



Trump Wins, Republicans Take Senate, House Undecided

Top Takeaways

What we know as of Noon EST on Wednesday, November 6, 2024:

- Donald Trump is returning to the White House. As of 12:00 noon, Kamala Harris has not conceded but reports suggest she will speak this afternoon at Howard University.
- Republicans have won back control of the Senate with at least three flipped seats, and maybe more as additional results come in.
- Control of the House is still undecided and likely will come down to a handful of swing seats in California that are too close to call right now. Whichever party wins the House, the majority will have a slim margin; a Republican win will give them a trifecta of the White House, Senate and House.
- The exit polling cited (in order of importance) the state of democracy, economy, abortion, immigration and foreign policy as issues people used to determine their presidential vote on Tuesday.
- The voting process went smoothly, even with issues caused by non-credible bomb threats from Russia that disrupted voting in several states.

What the results mean for Republicans: Trump will aggressively pursue a dramatic expansion of presidential power, and Trump loyalists will be rewarded with key positions across the new administration. In addition, the “Make America Great Again” agenda will once again take center stage in Washington, D.C., and the populist themes surrounding jobs, taxes, immigration and trade espoused on the campaign trail by GOP candidates up and down the ticket will drive policy decisions for the next four years.

What it means for Democrats: There will be many questions asked in the coming days to try to understand the outcomes, and there could be some calls for certain House races to be recounted. However, Democrats will need to work quickly over the next 45 days to prepare for 2025. If Democrats - who are famously unified in tight margins - win the House, they will be expected to lead the opposition to Trump and Senate Republicans. If Democrats lose the House, too, there will be outsized efforts ahead of big policy decisions to persuade moderate Republicans in both chambers of Congress and there will be the backstop of the Senate filibuster to require a 60-vote majority for most legislation, meaning Senate Democrats can block more partisan and extreme policy.

What it means for companies: Navigating Washington will continue to be complex because of the populist rhetoric embraced by both political parties today, the ever-increasing polarization of the American public, the fragmentation of news and information and the razor thin margins that create gridlock. It can feel impossible to navigate - lean too far one way and risk upsetting employees, customers, shareholders and suppliers; veer another way and run the danger of being called to testify before Congress; stand for nothing and watch your license to operate erode. Fail to return strong profits and engender the ire of analysts and risk being targeted by activist investors. Finding the right path to align your business priorities with this dynamic environment is crucial and APCO's bipartisan team of experts stand ready to help.

Communications and Government Relations Guidance

- *Be sensitive and lead with empathy.* In a country essentially split 50-50, you are likely to have employees, customers, suppliers, shareholders and other stakeholders across the political spectrum. Set the example with messaging that leads with empathy and understanding. Many Americans have described the period leading up to the election as stressful and tense; having the election results will not change that feeling for at least half the country. Politics is personal and overwhelming results will feel like pushback to people's core identity.

- *Don't rush.* Your company or organization does not have to be the first to issue an external statement or respond to media inquiries regarding election outcomes, especially if you were silent in the lead up to the elections. While many of the more chaotic events and concerns have not come to fruition in the first hours after races were called, continue to monitor the situation against your scenario plan to determine if any moments (civil unrest, physical safety based on office location, mass misinformation, etc.) occur. If you do plan to share internal communications now or in the coming weeks, involve your government relations and HR teams to ensure bipartisan, compassionate language.
- *Cabinet updates:* Monitor potential cabinet appointees for ties to your organization or industry that can be leveraged down the road. APCO can help open doors with likely appointees and connect you with Trump's transition team to establish relationships and flag early priorities.
- *Map your stakeholders:* Take inventory of newly elected Members of Congress, new committee chairs and ranking members where you have a footprint, and consider sending congratulatory letters, setting up introductory meetings and inviting Members and staff to engage in-district or when you are in Washington, D.C., next.
- *Map your priorities:* Develop legislative priorities and a strategy for the 119th Congress understanding the realities of a potentially divided government. With slim majorities, typically only bipartisan measures will be signed into law. The annual appropriations bills, which must pass to keep the government operating, should be considered as vehicles for moving legislation.

APCO's bipartisan Government Relations, Public Affairs, Advocacy, Corporate Reputation and Crisis teams hold key relationships with the executive branch transition team, elected (newly and current) officials and staff across all levels of federal, state and local government.

Election Analysis

Presidential

What we know: Trump declared victory around 2:30 am EST on Wednesday, November 6, after capturing the all-important battleground state of Pennsylvania. He was officially declared the winner by media outlets shortly after 5:30 am EST once Wisconsin was called in his favor, giving him the necessary 270 electoral votes to reclaim the presidency. He joins Grover Cleveland as the second president to return to the White House after losing it. States yet to be called: Arizona, Maine, Michigan and Nevada.

What's next: Within hours of returning to the White House on January 20, 2025, expect Trump to begin issuing a flurry of Executive Orders to quickly undo several Biden administration signature initiatives, including the United States' commitment to the Paris Accords UN climate agreement and automobile emission standards Republicans say would force Americans to buy electric vehicles they don't want. Also look for Trump to reissue an order from October 2020 creating a new category of government jobs called "Schedule F" that would replace career bureaucrats with political loyalists.

Potential "First 100 Days" initiatives to watch:

- *Trade:* Trump will look to use presidential authority to impose a 10-20% across-the-board tariff on imports, as well as an additional 60% tariff on all imports from China.
- *Immigration:* Trump has pledged to begin the largest domestic deportation operation in American history, targeting undocumented immigrants and possibly using the U.S. military. The first steps will most likely occur via Executive Orders and policy memos providing operational guidance. In addition, new barriers could be placed on asylum-seekers and businesses could be mandated to use E-Verify.
- *Border security:* Expect Trump to call on Congress to fully fund and complete the wall on the U.S.-Mexico border.
- *Taxes:* A top GOP priority will be permanently extending provisions in the Tax Cuts and Jobs Act (TCJA) of 2017 that increased the standard deduction, lowered marginal income tax rates, doubled the estate tax exemption, and increased the child tax credit. It was previously set to

expire at the end of 2025. Trump will also call on Congress to lower the corporate tax rate from 21% to 15%. If Republicans control both the House and the Senate, they could push through their tax agenda (and other policy priorities) within the first 100 days via the budget reconciliation process, which is not subject to the 60-vote filibuster in the Senate.

- **Health care:** Trump will look for ways to lower government health spending, likely cutting Medicaid and lowering reimbursements for providers and looking to lower drug prices. He has also targeted hospitals providing gender-affirming medical care to transgender people and repeal other transgender health protections through Executive Order.
- **Abortion and reproductive health:** Trump will immediately shift federal family planning funds away from foreign and domestic health care providers (e.g., Planned Parenthood) that also provide abortion. It remains to be seen if he takes further steps on a national restriction for abortion, which could impact other reproductive health care like IVF treatments.
- **DEI:** Trump will work quickly to repeal Biden-era DEI policies and defund federal DEI initiatives. He may also target or name private companies that lean in heavily on DEI initiatives.
- **Energy and Environment:** Expect Trump to use Executive Orders to scale back renewable energy polices and publicly support a "return to fossil fuel dominance." President Trump will call on Congress to repeal portions of the Inflation Reduction Act to claw back federal spending on renewable energy and climate programs.
- **Ukraine War:** Trump has long said he will look to end the war in Ukraine quickly and has not committed to providing additional military assistance to the war effort.
- **Israel-Hamas War:** Trump has pledged additional support to Israel but at the same time has urged Israel to end its wars in Gaza and Lebanon.

Click [here](#) for updates on the race for the White House.

Senate

What we know: Republicans have taken back control of the Senate, flipping seats in West Virginia, Montana and Ohio. In addition, Ohio Governor Mike DeWine (R) will name an interim Senator, presumably a Republican, to replace incoming Vice President-elect JD Vance until a special election is held in November 2026, the next state election, per Ohio's rules for Senate vacancies.

What it means: The GOP Senate will be expected to implement Trump's agenda; however, the filibuster - the longtime Senate rule requiring 60 votes on most bills instead of a simple majority - will present challenges since Republicans will need Democratic support to pass legislation.

First, the Senate GOP will ensure Trump's cabinet nominees are approved expeditiously given the simple majority needed.

Legislatively, look for the Senate to attempt to change the nation's immigration laws and enhance border security, support Trump's calls for a 10-20% across-the-board tariff on all imports - in addition to the 60% tariff on imports from China that Trump has vowed to impose - extend the 2017 Trump tax cuts that are set to expire at the end of 2025 and claw back unspent Inflation Reduction Act (IRA) money.

Continuing to remake the federal judiciary also will remain a top GOP priority. Approving judgeships requires only a simple majority.

What's next: Before Republicans do anything, they must elect a new leader since Sen. Mitch McConnell (KY) is passing the baton after 17 years of directing the caucus. On November 13, Republicans will choose between Sens. John Thune (SD), John Cornyn (TX) and Rick Scott (FL) to be the Majority Leader. Sen. Chuck Schumer (NY) is expected to remain the leader of the Democratic caucus.

Click [here](#) for updates on Senate races.

House of Representatives

What we know: With the results of a handful of House races still too close to be called, party control of the House remains up in the air.

What it means and what's next if Republicans retain control: A Republican trifecta in the White House, Senate and House will embolden an ambitious conservative-populist policy agenda, particularly via the filibuster-proof budget reconciliation process, with limited levers for pushback by Democrats. The House will be the launchpad for Trump's legislative agenda - including immigration and border security, extending the 2017 tax cuts, rolling back Biden's green incentives and more - but Republicans will need to prioritize what to focus time and political capital on. Budget reconciliation is an incredibly valuable tool, but it is time-consuming and has a myriad of constraints that will test the extent to which Republicans can drive policy through razor-thin party-line votes.

A Republican sweep puts Speaker Mike Johnson (LA) in a strong position to remain in the post (with Trump's backing) and will intensify jockeying for committee chairmanships given the outsized influence committee chairs can have as part of the budget reconciliation process.

What it means and what's next if Democrats take control of the House: House Democrats will use every tool available to them to derail Trump's agenda. While they won't be able to block his cabinet or judicial nominees, they can attempt to sideline his legislative proposals aimed at immigration reform, border security, taxes and rolling back parts of the IRA and CHIPS Act. The House Oversight and Judiciary Committees will be the center of the Democratic universe, deploying their oversight powers to investigate and challenge Trump at every turn. Trump's relationship with Democrats in his first term was terrible; expect it to be worse in his second term.

Before the 119th Congress even convenes on January 3, 2025, expect Democrats to have a plan to challenge any Executive Orders Trump issues in the first week of his presidency, especially on immigration, climate and health care. Trump is going to attempt to push the boundaries of executive privilege in his second term. Democrats will be ready to counter.

Drill down: Party caucuses will meet in the coming weeks to welcome new Members and elect their leaders. Less change is anticipated on the Democratic side with Rep. Hakeem Jeffries (NY) expected to remain the top House Democrat. If Democrats clinch control, Jeffries would be the nation's first Black Speaker of the House.

House Republican leadership is in flux and will be impacted heavily depending on whether they win the majority. Current Speaker Mike Johnson (LA) is vying to remain in the post with Trump's support. But if the GOP finds themselves in the minority, Johnson will likely be cast aside and a battle will emerge between current majority leader Reps. Steve Scalise (LA) and Jim Jordan (OH), who failed last year to become Speaker. House GOP Members will elect their leadership for next year on November 13, the same day as Senate Republicans.

Click [here](#) for updates on House races.

In the States

What we know: Many state governments are set to hold their status quo even with many state legislature races yet to be called. Notably, North Carolina Republicans could lose their supermajority in the State House but still keep the majority in both chambers with the Attorney General, Secretary of State and Governor all poised for Democratic wins for the first time since 2010. Pennsylvania's Attorney General seat flipped to Republican for the first time since 2013 with Dave Sunday's win.

Up until last night, abortion ballot initiatives have passed successfully when on the ballot since the *Dobbs* decision. Out of 10 states with an abortion measure on the ballot all passed, except in South Dakota, Nebraska and Florida. Notably, the majority of Floridians supported the ballot initiative on abortion but failed to meet the required 60% threshold for all ballot measures. Other notable ballot measures included citizenship requirements for voting which passed in all seven states where it was

voted on, and recreational marijuana legalization measures which failed in all three states where they were on the ballot.

What it means: With a deeply divided nation, states will continue to engage in active legislative, regulatory and political debates with national and global implications to serve their political goals. AI regulation and data privacy are prime examples of where some states are moving faster than the federal government. Companies are going to continue to be caught between a divided and polarized federal government and states with near or actual one-party rule.

What's next: Expect states to continue to pursue their legislation more aggressively, further splitting the country into two distinct blocks: red states and blue states. Access to abortion is a top example of how this has and will continue to take shape.

Click [here](#) for updates on state ballot initiatives.

Dates to Watch

- December 11 – Deadline for states to certify presidential election results
- November 12 – 118th Congress returns for lame duck session
- November 13 – GOP House and Senate leadership elections (Democrats have yet to publicly announced the dates of their leadership elections.)
- December 17 – States cast electoral votes
- December 20 – Government funding expires at midnight
- December 25 – Deadline for electoral votes to be sent to U.S. Senate
- January 3, 2025 – 119th Congress sworn in
- January 6 – Congress counts electoral votes
- January 20 – Inauguration Day

Must “Dos” in 2025

What we know: There are a slew of policy issues that must be addressed next year, regardless of the final makeup of the White House and Congress. Among them:

- *Debt ceiling:* As part of the Fiscal Responsibility Act of 2023, Washington suspended the debt limit until January 1, 2025. The Treasury Department can use “extraordinary measures” to temporarily keep the government from defaulting on its debt, but Congress will need to quickly pass legislation to suspend or raise the limit to avoid a default. The last fight to extend the debt limit ultimately led to Rep. Kevin McCarthy (R-CA) being ousted as Speaker of the House.
- *Tax policy:* Major portions of the 2017 Trump tax cuts expire at the end of 2025, including the lower marginal rates for personal income taxes, increased standard deduction, estate tax deduction and child tax credit, as well as the cap on state and local tax (SALT) and qualified business income deductions. Note: The provision reducing the corporate tax rate from 35% to 21% does not sunset, but the 100% bonus depreciation deduction for assets with useful lives of 20 years or less does.
- *ACA subsidies:* The enhanced premium tax credits under the Affordable Care Act (ACA) will expire at the end of 2025 if no congressional action is taken. The tax credits were designed to help individuals afford insurance on the ACA Marketplace and have been passed, and in recent years expanded, albeit temporarily. Despite the law’s popularity and more than 20 million Americans enrolled, Republicans are unlikely to pass it, though Democrats will push for this in broader legislative packages. If allowed to expire, millions of beneficiaries will see a sudden increase in their ACA health insurance costs and others may lose insurance due to pricing, growing the rate of uninsured Americans.
- *Government funding:* Passing appropriations bills to keep the federal government running is a foundational and annual responsibility of Congress. Complicating this effort will be whether to extend the caps on the growth in federal spending for defense and non-defense discretionary items included in the Fiscal Responsibility Act of 2023.

- *Foreign conflicts:* Washington also will need to decide whether it will continue to provide aid to Ukraine and what it will do regarding the war between Israel and Hamas and the broader conflicts in the Middle East.

What it means: Congress generally has more leverage to drive the 2025 tax and spending policy developments while the president will have the most sway over the United States' approach to the wars in Ukraine and the Middle East. Of course, the exact makeup of the White House, Senate and House over the next two years will heavily influence the specific implications and nuance of these policy negotiations.

APCO can Help

In addition to APCO's bipartisan team of advisors, APCO's [International Advisory Council](#) boasts former members of Congress, Cabinet Secretaries, U.S. ambassadors, among other subject matter experts ready to dive in with clients.

As organizations and companies analyze and assess the impact of the 2024 U.S. elections, APCO stands ready to assist leaders in developing pathways of engagement to advance their policy and reputational goals.

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