SCENES FROM THE SWAMP

UPDATE FROM WASHINGTON AND THE LEGISLATIVE ARENA
SINCE WE LAST MET.
# Nationwide Polling Data – October 25-28, 2016

<table>
<thead>
<tr>
<th>Poll (Sample Size)</th>
<th>Clinton</th>
<th>Stein</th>
<th>Johnson</th>
<th>Trump</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBD/TIPP (873 LV)</td>
<td>41.6</td>
<td>3.2</td>
<td>8.4</td>
<td>40.8</td>
</tr>
<tr>
<td>Rasmussen (1,500 LV)</td>
<td>41</td>
<td>3</td>
<td>5</td>
<td>43</td>
</tr>
<tr>
<td>Fox News (912 LV)</td>
<td>45</td>
<td>3</td>
<td>5</td>
<td>39</td>
</tr>
<tr>
<td>NBC/SM (32,225 LV)</td>
<td>46</td>
<td>3</td>
<td>7</td>
<td>41</td>
</tr>
<tr>
<td>REUTERS (1858 LV)</td>
<td>45</td>
<td>2</td>
<td>5</td>
<td>37</td>
</tr>
</tbody>
</table>
U.S. House Prediction for 2016/2017

Democrats 199
Republicans 236

[Currently 246R-186D w/ 3 vacancies]

U.S. Senate Prediction for 2016/2017

Democrats 49
Republicans 51

[Currently 54R - 46D]

U.S. President/Electoral Map Prediction

Clinton 323
Trump 215
### Nationwide Polling Data – 1 Week Later (Nov 2-5)

<table>
<thead>
<tr>
<th>Poll (Sample Size)</th>
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<th>Johnson</th>
<th>Trump</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBD/TIPP</td>
<td>43 (-2)</td>
<td>2</td>
<td>7</td>
<td>45 (+4)</td>
</tr>
<tr>
<td>Rasmussen</td>
<td>44 (+3)</td>
<td>2</td>
<td>4</td>
<td>44 (+1)</td>
</tr>
<tr>
<td>Fox News</td>
<td>48 (+3)</td>
<td>2</td>
<td>3</td>
<td>44 (+5)</td>
</tr>
<tr>
<td>NBC/SM</td>
<td>44 (-2)</td>
<td>2</td>
<td>6</td>
<td>41</td>
</tr>
<tr>
<td>REUTERS</td>
<td>42 (-3)</td>
<td>3</td>
<td>6</td>
<td>39 (+2)</td>
</tr>
</tbody>
</table>
WHAT CHANGED IN SEVEN DAYS?

• COMEY LETTER REFERENCING EMAILS (OCTOBER 28, 2016)
• STATE RELEASES BATCH OF EMAILS (NOVEMBER 3, 2016)
• DECLINE IN AFRICAN-AMERICAN PARTICIPATION VS. 2012
• 68% OF NON-COLLEGE WHITES SUPPORTED TRUMP
• “FALL OF THE BLUE WALL” OR “TRUMP’S CORE FOUR”
• IT WAS ALWAYS CLOSE, AND GOT EVEN CLOSER, BY NOV 8
AND ON THE 8\textsuperscript{TH} DAY?
POTUS #45 - DONALD J. TRUMP
WHERE WE ARE TODAY...

- REPUBLICAN MAJORITY IN CONGRESS
  - U.S. HOUSE: 239 – 194 (TWO OPEN GOP SEATS)
  - U.S. SENATE: 52-48 (SPECIAL ELECTION IN ALABAMA IN DEC 2017)

- TRUMP ADMINISTRATION STILL IN FORMATION
  - 1,242 APPOINTEES REQUIRE SENATE APPROVAL; 600 KEY POSTS
    - OF 600 KEY POSITIONS, 273 HAVE NO NOMINEE NAMED
    - 177 FORMALLY NOMINATED OR NOMINEE NAMED; 145 CONFIRMED
IS A BIT DIFFERENT FROM JAN. 20...

**AREAS WITH NOTICEABLE CHANGE:**
- SUPREME COURT (JUSTICE NEIL GORSUCH)
- ENVIRONMENTAL REGULATIONS (STREAM PROTECTION, CPP, PARIS)
- ECONOMIC CONDITIONS (MARKET AND UNEMPLOYMENT LOW)

**AREAS WITH SLIGHT CHANGE:**
- HEALTHCARE, OBAMACARE AND OPIOID EPIDEMIC
- INDIVIDUAL AND CORPORATE TAX STRUCTURE
- INFRASTRUCTURE INVESTMENTS
...IN MANY WAYS.
Donald J. Trump 🇺🇸
@realDonaldTrump

Smart COAL people in NC today. We are winning WAR ON COAL! I am so proud of them. Group will also play golf but not so great at that. SAD!

12,051 RETWEETS 22,680 LIKES
SO WHAT’S NEXT?

LEGISLATIVELY....

• CONGRESSIONAL SESSIONS ENDS **DECEMBER 18**

• TAX REFORM IS FRONT AND CENTER AFTER SEPT. “BIG 6” PROPOSAL:
  • SETS THE CORPORATE TAX RATE AT 20%;
  • CUTS INDIVIDUAL RATES AND DOUBLES STANDARD DEDUCTIONS
  • ELIMINATES THE ALTERNATIVE MINIMUM TAX AND ESTATE TAX
  • WOULD LIMIT “SALT” INTEREST DEDUCTIBILITY FOR SOME

• WILL UTILIZE “BUDGET RECONCILIATION” TO AVOID FILIBUSTER
  • HOUSE AND SENATE BUDGET RESOLUTIONS ARE MILES (AKA, $1.5 TRILLION) APART
  • ONCE BUDGET RESOLUTION IS AGREED TO, WAYS/MEANS + FINANCE CAN WRITE TAX BILLS
SO WHAT’S NEXT?

**LEGISLATIVELY....**

- INFRASTRUCTURE – GAS TAX INCREASE? PPPs? EARMARKS?
- DEFICIT - DEBT CEILING REINSTATED ON DEC. 8
- HEALTHCARE – ALEXANDER/MURRAY BILL AWAITS IT FATE
- INTERNATIONAL – ROCKETMAN, RAQQA, ROUHANI
- ENERGY – MURKOWSKI/CANTWELL COMPREHENSIVE ENERGY BILL FROM JUNE 2017; AWAITING SENATE FLOOR TIME
ALL IN THE NAME OF NOV. 2018

• U.S. HOUSE AND 34 SENATE SEATS UP FOR ELECTION
• MIDTERM ELECTIONS NORMALLY BAD FOR PARTY IN W.H.
  • 18 OF 20 LAST MIDTERMS, PRESIDENT'S PARTY LOST AVG. 33 SEATS
  • PRESIDENTIAL APPROVAL HISTORICALLY INFLUENCES THIS TREND
• BUT 2018 ISN’T NORMAL!
  • DEMOCRATS MUST DEFEND 25 SEATS, INCLUDING 10 “RED” SEATS
  • U.S. HOUSE MORE COMPETITIVE WITH MODERATE GOP RETIREMENTS
IS THE OLD DOMINION A PREVIEW OF 2018?

• DEMOCRAT RALPH NORTHAM V. REPUBLICAN ED GILLESPIE
  • NORTHAM IS LT. GOV; GILLESPIE IS 2014 SENATE CANDIDATE
• POLLS SHOW NORTHAM WITH SINGLE DIGIT LEAD; NOVA KEY
• HISTORICALLY, VIRGINIA DOES NOT PREDICT SUBSEQUENT CONGRESSIONAL MIDTERM ELECTION
  • BUT TURNOUT MECHANISMS, ENTHUSIASM ARE GAUGED HEAVILY
QUESTIONS AND COMMENTS?