alongside the CREATE AI Act ([S. 2714/H.R. 5077](#)) on April 29, but both bills were ultimately pulled for further negotiations. The Senate Commerce Committee intends to hold a broader markup of AI legislation in late May.
- Sens. Mitt Romney (R-UT), Jack Reed (D-RI), Jerry Moran (R-KS), and Angus King (I-ME) proposed a contrasting framework in a [letter](#) to the Senate AI Working Group this month, which would require foundation AI models to obtain licenses certifying against cybersecurity and other major risks.



Senate Commerce Committee Chair Maria Cantwell (D-WA)



Senate AI Working Group Member Todd Young (R-IN)

Data Privacy Update

- On April 8, Senate Commerce Committee Chair Maria Cantwell (D-WA) and House Energy & Commerce Chairwoman Cathy McMorris Rodgers (R-WA) released a discussion draft of a comprehensive data privacy bill – the America Privacy Rights Act (ARPA).
 - The bipartisan, bicameral bill would establish a national privacy standard and would preempt nearly all existing state privacy laws.
 - The bill also provides a private right of action allowing consumers to file lawsuits against companies that violate their privacy rights, which has been met with pushback from many large tech companies and data holders.
- On April 17, the House Energy and Commerce Subcommittee on Innovation, Data, and Commerce held a legislative hearing to discuss APRA and nine other data privacy-related bills.
 - The hearing featured bipartisan agreement on the importance of a national privacy law, with members of both parties agreeing APRA was the best chance to pass comprehensive data privacy legislation.
 - Ranking Member Frank Pallone (D-NJ) led a bipartisan push to include stronger privacy protections for children in the bill, which is widely expected to be added once the bill is introduced.
- Sen. Cantwell and Rep. McMorris Rodgers are currently accepting feedback from stakeholders on the discussion draft. They have not set a date for introduction, but will likely introduce the bill within the next month.



Senate Commerce Committee Chair Maria Cantwell (D-WA) and House Energy & Commerce Chair Cathy McMorris Rodgers (R-WA)

Education: Antisemitism and Protests on College Campuses

- On April 17, the House Education and the Workforce Committee held another [hearing](#) on antisemitism on college campuses, featuring Columbia University President Nemat Shafik. Following the hearing, Chairwoman Virginia Foxx (R-NC) sharply [criticized](#) the university's response to protesters on their campus and its protection of Jewish students.
- After the hearing, student protests spread to additional campuses across the country, some of which turned violent and/or saw increased antisemitic activity aimed at Jewish students. Policymakers have responded as follows:
 - On May 1, the House passed by a bipartisan 320-91 vote the Antisemitism Awareness Act ([H.R. 6090](#)) to update the definition of antisemitism used in anti-discrimination laws.
 - The House Education and the Workforce Committee [announced](#) the presidents/chancellors from Yale University, UCLA, and the University of Michigan will testify at another hearing on these issues on May 23.
 - Secretary of Education Miguel Cardona condemned the violent protests, most recently stating campuses could lose federal funding if they do not comply with anti-discrimination laws.



Campus Protestors on UCLA's Campus in Los Angeles, California

Education: Department of Education Activities

- On April 19, the department [released](#) its final Title IX regulations aimed at prohibiting sex-based harassment and discrimination in education programs.
 - Regulatory changes related to transgender student athletes were not included and instead will be covered in a separate rule to be released later this year.
 - Three separate lawsuits were filed in federal district courts to challenge the rule, and Texas Governor Greg Abbott directed his state education agency to ignore the final rule.
- The department recently [released](#) a draft rule outlining the administration’s “Plan B” for student loan forgiveness.
 - The proposed rule includes several new provisions that allow the Education Secretary to utilize waivers to forgive debt and related interest owed to the department through various federal loan programs.
 - Stakeholders have until May 17 to comment.
 - The department is expected to publish a second proposed rule covering forgiveness for borrowers experiencing hardship in the coming weeks.
- The department continues to address the fallout from its rollout of the updated Free Application for Federal Student Aid (FAFSA).
 - The department has offered [guidance](#) on how to address potential errors in applications, including those related to Institutional Student Information Records, and regular [“FAFSA Fast News”](#) to institutions.
 - After calls for his resignation by congressional Republicans, Chief Operating Officer of Federal Student Aid Rich Cordray announced he will depart the office at the end of June.



Secretary of Education
Miguel Cardona

Education: Congressional Updates

- House Republicans continue their vigorous oversight of the Department of Education.
 - **Debt Relief:** Chairwoman Foxx [continued](#) to criticize the administration’s student debt relief efforts, leading a [letter](#) to the department challenging student loan consolidation authority.
 - **Title IX:** Chairwoman Foxx also [criticized](#) the release of the final Title IX rule, claiming it places protections for women and girls “on the chopping block.”
 - **FAFSA:** The committee also held a FAFSA oversight [hearing](#) on April 10, which featured bipartisan criticism of the department’s rollout of the FAFSA update.
- Secretary Cardona is testifying before relevant congressional committees to discuss the department’s FY25 budget request and address the department’s ongoing activities.
 - The House and Senate Appropriations Labor, Health and Human Services, Education, and Related Agencies held their respective hearings on [April 10](#) and [April 30](#).
 - The House Education and the Workforce Committee hearing is scheduled for [May 7](#).
- On April 9, the House overwhelmingly passed a bill to reauthorize the Workforce Innovation and Opportunity Act (WIOA) – A Stronger Workforce for America Act ([H.R. 6655](#)).
 - This bipartisan bill would spur the development of innovative approaches to address workforce needs and bolster the American workforce.
 - The Senate has not made any efforts to reauthorize WIOA this Congress.



House Education and the
Workforce Committee
Chairwoman Virginia Foxx (R-NC)

Energy and Environment Updates – EPA Power Plant Rules

- On April 25, the Environmental Protection Agency (EPA) issued [final rules](#) setting emissions standards for existing coal-fired power plants and new gas-fired plants. The final rule will:
 - Require utilities to use carbon capture technologies for coal-fired plants or close the facilities by 2032
 - Strengthen Mercury and Air Toxics Standards (MATS) and other wastewater rules for coal-fired power plants
 - Require plants still operating between 2033-2039 to use natural gas alongside coal, known as co-firing
 - Broaden the category of power plants that will be required to install carbon capture
- The final rule drops requirements that would have required some fossil fuel-fired plants to co-fire clean hydrogen after industry pushback pointing to the slow deployment of hydrogen infrastructure.
- The rule repeals and replaces the Trump Administration’s Affordable Clean Energy Rule, which had replaced the Obama Administration’s Clean Power Plan.



EPA Administrator Michael Regan

Energy and Environment Updates – Climate and Trade Task Force



Senior Advisor to the President,
John Podesta



U.S. Trade Representative
Katherine Tai

- In [remarks](#) at the Columbia Global Energy Summit on April 16, Senior Advisor to the President for Clean Energy Innovation and Implementation and Special Presidential Envoy for Climate John Podesta announced a new White House Climate and Trade Task Force focused on decarbonizing global trade.
- The Task Force will have three topic areas:
 - Creation of a “climate and trade policy toolkit” focused on identifying approaches to addressing carbon leakage or the outsourcing of production of goods to countries with less strict climate policies
 - Standardization of emissions intensity of products and international promotion of common measurements and
 - Identification of opportunities to advance clean manufacturing domestically
- Podesta did not announce what other officials are participating in the Task Force, but U.S. Trade Representative (USTR) Katherine Tai confirmed in a Senate Finance Committee hearing that she would be a member of the task force.

Energy and Environment Updates – Russian Uranium Import Ban

- On April 30, the Senate passed the Prohibiting Russian Uranium Imports Act ([H.R. 1042](#)) bipartisan legislation originally introduced by Energy and Commerce Chairwoman Cathy McMorris Rodgers (R-WA), which passed the House on the suspension calendar in December 2023.
- The bill prohibits the importation of “[u]nirradiated low-enriched uranium that is produced in the Russian Federation or by a Russian entity” into the U.S. through 2040. The restrictions are waived if there are not alternative viable sources available.
- Senate Committee on Energy and Natural Resources Ranking Member John Barrasso (R-WY) called the bill a “tremendous victory” that “will help defund Russia’s war machine, revive American uranium production, and jumpstart investments in America’s nuclear fuel supply chain.” President Biden is expected to sign the bill.



Energy and Commerce Committee Chairwoman
Cathy McMorris Rodgers (R-WA)

FAA Reauthorization Update



- Intense negotiations continue in the Senate regarding the reauthorization of the Federal Aviation Administration (FAA).
- Many Senators see this reauthorization as one of the last “must pass” bills this Congress.
- As a result, Senators are seeking amendment votes on issues unrelated to aviation, such as compensating victims of radiation exposure, new children’s online privacy measures, and a new cannabis banking bill.
- Under current law, the agency’s authorities expire on May 10. Given the legislative pace in the Senate, another short-term extension is likely necessary prior to any final reauthorization vote.

FAA Reauthorization Update

- The most contentious remaining issue is an attempt to expand the number of long-haul flights permitted at Ronald Reagan Washington National Airport.
- The congressional delegations from Virginia and Maryland oppose expansion, arguing it would make the airport less safe and increase noise for surrounding communities.
- Proponents argue that expanding the number of long-haul flights at the airport will increase competition.



2024 Farm Bill Summaries Released

- On May 1, Senate Agriculture, Nutrition, and Forestry Committee Chairwoman Debbie Stabenow (D-MI) [unveiled](#) summaries of her draft 2024 Farm Bill, the Rural Prosperity and Food Security Act. The Chairwoman notes that this legislation includes more than 100 bipartisan bills and “puts the Farm Bill back on track to being signed into law by the end of the year.”
 - Shortly after the Chairwoman released the committee Democrats’ draft Farm Bill framework, committee Ranking Member John Boozman (R-AR) released a [statement](#) in which he said the release of the majority’s Farm Bill framework is a “welcome development,” and noted he and committee Republicans will release their own framework after the House considers its draft of the Farm Bill later this month.
- On May 1, House Agriculture Committee Chairman GT Thompson (R-PA) [released](#) a title-by-title [overview](#) of the policies that are included in the committee’s 2024 Farm Bill. He also announced the committee will mark up this bill on May 23, in contrast to Chairwoman Stabenow, who has not yet announced a Senate markup date.
 - Shortly after Chairman Thompson released his Farm Bill framework, House Agriculture Committee Ranking Member David Scott (D-GA) published a [press release](#) in which he criticized the Chairman’s Farm Bill, arguing that Republicans rejected a bipartisan approach “in favor of a partisan bill with an untenable funding scheme.” He also asserted that the bill has “poison pill policies.”



Senate Agriculture
Committee Chairwoman
Debbie Stabenow (D-MI)



House Agriculture
Committee Chairman GT
Thompson (R-PA)

Health Care Funding – Health Updates



HHS Secretary Becerra testifying before Congress

- Following the conclusion of the FY24 appropriations process in March, the FY25 process has continued with more hearings on President Biden’s [FY25 Budget Request](#).
- On April 15, the Senate Appropriations Subcommittee held a [hearing](#) to examine the FY25 proposed budget for the Department of Health and Human Services (HHS), featuring HHS Secretary Xavier Becerra.
 - Secretary Becerra highlighted the agency’s recent work on lowering health care costs and discussed priorities for the year ahead, including expanding behavioral health and strengthening maternal health outcomes.
- On April 17, the House Energy & Commerce Health Subcommittee held a [hearing](#) on the FY25 Budget Request for HHS, also featuring HHS Secretary Xavier Becerra.
 - Lawmakers discussed private equity’s role in health care to pharmaceutical pricing to the No Surprises Act to behavioral health care and more topics impacting the HHS budget.

Congressional Oversight Developments — Health Updates

- On March 27, Senate Health, Education, Labor, and Pensions (HELP) Chairman Bernie Sanders (I-VT) [released](#) a statement for drug manufacturer Novo Nordisk.
 - He urged Novo Nordisk to lower the list price of Ozempic, a diabetes and weight-loss drug, following the release of a new study which found that the drug could be profitably produced for less than \$5 a month.
- On April 17, Sens. Jeanne Shaheen (D-NH), Raphael Warnock (D-GA), and Elizabeth Warren (D-MA) [sent a letter](#) to the leadership of pharmaceutical company Novo Nordisk requesting information on the company’s decision to discontinue production of a long-acting insulin product.
- On April 24, Senate Health, Education, Labor, and Pensions Committee Chair Bernie Sanders (I-VT) [launched an investigation](#) into the pricing of Novo Nordisk’s Ozempic and Wegovy, GLP-1 drugs.
- On April 17, Sen. Bill Cassidy (R-LA), Ranking Member of the Senate Health, Education, Labor, and Pensions (HELP) Committee, [sent a letter](#) to Food and Drug Administration (FDA) Commissioner Robert Califf criticizing the agency’s decision to expand its oversight over clinical decision support (CDS) software.



Senators Jeanne Shaheen (D-NH) and Elizabeth Warren (D-MA)

BIOSECURE Act — Health Updates



Rep. John Moolenaar (R-MI), the new Chair of the House Select Committee on the Chinese Communist Party

- On April 18, Reps. Anna Eshoo (D-CA), Chair of the House Energy & Commerce Subcommittee on Health, Mike Gallagher (R-WI), and Raja Krishnamoorthi (D-IL), Chairman and Ranking Member of the House Select Committee on the Chinese Communist Party, [sent a letter](#) to the President of the Association of American Medical Colleges (AAMC) urging the association “to encourage its members to institute additional security procedures to safeguard patient data without delay and to monitor the progress of BIOSECURE Act.”
- House Select Committee on the Chinese Communist Party Chair Mike Gallagher (R-WI) [resigned](#) from office effective April 19, 2024.
 - Gallagher has been the bill’s most aggressive champion on the Hill. Despite his departure, the bill still includes prominent supporters from both parties in both the House and Senate, including Gallagher’s replacement to lead the China Select Committee, Rep. John Moolenaar (R-MI), who cosponsored the bill on April 5.
- **Next Steps:** Reps. Brad Wenstrup (R-OH) and Rep. Raja Krishnamoorthi (D-IL) plan to re-introduce the BIOSECURE Act next week. On May 15, the House Oversight and Accountability Committee are tentatively planning a [markup](#) for the bill, and the language could be incorporated in the upcoming FY25 National Defense Authorization Act (NDAA).

Senate Health Care Updates — Health Updates

- On April 11, the Senate Finance Committee held a [hearing](#) titled, “Bolstering Chronic Care through Medicare Physician Payment.”
 - Next steps: Chair Wyden indicated the hearing marks the beginning of the committee’s efforts to “fundamentally change” how physicians are reimbursed under Medicare. The Medicare Reform Working Group is expected to release a discussion draft on reforming Medicare reimbursement next year.
- On April 16, Sens. Maggie Hassan (D-NH) and Mitt Romney (R-UT), the Chair and Ranking Member of the Emerging Threats and Spending Oversight Subcommittee, [sent a letter](#) to Senate Majority Leader Chuck Schumer (D-NY) and Minority Leader Mitch McConnell (R-KY), urging Senate leadership to reauthorize the Pandemic and All Hazards Preparedness Act (PAHPA) amid increasing cases of avian flu in the U.S.
 - PAHPA, a legislative package that supports public health and disaster preparedness programs, expired on September 30, 2023 and has since been temporarily extended.
- On May 3, Senate Finance Chairman Wyden and Ranking Member Mike Crapo (R-ID) [unveiled](#) draft legislation aimed at preventing and mitigating generic drug shortages through the Medicare and Medicaid programs.



Senate Finance Committee Chairman
Ron Wyden (D-OR)

House Health Care Updates — Health Updates

- On April 10, the House Energy & Commerce (E&C) Health Subcommittee held a [hearing](#) titled, “Legislative Proposals to Support Patient Access to Telehealth Services.”
 - Next Steps: The E&C Health Subcommittee will likely hold a markup soon for the legislative proposals, where they will likely advance to consideration by the full committee. The House W&M Committee has been advancing the legislation through its committee’s consideration as well.
- On April 11, the House Committee on Oversight and Accountability held a [hearing](#) titled, “Oversight of the U.S. Food and Drug Administration (FDA),” where FDA Commissioner Califf testified.
 - Members at the hearing pressed Commissioner Califf on an array of issues with many raising concerns about drug shortages and illegal nicotine products.
- On April 15, the House E&C Subcommittee on Oversight & Investigations held a [hearing](#) titled, “Examining How Improper Payments Cost Taxpayers Billions and Weaken Medicare and Medicaid,” and the E&C Health Subcommittee held a [hearing](#) on cybersecurity in health care.
 - The E&C Committee has led a significant oversight agenda of federal agencies and private entities in the health care space.
 - Following the Change Healthcare Cyberattack, several congressional committees have shifted their attention towards cybersecurity in the health care space, and lawmakers have plans to further investigate and scrutinize this incident. The UnitedHealth CEO has already testified in front of the Senate Finance Committee and House Energy & Commerce Committee on May 1, 2024.

The Biden Administration, Part I – Health Updates



President Biden and Sen. Bernie Sanders (I-VT)



HHS Secretary Xavier Becerra

- On April 2, the Office of the Secretary of the Department of Health and Human Services (HHS) [released](#) a white paper titled, “Policy Considerations to Prevent Drug Shortages and Mitigate Supply Chain Vulnerabilities in the United States.”
 - The white paper describes policy concepts for consideration, including collaboration with the private sector to develop and implement a Manufacturer Resiliency Assessment Program (MRAP) and a Hospital Resilient Supply Program (HRSP).
- On April 3, Senate Health, Education, Labor, and Pensions (HELP) Chairman Bernie Sanders (I-VT) [joined](#) President Biden at the White House to highlight their work on lowering health care costs.
- On April 4, the Department of Health and Human Services (HHS) [finalized](#) the Contract Year (CY) 2025 Medicare Advantage and Part D final rule.
 - The rule is intended to expand access to care for Medicare beneficiaries and create additional guidelines for promoting competition in the market, including reforms to marketing and prior authorization practices.
- On April 15, the Food and Drug Administration (FDA)’s Center for Drug Evaluation and Research (CDER) [announced](#) the launch of the CDER Center for Clinical Trial Innovation (C3TI), a new program intended to promote CDER clinical trial innovation activities through enhanced communication and collaboration.

The Biden Administration, Part II – Health Updates

- On April 18, the Department of Health and Human Services [published](#) a rule titled, “340B Drug Pricing Program: Administrative Dispute Resolution Regulation.”
 - The final rule will apply to all drug manufacturers and covered entities that participate in the 340B Program and sets forth the requirements and procedures for the 340B Program’s administrative dispute resolution (ADR) process.
- On April 26, the Office for Civil Rights (OCR) and the Centers for Medicare & Medicaid Services (CMS) [issued](#) a final rule under Section 1557 of the Affordable Care Act (ACA) reinstating protections against discrimination in health care.
 - These nondiscrimination regulations had been removed by the Trump Administration in 2020.
- On April 29, the FDA [issued](#) their final rule on the FDA’s regulation of laboratory developed tests (LDTs), which are in vitro diagnostic products for clinical use.
 - [House E&C Chair Cathy McMorris Rodgers](#) (R-WA) and [Senate HELP Ranking Member Bill Cassidy](#) (R-LA) both issued statements that were critical of the FDA’s new rule.
- On May 3, CMS [released draft guidance](#) for public comment on the second cycle of negotiations under the Medicare Drug Price Negotiation Program.
 - This new [draft guidance describes](#) the requirements and parameters for the second cycle of negotiations, which build on policies from the revised guidance for the first cycle of negotiation.
 - The second cycle of negotiations will include up to 15 additional drugs selected for negotiation; CMS will announce up to 15 additional drugs selected for potential negotiation for 2027 by February 1, 2025.
 - Comments from stakeholders are due to CMS by July 2, 2024.

California Budget

- Race to the finish: Governor Gavin Newsom will release the updated state budget known as the “May revise” to meet the June 15 budget signing deadline.
- April income tax revenues slightly exceeded projections, but overall revenues from income, sales, and corporate taxes are US\$6 billion behind projections.
- The Legislative Analyst's Office (LAO) estimates a cumulative deficit of US\$73 billion for the three-year budget window, significantly higher than Gov. Gavin Newsom's proposed US\$38 billion deficit forecasts.
- The California Department of Finance directed spending freezes, expanding parameters set in December to address the state's estimated deficit of US\$38 billion to US\$73 billion.
- Governor Newsom released his “early action” plan that lawmakers supported that reduces the deficit by US\$17 billion by cutting and delaying spending for the budget.
- The freeze applies to general fund spending exceeding US\$1 million and aims to address the budget problem while preserving options for the May Revision budget proposal.



Notable California Topics

Campaign Finance Changes

- The Senate Elections Committee voted 4-1 to advance Senator Bill Dodd's (D-Napa) SB 1243, a bill that weakens conflict-of-interest rules for local elected officials regarding donors, despite objections from Chair Senator Catherine Blakespear of Encinitas.
- SB 1243, backed by a coalition of developers, unions, and local governments, aims to roll back parts of a 2022 law prohibiting city and county politicians from voting on matters affecting campaign donors.

Data Privacy

- The Delete Act (SB 362), authored by Senator Josh Becker of Menlo Park and signed into law by Governor Newsom, requires the state to launch a privacy website by 2026 that allows Californians to delete their data from data brokers.
- The proposed registry aims to provide consumers with more control over their data and insight into how their data are being used.
- The registry would require data brokers to disclose their practices and provide consumers with the ability to opt out of data collection.



Notable Legislation in Committee

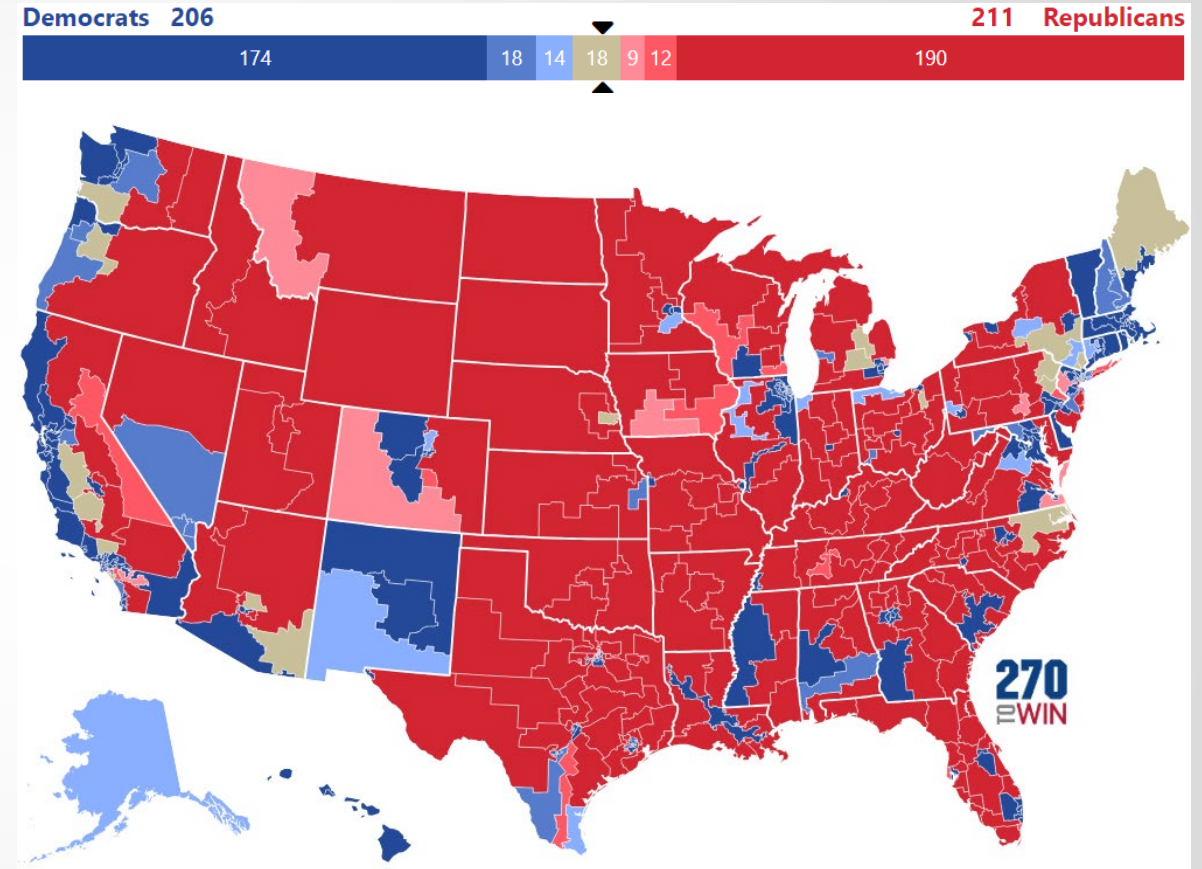
Privacy and Artificial Intelligence

- [AB 1949](#) (Wicks) heavily restricts collection of personal data for users under 18 years of age. The bill is moving along and is currently in the assembly's Appropriations Committee's suspense file.
- [AB 2930](#) (Bauer-Kahan), a bill pertaining to Automated Decisions Tools, would prohibit companies from releasing biased algorithms. The bill has moved to the Appropriations Committee.
- [SB 1047](#) (Wiener) would require companies building the largest and most powerful AI models to test for safety before releasing those models to the public. The legislation has been read for the second time and has been referred to the Senate Appropriations Committee.
- [AB 2013](#) (Irwin) would require a developer to post on the developer's internet website documentation regarding the data used to train the artificial intelligence system or service. This bill has been read for the second time and amended. The bill has been ordered to be returned for a second reading in the Committee on Communications and Conveyance.
- [AB 3204](#) (Bauer-Kahan) would require businesses that use personal information to train artificial intelligence to publicly register with the state, pay a registration fee, and provide specified information. This legislation has been referred to the Committee on Appropriations.

State of Play of the 2024 Elections

House 2024 Outlook

- Republicans currently have a razor thin majority of 217-213.
- For the 2024 elections, 190 seats are currently projected as “Safe R,” while 211 seats are rated as Safe, Likely, or Leans R.
- On the other hand, for 2024, 174 seats are rated as “Safe D,” while 206 seats are rated as Safe, Likely, or Leans D.
- Last year, North Carolina Republicans gerrymandered their congressional map which will net Republicans three, and possibly four, new seats in November 2024.
- Meanwhile, New York Democrats finalized and passed a new congressional map for 2024 in late-February. The map, while slightly favorable to Democrats, could have been more aggressive. The map will net Democrats just one to two new seats, but other seats that could have been made bluer will still be “Toss-Ups” in November.
- Louisiana is currently without a congressional map, as their most recent map was struck down



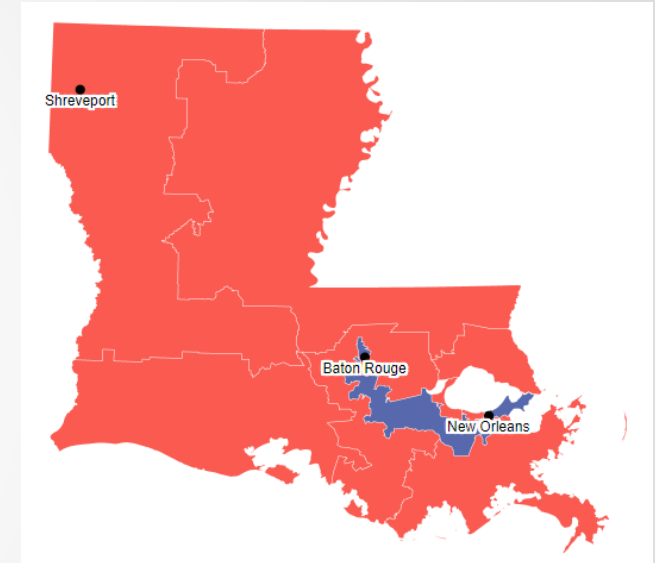
House 2024 Outlook (Toss-Up, Leans, and Likely Seats)

Democrats		
TOSS-UP (9)	LEANS DEMOCRATIC (15)	LIKELY DEMOCRATIC (17)
CA-47 Open (Porter)	Mary Peltola (AK-AL)	AL-2 Open (Moore)
Jared Golden (ME-2)	Yadira Caraveo (CO-8)	Josh Harder (CA-9)
MI-7 Open (Slotkin)	Jahana Hayes (CT-5)	Mike Levin (CA-49)
MI-8 Open (Kildee)	Frank Mrvan (IN-1)	Sharice Davids (KS-3)
Don Davis (NC-1)	Eric Sorensen (IL-17)	MD-6 Open (Trone)
Emilia Sykes (OH-13)	Angie Craig (MN-2)	Hillary Scholten (MI-3)
Matt Cartwright (PA-8)	Gabe Vasquez (NM-2)	NH-2 Open (Kuster)
Susan Wild (PA-7)	Anthony D'Esposito (NY-4)	Chris Pappas (NH-1)
M. Gluesenkamp Perez (WA-3)	Pat Ryan (NY-18)	NJ-3 Open (Kim)
	Brandon Williams (NY-22)	Susie Lee (NV-3)
	Marcy Kaptur (OH-9)	Steven Horsford (NV-4)
	Chris Deluzio (PA-17)	Dina Titus (NV-1)
	Henry Cuellar (TX-28)	Tom Suozzi (NY-3)
	Vicente Gonzalez (TX-34)	Greg Landsman (OH-1)
	VA-7 Open (Spanberger)	Val Hoyle (OR-4)
		Andrea Salinas (OR-6)
		Kim Schrier (WA-8)
SAFE DEMOCRATIC FLIP (1)		
Garret Graves (LA-6)		
Total seats rated Safe Democratic: 174		
Total seats rated Safe, Likely, or Leans D: 206		

Republicans		
TOSS-UP (9)	LEANS REPUBLICAN (9)	LIKELY REPUBLICAN (12)
Juan Ciscomani (AZ-6)	Ken Calvert (CA-41)	Kevin Kiley (CA-3)
David Schweikert (AZ-1)	Michelle Steel (CA-45)	Young Kim (CA-40)
John Duarte (CA-13)	CO-3 Open (Boebert)	CO-5 Open (Lamborn)
Mike Garcia (CA-27)	Zach Nunn (IA-3)	Anna Paulina Luna (FL-13)
David Valadao (CA-22)	John James (MI-10)	María Elvira Salazar (FL-27)
Don Bacon (NE-2)	Ryan Zinke (MT-1)	M. Miller-Meeks (IA-1)
Mike Lawler (NY-17)	Tom Kean Jr. (NJ-7)	Nick LaLota (NY-1)
Marc Molinaro (NY-19)	Scott Perry (PA-10)	Brian Fitzpatrick (PA-1)
L. Chavez-DeRemer (OR-5)	Jen Kiggans (VA-2)	Andy Ogles (TN-5)
		Monica De La Cruz (TX-15)
		Bryan Steil (WI-1)
		Derrick Van Orden (WI-3)
SAFE REPUBLICAN FLIPS (3)		
NC-14 Open (Jackson)		
NC-6 Open (Manning)		
NC-13 Open (Nickel)		
Total seats rated Safe Republican: 190		
Total seats rated Safe, Likely, or Leans R: 211		

Louisiana's New Congressional Map Struck Down in Federal Court

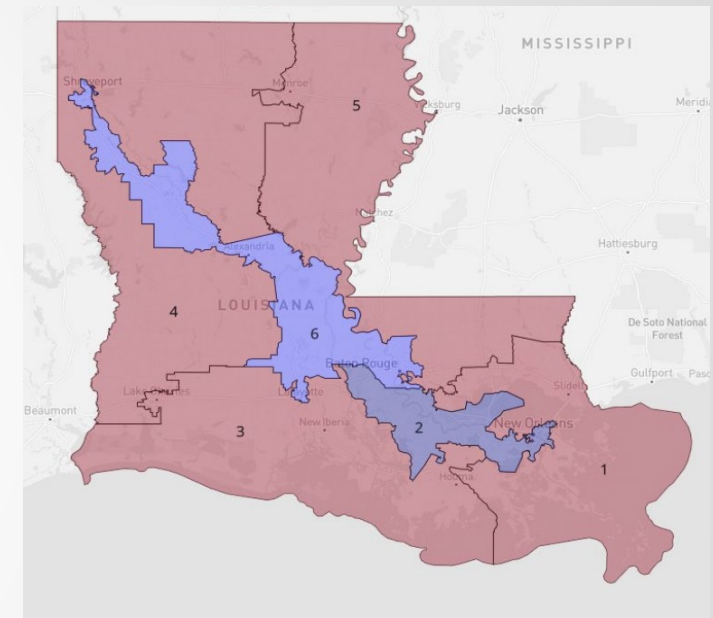
- On January 22, Louisiana Governor Jeff Landry (R) signed a new congressional map for the state into law. The map was to be in effect for the 2024 election.
- The new map had created a second majority-Black district, complying with a previous U.S. federal court order. This new district, the 6th district, was to extend from Baton Rouge up to Shreveport in the northwestern part of the state. The district would have also included Alexandria and parts of Lafayette. This district would have likely flipped to the Democrats in November.
- However, on April 30, in a [2-1 decision](#) for the case known as [Callais v. Landry](#), a three-judge court panel with the U.S. District Court for the Western District of Louisiana ruled that this new congressional map violated the Constitution because it “has violated the Equal Protection Clause of the Fourteenth Amendment by enacting racially gerrymandered districts.”
 - The two judges who wrote the majority opinion were both appointees of former President Donald Trump, while the dissenting judge was an appointee of former President Bill Clinton.



Old Louisiana Map (currently in use for the 118th Congress, but will not be used moving forward)

Louisiana's New Congressional Map Struck Down in Federal Court

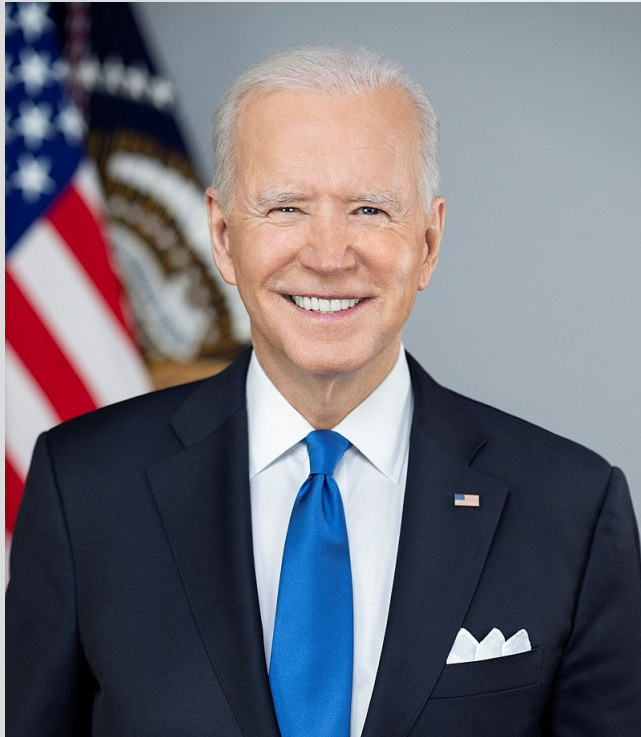
- As part of its ruling, the court ordered all sides in the case to meet on May 6 to discuss what map will be used for this year's congressional elections in Louisiana. This meeting was set to include discussions about creating a court-drawn remedial congressional map.
- Louisiana Secretary of State Nancy Landry, who is the state's top election official, has said the state's congressional map must be finalized by May 15 in order to be used for this year's congressional races.
- Louisiana Attorney General Liz Murrill said in a [statement](#) that the old map that was used in 2022 should be used in the upcoming 2024 elections. The 2022 map was previously struck down by a federal court for violating the Voting Rights Act.
- A coalition of Black voters and the NAACP Legal Defense Fund have filed an [appeal](#) asking the U.S. Supreme Court to review the district court ruling. The authors of the appeal argue the court did not follow proper procedures.
- There is a lot of uncertainty regarding next steps, including whether or not the federal district court will be able to resolve the case before the state's declared May 15 deadline.



New
Louisiana Map
(now struck down)

2024 United States Presidential Election

- Incumbent President Joe Biden (D) and former President Donald Trump (R) have both clinched a majority of their party's convention delegates, making both men the respective presidential nominees of their respective parties.
- The Republican National Convention will take place in Milwaukee, Wis. from July 15-18, 2024.
- The Democratic National Convention will take place in Chicago, Ill. from August 19-22, 2024.
- This will mark the seventh presidential rematch in American history, and the first since 1956.
- If President Biden wins, it would be the third time in which the winner was the same both times.
- If former President Trump wins, it would be the fifth time in which the winner was different in the rematch, and he would become the second president to serve non-consecutive terms, the first being Grover Cleveland.
- Polls currently show a very close contest that is nearly even and within the margin of error.



Incumbent President Joe Biden (D)



Former President Donald Trump (R)

Factors That Could Impact the 2024 Political Landscape

April 2024 Jobs Report

- On May 3, the U.S. Department of Labor's Bureau of Labor Statistics [announced](#) (1) total nonfarm payroll employment exceeded forecasts increasing by 175,000 in April 2024 and that (2) the unemployment rate slightly rose to 3.9%.
 - Economists had expected an increase of over 240,000 for the month, so the jobs report came in below expectations.
 - The February 2024 number was revised down by -34,000, from +270,000 to +236,000, while the March 2024 number was revised up by +12,000, from +303,000 to +315,000.
 - The unemployment rate still remains below 4%, marking the 27th such consecutive month. However, while economists projected the unemployment rate would stay the same at 3.8%, the unemployment rate slightly inched up to 3.9%
- Health care was the leading industry, with a net gain of 56,000 new jobs. Other leading industries included social assistance, with 31,000; transportation and warehousing, with 22,000; retail, with 20,000; construction, with 9,000; and government, with 8,000.
- The employment report for May 2024 will be [released](#) on June 7, 2024.



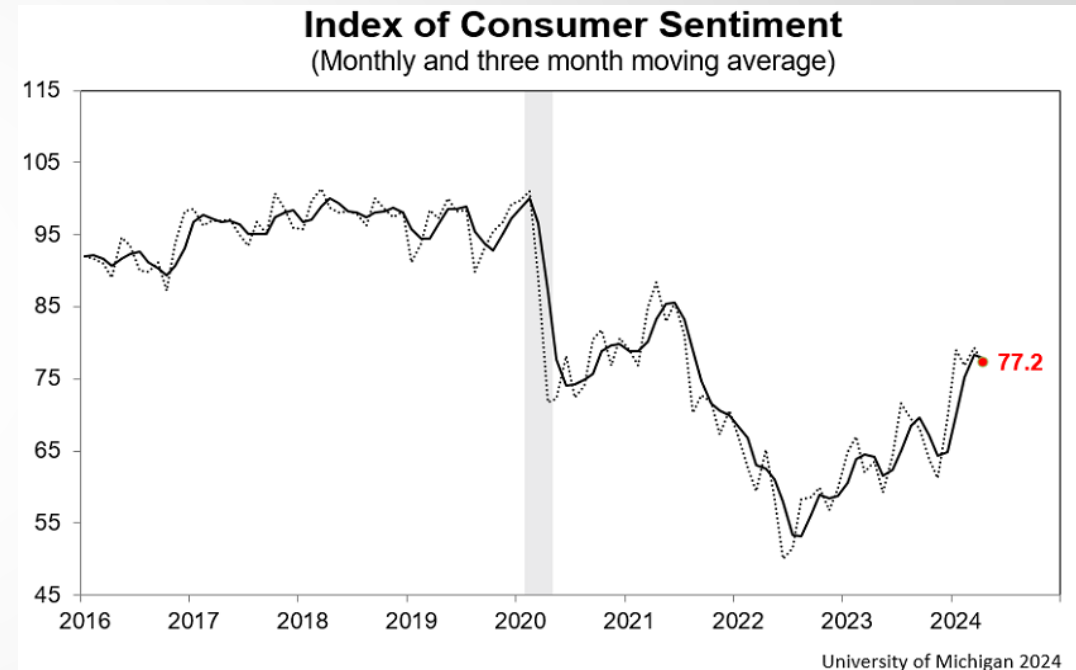
March 2024 Inflation Report

- On April 10, the U.S. Bureau of Labor Statistics [announced](#) the Consumer Price Index (CPI) increased by 0.4% in March 2024 on a seasonally adjusted basis.
 - This monthly increase was slightly higher than economists' expectations, which projected a 0.3% increase.
 - This CPI figure was the same as the February 2024 reading (0.4%).
- The Bureau of Labor Statistics also reported that the CPI increased by 3.5% from March 2023.
 - Economists had expected a 3.4% annual gain for March. Thus, the annual rate was slightly higher than economists' forecast.
 - This CPI annual gain was higher than February's 3.2%.
- “Core CPI,” which excludes food and energy prices, rose by 0.4% in March 2024 and 3.8% on an annual basis from March 2023.
 - Both of these figures were one-tenth of a percentage point higher than economists' projections.
 - Shelter and housing costs increased by 0.4% for the month and by 5.7% on an annual basis.
- While the annual inflation rate (3.5%) is lower than its peak in summer 2022 (9%), it is slowly inching up again, and the Federal Reserve aims for a 2% annual inflation rate over the long term.
- The CPI report for April 2024 will be [released](#) on May 15, 2024.



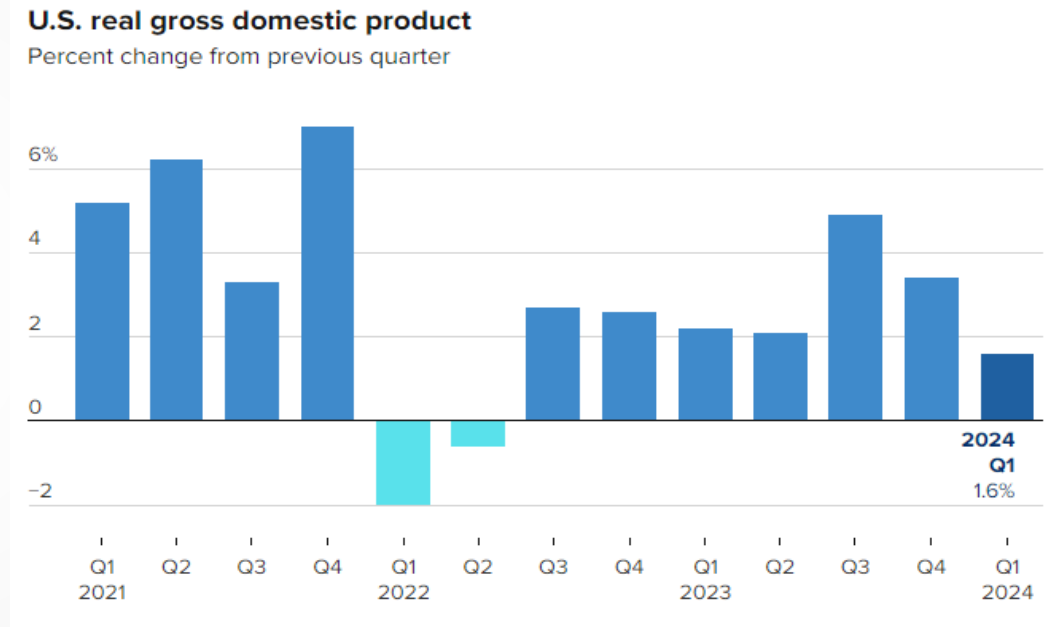
Consumer Sentiment Report

- Consumer sentiment for April stands at 77.2, which is a 2.8% decrease from March (79.4).
 - However, this an annual increase of 21.2% from April 2023 (63.7).
 - Consumer sentiment has generally been much stronger over the last few months compared to most other monthly readings from the past couple of years, which were mostly in the 60s and even high 50s.
 - The December 2023 reading was 69.7; the January 2024 reading was 79.0; the February reading was 76.9; the March reading was 79.4; and April's reading is 77.2. This follows a November reading of just 61.3.
- The Index of Consumer Sentiment varies by political party
 - 101.1 among Democrats
 - 72.5 among Independents
 - 60.7 among Republicans
- Year-ahead inflation expectations slightly increased from 2.9% in March to 3.2% in April. This is still, however, a notable decrease from 4.5% in November 2023.
 - Long-run inflation expectations also slightly rose, from 2.8% in March to 3.0% in April. In 2018 and 2019, the long-run expectations were in the 2.2-2.6% range.



Q1 2024 GDP “Advance Estimate” Report

- On April 25, the U.S. Department of Commerce’s Bureau of Economic Analysis (BEA) [announced](#) that U.S. real gross domestic product (GDP) increased at an annualized rate of 1.6% in the first quarter of 2024.
 - Economists had expected an increase of 2.4% in Q4, so the Q1 2024 GDP report fell short of estimates.
 - In Q4 2024, real GDP increased by 3.4%.
- Consumer spending increased 2.5% during the quarter, which was down from a 3.3% rise in Q4 2023, and was below the 3% projection from economists.
- The personal consumption expenditures price index, which is a key inflation variable for the Federal Reserve, increased at a 3.4% annualized pace for Q1 2024. This was the biggest gain in a year, and is higher than the 1.8% figure from Q4 2023.
- The personal savings rate slowed in Q1 2024 to 3.6%, down from 4% in Q4 2023.
- Of note, residential investment increased by 13.9% in Q1 2024, the largest increase since Q4 2020.



Thank you

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