



# NACo POLICY INSIDER

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Understanding the Federal Landscape for Counties

FEBRUARY 5, 2026

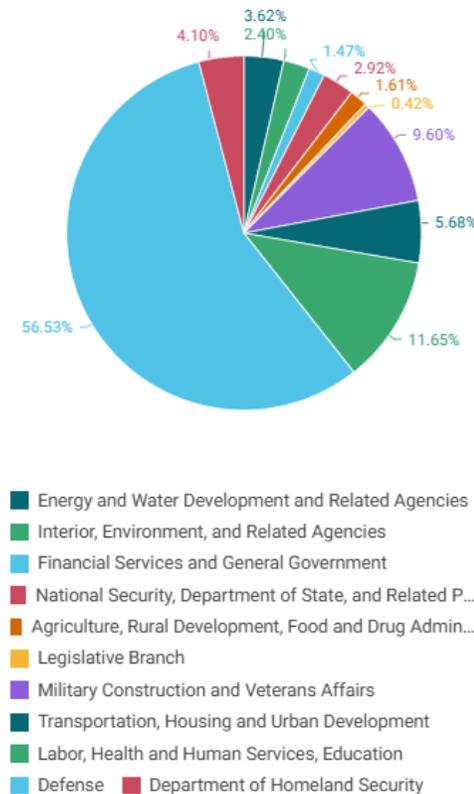


*NACo's 2026 Federal Policy  
Priorities have been released!*

# GOVERNMENT FUNDING

## Key Policy Highlights

FY 2026 Discretionary Funding by Spending Bill



On Feb. 3, Congress passed and the president signed a \$1.2 trillion appropriations package to fully fund the federal government for Fiscal Year (FY) 2026 through Sept. 30, 2026.

While the agreement funds the vast majority of federal agencies, it **leaves the U.S. Department of Homeland Security (DHS) funded for only two weeks until Feb. 13** at its current FY 2025 levels.



Scan for NACo's FY 2026 appropriations tracker

# Fixing Emergency Management for Americans (FEMA) Act (H.R.4669)

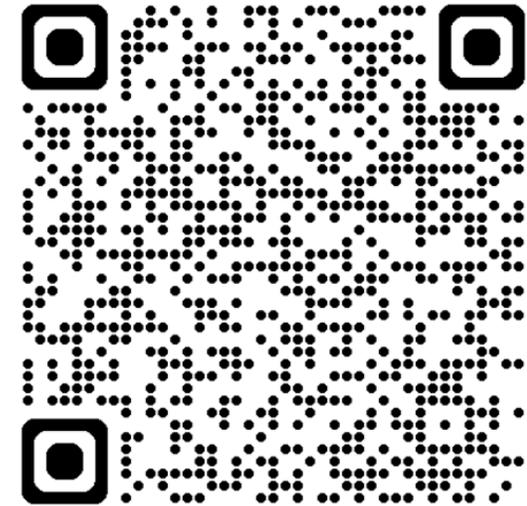
**July 24:** House Transportation and Infrastructure (T&I) Committee Chair Sam Graves (R-Mo.) and Ranking Member Rick Larsen (D-Wash.) introduce bipartisan FEMA Act.

**September 3:** House T&I Committee clears FEMA Act by an overwhelming margin of 57-3.

## **Key wins for counties:**

- Transitioning the Public Assistance Program from a reimbursement to a grant model, with the opportunity for grants to be made directly to counties.
- Streamlining environmental and historic preservation reviews.
- Creating a universal disaster application for disaster survivors.
- Restructuring of FEMA's pre-disaster mitigation program by moving it to a formula-based grant.
- Creating a Public Assistance dashboard that publicly displays information for each major disaster declaration.

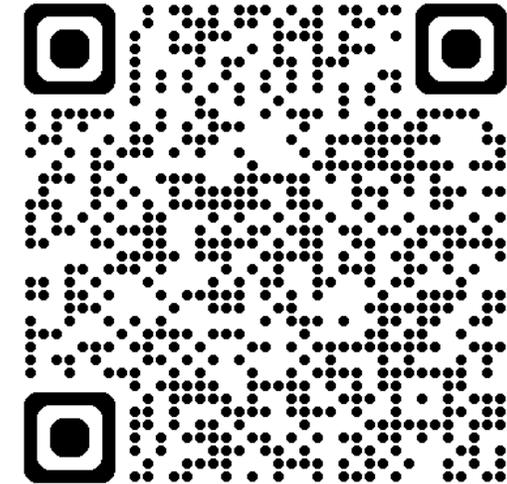
**Next steps:** House floor vote pending. Discussions beginning on Senate companion.



Scan here to access NACo's  
Analysis of the bill

# FEMA Review Council Update

- Recommendations were expected to be released in early December but the timeline has slipped.
- Executive Order announcing the extension of the Review Council until March 25, 2026.
- Potential recommendations include:
  - Reforming FEMA Public Assistance
  - Reforming FEMA Individual Assistance
  - Changes to existing mitigation programs
  - Cost threshold changes
- Next steps: Recommendations **LIKELY** at March 25 meeting. Will kick start implementation negotiations after.



To learn more about the Review Council, please scan here

# GREAT AMERICAN RECOVERY INITIATIVE

*On January 29, the White House issued an Executive Order creating the Great American Recovery Initiative, a new federal framework to coordinate the national response to substance use disorder.*

- **Goal of the initiative is to reduce fragmentation across federal programs** and elevate recovery as a national priority.
- **Creates a federal coordination structure** bringing together HHS, DOJ, HUD, other agencies to align SUD policies and programs.
- Related to the new initiative, **SAMHSA this week announced pilot program titled STREETS** (Safety Through Recovery, Engagement and Evidence-Based Treatment and Supports) pilot program which will launch in 8 communities; no direct funding source tied to the pilot yet.



Scan to learn more about the Executive Order and related opportunities for counties

# MICHELLE ALYSSA GO ACT (H.R. 5462)

Last September the *Michelle Alyssa Go Act* ([H.R. 5462](#)) was reintroduced in the U.S. House of Representatives. This bipartisan legislation aims to increase the number of federal Medicaid-eligible in-patient psychiatric beds from 16 to 36.

- **Enactment of the Michelle Alyssa Go Act would expand the treatment capacity** of county-operated hospitals and behavioral health facilities.
- **Recent Executive Orders on prioritizing addiction treatment and recovery efforts signal broad Administration support for this reform.**
- **NACo is encouraging members to use our template letter to write members of Congress** in support of H.R.5462 and highlight how it connects to recent executive actions.



Scan to learn more about H.R. 5462's importance to counties and download letter template

# CONGRESS BEGINS REAUTHORIZATION OF THE FIRSTNET AUTHORITY



- In January 2026, the U.S. House of Representatives released a discussion draft to extend authorization for the First Responder Network Authority for a period of 10 years
- The FirstNet Authority manages the National Public Safety Broadband Network (known as FirstNet), which offers an exclusively communications band for first responders and public safety personnel to utilize during an emergency.
- The House and U.S. Senate have both held hearings on reauthorization, and the House Energy and Commerce Committee is expected to markup the legislation next week.
- **NACo supports the reauthorization of FirstNet, and the preservation of an effective public safety communications network that meets the needs of the public safety community.**



*Learn more about the draft legislation on FirstNet Authority reauthorization by scanning the QR code*

# SURFACE TRANSPORTATION REAUTHORIZATION

- Package is currently being written – Text is forthcoming
- Smaller package than IIJA is expected
- **Key NACo priorities:**
  - Streamline formula funding directly to counties
  - Improving the federal grant process
  - Maintain competitive federal funding access for local governments
  - Streamline permitting process for smaller projects



*Scan to view NACo's Surface  
Transportation Reauthorization Hub*



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