



Government Affairs Update

February 2024

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State:

- The Legislature reconvened on January 3 and the main focus at the moment is the February 16 deadline by which bills must be introduced. For the next several weeks, Legislators will be considering what bills they want to introduce with each Legislator introducing about 15-20 bills on average.
- On January 10, Governor Newsom unveiled his proposed 2024-25 budget that estimates a \$38 billion deficit which is well below the \$68 billion deficit predicted by the Legislative Analyst's Office. The Governor is utilizing multiple strategies to close the deficit, including tapping into the state's rainy day reserve funds, cutting funding for some programs and deferring funding to future years for other programs.
- The \$10M FIRO program is facing a cut – possibly \$1M but as much as \$5M.
- The Legislature will begin its budget subcommittee hearings at the end of February. These hearings will run through mid-May when the Governor releases a revised proposal based on March and April tax filings for 2023. The Legislature then has until June 15 to propose a budget back to the Governor. A final budget must be signed by June 30.
- Senator McGuire will take over as Pro Tem on Feb. 5.

Federal:

- Status of FY2024 Appropriations
 - Lawmakers continue to struggle to make progress on finalizing federal appropriations for FY2024. The federal fiscal year began on October 1, 2023.
 - On January 19, 2024, President Biden signed another Continuing Resolution to fund the federal government while lawmakers negotiate final FY2024 spending.
 - A two-tiered “laddered” approach extends funding for the Army Corps and Bureau of Reclamation, and the Departments of Transportation, Housing and Urban Development, Energy, Agriculture, some of Defense, and Veterans Affairs until

March 1, 2024, while other government departments and agencies are funded through March 8, 2024.

- Congressional leaders reached an agreement on a topline funding number for FY2024 in early January after months of threats and stalemate from far-right members of the U.S. House of Representatives who were calling for steeper spending cuts. The agreement reached between Senate Majority Leader Chuck Schumer (D-NY), Senate Minority Leader Mitch McConnell (R-KY), House Speaker Mike Johnson (R-LA), and House Minority Leader Hakeem Jeffries (D-NY) largely mirrors the agreement reached between former House Speaker Kevin McCarthy (R-CA) and President Joe Biden, funding domestic programs at \$772.7 billion – a 0.2% increase over FY2023, plus \$69 billion in additional funding through a side agreement.
 - Leadership of the House and Senate Appropriations Committees have just agreed on how the top-line numbers would be apportioned to the various subcommittees. This should now allow more detailed and serious negotiations to commence.
 - An inability to complete FY2024 appropriations bills prior to the deadlines noted above could result in additional short-term continuing resolutions or even a partial or complete government shutdown.
- FY2025 President's Proposed Budget
 - Given the stalemate on finalizing FY2024 appropriations, it appears exceedingly unlikely that the Administration's FY2025 proposed budget could be submitted to Congress on the first Monday in February, which is the target date to begin the budget and appropriations cycle each fiscal year. While the release date is unknown, it is expected to be delayed by weeks or even months.
 - State of the Union Address
 - Speaker Johnson invited President Biden to deliver his State of the Union Address on Thursday, March 7, 2024.
 - Status of Sonoma Water Appropriations Requests and Priorities
 - As previously reported, proposed FY2024 appropriations legislation and supporting report language include the following items that may benefit Sonoma Water:
 - Watercraft Inspection Stations. From the committee report accompanying the FY2024 Senate Energy and Water Development Appropriations Act: "Of the funding recommended for the Aquatic Plant Control Program . . . \$13,000,000 shall be for watercraft inspection stations" for four watersheds, including the Russian River Basin.
 - Wildfire Resiliency. From the committee report accompanying the FY2024 Senate Energy and Water Development Appropriations Act: "The Committee is increasingly concerned by the threat of wildfire to Corps projects and encourages the Corps to continue and expand efforts to implement wildfire mitigation projects at its facilities to protect Federal property and neighboring communities. The Committee encourages the Corps to

consider vegetation control and other resiliency measures to protect against the increasing threat of wildfires.”

- Pacific Coastal Salmon Recovery. Both House and Senate versions of the FY2024 Commerce, Justice, Science Appropriations Act propose \$65 million for the Pacific Coastal Salmon Recovery Fund.
- State and Tribal Assistance Grants (STAG). The committee report accompanying the Senate Interior and Environment Appropriations Act includes \$463.5 million for STAG grants, of which about \$2.7 million was for two sewerage projects in the State of California.
- Predisaster Mitigation. The committee report accompanying the Senate Homeland Security Appropriations bill included a single predisaster mitigation earmark for the entire State of California, for \$1.2 million.
- Other proposed FY2024 appropriations. From the committee report accompanying the FY2024 House Energy and Water Development Appropriations Act:
 - \$0 for the WaterSMART Aquatic Ecosystem Restoration Program (FY23 enacted = \$5 million)
 - \$13.6 million for WaterSMART Grants (FY23 enacted = \$65 million)
 - \$2.25 million for WaterSMART Cooperative Watershed Management (FY23 enacted = \$5 million)
 - \$24 million for WaterSMART Drought Response (FY23 enacted = \$38 million)
 - \$134 million for the WIIN Act Storage Account (FY23 enacted = \$134 million)
- Subseasonal to Seasonal Weather Prediction.
 - Building on the success of a \$1 million allocation that was included in the final FY2023 appropriations agreement, the FY2024 Senate Commerce, Justice, Science Appropriations Act includes the following: “Within funding for the U.S. Weather Research Program, the Committee provides not less than \$1,000,000 to continue the subseasonal to seasonal research program to seed innovative research testbeds. Such efforts shall include a pilot project for subseasonal to seasonal precipitation forecasts for water management in the western United States recommended in NOAA’s report to Congress pursuant to section 201 of the Weather Research and Forecasting Innovation Act of 2017 (Public Law 115–25). The pilot project should be carried out in coordination with the National Weather Service and should be focused on achieving measurable objectives for operational forecast improvement, including forecasts of seasonal mountain snowpack accumulation and total seasonal precipitation. The Committee encourages NOAA to emphasize subseasonal to seasonal capabilities in their future budget requests.”
- Advanced Qualitative Precipitation Information System. Building on the success of a \$900,000 appropriation that was included in the final FY2023 appropriations agreement, the FY2024 Senate Commerce, Justice, Science Appropriations Act includes the following: “The Committee provides not less than the fiscal year 2023 enacted level within the U.S. Weather

Research Program for a regional radar array demonstration project to enable better forecasting of extreme West Coast precipitation events, like atmospheric rivers.”

Funding Award for Aquatic Ecosystem Restoration

- On December 19, 2023, the U.S. Department of the Interior’s Bureau of Reclamation announced a \$2 million award to Sonoma Water to study and complete design for fish passage enhancements at the Eel River’s Cape Horn Dam and explore options for continued trans-basin diversions from the Eel River into the Russian River.

Improving Precipitation Forecasting

- To support ongoing efforts to promote federal support for precipitation forecasting to better manage reservoir operations, Sonoma Water continues to lead a broad coalition of water users, water management agencies, and a diverse group of local, state, regional, and national organizations committed to advancing improved S2S forecasting in the west and throughout the U.S. In addition to the appropriations detailed above, below are recent developments.
- Weather Act Reauthorization Act of 2023. H.R. 6093, the Weather Act Reauthorization Act of 2023, includes the authorization of two pilot projects on S2S, one of which is focused on western precipitation. It would authorize \$45 million per year for five years. The bill was approved unanimously on November 8, 2023 by the House Science, Space and Technology Committee. It is expected to be taken up by the full House of Representatives in early 2024.
- Water Resources Development Act of 2024. We are in conversations with House Transportation & Infrastructure Committee staff regarding any opportunity to insert language into WRDA 2024 to engage the U.S. Army Corps of Engineers in precipitation forecasting, particularly given their efforts on forecast-informed reservoir operations. The Committee held two hearings in early December on the 2024 WRDA bill, which is expected to be introduced early next year.
- FLOODS Act. The Flood Level Observation, Operations, and Decision Support Act (FLOODS Act) was signed into law at the end of 2022 and calls for the establishment of a National Integrated Flood Information System. The section makes a passing reference to improvements in seasonal precipitation and temperature, sub-seasonal precipitation and temperature, and flood water prediction. We are working to clarify with NOAA how they plan to implement this section but have not received much feedback.

FY 2025 Appropriations Requests

- Sonoma Water continues to prioritize and develop its appropriations requests for FY2025