



INSIDE WASHINGTON

County Impacts from the White House & Congress

OCTOBER 16, 2025

Government Shutdown

- Congress was unable to pass legislation to fund the federal government
- Lapse in appropriations triggers a shutdown
- Two competing proposals
 - House: 7-week continuing resolution
 - Senate: Partisan Split - Full-year appropriations bill vs House Bill – *Senate has voted down House-passed CR 10 times*
- Federal agencies are implementing **plans for the shutdown**
- Potential for additional firings of federal workers – *up to 10,000*
- **No clear path in sight** on funding agreement



***Tell NACo how the
government shutdown
is impacting your
county!***

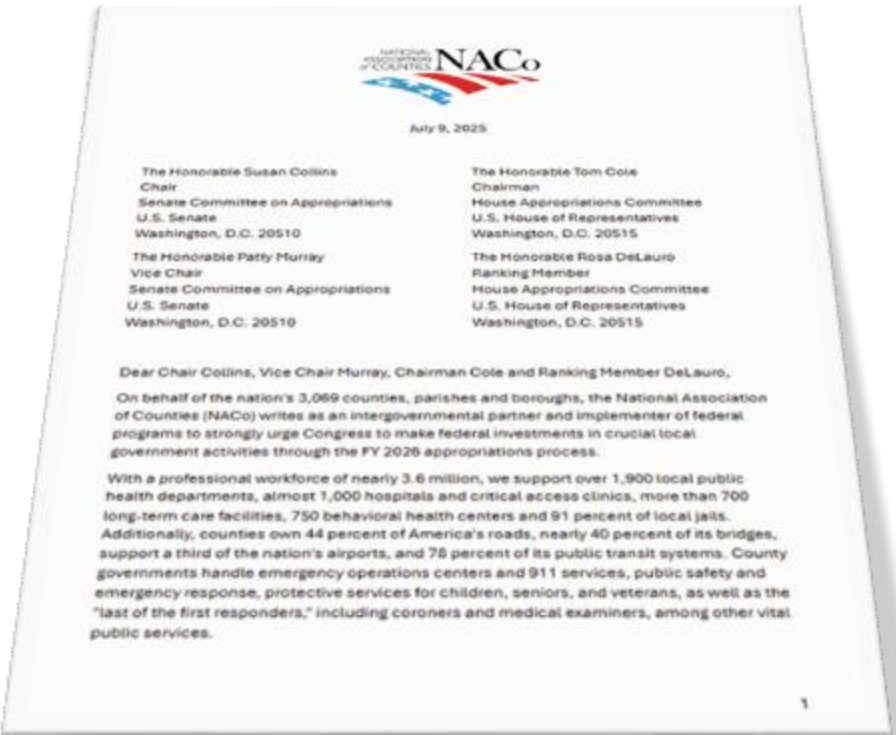
FY 2026 Appropriations Priorities

- President's budget includes deep budget cuts
 - The discretionary budget requests reducing annual non-defense spending by 22.6 percent, or about \$163 billion, and proposes increasing defense spending by 13 percent, about \$119.3 billion.
- County priorities include:
 - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
 - Discretionary rural development programs
 - State and Local Law Enforcement Grants
 - Election Security Grants
 - Payment in Lieu of Taxes (PILT)
 - Brownfields Program
 - Department of Health and Human Services (HHS) programs
 - Community Development Block Grant (CDBG)



*Full list of county appropriations
requests*

NACo Appropriations Tracker



Counties rely on federal funds determined through the annual appropriations process to provide vital services to our residents.

ROAD to Housing Act

- **July 29:** Passed Senate Committee on Banking, Housing and Urban Affairs
- **October 9:** Passed full Senate as NDAA floor amendment
- **County Wins:**
 - Reauthorizes HOME Program
 - Permanently authorizes CDBG-DR Program
 - Streamlined Housing Choice Voucher inspection requirements
- **Model Zoning Frameworks (Sec. 203)**
 - Directs HUD to develop model frameworks for states and local governments
 - Opportunity for zoning reform based on best practices vs. potential for state preemption
- **Build Now Act (Sec. 206)**
 - Ties CDBG allocations to relative housing growth
 - Counties above the median eligible for bonus; counties below subject to penalty
 - Exemptions: high vacancy, low median rental prices, no zoning authority

***County leaders
should reach
out to their
Representatives
to highlight how
the ROAD to
Housing Act
would impact
their counties.***

Second Chance Act Reauthorization

- **October 9:** Passed full Senate as NDAA floor amendment – *Moves to the House for a vote*
- **Bipartisan bill introduced in both the House and Senate** prior to NDAA inclusion
 - Reauthorizes critical grant programs offering services to justice-involved individuals
 - Expands allowable uses for supportive and transitional housing services
 - Enhances substance use disorder treatment services
- Funding for reentry grant programs and expansion of substance use treatment services
- Counties are direct recipients of SCA funding and utilize dollars to support justice-involved individuals reintegrate back into the community

Since its establishment in 2008, the SCA has funded more than 1,300 grants to state and local governments and nonprofit organizations, and more than a third of these grants have been awarded to counties.

SNAP & H.R. 1 Implementation

- **October 3:** USDA released guidance on new SNAP work requirements established under H.R. 1
 - Expands definition of ABAWDs to 18 to 65 (originally 18 to 54)
 - Eliminates exemptions for veterans, individuals experiencing homelessness and former foster youth
 - Reduces flexibility for states to waive ABAWD requirements
- States are required to notify SNAP recipients of these changes ASAP
 - In some states, counties are required to carry out this responsibility
- The deadline for states to ensure SNAP recipients are complying with new work requirements is Nov. 1 – *After Nov. 1 deadline will impact SNAP state error rates*



Scan the QR code to view all SNAP reforms included in H.R. 1

Upcoming NACo Advocacy

- **NACo Disaster Reform Task Force Fly-in**
 - Advocating passage of the FEMA Act – ***Now heads to the full House***
 - Establishes FEMA as an independent agency
 - Public assistance reform – Transition from reimbursement to grant model
 - Individual assistance reform – Universal disaster application
 - Mitigation reforms – Pre-approved mitigation projects for counties
- **NACo Surface Transportation Reauthorization Fly-in**
 - Package is currently being written by Congress
 - Improving county access to federal formula funding
 - Improving the grant process
 - Strengthening rail safety
 - Permit streamlining



NACo's FEMA Act Analysis



*NACo's Surface Transportation
Reauthorization Hub*



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SEPTEMBER 4, 2025