



TO: TOPSAIL ISLAND SHORELINE PROTECTION COMMISSION

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SUBJECT: OCTOBER MONTHLY REPORT AND LEGISLATIVE UPDATE

DATE: OCTOBER 20, 2026

The October Monthly Report and Legislative Update provides information on the following:

- **Advocacy Update**
 - TFG Memo: 2030 Census Proposed Rule
 - TFG Memo: Senate Permitting Reform Bill
 - FEMA Administrator Memo Signals Shift of Disaster Responsibilities to States and Localities
- **Washington News**
 - Congress Recesses for Midterm Elections; Busy Lame-Duck Session Ahead
 - White House Cancels \$810 Million in Previously Approved Funding
 - Senate Agriculture Committee Advances Farm Bill
 - Administration Moves to Narrow Endangered Species Act Protections

Advocacy Update

TFG Memo: 2030 Census Proposed Rule

Attached to this report is a TFG memo on the U.S. Census Bureau's proposed rule governing the 2030 Census and future decennial censuses, published in the *Federal Register* on September 10. The proposal would count only U.S. citizens and lawful permanent residents for congressional apportionment, define a person's "usual residence" as the place where they lawfully spent the most days between January 3 and April 1 of the census year, as evidenced by tax and other administrative records, and bar questions on race, ethnicity, and sexual orientation from the census short form.

The memo summarizes the proposed changes, their potential effects on local governments, key points from a September 28 webinar hosted by national local government associations and recommended next steps. **Comments are due November 2, 2026.** Please let us know if we can help prepare or submit comments.

TFG Memo: Senate Permitting Reform Bill

Attached to this report is a TFG memo on the Bipartisan American Affordability and Jobs Act of 2026 (S. 5653), the permitting reform package introduced on September 30 by the bipartisan leaders of the Senate Environment and Public Works and Energy and Natural Resources Committees. The 417-page bill would make significant changes to the National Environmental Policy Act (NEPA), the Clean Water Act, the Endangered Species Act, and the National Historic Preservation Act, and would apply to any project with a federal nexus, including local water infrastructure and other public works. Among other provisions, it would codify local governments as cooperating agencies in NEPA reviews, exclude projects whose only federal involvement is a grant or loan from NEPA review, exempt the repair and replacement of existing public infrastructure, extend Clean Water Act Section 404 general permits from five to 10 years, and shorten the window to challenge federal permitting decisions in court to 150 days.

The memo summarizes the bill's major provisions, their potential effects on local governments, stakeholder reactions, and recommended next steps. The Senate is scheduled to hold a cloture vote on the motion to proceed on November 9, 2026. Please let us know if you have any questions or would like to share priorities with the congressional delegation before floor consideration.

FEMA Administrator Memo Signals Shift of Disaster Responsibilities to States and Localities

On October 15, Federal Emergency Management Agency (FEMA) Administrator Cameron Hamilton issued a seven-page internal memo to agency employees outlining his priorities, the first such guidance since he became the first permanent FEMA Administrator in August of President Trump's second term. The memo states that FEMA will "strengthen state and local emergency management capacity" to reduce reliance on the federal government and calls for reducing "unnecessary centralization" in Washington, D.C. by giving regional and field teams a larger role. It also includes general language on eliminating unnecessary steps and reducing administrative burden to speed up FEMA's aid approval process, and directs each FEMA office, region, and program to assess whether its current activities align with these priorities. The memo echoes recommendations from the Administration's FEMA review panel to build state and local capacity and make it harder for states to qualify for federal disaster aid.

For TISPC, the memo is the clearest indication yet that the Administration intends to shift a greater share of disaster preparedness and recovery responsibilities to state and local governments, which could affect access to federal assistance following future coastal storms. Because most FEMA policies are set by federal law and Congress has not significantly changed FEMA operations since 2018, near-term changes may be limited without congressional action. A more detailed TFG memo examining Administrator Hamilton's priorities and their potential implications for the Commission will be shared in the coming days.

Washington News

Congress Recesses for Midterm Elections; Busy Lame-Duck Session Ahead

The House left Washington in mid-September and will remain in recess until November 9, the week after the November 3 midterm elections. The Senate stayed in session through the week of September 29 to complete its final legislative work before joining the House on recess. Before leaving, Senators worked to finish the bipartisan Protect College Sports Act (S. 4668) and took up the House-passed Ratepayer Protection Act (H.R. 9340). That bill, which passed the House 417-3, directs states to consider requiring data centers to cover the cost of their own electric

grid upgrades rather than passing those costs on to other utility customers. Senate Democrats are divided on the measure, with Minority Leader Chuck Schumer (D-NY) arguing it falls short because it only requires states to consider such a standard.

When Congress returns, the lame-duck session will be crowded. Lawmakers must finalize all twelve FY 2027 appropriations bills before the December 11 CR deadline, and will also attempt to complete a bipartisan permitting reform package, the Water Resources Development Act of 2026, and a new Farm Bill, along with addressing the surface transportation authorizations extended in the CR.

White House Cancels \$810 Million in Previously Approved Funding

The Trump Administration canceled \$810 million in previously appropriated funds through a “pocket rescission,” a maneuver that allows withheld funds to lapse at the end of the fiscal year without the 45-day congressional review normally required. The largest share, \$567 million, comes from Department of Health and Human Services (HHS) refugee resettlement programs, with additional reductions to Department of State international exchange programs (\$70 million), Department of Housing and Urban Development (HUD) housing counseling services (\$56 million), health research (\$28 million), and Department of Education migrant student assistance (\$25 million). Appropriators in both parties pushed back: Senate Appropriations Committee Chair Susan Collins (R-ME) called the move unlawful and vowed to address it, while House Appropriations Committee Ranking Member Rosa DeLauro (D-CT) described it as an illegal impoundment of funds Congress already approved. The dispute is likely to factor into final FY 2027 negotiations in the lame-duck session.

Senate Agriculture Committee Advances Farm Bill

The Senate Agriculture Committee advanced the Republican-led Farm Bill on a 12-11 party-line vote, after the committee’s markup stalled in August. The central dispute is over the Supplemental Nutrition Assistance Program (SNAP): last year’s One Big Beautiful Bill Act added a new requirement for states to help pay for SNAP benefits, and Democrats are seeking a two-year delay applied equally to all states, while Agriculture Committee Chair John Boozman (R-AR) offered only a one-year delay. Because the bill needs 60 votes to clear the Senate, floor consideration is expected to wait until after the midterm elections. Congress must still pass an updated Farm Bill or extend the 2018 Farm Bill by year’s end.

Administration Moves to Narrow Endangered Species Act Protections

The U.S. Fish and Wildlife Service (FWS) is moving to scale back one of the ESA’s core protections. In an internal memo reported by The New York Times, FWS Director Brian Nesvik said the law prohibits only the intentional killing of a protected species, a major departure from the more-than-50-year interpretation covering both intentional and unintentional harm, which FWS has long regulated through “incidental take” permits requiring mitigation. The memo builds on the Administration’s July rollback of ESA habitat protections, which environmental groups and Democratic-led states are already challenging in court.

Separately, under a court-approved settlement, FWS must make a final decision by June 2030 on whether to list the monarch butterfly under the ESA. The settlement sets a deadline, not an outcome, and delays any listing-related requirements for several years for agriculture, transportation, energy, and other sectors whose operations effect monarch habitat.

