

2016 Federal Election Primer



The key races, and what they mean for federal policy.

Election Update

➤ The White House

- The race features a volatile electorate that is angry on both sides of the political spectrum
 - Many analysts were ready to call the race in August, when Clinton held a sizeable lead, but Trump has roared back to make the race very competitive
- Turnout will be tough to predict given the variation in enthusiasm for both parties.
 - *The Hill* reported in September that 46% of Trump backers were “very enthusiastic about their candidate, compared to 33% of Clinton supporters
- Expect more swings in opinion in the weeks remaining before Election Day.

➤ The Senate

- Several Senate Republicans are defending seats in states in blue states with a highly controversial nominee at the top of the ticket
- Turnout in key races could determine Senate control. The result is likely to be near 50-50
- Republicans are currently slightly favored to retain their majority. The presidential result could prove important as the Vice-President would break a 50-50 tie

➤ The House

- Republicans are likely to lose 8-15 seats in the lower chamber, but should maintain a solid majority, which likely portends some form of divided government



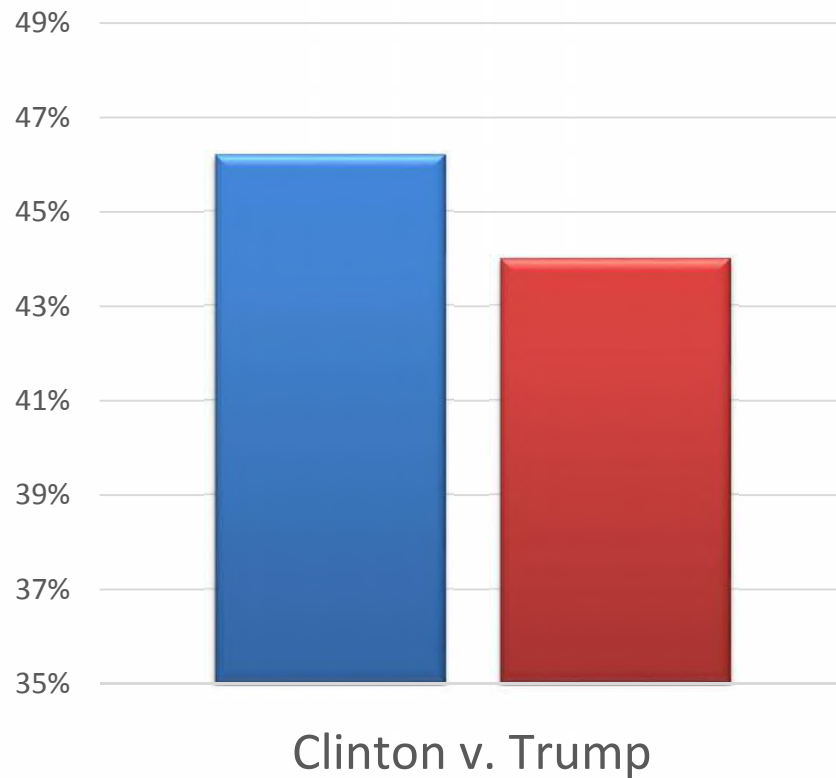
Campaign Projections

- Take everything you know about presidential elections and throw it out of the window
 - This election is unlike any other in modern history, as most analysts expected Hillary Clinton to cruise to the Democratic nomination and Donald Trump to be little more than a sideshow
- The most likely outcome – regardless of who wins the White House – is the Senate remaining nearly evenly split and the House continuing to be led by Speaker Paul Ryan (R-WI).
- Any major legislation in the 115th Congress will almost certainly need bipartisan support to get 60 votes in the Senate and be sent to the new President's desk



Current General Election Polls

National Average 9/15 – 9/25



Battleground States

State	Clinton	Trump
Florida	43.4%	43.6%
Ohio	40.7%	42.7%
Pennsylvania	43.0%	40.3%
Wisconsin	43.0%	40.0%
North Carolina	41.9%	43.3%
Nevada	40.5%	42.8%
Colorado	40.2%	40.0%

Source: RealClearPolitics Polling Average



Demographics

- Traditional demographic trends give advantage to Democrats in swing states with high minority populations
 - Polls suggest Trump will lose Hispanic, African-American, and Asian populations by wide margins to a Democrat candidate, even compared to President Obama's victory in 2012
 - Could be a deciding factor in New Mexico, Colorado, Nevada, Virginia, and even Republican-stronghold Arizona
- But Trump's populist strategy is geared toward bringing traditionally-blue Rust Belt states into play
 - Wisconsin and Pennsylvania have not voted for a Republican president since 1988, but are considered competitive this November



Factors

➤ **Economy**

- Favorable economic conditions can often favor an incumbent party.
 - Unemployment: 4.9%; Gallup Economic Confidence Index: -12; 2015 GDP Growth: 2.4%.
- Generally, these are good numbers and should boost Democrats.
 - However, 63.9% of voters think the country is on the wrong track economically, which suggests a perception problem for Democrats and the Clinton campaign.

➤ **Public Opinion of Government**

- Presidential approval ratings are helpful in gauging preference for the incumbent party.
 - President Obama Approval Rating: 54%
 - Historical Presidential Approval Ratings: Bush (September 2008): 27%; Clinton (September 2000): 58%; Reagan (September 1988): 55%.
 - Congressional Approval Rating: 18%

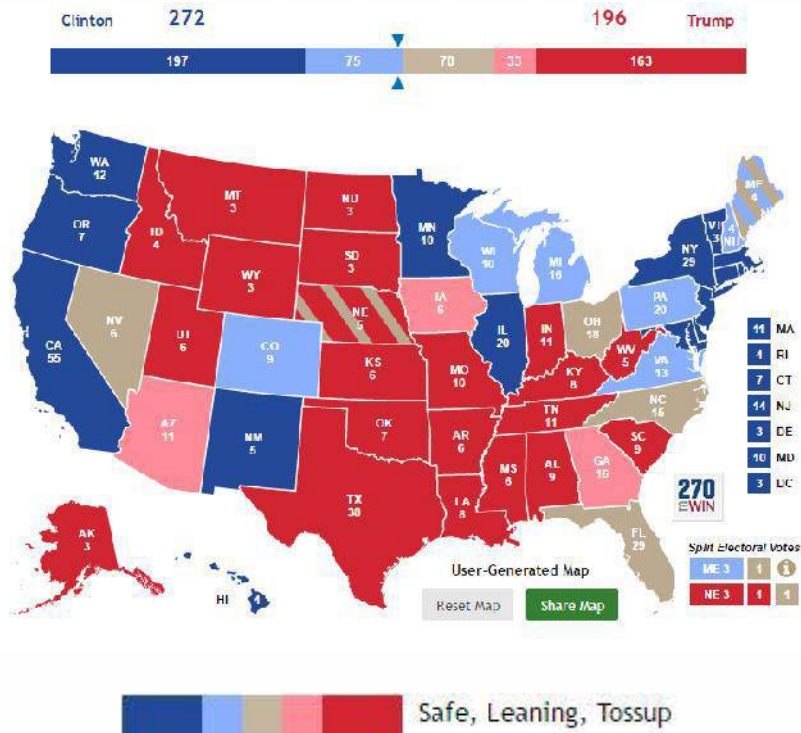
➤ **Candidate Favorability**

- Favorability can give an indicator of enthusiasm for the candidates beyond a head-to-head matchup.
 - Clinton Favorable/Unfavorable: 40.3% vs. 55.1%
 - Trump Favorable/Unfavorable: 36.5% vs. 58.3%
 - 2008 Candidates: Obama 69% vs. 23%; McCain 53% vs. 42%
- If not for Trump's historic lows, Clinton would have the lowest favorability rating for any presidential candidate of a major party.



The Map

Current Battleground Map



2012 Electoral College Results



Source: Cook Political Report Electoral Map – Sep. 21



Paths to 270 – Key States

- The electoral map favors Hillary Clinton
 - States considered by analysts to be leaning towards Democrats make up 253 electoral votes
 - Those 253 votes, plus Virginia and Colorado, seals a Clinton victory
- Pennsylvania is the most important state to watch
 - According to Nate Silver's FiveThirtyEight, Trump has an 87% chance of winning the election if he wins PA, and only a 21% chance if he loses there
- Without blue states, Trump needs to follow traditional GOP path
 - Without any traditionally-Democratic Midwestern states, Trump will need to follow George W. Bush's path to victory through Florida, Ohio, North Carolina, and some combination of NV/CO/VA/NH



A New Administration

Clinton Administration

- **A Clinton presidency could mean more of the same**
 - Defend Obama legacy while allowing for additional tweaks to Dodd-Frank, ACA
 - A fresh mandate to make further reforms
 - Use infrastructure/jobs package as place for bipartisan common ground

Trump Administration

- **A Trump presidency would bring a much greater degree of change**
 - Likely attempt repeal of Dodd-Frank, ACA within first few months
 - Partisan fights on immigration take center stage
 - Overturn Obama Administration Executive Orders on Climate, Immigration

For both, cabinet turnover and new leaders in the Administration present chances to educate and inform decision-makers on key issues



Senate Control on the Line

- **Current breakdown:**
Republicans own a 54-44 majority (2 independent Senators caucus with the Democrats)

- **Competitive elections: 12**
 - 10 of which are currently held by Republicans
 - Democrats need to gain 5 seats to win control (If Democrats win the White House they need to pick up 4 Senate seats and the VP would break a 50-50 tie)



Senate Majority Leader Mitch McConnell (R-KY)



Sen. Chuck Schumer (D-NY) – Likely Majority Leader in Democrat Senate



Competitive Senate Races

Seat	Current Polling Status	NYT Probability
Seat Vacated by Sen. Harry Reid (D-NV)	Toss Up: Heck +4.0%	69% GOP Chance
Sen. Michael Bennet (D-CO)	Likely Dem: Bennet +7.4%	99% Dem. Chance
Sen. Mark Kirk (R- IL)	Leans Dem: Duckworth +3.5%	77% Dem. Chance
Sen. Kelly Ayotte (R-NH)	Toss Up: Ayotte +2.5%	61% GOP Chance
Sen. Ron Johnson (R-WI)	Leans Dem: Feingold +9.7%	86% Dem. Chance
Sen. Pat Toomey (R-PA)	Toss Up: McGinty +0.3%	54% Dem. Chance
Sen. Rob Portman (R-OH)	Leans GOP: Portman +13.1%	96% GOP Chance
Sen. Marco Rubio (R-FL)	Toss Up: Rubio +6.1%	90% GOP Chance
Sen. Richard Burr (R-NC)	Toss Up: Burr +1.2%	74% GOP Chance
Seat Vacated by Sen. Dan Coats (R-IN)	Toss Up: Bayh +5.5%	72% Dem. Chance
Sen. John McCain (R-AZ)	Likely GOP: McCain +13.7%	99% GOP Chance
Sen. Roy Blunt (R-MO)	Leans GOP: Blunt +3.4%	85% GOP Chance



House of Representatives

- The GOP currently maintains a House majority of 246-188
- Rothenberg Report identifies 35 competitive races
 - 29 of those seats are currently occupied by Republicans
- Democrats are expected to pick up 10-20 seats, not nearly enough to win back the House

Leans Dem	Pure Toss-Up	Leans GOP
Blum (IA-1)	Kirkpatrick – Open (AZ-1)	Coffman (CO-6)
Kline – Open (MN-2)	Murphy – Open (FL-18)	Walberg (MI-7)
Ashford (NE-2)	Curbelo (FL-26)	Zeldin (NY-1)
Guinta (NH-1)	Young (IA-3)	Fitzpatrick – Open (PA-8)
Hardy (NV-4)	Dold (IL-10)	Benishek – Open (MI-1)
Israel – Open (NY-3)	Poliquin (ME-2)	Garrett (NJ-5)
Bera (CA-7)	Heck – Open (NV-3)	Gibson – Open (NY-19)
	Hanna – Open (NY-22)	Comstock (VA-10)
	Katko (NY-24)	
	Hurd (TX-23)	
	Ribble – Open (WI-8)	

*Note: Cell color refers to current allocation.
Source: Rothenberg & Gonzales Political Report*



National GOP Tipping Point – 4%

- GOP analysts believe that a Trump loss by more than 4% nationally could endanger some otherwise safe Republicans in the House and Senate
- One way to identify this effect is to watch individual races in districts that typically lean Republican.
- The chart on this slide shows districts that have been polled for both the House and presidential elections
 - These GOP members are underperforming in some cases, most likely due to the effect of Donald Trump’s unpopularity on the GOP ballot

State	Member	House Poll (favor GOP)	Pres. Poll (favor Trump)	Difference
MN	Paulsen	49.7%	30.9%	-18.8%
OH	Turner	64.8%	41.1%	-23.7%
FL	Mica	51.2%	37.2%	-14.0%
PA	Meehan	51.0%	35.3%	-15.7%
AZ	McSally	51.5%	40.0%	-11.5%



Probabilities

- The New York Times' Election Forecast takes into account relevant state polls, as well as candidates' political experience, fund-raising, a state's past election results, and national polling.
- According to this model, the most likely outcome of the election is:
 - A Clinton presidency
 - Democrats taking three seats in the Senate; Remains in GOP Control
 - Republicans retain control of the House, but lose 10-20 seats

Outcome	Likelihood
Clinton Presidency	69%
Democrats Take the Senate	37%
Democrats Take House	10%
Democrats Take Both Chambers	4%

Source: *The New York Times*



Conclusions

- In all likelihood, the dynamics of a divided government will remain
 - The Administration will still struggle with implementing broad policy reforms unilaterally

- However, possibilities for a new era remain
 - A shift in Senate leadership could uncork some of the current bottleneck and raise new opportunities and risks on Capitol Hill
 - A new President could use a highly competitive election season as a starting point to launch policy initiatives in bipartisan areas, such as infrastructure and criminal justice

