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General Updates

Congress is in recess.

2030 Census Rulemaking

On September 25, NARC, AMPO (Association of Metropolitan Planning Organizations), and NADO (National Association of Development Organizations) submitted a [joint letter](#) requesting an extension of the public comment period on the Census Bureau's [proposed rule](#) that would make significant changes to the 2030 census count.

Previously, on September 18, a group of ten census and data-focused organizations hosted a highly informative webinar detailing the changes and how they could negatively impact communities. The [webinar recording and resources](#) are available online.

Additionally, on September 28, the National League of Cities (NLC) and the U.S. Conference of Mayors (USCM) also hosted a joint [webinar](#) on the proposed census rule. NLC and USCM emphasized that the changes could affect congressional apportionment, redistricting, and impact federal formula funding for programs such as Community Development Block Grants (CDBG). NLC has provided template comment letters to the Census Bureau, available [here](#), and to congressional offices, available [here](#). Comments are due by October 13, 2026.

OMB Proposed Rule

While the continuing resolution (CR) blocks the Office of Management and Budget (OMB) from finalizing its proposed rule on federal grantmaking until December 11, several federal agencies, including the Department of Education, National Science

Foundation, and Department of Housing and Urban Development, [have already issued or are preparing](#) similar rules that would expand political appointees' authority to review grant awards. On Monday, September 21, Senate Appropriations Chair Susan Collins (R-Maine) said the rule at the National Institutes of Health, or any other agency, is "contrary to congressional intent."

Economic & Community Development

H.R.1 Implementation

On October 1, three major changes under H.R.1, One Big Beautiful Bill, will take effect. States and local governments will assume a larger share of [SNAP administrative costs](#), with the non-federal contribution increasing to 75 percent from 50 percent and potentially adding tens or even hundreds of millions of dollars in annual expenses for states and local governments. The law also narrows the definition of qualified immigrants for [Medicaid eligibility](#), making certain lawfully present immigrants, including refugees, asylees, and humanitarian parolees, ineligible for coverage. Additionally, H.R. 1 reduces federal funding for emergency Medicaid services provided to undocumented individuals by lowering the federal matching rate to each state's standard reimbursement level, eliminating the enhanced federal funding currently available for these services.

National Historic Preservation Act Changes Prompt Advocacy

The July 24 [proposal](#) to overhaul regulations that implement the National Historic Preservation Act (NHPA) is under review at the Office of Information and Regulatory Affairs (OIRA). At least 30 organizations or individuals have reportedly requested meetings with OIRA to discuss, and often criticize, the changes to NHPA regulations. The administration's planned rule changes would cut out state and tribal officers from many aspects of the historic consultation process, allowing for faster project construction.

Farm Bill

The farm bill package advanced in committee in a party-line vote last week, but Democrats say they will not provide the support needed for full passage unless the measure includes a two-year delay of a requirement for states to pay part of the costs of Supplemental Nutrition Assistance Program (SNAP) benefits.

Energy & Environment

Permitting Reform

The Senate Energy & Natural Resources Committee reached a deal on an energy permitting reform package, the [Bipartisan American Affordability and Jobs Act](#), with Senate Committee leaders Lee, Heinrich, Capito, and Whitehouse introducing the legislation.

The bill would speed up permitting for energy and infrastructure projects by setting a 1-year deadline for Environmental Assessments and a 2-year deadline for Environmental Impact Studies. It would also streamline tribal and historic preservation consultations while securing a role for tribal consultation, limit the scope of project mitigation requirements, and set a 150-day deadline for legal challenges. The bill also gives states a larger role in certain environmental reviews and clarifies limits on state water quality permitting authority. On energy, the bill would give FERC greater authority to approve interstate power lines, require regional and interregional transmission planning, expedite geothermal permitting, and require data centers to cover the transmission upgrade costs associated with their growing electricity demands.

Supporters say the reforms would help expand energy production, modernize infrastructure, create jobs, and lower costs for consumers by reducing permitting delays. The Senate is currently in recess until November and there are no current plans for when the chamber will take up this legislation.

EPA Reconvenes its Local Government Advisory Committee

On September 25, the Environmental Protection Agency (EPA) reconvened its **Local Government Advisory Committee** (LGAC). The committee will seek recommendations related to the conversion and reuse of existing buildings and infrastructure, including opportunities to support housing development and community revitalization, and on expanding water reuse practices within industrial sectors, with an eye toward improving water efficiency, resource management, and long-term resilience.

Public Safety & Emergency Management

FEMA Announces Grant Awards for Firefighters and First Responders

The Federal Emergency Management Agency (FEMA) **awarded more than \$320 million** in grant funding this week through the Assistance to Firefighters Grants (AFG), Staffing for Adequate Fire and Emergency Response (SAFER), and Fire Prevention and Safety (FP&S) grant programs. FEMA will continue making awards until all \$648 million in available funding has been distributed.

Transportation

Transit Legislation

On September 23, Sen. Bill Hagerty (R-TN) introduced the Safe Transit Act (**S.5492**), which allows the Department of Transportation (DOT) to withhold up to 100 percent of federal funds to cities and local governments that fail to criminalize fare evasion, ban violent offenders from transit systems, or allow personal recognizance and cash-free release for transit crimes. DOT issued a **press release** in support of the bill.

Proposed Updates to Capital Investment Grants Program Guidance

On September 30, the Federal Transit Administration (FTA) [proposed updates](#) to its Capital Investment Grants (CIG) program guidance. The proposal would introduce new reporting requirements and project milestones throughout the CIG process, establish standardized project rating criteria, and place greater emphasis on non-CIG funding contributions and formal cost-effectiveness measures when evaluating projects. Under the proposed framework, projects with higher levels of non-federal cost sharing would receive more favorable ratings, while reducing the relative weight of environmental and affordable housing benefits but giving projects in areas with certain birth and marriage rates an enhanced federal cost share. The proposed guidance is [open for public comment](#) through November 16.

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