

UPDATED 2018 MIDTERM ELECTION PREVIEW

I. EXECUTIVE SUMMARY

The upcoming elections on Tuesday, November 6, are the first midterms under President Donald Trump's tenure. According to professional campaign advisors and election watchers, the 2018 midterms could bring seismic change to Washington, D.C. and influence the actions of the elected officials that make up the political class. With the entire U.S. House of Representatives and 35 of the seats in the U.S. Senate on the ballot, the stakes for both parties are high.

This document is intended to provide an overview of where key races currently stand, how the political environment compares to that of previous midterms, and what experts are predicting could happen this fall. We have updated the data and analysis presented in our prior edition circulated on August 16, 2018, and included new information regarding potential committee chairmanships and leadership assignments.

II. ELECTION OVERVIEW

The 2018 midterms have the potential to be a “wave” election in which Democrats pick up a significant number of seats, especially in the House where they have a clearer path to a majority than in the Senate. Historically, the party of the President loses seats in the first midterm of the new administration, and it is typically framed as a referendum on the sitting president.

President Trump – although certainly expected to have an outsized impact – is not the only factor that will shape the outcome of the elections. Largely Republican-dominated redistricting in 2012 gives the party a significant structural advantage in many House races. The map in the Senate leaves Democrats in the position of defending 10 seats in states President Trump won in 2016, many by significant margins. In the past, politicians have had an easier time focusing on local issues, but the current political environment has nationalized many of these races. Issues such as health care, immigration, and the economy are expected to continue be the focus of the policy debate.¹

III. CURRENT MAKEUP OF THE CHAMBERS

U.S. House of Representatives

All 435 seats in the U.S. House of Representatives will be on the ballot in November. Republicans currently hold 236 seats, Democrats hold 193 seats and there are six vacancies. Democrats need to gain at least 25 seats to take control of the chamber. Republicans can lose no more than 18 seats to maintain control.

U.S. Senate

35 Senate seats are up in November, and due to special circumstances, two states have both seats on the ballot (Mississippi and Minnesota). Of the 35 seats, nine are currently held by Republicans and 26 are held by Democrats (counting Senators Angus King (I-M) and Bernie Sanders (I-VT), who caucus with the Democrats).

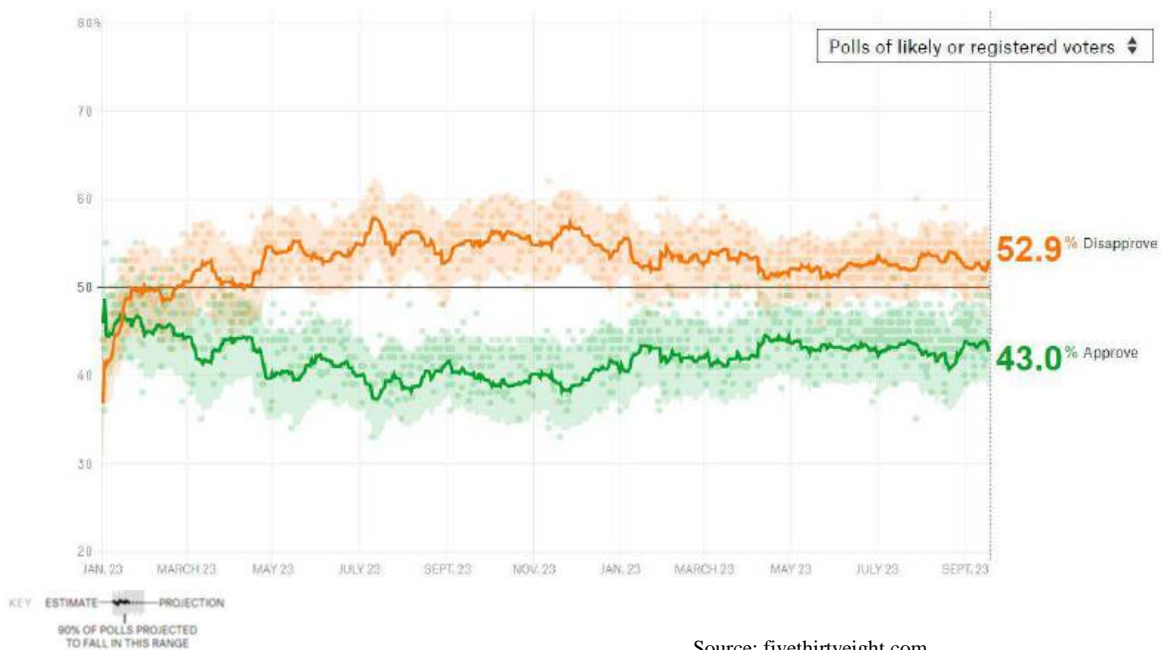
Democrats face a substantial uphill challenge in their quest to capture a Senate majority: 10 of the 26 seats held by Democrats are in states that voted for President Trump over Secretary Clinton in 2016, some by significant margins. Democrats need a net gain of +2 seats to take control of the chamber. Republicans need to lose less than two seats (net -1) to maintain control, as the Vice President has the tie breaking vote in the event of a 50-50 split. While it is conceivable that Democrats could take the Senate, they essentially have no margin for error and Republicans are likely to retain a razor-thin majority.

IV. PRESIDENT TRUMP’S APPROVAL RATING AND POTENTIAL IMPACT ON THE MIDTERMS

Current Approval Rating

Based on an average all polling of likely or registered voters analyzed by FiveThirtyEight, President Trump’s current approval rating is 43.0 percent, with 52.9 percent saying they disapprove.² When averaging all polls, these numbers change to 41.8 percent approve, 52.6 percent disapprove.³

Average of Likely or Registered Voters Polls: Approve-Disapprove of President Trump



Impact on the Midterms

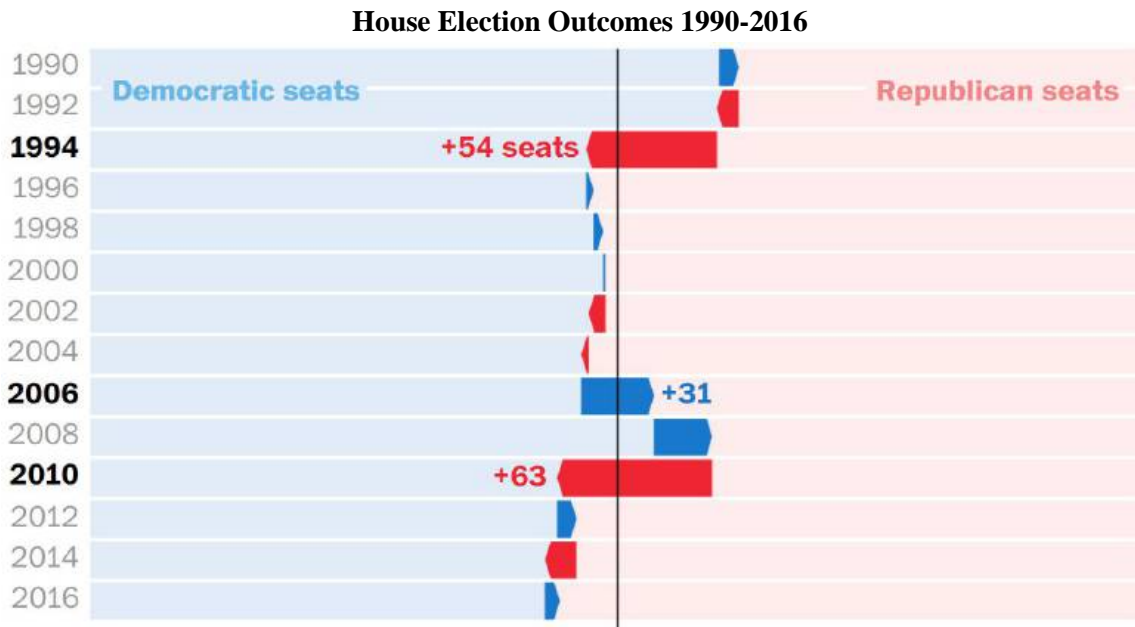
Poll averages show Trump about five percentage points less popular than Presidents Bill Clinton and Barack Obama when their party lost 52 and 63 seats in 1994 and 2010, respectively.⁴

Additionally, polling from the Pew Research Center indicates that Donald Trump will play a particularly outsized role in November, with more voters saying he will be a factor in their vote in 2018 than they did about any previous president in an election dating back to 1982.⁵

V. HISTORICAL CONTEXT

In the last 60 years, control of the U.S. House of Representatives has changed hands just three times: 1994, 2006 and 2010. All of these were midterm elections and resulted in control shifting away from the party of the sitting president. The 1994 and 2010 elections were largely characterized by opposition to the incumbent president and his party over health care.

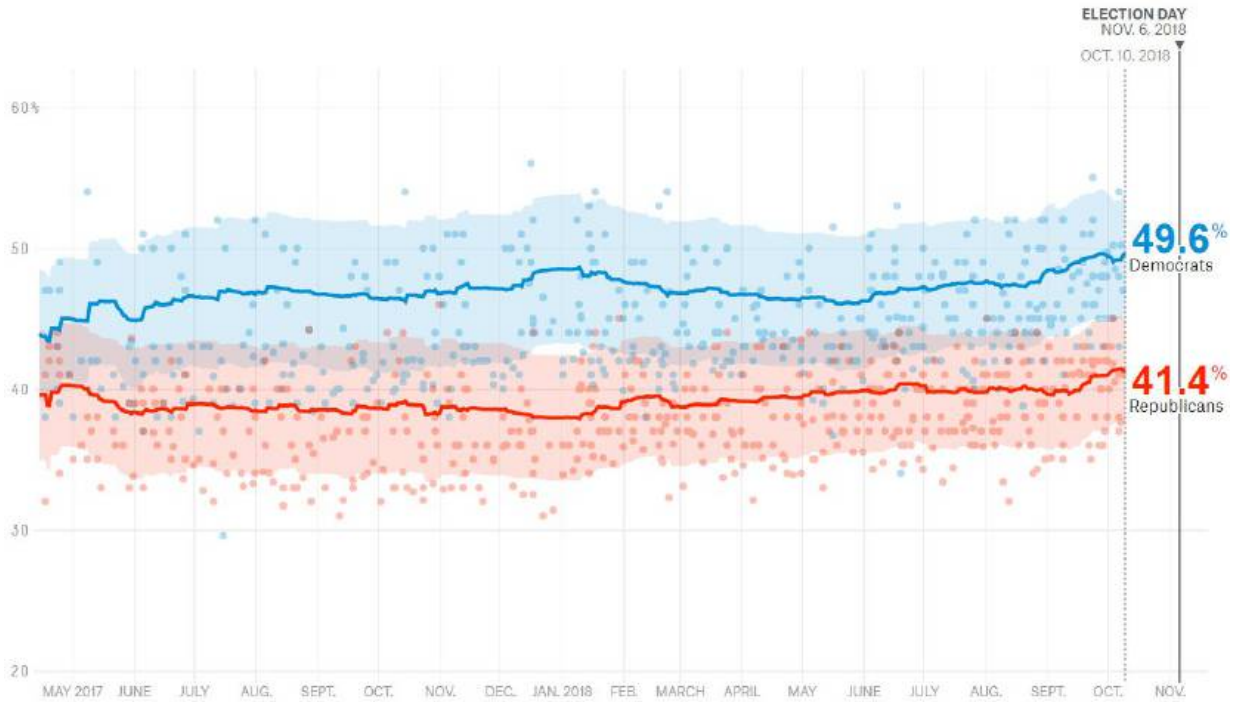
The 2006 election could be described as a referendum on the president and his party over perceived poor governing and corruption scandals. Interestingly, the 2018 elections seem poised to include elements of both, at least to some degree.



Source: Washington Post

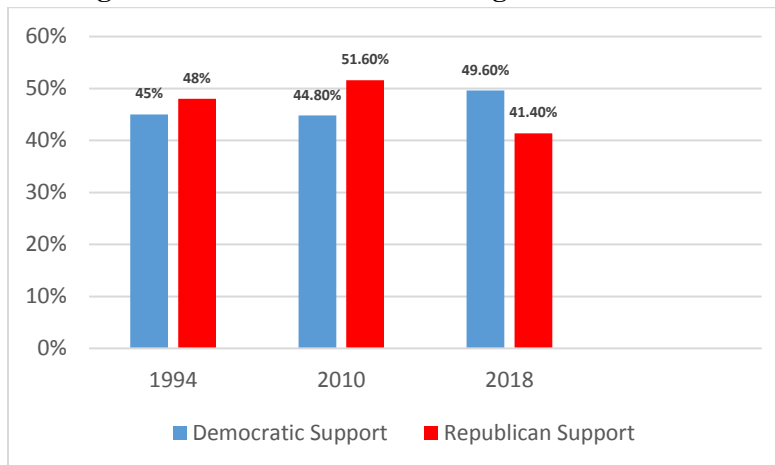
FiveThirtyEight’s average of congressional generic ballot polls have Democrats leading by 8.2 percentage points over Republicans as of Oct. 11, 2018.⁶ RealClearPolitics found an average congressional generic ballot polls to be +9.4 percentage points in favor of Republicans in 2010 when the party took control of the House and gained seats in the Senate, slightly higher than the current Democratic generic ballot polling lead.⁷ This does not take into account the intuitional advantage the Republicans currently have over Democrats due to congressional map drawing after the decennial Census and subsequent election in 2010.

2018 Generic Ballot Poll Averages



Source: fivethirtyeight.com

Congressional Generic Ballot Polling: Historical Context

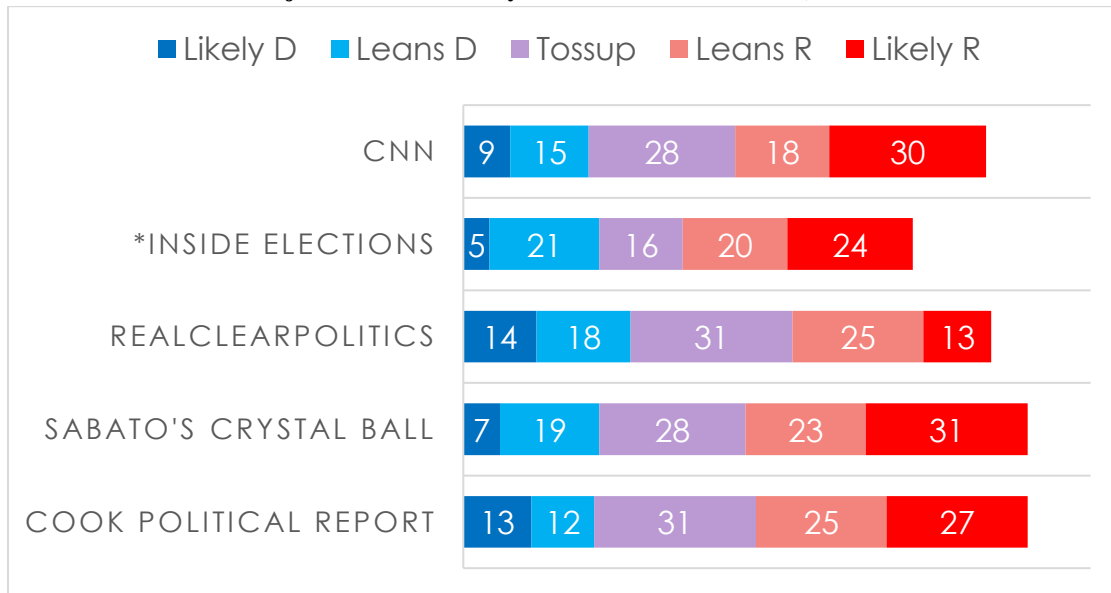


VI. COMPETITIVE RACES IN THE HOUSE OF REPRESENTATIVES

Based on an analysis of projections from CNN Key Races, Inside Elections, RealClearPolitics, Sabato’s Crystal Ball, and the Cook Political Report as of Oct. 12, 2018, between 86 and 108 Congressional districts are considered “in play,” with Inside Elections representing the low end and Sabato’s Crystal Ball and Cook Political Report representing the high end. Republicans are currently representing 25 districts won by

Hillary Clinton in 2016, and there are 13 seats currently held by Democrats that voted for Donald Trump in 2016 (factoring in the redrawn Pennsylvania electoral map).

Projections of ‘In Play’ House Races (Oct. 12, 2018)



*"Leans" incorporates both races rated as "leans" and as "tilt" per Inside Election's forecasting.

The following chart is based on an analysis of all five organizations' ratings for the House races in contention. A seat's rating is based Wynne Health Group's aggregation, reflecting the consensus of at least three of the five projections.

Seats that did not appear on at least three outlets' projections of contested seats were not included. This means that a race was deemed "solid" or non-competitive by less than three outlets. The asterisk (*) denotes where only three of the five projections concurred on a race rating. The absence of an asterisk means at least four of the five concurred on the race rating. These are based on projections available as of Oct. 12, 2018.^{8 9 10 11 12}

WHG House Race Ratings (Oct. 12, 2018)

Likely D	Lean D	Tossup	Lean R	Likely R
CA-07 Bera* FL-07 Murphy MN-07 Peterson NJ-05 Gottheimer NV-04 Open* PA-05 Vacant PA-06 Open PA-08 Cartwright*	AZ-01 O'Halleran* AZ-02 Open CA-49 Open CO-06 Coffman IA-01 Blum KS-03 Yoder* MI-11 Open MN-02 Lewis MN-03 Paulson NH-01 Open NV-03 Open* PA-07 Vacant PA-17 Rothfus VA-10 Comstock NJ-11 Open	CA-10 Denham CA-25 Knight CA-39 Open CA-45 Walters CA-48 Rohrabacher FL-26 Curbelo* FL-27 Open* IA-03 Young IL-06 Roskam IL-12 Bost KS-02 Open KY-06 Barr ME-02 Poliquin MI-08 Bishop MN-1 Open MN-08 Open NC-09 Open* NJ-03 MacArthur NJ-07 Lance NM-02 Open* NY-19 Faso NY-22 Tenney PA-01 Fitzpatrick TX-07 Culberson TX-32 Sessions VA-02 Taylor* VA-07 Brat WA-08 Open OH-01 Chabot	AR-02 Hill CA-50 Hunter* FL-16 Buchanan* GA-06 Handel* IL-13 Davis IL-14 Hultgren MT-AL Gianforte NC-02 Holding NC-13 Budd* NE-02 Bacon NY-11 Donovan* NY-27 Collins* OH-12 Balderson PA-10 Perry TX-23 Hurd UT-04 Love VA-05 Open* WA-03 Herrera Butler* WA-05 McMorris Rodgers WV-03 Open* WI-01 Open	AZ-06 Schweikert AZ-08 Lesko CA-04 McClintock CA-21 Valadao FL-06 Vacant FL-15 Open* FL-18 Mast FL-25 Diaz-Balart GA-07 Woodall* IA-04 King IN-02 Walorski MI-01 Bergman MI-06 Upton MI-07 Walberg MO-02 Wagner NY-01 Zeldin NY-24 Katko OH-14 Joyce PA-16 Kelly TX-21 Open TX-31 Carter WI-06 Grothman

It seems highly possible that the House changes hands in 2019. While consistent, poor voter turnout in previous off-year elections and a Republican-favorable map due to redistricting present and uphill climb, enthusiasm, fundraising numbers, and special election outcomes, and other factors put the chamber in contention and Democrats are favored to make significant gains.

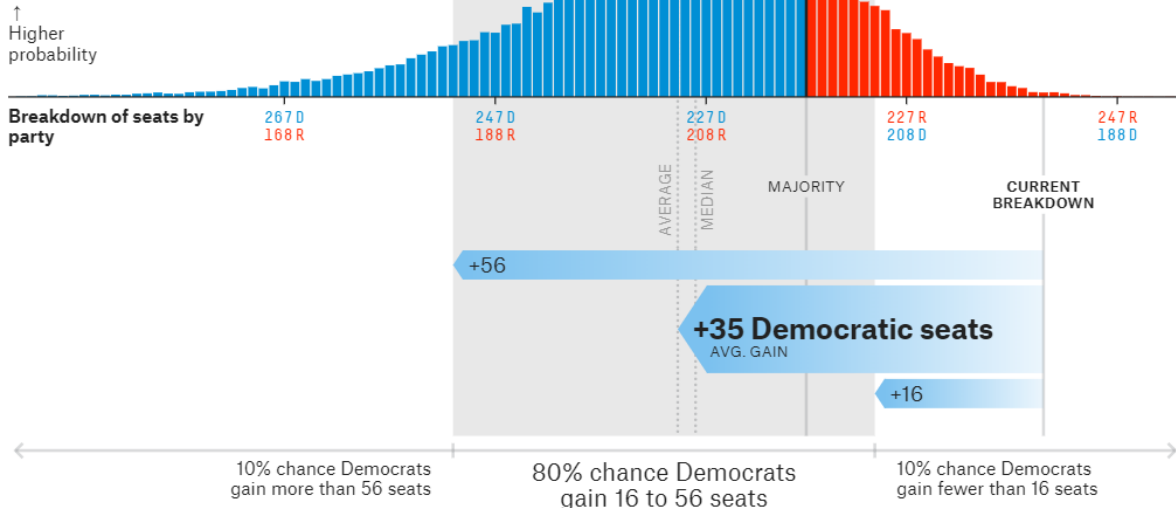
As of Oct. 11, 2018, FiveThirtyEight's model gives Democrats a 77.8 percent chance of winning control of the House.¹³

7 in 9

Chance Democrats win control (77.8%)

2 in 9

Chance Republicans keep control (22.2%)



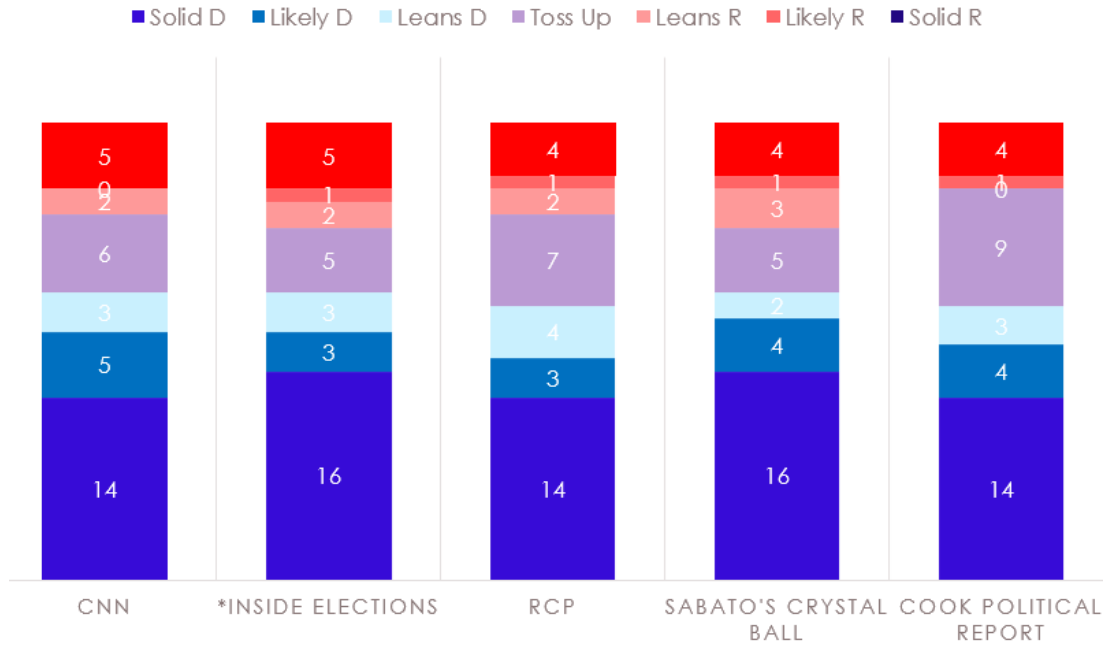
Source: fivethirtyeight.com

VII. COMPETITIVE RACES IN THE SENATE

Of the 35 Senate seats up in 2018, CNN Key Races, Inside Elections, RealClearPolitics, Sabato’s Crystal ball, and the Cook Political Report rated between 14-17 seats as a least somewhat competitive, and between five to nine seats as “toss ups.” Unanimously, the seats in Arizona, Florida, Indiana, Missouri, and Nevada were given a “toss up” rating.

The seat in Tennessee, currently held by retiring Senator Bob Corker (R-TN), was either given a “Leans Republican” or “toss up” rating. Senator Heidi Heitkamp’s (D-ND) race for re-election in North Dakota has shifted from being deemed a “toss up” by four out of five outlets to “Leans R” by four out of five outlets. The outlets differed significantly on their assessment of Senator Ted Cruz’s (R-TX) race, with the ratings ranging from “Likely R” to “toss up.” There is consensus that Senators John Tester (D-MT), Bob Menendez (D-NJ) and Joe Manchin (D-WV) are in tight races but are slightly favored to win.

Projections of ‘In Play’ Senate Races (Oct. 11, 2018)

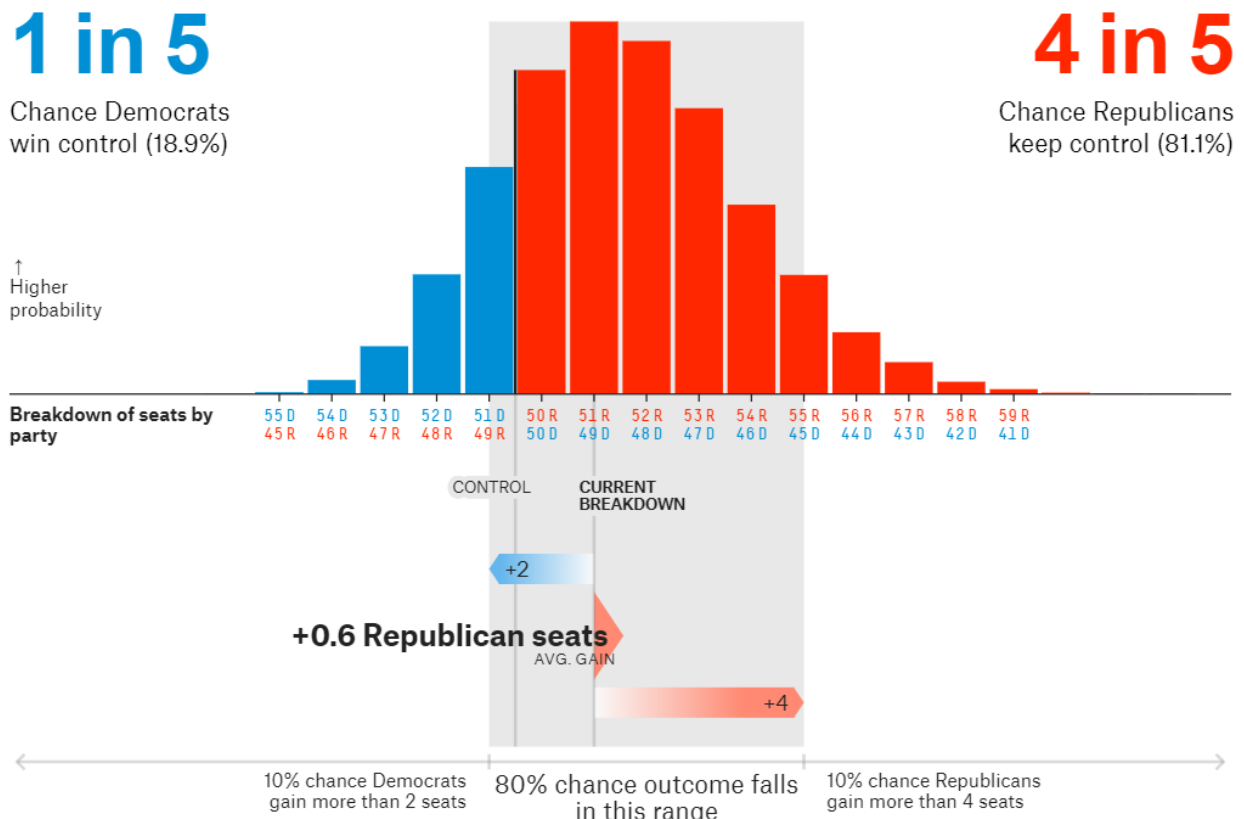


*"Leans" incorporates both races rated as "leans" and as "tilt" per Inside Election's forecasting.

Below, we compile outlets' projections for competitive seats.¹⁴¹⁵¹⁶¹⁷¹⁸

Outlet	CNN	RCP	Cook	Crystal Ball	Inside Elections
Likely R		MS2 (Hyde-Smith)	MS2 (Hyde-Smith)	MS2 (Hyde-Smith)	TX (Cruz)
Lean R	ND (Heitkamp) TX (Cruz)	ND (Heitkamp) TX (Cruz)		ND (Heitkamp) TN (Open) TX (Cruz)	ND (Heitkamp) TN (Open)
Toss Up	AZ (Open) FL (Nelson) IN (Donnelly) MO (McCaskill) NV (Heller) TN (Open)	AZ (Open) FL (Nelson) IN (Donnelly) MO (McCaskill) MT (Tester) NV (Heller) TN (Open)	AZ (Open) FL (Nelson) IN (Donnelly) MO (McCaskill) MT (Tester) ND (Heitkamp) NV (Heller) TN (Open) TX (Cruz)	AZ (Open) FL (Nelson) IN (Donnelly) MO (McCaskill) NV (Heller)	AZ (Open) FL (Nelson) IN (Donnelly) MO (McCaskill) NV (Heller)
Lean D	MT (Tester) NJ (Menendez) WV (Manchin)	MN2 (Smith) NJ (Menendez) WI (Baldwin) WV (Manchin)	MN2 (Smith) NJ (Menendez) WV (Manchin)	MT (Tester) WV (Manchin)	MT (Tester) WV (Manchin) WI (Baldwin)
Likely D	MI (Stabenow) MN2 (Smith) OH (Brown) PA (Casey) WI (Baldwin)	MI (Stabenow) OH (Brown) PA (Casey)	MI (Stabenow) OH (Brown) PA (Casey) WI (Baldwin)	MN2 (Smith) NJ (Menendez) OH (Brown) WI (Baldwin)	MN2 (Smith) OH (Brown) PA (Casey)

With Democrats playing defense in many “red” states, the chance of control of the Senate changing hands seems unlikely. While wave elections can have an impact anywhere, Democratically-held seats in many of these states were the result of Democratic party over-performance and weak Republican party candidates in previous cycles. They would need to “run the table” and win in new places, as well as defend seats in states where President Trump is popular among voters. As of Oct. 11, 2018, FiveThirtyEight’s model gives Republicans an 81.1 percent chance of maintaining control of the Senate.¹⁹



Source: fivethirtyeight.com

VIII. ANTICIPATED COMMITTEE LEADERSHIP CHANGES

Chairmen and Ranking Members of key committees of health care jurisdiction will be turning over next Congress. Several Senators and Congressman are retiring at the end of the term, leaving committee Chairman/Ranking Member positions open for new leadership.

In the Senate, Finance Committee Chairman Orrin Hatch (R-UT) announced his retirement in January and leadership must decide who is to fill the position. If Republicans favor seniority, current Judiciary Chairman Chuck Grassley (R-IA) will be next in line to succeed Senator Hatch. It is then expected that Senator Lindsey Graham (R-SC) would become the Judiciary Committee Chairman. However, if Senator Grassley remains Chairman of the Judiciary Committee, Senator Michael Crapo (R-ID) would likely be the next Finance Committee Chairman.

Representative Sandy Levin (D-MI), current Ranking Member of the Health Subcommittee of the House Ways and Means Committee is retiring. Representative Mike Thompson (D-CA) follows Mr. Levin in seniority on the health panel and is the most senior Ways and Means Democrat without a subcommittee chairmanship. Chairman of the Health Subcommittee of the Ways and Means Committee Peter Roskam (R-IL) is in a tight race.

Representative Gene Green (D-TX), current Ranking Member of the Health Subcommittee of the House Energy and Commerce Committee is retiring. He is likely to be succeeded by Representative Anna Eshoo (R-CA), though Representatives Diana DeGette (D-CO) and Jan Schakowsky (D-IL) have also expressed interest in the position.

IX. CONCLUSION

We anticipate significant Democratic gains in the U.S. House of Representatives and potential change in control of the chamber, though it is far from a “lock.” In the U.S. Senate, it seems overwhelmingly likely that Republicans maintain a narrow margin. Ultimately, the outcomes depend on voter turnout. We hope this update is helpful.

¹ See: <https://www.vox.com/policy-and-politics/2018/6/5/17386452/midterm-elections-2018-what-to-know-house-senate>

² See: https://projects.fivethirtyeight.com/trump-approval-ratings/?ex_cid=rrpromo

³ See: *Ibid.*

⁴ See: <https://projects.fivethirtyeight.com/trump-approval-ratings/>

⁵ See: <http://assets.pewresearch.org/wp-content/uploads/sites/5/2018/08/14105411/8-9-2018-Validated-voters-release2.pdf>

⁶ See: https://projects.fivethirtyeight.com/congress-generic-ballot-polls/?ex_cid=rrpromo

⁷ See: https://www.realclearpolitics.com/epolls/other/2010_generic_congressional_vote-2171.html

⁸ See: <http://www.centerforpolitics.org/crystalball/2018-house/>

⁹ See: <https://insideselections.com/ratings/house>

¹⁰ See: https://www.realclearpolitics.com/epolls/2018/house/2018_elections_house_map.html

¹¹ See: <https://www.cnn.com/election/2018/key-races>

¹² See: <https://www.cookpolitical.com/ratings/house-race-ratings>

¹³ See: https://projects.fivethirtyeight.com/2018-midterm-election-forecast/house/?ex_cid=rrpromo

¹⁴ See: https://www.realclearpolitics.com/epolls/2018/senate/2018_elections_senate_map.html

¹⁵ See: <https://www.cnn.com/election/2018/key-races/senate/seat>

¹⁶ See: <https://www.centerforpolitics.org/crystalball/2018-senate/>

¹⁷ See: <https://www.cookpolitical.com/ratings/senate-race-ratings>

¹⁸ See: <https://insideselections.com/ratings/senate>

¹⁹ See: https://projects.fivethirtyeight.com/2018-midterm-election-forecast/senate/?ex_cid=midterms-header