



MEMORANDUM

TO: IEDA Board
RE: Federal Legislative Committee Report
DATE: April 10th, 2025

FL House & WI Supreme Court Elections

National attention was placed on the three elections that occurred recently. What some considered as a litmus test for the President's job approval, special elections in Florida (CD1 & CD6), both were won by double digit percentages, but not nearly the 30 points that these districts were won during the presidential election.

A bigger impact could be the Wisconsin Supreme Court election that was secured by the democrat. Elon Musk spent a lot of time and money trying to influence this election but was ultimately unsuccessful in securing a republican majority. This has opened up the possibility of gerrymandering the congressional districts to favor future elections.

Polling in these races may have led to the President pulling Elise Stefanik's United Nations nomination. She made a bid to salvage her nomination, but the President ultimately pulled it. Trump ensured that there would be a place in his cabinet in the future.

Is DOGE Done?

Elon Musk is approaching his 130-day temporary duty deadline, which will end on May 30th (assuming role started on Inauguration Day). President Trump has continually praised DOGE/Musk's efforts, but it has been rumored that the efforts might be coming to an end. Despite savings estimates of over \$100B, it is far short of the trillion-dollar estimate targeted by DOGE.

Budget Reconciliation

The Senate passed a budget reconciliation resolution on April 5th, 51-48. The House and Senate need to pass identical versions of a budget resolution in order to get access to reconciliation, but the House has taken issue with some of the provisions of the Senate framework.

The bill looks to extend the 2017 Tax Cuts (\$5T), but would also include an additional \$1.5T in new tax cuts. The House version sets aside \$4.5T for tax cuts. The House is looking at using a procedural gimmick to make it look like the current tax cuts is the baseline, essentially meaning the extension would cost nothing. The Senate version also seeks to raise the debt limit by \$5T.

The House approved a Senate-passed version of a budget resolution for Fiscal Year 2025 and beyond (216 to 214). The budget resolution is not signed by the president, but moves Congress one step closer to passing tax legislation later this year, clearing the way for consideration of a budget reconciliation bill that cannot be filibustered in the Senate. House committees are expected to begin drafting reconciliation bills after a two-week recess which begins April 11th.

Typically, a budget resolution is a blueprint for the remainder of the year, setting broad parameters for tax and spending legislation, the details of which are filled in by the committees of jurisdiction. However, the budget resolution now approved by the House and Senate gives starkly different instructions to the House and Senate committees of jurisdiction. (See the table summary below.)

	Senate	House	Difference
Revenue Reductions	\$5.3 trillion	\$4.5 trillion	\$0.8 trillion
Additional Spending – including defense and border control	\$0.5 trillion	\$0.3 trillion	\$0.2 trillion
Spending Cuts	\$0.004 trillion	\$2 trillion	-\$1.996 trillion
NET DEFICIT INCREASE	\$5.796 trillion	\$2.8 trillion	\$2.996 trillion

CD-7 Update

The race to replace Congressman Grijalva is heating up, with more than two dozen candidates already entering the race. Raul's daughter Adelita Grijalva recently entered the race (March 31st), which might help clear some of the field. Daniel Hernandez, the former staffer of Gabbi Gifford, is another notable candidate. As we shared earlier, Andrian Fontes was exploring running as well, but has apparently reversed course and will stay in his current role. Tucson Mayor Regina Romero announced that she would not seek the seat.

Multiple Republicans have filed a statement of interest, but given the makeup of the district, the path to victory seems unlikely. The primary election will be held July 15 and the general election on Sept. 23