

BOARD MEETING DATE: October 3, 2025

AGENDA NO. 9

PROPOSAL: Amend Contracts for Legislative Representation in Washington, D.C.

SYNOPSIS: The current contracts for legislative and regulatory representation in Washington D.C. with Kadesh & Associates, LLC, Cassidy & Associates, Inc., and Carmen Group, Inc., expire on January 14, 2026. Each of these contracts includes an option for two one-year extensions. This action is to consider approval of the first one-year extension of the existing contracts for Calendar Year 2026 with Kadesh & Associates, LLC for \$239,834; Cassidy & Associates for \$240,000; and Carmen Group Inc. for \$222,090 as South Coast AQMD's legislative and regulatory representatives in Washington D.C., to further the agency's policy positions at the federal level. Sufficient funding is available in the Legislative, Public Affairs & Media FY 2025-26 Budget.

COMMITTEE: Legislative, September 12, 2025; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chair to execute contract extensions with Kadesh & Associates, LLC for \$239,834, Cassidy & Associates, Inc. for \$240,000 and Carmen Group, Inc. for \$222,090, for legislative consulting services in Washington, D.C. for one year beginning on January 15, 2026, with an option for up to one one-year renewal, upon satisfactory performance, at the Board's discretion.

Wayne Nastri
Executive Officer

LT:MC:EH:lb

Background

In 2024, the Board selected Kadesh & Associates, LLC (Kadesh), Cassidy & Associates, Inc. (Cassidy) and the Carmen Group, Inc. (Carmen) to represent South

Coast AQMD in Washington, D.C. for one year beginning on January 15, 2025, with an option for up to two one-year renewals upon satisfactory performance, subject to Board approval. Each consultant contract will expire on January 14, 2026; but is eligible for extension.

In 2025, these firms worked effectively with South Coast AQMD to strengthen engagement with Congress and key stakeholders. Their efforts supported the agency's policy and funding priorities at the federal level.

Kadesh is a bipartisan federal advocacy firm specializing in California interests. Kadesh's team has considerable experience working as senior Congressional staffers in the House and the Senate. Mark Kadesh, President, is the primary contact with Ben Miller, Principal Consultant, for South Coast AQMD. Mr. Kadesh has extensive legislative and political experience and insights gained from his sixteen years working on Capitol Hill. Mr. Ben Miller worked for more than seventeen years as an advisor for Members of the California Congressional Delegation.

Cassidy is a bipartisan federal government relations firm with more than 50 years of proven experience. South Coast AQMD is represented by Jed Dearborn, Senior Vice President and former Senior Counsel to the U.S. Senate Committee on Energy and Natural Resources; Ms. Anna Karakitsos, Senior Vice President and an energy and environmental policy expert with prior service on the U.S. Senate Committee on Environment and Public Works; and Ms. Samantha Swing, Vice President with legislative experience from working for a U.S. Senator and former Senate Majority Leader.

Carmen Group is a bipartisan government affairs firm with decades of experience in legislative representation and government relations, including building industry coalitions. Gary Hoitsma, Executive Managing Associate, and Dal Harper, Executive Managing Director, are the primary representatives for South Coast AQMD. Mr. Hoitsma served eight years as a top aide for Chairman of the Senate Armed Services Committee and Chairman of the Environment & Public Works Committee. Mr. Harper brings two decades of government relations and legislative experience, including with several agencies.

While the 119th Congress is still in progress, South Coast AQMD has been working with our federal consulting firms to advocate for air quality priorities, especially with regard to funding. There are several major areas of recent and ongoing engagement with Federal Congressional activities.

Budget Reconciliation

The original version of H.R. 1, "One Big Beautiful Bill Act" would have rescinded several air quality related programs created by the Inflation Reduction Act (IRA)

including the Climate Pollution Reduction Grant (CPRG), Clean Heavy-Duty Vehicles (CHDV), and State and Local Air Quality Management Grants (Section 103/105). South Coast AQMD has grants from all three of these IRA programs: nearly \$500 million for CPRG INVEST CLEAN, over \$58 million for the CHDV ELECTRIC and CARE4Kids, and approximately \$655,000 for Section 105 grants for air monitoring.

Senators Alex Padilla and Adam Schiff led California’s efforts to advocate that these program rescissions did not conform with Senate rules, resulting in the provisions being stripped from the bill. In effect, South Coast AQMD’s grants were not affected by “One Big Beautiful Bill.”

Rescissions

Another bill to rescind appropriations was H.R. 4, “Rescissions Act.” This measure was more narrowly focused on pulling back funding for public media and foreign assistance programs. It became law and rescinded \$9.4 billion in unobligated funds. There were early discussions on rescinding IRA programs including unobligated funds and programs. South Coast AQMD’s IRA grants were not impacted as they are obligated through agreements with U.S. EPA. A high priority for federal consultants would be opposing any future efforts to rescind any of our grants.

Fiscal Year (FY) 2026 Appropriations

There continues to be significant political pressure to reduce overall annual appropriations, with both the House and Senate proposing cuts across the federal agencies, including U.S. EPA. South Coast AQMD’s Congressional Delegation, particularly the Senators and the House Appropriation Committee Members, have been strong advocates for maintaining support of key air quality programs. As a result, these programs have been recommended for funding levels largely consistent with FY 2025.

Grant Program	Proposed FY 26 House	Proposed FY 26 Senate	FY 25 Final
Targeted Airshed Grants	\$67.8 Million	\$68.8 Million	\$68.8 Million
Diesel Emission Reduction Act	\$90 Million	\$60 Million	\$91 Million
Section 103/105	\$232.6 Million	\$235.9 Million	\$237.9 Million

When Congress reconvenes from the August recess on September 2, one of its top priorities will be advancing the FY 2026 Appropriations bills and, if needed, passing continuing resolutions. With federal funding authority expiring on September 30, 2025, Congress faces heightened pressure to act in order to prevent a lapse in appropriations

or a potential government shutdown.

Ongoing representation in Washington, D.C., remains essential to advancing South Coast AQMD's legislative, regulatory, and policy priorities. The continued nonattainment status of the South Coast and Coachella Valley Air Basins, coupled with the potential for Clean Air Act sanctions, underscores the need for sustained and proactive engagement with both Congress and the Administration. There is also ongoing congressional activity focused on limiting, reversing, or preventing certain rules and actions under the Clean Air Act, further reinforcing the importance of consistent federal advocacy to protect and advance the agency's air quality objectives.

Looking ahead, Congress will take up the Surface Transportation Reauthorization, which is scheduled to expire on September 30, 2026. This reauthorization presents a critical opportunity for South Coast AQMD to advocate for policies and funding that reduces emissions from goods movement and logistics which is central to the region's air quality challenges.

Staff recommends retaining Kadesh & Associates, LLC, Cassidy & Associates, Inc., and Carmen Group, Inc. for Calendar Year 2026, given their successful efforts in 2025 and their ability to build upon these efforts in the coming year. Continuity of representation is critical to strategically advocate with pending funding, surface transportation, nonattainment, and Clean Air Act issues.

Pursuant to the original contract, the Board has discretion to exercise options for the two one-year extensions. This proposal is to approve the first one-year extension for all three consulting contracts.

Resource Impacts

The Legislative, Public Affairs, and Media Budget for FY 2025-26 has sufficient funds for legislative advocacy in Washington D.C.