



MEMORANDUM

TO: IEDA Board
RE: Federal Legislative Committee Report
DATE: August 6th, 2025

One Big Beautiful Bill

President Trump's marquee legislation was signed into law on July 4th. The bill extended the 2017 tax cuts and added a few provisions that the president campaigned on. But the big story for IEDA is the **\$3.4T** score over the next 10 years and how it impacted our Energy & Water Appropriations play.

Energy & Water Update

During the full markup of the bill, Chairman Fleishman pushed back on the amendment introduced by Rep. Susie Lee (D-NV) to include our ask into the bill. Rep. Amodei (R-NV) also opposed the request, even though he was an original co-sponsor to the Help Hoover Dam Act bill this year. Rep. Ciscomani (R-NV), while present in the hearing, remained silent despite being a co-sponsor as well.

Leading up to the bill, Republican staff repeatedly pressed OMB to revise the score. OMB wouldn't budge, so our play fell short. We can still support the bill which has been introduced in the House & Senate, but will likely face an uphill battle with the score. During the E&W hearing, Rep. Lee received multiple favorable comments of support from Democrats, and it raised awareness of the issue with members of Congress.

There are options for amending the bill language to avoid the scoring. With the August recess, it will give us some time to regroup and work on some strategies.

Moving forward, we will also focus on an administrative approach. We will be aided by the fact that the Colorado River Dam fund is a revolving fund and

doesn't go through the LC Budget process. CRCNV is working on justifying the expenditure of the funds, as Treasury shouldn't count it against the budget and therefore not score. I plan to meet with Ted Cooke to layout the background, but Ted's hearing may not occur until 2026 (especially with the possible implications of the Post-2026 negotiations).

Gerry, Where are You?

An idea has surfaced to redraw the lines in Texas to allow for Republicans to possibly pick up 5 more seats. To prevent a vote on this, the Democratic members of the state house have fled the state preventing a quorum from occurring. Greg Abbott, the Texas governor has threatened to arrest absent lawmakers.

Redrawing the district lines, known as gerrymandering, would allow Texas to redistrict prior to the 2026 Congressional elections. This typically only happens once a decade after the census numbers are updated. California, New York and Illinois have all threatened to do the same in their states, which are controlled by Democrats. Some states have independent redistricting commissions and laws that would prohibit these types of actions, so I am not sure how much is posturing or possible.

Shell Game, Fed Style

We are seeing another round of efficiency moves with consolidation of DOI employees up into the department from subagencies. This is impacting the overhead rates at dam projects. PDP has been insulated by these until 2028 and Hoover until 2027. It is expected that the first rate increase is conservative (more than they need), and that the rate will settle out. Carryovers will reduce future rates, as overcollection is anticipated.

USDA announced the reorganize into 5 regional locations. This plan was not vetted before being announced and has faced initial pushback. With the USDA's RUS program, co-ops could be impacted by the reorganization, as well as our farmers.

One positive outcome of this latest round of reorganization is that the federal hiring freeze has been lifted. Scott Lund has accepted the DSW Regional Manager job, after having an initial offer in January that was rescinded due to the transition.

It's Never Too Early to Run

While the presidential election is over 3 years away, it seems that possible candidates are already testing the waters. The front runners on the Republican side seem to be J.D. Vance and Marco Rubio but expect some other names to jump in the race. Virginia Governor Glenn Youngkin, Georgia Governor Brian Kemp, Arkansas Governor Sarah Huckabee Sanders, Texas Governor Greg Abbot and Florida Governor Ron Desantis are state leaders looking to make the leap onto the national stage. Senators Rand Paul (KY), Ted Cruz (TX), Tim Scott (SC).

On the Democratic side, California Governor Gavin Newsome, Michigan Governor Gretchen Whitmore and NY Representative AOC seem to be leading contenders. With Kamala Harris' decision not to run for California Governor, some speculate that she will make another run for president. Pete Buttigieg, Pennsylvania Josh Shapiro, Illinois Governor JB Pritzker, Kentucky Governor Andy Beshear are also in the conversation.

Three races to watch in Arizona are CD-1 (Schweikert), CD-6 (Ciscomani) & the governor's race.