



# PRESIDENT’S PREROGATIVE

**TO:** IEDA Board  
**FROM:** Glen Vortherms  
**RE:** Post-2026 Legislative Initiatives  
**DATE:** May 17, 2024

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*The President’s Prerogative is an initiative to attempt to educate members and increase engagement. We will take time to discuss this issue as a way to enhance participation in the future.*

## Issue

Congress has become more and more polarized. Productive legislation is becoming more difficult to pass, with “must pass” legislation being used to hitch bill riders to help them cross the finish line. For example, there was a recent push to add nuclear legislation to the Federal Aviation Administration reauthorization.

In addition, the runaway debt is becoming a more pressing issue, especially for a majority of members in Arizona. Given current polling, it appears that the White House might flip, and the Senate is in play. Traditional “money” bills will have more scrutiny and will be harder to pass if the control flips.

Given the difficulty of getting legislation moving, the power customers have identified the Post-2026 as a possible legislative “must pass” vehicle to include our legislative ideas.

After the Hoover E&OC meeting on May 15<sup>th</sup>, the customers convened to have a roundtable discussion about possible legislative actions to pursue. Given the forum, the discussion was focused on Hoover issues, but also included ideas from other projects.

Given previous feedback, some time was dedicated to making sure Hoover customers were aware of the ongoing bills that are currently introduced and/or moving forward with a hearing.

This “customers only” meeting will continue to be included in future Hoover E&OC/TRC meetings to ensure awareness and collaboration.

### **Hoover E&OC Ideas/Discussion**

1. Help Hoover Dam Act (H.R. 7776/S. 4016) – This bill was introduced March 21<sup>st</sup>, 2024 prior to the potential government shutdown. It would allow the Bureau of Reclamation to utilize the PRB money that has been collected over the last two decades to fund OM&R. It currently sits at \$45M and collects @ \$2.5M annually.

It received 10 cosponsors in the House and all six Lower Basin senators signed on. The hearing occurred on May 22<sup>nd</sup> in the House. Eric Witkowski was invited to testify because Susie Lee was the sponsor. Deputy Commissioner Palumbo will also be testifying. Chris Phalen with Senator Sinema’s office is circulating a support letter for a hearing request this week. The Senate ENR lead staffer is out until July on maternity leave, so no action is expected until summer in the Senate.

By receiving a hearing and mark-up, this bill can be attached to another bill. There is a lands bill that is being discussed as a possible “must pass” mechanism. Given that it is a bipartisan bill that doesn’t score, it should have a better chance to fly under the radar. If we can’t get it across the finish line this year, given that it made a hearing will help advance it in future sessions.

2. HYRO Act – Reintroduced this session, this bill was modified from the previous bill to ensure that it didn’t score. It was introduced in the House and Senate but has not yet received a hearing. Given certain trigger levels (loss of generation), this bill codifies that the WAPA Administrator can decide not to assign certain costs into the rates. This has happened successfully in the Southeast but could create tension between environmental programs on the river and power customers. Roughly 17% of the CRSP costs and 12% of the Hoover costs are for non-hydropower

programs. Shifting the burden is a potential option, we would just have to make sure it sells.

3. Visitor Center – Because of how the Boulder Canyon Project Act is written, the customers were responsible for repayment of the visitor center. To offset some of these costs, tourism revenue was placed in the rates to buy down the cost of maintaining the facilities. Unfortunately, after COVID tourism has declined and maintenance on an approximately 90-year-old facility is not getting any cheaper. Power customers have subsidized the facilities over \$35M since COVID.

Because of the Federal Land Recreation Enhancement Act, the Bureau is prohibited from charging entry fees without an exemption. An exemption has raised some concerns with Nevada legislators, for political reasons. In meeting with the Federal Lands subcommittee, they discussed a pilot program (7-year max duration), an exemption and a possible Foundation. The National Park Service got authorization to receive donations on behalf of NPS in 1967. Currently, BOR cannot receive donations, anything left at the dam is considered abandoned property and must be sent to treasury.

4. Hydropower as a Renewable – One component of H.R. 4045 – Hydropower Clean Energy Future Act that I believe could benefit us is recognition of big hydropower as a renewable resource. Despite this Administration agreeing to the renewable aspect of hydropower, not all state Renewable Portfolio Standards have been updated to reflect this situation. NV, CA & WA have changed their RPS to include big hydro, but not Arizona. This may be impacting the value of hydro RECS, as I have heard that some solar RECs in NV have sold for \$6/MWhr. If we can get hydro recognized as a renewable in Arizona, it may help with the sales price moving forward.
5. Randolph-Sheppard Act – This act, from 1936, provides free rental space and utilities to provide vending opportunities at federal facilities for blind vendors. Unfortunately, this has been interpreted to include space at Hoover, one of which is over 6,000 sq. ft. The irony is that these vendors won't hire blind workers because they have deemed them unreliable. There was a push in the 1980's to shift these to concessionaire agreements, but it failed due to public pressure. This program is under the Department of Education and the only Arizona on the committee of jurisdiction is Grijalva,

creating a major hurdle for any traction. The most recent information that I was able to find was from about a decade ago, with nationwide the program brings in almost \$700 million. Given the size and number of visitors, it is likely that gross revenue is in the millions for the 3 contractors at Hoover.

6. Others?

### **Options**

1. Identify best options to pursue.
2. Collaborate with like minded entities to discuss consensus and support.
3. Meet with Arizona water folks to discuss ideas.
4. Meet with the Bureau of Reclamation to lay the foundation for what is possible/sellable.
5. Other thoughts?