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What Changes When the New Congress Begins

When the 120th Congress convenes in January, Democrats will take control of both the House and Senate, giving the party control over the legislative agenda.

Much of that agenda begins in congressional committees, which hold hearings, conduct markups and advance legislation. Committee chairs play a critical role in setting those agendas and determining which issues receive attention.

In the coming weeks, House and Senate Democrats will select committee chairs through their respective party processes, with seniority playing an important role but not automatically determining who receives a chairmanship.

We expect an increase in oversight of the Trump Administration and federal agencies while focusing on issues including affordability, consumer protection, data centers and the technology sector, clean energy, and trade.

For NAED, the change could bring renewed debate over tax and spending policy, workforce programs, energy and infrastructure investment, trade policy, and consumer protections. It could also mean greater congressional scrutiny of federal regulations and policies affecting businesses and the electrical supply chain.

NAED will continue monitoring committee leadership and emerging priorities as the new Congress organizes, with a focus on developments that could affect electrical distributors and their customers.

Deeper Dive - Housing Affordability

Coming off the heels of the 2026 midterm elections, affordability has been a major talking point for legislators. Housing affordability is a main component of these discussions, and lawmakers across the country are working to tackle this issue. Below is a summary of the state and federal efforts taking shape.

At least 12 states are expected to advance housing affordability and supply legislation for the 2027 legislative sessions. The common focus is on increasing the supply of housing and reducing barriers to new residential construction, rather than relying solely on direct housing subsidies.

The proposals generally seek to loosen local zoning restrictions, permit greater housing density, expand accessory dwelling units and smaller “starter homes,” accelerate permitting and development approvals, reduce parking and minimum-lot requirements, and lower regulatory or infrastructure costs associated with construction. Several states are also considering tax incentives or other financial tools intended to encourage construction of middle-income and entry-level housing.

At the federal level, lawmakers introduced a number of housing affordability and supply proposals from the 119th Congress. Congress passed and the President signed the 21st Century ROAD to Housing Act in July, with large bipartisan majorities. It contains permitting-reform incentives, manufactured-housing provisions, housing repair programs, FHA changes, and other supply-related measures. While this was a bipartisan win, we expect lawmakers to pursue additional legislative efforts in the 120th Congress.

These include proposals to address affordability by increasing housing supply or reducing the cost of developing and purchasing homes. The approaches include expanding tax incentives for affordable housing construction, encouraging local zoning and land-use reforms, streamlining permitting and environmental reviews, converting underused commercial properties into housing, making federal land available for residential development, and increasing the inventory of existing homes available for sale.

While residential construction represents a smaller share of many NAED distributors’ revenue, housing development also helps drive demand for midmarket commercial construction and related electrical infrastructure. For that reason, NAED will place housing at the center of our broader affordability agenda in the 120th Congress.