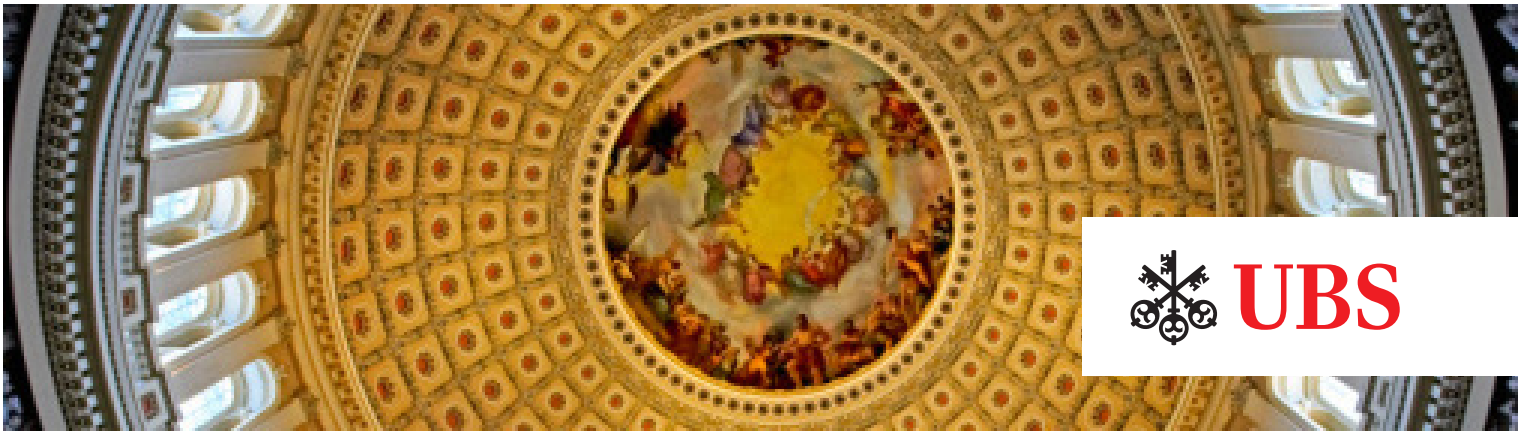
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Under the Dome: The Week in Review

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This Week: The **Senate** approved Trump administration nominees and advanced legislation to reform federal permitting processes for energy and infrastructure projects (see below). The **House** passed legislation regarding retirement pay and benefits for combat-related disabilities, as well as a bill to expand access to veterans' health benefits.

Next Week: The **Senate** will continue to confirm Trump administration nominees and will vote on an energy permitting bill. The **House** will continue orientation for new members, vote on several non-controversial bills, and consider the permitting bill if the Senate passes it.

The Lead

Lame-Duck Lookahead. Congress returned to Washington this week facing a crowded agenda, limited time, and a more challenging political environment following the midterm elections. With Democrats set to take control of both chambers in January, Republicans have just a few weeks to advance their remaining legislative priorities and confirm Trump administration nominees before losing their congressional majorities. However, having just won decisive majorities in both chambers, Democrats have little incentive to make significant concessions before assuming control. Republicans face challenges maintaining party unity and attendance among defeated and retiring members. Government funding presents the most immediate test, with the current stopgap measure set to expire on December 11 and the possibility of another shutdown looming. Beyond funding, Congress faces several legislative deadlines and unfinished priorities, though much of that work could, and is likely to be, pushed into next year. Below is a look at the key issues Congress will face over the remaining weeks of the year.

- **Government Funding.** Government funding will expire on December 11, and lawmakers are divided over a path forward. Republicans are looking to advance several spending bills before losing control of Congress, but Democrats may prefer to extend current funding levels into next year, when they will have greater leverage in negotiations. Disagreements over defense and nondefense spending have continued to complicate negotiations, with proposals for additional defense funding related to the war in Iran emerging as the main sticking point. With limited legislative time remaining and neither party eager to make significant concessions, another short-term funding extension into 2027 is more likely than a comprehensive spending agreement. *However, even a temporary extension could prove difficult to negotiate, raising the possibility of another government shutdown.*

- **NDAA.** Congress faces a familiar year-end deadline to pass the annual National Defense Authorization Act (NDAA), though reaching an agreement this year may prove more difficult than usual. As noted above, disagreements over the Trump administration's handling of the Iran war have complicated negotiations. Meanwhile, the administration has come under renewed scrutiny with Nvidia in the headlines. Provisions related to China may also prove difficult to resolve. Congress has passed the NDAA for 65 consecutive years, but that history does not guarantee

its success this year. *With several issues still unresolved, lawmakers may need to leave some of the more contentious provisions out of the final bill to reach an agreement before year-end.*

- **Hegseth Impeachment.** The House this week blocked an effort (211-204) to impeach Defense Secretary Pete Hegseth. The resolution, introduced by outgoing Rep. Thomas Massie (R-KY), focused on Hegseth's handling of the war in Iran and military operations in Venezuela and Yemen. While the effort failed, it is unlikely to be the last time Hegseth faces questions from Congress. *Other members of the Trump administration, including Secretary of Commerce Howard Lutnick, are also facing scrutiny from both parties. Democrats are expected to pursue further investigations when they take control of Congress in January.*

- **Permitting Reform's Stretch Run.** After years of false starts, Congress is closer than ever to a sweeping permitting overhaul, with a bipartisan Senate agreement already in hand and supporters pushing to move it through the lame-duck session. The final stretch may prove the hardest. President Trump's refusal to embrace wind permitting threatens a key piece of the bargain for Democrats, who had sought assurances that renewable projects would benefit alongside pipelines, transmission lines, and other infrastructure. Meanwhile, Minority Leader, and soon to be Speaker, Hakeem Jeffries (D-NY) has little incentive to accept the Senate's bipartisan agreement after Democrats' midterm gains. He has already demanded greater House Democratic involvement and raised concerns over environmental protections and tribal sovereignty, and a newly empowered caucus will be wary of giving Trump a major legislative victory on his terms. *Washington may finally have the outlines of a permitting deal, but getting from agreement to enactment could still require the hardest compromises yet.*

- **Reconciliation 3.0.** Some conservative House Republicans are pushing for one more reconciliation bill before the new Congress takes power. Their proposal would include additional defense funding, spending cuts, and other Republican priorities, with some Republicans interested in addressing the debt ceiling. However, Republicans remain divided over how to move forward. Republican leadership have expressed doubts about whether they have the votes, and the limited legislative calendar and attendance challenges among departing members further complicate the outlook. *Even before the midterms, Republicans struggled to agree on another reconciliation package, and the election results have only made the prospects for passage dimmer.*

- **Unfinished Business.** Congress faces several other year-end deadlines, all of which will be hard for them to meet with the limited window available. *December 11* marks the expiration of current highway and surface transportation authorizations as well as the National Flood Insurance Program. Similarly, the funding for certain agricultural programs remains a priority for the Senate Agriculture Committee, particularly with Ranking Member Amy Klobuchar (D-MN) leaving to become governor of Minnesota. *December 31* brings additional deadlines for several health care provisions, including Medicare physician payments and community health center funding. The Export-Import Bank also faces an end of the year deadline to renew its authority to approve new financing. Other unfinished priorities include reauthorizing Section 702 of the Foreign Intelligence Surveillance Act (FISA), which expired in June, college sports legislation, and a ban on congressional stock trading. *Congress may address some of the more immediate deadlines by attaching extensions to a must-pass year-end vehicle, but much of the remaining agenda could carry over into the next Congress.*

Leadership Elections. It was only about two decades ago that leadership elections were an inside the beltway affair. In today's 24-hour news cycle and national profiles, members of Congress have new incentives to take a public position on elections. After all of this drama, most of the leadership in both parties will stay intact. The most prominent shift is Speaker Mike Johnson (R-LA) stepping down, which left an opportunity for Rep. Jim Jordan (R-OH) to become the incoming Minority Leader for the next Congress. In the Senate, the main change in leadership is Senate Democratic Whip Dick Durbin (D-IL) retiring and this will lead to Sen. Brian Schatz (D-HI) filling his role. *This change should be enough of a shift to help Democratic Leader Chuck Schumer (D-NY) stay atop and become Majority Leader, when the Democratic Senators have an internal vote, which is expected in early December.*

The GOP's Post-Election Dilemma. Republican takeaways from Election Day are beginning to crystallize around a fairly straightforward diagnosis: voters were frustrated by the cost of living, the war in Iran, and perceptions of corruption and dysfunction in Washington. The harder question for Republicans will be what can they do about it? The party will struggle to convince voters it has heard their concerns about affordability while President Trump remains front and center defending policies Democrats successfully tied to those concerns, including the Iran war and tariffs. That tension is particularly important as Republicans need to begin looking beyond Trump without becoming a target for the president. Post-election polling shows a majority of Americans believe Trump's influence within the GOP has diminished, even as his base remains loyal, leaving potential 2028 contenders to navigate between distancing themselves from an unpopular record and alienating the voters who still make up the party's core. *How Republicans resolve that contradiction, and whether they can build a credible economic message that acknowledges voters' frustrations without repudiating Trump, could go a long way toward determining the party's prospects of keeping the White House in 2028.*

Senate Nomination Rush. With Democrats set to take control of the Senate in January, Republicans are preparing a final push to confirm as many of President Trump's outstanding nominees as possible. Senate Majority Leader John Thune (R-SD) has made judicial confirmations a priority, alongside several executive branch nominees the administration hopes to advance. The Senate still has dozens of nominations awaiting floor action, while nearly two dozen judicial nominees are at various stages of the confirmation process. Republicans plan to advance a larger package of nominees after Thanksgiving, including senior positions at the Treasury and Justice Departments. However, limited floor time, Democratic procedural objections, and a current hold on executive branch nominees by Senator Kevin Cramer (R-ND) over a federal land dispute could slow the effort. *Senate Republicans have only a few weeks to make progress before Senate Democrats take control of the chamber and the confirmation process becomes considerably more challenging for the Trump administration.*

Final Word

The Midterms Shape 2028. Democrats' sweeping 2026 midterm victories did more than hand the party control of Congress; they created a new class of powerbrokers who could determine the 2028 presidential nominee, particularly when considering the DNC's new primary calendar. Expected 2028 contenders already are reaching out to newly elected Democrats in early primary states such as Deb Haaland in New Mexico, Abdul El-Sayed in Michigan, Annie Andrews in South Carolina, and Rep. Chris Pappas in New Hampshire. That influence will extend beyond endorsements; these 2026 winners can offer presidential candidates access to local political networks and, perhaps more importantly, lessons about the issues and coalitions that powered Democrats' midterm success. The dynamic also raises the stakes considerably for prospective candidates, who now must navigate some of these relatively unknown Democratic figures while not alienating those in the more established Democratic orbits. *The 2026 campaign may be over, but in the states that will help winnow the Democratic field, the opening round of 2028 already has begun.*

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