



| Policy Insider

A biweekly webinar series on federal and intergovernmental policy.

Reconciliation 2.0

- **House Republicans plan a second reconciliation bill, but details are unclear.**
Leaders, including Mike Johnson, want to push another “fast-track” bill this year, but they haven’t settled on what policies it would include or how to fund it. There’s skepticism within GOP leadership about whether members can unite around a second major bill, especially with a slim House majority.
- **Finding offsets is the biggest obstacle.**
Conservatives demand that every dollar in the bill be matched with spending cuts, but leadership hasn’t identified cuts that would satisfy moderates. This is forcing a reverse-engineering approach where offsets will be identified first, then it will be determined what policies could fit within that framework.
- **Political and policy divisions make agreement difficult.**
Potential topics—health care, drug pricing, tariffs, Pentagon funding, tax credits for homebuyers—are either divisive among Republicans or constrained by reconciliation rules.

MICHELLE ALYSSA GO ACT

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

INTERIOR RELEASES FINAL RULE ON NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) PERMITTING

On Feb. 23, DOI published a final rule with regulations for implementing NEPA

- **DOI's final rule reinstates language naming local governments as cooperating agencies during NEPA environmental reviews**
- This language had been excluded from an interim final published in July 2025
 - NACo submitted a comment letter in August 2025 urging DOI to reinstate cooperating agency provisions in its final rule
 - DOI quoted NACo's comment letter in its explanation for why it ultimately included cooperating agency guidance in its final rule
- DOI rules apply to NEPA reviews for resource management plans for DOI-managed public lands (NPS, BLM, USFWS)
- Counties support measures such as the *SPEED Act* (H.R. 4776) which would provide regulatory consistency by codifying counties, parishes and boroughs as cooperating agencies under NEPA reviews for all federal agencies



*Scan for NACo's blog on
DOI's NEPA Final Rule*

HOUSING REFORM

The U.S. House passed their landmark housing reform bill, the Housing for the 21st Century Act (H.R. 6644), by a vote of 390-9.

- HOME program reform: Raised income threshold to capture workforce housing gaps; housing-adjacent infrastructure; streamlined NEPA requirements
- CDBG authorized for new construction
- Regional Planning Grants: Incentivizes land use/housing strategy reform

***Today**, the Senate passed the 21st Century ROAD to Housing [89-10], which combines elements of both the House and Senate bills*

- HOME reform, CDBG-DR permanent authorization, innovation grants
- Build Now: ties CDBG to housing growth—assigns winners and losers accordingly
- Institutional Investor Purchasing Ban: Industry blowback; possible administrative burden for counties?
- NACo encouraging two chambers to enter conference negotiations



*Scan for NACo's blog on
Housing for 21st Century Act*

ELECTIONS LEGISLATION

The U.S. House had a major focus on elections legislation this week.

- On Feb. 11, the House passed the SAVE Act (H.R. 22), which would impact counties:
 - Requiring counties to collect and verify documentary proof of citizenship for federal voter registration
 - Establishing a uniform federal framework
 - Expanding verification, compliance and enforcement responsibilities
 - Implementing new requirements without defined timelines
- NACo sent a letter to Capitol Hill outlining major concerns with the bill



Scan for NACo's blog the SAVE Act

Updates on H.R. 2289: A Local Broadband Permitting Preemption Bill

- NACo is urging members to contact their Members of Congress to oppose H.R. 2289, *The American Broadband Deployment Act of 2025*
 - The legislation imposes new onerous shot clocks on local permit applications for all telecommunications projects
 - The legislation limits reasonable fee collection and introduces “deemed granted” provisions for application processing timelines
- The House Energy and Commerce passed the legislation out of committee in December on a party-line vote; floor consideration timeline is uncertain.



Scan for NACo's policy brief on
H.R. 2289

Forthcoming Interim Final Rule on DOJ's Web-Based Accessibility Rule

- On March 3, NACo met with the Office of Information and Regulatory Analysis (OIRA), a sub-unit under the Office of Management and Budget (OMB), to discuss cost implications of the current Final Rule on state and local government web-based accessibility requirements.
 - The Final Rule imposes technical standards for all counties to adhere to in order for their websites to be deemed sufficiently accessible.
- Counties are committed to web-based accessibility, but believe more time for compliance for all counties and an exemption for small counties is necessary to ensure the rulemaking does not unintentionally reduce access to online government services.



*Scan for NACo's blog providing
the latest on the forthcoming
IFR*

New National Cyber Strategy and Executive Order on Combatting Cybercrimes

- On March 6, the White House released President Trump's new National Cyber Security plan, outlining six key policy pillars that will define the federal government's role in cyber initiatives.
- The President also signed an executive order titled *Combatting Cybercrime, Fraud, and Predatory Schemes Against American Citizens*, which outlines new federal initiatives designed to ramp up deterrence, disruption and prevention of new cyber fraud schemes
- Counties remain committed to working with intergovernmental partners to deter cybercrimes, fraud, and breaches.



Scan for NACo's blog on the
new cyber security initiatives



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