



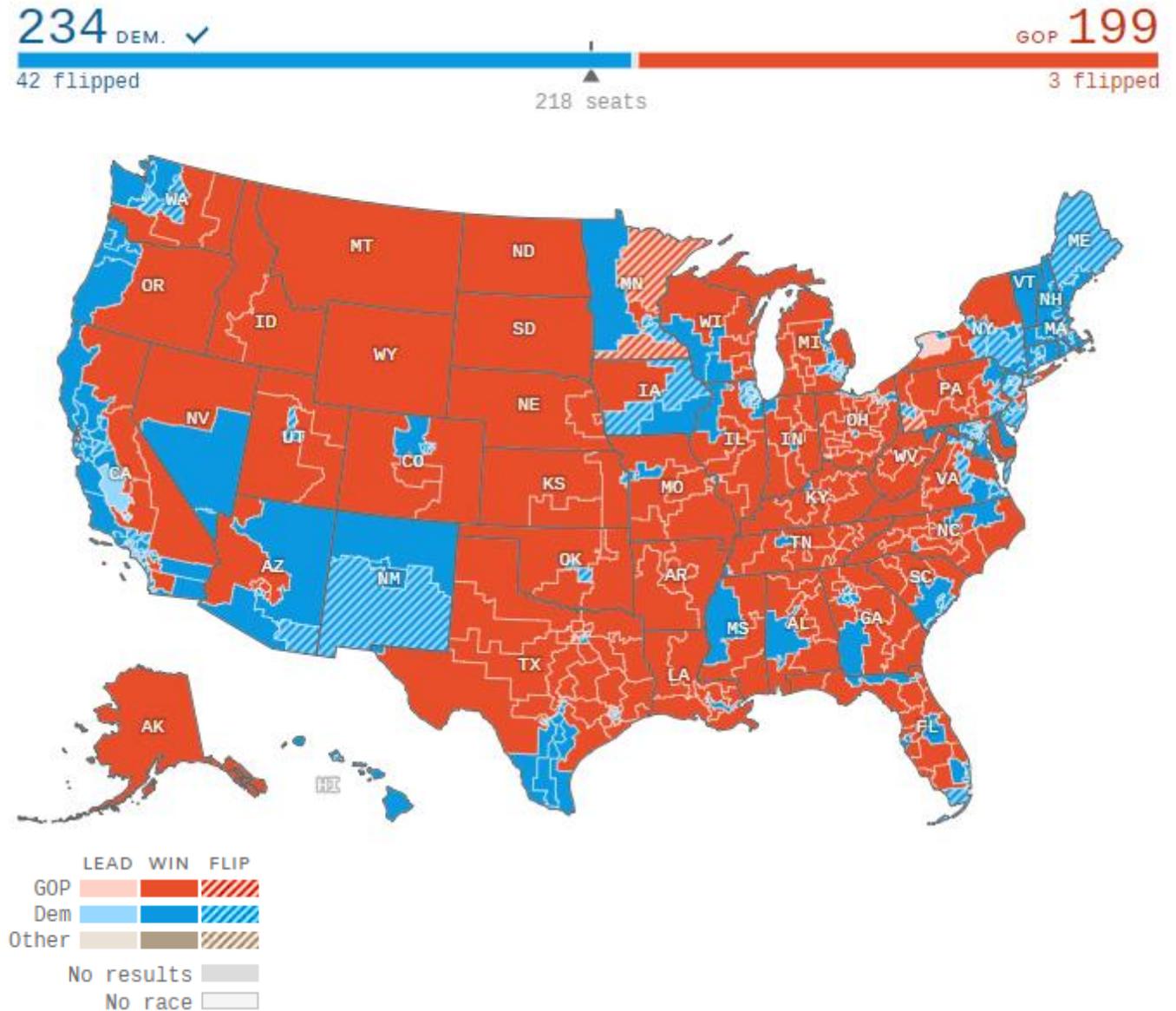
Summit Strategies' 2018 Midterm Wrap-Up

November 30, 2018

Election Results: U.S. House of Representatives

The House of Representatives

- Democrats take control of House
- All 435 House Seats up for election
- House Republicans held a 235-193 majority (7 seats were vacant)
- Democrats hold 234 seats and Republicans hold 199
- 1 race still undecided
- Democrats gained 39 seats and flipped 42 districts
- Republicans lost 39 seats and flipped 3 districts



New House Members

New House Members in the 116 th Congress (1 of 2)		
Ann Kirkpatrick (D-AZ-02)	Abby Finkenauer (D-IA-01)	Haley Stevens (D-MI-11)
Greg Stanton (D-AZ-09)	Cindy Axne (D-IA-03)	Rashida Tlaib (D-MI-13)
Katie Hill (D-CA-25)	Russ Fulcher (R-ID-01)	Jim Hagedorn (R-MN-01)
Harley Rounda (D-CA-48)	Chuy Garcia (D-IL-04)	Angie Craig (D-MN-02)
Mike Levin (D-CA-49)	Sean Casten (D-IL-06)	Dean Phillips (D-MN-03)
Joseph Neguse (D-CO-02)	Lauren Underwood (D-IL-14)	Ilhan Omar (D-MN-05)
Jason Crow (D-CO-06)	Jim Baird (R-IN-04)	Pete Stauber (R-MN-08)
Jahana Hayes (D-CT-05)	Greg Pence (R-IN-06)	Michael Guest (R-MS-03)
Michael Waltz (R-FL-06)	Steve Watkins (R-KS-02)	Mark Harris (R-NC-09)
Ross Spano (R-FL-15)	Sharice Davids (D-KS-03)	Kelly Armstrong (R-ND-01)
Greg Steube (R-FL-17)	Lori Trahan (D-MA-03)	Chris Pappas (D-NH-01)
Debbie Mucarsel-Powell (D-FL-26)	Ayanna Pressley (D-MA-07)	Jeff Van Drew (D-NJ-02)
Donna Shalala (D-FL-27)	David Trone (D-MD-06)	Tom Malinowski (D-NJ-07)
Lucy McBath (D-GA-06)	Elissa Slotkin (D-MI-08)	Mikie Sherrill (D-NJ-11)
Ed Case (D-HI-01)	Andy Levin (D-MI-09)	Deb Haaland (D-NM-01)

Source: Bloomberg Government; data as of 12 p.m. on Nov. 13
 * Guam sends a delegate, not a representative, to the U.S. House

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New House Members

New House Members in the 116 th Congress (2 of 2)		
Xochitl Torres Small (D-NM-02)	John Joyce (R-PA-13)	Sylvia Garcia (D-TX-29)
Susie Lee (D-NV-03)	Guy Reschenthaler (R-PA-14)	Colin Allred (D-TX-32)
Steven Horsford (D-NV-04)	Joe Cunningham (D-SC-01)	Elaine Luria (D-VA-02)
Max Rose (D-NY-11)	William Timmons (R-SC-04)	Denver Riggleman (R-VA-05)
Alexandria Ocasio-Cortez (D-NY-14)	Dusty Johnson (R-SD-01)	Ben Cline (R-VA-06)
Antonio Delgado (D-NY-19)	Tim Burchett (R-TN-02)	Abigail Spanberger (D-VA-07)
Joseph Morelle (D-NY-25)	John Rose (R-TN-06)	Jennifer Wexton (D-VA-10)
Anthony Gonzalez (R-OH-16)	Mark Green (R-TN-07)	Kim Schrier (D-WA-08)
Kevin Hern (R-OK-01)	Dan Crenshaw (R-TX-02)	Bryan Steil (R-WI-01)
Kendra Horn (D-OK-05)	Van Taylor (R-TX-03)	Carol Miller (R-WV-03)
Madeleine Dean (D-PA-04)	Lance Gooden (R-TX-05)	*Del. Michael San Nicolas (D-GU-01)
Mary Gay Scanlon (D-PA-05)	Ron Wright (R-TX-06)	
Chrissy Houlahan (D-PA-06)	Lizzie Pannill Fletcher (D-TX-07)	
Susan Wild (D-PA-07)	Veronica Escobar (D-TX-16)	
Dan Meuser (R-PA-09)	Chip Roy (R-TX-21)	

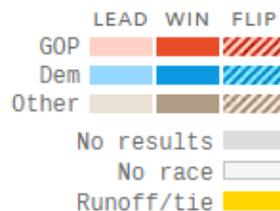
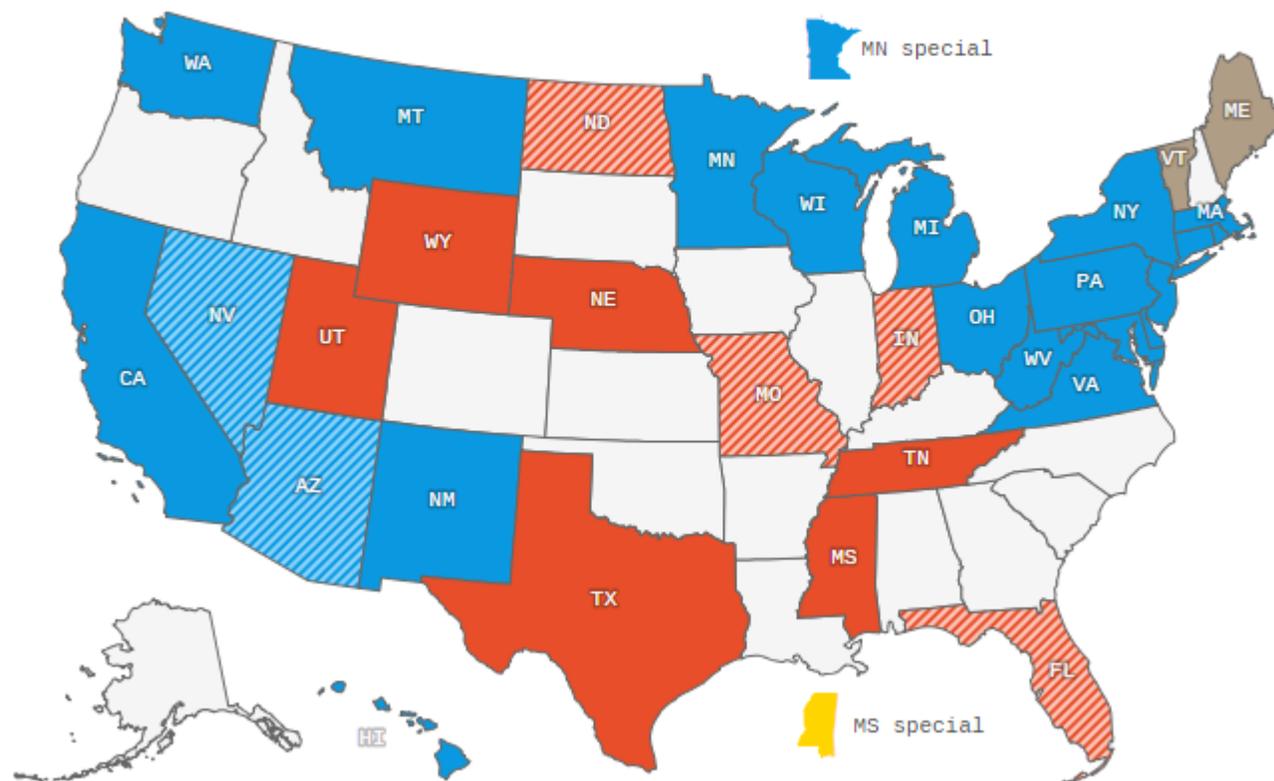
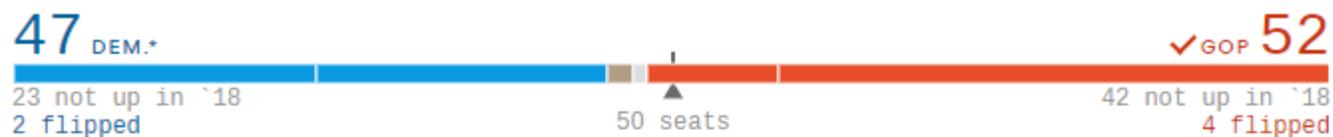
Source: Bloomberg Government; data as of 12 p.m. on Nov. 13
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Election Results: U.S. Senate

The Senate

- Republicans maintain Senate control
- 35 Senate seats up for election
 - 26 held by Democrats (10 in states won by Trump in 2016)
 - 9 held by Republicans (6 in states won by Trump in 2016)
- Democrats lost 3 seats and now hold 47
- Republicans gained 3 seats and now hold 53 seats



*Note this map does not include the recent election of Sen. Cindy Hyde-Smith (R) in Mississippi

Senate New Members

New Senators in the 116th Congress

[Kyrsten Sinema](#) (D-AZ)

Mike Braun (R-IN)

Josh Hawley (R-MO)

[Jacky Rosen](#) (D-NV)

Kevin Cramer (R-ND)

Marsha Blackburn (R-TN)

Mitt Romney (R-UT)

Source: Bloomberg Government; as of 12 p.m. on Nov. 13

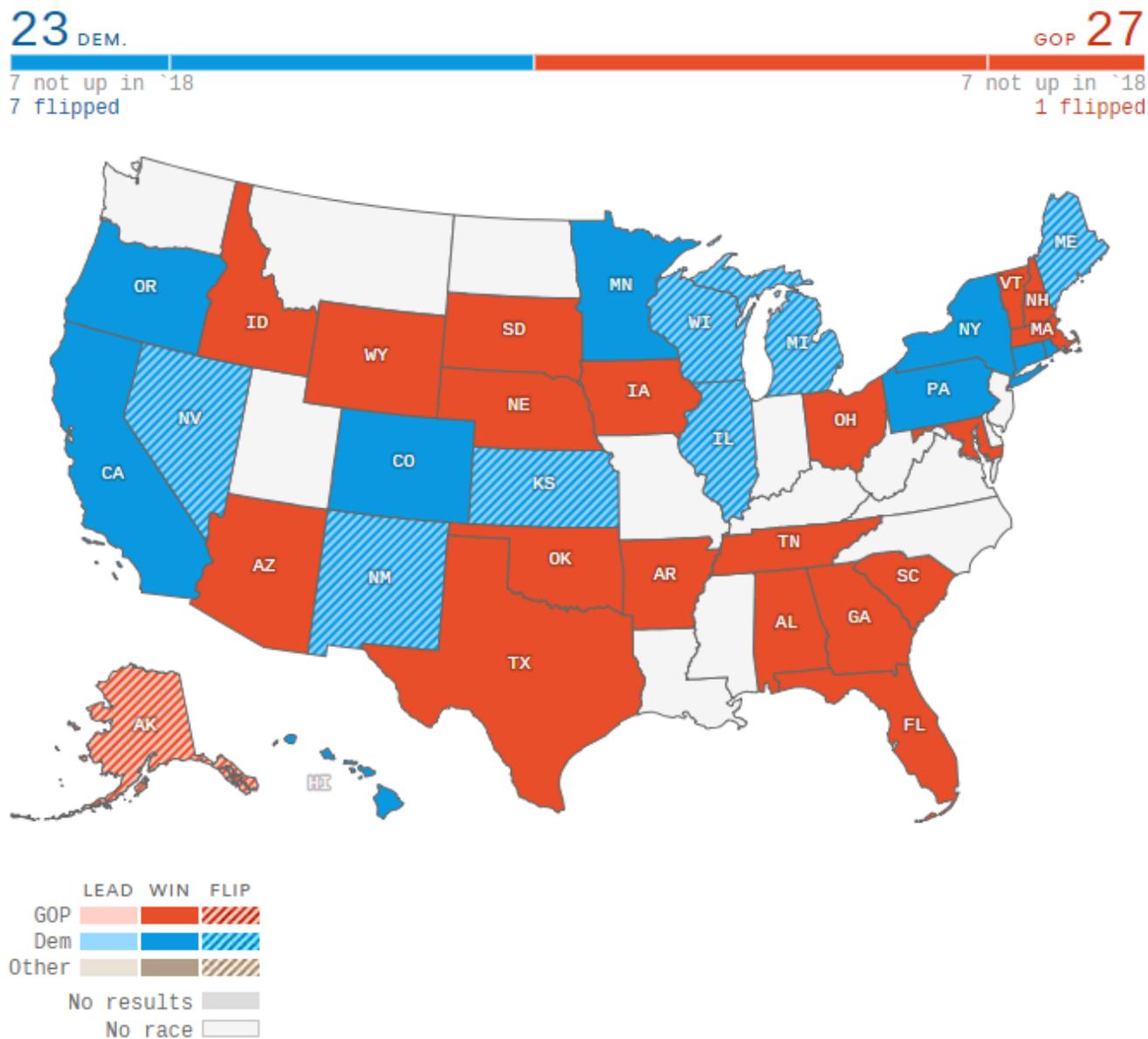
Note: Florida remains uncalled, Mississippi is headed to a runoff on Nov. 27

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Election Results: Governorships

Governorships

- 36 Governorships were up for election this year
- Democrats currently hold 23 Governors' Mansions and flipped 7
- Republicans currently hold 27 Governor's Mansions and flipped 1



Key Takeaways

Blue Wave

Democrats will likely gain between 37 and 40 seats

Democrats will only lose 1-2 seats in the Senate, where they faced a difficult election map

High Voter Turnout

Voter turnout was extremely high this election, with an estimated 49% of eligible voters participating

On average, only 40% of eligible voters participate in midterm elections

Banner Year for Women

256 women ran for federal office this year

As of Nov. 16, 125 (106 Democrats and 19 Republicans) women have won

The 116th Congress will have the largest class of female lawmakers in history

Committee Leadership Changes in the 116th Congress

Republicans Will Have More Turnover in House

Committee	Chairman (115th)	Ranking Member (115th)
Agriculture	Michael Conaway (Texas)	Collin Peterson (Minn.)
Appropriations	<i>Rodney Frelinghuysen (N.J.)</i>	Nita Lowey (N.Y.)
Armed Services	Mac Thornberry (Texas)	Adam Smith (Wash.)
Budget	Steve Womack (Ark.)	John Yarmuth (Ky.)
Education & the Workforce	Virginia Foxx (N.C.)	Bobby Scott (Va.)
Energy & Commerce	Greg Walden (Ore.)	Frank Pallone (N.J.)
Financial Services	<i>Jeb Hensarling (Texas)</i>	Maxine Waters (Calif.)
Foreign Affairs	<i>Ed Royce (Calif.)</i>	Eliot Engel (N.Y.)
Homeland Security	<u>Michael McCaul (Texas)</u>	Bennie Thompson (Miss.)
Judiciary	<i>Bob Goodlatte (Va.)</i>	Jerry Nadler (N.Y.)
Natural Resources	Rob Bishop (Utah)	Raúl Grijalva (Ariz.)
Oversight & Government Reform	<i>Trey Gowdy (S.C.)</i>	Elijah Cummings (Md.)
Rules	Pete Sessions (Texas)	Jim McGovern (Mass.)
Science, Space, & Technology	<i>Lamar Smith (Texas)</i>	Eddie Bernice Johnson (Texas)
Small Business	Steve Chabot (Ohio)	Nydia Velázquez (N.Y.)
Transportation & Infrastructure	<i>Bill Shuster (Penn.)</i>	Pete DeFazio (Ore.)
Veterans' Affairs	Phil Roe (Tenn.)	<i>Tim Walz (Minn.)</i>
Ways & Means	Kevin Brady (Texas)	Richard Neal (Mass.)
Permanent Select Committee on Intelligence	Devin Nunes (Calif.)	Adam Schiff (Calif.)

Note: *Retiring members are italicized*; members who **lost reelection** are **bolded**; term limited Republican chairmen are underlined

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Spotlight: House Appropriations Committee

- Current ranking member **Rep. Lowey** is likely to become Chair of the full Committee
- **Rep. Granger**, who currently chairs the Defense Subcommittee, will become ranking member
- **Rep. Betty McCollum (D-MN)** (not pictured), the current ranking member on Interior, will likely chair that Subcommittee
- **Rep. David Price (D-NC)** (not pictured), the current ranking member on THUD, will likely chair that subcommittee



Kay Graner (R-TX)

Rep. Peter DeFazio (D-OR)



Spotlight: House Transportation & Infrastructure

- **Rep. DeFazio**, current ranking member, will likely become chair of the full Committee
- **Rep. Graves**, current Railroads chair, will become ranking member of the full Committee
- **Rep. Rick Larsen (D-WA)** (not pictured), current ranking member on Aviation, will likely chair that subcommittee
- **Rep. Grace Napolitano (D-CA)** (not pictured), current ranking member of Water, will likely become chair of either Railroads or Water
- **Rep. Dan Lipinski (D-IL)** (not pictured) will likely become chair of either Water or Railroads, depending on Napolitano
- **Del. Eleanor Holmes Norton (D-DC)** (not pictured), current ranking member of Highways & Transit, will likely chair that Subcommittee
- **Rep. Dina Titus (D-NV)** (not pictured), current ranking member of Economic Development, will likely chair that Subcommittee
- **Rep. John Garamendi (D-CA)** (not pictured), current ranking member of Coast Guard, will likely chair that Subcommittee



Rep. Sam Graves (R-MO)



Spotlight: House Natural Resources Committee

- **Rep. Grijalva**, the current ranking member, is likely to become chair of the Committee
- **Rep. Bishop**, the current chair of the Committee, will become ranking member
- Grijalva has spoken about the possibility of reorganizing the Committee's Subcommittees. The current Subcommittees are:
 - Energy and Mineral Resources
 - Federal Lands
 - Indian, Insular and Alaska Native Affairs
 - Oversight and Investigations
 - Water, Power, and Oceans



Rep. Rob Bishop
(R-UT)

Democrats' Losses in Senate Will Drive Turnover

Committee	Chairman (115th)	Ranking Member (115th)
Aging	Susan Collins (Maine)	Bob Casey (Pa.)
Agriculture, Nutrition & Forestry	Pat Roberts (Kan.)	Debbie Stabenow (Mich.)
Appropriations	Richard Shelby (Ala.)	Patrick Leahy (Vt.)
Armed Services	James Inhofe (Okla.)	Jack Reed (R.I.)
Banking, Housing & Urban Affairs	Mike Crapo (Idaho)	Sherrod Brown (Ohio)
Budget	Mike Enzi (Wyo.)	Bernie Sanders (I-Vt.)
Commerce, Science & Transportation	John Thune (S.D.)	Bill Nelson (Fla.)**
Energy & Natural Resources	Lisa Murkowski (Alaska)	Maria Cantwell (Wash.)
Environment & Public Works	John Barrasso (Wyo.)	Tom Carper (Del.)
Finance	<i>Orrin Hatch (Utah) – retiring</i>	Ron Wyden (Ore.)
Foreign Relations	<i>Bob Corker (Tenn.) – retiring</i>	Bob Menendez (N.J.)
Health, Education, Labor & Pensions	Lamar Alexander (Tenn.)	Patty Murray (Wash.)
Homeland Security & Govt. Affairs	Ron Johnson (Wis.)	Claire McCaskill (Mo.)
Indian Affairs	John Hoeven (N.D.)	Tom Udall (N.M.)
Intelligence	Richard Burr (N.C.)	Mark Warner (Va.)
Judiciary	Chuck Grassley (Iowa)	Dianne Feinstein (Calif.)
Rules & Administration	Roy Blunt (Mo.)	Amy Klobuchar (Minn.)
Small Business & Entrepreneurship	James Risch (Idaho)	Ben Cardin (Md.)
Veterans' Affairs	Johnny Isakson (Ga.)	Jon Tester (Mont.)

**Races are uncalled as of publication

Note: *Retiring* members are italicized; members who lost reelection are bolded.

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Sen. Roger Wicker (R-MS)



Spotlight: Senate Commerce, Science, and Transportation Committee

- **Sen. Wicker** will become the next chair of the Committee, succeeding Sen. John Thune (R-SD) who has become the Republican Whip
- Current ranking member, Sen. Bill Nelson (D-FL), failed to win reelection.
- **Sen. Cantwell** could replace Nelson, but she would have to give up her ranking member position on the Energy Committee
- **Sen. Klobuchar** could take become ranking member if Cantwell declines the role



Sen. Maria
Cantwell (D-
WA)



Sen. Amy
Klobuchar
(D-MN)



Spotlight: Senate Energy and Natural Resources Committee



Sen. Maria
Cantwell (D-
WA)



Lisa Murkowski (R-AK)

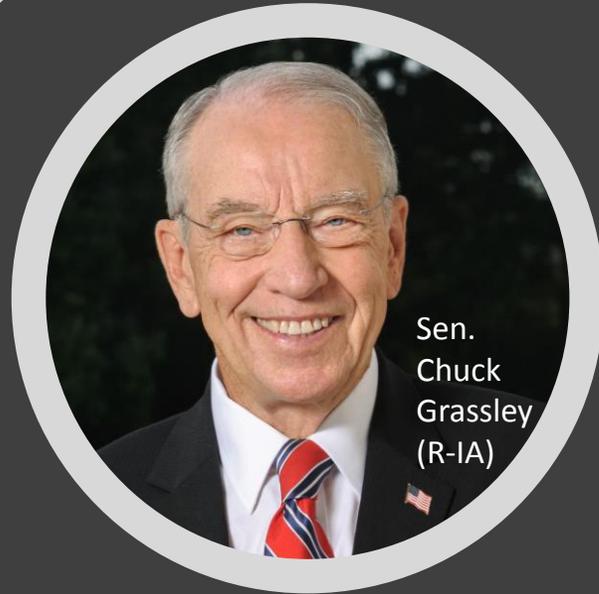
- **Sen. Murkowski** is expected to stay on as chair of the Committee
- It is unclear if **Sen. Cantwell**, the current ranking member, will remain in her role as she could shift to ranking member of the Commerce Committee
- If Cantwell moves to Commerce, it is unclear who would become ranking member



Sen. Lindsey
Graham (R-SC)



Sen. Ron
Wyden (D-
OR)



Sen.
Chuck
Grassley
(R-IA)



Sen. Dianne Feinstein (D-CA)

Spotlight: Senate Finance and Judiciary Committees

- **Sen. Grassley** opted to succeed retiring Sen. Orrin Hatch (R-UT) as chair of the Senate Finance Committee
- **Sen. Wyden** will remain ranking member on the Finance Committee
- **Sen. Graham** will replace Grassley as chair of the Judiciary Committee
- **Sen. Feinstein** will remain ranking member on the Judiciary Committee

What to Watch in the 116th Congress

What to Watch in the 116th Congress

Gridlock

With Democrats controlling the House and Republicans in charge of the Senate, it will be difficult for Congress to overcome partisan differences.

Investigations

House Democrats have subpoena power now that they are in the majority. They are likely to launch investigations into the president and administration officials and increase oversight.

Earmarks

With Democrats assuming control of the House, earmarks could be brought back next Congress. The ban on earmarks, which allow lawmakers to set aside money for local projects, was instated by Republicans in 2011

What to Watch in the 116th Congress

Fight over Environmental Regulations

While House Democrats are sure to push climate change legislation and advocate for increased environmental regulation, they will face pushback in the Senate.

The Senate will be more conservative than that of the 115th Congress, and those Republicans succeeding Sens. Heitkamp, Donnelly, and McCaskill will likely support increased regulatory cuts.

Immigration Reform

Lawmakers may try again to find a solution for the Deferred Action for Childhood Arrivals (DACA) program.

Some Republicans seem open to an immigration deal, but President Trump's insistence on border wall funding and threats with regard to birthright citizenship could complicate matters.

What to Watch in the 116th Congress

Federal Debt and the Deficit

Congress suspended the debt ceiling until March 1, so lawmakers must negotiate raising the debt limit.

The two-year budget cap deal for FY18 and FY19 expires, so lawmakers will have to negotiate a new budget deal

To maintain current spending levels, the caps would have to be raised by \$50 billion in 2020 and 2021, increasing the deficit by \$100 billion.

Taxes

Democrats are more likely to make changes to the 2017 GOP tax law than try to repeal it.

Such changes include repealing the cap on the state and local deductions, expanding the earned income tax and child tax credits, and creating new education tax credits.

Democrats probably won't support the Republican's Tax Reform 2.0.

What to Watch in the 116th Congress

Infrastructure Package

Bipartisan agreement to pursue an infrastructure package.

Incoming House T&I Chair Peter DeFazio (D-OR) wants a 'real' infrastructure bill with 'real' money.

Rep. DeFazio is currently working on creating an Infrastructure Subcommittee on the House Ways and Means Committee.

Lame Duck



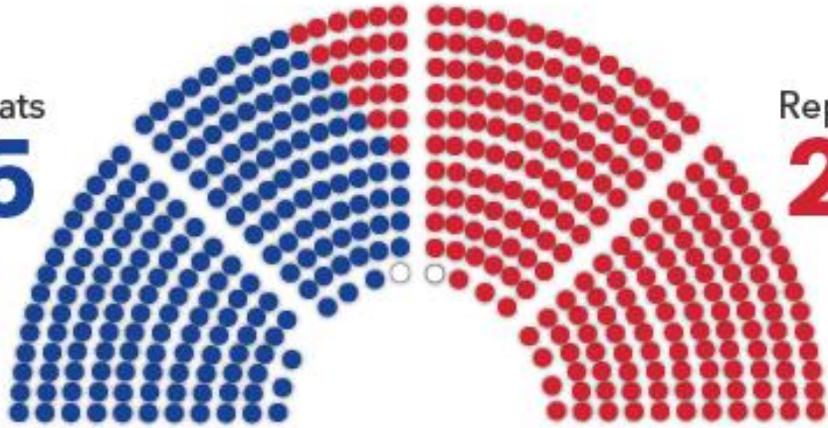
Lame Duck Notable Dates

Date	What to Watch
Nov. 13	Lame Duck Session begins
Nov. 15	<ul style="list-style-type: none">▪ Republican leadership elections for 116th Congress▪ Senate Democrat leadership elections for 116th Congress
Nov. 19-23	Thanksgiving Recess
Nov. 28	House Democrat leadership elections for 116 th Congress
Nov. 30	<ul style="list-style-type: none">▪ National Flood Insurance Program expires▪ Donald Trump intends to sign new trade agreement with Canada & Mexico▪ Deadline for joint select committees' recommendation on updating the budget process and improving multi-employer pension plans' solvency
Dec. 7	Continuing Resolution covering 7 of the 12 spending bills expires, it also covered: <ul style="list-style-type: none">▪ Temporary Assistance for Needy Families (TANF)▪ Violence Against Women Act (VAWA)▪ Immigration programs (E-Verify, EB-5)▪ EPA authority to collect pesticide registration fees
Dec. 13/14	Target adjournment dates – House on the 13 th , Senate on the 14 th
Dec. 31	<ul style="list-style-type: none">▪ First Farm Bill commodity program (dairy) expires▪ Lower medical expense deduction threshold (7.5% AGI instead of 10%) expires

Balance of Power in the Lame Duck

House

Democrats
195

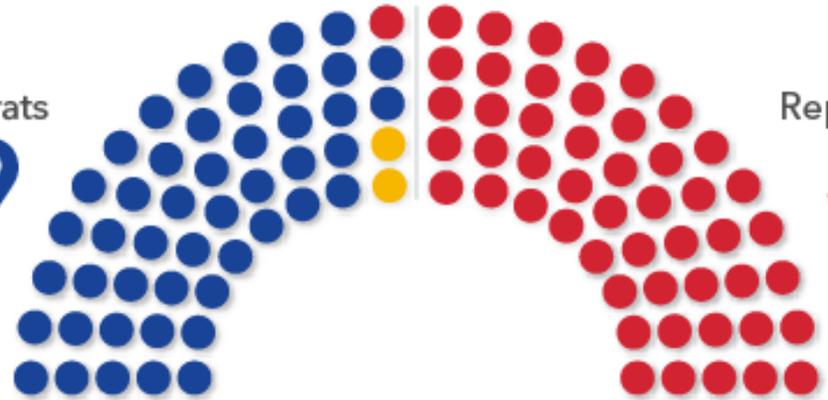


Republicans
238

○ Vacancy

Senate

Democrats
49



Republicans
51

What to Expect in the Lame Duck

Negotiations of FY19 Appropriations Bills Likely to Dominate Lame Duck.

5 of 12 have been enacted into law (Defense; Energy and Water; Labor/HHS/Education; Legislative Branch; and Military Construction/Veterans Affairs).

Appropriations

The remaining 7 were temporarily extended through Dec. 7 (Interior/Environment; Transportation-HUD; Financial Services; Agriculture; Commerce/Justice/Science; Homeland Security; and State/Foreign Ops).

Work on a 4-bill minibus comprised of the Interior/Environment, THUD, Financial Services, and Agriculture is nearly finished, but conference negotiations on the other 3 have not begun.

What to Expect in the Lame Duck

Disagreements over work requirements related to SNAP are still being negotiated and another extension may be necessary.

Farm Bill

The chairs of both the House and Senate Agriculture Committees hope to pass a Farm Bill before the end of the year.

It is possible Republicans may try to include tax provisions in the outstanding spending bills.

Taxes

These provisions include extending certain individual and business tax incentives, extending the pass-through business section in the 2017 tax bill, and making technical corrections to the 2017 tax bill.

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