

Federalism 101



US federalism establishes three levels of government with executive, legislative, and judicial branches

Level of government Executive		Legislative body	Judicial body	
Federal government (United States)	President	Congress: House of Representatives Senate	Supreme Court and federal courts	
State government (50 states)	Governor	State Legislature: State representatives State senators	State Supreme Court	
Local government (counties and municipalities)	Mayor	City Council	State-appointed judges	



Slide last updated on: March 26, 2019

116th Congress Demographics

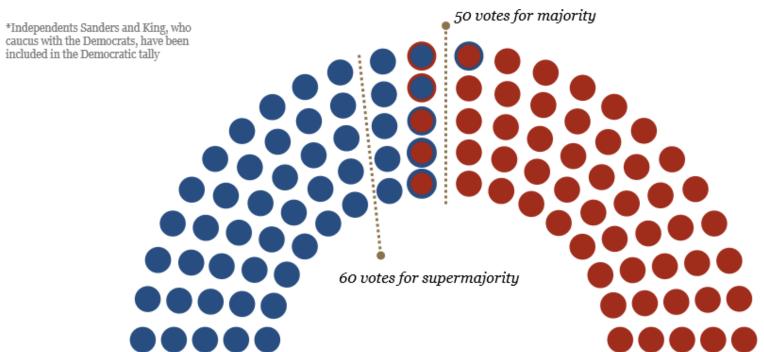


116th Congress: Senate

Partisan makeup of the Senate compared to the previous Congress

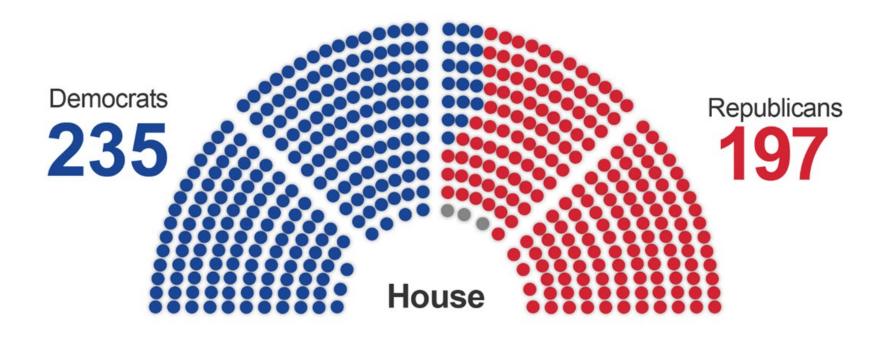
Seats flipped R to D (Total: 2)Seats flipped D to R (Total: 4)

	115 th	116 th
Republican	51	53
Democrat	49	47
Not yet called	0	0





116th Congress: House



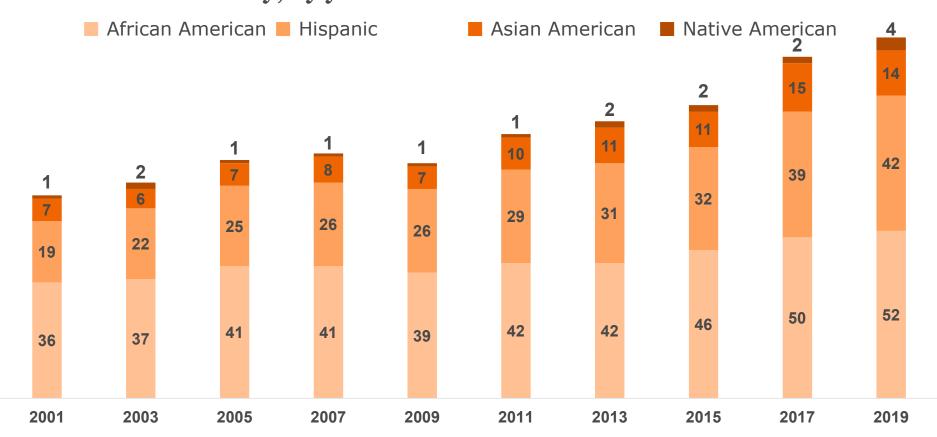
Note: The three vacancies are in NC-3, due to the death of Rep. Walter Jones (R); NC-9, as no winner has been declared in the 2018 election; and PA-12, due to the resignation of Rep. Tom Marino (R).

Bloomberg Government



The House and Senate have become more racially and ethnically diverse

Number of voting members of Congress that identify as a racial or ethnic minority, by year

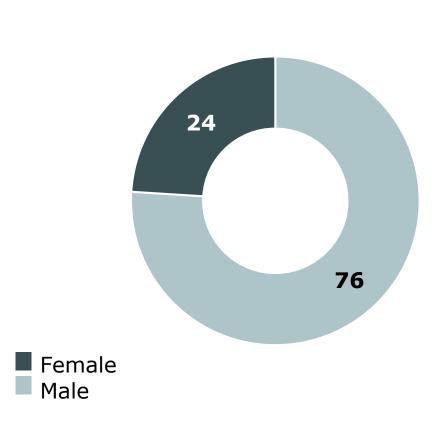


Sources: Kristen Bialik and Jens Manuel Krogstad, "115th Congress sets new high for racial, ethnic diversity," Pew Research Center, Jan. 24, 2017; Grace Panetta and Samantha Lee, "This one graphic shows how much more diverse the House of Representatives will become in January," Business Insider, December 4, 2018.



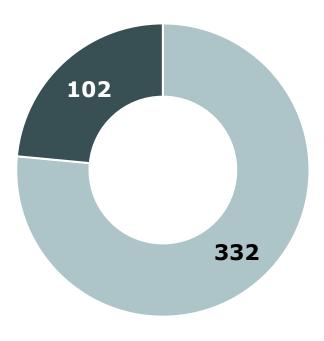
116th Congress (2019-2020) by gender

More women were elected this year than in any other congressional session



Senate



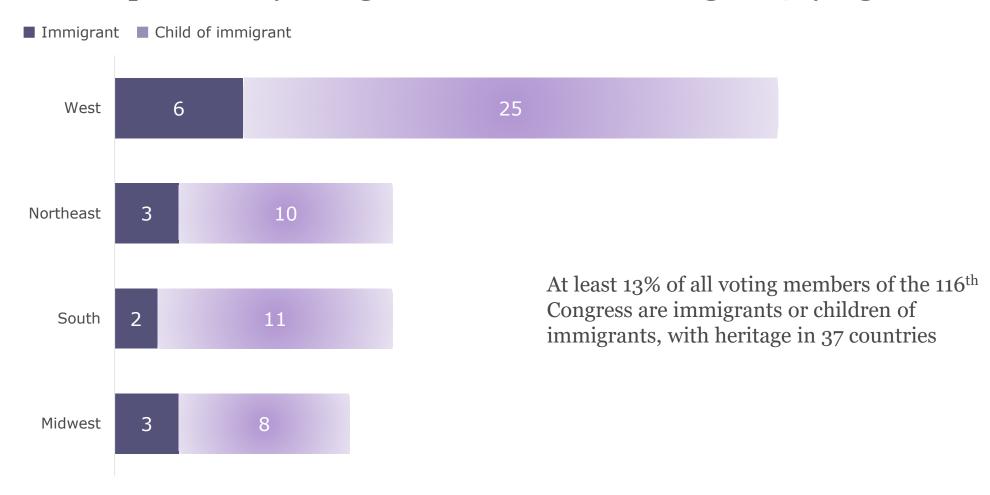




^{*1} House race remains uncalled Sources: "The Women Candidate Tracker," *Politico*. November 12, 2018.

24 states represented by immigrants and children of immigrants

States represented by immigrants and children of immigrants, by region



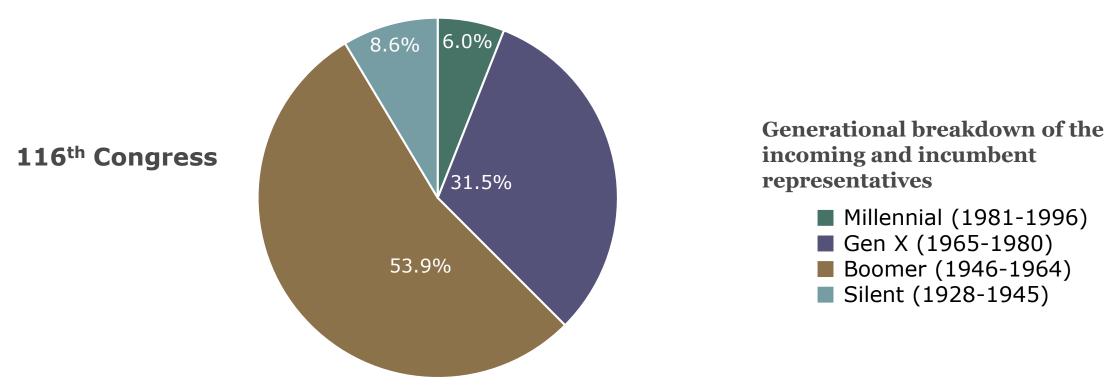
Sources: Abigail Geiger, "In 116th Congress, at least 13% of lawmakers are immigrants or the children of immigrants," Pew Research Center, January 24, 2019.



Younger generations acquired a larger share of the House in the 2018 elections

Analysis

- The ages of the 116th Congress range from 29.2 to 85.6
- The median age of incoming House Republicans is 48.9, younger than that of continuing House Republicans (58.4)
- The median age of incoming House Democrats is 45.8, down from the median age of continuing members (65.3)



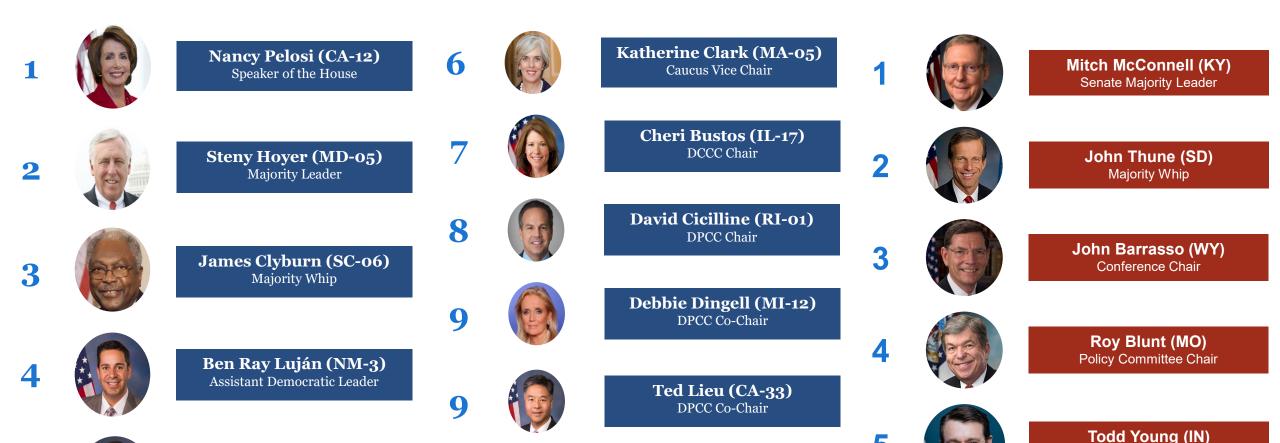
Sources: Drew DeSilver, "Millennials, Gen X increase their ranks in the House, especially among Democrats," Pew Research, November 21, 2018.



Leadership in the 116th Congress



Majority Leadership, 116th Congress



Matt Cartwright (PA-08)

DPCC Co-Chair



NRSC Chair

Hakeem Jeffries (NY-08)

Democratic Caucus Chair

5

Minority Leadership, 116th Congress

Kevin McCarthy (CA-23) Minority Leader Steve Scalise (LA-01) 2 Minority Whip Liz Cheney (WY-AL) 3 **GOP Conference Chair Gary Palmer (AL-06) Policy Committee Chair** Tom Emmer (MN-06) 5 NRCC Chair



Chuck Schumer (NY)
Senate Minority Leader



Dick Durbin (IL)
Minority Whip



Patty Murray (WA)
Assistant Democratic Leader



Debbie Stabenow (MI)
Policy Committee Chair



5

Catherine Cortez Masto (NV)

DSCC Chair



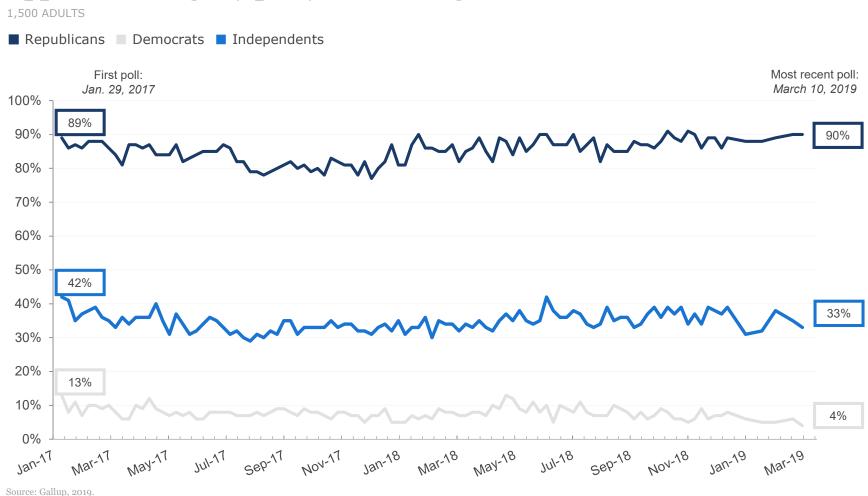
2020 Election Preview





President's approval rating among independents has increased since January, remains very high among Republicans

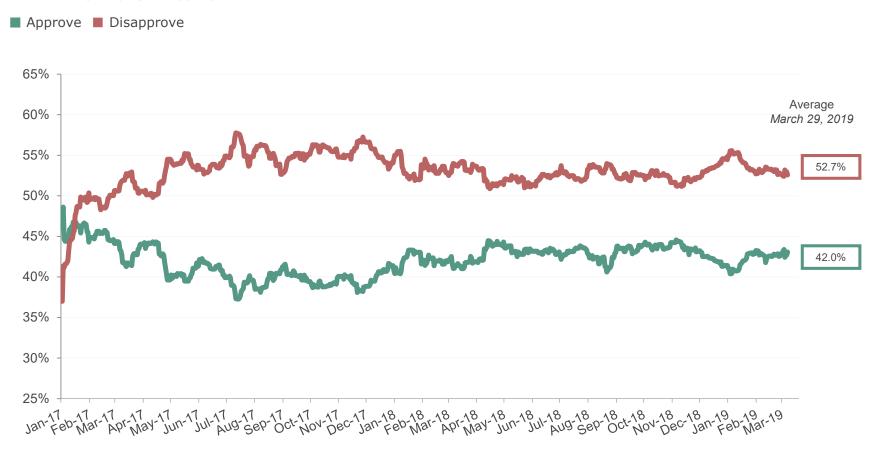
Approval ratings by party since inauguration



President's overall approval rating has hovered in the low-40% range, with over 50% consistently disapproving

Approval ratings by party since inauguration

FIVETHIRTYEIGHT POLLSTER AGGREGATE



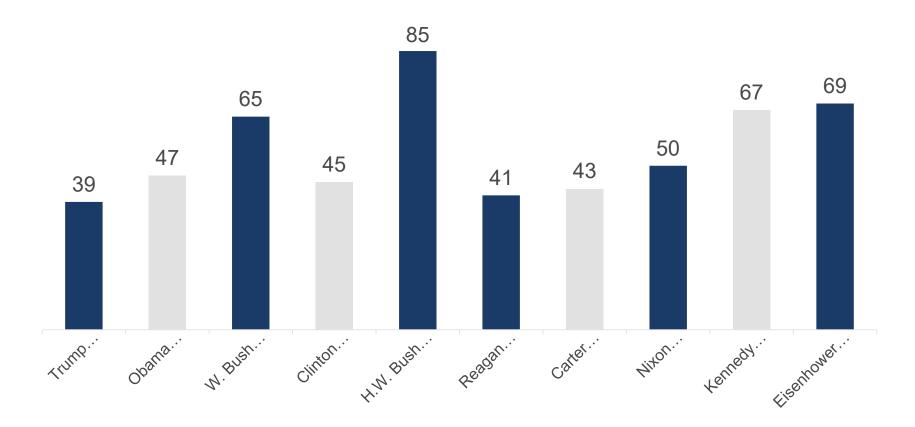




President's approval numbers are below those of recent presidents at this point in their presidencies

Gallup comparative presidential approval ratings

IN MARCH OF EACH PRESIDENT'S THIRD YEAR



Source: Gallup, 2019.

President's approval rating in key 2020 swing states hovers around 44% approval

State	Cook Electoral College rating	Morning Consult Trump approval/ disapproval (Feb. '19)	Gallup Trump approval/ disapproval (2018 aggregate)	Electoral College votes
Minnesota	Lean Democratic	39%/57%	39%/57%	10
Florida	Toss Up	47%/49%	43%/51%	29
Pennsylvania	Toss Up	45%/52%	42%/54%	20
Michigan	Toss Up	40%/55%	42%/54%	16
Arizona	Toss Up	45%/51%	43%/52%	11
Wisconsin	Toss Up	41%/55%	42%/53%	10
Georgia	Lean Republican	47%/48%	44%/52%	16
North Carolina	Lean Republican	48%/48%	45%/50%	15



Democratic candidates who have declared a run for president or announced an exploratory committee

Candidate	Party	Date of declaration	Current occupation
Andrew Yang	D	11/6/17	Entrepreneur
John Delaney	D	7/28/17	Former member of Congress (D-MD-6)
Elizabeth Warren	D	12/31/18	U.S. Senator (D-MA)
Tulsi Gabbard	D	1/11/19	Member of Congress (D-HI-2)
Julián Castro	D	1/12/19	Former HUD Secretary
Kirsten Gillibrand	D	1/15/19	U.S. Senator (D-NY)
Kamala Harris	D	1/21/19	U.S. Senator (D-CA)
Pete Buttigieg*	D	1/23/19	Mayor of South Bend, IN
Marianne Williamson	D	1/28/19	Activist, author and entrepreneur
Cory Booker	D	2/1/19	U.S. Senator (D-NJ)
Amy Klobuchar	D	2/10/19	U.S. Senator (D-MN)
Bernie Sanders	D	2/19/19	U.S. Senator (I-VT)
Jay Inslee	D	3/1/19	Governor of Washington
John Hickenlooper	D	3/4/19	Former governor of Colorado
Beto O'Rourke	D	3/14/19	Former member of Congress (D-TX-16)



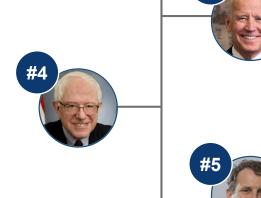
The Hotline's power ranking of 2020 Democratic presidential contenders Top 5

Sen. Elizabeth Warren (D-MA)

- Has recruited a high-quality campaign staff, including a communications director who is a former top Harry Reid aide; this could help in the Nevada caucuses
- Has a potential edge in New Hampshire as a Mass, senator

Sen. Bernie Sanders (I-VT)

- Has strong name recognition from his 2016 presidential campaign
- His 2016 campaign faces a controversy surrounding sexual harassment allegations among its campaign workers



Sen. Kamala Harris (D-CA)

- Campaign kickoff attracted 20,000 supporters, and her nationally televised CNN town hall set a viewership record
- Holds both pragmatist and progressive ideologies

Former Vice President Joe Biden

- Strong name recognition from a lifetime in politics would give him an early advantage
- Passed on a run in 2016 and is currently considering a run for 2020
- May appeal to non-liberal Democratic voters

Sen. Sherrod Brown (D-OH)

- Holds protectionist views on trade and reliably liberal views on every other issue
- Opposes "Medicare-for all," instead favoring a more gradual approach to reform
- Represents a state won by Trump by 8 points and could have rare crossover appeal

Updated February 6, 2019



Oversight



Key takeaways on Attorney General Barr's letter to Congress



Russia did interfere in the 2016 presidential election

- Mueller's report details two entities that were primarily responsible for the interference in the 2016 elections: the Internet Research Agency (IRA) and Russian government actors
- The report confirms the findings of the US intelligence community that the Russian government hacked into computers in order to release damaging information that would sway the results of the election
- 2

But, the Trump Campaign did not conspire or coordinate with Russia

- Barr directly quotes the Mueller report in his statement that there is no evidence of collusion with Russia: "The investigation did not establish that members of the Trump Campaign conspired or coordinated with the Russian government in its election interference activities."
- 3

Mueller declined to draw a conclusion on whether or not Trump obstructed justice

- Mueller leaves the question of obstruction of justice ambiguous, and lays out both sides of the "difficult issues" concerning Trump's intent and actions
- "While this report does not conclude that the President committed a crime, it also does not exonerate him"
- 4

Barr concluded that Trump did not obstruct justice

- Attorney General Barr and Deputy Attorney General Rod Rosenstein reviewed Mueller's final report and concluded that "the evidence developed during the Special Counsel's investigation is not sufficient to establish that the President committed an obstruction-of-justice offense"
- 5

More details from the report will be released in the future

• Barr acknowledges the public's interest in the report's findings, and states that his intent is to "release as much of the Special Counsel's report as I can consistent with applicable law, regulations, and Departmental policies"



Potential investigations in a Democrat-controlled House



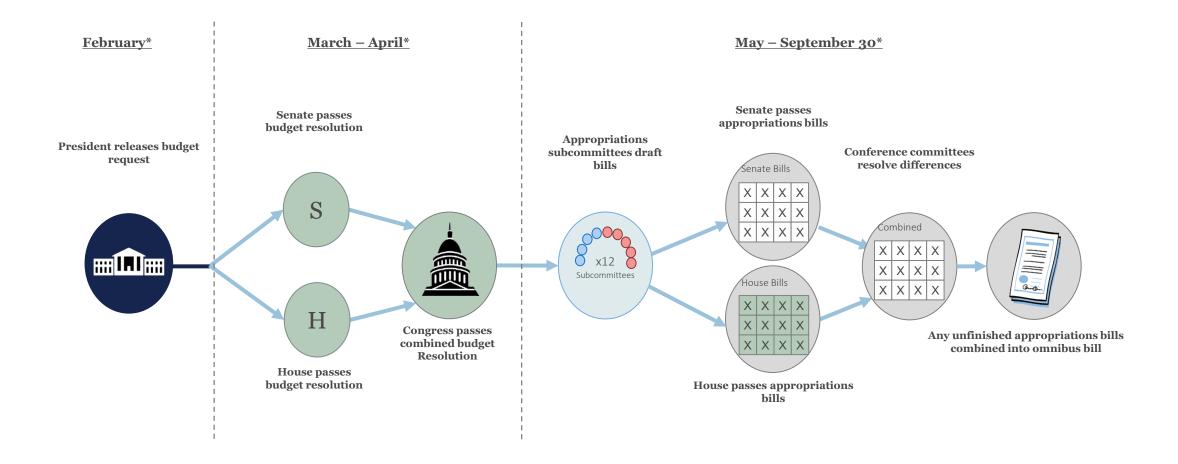
Sources: Paul Blumental. "Here are the 52 investigations that Democrats plan if they win the midterms." *Huffington Post*. August 24, 2018; Jonathan Swan. "Scoop: Republicans secretly study their coming hell." *Axios*. August 26, 2018.



FY2020 Budget



Congressional budget process flowchart



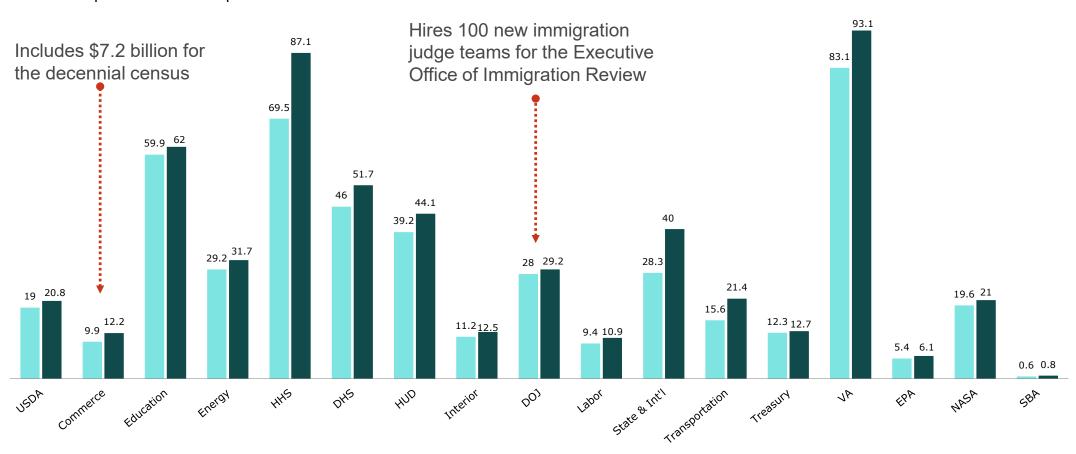


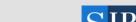
^{*}Denotes the pace of the process under "regular order" Sources: Congress.gov

President's FY2020 budget request is bigger for all agencies than his FY2019 request



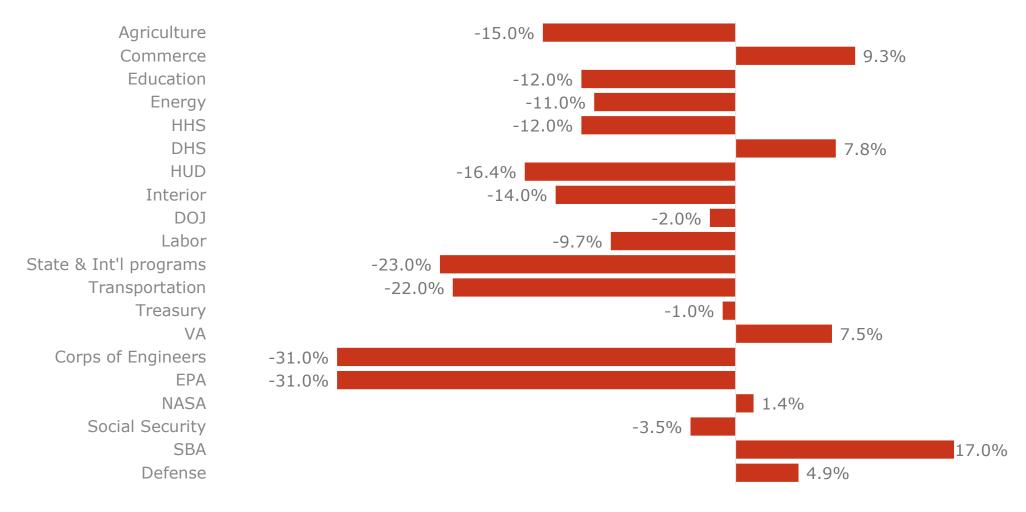






President's FY 20 Budget calls for cuts to every agency except Commerce, Homeland Security, the VA, SBA & Defense

PERCENT CHANGE FROM FY19 ESTIMATED OR ENACTED FUNDING

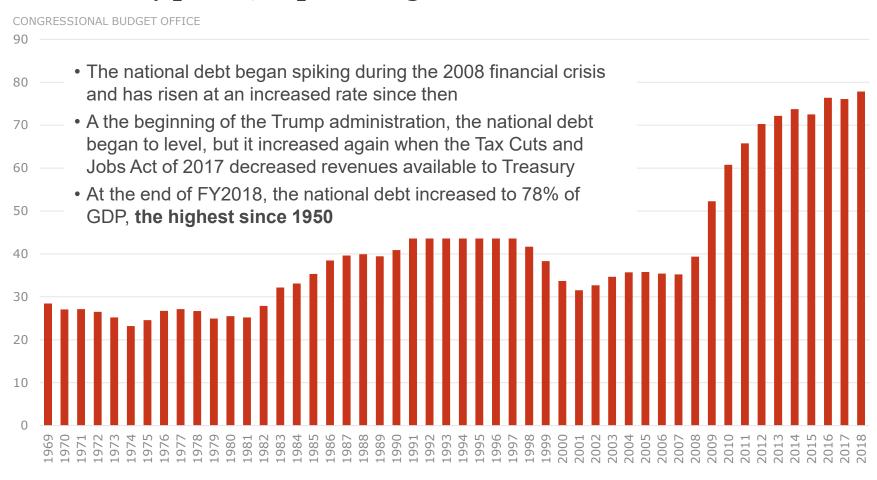


Sources: "A Budget for a Better America," White House. 2019.



At the end of February 2019, the US national debt amounted to over \$22 trillion

Debt held by public, as percentage of GDP

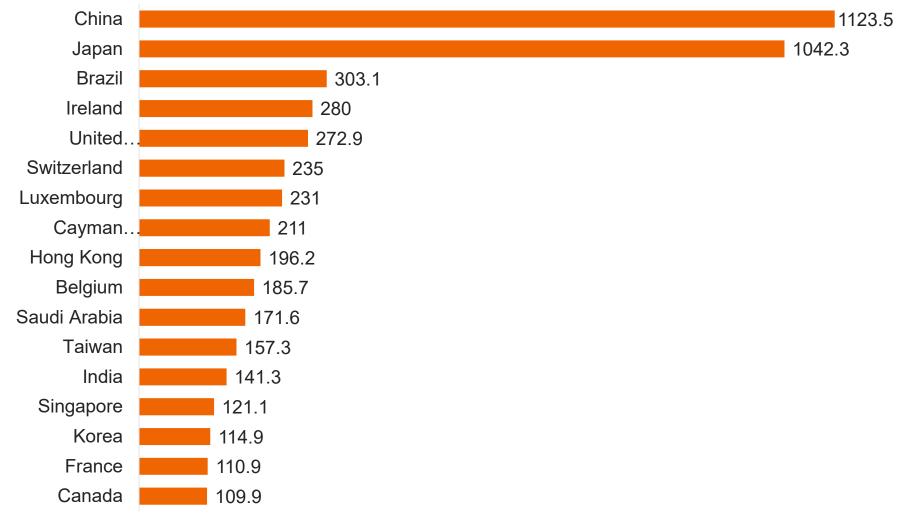


Sources: Congressional Budget Office, "Options for Reducing the Deficit: 2019 to 2028," December 2018; Congressional Budget Office, "Federal Debt and Statutory Limit, February 2019," February 2019; Congressional Budget Office, "Historical Budget Data, January 2019; Treasury direct, "Debt Subject to Limit," last updated February 27, 2019; Lydia DePillis, "US national debt rises \$2 trillion under Trump," CNN Business, January, 2019.



China and Japan are the leading foreign holders of US debt





Sources: Treasury.gov, "Major foreign holders of Treasury securities," February 15, 2019.

2020 Census



The decennial census determines congressional seats and the distribution of billions of dollars in federal funds

An overview of the purpose of the U.S. census

Allocate congressional seats

- The US Constitution mandates a decennial census to apportion seats in the House and Electoral College based on state populations
- The census is used to determine legislative districts and school districts

Determine community services

- The census provides information on elderly and lowincome populations
- The information is used to make decisions about providing services for the elderly, building new roads and schools, and establishing job training centers

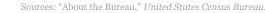


- The federal government distributes around \$700 billion annually to local, state and tribal governments, much of which is informed by census data
- The census also determines how states allocate money for education, public health, transportation, and other projects

Provide Age Search information

- Age Search is a searchable database of federal censuses by the Census Bureau
- Individuals can use result transcripts to qualify for Social Security, obtain passport applications, and prove relationships when settling estates, where birth certificates are not available

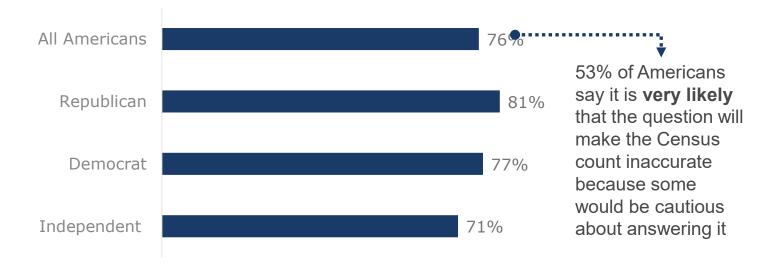




The Citizenship Question

- Results of the census are used redraw political boundaries and to allocate federal grants and subsidies
- The Commerce Department announced in March 2018 that the 2020 Census would include a question about whether the respondent has citizenship
- The Department of Justice requested in December 2017 to include the question on citizenship, claiming that the added question could provide data that would help identify potential violations of the Voting Rights Act, which protects minority population voting rights

76% of all Americans believe that the inclusion of a citizenship question in the 2020 Census will make the count inaccurate



Sources: Kriston Capps, "The Census Will Add a Citizenship Question. What Happens Next?" CityLab. March 27, 2018; Kriston Capps, "Mapping the Threat of a Census Disaster in 2020," CityLab. March 30, 2018.



Federal Judiciary





Overview of the Article III Courts

US District Courts

Organization:

- The nation is split into 94 federal judicial districts
- The District of Columbia and four US territories have a district court

Court cases:

 District courts hear disputes in trial and have a jury and district judge who hear the cases

US Court of Appeals

Organization:

- Federal judicial districts are organized into 12 circuits, which each have a court of appeals. There are 13 US Court of Appeals
- There are three judges and no jury

Court cases:

• Circuit courts hear challenges to district courts within its circuit

Supreme Court

Organization:

- The Supreme Court is the highest court in the US
- There are nine justices on the bench: one chief justice and eight associate justices
- The Court has jurisdiction over all federal and state courts, and is the final interpreter of federal law

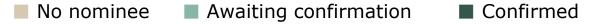
The three courts listed here are Article III courts, meaning that they are federal courts established under Article III of the US Constitution and have lifetime appointments

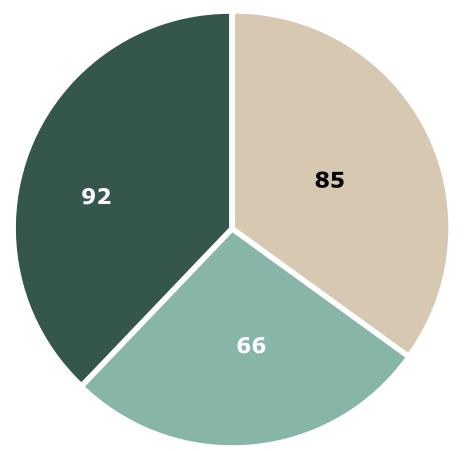


The President inherited 108 vacant judiciary seats to fill at the beginning of his presidency

Status of key positions requiring Senate confirmation

AS OF MARCH 28, 2019





*All of President Trump's nominees were returned at the end of the 115th Congress Sources: United States Courts; Federal Judicial Center

92 federal judges confirmed while **85** seats remain vacant without a nominee

As of March 28, 2019:

194 judiciary positions have opened up during Trump's presidency and either remain vacant or have been filled

Total:

302 potential Trump nominations



Agencies



Department of Labor Overview

MISSION: To foster, promote, and develop the welfare of the wage earners, job seekers, and retirees of the United States; improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights.

Has regulatory authority based on over **180** federal laws, which the DOL has the responsibility to enforce. Some of the main laws that grant regulatory authority to the Department of Labor are:



The Fair Labor Standards Act



The Employee Retirement Income Security Act (ERISA)



The Occupational Safety and Health (OSH) Act



The Migrant and Seasonal
Agricultural Worker Protection
Act





President Donald Trump

"Taxes too high, wages too high. We're not going to be able to compete against the world. ... People have to go out, they have to work really hard and they have to get into that upper stratum.

Views on labor policy:

- The Trump administration has initiated a variety of rule rollbacks, including overtime regulation and several other health and safety regulations
- Both of Trump's appointees to the Supreme Court Neil Gorsuch and Brett Kavanaugh have tended to side with employers over workers
- The White House's top economic advisor, Larry Kudlow, has vocally opposed increasing the federal minimum wage. However, Trump's position on minimum wage is unclear; in the primaries, he supported a minimum wage increase to \$10
- During his 2016 campaign, Trump put forth a policy proposal for six weeks of paid maternity leave for new mothers

SRM

Equal Employment Opportunity Commission (EEOC)



Acting Chair Victoria Lipnic



Commissioner Charlotte Burrows

- EEOC unable to move forward with rulemaking due to staffing. Only 2 of 5 seats currently filled.
- Wellness Rules How wellness plans can be designed under Genetic Information Nondiscrimination Act (GINA) and Americans with Disabilities Act (ADA). Obama era rule challenged in court and sent back to EEOC for revision.
- Regulatory agenda lists aspirational date of June 2019 for a revised rule.

SHRM POLICY AGENDA

2019-2020







GOVERNMENT AFFAIRS 2019 PRIORITIES

Better Workplaces. Better World.



Workplace Flexibility & Leave

- ✓ Scheduling and employer flexibility requirements
- ✓ Overtime
- ✓ Sick leave mandates
- ✓ Social insurance program
- ✓ Employer paid leave requirement
- ✓ Paid leave from Social Security
- √ FMLA improvements
- √ Tax credits



Workplace Immigration

- ✓ Work Visas (H and J)
- ✓ E-Verify
- ✓ Trusted Employer program
- ✓ DACA



Workplace Development

- ✓ Employer educational assistance
- ✓ Untapped talent pools: older workers, individuals with disabilities, formerly incarcerated
- ✓ Apprenticeships and job training



Workplace Equity

- ✓ Harassment
- ✓ Compensation equity



Why Modern Workplace Policy Matters



68%

of employers find it difficult to recruit qualified candidates.

More 1

of Americans still believe their workplace fosters sexual harassment.



42%

of employees have child care responsibilities.

74%

of employers say obtaining visas in a timely, predictable and flexible way is critical to their business goals.





Got a question about workplace policy? We're here to help. GovernmentAffairs@shrm.org

shrm.org/policy

#WeAreWork

Transforming the Workplace in 2019

HR professionals sit at the intersection of work, the worker and the workplace.

The 300,000+ SHRM members, who represent more than 115 million employees, are calling on policymakers to work with us on policy solutions that will create better workplaces and a better world.







Better Workplaces. Better World.

Workforce Development

With more jobs available than qualified applicants to fill them, workforce development policies must be a priority.

SHRM is calling on policymakers to expand initiatives that promote the hiring of the formerly incarcerated and other untapped talent pools, such as individuals with disabilities and veterans, and expand employer-provided educational assistance.





Workplace Equity

From harassment-free workplaces to pay equity, SHRM is leading the way on changing workplace cultures.

Productive workplaces have positive cultures that prevent and address harassment and preserve employers' flexibility to incentivize and reward employees, while compensating workers equitably.

Workplace Flexibility and Leave

SHRM champions modern proposals that incentivize employers to offer paid leave and flexibility.

Paid leave and flexible work options help attract and maintain an engaged, productive workforce, but a fragmented patchwork of state and local leave requirements creates a compliance conundrum. Rigid government mandates stifle employer flexibility and innovation.





Workplace Immigration

Talent, like business, is global.

At this time of low unemployment, employers need access to top global talent to address skills and workforce needs. SHRM advocates for a modern immigration system, including a fully electronic and integrated E-Verify system that accurately authenticates the identity of new hires to combat identity fraud and theft.





Getting Talent Back to Work Pledge

In the immediate wake of the First Step Act becoming law, improving rehabilitation and re-entry opportunities for thousands of incarcerated men and women, leaders in the business community are uniting and Getting Talent Back To Work.

Joining a coalition of diverse businesses that represents a major portion of the American workforce, I pledge to getting talent back to work. I commit to give opportunities to qualified people with a criminal background, deserving of a second chance.

Because of this commitment, I will have access to SHRM's Getting Talent Back to Work Toolkit to refine and enhance our organizational hiring policies. I commit to creating opportunity and successful outcomes for everyone — including employers, all employees, customers, and our communities.





Checkr



A job is the best way to find fulfillment and turn one's life around. Yet, with 1 in 3 adults in the U.S. having a criminal record, many can't secure one.



95% of people in prison today will eventually be released — more than 650,000 people every year.

KEY STATS



U.S. employers continue to experience talent shortages at an alarming rate with more than 7.8 million jobs that must be filled by 2020.



More than 82% of hiring managers indicated workers with a criminal history are at least as effective in their jobs as those without a criminal history.



74% of those same hiring managers went even further, indicating that diminished costs associated with hiring from this population — coupled with effective risk mitigation — provide extreme value for their organizations.







Photographs are not intended to imply that the models pictured have a criminal record.

SHRM Partnership with Jobs for America's Graduates (JAG)

SHRM-JAG partnership to address workforce development and invest in high school students to help them become college and career ready. The pilot goal is to develop engagement opportunities between SHRM members and students to prepare them for the workplace.

Pilot program in...

- 7 states: Alabama, Indiana, Iowa,
 Kentucky, Michigan, Missouri, and
 New Hampshire
- 7 SHRM State Councils / 17 SHRM Chapters participating
- o 32 JAG programs at 29 high schools
- Reaching over 1,200 students



Gov. Chris Sununu with NHSHRM members







- Ensure the voice of HR is heard by policy decision-makers via a "local network"
- Help inform legislators of policy impacts upon employers and employees in her/his district
- Develop credible and influential relationships with elected officials

Almost 11,000 Active A-Team Members



www.advocacy.shrm.org

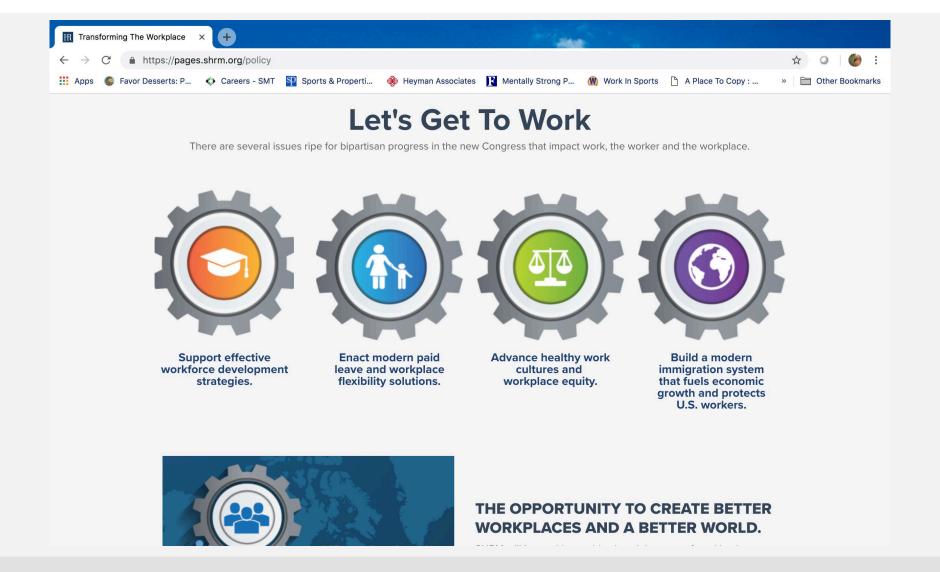


Resources





WWW.SHRM.ORG/POLICY







The proposal would expand section 127 of the Internal Revenue Code (IRC) to include student loan.

repayment. If enacted into law, employers would be able to voluntarily provide student loan repayment as a tax-free benefit up to \$5,250 per year, per employee.

Tweet Congress! Urge Your Lawmakers to Support the Employer Participation Tweets by @SHRM

*Bright light city gonna set my soul



SHRM'S GOVERNMENT AFFAIRS TEAM



Lisa Horn
Vice President,
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@SHRMLobbyistLisa



Nancy Hammer
Vice President, Regulatory
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- Help inform legislators of policy impacts
- Lend your voice to the network of HR professionals advocating for workplace change
- And more!

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