

## Preparing For Congressional Investigations In A Midterm Year

By **Amanda Robinson** and **Justin Weitz** (January 5, 2026, 4:48 PM EST)

The ball has dropped. The calendars have been flipped to 2026. And while much of the country is preoccupied with resolutions, gym memberships and personal improvement, the arrival of 2026 means something very different inside the Beltway: The midterms are officially underway.

Republicans entered 2025 with complete control of Washington: a governing trifecta and, at least at the outset, a clear sense of political mandate. But a year is an eternity in politics, and there is still much time for change before the November midterm elections.

Against this backdrop, 2026 is shaping up to be a consequential year not just for campaigns and candidates, but also for congressional oversight. As such, the current Congress is likely to focus on a few key areas given the current makeup of the U.S. House of Representatives, with a razor-thin Republican majority. Leading up to November, here's what companies should continue keeping top of mind.

### 2026 Outlook

Congressional Republicans are only guaranteed one more year in power. Given the razor-thin majorities Republicans have in both the House and U.S. Senate, legislation will likely continue to face roadblocks. Therefore, we should expect Republicans to lean heavily on their oversight and investigatory powers as we have seen previously in Washington during similar situations.

Republicans may also initiate congressional inquiries earlier in 2026 to be able to issue findings before the end of the year.

We expect House and Senate Republicans to continue inquiries into universities and nonprofits, with a focus on diversity, equity and inclusion; foreign sources of funding; and even issues related to the transformation of college sports.

In light of a national security presidential memorandum on combating domestic terrorism and political violence issued in September 2025, nonprofits face an elevated risk of managing parallel investigations by Congress and executive branch agencies related to sources of funding and the activities of grantees.<sup>[1]</sup>



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This risk will likely remain elevated through 2026 and beyond as Republicans on the Hill have sought expedited action relating to nonprofits by forgoing, at least temporarily, congressional investigations in favor of requesting the immediate attention of the U.S. Department of Justice.

Further, the technology and artificial intelligence industries will remain exposed to congressional concerns, especially regarding children's safety; chatbots; employment decisions; and dynamic or algorithmic pricing, particularly as it intersects with concerns about affordability.

Technology companies are also exposed to inquiries related to immigration, particularly around the utilization of the H1-B program.

Lastly, on Dec. 9, House Minority Leader Hakeem Jeffries, D-N.Y., announced the formation of the House Democratic Commission on AI and the Innovation Economy.<sup>[2]</sup> The commission will seek to advance Democratic policy recommendations, but may also raise oversight concerns throughout 2026.

If Republicans revisit efforts to reform healthcare, and the Affordable Care Act specifically, we could foresee committees of jurisdiction in the House and Senate looking much more closely at alleged fraud, waste and abuse within the healthcare ecosystem, as well as investment and programmatic decisions made by the industry.

Finally, the food and beverage industry may continue to be at an elevated risk of oversight based on previous attention paid to ultra-processed food and food dyes and additives, all under the flag of the executive branch's Make America Healthy Again campaign, as well as various state-level actions undertaken by both parties.

### **Beyond the Midterms: What's at Stake**

Based on Democratic outperformance in the 2025 off-cycle elections, possible Democratic majorities in the House, Senate or both would shift investigative priorities, upturn Congress' relationship with the executive branch, and reshape the legal and strategic environment facing companies, industry groups and individuals that may find themselves in the investigative crosshairs.

With the prospect of a Democratic majority in one or both chambers now more plausible than it appeared just a year ago, the potential implications for congressional investigations deserve early, careful attention. Here is what's at stake in the upcoming midterm elections.

### ***Executive Branch Oversight***

The loss of either the House or the Senate would be problematic for any administration, but the stakes for this White House are significantly elevated.

First, the current administration will have to contend with possible increased oversight of executive branch agency decisions, regulatory rulemakings and personnel decisions.

Democrats would likely be interested in holding hearings on a number of administration policies, including tariffs, Department of Government Efficiency and personnel policies at federal agencies, deployments of federal immigration officers and the National Guard to U.S. cities, Venezuela and counter-narcotics operations in the Caribbean, negotiations with Russia to end the Russo-Ukrainian war, and the future of Federal Reserve independence, among other potential friction points.

Having said that, there is nothing particularly novel about Congress digging into the operations of the executive branch when control is split. If Democrats win a majority in the midterms, however, significant investigations into various administration efforts that could ensnare both corporations and individuals alike are probable. Democrats are likely to focus, at least in part, on relationships between private entities and the White House, or workaday questions about the processes for awarding government contracts and grants.

With Democrats more likely to seize control of the House than the Senate, the prospect of a divided Congress looms large. A Democratic House and Republican Senate will independently pursue their own investigative and policy priorities, which means that a change in control of one chamber is unlikely to mean a significant respite for entities that have been targets of both the administration and Republican-led Congress.

Universities and nonprofit organizations, for example, may not be able to completely shift away from cumbersome investigations, but they may be able to devote more effort to challenging the administration and allies while slowing additional inquiries.

### ***Drivers of Inflation***

The most significant political headwind currently facing congressional Republicans and the administration is economic dissatisfaction and concerns about inflation and affordability.[3]

On Dec. 6, the president issued Executive Order No. 14364 on food supply chain security risks related to price-fixing and anticompetitive conduct, in an attempt to put pressure on companies in the food supply chain to slow, or even reverse, rising price increases born by the consumer.

In the run-up to the midterm election, we expect congressional Republicans to increase oversight and investigations into sectors of the economy where prices have risen at higher levels, or where impacts have either been particularly broad or acute. Consumer-facing companies bear a higher risk of being targeted and should be mindful of how pricing decisions are considered and communicated.

Additionally, with the newly constituted Health and Safety Unit within the DOJ's Criminal Division Fraud Unit pulling from the dissolution of the department's Consumer Protection Branch, and unfair or deceptive acts or practices cases brought by numerous state attorneys general, we expect consumer protection and cost of living to be a focus for both the DOJ and Republican and Democratic attorneys general. This may further complicate matters for corporate clients looking to be responsive to congressional inquiries.

### ***Antitrust***

Antitrust policy and enforcement, including in the context of mergers and acquisitions, will be a topic of oversight attention given the inflation risks discussed above in combination with growing populist constituencies within both parties.

In an effort to combat inflation, congressional Republicans may specifically look for examples of anticompetitive practices or economic frictions that are distorting pricing in the run-up to the midterms.

And there are already clear signals that Democrats have an interest in investigating the administration's

merger approvals, with a potential focus on media consolidation, including October public commentary on X by Sen. Ruben Gallego, D-Ariz.,[4] and letters authored by Sens. Elizabeth Warren, D-Mass.; Ron Wyden, D-Ore.; Ed Markey, D-Mass.; and Chris Van Hollen, D-Md.[5]

Further, the antitrust laws are being used now by both congressional Republicans and the current administration to push back against practices related to DEI and environmental, social and governance-related practice.

This issue, championed by House Judiciary Committee Chair Jim Jordan, R-Ohio, is also the subject of the Dec. 11 Executive Order No. 14366 on foreign-owned proxy advisers, targeted at such advisers and related corporate governance and engagement activities.[6]

The connection and perceived tension between fiduciary responsibilities and social engagement will no doubt be a source of platform building and debate by both political parties in the run-up to the midterms.

### ***Digital Assets***

No one may have been a bigger winner in the 2024 election cycle than the digital asset and cryptocurrency industry, playing a key role in a number of impactful races through grassroots activities and monetary contributions. The industry capitalized on this new status in Washington in 2025, with the White House eagerly moving on digital asset policies and Congress passing stablecoin legislation.

However, links between the industry and the president have already been the subject of Democratic inquiries, culminating in House Judiciary Committee Democrats publishing a staff report in November titled "Trump, Crypto, and a New Age of Corruption."<sup>[7]</sup>

We expect these investigations to continue — if not expand — in the event of a Democratic majority. Further, we note the increasingly higher stakes for the industry as investigations could be used to cast doubts on an industry striving for adoption and legitimacy.

### **Conclusion**

Election years — especially those that may flip a chamber — tend to yield bolder investigations, more aggressive state attorneys general coalitions, and distinctive enforcement in key areas.

Companies should consider putting in place risk management-oriented plans to get ahead of the uptick of politically motivated investigations. Companies are well advised to strengthen internal controls and documentation — sloppy records, missed internal reviews, inconsistent external reporting and vulnerable governance structures are all prime targets for government enforcers.

Companies should audit their public positions and disclosures. Marketing, branding and investor messaging may drive business, but they also drive government interest.

And finally, companies should consider proactive scenario-planning. Ensuring that companies have the proper response teams in place can mitigate the legal, operational and reputational risks that can come from government enforcement actions, especially when actions are taken by multiple government authorities all wanting to flex their muscles in an election year.

Scenario-planning, and previously identified and coordinated teams, will support faster decision-making under pressure, ensure consistent responses across regulators and prevent unnecessary added disruption to the business.

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[1] NSPM-7, "Countering Domestic Terrorism and Organized Political Violence," <https://www.whitehouse.gov/presidential-actions/2025/09/countering-domestic-terrorism-and-organized-political-violence/>.

[2] <https://jeffries.house.gov/2025/12/09/leader-jeffries-announces-new-house-democratic-commission-on-ai-and-the-innovation-economy/>.

[3] Republicans should be familiar with the electoral danger before them, having ridden the same concerns to a trifecta in 2024.

[4] <https://x.com/RubenGallego/status/1981514576014237821>.

[5] [https://www.warren.senate.gov/imo/media/doc/warren\\_letter\\_to\\_nexstar\\_sinclair\\_on\\_jimmy\\_kim\\_mel.pdf](https://www.warren.senate.gov/imo/media/doc/warren_letter_to_nexstar_sinclair_on_jimmy_kim_mel.pdf).

[6] <https://www.whitehouse.gov/presidential-actions/2025/12/protecting-american-investors-from-foreign-owned-and-politically-motivated-proxy-advisors/>.

[7] [https://democrats-judiciary.house.gov/sites/evo-subsites/democrats-judiciary.house.gov/files/evo-media-document/2025-11-24.hjc-dem-staff-report-trump-crypto-corruption-small\\_0.pdf](https://democrats-judiciary.house.gov/sites/evo-subsites/democrats-judiciary.house.gov/files/evo-media-document/2025-11-24.hjc-dem-staff-report-trump-crypto-corruption-small_0.pdf).