

## 2018 Midterms: What Do They Mean for You and Your Workforce?

In contrast to the last major election, this year's Midterm projections largely played out as predicted. One thing is evident: now more than ever, we are a nation divided. Progressive candidates made a strong statement, as did supporters of the Trump Administration, who came out in force.

In this Intelligence Briefing, we take a bird's-eye view at the recent election results and what these results mean for employee policies, organized labor and more. A special thank you to the [HR Policy Association](#), which provided an in-depth election analysis that informed this report.

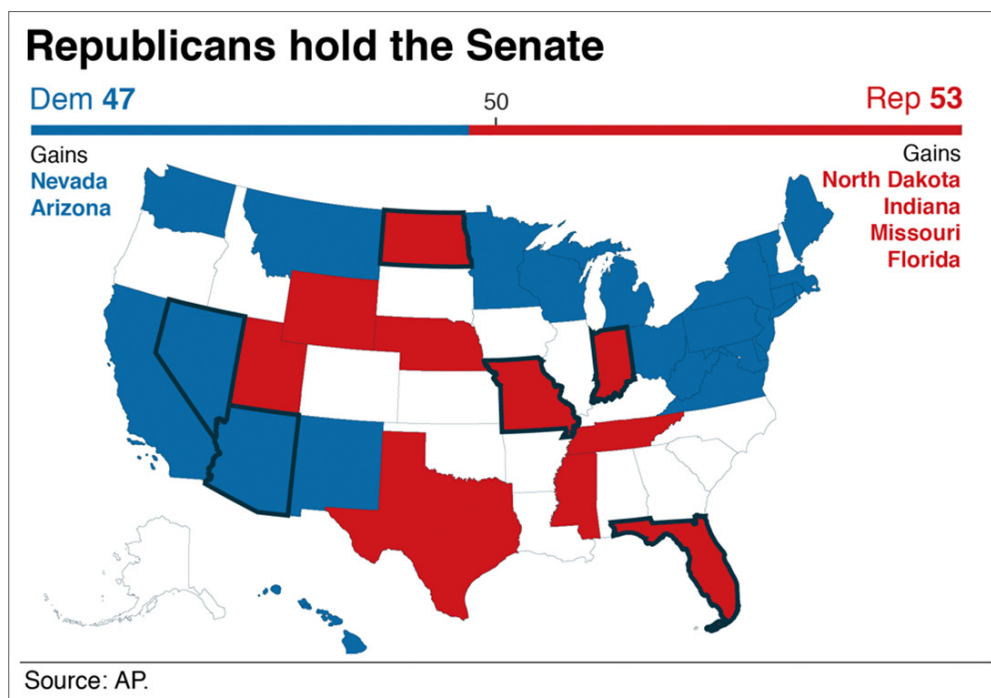


## 2. REPUBLICANS ADD TO SENATE MAJORITY

Even if the Democratic House of Representatives is able to unite, they still face an additional challenge, and the elephant in the room is just that—a Republican Senate that added to its majority. Big wins included Florida, Indiana, North Dakota, Missouri, Tennessee and Texas.

### WHAT THIS MEANS FOR YOU

The GOP retention of the Senate should allow for further Trump Administration confirmations in the judicial and executive branches and could serve as a stop-gap to House legislative efforts.



## 3. STATE-LEVEL RACES BALANCING TOWARD DEMOCRATS

The results are finally in (though some races are so close they will have to go to a run-off), and Democrats have made significant progress at the state level, with a net gain of seven governorships and seven state legislative chambers.

### WHAT THIS MEANS FOR YOU

With a split federal legislature, and questions about policy focus, there could be an increased effort to enact state-level employee policies, always a tough obstacle for employers striving to be consistent. Movement on policies related to issues such as workplace harassment and equal pay is particularly worth watching, considering the critical role played by women in the outcome of this election.

## Unions Influence Midterm Elections, Republicans Use “Extraordinary” Measures to Fight Back

Unions are claiming that they “made their voices heard” in the Midterm elections, [declaring victory](#) for labor-endorsed candidates across the country, including more than 800 union members who ran for office and won. This was particularly true in the Midwest.

Ohio Democratic Senator Sherrod Brown, who easily won a third term against a formidable opponent, praised organized labor in his victory speech, and indicated it will play a significant role in the 2020 election.

In the immediate aftermath of the election, the defeat of Gov. Scott Walker in Wisconsin was being read by some as a return of Midwestern union power. Gov. Walker spent years fighting the state’s public-sector unions. His 2011 Wisconsin Act 10, also known as the Wisconsin Budget Repair Bill, took away public employees’ collective bargaining power, forced leaders to engage in annual certification elections and required most public employees to pay more toward health insurance and pensions.

Union leaders and the Chicago Sun-Times [cheered](#) the defeat of “organized labor’s Public Enemy No. 1.” To add insult to injury, Walker lost to Tony Evers, a former teacher and the state school chief. Evers, along with every other Democratic challenger for governor, has pledged to repeal Walker’s Act 10.



A Statement from [@RichardTrumka](#): #1u

**STATEMENT**

Scott Walker was a national disgrace.

—Richard Trumka, President, AFL-CIO

AFL-CIO



Let our country – our nation’s citizens, our Democratic Party, my fellow elected officials all over the country – let them all cast their eyes toward the heartland, to the industrial Midwest, to our Great Lakes state... And we will show America how we celebrate Organized Labor and all workers - the waitress in Dayton, the office worker in Toledo, the nurse in Columbus, the mineworker in Coshocton.”

Sen. Sherrod Brown (D-OH)

One month after the election, however, Republican state legislators have decided they're not quite ready to work within this new dynamic. Earlier this month, Republicans set a new and interesting precedent when they introduced several bills designed to curb the powers of the incoming governor, including one that would transfer control of the state's job creation agency from the governor to the Republican-controlled legislature, and another that would strip Evers of his ability to approve major actions by his attorney general – also a Democrat who has promised to withdraw the state's lawsuit against the Affordable Care Act. After a 24 hour session, the legislation passed.

Unions have claimed partial credit for other state races, including the winning gubernatorial campaigns of Democrats in Illinois and Michigan – where we're seeing similar efforts to dilute the power of incoming Democrats from the Republican-controlled legislature.

## Union-Backed Ballot Initiatives

In California, voters rejected a union-sponsored measure that would have capped charges at 15 percent above the direct costs of dialysis treatment.

The measure was driven by the Service Employees International Union, which spent more than \$18 million in promotion efforts. A component of this initiative included a controversial corporate campaign designed to discredit major dialysis providers.

In Massachusetts, voters rejected an initiative that would have established nurse-to-patient ratios in various hospital units and set penalties for hospitals that didn't comply.

The Massachusetts Nurses Association supported the ballot initiative, while hospitals and doctors' groups opposed it. The two sides spent more than \$30 million.

While the hope is that the defeat of these two significant (and expensive) ballot initiatives could help curtail similar efforts in the future, it remains an effective tactic used by unions to pull an employer's focus, drain resources and create real reputational damage.



Never ever, ever has there been a lame duck session used to go after elected officials.”

Sen. Sherrod Brown (D-OH)

## Republican Roll Backs at the NLRB

With party control of Congress split, it is unlikely that significant legislation will be enacted. However, the House could seek to slow down or undercut President Trump's regulatory agenda. Efforts by Republican NLRB members to roll back some of the Obama-era rulings will continue to be impeded by unprecedented challenges—including House oversight.

Democrats will press a union-friendly agenda, and as a result, traditional union efforts will likely continue to be augmented by employee activism, like the recent Google walkout.

## Final Thoughts

In light of the Midterm results and the new Congress, IRI Senior Legal Consultant Roger King suggests that “a more thoughtful and analytical approach” will be required by employers, especially as we get closer to the 2020 presidential election season. It's an approach that should include less talking, more listening, and more patience. Perhaps, given the current heated political environment, this could serve as good advice not just for employers, but for all of us.