



Shift in Senate Power Changes Key Leadership Positions

By Michael J. Novogradac, CPA

With his May 24 announcement that he would leave the Republican Party to become an Independent, Sen. Jim Jeffords single-handedly shifted the balance of power in Washington. His vote for Sen. Tom Daschle (D-S.D.) as Senate Majority Leader gives Democrats control of the Senate for the first time since 1994. Consequently, Democrats will head Senate committees and subcommittees.

Although the Republican Senate should be lauded for its work in promoting housing legislation—particularly the recent low-income housing tax credit (LIHC) and tax-exempt private activity bond cap increases—the new Democratic leadership is expected to have a positive impact. Several long-time housing advocates will now chair key committees. Sen. Paul Sarbanes (D-Md) replaces Sen. Phil Gramm (R-Texas) as chair of the Banking, Housing and Urban Affairs Committee, and Sen. Barbara Mikulski (D-Md) replaces Sen. Kit Bond (R-Mo.) as chair of the Veterans Affairs, Housing and Urban Development, Independent Agencies Subcommittee. Sens. Sarbanes and Mikulski had previously held these chairs until Democrats lost control of the Senate in 1994. Other important changes in Senate leadership include:

- Sen. Jack Reed (D-R.I.) replaces Sen. Wayne Allard (R-Colo.) as chair of the Housing and Transportation • Subcommittee;
- Sen. Max Baucus (D-Mont.) replaces Sen. Chuck Grassley (R-Iowa) as chair of the Senate Finance Committee;
- Sen. Robert Byrd (D-W.Va.) replaces Sen. Ted Stevens (R-Alaska) as chair of the Appropriations Committee; and
- Sen. Kent Conrad (D-N.D.) replaces Sen. Pete Domenici (R-N.M.) as chair of the Budget Committee. ❖

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