



MEMO

TO: Salton Sea Authority Board of Directors and G. Patrick O’Dowd
FROM: Lisa Moore
RE: Federal Report
DATE: January 13, 2025

This memo describes the changes in Washington, both in terms of the incoming Trump administration and the new 119th Congress, as well as the initial legislative outlook.

Senate

In the Senate, Republicans are now in the majority, holding 53 seats to the Democrats 47. On Senate Committees, Republicans will hold a one-seat advantage, allowing Republicans to advance legislation without Democratic support. Each party elects its leader and Republicans elected John Thune (R-S.D.) to serve as Majority Leader and Senator John Barrasso (R-Wyo.) as Assistant Majority Leader.

The Senate Majority leader dictates the Senate agenda, determining what legislation and nominees to move forward for consideration. It is rare for legislation or nominees that are adverse to a Majority Leader’s interests to advance. Of note for the Authority’s members, I would expect the concerns of the agricultural sector to take on a higher priority under Thune than under prior Democratic leadership. Barrasso’s position of Assistant Majority Leader places the Senator in the second most powerful position in the Senate. This places the Senator in a strong position to protect Wyoming’s Colorado River interests.

Senators Padilla and Schiff are now in the minority. Committees typically originate legislation in the Senate and California’s Senators are positioned well to secure priorities in legislation advanced in their committees. Of note, both Senators will serve on the Senate Committee on Environment and Public Works (EPW) which has jurisdiction over the Army Corps. This will be helpful to our work on the Salton Sea Feasibility Study. EPW also has jurisdiction over FEMA, which will be relevant to Southern California recovery. Senator Padilla will also serve on the Senate Committee on Energy and Natural Resources (jurisdiction over Reclamation and Colorado River matters, some Interior programs and the Department of Energy).

Senator Schiff has also taken a position on the Senate Committee on Agriculture, which is particularly notable for the Authority’s agricultural districts, as the Committee will be writing a Farm Bill. Schiff is the first Californian to serve on Senate Agriculture since Pete Wilson in 1980. The Farm Bill is a \$1.5 trillion dollar piece of 5-year legislation. While the Farm Bill was set to be reauthorized last year, Republicans and Democrats failed to reach agreement on the

legislation and extended current law for one year to allow Republicans to write a bill. I have worked on each Farm Bill since 1996 and am happy to provide further information about the legislation to any of our members.

House of Representatives

The House remained in Republican control for the 119th Congress, with Republicans holding 219 seats. Congressman Mike Johnson was recently reelected as Speaker. Congressman Ruiz continues to serve on the Energy and Commerce Committee (jurisdiction over Department of Energy among other things). Congressman Calvert will continue to serve on the House Appropriations Committee. Calvert is the only Californian on one of the two Committees that control spending in Congress. It remains to be seen how Republicans will address the policy of earmarking spending legislation.

Trump Administration

President-elect Trump is working to select nominees for his new administration and is working to have many nominees ready to be sent to the Senate for consideration by Inauguration Day (1/20/25). Of relevance to the Authority, Trump has announced North Dakota Governor Doug Burgum as his nominee for Interior Secretary; former New York Representative Lee Zeldin as EPA Administrator; Brooke Rollings for Agriculture Secretary; and Liberty Energy CEO Chris Wright as Energy Secretary. Trump has not yet made nominations for Reclamation or Assistant Secretary for Civil Works (Army Corps). Senators Padilla and Schiff, given their Committee assignments, will be in a position to consider and ask questions of the Reclamation and Corps picks when they are nominated. Nominations once received by the Senate are sent to the relevant committees for hearings.

Legislative Outlook

President-elect Trump and Republican leaders are expected to advance border security, energy and tax legislation through the budget reconciliation process. This process allows Congress to change current law to align revenue and spending to conform with the budget resolution. Through this process, reconciliation instructions are included in a budget resolution. This directs committees to achieve particular budgetary goals. Committees then develop legislation to achieve those goals. That legislation is then joined together in an omnibus measure.

Unlike other legislation considered by the Senate, this reconciliation legislation may not be filibustered, meaning it can be adopted by a simple majority. In the recent past, legislation adopted through this means included the Republican tax cuts and Biden's Inflation Reduction Act. Of relevance to the Authority will be how this process unfolds in particular for the Army Corps and Reclamation in terms of potential budgetary impacts.