

FIRST 100 DAYS

NACo Webinar Series | Week 8

MARCH 20, 2025



Recent Executive Action: Education Department

Overview of EO	County Role in Education
 Directs Department of Education Secretary to focus on facilitating the closure of the Department 	 Counties invest \$103 billion annually to support education In a handful of states, counties are
 Emphasizes need to return education authority to the states 	directly responsible for operating public schools
Limit use of funds for DEI activities	 Counties support local workforce development board

While President Trump can sign an Executive Order to reshape the Education Department, the entire agency CANNOT be abolished unless Congress passes legislation that addresses the laws establishing the Department



Recent Executive Action: Achieving Efficiency Through State and Local Preparedness

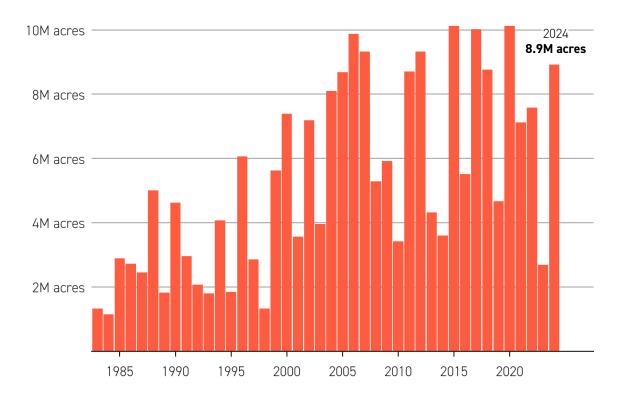
OVERVIEW

- National Resilience Strategy: Focus on risk-informed infrastructure investments and preparedness, replacing the traditional all-hazards approach
- Critical Infrastructure Policy Overhaul: Critical infrastructure policies will be reviewed to better align with local priorities
- National Continuity Policy Review: Existing continuity of government policies will be updated to streamline federal preparedness functions and modernize resilience planning
- Preparedness and Response Evaluation: National preparedness doctrines will be reviewed and recommendations produced on how to best align federal strategies
- National Risk Register: A comprehensive register will be developed to assess and quantify risks to critical
 infrastructure, shaping future federal, state, and private sector investment priorities
- **Simplified Federal Coordination Framework:** DHS will recommend changes to how federal preparedness functions are organized to reduce confusion and improve state and local engagement



Millions of acres burn in wildfires each year

Acres burned by total wildland fires annually in the United States



Source: National Interagency Coordination Center

Paroma Soni/POLITICO



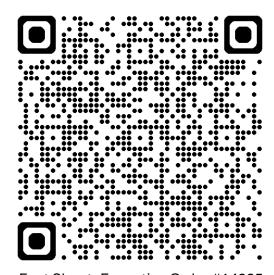
Recent Executive Action: #14225 "Freeing Our Forests"

Timber Production and Forest Management Directive

- Within 30 days, the Secretaries of Interior and Agriculture must issue updated guidance to enhance timber production, streamline delivery and reduce supply uncertainty
- Utilize tools like Good Neighbor Authority, stewardship contracting and Tribal Forest Protection Act agreements
- Aims to expedite approvals under the Endangered Species Act

Forest Management and Wildfires Risk

- Strengthens strategies to prevent and combat wildfires, following the destructive California fires
- Supports funding for wildfire suppression efforts in the Forest Service and Department of the Interior – builds upon previous efforts
- Encourages active forest management to mitigate wildfire risks and improve land condition



Fact Sheet: Executive Order #14225 "Immediate Expansion of American Timber Production"



Recent Executive Action: "Freeing Our Forests"

POTENTIAL IMPACT ON COUNTIES

- **Faster project approvals:** Due to reduced environmental and ESA reviews, project implementation may be expedited
- Environmental and safety concerns: Although increased logging may assist in wildfire mitigation, it could impact current ecological structure of a region.
- Infrastructure development: Additional/more accessible timber may lower construction costs due to surplus in resources
- **Economic boost for rural areas:** Counties with significant forested land could see an increase in timber-related jobs and economic activity.
- ONGOING CHALLENGE: Funding freeze and firing of USFS employees could impede efforts to harvest additional timber on public lands



Fact Sheet: Executive Order #14225 "Immediate Expansion of American Timber Production"



Waters of the U.S. (WOTUS)

- On March 12, EPA announced it will work with the Army Corps of Engineers to solicit public comment to revise WOTUS rule
- New rule seeks to implement 2023 ruling Sackett v.
 EPA Narrowed the scope under CWA to limit jurisdiction over wetlands
- Definition of WOTUS directly impacts counties as owners and operators of water infrastructure
- Counties' ability to build and maintain infrastructure could be subject to the federal permitting process depending on whether waters within county boundaries meet the definition of WOTUS

"WOTUS" is used in the Clean Water Act (CWA) to determine which waters are subject to federal jurisdiction





Additional Environmental Regulations

In addition to WOTUS, the Administration announced the rollback of other environmental regulations, aiming to reduce regulatory burdens on various industries. Key changes include:

- Repeal of Emission Limits for Power Plants: EPA rescinded emission standards for coal-fired power plants, potentially extending the operational life of older facilities
- Weakening of Vehicle Emission Standards: Greenhouse gas emission standards for light- and heavy-duty vehicles for model years 2027 and beyond were rolled back, impacting future automotive pollution controls
- Reconsideration of the Greenhouse Gas Endangerment Finding: The EPA signaled intentions to challenge the 2009 scientific finding that greenhouse gas emissions pose a public health risk, a cornerstone of many existing climate regulations



EPA Press Release on Deregulatory Initiative



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Congress passes "Full-Year" Continuing Resolution

- Largely extends FY 2024 spending levels
 - **Defense Spending:** \$893 billion (+\$6 billion from FY 2024)
 - Non-Defense Spending: \$708 billion (-\$13 billon from FY 2024)
- Anomalies and extensions
 - Extension of the Temporary Assistance for Needy Families (TANF) program and the National Flood Insurance Program (NFIP) through September 30
 - \$22.5 billion for the Federal Emergency Management Agency (FEMA) Disaster Relief Fund (DRF)
 - \$7.6 billion for the Special Supplemental Nutrition Assistance Program for Women, Infants and Children (WIC)
 - \$15 million for election security grants

Reduction in nondefense spending is largely through the removal of congressionally directed spending, or "earmarks"



House CR – County Impacts

- Eliminates bipartisan federal earmarks:
 - \$890M in healthcare grants for hospitals and clinics
 - \$293M in FEMA disaster mitigation funding
 - \$116M in Small Business Administration funding
 - \$107M in workforce development projects
 - Tribal assistance, clean water projects, and law enforcement grants also cut
- No additional disaster aid for wildfire or hurricane recovery
- No Reauthorization of Secure Rural Schools
- Delay in **Disproportionate Share Hospital** payment cut



What's at Stake for Counties in Budget Reconciliation?

- House Budget Plan: "One big, beautiful bill"
 - \$4.5T for new and extended tax provisions and spending increases
 - o **Up to \$2T in mandatory spending cuts,** including Medicaid & social services
 - \$2.8T net increase in federal debt
- Senate Budget Plan: "Two bill approach"
 - o **Bill 1:** \$340B with \$175B border security, \$150B defense & \$20B Coast Guard
 - o **Bill 1:** Requires other Senate committees to find funding offsets or pay-fors
 - o **Bill 2:** TBD, focused on making permanent the 2017 Tax Cut and Jobs Act

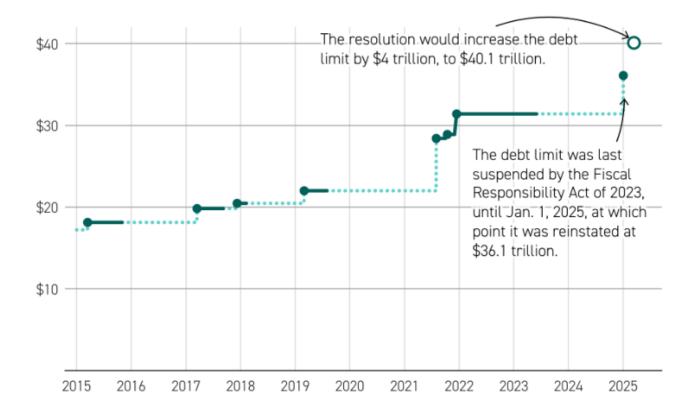
Scan for more information on the budget reconciliation process and what this mean for counties





House Republican budget resolution would raise debt limit by \$4T

Debt limit, trillions of dollars



Source: Congressional Research Service, Bipartisan Policy Center, U.S. Treasury Department Taylor Miller Thomas/POLITICO

The Congressional
Budget Office is
planning to release
the projected date
the current Debt
Ceiling will be
reached next week





What Are the Differences?

- 1. Medicaid funding \$880 billion vs. Reduced cuts?
- 2. Tax Cuts and Jobs Act (TCJA) of 2017 tax provisions Extension vs. Permanent?
- 3. Funding for the Pentagon \$150 billion vs. \$100 billion
- 4. Debt limit \$4 trillion raise vs. Leave out of reconciliation?
- 5. Timing *April or August?*



What's at Stake for Counties in Budget Reconciliation?

- Municipal Bond Tax Exemption Possible elimination as a \$364B revenue raiser
- State and Local Tax (SALT) Deduction Many different scenarios being discussed
- Medicaid Funding reductions, eligibility restrictions, work requirements and more
- County Energy Credits & Funding Rollback of Inflation Reduction Act incentives
- Human Service Programs SNAP, TANF, SSBG cuts and flexibility for county-run programs
- Everything else should also be considered on the table!



Next 100 Days Call – Thursday, March 27 a 3 PM ET