

A photograph of the U.S. Capitol dome in Washington, D.C., with an American flag flying on a tall pole to the left. The dome is white with ornate architectural details and a dark statue on top. A blue horizontal band is overlaid across the top of the image, containing white text.

U.S. ELECTION INSIGHT 2016

WHAT'S IN STORE FOR THE NATION'S COUNTIES

NATIONAL ASSOCIATION OF COUNTIES | NOVEMBER 2016 | WWW.NACo.ORG



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PRESENTATION INFORMATION AS OF 11/10/2016

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ELECTION REACTIONS

“We are going to...rebuild our highways, bridges, tunnels, airports, schools, hospitals. We're going to rebuild our infrastructure, which will become, by the way, second to none. And we will put millions of our people to work as we rebuild it.”

– President-Elect Donald Trump during his election acceptance speech

“President-elect Trump has a significant opportunity to bring our nation together. It is my hope and intent that we succeed in the years ahead by working together with our colleagues across the aisle to strengthen our national and economic security.”

– Senate Majority Leader Mitch McConnell on finalizing the FY 2017 appropriations process

“Donald Trump will lead a unified Republican government. And we will work hand-in-hand on a positive agenda to tackle this country's big challenges.”

– House Speaker Paul Ryan on the future of the Republican party

“This was a divisive and hard fought election, and the outcome surprised many Americans from both political parties. It is time for the country to come together and heal the bitter wounds from the campaign. Senate Democrats will spend the coming days and weeks reflecting on these results, hearing from the American people, and charting a path forward to achieve our shared goals and to defend our values.”

– Incoming Senate Democratic Leader Chuck Schumer on the 2016 Presidential Election and outlook of the Democratic party

THE FEDERAL LEGISLATIVE PRIORITIES OF AMERICA'S COUNTIES

CLICK EACH PRIORITY FOR FURTHER INFORMATION

Protect the Tax-Exempt Status of Municipal Bonds: NACo supports maintaining the federal deductibility of local property and income taxes and the tax-exempt status of municipal bonds that provide critical funding for infrastructure.

Protecting the Federal-State-Local Partnership for Medicaid: NACo supports maintaining the federal-state-local structure for financing and delivering Medicaid services. Counties continue to be concerned about measures that would further shift federal and state Medicaid costs to counties including cuts, caps or block grants.

Promote County Priorities in Surface Transportation Implementation: NACo will work to ensure that the new transportation law is implemented to reflect our county priorities, including allocating more funding for locally owned infrastructure, increasing local decision making authority and prioritizing investments that increase safety.

Payments in Lieu of Taxes and Secure Rural Schools: NACo supports extending full mandatory funding for the Payments in Lieu of Taxes (PILT) program as well as legislative efforts to reform and fund the expired Secure Rural Schools (SRS) program.

Support Policies to Prevent and Treat Mental Illness and Substance Abuse: NACo supports measures that maintain funding for the Substance Abuse and Mental Health Services Administration (SAMHSA) block grants, fully implement and expand mental health parity, ease the Institute of Mental Disease (IMD) exclusion, expand access to health information technology (HIT), develop and expand the behavioral health workforce, simplify health privacy provisions, respond to veterans' needs and provide services across the life cycle.

"Waters of the U.S." Proposed Rule: NACo has raised concerns over the scope of the proposed rule as released by EPA and the Army Corps of Engineers, including its potential impact on county owned and maintained public safety infrastructure and has called on the federal government to withdraw the proposal until further analysis has been completed.

INTRODUCTION: OVERVIEW

The 2016 elections were an unexpected sweep for the Republican party, and the results of the presidential race stunned the media and strategists from both sides of the aisle. By winning the White House and maintaining control of both chambers of the U.S. Congress, the GOP will control both the executive and legislative branches of the federal government for the first time in 10 years. NACo has broken down the election results and provided the following analysis to prepare county officials for the lame duck period of the 114th Congress and the beginning of the 115th Congress.

2016 House Races: As was expected prior to the election, the Republican party maintained control of the House. Going into election night, Republicans held 246 seats and Democrats held 186. Although Republicans will end the election with a net loss of a few seats (four races are still undecided as of November 11), they easily secured the 218 seat majority needed to retain control of the chamber. In the 115th Congress, Republicans will control at least 238 seats, and Democrats will control at least 193 seats.

2016 Senate Races: The Democratic party had high expectations of taking control of the Senate in 2016, as Republicans were defending more than twice as many seats (24) as Democrats (10). Despite this disparity, the GOP maintained control of the chamber by defending all but two of those 24 seats. The number of Republican senators will shrink from 54 to 51 in the 115th Congress, but the party beat difficult odds by holding the majority. Louisiana will hold its Senate runoff election on December 3, 2016.

2016 Gubernatorial Races: In addition to the presidential and congressional races, gubernatorial elections were held in 12 states on November 8. Republicans controlled 31 governorships heading into the election and expanded their control to at least 33 states by winning in Missouri, Vermont and New Hampshire. The race in North Carolina – a GOP-held seat – remains too close to call (as of November 10) and is likely heading to a recount.

115th Congress: On January 3, 2016, the 115th Congress will begin, ushering in a new class of senators and representatives. There will be six new senators and at least 48 new representatives serving in the 115th Congress, and the two chambers will be working with a new presidential administration. Although the executive and legislative branches will both be GOP-controlled, Republican leadership in the Senate will need some bipartisan support for its initiatives in order to reach filibuster-proof vote counts.

BY WINNING THE PRESIDENCY AND MAINTAINING MAJORITIES IN BOTH CHAMBERS OF CONGRESS, THE GOP TOOK CONTROL OF THE EXECUTIVE AND LEGISLATIVE BRANCHES OF THE FEDERAL GOVERNMENT FOR THE FIRST TIME SINCE 2007.

AFTER THE ELECTION: THE LAME DUCK SESSION

REFER TO PAGE 45 FOR FULL REPORT ON THE LAME DUCK SESSION

ISSUES THAT COULD BE ADDRESSED IN THE FINAL DAYS OF THE 114TH CONGRESS:

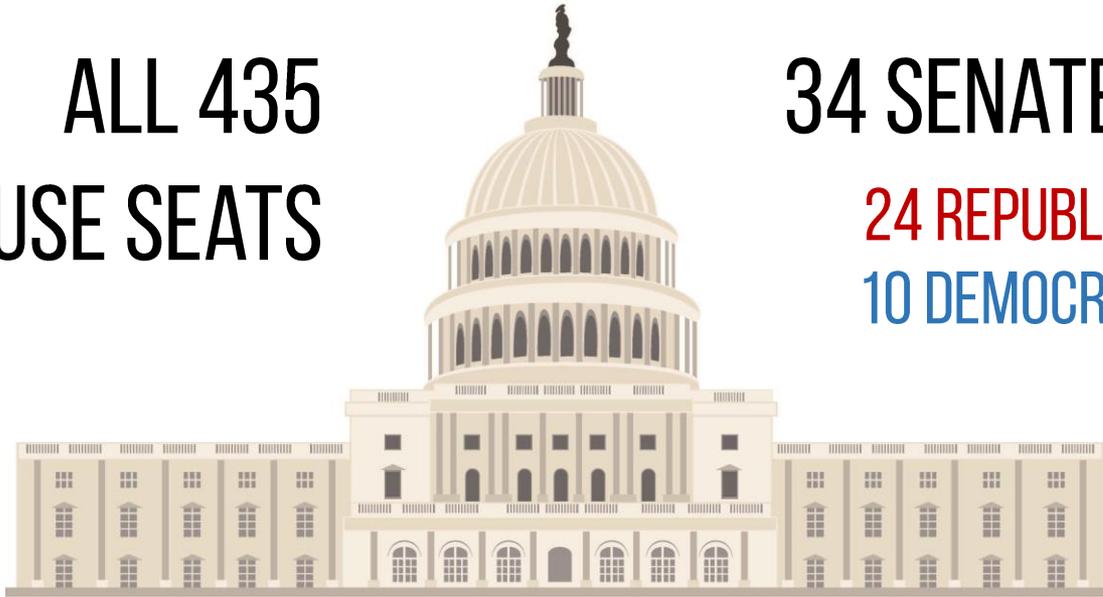
- **Appropriations:** an FY 2017 omnibus spending bill or another continuing resolution must be passed to avoid a government shutdown once the continuing resolution currently funding the federal government expires on December 9. The FY 2017 started on October 1, 2016 and runs until September 30, 2017.
- **Water Resources Development Act (WRDA):** both the House and the Senate passed their versions of WRDA earlier this fall. Because the bills are different, a conference committee was appointed to work out the policy differences between the two bills during the lame duck session.
- **Comprehensive energy bill:** both the House and Senate passed comprehensive energy bills (December 2015 and April 2016 respectively), though the two bills differ significantly. The next step is to reconcile discrepancies and submit one bill to the president's desk.
- **Justice and mental health reform:** during their 20-day session, Congress could address the Comprehensive Justice and Mental Health Act, which would reauthorize the Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA) and fund local efforts to reduce mental illness in the justice system.
- **Delaying the DOL's overtime pay rule:** the final rule would nearly double the salary threshold for overtime pay for professional employees from \$23,660 to \$47,476. Measures have been taken in both the House and Senate to push back the December 1, 2016 implementation date.

WHAT WAS AT STAKE IN THE 2016 ELECTIONS

**ALL 435
HOUSE SEATS**

34 SENATE SEATS

**24 REPUBLICAN
10 DEMOCRATIC**

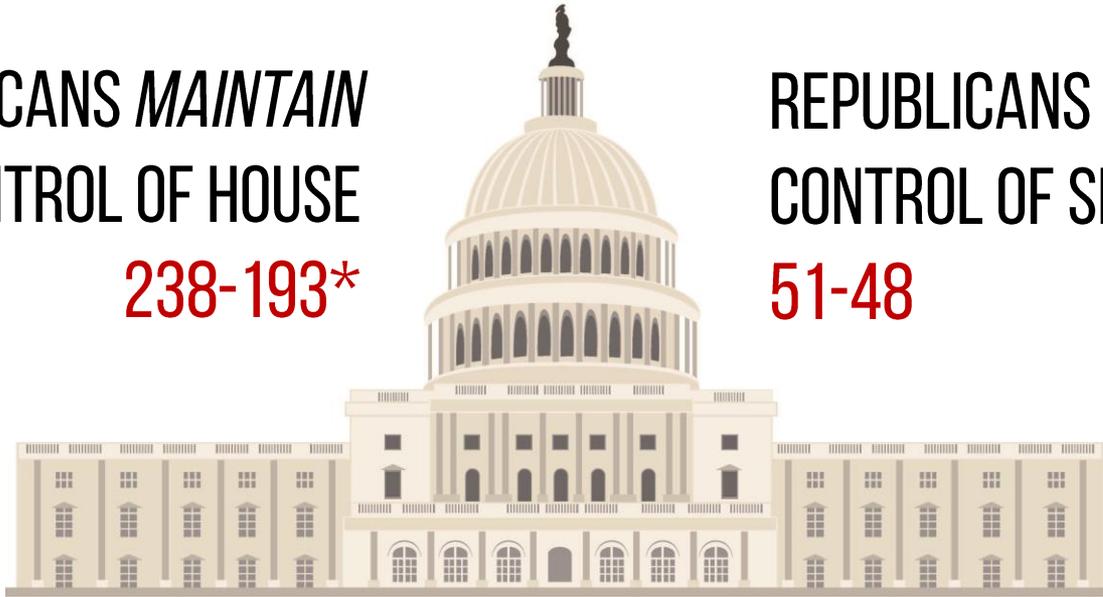


12 GOVERNORSHIPS
4 REPUBLICAN AND 8 DEMOCRATIC

**5,920 OF 7,383
STATE LEGISLATURE SEATS**

THE RESULTS OF THE ELECTION: A REPUBLICAN SWEEP

REPUBLICANS *MAINTAIN*
CONTROL OF HOUSE
238-193*



REPUBLICANS *MAINTAIN*
CONTROL OF SENATE
51-48

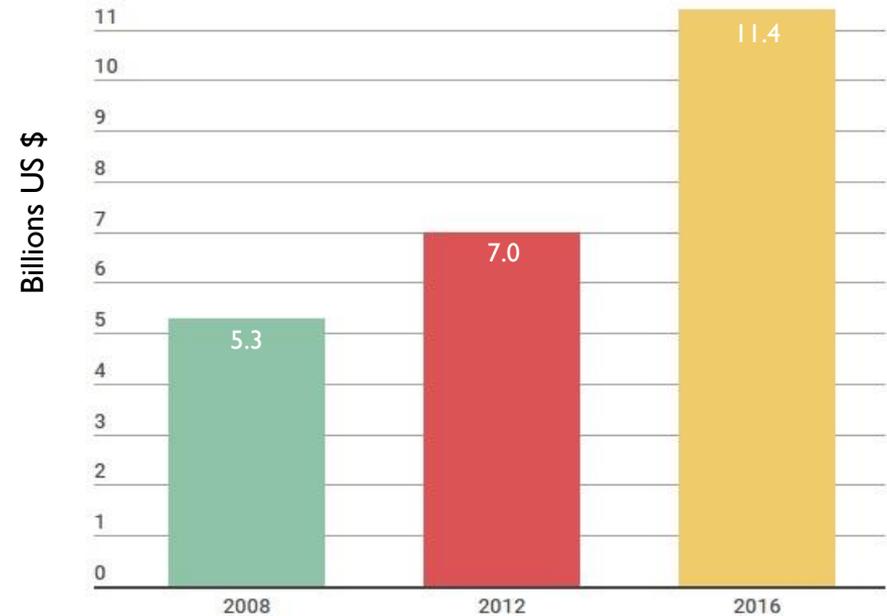
REPUBLICANS *STRENGTHENED*
GUBERNATORIAL MAJORITY

REPUBLICANS WON
4,014 STATE LEGISLATURE SEATS

THE 2016 ELECTION – AN HISTORIC INCREASE IN CAMPAIGN SPENDING

THE 2016 ELECTION CYCLE
BROKE SPENDING RECORDS,
NEARLY DOUBLING THE
AMOUNT SPENT IN 2008

SPENDING ON PRESIDENTIAL ELECTIONS

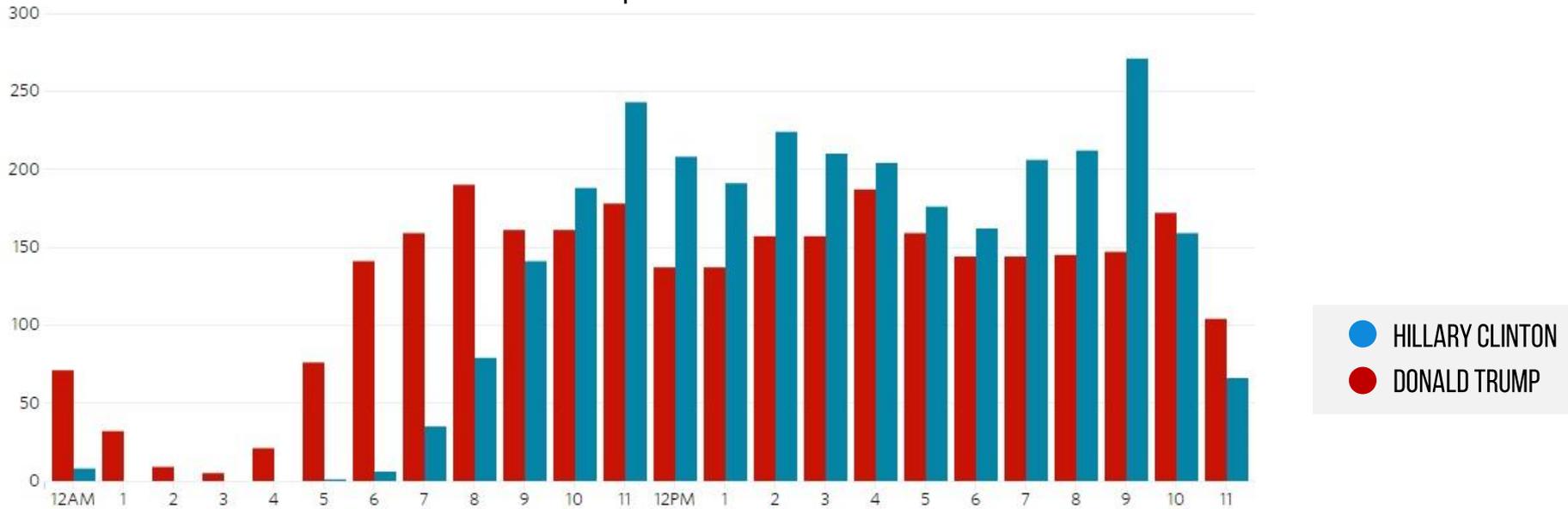


SOURCE: FEDERAL ELECTION COMMISSION

SOCIAL MEDIA AND THE ELECTIONS

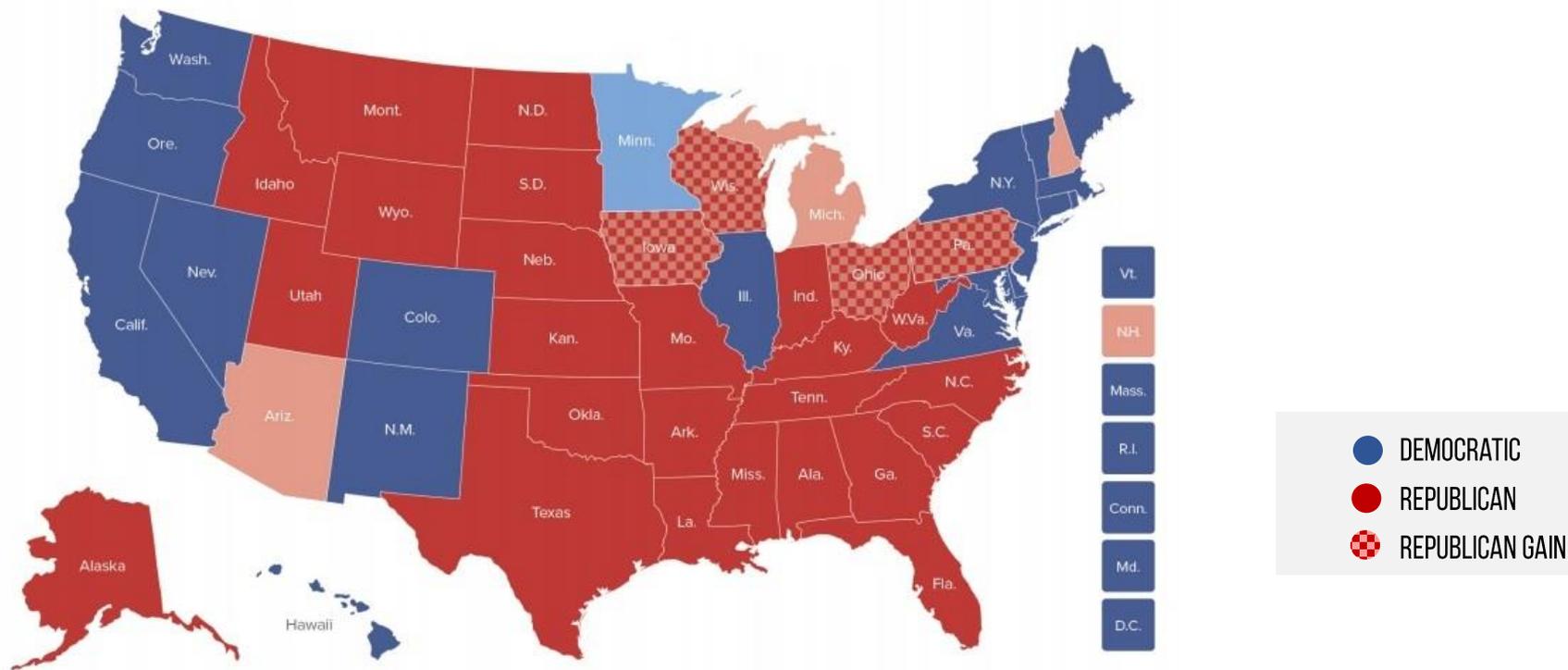
TWITTER PLAYED AN IMPORTANT ROLE IN THE 2016 PRESIDENTIAL ELECTION. BOTH CANDIDATES USED TWITTER TO ENERGIZE THEIR SUPPORTERS AND DRAW IN CITIZENS WHO OTHERWISE MAY NOT HAVE FOLLOWED POLITICAL DISCOURSE

Tweets per hour

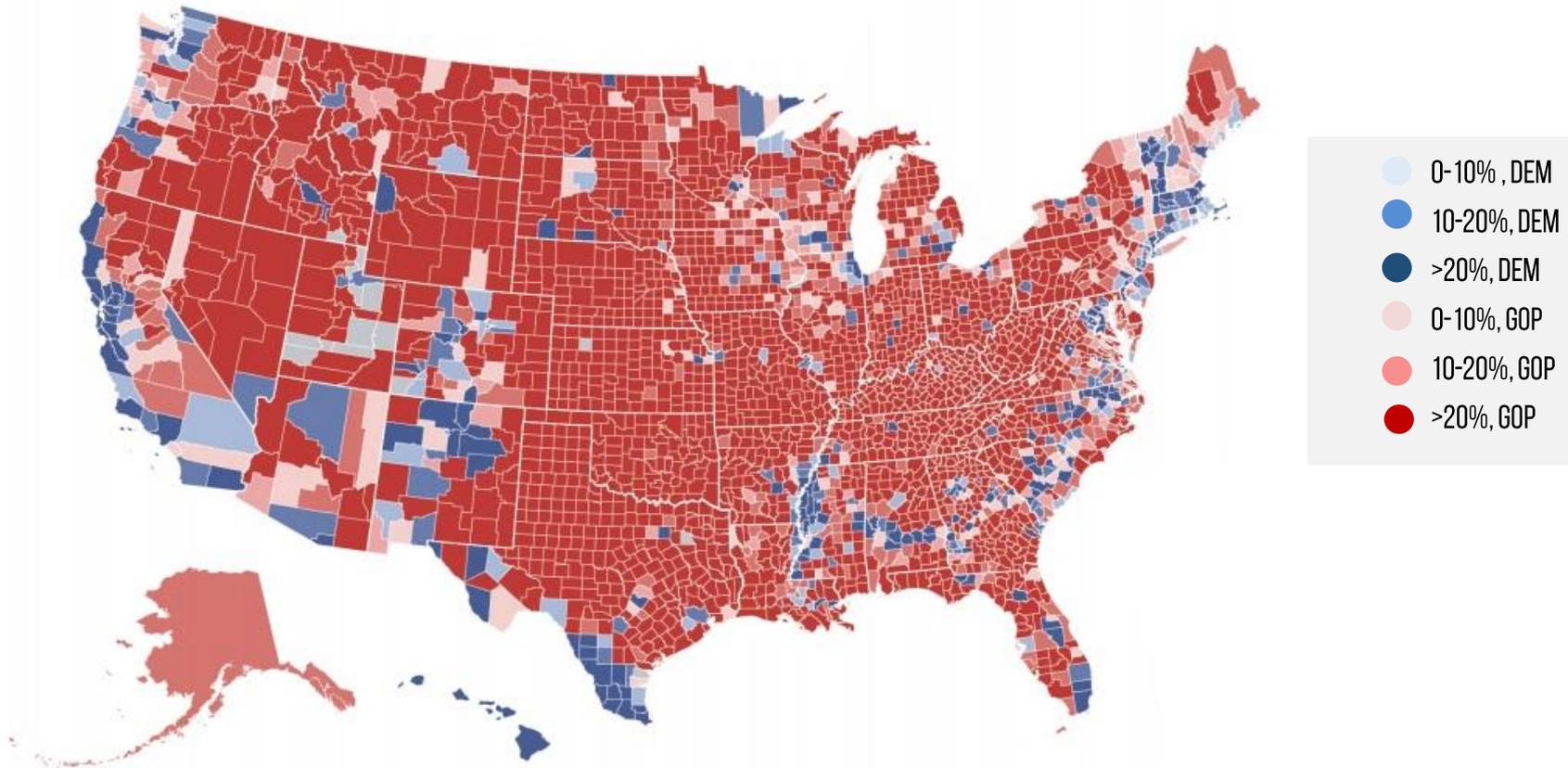


HOW TRUMP WON THE 2016 PRESIDENCY

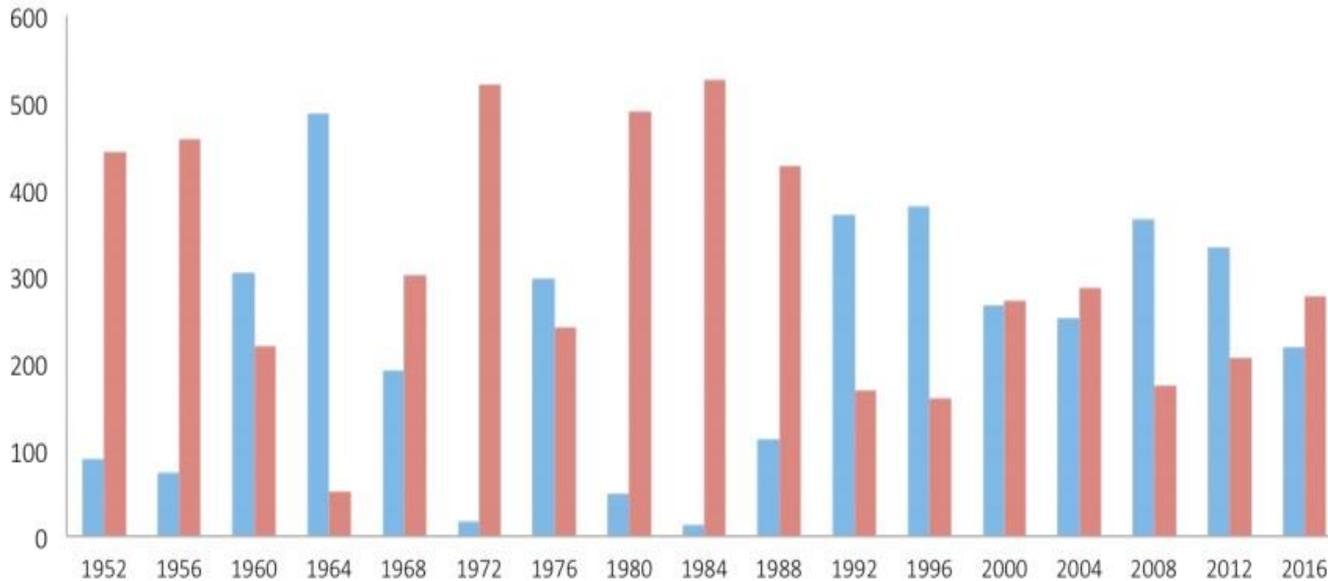
DONALD TRUMP SURPASSED 270 ELECTORAL VOTES BY WINNING SEVERAL STATES THAT PRESIDENT OBAMA WON IN 2008 AND 2012, **INCLUDING IOWA, FLORIDA, OHIO, PENNSYLVANIA AND WISCONSIN**



HOW COUNTIES VOTED IN THE 2016 PRESIDENTIAL ELECTION



ELECTORAL COLLEGE HAS SWUNG BACK IN THE REPUBLICANS' FAVOR



● DEMOCRATIC
● REPUBLICAN

“FOR THE FIFTH TIME IN U.S. HISTORY, AND THE SECOND TIME THIS CENTURY, A **PRESIDENTIAL CANDIDATE HAS WON THE WHITE HOUSE WHILE LOSING THE POPULAR VOTE**”
—CQ ROLL CALL

LOOKING AHEAD: TIMELINE

2016

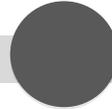
HOUSE AND SENATE RECONVENE

NOVEMBER 14



CONGRESS BACK IN SESSION

NOVEMBER 29



114TH CONGRESS CONCLUDES SESSION

DECEMBER 16



NOVEMBER 18-28

CONGRESS ON THANKSGIVING RECESS

DECEMBER 9

EXPIRATION OF CONTINUING RESOLUTION
CURRENTLY FUNDING FEDERAL GOVERNMENT

2017

INAUGURATION

JANUARY 20



DEBT CEILING IS SET TO EXPIRE

MARCH



JANUARY 3

SWEARING IN OF 115TH CONGRESS

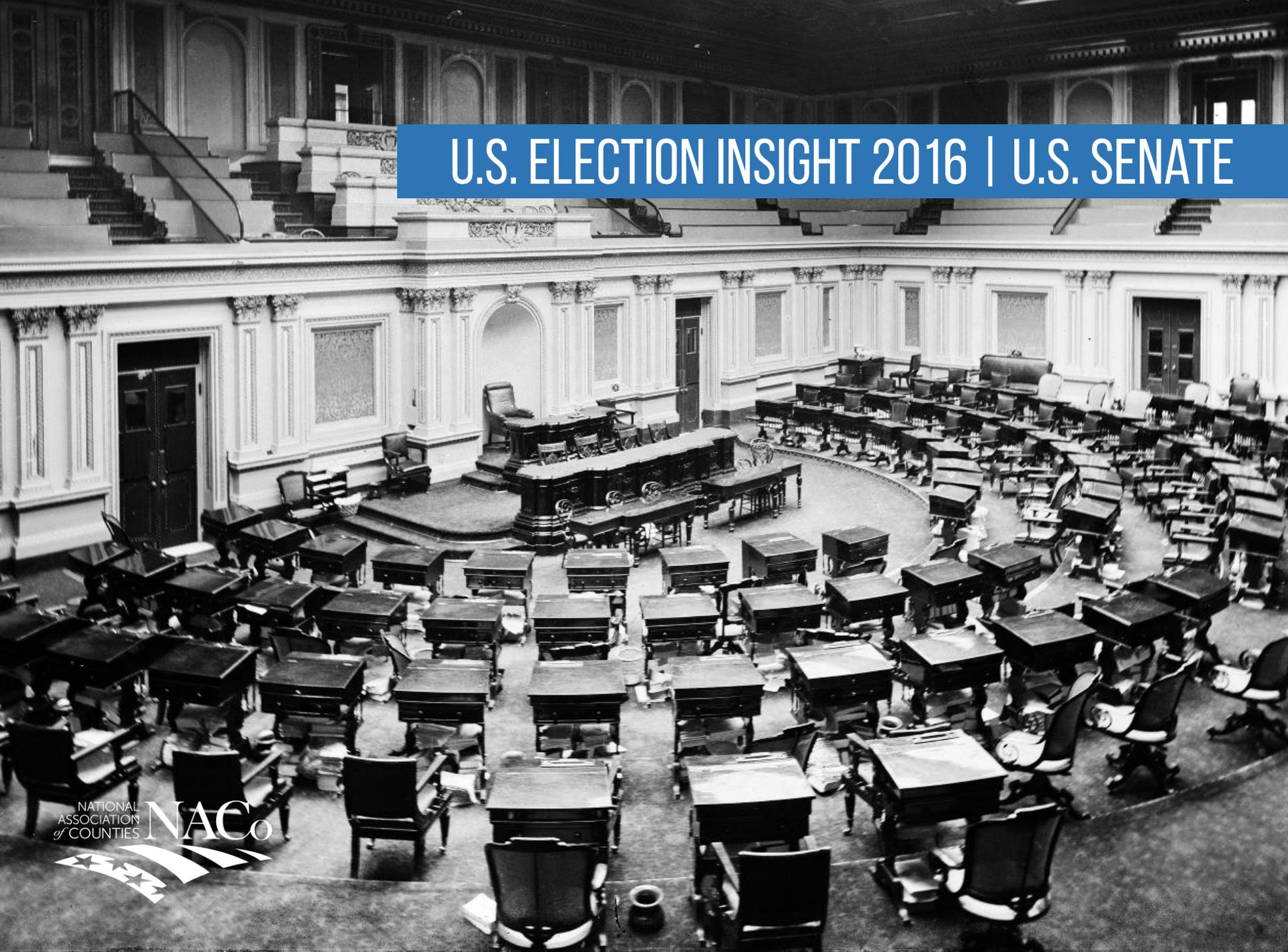
FEBRUARY 3

PRESIDENT REQUIRED TO SUBMIT ANNUAL
BUDGET TO CONGRESS

BEGINNING OF FY 2018

OCTOBER 1





U.S. ELECTION INSIGHT 2016 | U.S. SENATE

NATIONAL
ASSOCIATION
of COUNTIES

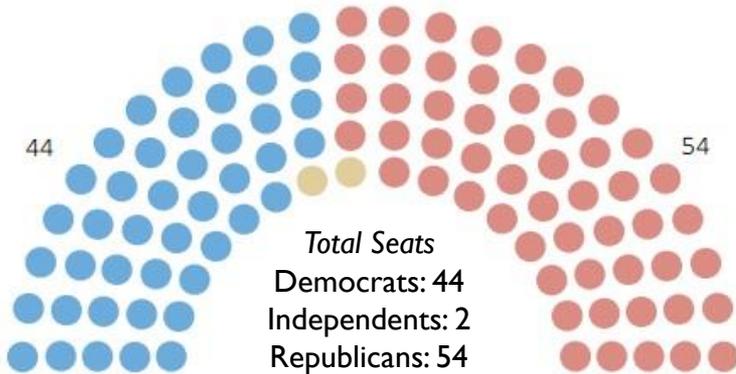
NACo



REPUBLICANS MAINTAIN SLIM MAJORITY IN SENATE

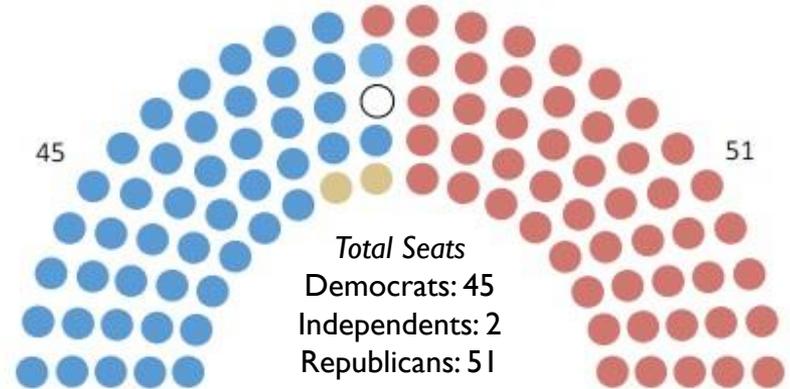
114TH CONGRESS

2015-2016



115TH CONGRESS*

2017-2018

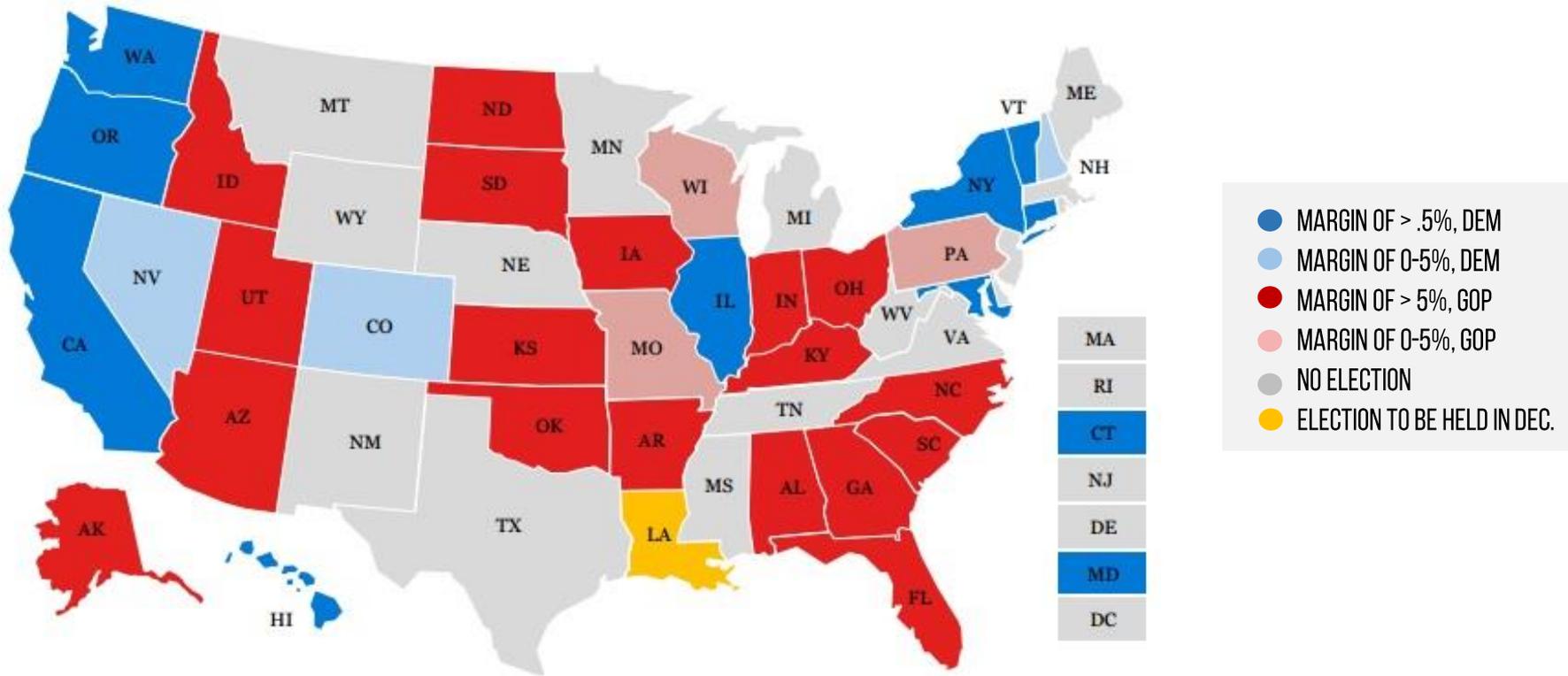


- DEMOCRATIC
- REPUBLICAN
- INDEPENDENT

*LOUISIANA SENATE RACE WILL BE DECIDED IN A DECEMBER RUNOFF

MARGINS OF VICTORY FOR 2016 SENATE ELECTIONS

MOST SENATE RACES WERE WON WITH A MARGIN **GREATER THAN 5 PERCENT**



2016 SENATE ELECTION RESULTS

REPUBLICAN SENS. MARK KIRK (ILL.) AND KELLY AYOTTE (N.H.) LOST TO DEMOCRATIC CANDIDATES

	State	Successful	Defeated	Seat Currently Held By
SEAT GAINED BY PARTY	IL	Rep. Tammy Duckworth (D) NEW	Sen. Mark Kirk (R)	Sen. Mark Kirk (R)
	NH	Maggie Hassan (D) NEW	Sen. Kelly Ayotte (R)	Sen. Kelly Ayotte (R)
SEATS HELD BY PARTY	AL	Sen. Richard Shelby (R)	Ron Crumpton (D)	Sen. Richard Shelby (R)
	AK	Sen. Lisa Murkowski (R)	Ray Metcalfe (D)	Sen. Lisa Murkowski (R)
	AR	Sen. John Boozman (R)	Connor Eldridge (D)	Sen. John Boozman (R)
	AZ	Sen. John McCain (R)	Rep. Ann Kirkpatrick (D)	Sen. John McCain (R)
	CA	Kamala Harris (D) NEW	Loretta Sanchez (D)	Ret. Sen. Barbara Boxer (D)
	CO	Sen. Michael Bennet (D)	Darryl Glenn (R)	Sen. Michael Bennet (D)
	CT	Sen. Richard Blumenthal (D)	Dan Carter (R)	Sen. Richard Blumenthal (D)
	FL	Sen. Marco Rubio (R)	Rep. Patrick Murphy (D)	Sen. Marco Rubio (R)
	GA	Sen. Johnny Isakson (R)	Jim Barksdale (D)	Sen. Johnny Isakson (R)
	HI	Sen. Brian Schatz (D)	John Carroll (R)	Sen. Brian Schatz (D)
	ID	Sen. Mike Crapo (R)	Jerry Sturgill (D)	Sen. Mike Crapo (R)
	IN	Rep. Todd Young (R) NEW	Evan Bayh (D)	Ret. Sen. Dan Coats (R)
	IA	Sen. Chuck Grassley (R)	Patty Judge (D)	Sen. Chuck Grassley (R)
	KS	Sen. Jerry Moran (R)	Patrick Wiesner (D)	Sen. Jerry Moran (R)

2016 SENATE ELECTION RESULTS; CONTINUED

SEATS HELD BY PARTY

State	Successful	Defeated	Seat Currently Held By
MD	Rep. Chris Van Hollen (D) NEW	Kathy Szellnga (R)	Ret. Sen Barbara Mikulski (D)
MI	Sen. Roy Blunt (R)	Jason Kander (D)	Sen. Roy Blunt (R)
NV	Catherine Cortez Masto (D) NEW	Rep. Joe Heck (R)	Ret. Sen. Harry Reid (D)
NY	Sen. Chuck Schumer (D)	Wendy Long (R)	Sen. Chuck Schumer (D)
NC	Sen. Richard Burr (R)	Deborah Ross (D)	Sen. Richard Burr (R)
ND	Sen. John Hoeven (R)	Eliot Glassheim (D)	Sen. John Hoeven (R)
OH	Sen. Rob Portman (R)	Ted Strickland (D)	Sen. Rob Portman (R)
OK	Sen. James Lankford (R)	Mike Workman (D)	Sen. James Lankford (R)
OR	Sen. Ron Wyden (D)	Mark Callahan (R)	Sen. Ron Wyden (D)
PA	Sen. Pat Toomey (R)	Katie McGinty (D)	Sen. Pat Toomey (R)
SC	Sen. Tim Scott (R)	Thomas Dixon (D)	Sen. Tim Scott (R)
SD	Sen. John Thune (R)	Jay Williams (D)	Sen. John Thune (R)
UT	Sen. Mike Lee (R)	Misty Snow (D)	Sen. Mike Lee (R)
VT	Sen. Patrick Leahy (D)	Scott Milne (R)	Sen. Patrick Leahy (D)
WI	Sen. Ron Johnson (R)	Russ Feingold (D)	Sen. Ron Johnson (R)

NEW FACES IN THE SENATE

NEW DEMOCRATIC SENATORS



Kamala Harris
(D-Calif.)*



Tammy Duckworth
(D-Ill.)



Catherine Cortez Masto
(D-Nev.)*



Maggie Hassan
(D-N.H.)



Chris Van Hollen
(D-Md.)

NEW REPUBLICAN SENATOR



Todd Young
(R-Ind.)*

*FORMER COUNTY OFFICIAL; SEE PAGE 39 FOR DETAILS

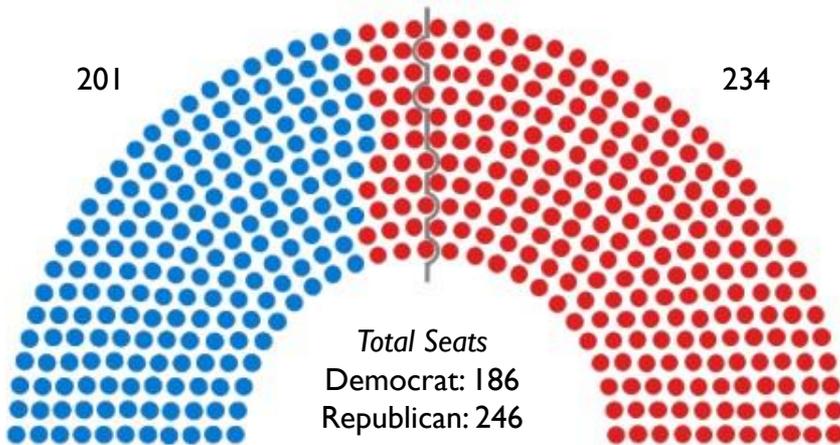
U.S. ELECTION INSIGHT 2016 | U.S. HOUSE OF REPRESENTATIVES



REPUBLICANS RETAIN CONTROL OF HOUSE

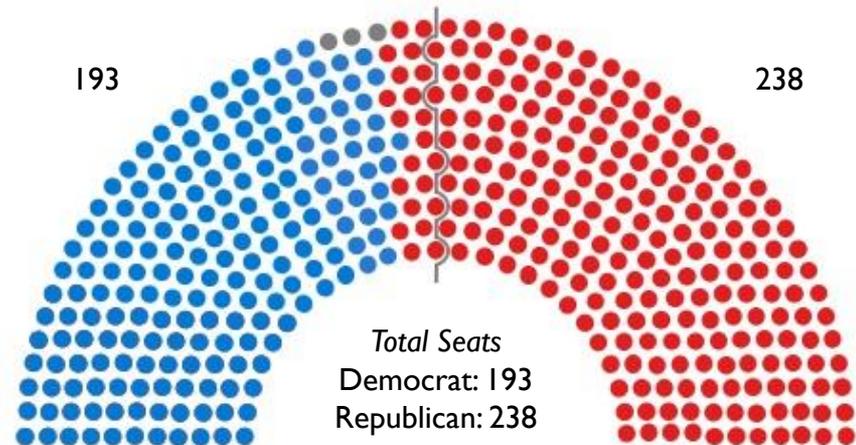
114TH CONGRESS

2015-2016



115TH CONGRESS*

2017-2018



- DEMOCRATIC ●
- REPUBLICAN ●
- NOT YET CALLED ●

*AS OF 11/11/2016, THERE ARE FOUR RACES THAT HAVE YET TO BE CALLED

THE HOUSE IN THE 115TH CONGRESS: A SEA OF RED

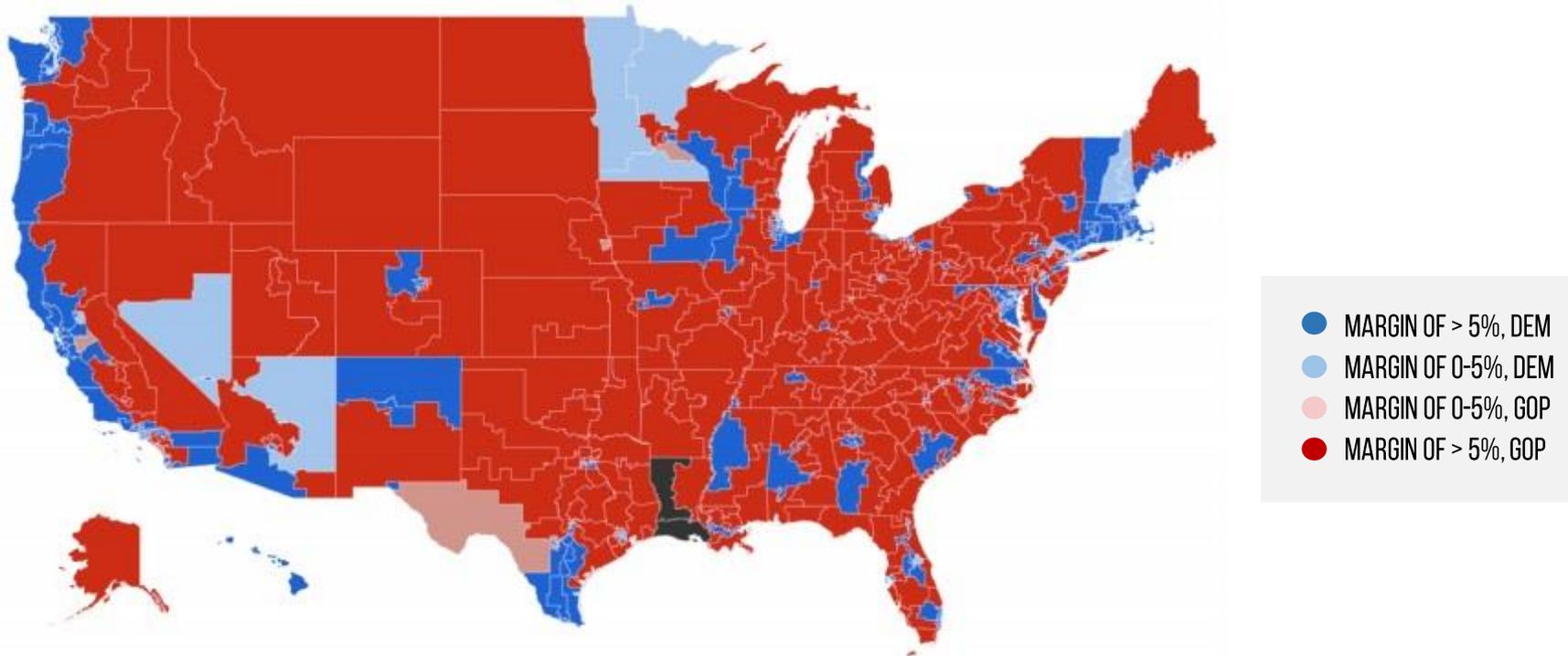
ALTHOUGH DEMOCRATS HAD A NET GAIN OF 8 SEATS AND REPUBLICANS HAD A NET LOSS OF 8, THE GOP WAS STILL ABLE TO MAINTAIN CONTROL OF THE HOUSE



MAP: CQ ROLL CALL

MARGINS OF VICTORY FOR 2016 HOUSE ELECTIONS

CONGRESSIONAL RACES IN MINNESOTA, NEVADA AND FLORIDA RACES WERE ALL **WON WITHIN ONE POINT**



DEFEATED INCUMBENTS IN THE U.S. HOUSE

DEFEATED DEMOCRATS



	YEARS OF SERVICE
BRAD ASHFORD (NEB.-2)	2
MIKE HONDA (CALIF.-17)	4

WITH DEFEATED INCUMBENTS AND A NUMBER OF RETIREMENTS, THERE WILL BE **AT LEAST 48 NEW HOUSE MEMBERS IN THE 115TH CONGRESS**. FOUR RACES REMAIN UNDECIDED AS OF NOVEMBER 10.



DEFEATED REPUBLICANS

	YEARS OF SERVICE
JOHN MICA (FLA.-7)	24
SCOTT GARRETT (N.J.- 5)	14
DAVID JOLLY (FLA.-13)	4
ROBERT DOLD (ILL.-10)	2
FRANK GUINTA (N.H.-1)	2
CRESENT HARDY (NEV.- 4)	2

RETIRING INCUMBENTS IN THE U.S. HOUSE

A TOTAL 29 MEMBERS CHOSE TO RETIRE RATHER THAN SEEK RE-ELECTION IN 2016 (LISTED BELOW):

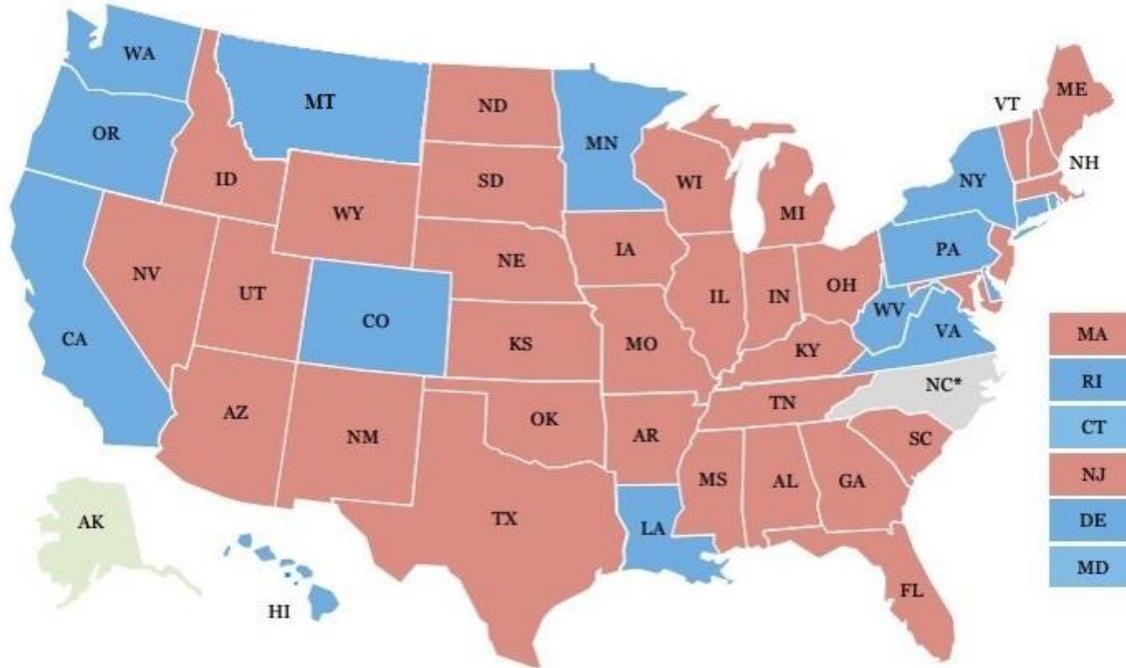
NAME	PARTY, CURRENT OFFICE	NAME	PARTY, CURRENT OFFICE	NAME	PARTY, CURRENT OFFICE
ANDER CRENSHAW	REPUBLICAN (FLA.-4)	JEFF MILLER	REPUBLICAN (FLA.-1)	REID RIBBLE	REPUBLICAN (WIS.-8)
CANDICE MILLER	REPUBLICAN (MICH.-10)	JIM McDERMOTT	DEMOCRATIC (WASH.-7)	RICHARD HANNA	REPUBLICAN (N.Y.-22)
CHARLES RANGEL	DEMOCRATIC (N.Y.-13)	JOHN KLINE	REPUBLICAN (MINN.-2)	RICHARD NUGENT	REPUBLICAN (FLA.-11)
CHRIS GIBSON	REPUBLICAN (N.Y.-9)	JOSEPH PITTS	REPUBLICAN (PENN.-16)	ROBERT HURT	REPUBLICAN (VA.-5)
CURT CLAWSON	REPUBLICAN (FLA.-19)	LOIS CAPPs	DEMOCRATIC (CALIF.-24)	RUBEN HINOJOSA	DEMOCRATIC (TEXAS-15)
CYNTHIA LUMMIS	REPUBLICAN (WYO.)	LYNN WESTMORELAND	REPUBLICAN (GA.-3)	SAM FARR	DEMOCRATIC (CALIF.-20)
DAN BENISHEK	REPUBLICAN (MICH.-1)	MATT SALMON	REPUBLICAN (ARIZ.-5)	SCOTT RIGELL	REPUBLICAN (VA.-2)
GWEN GRAHAM	DEMOCRATIC (FLA.-2)	MICHAEL FITZPATRICK	REPUBLICAN (PENN.-8)	STEPHEN LEE FINCHER	REPUBLICAN (TENN.-8)
JANICE HAHN	DEMOCRATIC (CALIF.-44)	RANDY NEUGEBAUER	REPUBLICAN (TEXAS-19)	STEVE ISRAEL	DEMOCRATIC (N.Y.-3)

U.S. ELECTION INSIGHT 2016 | GUBERNATORIAL ELECTIONS



MORE REPUBLICAN GAINS IN GUBERNATORIAL ELECTIONS

REPUBLICANS EXTENDED THEIR MAJORITY IN GOVERNORSHIPS, FROM 31 SEATS TO AT LEAST 33 PENDING THE RESULTS OF THE STILL TOO-CLOSE-TO-CALL ELECTION IN NORTH CAROLINA



REPUBLICANS WON CONTROL OF GOVERNOR'S OFFICES IN **MISSOURI, NEW HAMPSHIRE AND VERMONT**, PICKING UP A TRIO OF PREVIOUSLY DEMOCRATIC SEATS

2016 GUBERNATORIAL ELECTION RESULTS

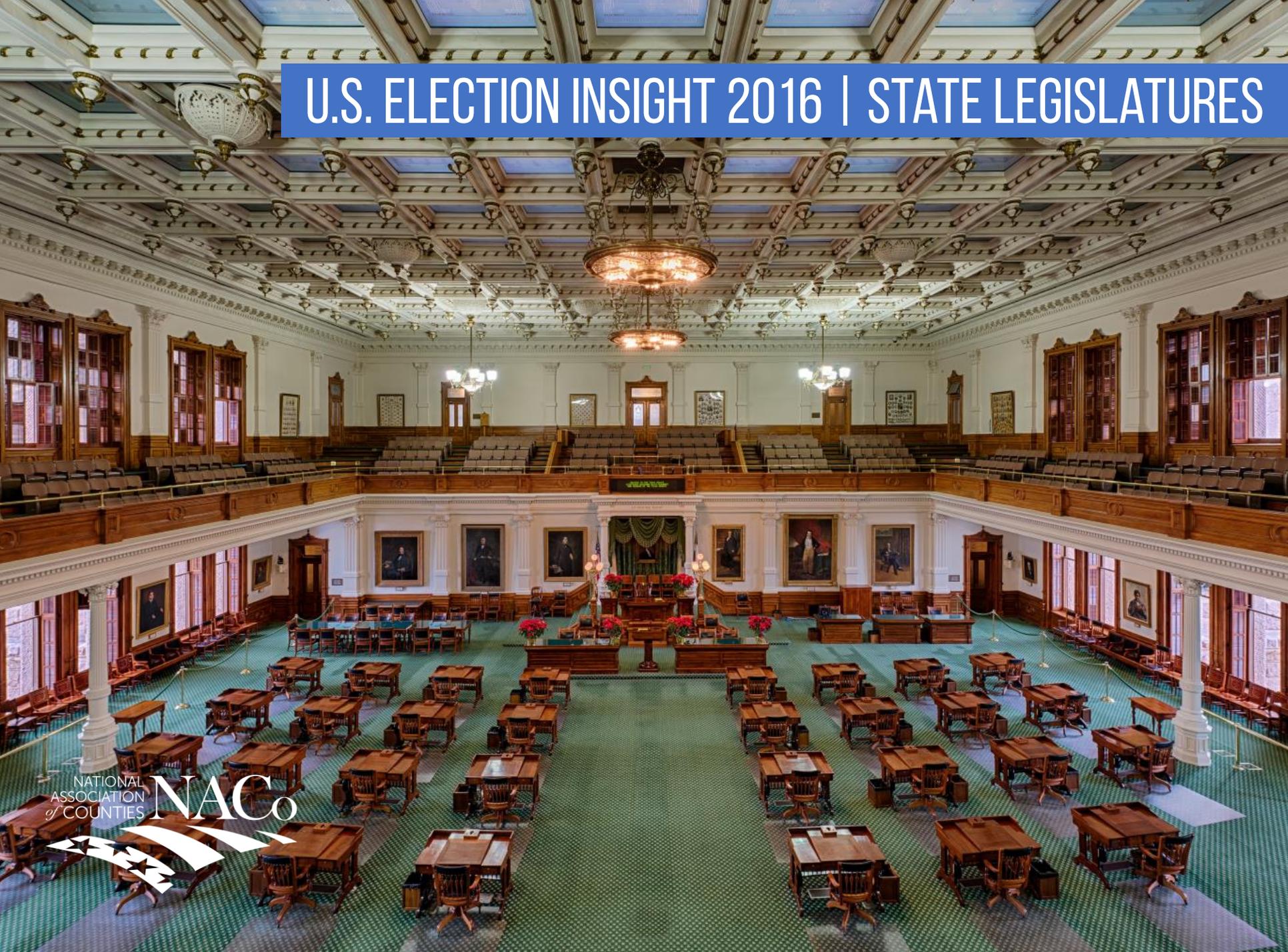
12 SEATS WERE UP FOR ELECTION

D= DEMOCRAT, R= REPUBLICAN

STATE	PARTY	GOVERNOR-ELECT	DEFEATED*	CURRENT GOVERNOR
DELAWARE	STAYED D.	JOHN CARNEY (D)	COLIN BONINI (R)	INCUMBENT JOHN CARNEY (D)
INDIANA	STAYED R.	ERIC HOLCOMB (R)	JOHN GREGG (D)	NEW V.P. MICHAEL PENCE (R)
MISSOURI	FLIPPED D. TO R.	ERIC GREITENS (R)	CHRIS KOSTER (D)	RETIRING JAY NIXON (D)
MONTANA	STAYED D.	STEVE BULLOCK (D)	GREG GIANFORTE (D)	INCUMBENT STEVE BULLOCK (D)
NEW HAMPSHIRE	FLIPPED D. TO R.	CHRIS SUNUNU (R)	COLIN VAN OSTERN (D)	RETIRING MAGGIE HASSAN (D)
NORTH CAROLINA	TOO CLOSE TO CALL	PAT MCCRORY (R)	ROY COOPER (D)	INCUMBENT PAT MCCRORY (R)
NORTH DAKOTA	STAYED R.	DOUG BURGUM (R)	MARVIN NELSON (D)	JACK DALRYMPLE (R)
OREGON	STAYED D.	KATE BROWN (D)	BUD PIERCE (R)	INCUMBENT KATE BROWN (D)
UTAH	STAYED R.	GARY HERBERT (R)	MIKE WEINHOLTZ (D)	INCUMBENT GARY HERBERT (R)
VERMONT	FLIPPED D. TO R.	PHIL SCOTT (R)	SUE MINTER (D)	RETIRING PETER SHUMLIN (D)
WASHINGTON	STAYED D.	JAY INSLEE (D)	BILL BRYANT (R)	INCUMBENT JAY INSLEE (D)
WEST VIRGINIA	STAYED D.	JIM JUSTICE (D)	BILL COLE (R)	RETIRING EARL RAY TOMBLIN (D)

*ONLY THE SECOND-LEADING VOTE GETTER IS LISTED

U.S. ELECTION INSIGHT 2016 | STATE LEGISLATURES



NATIONAL
ASSOCIATION
of COUNTIES

NACo

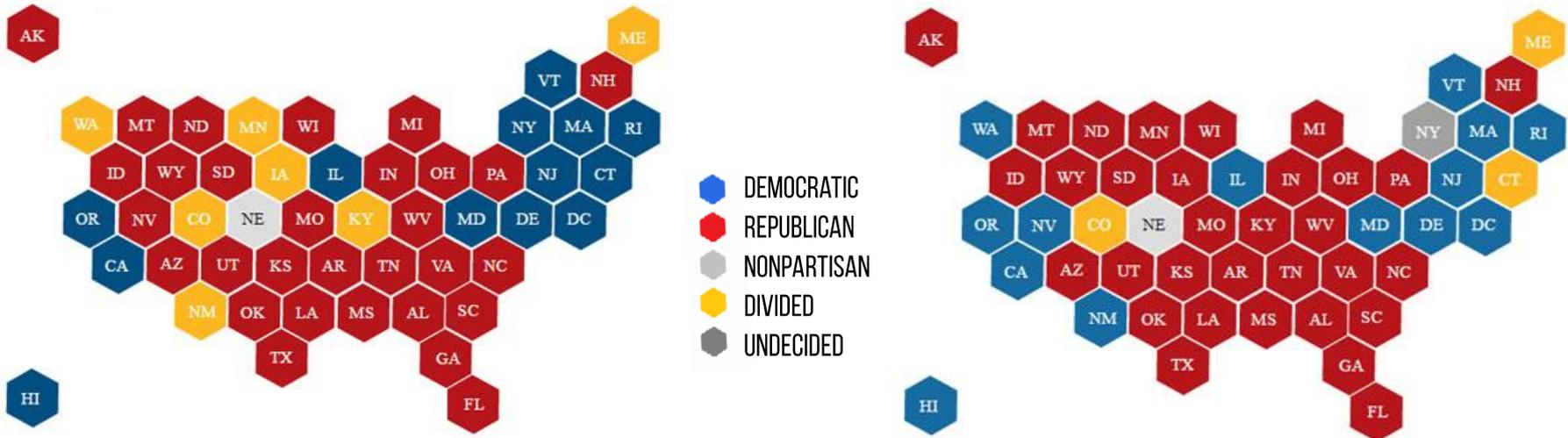


REPUBLICAN GAINS EXTEND TO STATE RACES

PRE-ELECTION

CONTROL OF STATE LEGISLATURES

POST-ELECTION



BEFORE THE ELECTION, REPUBLICANS CONTROLLED BOTH CHAMBERS OF THE LEGISLATURE IN 30 STATES, WHILE DEMOCRATS CONTROLLED BOTH CHAMBERS IN 12 STATES, AND SEVEN STATES SPLIT CONTROL. THE ELECTION HAD A POLARIZING EFFECT ON STATE LEGISLATURES OVERALL, AS REPUBLICANS NOW CONTROL 32 STATES, DEMOCRATS CONTROL 13 STATES AND THREE STATES SPLIT CONTROL; RESULTS IN NEW YORK ARE NOT YET FINALIZED.

BREAKDOWN OF REPUBLICAN STATE LEGISLATURE GAINS

IN ALL, **5,923** OF THE **7,383** STATE LEGISLATURE SEATS IN THE U.S. WERE UP FOR ELECTION IN 2016

	DEMOCRATIC STATE HOUSE SEATS	REPUBLICAN STATE HOUSE SEATS	GAIN	DEMOCRATIC STATE SENATE SEATS	REPUBLICAN STATE SENATE SEATS	GAIN
	TOTAL = 5411*		REPUBLICANS LOST 106 SEATS	TOTAL = 1972*		REPUBLICANS GAINED 2 SEATS
PRE-ELECTION	2340	3029		823	1089	
POST-ELECTION	2324	2923		768	1091	

*TOTALS INCLUDE SEATS HELD BY INDEPENDENTS

ALTHOUGH REPUBLICANS LOST 104 SEATS IN THE ELECTION, **STILL MAINTAIN CONTROL OVER 4,000 OF THE NATION'S 7,383 STATE LEGISLATURE SEATS**

SOURCE: NATIONAL COUNCIL OF STATE LEGISLATORS

POPULAR STATE BALLOT INITIATIVES IN 2016 ELECTIONS



MARIJUANA LEGALIZATION

- **RECREATIONAL USE PASSED:** CALIFORNIA, NEVADA, MASSACHUSETTS, MAINE
- **MEDICINAL USE PASSED:** MONTANA, NORTH DAKOTA, ARKANSAS, FLORIDA
- **FAILED:** ARIZONA (RECREATIONAL)

GUN CONTROL MEASURES

- **PASSED:** CALIFORNIA AND WASHINGTON
- **FAILED:** MAINE



INCREASE MINIMUM WAGE

- **PASSED:** WASHINGTON, ARIZONA, COLORADO, MAINE
- **SOUTH DAKOTA VOTED AGAINST DECREASING THE MINIMUM WAGE FOR WORKERS UNDER 18**
- **AVERAGE RATE INCREASE: \$3.67 BY 2020**



OVERVIEW OF STATE BALLOT INITIATIVES

KEY: **PASSED** | **FAILED**

State	Ballot Initiative
Alabama	Right to work: would prohibit businesses from making rules about union membership
Arizona	Legalize marijuana: would establish a 15% tax on retail marijuana sales, allocated to public health and education Minimum wage increase: would increase minimum wage to \$10.00 in 2017, \$12.00 by 2020
Arkansas	Medical marijuana: would legalize medical marijuana
California	Gun control measures: would ban large-capacity ammunition magazines and require background checks Legalize marijuana: would legalize the recreational sale and use of marijuana
Colorado	Minimum wage increase: would increase minimum wage to \$9.30 in 2017, \$12.00 by 2020 Increase tobacco taxes: would increase tobacco tax by \$1.75 on cigarettes per pack of 20
District of Columbia	Petition Congress for statehood: ask residents whether or not the Washington, D.C. City Council should approve the proposal of statehood
Florida	Medical marijuana: would legalize medical marijuana
Illinois	Revenue for transportation: would ensure the state's transportation funds are only used for intended purposes
Maine	Legalize marijuana: would legalize and regulate marijuana use for those under 21 and older Gun background checks: would require background checks before gun sales and between unlicensed gun dealers

OVERVIEW OF STATE BALLOT INITIATIVES

KEY: **PASSED** | **FAILED**

State	Ballot Initiative
Massachusetts	Legalize marijuana: would legalize, regulate and tax marijuana for recreational use
Montana	Medical marijuana: would repeal the three-patient limit for medical marijuana providers
Nebraska	Death penalty: would repeal a referendum that has banned the death penalty in the state
Nevada	Gun background checks: would require firearm transfers to go through a licensed gun dealer for background checks Legalize marijuana: would legalize recreational use and possession of marijuana of one ounce or less
North Dakota	Medical marijuana: would legalize the use of medical marijuana
Oklahoma	Funds for religious use: would allow public money to be spent for religious purposes
South Dakota	Nonpartisan elections: would establish nonpartisan elections
Virginia	Right to work: would make it illegal for workplaces to require labor union membership as a condition of employment
Washington	Minimum wage increase: would incrementally increase the state wage to \$13.50 by 2020 and require employers to provide paid sick leave

U.S. ELECTION INSIGHT 2016 | COUNTY CONNECTIONS

CLAY COUNTY GOVERNMENT CENTER



COUNTY OFFICIALS IN THE U.S. SENATE

NEW MEMBER

THERE ARE THREE NEW SENATORS WHO FORMERLY SERVED AS COUNTY OFFICIALS

Name	State	County, State	County Connection
Kamala Harris (D)	CA	Alameda County, Calif.	Deputy District County Attorney
Diane Feinstein (D)	CA	San Francisco County, Calif.	Mayor
Chris Coons (D)	DE	New Castle County, Del.	County Executive
Joni Ernst (R)	IA	Montgomery County, Iowa	County Auditor
Jim Risch (R)	ID	Ada County, Idaho	County Prosecutor
Todd Young (R)	IN	Orange County, Ind.	Deputy County Prosecutor
Mitch McConnell (R)	KY	Jefferson County, Ky.	County Judge
Debbie Stabenow (D)	MI	Ingham County, Mich.	Commissioner
Amy Klobuchar (D)	MN	Hennepin County, Minn.	County Attorney
Roy Blunt (R)	MO	Greene County, Mo.	County Clerk
Claire McCaskill (D)	MO	Jackson County, Mo.	County Prosecutor
Roger Wicker (R)	MS	Lee County, Miss.	County Public Defender
Catherine Cortez Masto (D)	NV	Clark County, Nev.	Commissioner
Lindsey Graham (R)	SC	Oconee, S.C.	County Assistant Attorney
Tim Scott (R)	SC	Charleston County, S.C.	Council Member
Patrick Leahy (D)	VT	Chittenden County, Vt.	State's County Attorney
Tammy Baldwin (D)	WI	Dane County, Wis.	Supervisor

COUNTY OFFICIALS IN THE U.S. HOUSE OF REPRESENTATIVES

THERE ARE FOURTEEN NEW U.S. REPRESENTATIVES WHO FORMERLY SERVED AS COUNTY OFFICIALS

NEW MEMBER

Name	State	County, State	County Connections
Mo Brooks (R)	AL-5	Madison County, Ala.	District Attorney
David Schweikert (R)	AZ-5	Maricopa County, Ariz.	Treasurer
Mark DeSaulnier (D)	CA-11	Contra Costa County, Calif.	Supervisor
Anna Eshoo (D)	CA-18	San Mateo County, Calif.	Board of Supervisors
Jimmy Panetta (D)	CA-20	Alameda County, Calif.	County Prosecutor
Zoe Lofgren (D)	CA-19	Santa Clara County, Calif.	Board of Supervisors
Jackie Speier (D)	CA-14	San Mateo County, Calif.	Board of Supervisors
Eric Swalwell (D)	CA-15	Alameda County, Calif.	Deputy District Attorney
Salud Carbajal (D)	CA-24	Santa Barbara County, Calif.	Supervisor
Lou Correa (D)	CA-46	Orange County, Calif.	Supervisor
Ken Buck (R)	CO-4	Weld County, Colo.	District Attorney
John Rutherford (R)	FL-04	Jacksonville-Duval County, Fla.	Sheriff
Kathy Castor (D)	FL-14	Hillsborough County, Fla.	Commissioner
Alcee Hastings (D)	FL-20	Broward County, Fla.	County Circuit Court Judge

COUNTY OFFICIALS IN THE U.S. HOUSE OF REPRESENTATIVES

U.S. HOUSE OF REPRESENTATIVES

NEW MEMBER

Name	State	County, State	County Connections
Tom Graves (R)	GA-9	Gordon County, Ga.	Commissioner
Hank Johnson, Jr. (D)	GA-4	DeKalb County, Ga.	Commissioner
Tulsi Gabbard (D)	HI-2	Honolulu County, Hawaii	Council Member
Mike Bost (R)	IL-12	Jackson County, Ill.	Commissioner
Danny Davis (D)	IL-7	Cook County, Ill.	Commissioner
Randy Hultgren (R)	IL-14	DuPage County, Ill.	Board Member
Adam Kinzinger (R)	IL-11	Mclean County, Ill.	Board Member
Mike Quigley (D)	IL-5	Cook County, Ill.	Commissioner
André Carson (D)	IN-7	Indianapolis-Marion, Ind.	City-County Council
Jim Banks (R)	IN-03	Whitley County, Ind.	Council Member
Thomas Massie (R)	KY-4	Lewis County, Ky.	Judge Executive
Hal Rogers (R)	KY-5	Pulaski-Rockcastle Counties, Ky.	Attorney
Dutch Ruppersberger (D)	MD-2	Baltimore County, Md.	County Executive
William Keating (D)	MA-9	Norfolk County, Mass.	District Attorney
Sander Levin (D)	MI-9	Oakland County, Mich.	Supervisor

COUNTY OFFICIALS IN THE U.S. HOUSE OF REPRESENTATIVES

U.S. HOUSE OF REPRESENTATIVES

NEW MEMBER

Name	State	County, State	County Connections
Rodney Frelinghuysen (R)	NJ-11	Morris County, N.J.	Freeholder
Leonard Lance (R)	NJ-7	Warren County, N.J.	County Court Law Clerk
Frank LoBiondo (R)	NJ-2	Cumberland County, N.J.	County Board of Chosen Freeholders
Donald Payne (D)	NJ-10	Essex County, N.J.	Freeholder
Michelle Lujan Grisham (D)	NM-1	Bernalillo County, N.M.	Commissioner
Chris Collins (R)	NY-27	Erie County, N.Y.	County Executive
Thomas Suozzi (D)	NY-3	Nassau County, N.Y.	County Executive
Peter King (R)	NY-2	Nassau County, N.Y.	Comptroller
Gregory Meeks (D)	NY-5	Queens County, N.Y.	Assistant District Attorney
John Faso (R)	NY-19	Nassau County, N.Y.	Grants Officer
Louise Slaughter (D)	NY-25	Monroe County, N.Y.	County Legislature
Paul Tonko (D)	NY-20	Montgomery County, N.Y.	Chairman, Board of Supervisors
Joyce Beatty (D)	OH-3	Montgomery County, Ohio	Director of Health and Human Services
Steve Chabot (R)	OH-1	Hamilton County, Ohio	Commissioner
Robert Latta (R)	OH-5	Wood County, Ohio	Commissioner

COUNTY OFFICIALS IN THE U.S. HOUSE OF REPRESENTATIVES

U.S. HOUSE OF REPRESENTATIVES

NEW MEMBER

Name	State	County, State	County Connections
Earl Blumenauer (D)	OR-3	Multnomah County, Ore.	Commissioner
Peter DeFazio (D)	OR-4	Lane County, Ore.	County Board of Commissioners
Ryan Costello (R)	PA-6	Chester County, Pa.	Commissioner
Tom Marino (R)	PA-10	Lycoming County, Pa.	County District Attorney
Patrick Meehan (R)	PA-7	Delaware County, Pa.	County District Attorney
Tom Rice (R)	SC-7	Horry County, S.C.	Chair of County Council
Steve Cohen (D)	TN-9	Shelby County, Tenn.	Commissioner
Jimmy Duncan, Jr. (R)	TN 2	Knox County, Tenn.	County Judge
John Carter (R)	TX-31	Williamson County, Texas	District Court Judge
Louie Gohmert (R)	TX-1	Smith County, Texas	County District Court Judge
Al Green (D)	TX-9	Harris County, Texas	Justice of Peace
Ted Poe (R)	TX-2	Harris County, Texas	County Judge
Lamar Smith (R)	TX-21	Bexar County, Texas	Commissioner
Gerry Connolly (D)	VA-11	Fairfax County, Va.	Supervisor

COUNTY OFFICIALS IN THE U.S. HOUSE OF REPRESENTATIVES

U.S. HOUSE OF REPRESENTATIVES

NEW MEMBER

Name	State	County, State	County Connections
Tom Garrett (R)	VA-5	Louisa County, Va.	County Attorney
Robert Wittman (R)	VA-1	Westmoreland County, Va.	Supervisor
Sean Duffy (R)	WI-7	Ashland County, Wis.	County District Attorney
Ron Kind (D)	WI-3	La Crosse County, Wis.	County Prosecutor
Mark Pocan (D)	WI-2	Dane County, Wis.	Supervisor

AFTER THE ELECTION: THE LAME DUCK SESSION

CONGRESS TO RETURN TO WASHINGTON FOR LAME DUCK SESSION, COUNTY PRIORITIES IN BALANCE

With the 2016 general election behind us, Congress will return from recess the week of November 14 for a “lame duck” session that is expected to adjourn on December 16, 2016. With many pundits projecting before Election Day that control of the U.S. Senate as well as the White House could be up for grabs this year, Congressional leadership indicated their plans for the lame duck session would be driven by the outcome of the elections. Now, with Republicans retaining control of both the House and Senate and with a victory by Republican presidential candidate Donald Trump that many in and outside the beltway failed to predict, how the Congress will wrap up its remaining work is being hotly discussed.

With just a few weeks left in the 114th Congress, members are faced with a long list of unfinished business including the need to pass FY 2017 funding legislation to avoid a government shutdown when the current continuing resolution expires on December 9, 2016. The lame duck also provides one last opportunity to finalize other outstanding legislative issues such as ongoing negotiations on Water Resources Development Act (WRDA) and comprehensive energy policy legislation.

AFTER THE ELECTION: THE LAME DUCK SESSION

CONGRESS MUST ENACT LEGISLATION TO AVOID GOVERNMENT SHUTDOWN

The most pressing task for lawmakers in this lame duck session is reaching a spending agreement to extend government funding past the expiration of the current Continuing Resolution (CR) in early December. Lawmakers must decide whether to negotiate with the current administration to enact long-term spending legislation to fund the government through the rest of FY 2017, or enact another stopgap spending measure that would allow time for the presidential transition to occur and negotiate appropriations legislation with the new administration. How Congress answers the question of how and when to fund the government will have a direct impact on many county priorities that rely on federal discretionary spending, including: substance abuse and mental health block grants, the Payments in Lieu of Taxes (PILT) program and Community Development Block Grants (CDBG).

In September, the short term CR (P.L. 114-23) passed in the Senate by a vote of 72-26 and the House by a vote of 342-85 and will expire on December 9, 2016. FY 2017 runs from October 1, 2016 – September 30, 2017.

AFTER THE ELECTION: THE LAME DUCK SESSION

In addition to extending current levels of funding for the federal government until December 9 and FY 2017 appropriations for military construction and the Veterans Administration, the CR also included several items important to counties, such as \$1.1 billion in funding to combat the Zika virus and \$7 million to help jumpstart implementation of the Comprehensive Opioid Addiction and Recovery Act. The bill also provided \$500 million in emergency disaster relief to areas in Louisiana, West Virginia and Maryland hard hit by floods.

Prior to the election, House Speaker Paul Ryan (R-Wis.) and Senate Majority Leader Mitch McConnell (R-Ky.) both suggested a strategy for funding the government could involve trying to pass a series of smaller funding measures called “mini-buses,” rather than a single, omnibus spending bill incorporating all the remaining appropriations bills into a single piece of legislation. Smaller “mini-bus” packages favored by the House majority, would allow less controversial bills to be packaged and passed together while spending bills with more controversial provisions could be negotiated and voted on separately. Democratic leaders, including House Minority Leader Nancy Pelosi (D-Calif.), have expressed doubts about the “mini-bus” approach, while Senate Majority Leader McConnell recently noted his support for a single omnibus appropriations measure to fund the government through the end of the fiscal year.

Congress may also choose to pass another short-term CR funding the government into the new administration, allowing them to negotiate a full year funding measure with a Republican president. This approach could provide Republican leadership with an opportunity to include policy riders addressing regulations implemented by President Obama in a final appropriations bill, riders that would likely face strong opposition from President Obama and Congressional Democrats. However, delaying passage of a long-term funding measure to 2017, could set up another “fiscal cliff” crisis should negotiations run up against the expiration of the federal debt limit in March of 2017.

VACANCY REMAINS IN UNITED STATES SUPREME COURT

On February 13, 2016, the sudden death of Justice Antonin Scalia left a vacancy on the Supreme Court. To replace Justice Scalia, President Obama nominated Merrick Garland, who currently serves as the chief judge of the U.S. Court of Appeals for the D.C. Circuit.

Since that time, Senate Republicans have declined to hold hearings on the nomination, vowing to wait until after the presidential election to consider a successor for Justice Scalia.

Prior to Election Day, some had speculated that if Hillary Clinton were to win the presidency, Republicans may be inclined to confirm Garland, whose record suggest he would be a relative moderate on the high court.

Now, with the election of Donald Trump and the Republicans holding their majority in the U.S. Senate, no action will be taken to fill the vacancy until President Trump has the opportunity to choose his own nominee.

PARTY CAUCUSES IN THE HOUSE AND SENATE WILL HOLD LEADERSHIP ELECTIONS

In addition to their legislative work, the House and Senate will also elect new leaders for the 115th Congress during the lame duck session. Senate Majority Leader Mitch McConnell (R-Ky.) is expected to remain Majority Leader in the Senate. Senate Democrats will have a new leader with current Minority Leader Senator Harry Reid's (D-Nev.) retirement at the end of this Congress. Sen. Chuck Schumer (D-N.Y.) is expected to be the new Democratic leader.

Prior to Election Day, a group of conservatives, upset at the distance Speaker Ryan put between himself and their party's nominee, had discussed blocking Ryan's election as Speaker in the 115th Congress.

AFTER THE ELECTION: THE LAME DUCK SESSION

On November 7, the House Freedom Caucus (HFC), a group of about 40 conservative Republican members, sent a letter to Speaker Ryan asking him to delay leadership elections, until after the lame duck session.

However, following the GOP's Election Day sweep, Ryan's ability to hold the speakership appears more certain. On November 9, Speaker Ryan (R-Wis.), along with Majority Leader Kevin McCarthy (R-Calif.), Majority Whip Steve Scalise (R-La.) and Conference Chair Cathy McMorris Rodgers (R-Wash.) all announced their intentions to run for reelection to their current positions. The announcement was met by expressions of support for all four members of the GOP leadership from rank and file members across the Conference.

Members of Congress are currently scheduled to return to Washington on November 14 with the Republican Conference's leadership elections scheduled for November 15. Assuming he is reelected Speaker by the Republican Conference, Ryan will also have to receive 218 votes in the House of Representatives to retain the position, a hurdle that is generally considered a formality.

In addition to Congressional leadership positions, some movement at top committee posts is expected due to term-limits and retirements.

Typically, chairmen and ranking members are nominated by the Republican and Democratic steering committees and approved by the larger party caucuses. Steering committees are expected to meet in December. Rank and file membership of the various Congressional committees are expected to be announced early in January 2017.

As Congress elects new leadership and congressional committees are reorganized, NACo will provide an in-depth analysis of these changes and the potential impact on county governments and their priorities.

WHAT ARE THE CHANCES FOR ACTION ON OTHER COUNTY ISSUES IN THE LAME DUCK?

Although many details of the lame duck session remain fluid, several other issues of importance to counties could be brought up during the last days of the Congress.

POLICY DIFFERENCES PERSIST BETWEEN THE HOUSE AND SENATE ON WRDA

Although the prospect of a Trump Administration may encourage congressional Republicans to postpone passing substantive policy legislation until President-elect Trump takes office, Congress could take up legislation with the current administration.

AFTER THE ELECTION: THE LAME DUCK SESSION

One candidate for action could be Water Resources Development Act (WRDA) legislation. Earlier this fall, both chambers passed their own versions of WRDA and negotiations between them have been ongoing through the recess.

The Senate passed its version of WRDA ([S. 2848](#)) on September 15 by a vote of 95 to 3, and the House passed its version ([H.R. 5303](#)) on September 28, 399 to 25. While both bills reauthorize U.S. Army Corps of Engineers (Corps) water resource projects, the Senate bill includes funding for drinking water and wastewater programs.

Should the conference committees reach agreement between the chambers and the current administration, Congress may be able to act quickly and pass WRDA. As owners, funders and operators of ports, harbors, inland waterways, water resources and flood control projects, counties are directly impacted by many of the policies and funding authorized in WRDA.

WRDA projects include navigable waters, harbors and ports, inland waterways and flood control. In recent years, Congress has expanded WRDA to include water supply, emergency management, hydropower and recreation-based Corps projects. Additionally, WRDA often includes policy direction or clarification for Corps programs and projects.

AFTER THE ELECTION: THE LAME DUCK SESSION

CONFERENCE COMMITTEE WORKING TO REACH CONSENSUS ON A COMPREHENSIVE ENERGY BILL — SRS COULD HITCH A RIDE

Additionally, NACo has been watching the progress of comprehensive energy and forest management legislation in both the House and Senate. In the past year, both the House and Senate have passed comprehensive energy bills, though their respective bills contain significant differences. A conference committee began meeting in late-summer to negotiate the differences between the two bills for possible action during the lame duck session. As with many items pending before the lame duck Congress, Congressional leadership may opt to pause work on advancing the legislation until the new administration takes office.

The Senate's Energy Policy Modernization Act ([S. 2012](#)) passed on April 20 by a vote of 85 to 12. S. 2012 focuses heavily on renewable energy deployment, energy efficiency improvements, building code upgrades and electrical grid security. Additionally, the bill contains a provision to permanently reauthorize the Land and Water Conservation Fund (LWCF) and other land conservation provisions, which remains controversial among Western House members.

The House's North American Energy Security and Infrastructure Act of 2015 ([H.R. 8](#)) passed last December by a vote of 249-174. H.R. 8 includes provisions to streamline the permitting process for natural gas pipelines.

The broad reaching pieces of legislation along with related bills that have been incorporated as part of negotiations touch several priority issues for counties including the Secure Rural Schools (SRS) program, a long standing priority for counties that provides crucial support to local schools, transportation infrastructure, law enforcement and other county services in more than 720 counties and 4,000 school districts nationwide that expired on September 30, 2015 and has yet to be reauthorized. Forest management reform, wildfire suppression funding, renewable energy development on public lands and the U.S. Environmental Protection Agency (EPA) Brownfields Program are also a part of the conversation.

NACo will continue to urge Congress to reauthorize the SRS program for FY 2016 to provide local governments with the budgetary certainty they need to continue providing critical services to our residents and public lands visitors alike.

MENTAL HEALTH AND JUSTICE REFORM REMAINS A COUNTY PRIORITY

NACo also continues to support passage of the Comprehensive Justice and Mental Health Act ([S. 993/H.R. 1854](#)), which would reauthorize the Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA) and fund local efforts to reduce mental health in the justice system.

The legislation has been passed by the Senate and is now under consideration in the House. MIOTCRA, which has been a long standing NACo priority, provides grants that state, tribal and local governments may use to develop and implement a variety of programs designed to improve outcomes for justice-involved individuals.

Though unlikely given the outcome of the 2016 elections, Congress may still choose to bring up the Second Chance Reauthorization Act ([S. 1513/H.R. 3406](#)), which would reauthorize the Second Chance Act (SCA). The SCA, which received a mark-up in the House Judiciary Committee in January 2016, authorizes federal grants that assist states, counties and nonprofit organizations in developing and implementing programs to help formerly incarcerated individuals successfully reintegrate into the community after their release from correctional facilities. Administered through the Office of Justice Programs at the U.S. Department of Justice, Second Chance Act programs have helped numerous counties provide reentry services – employment assistance, substance abuse and mental health treatment, housing, family-center programming and mentoring – to adults and juveniles returning to the community from prisons or jails.

AFTER THE ELECTION: THE LAME DUCK SESSION

CONGRESS EYES A DELAY OF DOL'S FINAL RULE ON OVERTIME PAY

With the Obama Administration on track to advance over 4000 new regulations during his last year in office, Congress may also consider advancing legislation that would put the brakes on regulations such as the U.S. Department of Labor's (DOL) final rule on overtime pay during the lame duck session.

The final rule, which goes into effect December 1, 2016 would make 4.2 million Americans newly eligible for overtime pay, and nearly doubles the salary threshold for overtime pay for professional employees, also referred to as "white collar" employees from \$23,660 (\$455 per week) to \$47,476 (\$913 per week).

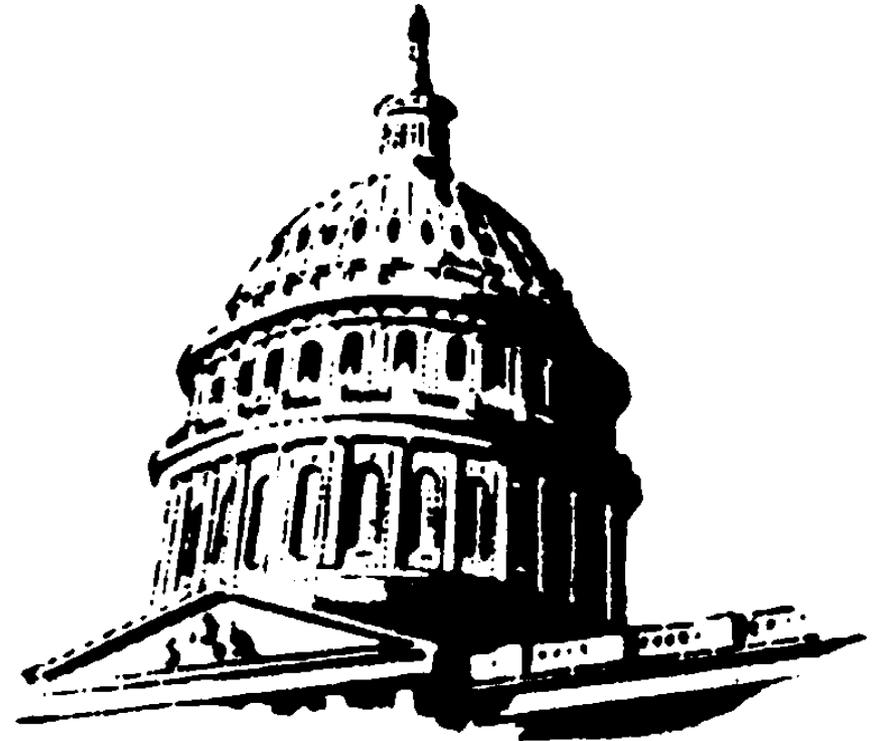
On September 28, 2016 the House passed the Regulatory Relief for Small Business Schools and Nonprofits Act ([H.R. 6094](#)) by a vote of 246 to 177. The bill would delay the enforcement of the DOL overtime rule for six months to June 1, 2017. The White House has stated strong opposition to H.R. 6094, indicating President Obama would veto the bill if sent to his desk.

AFTER THE ELECTION: THE LAME DUCK SESSION

On September 29, 2016, Sen. Lamar Alexander (R-Tenn.) introduced a companion measure, the Overtime Reform and Review Act ([S. 3465](#)). This bill would direct the administration to implement the salary threshold increases in four stages over a five-year period to give workplaces time to prepare for the rule implementation. The courts could also intervene to block the Overtime Rule. On September 20, 2016, a group of 21 states filed a lawsuit in the Eastern District Court of Texas challenging DOL's overtime rule. The suit alleges DOL overstepped its authority to establish a federal minimum salary for professional employees, and that the new rule will force state and local governments to substantially increase employment costs, ultimately forcing governments to cut services or lay off employees.

The group challenging the rule is led by Texas and Nevada, and includes: Alabama, Arizona, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Mississippi, Nebraska, New Mexico, Ohio, Oklahoma, South Carolina, Utah and Wisconsin.

On August 31, 2015, NACo submitted [comments](#) to DOL expressing our concerns over the increased administrative and financial burden it would impose on counties, who collectively employ more than 3.6 million people, and provide services to over 305 million county residents.



LOOKING AHEAD: THE 115TH CONGRESS

NATIONAL
ASSOCIATION
of COUNTIES

NACo



LOOKING AHEAD: THE 115TH CONGRESS

WHAT HAPPENS NEXT?

Soon after the lame duck session ends and the 114th Congress adjourns *sine die*, the first session of the 115th Congress will begin on January 3, 2017. Since the congressional elections returned relatively stable majorities for the Republicans and leadership elections will likely return the same teams to power, all eyes are on President-elect Trump as to what his legislative and policy agenda will be, and how that will be received by congressional Republicans.

Speaker Ryan has already signaled that he plans to continue focus on his “A Better Way” agenda, which offers a detailed Republican roadmap and some policy proposals that President-elect Trump could address. In particular, it lays out ideas for tackling tax reform, overhauling health care programs, spurring regulatory reforms, combatting poverty, enhancing national security and boosting the economy.

President-elect Trump also campaigned on repealing many of the Obama Administration’s regulations. NACo will be watching items like the U.S. Environmental Protection Agency’s “Waters of the U.S.” (WOTUS) rule and ozone regulations, the U.S. Department of Labor’s overtime pay rule, the Bureau of Land Management’s (BLM) Planning 2.0 and others to get a sense of how a Republican White House and Congress will alter many of President Obama’s policies.

As president, Trump could immediately rescind any executive orders President Obama signed, such as the Deferred Action for Parental Accountability (DAPA) immigration action (DAPA is currently facing a challenge in court, and undoing this order would effectively remove this case from the court system). However, finalized rules, as passed by various agencies within the administration, are slightly more difficult to undo. Rules finalized before the last few months would require either selective enforcement decisions (where a Trump Administration chooses not to enforce a certain regulation) or an entirely new rule process to undo the current rule, which could take months or even years. Though rare, Congress can make use of the Congressional Review Act to review more recent finalized rules and nullify the policies if they see fit (this has only happened once: under President Bush in 2001).

The following NACo policy priorities could be in play next year, based on statements from the President-elect and those of the congressional leadership.

LOOKING AHEAD: THE 115TH CONGRESS

BIG CHANGES TO TAX AND FINANCE POLICY LIKELY UP SOON

The President-elect and congressional leaders have explicitly said that they intend to advance ambitious tax reform plans in 2017. This will inevitably put important county tax and finance priorities into play.

Tax Reform

The Issue: Since the Great Recession, there has been ongoing interest in Congress and the Administration to enact tax reform. While there are those in Congress who prefer a comprehensive reform of the federal tax code, it remains unclear if there is enough political will to advance a package that addresses both individual and corporate taxes.

The Outlook: President-elect Trump has expressed interest in reforming the tax code and issued a plan that seeks to reduce marginal tax rates on individual and corporate taxpayers. Additionally, his plan proposes to increase standard deduction amounts, limit or repeal certain tax expenditures, repeal the individual and corporate alternative minimum taxes and the estate and gift taxes. However, given Speaker Ryan released his blueprint for tax reform earlier this year, it remains uncertain if elements of the President-elect's plan will be incorporated.

Municipal Bonds

The Issue: Since 2010, various proposals have outlined provisions that should be included in any comprehensive tax reform legislation. Nearly every plan, as well as the last five budget requests by the Obama Administration, have included language that would either eliminate or cap the benefit of the exemption for municipal bond interests. Any changes to the exemption for municipal bond interest will result in increased costs for state and local governments to finance new and existing projects.

The Outlook: President-elect Trump's tax reform plan includes a provision that would limit the tax value of itemized deductions, but it is unclear how the exemption for municipal bond interest would be treated.

Remote Sales Tax

The Issue: State and local governments have long sought the ability to enforce existing sales taxes on remote purchases made over the Internet. Federal legislation, if enacted, would reverse a decades-old U.S. Supreme Court decision that prohibits state and local governments from requiring retailers to collect sales taxes on purchases unless the retailer is physically present in the state. This has resulted in billions of uncollected sales tax revenue every year for state and local governments due to the exponential growth of the Internet as a retail marketplace.

LOOKING AHEAD: THE 115TH CONGRESS

The Outlook: After the elections the key players on this issue will remain in place on Capitol Hill, so the same dynamic that prevailed in the 114th Congress seems likely to continue – bi-partisan support in the Senate but significant Republican resistance in the House. President-elect Trump reportedly expressed support for requiring online retailers to collect sales taxes when speaking on a radio talk show, however, he has yet to take an official position on legislation like the Marketplace Fairness Act ([S. 698](#)) or Remote Transactions Parity Act ([H.R. 2775](#)).

PRESIDENT-ELECT AND CONGRESSIONAL LEADERS PROMISE MAJOR CHANGES TO HEALTH POLICY

After campaigning on repealing and replacing the ACA, President-elect Trump and Republican leaders believe they have a mandate to make good on the promise quickly. It is not clear how the many programs and provisions of the ACA would be repealed and what exactly would replace them, but many key county health programs and policy priorities are sure to be affected. While Senate Republicans will not have the 60 votes required to overcome a Democratic filibuster, they do have the simple majority to utilize a legislative procedure called budget reconciliation which could undo the budget related parts of the ACA.

Medicaid

The Issue: Medicaid is a federal entitlement program that is funded by the federal and state governments with contributions by counties and administered by states, with assistance from counties in specific states. It provides health and long-term care insurance to over 70 million low-income children and their families, seniors and people with disabilities. The program is essential for counties in maintaining their often statutory obligation to provide health care for low-income, uninsured or underinsured residents. Thirty-two states and the District of Columbia have exercised their option made possible by the Affordable Care Act (ACA) to expand Medicaid coverage to low-income adults without children. Medicaid has been the subject of multiple threats, and a recent proposal by Speaker Ryan and House Republicans as a part of his “A Better Way” campaign would require states to accept either a Medicaid per capita cap or block grant. The result would be that as health care costs inevitably exceed the amount allotted by the block grant, states and counties would be left to bear more of the financial burden, including county-owned hospitals and long-term care facilities.

The Outlook: Since President-elect Trump has promised to “modernize Medicaid” and maximize state flexibility, it is likely that Medicaid would be subject to block grants and/or per capita caps.

LOOKING AHEAD: THE 115TH CONGRESS

He campaigned on the promise to repeal the ACA, which would include the ACA Medicaid expansion. Repealing the ACA Medicaid expansion and changing Medicaid into a block grant could both be enacted by the budget reconciliation process.

Behavioral Health

The Issue: Through 750 behavioral health authorities and community providers, county governments plan and operate community-based services for persons with mental illnesses and substance abuse conditions. County-based behavioral health services exist in 23 states that represent 75 percent of the U.S. population, but nationally supply is not meeting demand. Comprehensive legislative proposals to reform our nation's mental health and substance abuse treatment system have been introduced repeatedly over the last few years, but have advanced the farthest in the 114th Congress with bills passing the House and out of committee in the Senate.

The Outlook: As it seems unlikely that comprehensive behavioral health reform will advance in the lame duck, the proponents could reintroduce reform legislation in the 115th Congress. The Trump Administration would likely support such legislation as he has previously called for reforming our mental health programs and institutions and acknowledged bipartisan efforts in Congress.

What is more uncertain is whether provisions that counties support which require new spending and thus would need budget offsets—such as easing Medicaid's Institute of Mental Disease (IMD) exclusion—would make it into a final package.

Local Public Health and Prevention

The Issue: Counties support the majority of America's 2,800 local health departments in order to protect their resident's health and safety and prevent the leading causes of death. Federal investments such as the Prevention and Public Health Fund (PPHF) are responsible for approximately 23 percent of local health department' revenue. The PPHF was enacted through the Affordable Care Act (ACA) and has already invested over \$5 billion to communities, but has been the subject of many repeal efforts.

The Outlook: President-Elect Trump does not make direct reference to public health investments, but House Republicans have repeatedly targeted the PPHF. The 115th Congress is likely to eliminate the PPHF and reduce funding for local public health funding through ACA repeal and/or separate legislative efforts, which could shift even more public health costs to counties.

LOOKING AHEAD: THE 115TH CONGRESS

TRANSPORTATION & INFRASTRUCTURE

The Issue: Both political parties agree that the condition of the nation's infrastructure is alarmingly inadequate and in need of repair, expansion and rehabilitation. While the American Recovery and Reinvestment Act of 2009 (ARRA) ([P.L. 111-5](#)) was introduced to stimulate economic growth, other stand-alone infrastructure proposals have not come to fruition. As the owners of 45 percent of the nation's roads, 39 percent of the nation's bridges, and over a third of the nation's airports, robust funding for this and future infrastructure is vital to the success of the nation.

The Outlook: The Trump transition team has announced plans to seek \$550 billion for transportation infrastructure. He has declared the intention to use technology to make smarter decisions on how we build and use public infrastructure. His stated goal is to make roads, bridges, airports, transit systems and ports be the "envy of the world." While infrastructure has traditionally been a bi-partisan issue and some Democrats have expressed an interest in working with the Trump Administration towards an infrastructure passage, finding a bi-partisan consensus on how to find \$550 billion without increasing the deficit will be a major challenge.

COUNTIES WILL HAVE TO PUSH PUBLIC LANDS PRIORITIES FOR A PLACE IN PACKED CONGRESSIONAL AGENDA

While the Republican leaders in Congress have been generally supportive of proposals to improve federal land management practices in ways that would help counties, actually enacting ambitious legislation has been difficult. With the Senate closely divided that dynamic is unlikely to change, even with a potentially more receptive administration. The county payments programs will likely continue to garner bi-partisan support but will face headwinds in a constrained budgetary environment.

Federal Land Management

The Issue: Throughout the 114th Congress, NACo has been engaged in support of legislation that promotes active and sustainable management of our federally controlled lands and resources. The health of our federal lands has a direct effect on public health, safety and economic wellbeing of counties across the United States. Not only do unhealthy forests increase community wildfire risk, they can also negatively impact community access to clean water and air, threaten wildlife habitats and reduce county opportunities for forest-related tourism and job creation.

LOOKING AHEAD: THE 115TH CONGRESS

The Outlook: When asked about his stance on federal land management on the campaign trail, President-elect Trump expressed a desire to “keep the lands great” and noted the importance of being “great stewards” of the federal lands. The President-elect has come out in opposition to federal policies that have curtailed ranching, mining, logging, energy development and sportsmen’s access to federal lands. Although specific details of his federal lands policy remain to be seen, his overarching policy goals appear complimentary to the land management positions advanced by Chairman Rob Bishop (R-Utah) in the House and Chairman Lisa Murkowski (R-Alaska) in the Senate. Although Congress is unlikely to act on federal land management legislation during the lame duck, the chances of legislation advancing in the 115th Congress are likely improved.

Payments in Lieu of Taxes

The Issue: The Payments in Lieu of Taxes (PILT) program was created in 1976 and provides payments to counties and other local governments to offset losses in tax revenues due to the presence of substantial acreage of federal land in their jurisdictions. Counties with public lands in their jurisdictions provide critical services on federal lands including law enforcement, search and rescue, fire management, solid waste disposal, and emergency medical services. Today, the U.S. Department of the Interior makes PILT payments to over 1,850 counties in 49 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands.

The Outlook: NACo continues to urge Congress to provide long-term, predictable and full funding of the PILT program for FY 2017 and beyond. If Congress fails to fully fund PILT in the lame duck session, Congress will have to act to fully fund PILT when they reconvene for the First Session of the 115th Congress to ensure timely payments to counties. Congress would likely choose to enact PILT funding as part of larger full year FY 2017 appropriations legislation. With budgetary concerns remaining top of mind for many Republican lawmakers and the White House, counties will have to continue their work educating members of Congress and the White House on the importance of PILT to Public Lands Counties and advocating for full funding of PILT in the 115th Congress.

Secure Rural Schools

The Issue: The Secure Rural Schools (SRS) program provides crucial support to local schools, transportation infrastructure, law enforcement and other county services in more than 720 counties and 4,000 school districts nationwide, impacting nine million students across 41 states. The SRS program expired on September 30, 2015 and has yet to be reauthorized. If the program is not reauthorized, forest counties and schools will not receive another SRS payment.

LOOKING AHEAD: THE 115TH CONGRESS

The Outlook: If Congress does not reauthorize the program in the lame duck, leaders could also attach SRS to spending legislation that moves early in the 115th Congress, or as part of a larger package of natural resources legislation focused on forest management. As with the PILT program, the SRS program will face challenges as a current of support for fiscal austerity continues to underlie Congress' spending policy. NACo will continue to urge Congress to reauthorize SRS and provide local governments with the certainty they need to continue providing critical services to our shared constituents.

OBAMA ADMINISTRATION REGULATIONS WILL BE TARGETED

As noted above, President-elect Trump campaigned promising to roll back the Obama Administration's regulatory agenda. Republican leaders in Congress have also made no secret of their dislike for many of the federal agencies' new regulations. Whether Congress takes action to block them or the incoming Trump Administration begins the process of withdrawing them and drafting new ones, several regulations that impact counties will be receiving fresh scrutiny.

Waters of the U.S.

The Issue: Last year, the "Waters of the U.S." (WOTUS) rule was finalized by the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers.

WOTUS is a term used in the Clean Water Act (CWA) to define what waters fall under federal jurisdiction versus those waters that fall under state authority. Waters (and their conveyances) that fall under federal jurisdiction require federal CWA permits for construction and maintenance projects. Almost immediately after the rule was finalized, numerous lawsuits were filed by 31 states and private parties. Additionally, both chambers of Congress attempted to overturn the rule, however, President Obama vetoed the legislation.

The Outlook: The presidential election has changed the outlook on WOTUS. Mired in the courts, it was anticipated that WOTUS would not be resolved for years. However, President-elect Trump has publicly said he will roll back the rule, but the method that the incoming Trump Administration might use is still murky. If the rule is withdrawn by the EPA, this would trigger Administrative Procedure Act (APA) reviews, a process that could take years. Since the administration and the 115th Congress will be controlled by Republicans, the quickest way to overturn the rule may be through the legislative process.

2015 Ozone Rule

The Issue: In October 2015, EPA released its final rule to tighten the National Ambient Air Quality Standards (NAAQS) from 75 parts per billion (ppb), last set in 2008, to 70 ppb.

LOOKING AHEAD: THE 115TH CONGRESS

Currently, 227 mostly eastern counties are regulated under ozone air quality standards. Under the new 70 ppb standard, the number of impacted counties is expected to increase to over 350. Since counties serve as both the regulator and regulated entities on Clean Air issues, the new standards would have a significant impact on many counties. Further, since the 2008 standards were only implemented last year, significant concerns have been raised that states and local governments may have to implement both the 2008 and 2015 ozone standards simultaneously.

The Outlook: A number of industry groups have filed challenges to the 2015 ozone standards. Resting in the U.S. Court of Appeals for the District of Columbia, a decision is expected sometime in 2017. While Trump has not weighed in specifically on ozone, he has expressed an interest in reducing regulations. It is possible that either the Trump Administration or Congress may attempt to change the rule in the near future.

Immigration reform includes many different issue areas, including pathways to citizenship, business immigration, border security, employment verification and work visas. Counties and other local governments often bear a heavy fiscal burden as a result of national immigration policies, or the lack of enforcement of immigration policies, and the federal government should reimburse counties for costs incurred in assisting legal immigrants, refugees, undocumented individuals and others. It is imperative that the federal government engage in an ongoing consultation process on immigration issues with state and local governments.

The Outlook: A hot topic on the campaign trail, President-elect Trump has frequently focused on the border security aspect of immigration and insists immigration will be a top three priority for his administration. Reports already indicate he is asking allies in Congress to work on funding his proposed wall along the southern border. Congress has not attempted comprehensive immigration reform since the “Gang of Eight” bill passed the Senate in 2013 before stalling in the House.

Criminal Justice Reform

The Issue: Through law enforcement departments, courts and jails, counties play a significant and central role in our nation’s criminal justice system.

OTHER ISSUES WHERE COUNTY PRIORITIES COULD BE IN PLAY

The President-elect and congressional leaders have indicated their interest in taking action in some other policy areas where counties have much at stake.

Immigration Reform

The Issue: Priorities for immigration reform differ substantially across and within both parties.

LOOKING AHEAD: THE 115TH CONGRESS

We own and operate 91 percent of all local jails, and eleven million individuals are admitted into local jails each year. Every day, these jails release 135,000 inmates, and these individuals – in addition to those released from federal and state prisons – turn to county social services for assistance upon returning to their communities. Counties are also leading efforts to reform our nation’s criminal justice system through various programs, like those that aim to divert individuals with mental health issues from local jails and connect them with the treatment services they need.

The Outlook: Bipartisan efforts to enact federal criminal justice reform legislation have stalled in the 114th Congress, barring unexpected action in the lame duck session. President-elect Trump has not published official policy statements on criminal justice reform, though he has been critical of the Obama Administration’s “rollback of criminal enforcement,” and it would appear that on balance federal criminal justice reform would take a backseat to aggressive enforcement. The rationale and momentum for state and local reform efforts, which arguably would have broader and deeper impacts than federal reform, look likely to continue.

Economic Development and Trade

The Issue: Economic development is a key issue for counties across the nation and with high unemployment still in existence, jobs are a priority. NACo policy calls for the federal government to encourage businesses to move manufacturing back to the states from offshore.

NACo also supports free trade agreements that enhance the economic base of local governments and promote county participation in the global economy and urges Congress to review and create a report card on existing and new Free Trade Agreements to determine their effects on U.S. manufacturing industries, workers and agriculture.

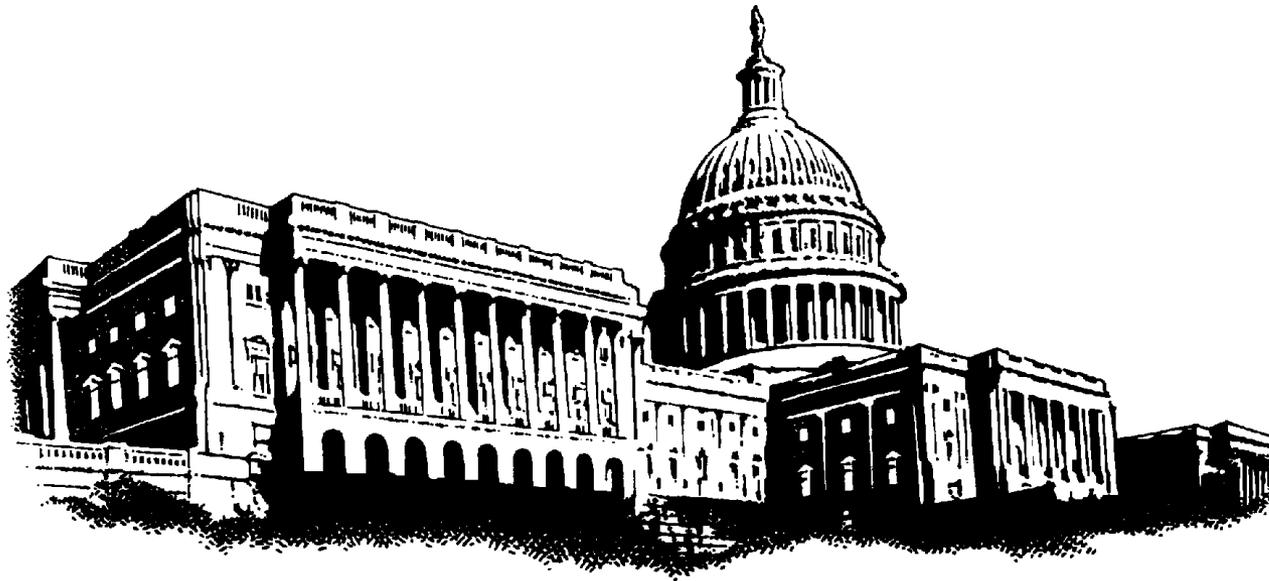
The Outlook: President-elect Trump has promised to create a dynamic economy that will create 25 million new jobs over the next decade, including in manufacturing industries. He has also promised an “America-First” trade policy. The President-elect has said that the Trans-Pacific Partnership agreement would undermine the U.S. economy and U.S. independence, and that he plans to withdraw the U.S. prior to ratification. He has also signaled his intention to have the Secretary of the U.S. Department of Commerce identify existing trade violations and take appropriate action to end these violations. He also proposes to renegotiate the North American Free Trade Agreement (NAFTA) terms to get a better deal for American workers. New trade agreements require congressional approval, but the president does have the power to withdraw from existing commitments.

LOOKING AHEAD: THE 115TH CONGRESS

Cybersecurity

The Issue: As counties continue to adopt and invest in digital infrastructure to provide information and services to their residents over the Internet, the risk of cyberattacks has grown exponentially. While a number of bills were introduced in 114th Congress that address cybersecurity very few would direct resources and training for local governments to prevent and mitigate cyberattacks.

The Outlook: President-elect Trump has expressed interest in directing the U.S. Department of Justice to create a joint task force to coordinate federal, state, and local law enforcement responses to cyber threats. In addition, his plan proposes the creation of a Cyber Review Team that will provide specific recommendations for safeguarding different entities with the best defense technologies tailored to likely threats.



UPCOMING NACo EVENTS

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FEBRUARY 25-MARCH 1 | WASHINGTON D.C.
REGISTRATION NOW OPEN

NACo ANNUAL CONFERENCE
JULY 21-24 | FRANKLIN COUNTY, OHIO
REGISTRATION OPENS MID-FEBRUARY





U.S. ELECTION INSIGHT 2016

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