

Analysis of 2010 Mid-Term Election Results

November 3, 2010

When the Founding Fathers created a bicameral legislative branch of the government, they determined that *all* members of the lower body—the U.S. House of Representatives—would run for office every *two* years and that members of the upper chamber—the U.S. Senate—would serve *six*-year terms with a third of the membership reviewed every two years. The theory was that the House—the “Peoples Chamber”—would reflect current public sentiment while the Senate would be a more deliberative chamber. Or, as later described, the House would be like a hot cup of coffee and the Senate would be the saucer that cools legislation down.

That theory of legislative governance was soundly reconfirmed on Tuesday as Republicans won control of the U.S. House of Representatives by a significant margin but fell several seats short of gaining control of the U.S. Senate. With several races still too close to call, Republicans have captured 239 seats to take control of the House for the first time since 2006 and picked up six Senate seats to close the gap to no worse than 53-47 (two races remain undecided).

Further solidifying their gains, Republicans won 27 gubernatorial races, including the key battleground states of Ohio, Pennsylvania, and Florida. Partially offsetting those losses, Democrats captured gubernatorial races in California and New York.

Senate

Going into yesterday’s elections, there were 37 Senate races being contested: 19 Democrat-held seats and 18 Republican-held seats. Republicans needed a net gain of 10 to win control but fell short of that goal. In what was perhaps the marquee Senate race in the country, Majority Leader Harry Reid (D-NV) held off Tea Party favorite Sharron Angle to retain his Senate seat. While several Democratic committee chairmen were tested, only one—Senator Blanche Lincoln, chair of the Senate Agriculture Committee—was defeated.

Of the races involving Tea Party candidates, the results were mixed. Christine O’Donnell (R) lost in Delaware and Ken Buck lost in Colorado, while Rand Paul (R) won in Kentucky. One other Tea Party favorite, Joe Miller in Alaska, is in a race too close to call at this time. Of the 11 “open seat” races (in which there was no incumbent running), Republicans were victorious in eight.

House of Representatives

Most forecasts of the House elections predicted anywhere from a 45- to a 60-seat pickup for the Republicans and the final results (pending several “too close to call” races) are at the top end. In a reversal of the past two congressional elections, Republican candidates did very well in Pennsylvania and in the Midwest, picking up seats in Ohio and Indiana. There was a revival of Republican strength in the Northeast with Republicans picking up seats in New York, New Hampshire, and New Jersey. Conversely, the “Blue Dog”—or moderate—Democrats went down to defeat throughout the country but most prominently in the South.

Several committee chairmen also went down to defeat. Those included:

- Representative Jim Oberstar, Chairman of the Transportation and Infrastructure Committee
- Representative John Spratt, Chairman of the Budget Committee
- Representative Ike Skelton, Chairman of the Armed Services Committee

With Republican control of the House starting in January, there will be a new lineup of committee chairmen. The following is a list of House committees and new/former chairs. Please note this is a speculative list with formal approval pending party caucus meetings.

House Committee Changes

| Committee | In | Out |
|--------------------|---------------------|-----------------------|
| Ways & Means | Dave Camp (MI) | Sandy Levin (MI) |
| Energy & Commerce | Fred Upton (MI) | Henry Waxman (CA) |
| Education & Labor | John Kline (MN) | George Miller (CA) |
| Financial Services | Spencer Bachus (AL) | Barney Frank (MA) |
| Judiciary | Lamar Smith (TX) | John Conyers (MI) |
| Appropriations | Harold Rogers (KY) | Dave Obey (WI) |
| Rules | David Dreier (CA) | Louise Slaughter (NY) |
| Agriculture | Frank Lucas (OK) | Collin Peterson (MN) |
| Transportation | John Mica (FL) | Jim Oberstar (MN) |
| Homeland Security | Peter King (NY) | Bennie Thompson (MS) |
| Natural Resources | Doc Hastings (WA) | Nick Rahall (WV) |
| Budget | Paul Ryan (WI) | John Spratt (SC) |
| Science | Ralph Hall (TX) | Bart Gordon (TN) |
| Oversight | Darrell Issa (CA) | Ed Towns (NY) |
| Armed Services | Buck McKeon (CA) | Ike Skelton (MO) |

What Does This Mean?

While the newly elected members of the 112th Congress will not be formally sworn in until January 2011, they will meet informally in mid-November to begin the process of selecting their leaders. All expectations are that Ohio Representative John Boehner will be chosen as the new Speaker of the House with Virginia Representative Eric Cantor moving up to become the Republican Majority Leader and Indiana Representative Mike Pence becoming the Majority Whip.

The real drama will be on the Democratic side where current Speaker Nancy Pelosi (D-CA) will decide whether she will run as Minority Leader or simply step down from any leadership position. The latter

would likely result in Maryland Representative Steny Hoyer becoming the Minority Leader and South Carolina Representative Jim Clyburn becoming the Minority Whip.

Meanwhile, the current 111th Congress is slated to meet in a lame duck session starting November 15 to complete work on several legislative initiatives (note: the newly elected members do not vote in the lame duck session). The federal government is currently operating under something called a “continuing resolution,” or CR, that expires on December 3. Prior to that date, Congress will need to resolve whether to extend the CR into next year or pass a massive spending bill (“Omnibus” appropriations) to fund the government through September 30, 2011. Typically, a CR is approved “clean” or without any extraneous issues attached. Conversely, an Omnibus can become a “Christmas tree” to which members attempt to add pet projects or other issues. Given the results of the elections, the public may not take kindly to the inclusion of pet or pork projects.

Following the funding issue, Congress will need to resolve the issue of the expiring “Bush tax cuts” and tax extenders before January 1. That will either be done as a short-term extension—allowing the newly elected members of the 112th Congress to decide their long-term fate—or as a one-, two-, or even three-year extension. Logic suggests a one-year extension. Politics suggests a three-year extension, putting the issue beyond the 2012 elections.

During his campaign for reelection, Senate Majority Leader Harry Reid talked about bringing up an energy bill and possibly an environmental bill before the end of year. Again, given the election results, it is doubtful that Republican leaders in the House and Senate will have much incentive to do much beyond the absolute necessities before the new Congress convenes in January.

112th Congress

With Republicans in control of the House of Representatives and a much smaller Democratic majority in the Senate, what will likely be the priorities of the 112th Congress?

As James Carville once famously observed, “It’s the economy, stupid.” Exit polling suggests that concern about the economy and the jobs situation was the number one issue for a majority of American voters. This, then, will likely be the focus of both Democrats and Republicans in the Congress as well as the Obama Administration. For Republicans, that normally translates into an emphasis on tax cuts to stimulate the economy and, for Democrats, infrastructure and other public works projects.

It’s a safe bet that the vast majority—perhaps all—of the newly elected Republicans campaigned to one extent or another against the recently enacted healthcare reform law. There will be a great deal of pressure on the Republican leadership in the House to allow a vote to repeal. That is unlikely to win the support of President Obama or even the Senate so there will then be efforts made to repeal certain portions of the Act.

Republicans may also employ a “defunding” tactic in which they pass appropriations bills that provide that no money can be spent to carry out specific mandates called for under the Act. Similar tactics will likely be employed over provisions of the Dodd–Frank Wall Street Reform and Consumer Protection Act.

During the fall campaign, Representative Boehner, the presumptive next Speaker, was asked how the Republicans would govern. His response: an emphasis on the economy and job creation (and conversely, opposition to what are viewed as “job killers” like climate change legislation); renewed oversight of

governmental programs that could be targets for elimination as a means of scaling back the size of government; and more open debate on key national issues. At his press conference following Tuesday's election results, President Obama expressed his willingness to work with the new Congress.

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