

ANTICIPATING THE 2016 ELECTION RESULTS

What Corporate Law Departments Need to Know

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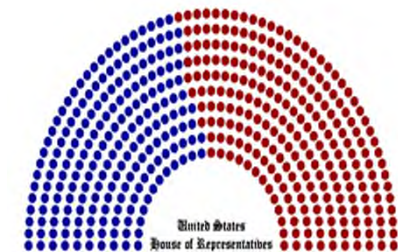
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AGENDA

- 2016 Presidential Election
 - Latest Polls/Probabilities
 - Top Voting Issues
 - Platforms
- 2016 Senate Races to Watch
 - Races to Watch
 - Predictions
 - Impact on Senate
- 2016 House Races to Watch
 - Likelihood of change in Majority
 - Predictions



LATEST PRESIDENTIAL POLLS

Polls	Dates	Clinton	Trump	Margin
NBC	9/12 - 9/18	50	45	Clinton +5
Morning Consult	9/15 - 9/16	46	42	Clinton +4
Fox News	9/11 - 9/14	41	40	Clinton +1
UPI/CVoter	9/8 - 9/14	47	48	Trump +1
Rasmussen	9/12 - 9/13	40	42	Trump +2
YouGov/Economist	9/10 - 9/13	42	40	Clinton +2
New York Times/CBS News	9/9 - 9/13	46	44	Clinton +2
Quinnipiac University	9/8 - 9/13	48	43	Clinton +5
Ipsos/Reuters	9/8 - 9/12	40	39	Clinton +1
NBC News	9/5 - 9/11	48	44	Clinton +4

Credit: New York Times

TRENDS/PROBABILITY

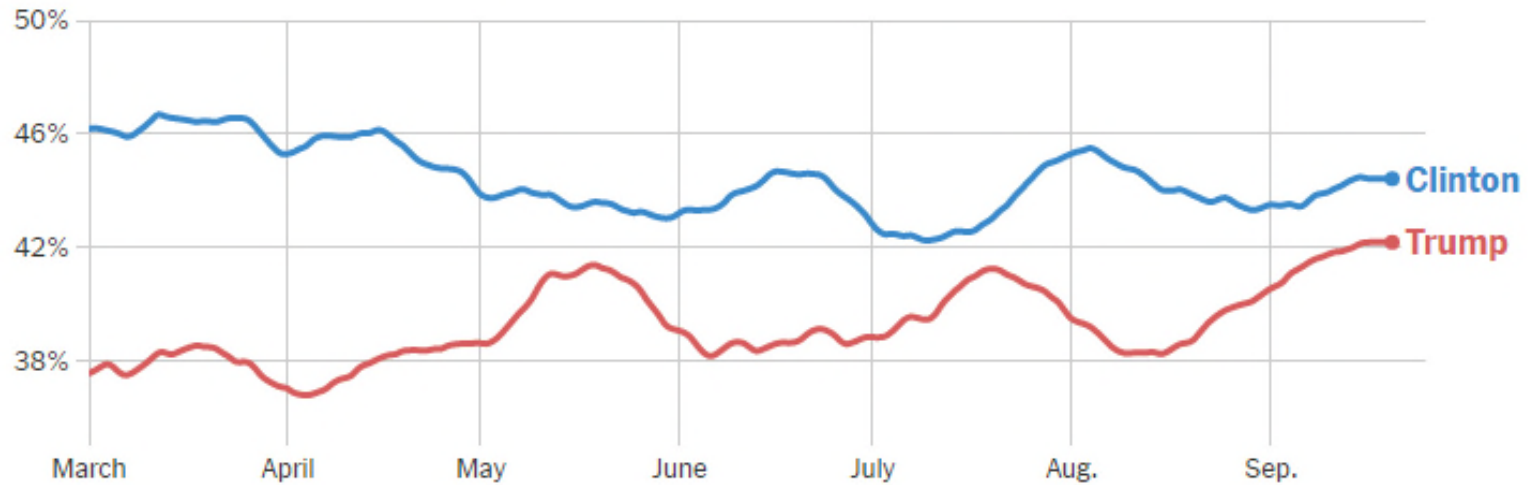
Hillary Clinton

44%

Donald J. Trump

42%

The Upshot Forecast: Hillary Clinton has a 74% chance of winning the presidency →



Note: First Presidential Debate is Monday September, 26th

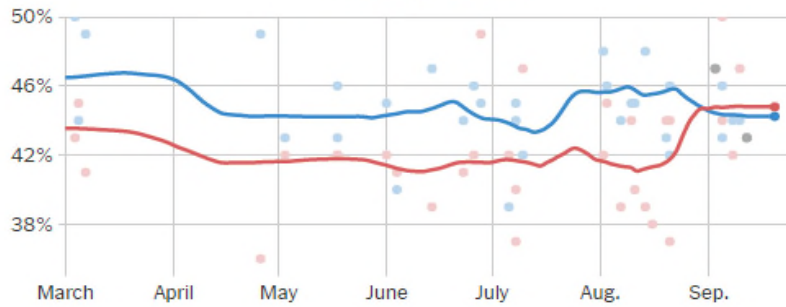
Credit: New York Times

STATE POLLING AVERAGES – SWING STATES

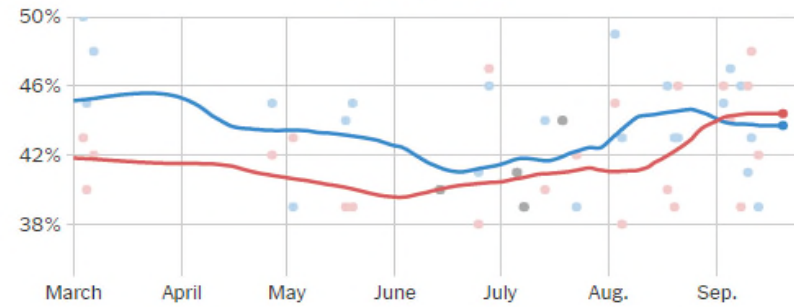
State	Average Margin	Electoral Votes
Minnesota	Clinton +8.0	10
New Hampshire	Clinton +7.7	4
Virginia	Clinton +6.3	13
Pennsylvania	Clinton +5.9	20
Wisconsin	Clinton +3.6	10
Michigan	Clinton +3.2	16
North Carolina	Clinton +1.1	15
Florida	Trump +0.5	29
Ohio	Trump +0.7	18
Arizona	Trump +1.8	11
Iowa	Trump +2.8	6
Georgia	Trump +4.1	16
Missouri	Trump +9.3	10

STATE TRENDS

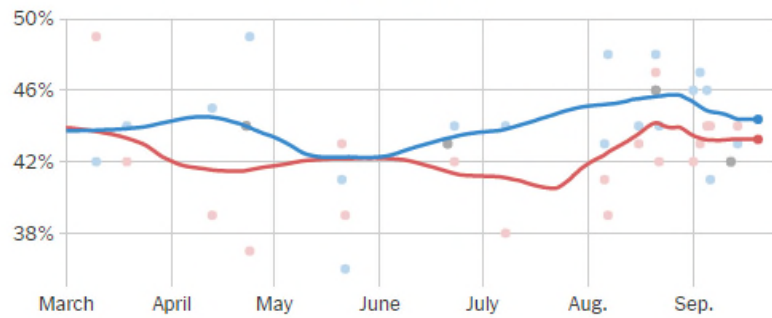
Florida
Trump +0.5



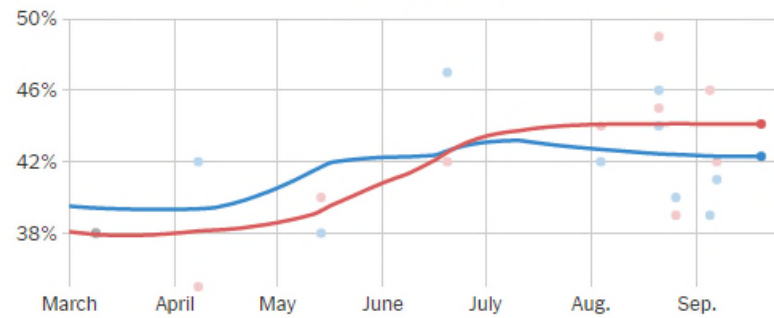
Ohio
Trump +0.7



North Carolina
Clinton +1.1



Arizona
Trump +1.8

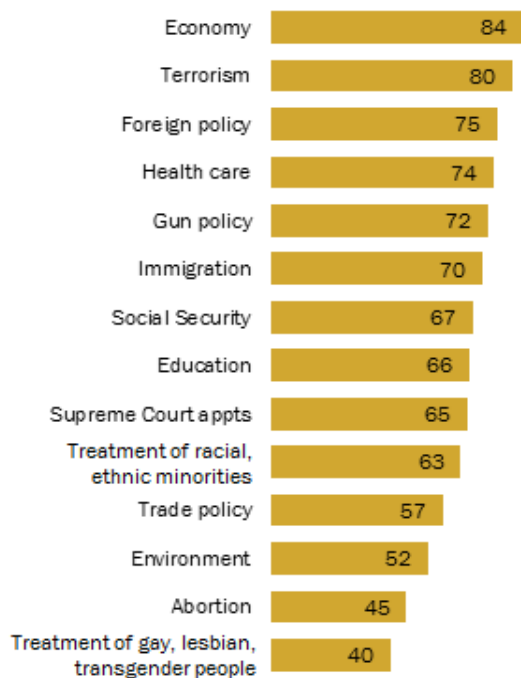


Credit: New York Times

TOP VOTING ISSUES

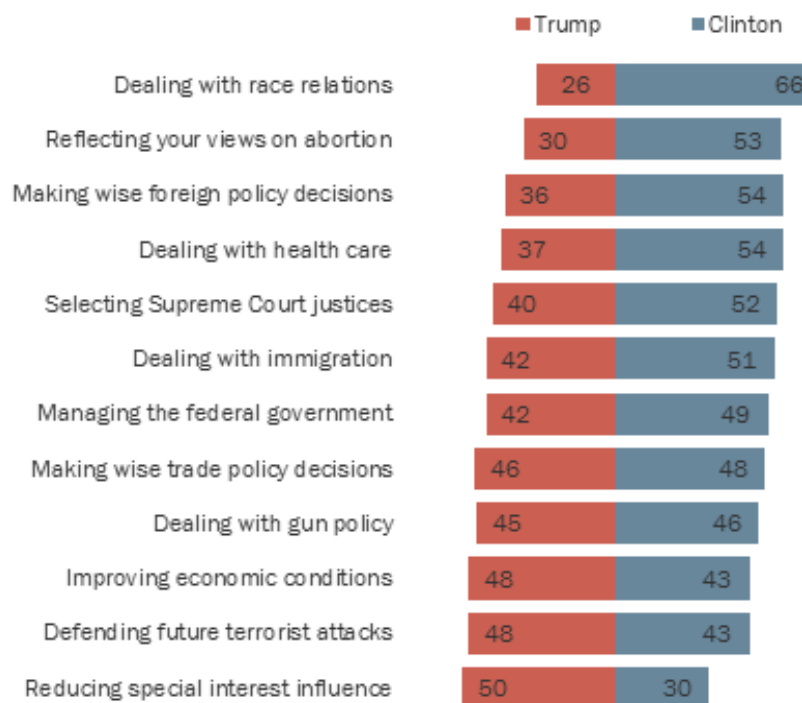
Economy and terrorism are top issues for voters in 2016

% of registered voters saying each is "very important" to their vote in 2016 ...



Trump and Clinton on the issues

Which candidate would do the better job of ... (%)



Credit: Pew

TOP VOTING ISSUES – SNAPSHOT

- A recent Pew study found: the economy and terrorism are the top two issues for voters
 - **84%** of registered voters say that the issue of the economy will impact their vote
 - **80%** of registered voters identify the issue of terrorism
 - In 2008, the numbers were at 87% and 68% respectively
- By a **48%-43%** margin, Trump is the candidate who voters say would do the better job improving economic conditions
- **77%** of Republican and Republican-leaning voters and 65% of Democratic and Democratic-leaning voters say immigration is very important to their 2016 decision
 - In 2008, the numbers were at **64%** and **46%** respectively
- On trade policy: **48%** of voters say Clinton would do better making wise decisions on trade compared with **46%** who say Trump

PLATFORMS

Trade	Clinton	Trump
TPP	Against (wavered)	Against
NAFTA and CAFTA	Support (renegotiated)	Against
Idea of “free trade?”	Support	Against
Increasing tariffs	Against	Support

Economy	Clinton	Trump
Raise the Min Wage	Support - \$12	Support - \$10
Taxes hike for wealthiest Americans	Support	Against
Tax corporate profits stashed overseas?	Support	Support (one-time repatriation, taxed at 10%)

PLATFORMS – TAX PLANS

- **Trump:** Proposes to take the top individual tax rate to **33%** from **39.6%**
 - Repeal the estate tax
 - Cut the corporate tax rate to **15%** from **35%** and taxing business profits of high-income households at a lower rate than their wages
 - The plan would forgo \$9.5 trillion in revenue over a decade, or more than 20% of projected federal taxes
- **Clinton:** Proposes tax increases on high-income households and creating incentives for businesses that share profits with their workers or have apprenticeship programs
 - Increase capital gains rates on assets held between one and six years to encourage longer-term investing
 - Impose tougher restrictions on companies seeking to move their addresses out of the country and cut their tax bills
 - Cap deductions for high-income people, impose a **30% minimum effective tax rate** on households making at least \$2 million a year
 - Use "business tax reform" to pay for **\$275 billion** in infrastructure spending

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PLATFORMS – INFRASTRUCTURE, MINIMUM WAGE

- **Trump (Infrastructure):** Promised a "trillion-dollar rebuilding program" to patch up roads, airports, bridges, water systems and the power grid
 - Lift restrictions on energy production and use part of the resulting tax revenue to finance his infrastructure plan
 - Talked about setting up a fund where private investors could help finance projects
- **Clinton (Infrastructure):** Send a \$275 billion infrastructure plan to Congress during her first 100 days in office
 - Create a \$25 billion infrastructure bank
 - Reauthorize the Build America bonds program
- **Trump (Min Wage):** Claimed he would like to see an increase in the minimum wage, but at other times said the rate should be left up to the states
 - In July called for a \$10 an hour federal minimum wage
- **Clinton (Min Wage):** Supports a \$12 federal minimum, but thinks states or cities should be allowed to set higher floors if they have local support

Credit: WSJ

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PLATFORMS – IMMIGRATION

- **Trump (Immigration):** Promised to build a wall along the Mexican border and have Mexico pay for it
 - Pledges to deport the 11 million immigrants in the U.S. illegally
 - Supports completely banning Muslims from entering the U.S. (now just temporarily banning immigrants from regions that are a major source of terrorists)
 - Proposes to stop granting citizenship to those born on U.S. soil to foreign parents, and favors subjecting those who overstay visas to criminal penalties
 - Wants to triple of the number of U.S. Immigration and Customs Enforcement officers and adding 5,000 border patrol agents
- **Clinton (Immigration):** Proposes creating an national office of immigrant affairs
 - Supports a pathway to citizenship
 - Backed President Obama's executive order that blocked deportations for some four million illegal immigrant

Credit: WSJ

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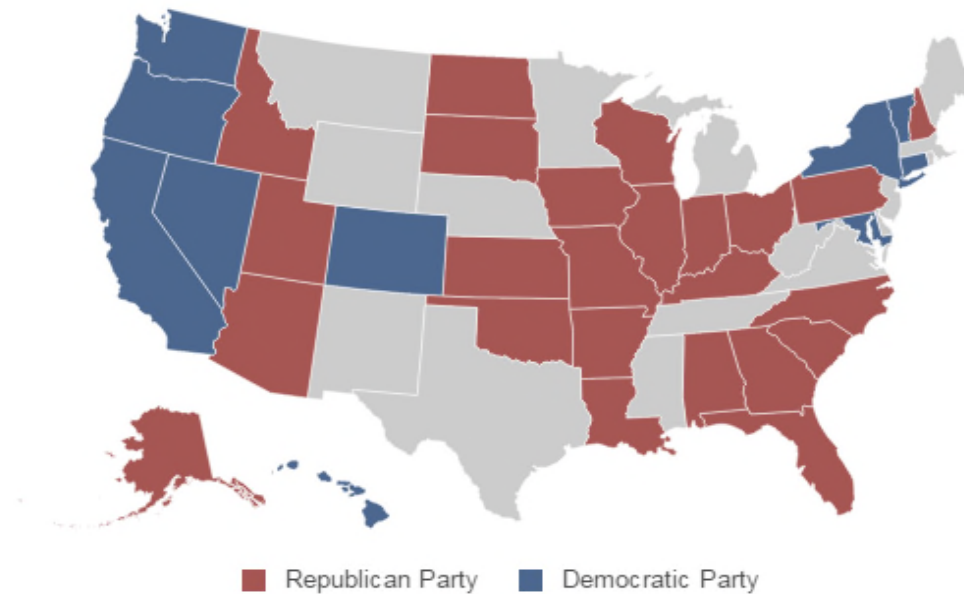
PLATFORMS – CLIMATE CHANGE

- **Trump (Climate Change):** In an interview with the *Washington Post* editorial board earlier this year, Trump asserted that he's "not a big believer in man-made climate change," while admitting that there has been "a change in the weather"
 - Trump is broadly against environmental regulations, arguing that such rules largely serve to hamper the economy
 - Trump said he would cut funding to the Environmental Protection Agency
- **Clinton (Climate Change):** Pledged to build on Obama's plan to bring U.S. carbon emissions 17 percent below their 2005 level by 2020
 - Clinton received an 82% score from the League of Conservation Voters while a Senator
 - Also while in the Senate, she voted in favor of the Climate Security Act, which would have reduced pollution that contributes to climate change and incentivized clean energy development
 - She proposes upping fuel efficiency standards on automobiles and appliances, launching a \$60 billion "Clean Energy Challenge" to push cities to curb pollution, and development of renewable energy

2016 SENATE RACES TO WATCH

There are 34 Senate seats up for election in November. 24 of those are currently held by Republicans, while 10 are held by Democrats. To retake control of the Senate, Democrats need to pick up four seats, five if there's a GOP president.

U.S. Senate Seats Up For Election



Credit: Policy Mic

2016 SENATE RACES TO WATCH

- FLORIDA (Marco Rubio, R, Seeking Re-Election)
 - Senator Marco Rubio (R) vs. Representative Patrick Murphy (D)
 - *WHY WATCH FLORIDA*: In the 2012 presidential election, Florida went for Obama by less than 1 percentage point
 - **Latest Poll**: Rubio 48, Murphy 42
- ILLINOIS (Mark Kirk, R, Seeking Re-Election)
 - Senator Mark Kirk (R) vs. Representative Tammy Duckworth (D)
 - *WHY WATCH ILLINOIS*: Obama won his home state in 2012 by 17%
 - **Latest Poll**: Duckworth 41, Kirk 36
- INDIANA (Dan Coats, R, retiring)
 - Representative Todd Young (R) vs Evan Bayh (D) (former senator)
 - *WHY WATCH INDIANA*: Bayh's has a \$9.5 million campaign fund and history of winning elections in the Republican-friendly state
 - **Latest Poll**: Bayh 46, Young 40







2016 SENATE RACES TO WATCH

- **PENNSYLVANIA** (Pat Toomey, R, Seeking Re-Election)
 - Senator Pat Toomey (R) vs Katie McGinty (D)
 - *WHY WATCH PENNSYLVANIA:* This is another state that votes Democratic, and the Philadelphia suburbs have been shifting toward the Democrats
 - **Latest Poll:** McGinty 42.2, Toomey 42
- **NEVADA** (Harry Reid, D, retiring)
 - Catherine Cortez Masto (D) (former state attorney general) vs. Representative Joe Heck (R)
 - *WHY WATCH NEVADA:* This is the Republicans' best opportunity to win a D seat.
 - **Latest Poll:** Heck 43, Masto 41.5
- **NEW HAMPSHIRE** (Kelly Ayotte, R, Seeking Re-Election)
 - Senator Kelly Ayotte (R) vs. Governor Maggie Hassan (D)
 - *WHY WATCH NEW HAMPSHIRE:* Obama won the state in 2012 and its voting patterns came close to mirroring the nationwide presidential election result
 - **Latest Poll:** Ayotte 45.8, Hassan 44

2016 SENATE RACES TO WATCH

- OHIO (Rob Portman, R, Seeking Re-Election)
 - Senator Rob Portman (R) vs. Former Governor Ted Strickland (D)
 - *WHY WATCH OHIO:* Typically a bellwether in presidential. Ohio is one of the seven states that supported Obama in 2012.
 - **Latest Poll:** Portman 48.2, Strickland 34.8
- WISCONSIN (Ron Johnson, R, Seeking Re-Election)
 - Senator Ron Johnson (R) vs. Former Senator Russ Feingold (D)
 - *WHY WATCH WISCONSIN:* The last time a Wisconsin Republican won a Senate race in a presidential election year was 1980
 - **Latest Poll:** Feingold 50.7, Johnson 41
- Other States to Watch (current poll numbers):
 - **North Carolina** – Incumbent Richard Burr (R) 44.7 vs Deborah Ross (D) 42
 - **Missouri** – Incumbent Roy Blunt (R) 44.6 vs. Jason Kander (D) 41.2

PREDICTIONS

State	 NYT	 PW	 PEC	 Cook	 Roth. ¹	 Sabato
Illinois	80% Dem.	74% Dem.	87% Dem.	Tossup	Leaning Dem.	Leaning Dem.
New Hampshire	64% Dem.	57% Dem.	71% Dem.	Tossup	Tossup	Tossup
Indiana	62% Dem.	64% Dem.	>99% Dem.	Tossup	Leaning Dem.	Tossup
Pennsylvania	52% Dem.	57% Dem.	68% Dem.	Tossup	Tossup	Tossup
Nevada	62% Rep.	56% Dem.	57% Rep.	Tossup	Tossup	Tossup
North Carolina	71% Rep.	59% Rep.	64% Dem.	Tossup	Leaning Rep.	Leaning Rep.
Arizona	72% Rep.	72% Rep.	64% Rep.	Leaning Rep.	Likely Rep.	Leaning Rep.
Missouri	82% Rep.	74% Rep.	77% Rep.	Leaning Rep.	Likely Rep.	Leaning Rep.
Ohio	84% Rep.	75% Rep.	92% Rep.	Tossup	Leaning Rep.	Tossup
Florida	84% Rep.	69% Rep.	85% Rep.	Tossup	Leaning Rep.	Tossup

¹ Rothenberg & Gonzales ratings are converted from a nine-category scale to a seven-category scale to make comparisons easier.



Credit: New York Times

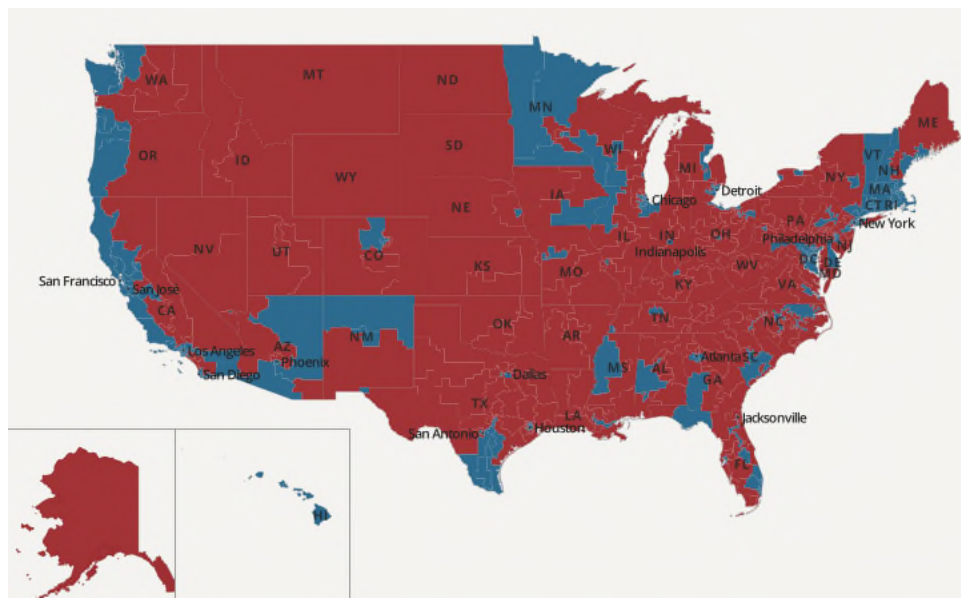
IMPACT ON SENATE

The *New York Times* gives Democrats a 60% chance of winning control of the chamber in November. Assuming they win...

- Change in Committee Leadership
 - Senator Chuck Schumer from NY as Majority Leader?
 - Senator Sherrod Brown of Ohio as Senate Banking Committee Chair?
 - Senator Bernie Sanders of Vermont as Senate Budget Committee Chair?
- Counterweight House Republicans, force compromise
- Supreme Court Appointment
- New Policy Priorities
 - Tweak, but not overhaul, the Affordable Care Act, progressive agenda on climate change, “improve” 2010 Dodd-Frank Act, moderate immigration reform, more infrastructure
- If Republicans Keep Senate, and lose White House – STALEMATE/STATUS QUO
- If Republicans Keep Senate, and win White House
 - Kill filibuster – pursue a legislative blitz designed to eliminate the Obama legacy
 - An agenda focused on cutting taxes and at least disabling Obamacare
 - Conservative Supreme Court nominee

U.S. HOUSE

- Republicans losing the House? Unlikely.
 - Of the 435 House seats, 246 are controlled by Republicans, 186 by Democrats
 - Democrats would have to win 31 seats to regain a majority
 - Only about 50 of the 435 districts are considered even remotely competitive
 - Most predict Democrats to gain SOME House seats back



Credit: Cook Report

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U.S. HOUSE

Likely Democratic	Lean Democratic	Democratic Toss Up	Republican Toss Up	Lean Republican	Likely Republican
DIST. CA-24 OPEN CA-52 Peters FL-10 OPEN MD-06 Delaney NY-25 Slaughter VA-04 OPEN 4 DEMOCRATS 2 REPUBLICANS	DIST. CA-07 Bera FL-13 Jolly IA-01 Blum MN-02 OPEN MN-08 Nolan NV-04 Hardy NH-01 Guinta NY-03 OPEN 3 DEMOCRATS 5 REPUBLICANS	DIST. AZ-01 OPEN FL-18 OPEN <i>NE-02 Ashford</i> 3 DEMOCRATS 0 REPUBLICANS	DIST. <i>CA-25 Knight</i> CO-06 Coffman <i>FL-26 Curbelo</i> <i>IL-10 Dold</i> <i>IA-03 Young</i> <i>ME-02 Poliquin</i> NV-03 OPEN <i>NY-01 Zeldin</i> NY-19 OPEN NY-22 OPEN <i>NY-24 Katko</i> PA-08 OPEN <i>TX-23 Hurd</i> WI-08 OPEN 0 DEMOCRATS 14 REPUBLICANS	DIST. <i>AZ-02 McSally</i> CA-10 Denham CA-21 Valadao CA-49 Issa FL-07 Mica MI-01 OPEN MI-07 Walberg MN-03 Paulsen NJ-05 Garrett NY-23 Reed <i>UT-04 Love</i> VA-10 Comstock 0 DEMOCRATS 12 REPUBLICANS	DIST. AK-AL Young CO-03 Tipton FL-02 OPEN FL-27 Ros-Lehtinen <i>IL-12 Bost</i> IN-09 OPEN KS-03 Yoder <i>MT-AL Zinke</i> <i>NY-21 Stefanik</i> <i>PA-06 Costello</i> PA-16 OPEN VA-05 OPEN WA-08 Reichert 1 DEMOCRAT 12 REPUBLICANS

Credit: Cook Report

QUESTIONS?



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THANK YOU

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