NATIONAL ASSOCIATION of COUNTIES NACo

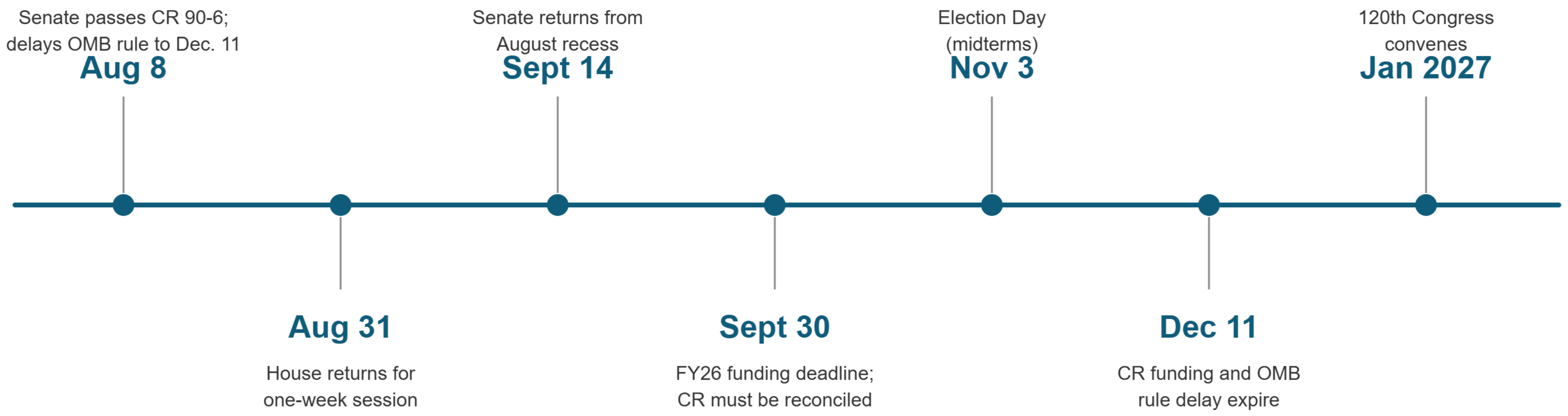
Policy Insider

A biweekly webinar series on federal and intergovernmental policy.

August 13, 2026

Congress Returns: What's Ahead After August Recess

- **The Senate is out until September 14**, a five-week recess; the House is back briefly August 31, leaving a narrow window before September 30.
- **Top of the fall agenda**: reconciling the House/Senate CRs, FY27 appropriations, and the SAVE America Act ahead of the midterms.



Fall Fiscal Fights: Where Appropriations Stand

- **The House has passed 3 of 12 FY 2027 spending bills**; the Senate Appropriations Committee hasn't agreed on topline allocations and hasn't passed any of its 12 bills.
- **Competing CRs still need reconciling**: the House's CR (H.R. 9770, 220-205) funds through Dec. 4; the Senate's funds through Dec. 11 and adds the OMB rule delay — the gap must close before Sept. 30.
- **The FY 2027 NDAA is stalled in the Senate**: a July 14 cloture vote to proceed to S. 4784 failed 50-46, leaving the bill's floor path — and the House-attached SAVE America Act language — unresolved.
- **Bottom line for counties**: expect a stopgap CR into December and continued uncertainty on FY27 funding, with several moving vehicles that could each carry riders affecting counties.

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Learn More at NACo's
2027 Appropriations Tracker

Other Programs/Bills That Expire Soon

- **Sept. 30, 2026 is a popular date:** that's when surface transportation authorization, NFIP authorization, the farm bill, Secure Rural Schools and other programs are set to expire
- **Reauthorization vs. extension:** some of these have full reauthorization bills being negotiated that will include policy changes and more, while others simply need an extension of their authorities.
- **Varying implications upon expiration:** a lapse in authorization for some programs, like Secure Rural Schools, would have immediate, direct impacts on counties, while others would be more indirect.
- **NACo's ask**: while we ideally would like to see full, comprehensive and multi-year reauthorizations for many of these (like surface transportation reauthorization), it is crucial that none of them lapse.

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OMB Rule Delayed Through December 11 — What It Means

- **The Senate's stopgap funding bill, passed 90-6 on August 8**, included Section 157, delaying implementation of OMB's Uniform Guidance overhaul until December 11 — a temporary reprieve from the rule's new grant compliance requirements.
- **The delay is not yet locked in** — the House's version of the CR funds the government only through December 4 and does not include the same protection, so the chambers must reconcile the provision before September 30.
- **OMB is still reviewing roughly half a million public comments** on the proposed rule, including NACo's, and could revise, finalize, or withdraw provisions before the delay expires.
- **What counties should do now** — keep building internal plans for the rule's pre-award risk review, viewpoint-neutrality, and termination-authority provisions in case it takes effect after December 11, and watch for House action on the CR.

Scan to See NACo's Comment Letter

OMB Rule: What Counties Should Do Now

- **Contact your House member**: urge them to adopt the Senate's CR language delaying the OMB rule to Dec. 11, since the House's version doesn't include that protection.
- **Start an internal readiness review**: audit subaward agreements, termination clauses and risk-management practices against the rule's proposed changes.
- **Support a permanent legislative fix**: engage on the bipartisan Streamlining Federal Grants Act as a longer-term alternative to OMB's rule.
- **Share your county's story**: submit real examples of how the rule's provisions would affect local grant administration through NACo's Uniform Guidance Resource Hub.

Scan to visit NACo's OMB Proposed Rule Resource Hub

FCC Publishes Proposed Wireline Permitting Shot Clock Rule

- **On August 7, the FCC published its Notice of Proposed Rulemaking**, "Build America: Eliminating Barriers to Wireline Deployments" (WC Docket No. 25-253, FCC 26-40) in the Federal Register, proposing a 120-day shot clock for local right-of-way permitting decisions.

- **Beyond the shot clock**, the proposal would cap permitting fees at "reasonable, cost-based" levels, establish a safe harbor for provider contributions, and count in-kind contributions toward that safe harbor.

- **NACo joined NLC, USCM and NATOA** in filing joint comments in the previous Notice of Inquiry on this issue, warning it would override local review needed for public safety and right-of-way management.

- **Comments are due September 21, 2026**, with reply comments due November 5 — NACo continues to urge counties to weigh in with feedback on how the rule would affect local permitting authority.

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SAVE America Act: Two Paths Moving Through Congress

- **Path 1 — NDAA (H.R. 8800)** passed the House 216-212 (July 22) with the full SAVE America Act attached — DPOC, photo ID, criminal penalties for officials — needs 60 Senate votes.
- **Path 2 — Reconciliation 3.0**: a $95B package (216-214, July 22) with $10B for state-level SAVE America Act grants — simple majority needed, but GOP leaders warn of Byrd rule cuts.
- **Same goal, different mechanisms**: NDAA imposes an immediate mandate; reconciliation funds HAVA grants instead. House Administration Committee must write its portion by Sept. 11.
- **Outcome is uncertain**: the Senate could strip either provision, pass a hybrid, or let both fail — counties should weigh in on both fronts now.

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SAVE America Act: Call to Action for Counties

- **No funding, no transition time**: both paths add new ID/DPOC requirements with no dedicated funding — NACo estimates costs of $510M per election cycle, 11x current federal support.
- **Immediate vs. longer-term risk**: NDAA mandates hit before November with no transition time; reconciliation grants could push states to similar rules later — same concerns, delayed.
- **Criminal exposure for officials**: up to five years in prison or civil liability for good-faith registration mistakes — a real risk to recruiting and retaining election workers.
- **What to do now**: contact your Senators and Representatives using NACo's template letter — share how either path affects your county's staffing, budget and services.

Scan to visit NACo's SAVE America Act Resource Hub

Division J: Infrastructure Funding Set to Expire Sept. 30

- **Division J's advance appropriations expire Sept. 30**: the Senate's CR extends transportation authorizations through Dec. 11 but not Division J, which funds $36.8B/year for programs like BFP and SS4A.

- **15% of highway, bridge and transit funding** — and nearly all passenger/freight rail funding — comes from these advance appropriations, so losing them means real cuts, not just delays.

- **A short-term extension is likely**, but unlikely to include Division J funding before the midterms, leaving the bigger decision to a full reauthorization.

- **What counties should do now**: urge your members of Congress to maintain full funding — **including Division J** — in any IIJA extension, without unrelated policy riders.

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What Division J Actually Funds

- **Division J provided $156 billion over FY22-26** (about $36.8B/year), designated as emergency spending and protected from usual budget enforcement rules.
- **The Bridge Formula Program alone is $5.5B a year** ($27.5B over five years) for bridge repair and replacement — one of the most heavily used programs by counties. This program was entirely funded through Division J.
- **Other programs at risk** include Safe Streets and Roads for All, the MEGA discretionary grant, Capital Investment Grants, and CRISI and Federal-State Partnership rail funding.
- **Why it matters**: these programs can't simply ride along with an IIJA authorization extension — without new appropriations, they lose funding entirely on Oct. 1.

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Division J: What Counties Should Do Now

- **Contact your members of Congress now**: urge them to include Division J funding at current levels in any IIJA extension.
- **Highlight local projects**: share specific bridge, safety or transit projects in your county that rely on advance-appropriated programs like BFP or SS4A. If you are unclear about which programs were advance appropriated, reach out to NACo staff.
- **Push back on policy riders**: ask leadership to keep any short-term extension "clean" — free of unrelated policy changes.

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