January’s transfer of power to the new Obama Administration and the convening of the 111th Congress represent the most significant realignment of federal personnel and priorities in eight years. To help water managers understand what implications these high-level changes will mean for federal drinking water policies, AMWA has prepared this briefing document to explain what changes are anticipated in federal agencies and in the halls of Congress.

**Transition Team: President-Elect Obama Brings Together Some Familiar Faces to Tackle New Problems**

President-elect Barack Obama’s official transition team has been posted to the incoming Administration’s official website http://www.change.gov. Based out of the General Services Administration in Washington, the transition team members fill important roles that help shape various policy plans at U.S. EPA, the Energy Department and other agencies. Often, those jobs lead to key appointments.

The team, incorporated as a 501(c)(4) organization called the Obama-Biden Transition Project, is headed by a triumvirate of the Illinois senator’s close advisers, including John Podesta, who served as President Bill Clinton’s chief of staff, Pete Rouse, Obama’s chief of staff in his Senate office, and Valerie Jarrett, a family friend and counselor to Obama.

Along with the three chairs, the Transition Project includes a team of elected officials and veteran political professionals to help steer the turnover of power. In addition to Podesta, the list includes several other former Clinton administration officials, including former energy secretary Federico Pena, former EPA administrator Carol Browner, former assistant secretary of state for Africa Susan Rice and former commerce secretary William Daley.

**House of Representatives: Democrats Widen Control, Debate the Path Forward**

Democrats strengthened their hold on the House chamber on Election Day, picking up at least twenty seats to bring their ranks to at least 255 in the 435-member body. Five seats remain undecided pending recounts and postponed votes, but regardless of the results of those races Democrats are guaranteed to hold their largest majority in the House since the early 1990s.
Most House committee chairmen will retain their posts next year, with one major exception: California Rep. Henry Waxman will replace Rep. John Dingell (D-Mich.) as the chairman of the powerful Energy and Commerce Committee. Following Election Day, Waxman, one of the most liberal members of the House, challenged Dingell for the position, telling fellow Democrats that he would bring a more progressive agenda to the panel on topics ranging from climate change to chemical security standards. In the past, Dingell had drawn the ire of some Democrats for his centrist approaches to these issues. On November 20, the House Democrats awarded the chairmanship to Waxman on a tight 137 – 122 vote.

Waxman has promised to act quickly on strict climate change legislation next year. However, observers speculate that Waxman will also be friendlier to bills that advance the goals of active environmental interest groups, such as legislating particular drinking water contaminant levels and mandating the use of “inherently safer technologies” at water facilities.

It is not clear how Waxman’s selection will impact Energy and Commerce subcommittee chairs. Prior to the vote, it appeared that most of the current chairs, including Virginia’s Rick Boucher of the Energy and Air Quality Subcommittee and Texas’ Gene Green of the Environment and Hazardous Materials Subcommittee, would remain in place. Now, however, the watch will be on to see if Waxman pushes to replace these moderates with new chairmen that better reflect his philosophy. These issues will be decided early next year, when committee and subcommittee assignments are finalized.

There are few changes to report on other committees. David Obey of Wisconsin will remain chairman of the Appropriations Committee, while Washington’s Norm Dicks seems likely to keep his place as chair of the Interior and Environment subcommittee. Meanwhile Mississippi Democrat Bennie Thompson will keep his chairmanship of the Homeland Security Committee, and James Oberstar of Minnesota will continue to hold the gavel of Transportation and Infrastructure.

**U.S. Senate: Democrats Increase Majority, Close to 60-Vote Benchmark**

Heading into Election Day, the major question regarding the U.S. Senate was not whether Democrats would maintain their slim 51-49 majority, but if they would pick up enough seats to reach the magic 60-vote threshold – at which point the caucus could block Republican filibuster efforts and seemingly be free to move their legislative agenda at will.

As of late November Democrats still have a chance to reach the 60-vote tally, although the issue won’t be settled for several more weeks. Thus far, Democrats have picked up a total of seven Senate seats, bringing their caucus to 56 members, plus two independents that normally vote with the party. However, a recount is pending in Minnesota, and a December 2nd runoff election is scheduled in Georgia. A Democratic sweep of those two seats would bring them to the 60-vote milestone.
In addition to the freshman class of elected senators, a few more new faces will join their colleagues when the Senate convenes in January. The governors of Illinois and Delaware, respectively, will appoint new Democratic senators to fill the seats of Sens. Obama and Biden. New appointments will also be necessary should any other sitting senator be invited to join the Obama administration, although it is unlikely that any nominations would alter the party breakdown in the Senate.

Few major changes are anticipated to the leadership positions of Senate committees overseeing drinking water policy, aside from 91-year old West Virginia Senator Robert Byrd’s decision to relinquish his chairmanship of the Appropriations Committee. Hawai’i’s Daniel Inouye will now lead the panel. Missouri’s Thad Cochran will likely remain the full-committee ranking member, while California Democrat Dianne Feinstein will continue to lead the Interior and Environment Subcommittee.

Alaska Republican Lisa Murkowski will serve as the new ranking member of the Energy and Natural Resources Committee, replacing the retiring Pete Domenici. New Mexico’s Jeff Bingaman will remain chairman and has signaled intentions to be active in consideration of climate change legislation. California’s Barbara Boxer and Oklahoma’s James Inhofe Oklahoma, respectively, will continue to serve as chairman and ranking member of the Environment and Public Works Committee.

Finally, Connecticut Independent Joe Lieberman will retain his chairmanship of the Homeland Security and Government Affairs Committee, despite lingering anger among Democrats for his support of Sen. John McCain’s presidential campaign. As a penalty, Senate Democrats voted to strip him of his place on the Environment and Public Works Committee, but Lieberman has said that he still plans to remain involved with climate change issues next year.

The final committee and subcommittee rosters will be determined in January.

**The Environmental Protection Agency: Obama Administration May Bring Big Changes to EPA**

Washington insiders report that President-elect Obama plans to make EPA a cabinet-level Department. According to these sources, long-time environmental advocate Robert F. Kennedy Jr. may serve as the Secretary of the newly positioned Department. The appointment would come as good news to Kennedy’s cousin, Caroline Kennedy and uncle, Senator Ted Kennedy (Massachusetts) – who were instrumental Obama backers during the primary.
Cabinet Appointments: Obama Cabinet to be Diverse And Experienced

Department of Defense:
President-elect Obama has made it clear that his next Secretary of Defense needs to have two major qualifications: a thick resume and a well-known name. Senator Jack Reed (Rhode Island) and Colin Powell round out the short-list of potential candidates, though whispers continue to grow indicating Robert Gates may be asked to stay on as Secretary.

Department of Education:
If Colin Powell is not asked to serve as the Defense Secretary, look for him to be tapped as the next Education Secretary. Another high-profile candidate is North Carolina Governor James Hunt.

Department of Health and Human Services:
Published reports are calling the ‘race’ for HHS Secretary a victory for former Senator Tom Daschle. Daschle was seen by most as the leading candidate for Obama’s Chief-of-Staff, but was passed over for Congressman Rahm Emanuel. HHS Secretary is a nice consolation prize. Daschle’s appointment means Obama will need to find something else to keep former Governor Howard Dean happy. Dean reportedly wanted the HHS position and had been quick to point out that as Chair of the Democratic National Committee, Democrats took control of the Executive and Legislative branches of government.

Secretary of Homeland Security:
According to published reports, Arizona Governor Janet Napolitano will be the next DHS Secretary. Napolitano, who used to be Arizona’s Attorney General, has become a national leader on border issues. The inability of DHS to address border concerns is seen as a major reason for her selection.

This is the first time a presidential transition includes the appointment of a DHS Secretary, and the Obama team had engaged in spirited debate over the selection. Some members of the team argued that the Department should focus more on local responders and law enforcement. Their ‘potentials’ included NYC Police Chief Raymond Kelly and his predecessor, current LA Police Chief Bill Bratton.

Members of the transition team believing the Department should highlight response and recovery wanted to appoint former Clinton FEMA Director James Lee Witt. Others still believe that the DHS head needs to have legislative experience and had floated promoting Representatives Jim Langevin (Rhode Island) or Henry Cuellar (Texas) to take the helm.

Department of the Interior:
New Mexico Governor Bill Richardson is thought to be a leading contender for Interior Secretary, though it remains unclear whether he would leave his current post to serve in the position. Other names being considered include former Deputy Secretary David Hayes, Congressman Jay Inslee (Washington), and Montana Governor Brian Schweitzer.
Department of Justice:
Eric Holder, a Deputy Attorney General in the Clinton Administration and campaign supporter of Barack Obama, is said to be the top candidate for Attorney General. According to officials, the position has not been offered, but the asking is just a formality. If selected, Holder will be the first African-American Attorney General.

Department of State:
It is nearly certain now that one-time Barack Obama rival Hillary Clinton will be asked to serve as the next Secretary of State. Though husband Bill Clinton’s international business and foundation dealings raised questions regarding possible conflicts of interest, his agreement to disclose all relevant documentation and step down as the leader of his charitable organizations has cleared the way for Hillary’s selection. Lawyers from both the Obama and Clinton camps are engaged in the vetting process and insiders say an official offer could be announced before Thanksgiving.

Department of Treasury:
Given the nation’s critical economic state, President-elect Obama is said to be looking for a steady hand to run the Treasury. Two names rise to the top of anyone’s projection list: Timothy Geithner, President of the Federal Reserve Bank of New York and former Clinton Treasury Secretary Lawrence Summers.

Looking Ahead: Crowded Agenda Awaits In 2009

Democrats increased their power through the 2008 elections by presenting themselves as the party of “change.” Now that they have gained control of the White House and expanded their majorities in both chambers of Congress, pressure will quickly mount to begin delivering on their promises. The work will begin early next year, when the 111th Congress convenes on January 6 and President-elect Obama is sworn into office on January 20. Drinking water related issues such as climate change, chemical facility security, and infrastructure financing will be high on the agenda.

AMWA will continue to monitor how Congress and the administration approach drinking water policy, and will keep members informed of the latest developments.