



November 7, 2018

Yesterday, there were numerous critical elections on the ballot across the country: all 435 members of the US House of Representatives, 35 US Senators, 36 governors, various state legislators, many local officials such as state legislators, mayors, county officials, etc., as well as a number of important infrastructure-related ballot initiatives. The big news is the Democratic takeover of the House. On the other hand, Republicans retained control of the Senate and even picked up several seats to increase what had been a very tight majority.

US Senate

Current Senate: Republicans currently hold 51 seats and Democrats hold 49 seats including 2 Independents (ME and VT) who caucus with the Democrats. There were 35 US Senate seats up for election on November 6 (33 regular elections and two special elections in MN and MS). They consisted of 9 Republican-held seats, 24 Democratic seats and the 2 Independent seats. Senators serve for a six-year term. Of the 35 races, 32 seats were held by incumbents and 3 were open seats because of retirements (AZ, TN, UT).

Democrats had hoped to be able to take over control in the Senate where they only needed a net gain of 2 seats. However, the large number of vulnerable incumbents running in states that Trump won in 2016, proved too difficult to overcome.

New Senate: In the new 116th Congress, Republicans will end up with at least 3 to 4 additional seats. However, 60 votes will still be needed to pass most major legislation.

At least five incumbent Senators lost re-election - Democrats – Donnelly (IN), Heitkamp (ND), and McCaskill (MO), and Republican – Heller (NV). Several races are still too close to call including FL, AZ and MT. Senator Bill Nelson (D-FL) serves as the senior Democrat on the Senate Commerce Committee which has jurisdiction over aviation, rail, and safety programs.

US House

Current House: Republicans currently hold 235 seats in the House to the Democrats 193 seats with 7 vacancies. There were 56 incumbents who opted not to run again for their House seat – including 5 members of the House T&I Committee (4 Rs and 1D), plus Rep.



Capuano (D-MA) who lost his primary. Democrats needed a net gain of 23 seats to take control of the 218 seats needed for a majority.

Notable incumbent loses include T&I Committee members Comstock (R-VA), Faso (R-NY), Nolan (D-MN), and Lewis (R-MN).

New House: With a number of races still too close to call, it appears that Democrats will pick up at least 30 seats. The incoming freshman class is expected to include a record number of women, minorities, and military veterans.

Significant changes were expected in the House T&I Committee leadership regardless of the election outcome because of the retirements of Chairman Bill Shuster (R-PA) and two subcommittee chairs – LoBiondo (R-NJ) and Barletta (R-PA).

With a Democratic takeover, the new chair of the T&I Committee is expected to be Rep. Peter DeFazio (D-OR), with Rep. Eleanor Holmes Norton (D-DC) taking over as chair of the Highways & Transit Subcommittee. Rep. Sam Graves (R-MO) will likely be the senior full committee Republican with his current Highways & Transit Subcommittee position vacant.

Governors

There were 36 gubernatorial elections this year – an unusually large number – in 9 states with Democratic incumbents, 26 states with Republican incumbents and 1 state with an independent incumbent. 17 of the 36 races were open seats where the incumbent was term-limited (13 R seats and 4 D seats) and 19 featured incumbents running for re-election.

Democrats picked up governorships in a number of states including IL, KS, ME, MI, and NM, but Republicans managed to hold on in the key states of FL, GA and OH. New governors will mean many new state DOT directors as well as new funding priorities and program initiatives.

In 2019, there will be gubernatorial elections held in only 3 states – KY, LA, and MS.

Ballot Initiatives

There were a number of important state and local transportation and infrastructure-related ballot initiatives up for a vote around the country and many were successful. The high profile effort in California to repeal its recent state gas tax increase failed as the result of a massive effort by the transportation industry. As federal funding for infrastructure



programs keeps shrinking, state and local governments have been stepping up to the plate and agreeing to tax themselves to fund major infrastructure investments.

California – Prop 6 – Statewide – “Prop 6” – repeal of recent state gas tax increase – LOST

Colorado -Prop 110 – Statewide - “Let’s Go Colorado” – sales tax and bond measure for transportation improvements - LOST

Florida - Question 2 - Hillsborough County (Tampa) – “All for Transportation” - sales tax increase to fund transit and road improvements - PASSED

Missouri - Prop D – Statewide - “Safer MO” – gas tax increase to fund transportation improvements – LOST

Connecticut and Louisiana both approved “lockbox” measures to protect existing and new transportation revenues.

Lame Duck Session

The current Congress will reconvene in DC on November 13 to begin a post-election Lame Duck session. While there are critical bills still pending, some observers believe that Congress may not be in the mood to stay in town very long after the incredibly divisive and exhausting election. With Democrats poised to take over the House in the next Congress, there is little incentive for Democrats to pass Republican-drafted legislation.

The primary “must do” agenda item for the Lame Duck is action on the remaining FY’19 federal agency appropriations bills, including the THUD (US DOT) funding bill. The current CR expires on December 7. Any legislation that is not completed before Congress adjourns for the session at the end of the year dies and must be reintroduced in the new 116th Congress.

Next Congress

There are still a number of US House and Senate races too close to call, but it is clear that the 116th Congress will be a divided Congress with Democrats controlling the House and Republicans controlling the Senate (with a potentially larger majority). This could have a positive effect as members look for bi-partisan legislation that all sides could support such as infrastructure, or it could result in more gridlock as each side digs in. With the 2018 elections serving as the informal kick-off of the 2020 presidential cycle, bi-partisan cooperation may not be realistic.



Washington Update

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The new House Democratic majority is expected to increase oversight and scrutiny of the Trump Administration's policies and regulations. This could result in hearings on a number of highly contentious issues such as immigration, tax reform, Russian collusion, the Wall, etc., but also possibly on helpful issues such as the infrastructure funding gap, a federal gas tax increase, and management of the FTA Capital Improvement Grants (CIG) approval process and other US DOT discretionary grants.

Additional information and more details about the elections results, including ballot initiatives, and their potential impact will be distributed later this week.