## Sonoma Water Government Affairs Update

# February 2025

### State - Provided by Mark Fenstermaker, Sonoma Water Sacramento Advocate

- The Legislature reconvened on January 6 with 23 new Assemblymembers and 11 new Senators settling into their new roles and awaiting the Governor's proposed FY 2025-26 budget. On January 10, Governor Newsom released a roughly balanced budget that relies on a \$7.1 billion withdrawal from the state's rainy-day fund, which was agreed to during budget negotiations last year. From this point, everything shifted with the outbreak of the Palisades and Eaton fires.
- The loss of life and property across L.A. County has captured the attention of the Legislature, the most immediate result is the passage of ABx1-4 (Gabriel) and SBx1-3 (Wiener). These two bills were passed in the special session that was originally initiated to provide funding resources to the Department of Justice in response to new policies from the Trump administration. Instead, ABx1-4 and SBx1-3 have authorized the Department of Finance to spend up to \$2.5 billion from the General Fund for response and recovery efforts in L.A. with the intention that this funding is repaid by FEMA. SBx1-3 authorizes the DOF to increase this expenditure amount in coordination with the Legislature. The bill also states that after April 30, 2025, the Legislature will begin a process of negotiating, reviewing, and appropriating Prop 4 bond funds for wildfire and forest resilience activities.
- All of this activity has slowed the typical first month of a legislative session, many informational hearings have been stalled, the introduction of bills has been less than usual, and Assembly committee rosters were not announced until the Martin Luther King holiday weekend. As to the Assembly committees, newly elected Assemblymember Chris Rogers was named to the Budget Subcommittee on resources and water, the Water, Parks & Wildlife Committee, and the Utilities & Energy Committee, all great positions for Sonoma Water and the County.
- 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.
- The Assembly is now working toward its next significant deadline, which is that all bills must be introduced by February 21 .

## Federal - Provided by ACWA

#### House Passes ACWA Supported Wildfire Legislation

On January 23, the Fix Our Forests Act (H.R. 471) passed the U.S. House of Representatives by a vote of 279-141. This bipartisan legislation encourages more active management of federal forest lands, improves the regulatory process for forest health projects on federal lands, promotes federal, state and local government collaboration, coordinates federal grant programs to better serve communities in high fire risk areas, and expands the use of technologies to address wildfire threats. This legislation was introduced by House Natural Resources Committee Chairman Bruce Westerman (R-AR-4) and Congressman Scott Peters (D-CA-50) and is supported by Congressional Western Caucus Chair Doug LaMalfa (R-CA-1).

#### **Executive Orders**

On January 20, 2025, the new Trump administration issued numerous <u>Executive Orders</u>, some of which impact ACWA member agencies including:

- Putting People over Fish: Stopping Radical Environmentalism to Provide Water to Southern California, which calls for an increase in California water supply by routing water from the Sacramento-San Joaquin Delta to other parts of California, restarts similar efforts of the first Trump administration, and requires a progress report within 90 days
- Regulatory Freeze Pending Review, which pauses planned regulations, withdraws nonpublished regulations, and postpones the effective date for published regulations for 60 days
- <u>Putting America First in International Environmental Agreements</u>, which withdraws the United States from the Paris Agreement
- Unleashing American Energy, which encourages energy exploration and production on Federal lands and waters, rescinds the Council on Environmental Quality's (CEQ) rulemaking authority under the National Environmental Policy Act (NEPA), and pauses the disbursement of funding (for at least 90 days) from the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) for programs, projects, or activities focused on energy and natural resources. The Office of Management and Budget (OMB) issued a memo on Jan 21<sup>st</sup> clarifying which funds this pause applies to. Individual agencies may still be able to disburse funds once they certify to OMB that funding does not conflict with the "policy established in Section 2 of the order". We anticipate that entities, including ACWA members, that have pending IIJA or IRA funding will at a minimum see a 90-day delay in the execution of those agreements.
- <u>Declaring a National Energy Emergency</u>, which directs federal agencies to submit separate reports to the White House identifying actions that may require emergency permits or waivers under the Endangered Species Act (ESA) and Clean Water Act (CWA)
- <u>Initial Rescissions of Harmful Executive Orders and Actions</u>, which revoked many previous Executive Orders including efforts to mitigate climate impacts and implement infrastructure investments

We understand that there could be additional Executive Orders that would affect ACWA members announced in coming days.

## **Cabinet Nominations**

The U.S. Senate has held confirmation hearings and votes to begin the process of approving Cabinet positions to lead federal agencies. A list of candidates and their current position are as follows:

- U.S. Department of Defense: Pete Hegseth, 1/23 Senate advanced nomination by a vote of 51-49
- U.S. Department of Energy: Chris Wright, 1/23 Senate Committee on Energy and Natural Resources advanced nomination by a vote of 15-5
- U.S. Department of Transportation: Sean Duffy, 1/22 Senate Committee on Commerce, Science and Transportation advanced nomination by a vote of 28-0
- Office of Management and Budget: Russell Vought, 1/20 Senate Committee on Homeland Security and Governmental Affairs advanced nomination by a vote of 8-7
- U.S. Department of the Interior: Doug Burgum, 1/23 Senate Committee on Energy and Natural Resources advanced nomination by a vote of 18-2

- U.S. Environmental Protection Agency: Lee Zeldin, 1/23 Senate Committee on Environment and Public Works advanced nomination by a vote of 11-8
- U.S. Department of Agriculture: Brooke Rollins, 1/23 Senate Committee on Agriculture, Nutrition and Forestry held a hearing
- U.S. Department of Health and Human Services: Robert F. Kennedy Jr., 1/29 Senate Committee on Finance is scheduled to hold a hearing, and 1/30 Senate Committee on Health, Education, Labor and Pensions is scheduled to hold a hearing

House Water Wildlife and Fisheries Legislative Hearing on H.R. 231, H.R. 331 & H.R. 635 On Thursday, January 23rd, the House Committee on Natural Resources Subcommittee on Water, Wildlife, and Fisheries convened for a legislative hearing to discuss several bills that may be of interest to ACWA members.

- H.R. 635- Rep. Stansbury (D-NM-1), "WaterSMART Access for Tribes Act." The bill would give the Secretary of the Interior the authority to waive or reduce cost-share requirements to implement drought and water projects under the Bureau of Reclamation's WaterSMART program. **ACWA supported this bill in the 118<sup>th</sup> Congress.** The bill received broad support during the hearing. Reps. Stansbury, Huffman, and Hoyle engaged with Mr. Dwight Witherspoon, a witness representing the Navajo Nation, in discussions about the systemic challenges faced by Navajo Nation tribes in securing federal funding to address drinking water access and infrastructure needs. Mr. Witherspoon notably highlighted the financial burden of the cost-share requirement in the Department of the Interior's WaterSMART Program, which has historically hindered Navajo Nation tribes from applying for grants. The Nation's reliance on federal funding and the cost share requirement in the program has resulted in only 5% of WaterSMART grants reaching the tribes. It was also highlighted that nearly half of all tribal homes nationwide lack access to adequate water or sanitation, with tribal communities being 19 times more likely than others to lack clean water. This stark disparity led to widespread consensus during the hearing that swift passage of this bill is essential to support and address the critical needs of tribal communities.
  - H.R. 231 Rep. Hageman (R-WY-At Large), "Colorado River Basin System Conservation Extension Act of 2025"

The bill would extend a \$125 million effort, the System Conservation Pilot Program (SCPP), to reduce water use in the states of Colorado, New Mexico, Utah and Wyoming — which comprise the Upper Basin of the Colorado River — that expired at the end of last year. A bipartisan coalition of lawmakers, including Colorado Sen. John Hickenlooper, a Democrat, and Wyoming Sen. John Barrasso, a Republican, had supported the measure in the Senate. As the bill's sponsor, Chair Hageman highlighted the declining water levels in Lake Mead and Lake Powell, exacerbated by ongoing drought, and advocated for the reauthorization of the SCPP through 2026 while also calling for the Secretary of the Interior to report to Congress on the program's continued effectiveness by 2027, as outlined in the bill. Chair Hageman emphasized the crucial role of SCPP funding in mitigating drought in the West and the Upper Colorado River Basin, while also supporting the program's effectiveness in monitoring long-term drought conditions across the West.

• H.R. 331 - Rep. Fulcher (R-ID-1), "A bill to amend the Aquifer Recharge Flexibility Act to clarify a provision relating to conveyances for aquifer recharge purposes"

The bill would amend the Aquifer Recharge Flexibility Act, introduced by Rep. Fulcher in the 116<sup>th</sup> Congress. An identical bill was introduced during the same Congress by Sen. James Risch (R-ID). The change would address a conflict between state officials and the Bureau of Land

Management about the use of existing rights-of-way to transport water by allowing the holder of a right-of-way (ROW) grant approved by the Bureau of Land Management (BLM), acting on behalf of themselves or a third party, to use the existing ROW for the purposes of aquifer recharge without further authorization from the Secretary. The bill further clarifies that this use shall not be considered an expansion or modification.