

## **Notes from Steven Portnoy Luncheon – November 10<sup>th</sup>, 2016**

- No idea how polls got it so embarrassingly wrong. We need to find out
- We have to marvel at what President-elect Trump accomplished
  - Spent next to nothing, Skeleton staff and most baggage any person in public life has had. He won at least five states Obama carried twice
  - 63 percent of voters said he doesn't have right temperament and seven-in-ten say they're bothered by his treatment of women
  - Hillary underperformed Obama among Hispanic voters by six points and Obama earned five percent more support among African Americans than did Clinton
  - Clinton ended up with worst electoral map showing by a Democrat since Michael Dukakis in 1988
- We don't know what Washington will look like under a Trump administration, but we do have a sense of his priorities:
  - Increased Infrastructure spending – highways, bridges, airports
  - Stronger Border
  - Shoring up the military
  - Ripping up the Iran Deal and getting the best trade deals
- He has a pretty specific tax plan
  - Lower corporate tax rate to 15% and scrap tax expenditures (tax breaks)
  - Individual filers – reduce down to three brackets and make the top rate 33%
  - Boost standard deduction for couples to \$30,000
  - Cap itemized deductions for couples making more than \$200,000
- Paul Ryan has his own plan – “Better Way” agenda
  - Reduce corporate tax to 20%
  - Lower top individual rate to 33%
  - Three brackets – shrink the 1040 form, eliminate the estate tax and allow for half of all investment income to be deductible
- Between Trump and Ryan and their ideas we should see some movement of tax reform
- Another key priority is to repeal Obamacare. Trump has spoken at length about buying insurance across state lines. He believes health savings accounts and high risk pools could help sicker people afford health care.
- New Republican government will be focused on a pro-growth agenda with energy and raw material sectors being beneficiaries
- President-elect will choose the next member of the Supreme Court. Obama's pick of Merrill Garland will fall by the wayside.
- There is reason to believe that the one-party control in Washington could lead to progress, reversing the intractable situation of the past six years.

- During the past six years Washington has gone from one crisis to another, stopping just short of fiscal cliffs. There have been no grand bargains and only a sequester to show for itself. American people are yearning for something to happen
- Democrats need to do some soul searching. They will need to figure out what went wrong – or more importantly what went right for Trump.
- Democrats will take a page out of a decade-old Republican Playbook – they'll be investing heavily in state legislative and gubernatorial contests because this is who controls congressional redistricting every ten years.
- Does this election signal the beginning of a populist movement and a paradigm shift?
- Polling methodology will have to change