

SUMMARY

In the period since the April Mid-Year Forum, the big focus in Washington has been the Fiscal Year 2025 (FY25) budget process. Despite some early progress, by the time of the August recess, the House had only passed five of the 12 FY25 spending bills and none of the Senate's bills had yet been to the full floor. After returning from August Recess, the focus shifted to passing a short-term continuing resolution (CR) to keep the government funded and avoid a shutdown. As of this update, the House is scheduled to take up a three-month CR that will keep the government funded through December 20.

Despite the ongoing appropriations process, NEMA saw significant progress on two legislative priorities. On September 25, the House Transportation and Infrastructure Committee marked up the *Disaster Management Costs Modernization Act* (H.R. 7671). This bill would allow management costs to rollover from one disaster to the next. Additionally, in May, the House Energy and Commerce Subcommittee on Innovation, Data, and Commerce held a markup of the *AM Radio for Every Vehicle Act of 2024* (H.R. 8449). The bill would require the Transportation Secretary to issue a rule requiring vehicles manufactured in or imported into the U.S. to have devices installed that provide access to AM radio.

These accomplishments, in a historically unproductive Congress, highlight the importance of addressing the needs of emergency managers as they respond to growing disasters and build resilience nationwide.

Priorities for the remainder of the 118th Congress and into the 119th include securing final passage of the above-mentioned bills and restoring the grant cuts from the FY24 budget. As part of that, NEMA will continue working to ensure Congressional Appropriators recognize the importance of programs such as the Emergency Management Performance Grant and Emergency Management Assistance Compact. Additionally, we will continue to emphasize the need to ensure that the Disaster Relief Fund (DRF) is adequately funded in a timely manner to avoid yet another implementation of Immediate Needs Funding (INF).

CONGRESSIONAL AND FEDERAL AGENCY ENGAGEMENT

In the last six months, NEMA pursued numerous engagements with Members of Congress and their staff as well as federal agency leadership to address timely emergency management issues and advance key priorities.

- In May, NEMA President and Maryland Secretary of Emergency Management, Russ Strickland, spoke at a Congressional briefing hosted by the National Governors Association, during which he highlighted the challenges facing the emergency management community. Strickland emphasized that in 2023, while there were 60 events that required a federal declaration, state and local emergency managers managed 27,299 events without federal assistance. He noted that it is vital to increase investments at the state and local level to reduce the reliance on the federal government before, during, and after disasters. When asked what requests he had for Congress, Strickland highlighted: 1) pass the *Disaster Management Costs Modernization Act*; 2) restore the 10% cut from the FY24 budget; and 3) increase the Emergency Management Performance Grant by \$100 million for FY25.
- In May, NEMA joined a coalition with the International Association of Emergency Managers (IAEM) and Big City Emergency Managers (BCEM) in a letter calling to Secretary Mayorkas and Administrator Criswell expressing concerns about the reductions in grant funding. The letter encouraged them to backfill the cuts through the

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department's annual reprogramming request to Congress or the upcoming Disaster Relief Fund (DRF) supplemental.

- In June, NEMA joined with 17 other associations representing emergency management, state/local elected officials, law enforcement, fire, floodplain managers, and others in an open letter to Congress, outlining the programs that will be negatively affected by the FY24 grant cuts and urging them to restore those cuts in FY25 budget.
- In June, NEMA, in a coalition with IAEM and BCEM, sent a letter the House and Senate Appropriations Committees to highlight shared priorities as they develop the FY25 spending bills for the Homeland Security and Commerce, Justice, Science, and Related Agencies Subcommittees.
- In June, NEMA led a coalition that urged the House Transportation and Infrastructure Committee to take action on the bipartisan *Disaster Management Costs Modernization Act*. NEMA—along with BCEM, BuildStrong America, IAEM, and National Volunteer Organizations Active in Disaster (NVOAD)—sent a letter requesting that the bill be added to an upcoming markup.
- In June, NEMA joined six other associations in urging Congress to preserve the State and Local Cyber Security Grant Program (SLCGP) funding for cybersecurity improvements at \$100 million for FY25, as already approved by Congress through the Infrastructure Investment and Jobs Act. The letter was prompted by rumors that the grant program may be targeted by appropriators for deobligations. As noted in the letter, NEMA believes that redirecting these vital funds at this time would seriously hinder efforts at the state and local level to make our nation's networks secure.
- In August, NEMA participated in a two-day workshop with the Federal Emergency Management Agency (FEMA) to offer feedback and recommendations related to the Community Disaster Resilience Zones (CDRZ). Numerous state directors and members of their staff traveled to the Kansas City, Missouri area for the event and many more joined virtually, to discuss existing CDRZ challenges and identify opportunities to improve collaboration on the CDRZ designation process ahead of future designations. During the workshop, participants emphasized the importance of early and active engagement with the states during the designation process and offered additional feedback on implementation and opportunities for collaboration across the resilience community.
- In September, NEMA President and Maryland Secretary of Emergency Management, Russ Strickland, provided testimony at a House Transportation and Infrastructure Committee hearing. Strickland provided an overview of the mitigation and resilience landscape nationwide and then spoke to the important role of implementing consensus-based building codes in enhancing resiliency.
- In September, NEMA joined with nine other associations in a letter urging Congress to address the shortfalls to the Disaster Relief Fund through swift passage of a CR for FY25. The letter asked that Congress pass a CR which funds the DRF, provides an additional \$10 billion in disaster relief, and allows the Office of Management and Budget to do a full-year apportionment of funds. Additionally, the letter requested that Congress backfill the \$6.1 billion in Immediate Needs Funding (INF) projects and include the funds necessary to avoid INF again in 2025.

FISCAL YEAR 2025 BUDGET

The FY25 budget remains a work in progress as of the time of this update. To date, the House has only passed five of the 12 FY25 spending bills, with the Homeland Security bill among them. The bill includes \$64.81 billion in discretionary funding, with \$28.4 billion for FEMA—\$2.8 billion above the FY24 enacted level and \$547.5 million above the President's Budget Request. This would restore the \$331 million in cuts made to grants in FY24 and fund the Disaster Relief Fund (DRF) at \$22.741 billion.

The Senate has yet to bring any of its funding bills to the full floor and the Homeland Security bill was the only one the Senate Appropriations Committee did not markup prior to the August recess. As a result, there are no specifics available, and it is currently unclear if they plan to restore the grant cuts made in FY24. NEMA continues following this process closely to demonstrate the importance of increases for programs such as the Emergency Management Performance Grants.

Given the lack of progress on appropriations, Congress is now focused on securing a continuing resolution (CR). Congress initially considered a CR to extend FY24 funding levels until March of next year, however that measure failed for a variety of reasons. As of this update, the House is scheduled to take up a three-month CR that will keep the government funded through December 20. That vote is expected to pass, and the Senate will consider the CR shortly thereafter.

Unfortunately, the current CR provides only approximately \$22 billion in funding for the DRF—the same amount as last year—and gives FEMA the authority to spend the entire amount regardless of the December 20 cutoff for the CR. Given the current INF backlog of nearly \$10 billion, it is unclear if this will be enough to get through the CR—particularly given the efforts around Hurricane Helene.

BILLS, HEARINGS & MARK-UPS

DISASTER MANAGEMENT COSTS MODERNIZATION ACT RECEIVES HOUSE MARK-UP, PASSES OUT OF COMMITTEE

In March, the *Disaster Management Costs Modernization Act* (H.R. 7671) was introduced in the House. The bill had previously been marked up and voted out of the Senate Committee on Homeland Security and Governmental Affairs. Additionally, in May, the Congressional Budget Office issued a very favorable score on the bill—a necessary step to ensure bipartisan support. In a late September markup, the House Transportation and Infrastructure Committee voted to favorably report H.R. 7661 by a vote of 58-2, and it will now head to the full House floor for a vote. The bills are both eligible for expedited floor action in the House and Senate.

This bill enables grant recipients to spread available management funds across all open disasters rather than limiting expenditures to a single disaster and will help streamline the overall fund disbursement and disaster close-out process from the local level upward. Utilizing management funds across all open disasters will also help state, local, tribal, and territorial governments engage in longer-term resilience and capacity building to be able to address hazard mitigation in increasingly complex disaster responses. This bill does not represent new funding or a new program but will incentivize disaster close-out and drive down the costs of disasters nationwide.

NEMA has strongly supported the *Disaster Management Costs Modernization Act* as it moved through the Senate and House. As the bill progresses, NEMA is working with BCEM, BuildStrong America, IAEM, and NVOAD to maintain a coalition of support.

AM RADIO FOR EVERY VEHICLE ACT RECEIVES HOUSE MARK UP, PASSES OUT OF SUBCOMMITTEE

In May, the House Energy and Commerce Subcommittee on Innovation, Data, and Commerce held a markup of the *AM Radio for Every Vehicle Act of 2024* (H.R. 8449). The bill had previously been voted out of the Senate Committee on Commerce, Science, and Transportation in July 2023. The *AM Radio for Every Vehicle Act* directs the National Highway Traffic Safety Administration (NHTSA) to issue a rule that requires automakers to maintain AM broadcast radio in their vehicles without a separate or additional payment, fee, or surcharge beyond the base price of the device. It also requires any automaker that sells vehicles without access to AM broadcast radio before the effective date of the NHTSA regulation to clearly disclose to consumers that the vehicle lacks access to AM broadcast radio.

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AM radio is an essential tool to effectively disseminate local, timely and crucial information to the public. When extreme weather events occur and broadband, electric power, and cell service are out, people with AM radios can continue to receive critical—and possibly lifesaving—information.

The bill was backed by associations including NEMA, IAEM, the International Association of Fire Chiefs, the American Public Works Association, and the National Association of Broadcasters as well as several former FEMA Administrators and more than 310 bipartisan cosponsors in the House and Senate. NEMA continues working to ensure this bill moves through the House and is signed into law to ensure all vehicle owners and users maintain access to AM radio during emergency events.

MODERNIZING WILDFIRE SAFETY AND PREVENTION ACT OF 2024 INTRODUCED IN HOUSE

In June, the bipartisan *Modernizing Wildfire Safety and Prevention Act of 2024* was introduced in the House by Rep. Josh Harder (D-CA), Rep. Scott Franklin (R-FL), and Rep. Joe Neguse (D-CO). The bill codifies many of the 148 recommendations from the Wildland Fire Mitigation and Management Commission’s final report. While many Member offices began drafting bills in the wake of the commission report, to date, this seems like the one most closely tied to specific recommendations and looking to build a broad coalition of support.

NEMA has publicly supported the bill in coalition with other associations including MegaFire Action, National Federation of Federal Employees, Federation of American Scientists, Grassroots Wildland Firefighters, Forest Stewards Guild, American Property Casualty Insurance Association, The Nature Conservancy, Rural Voices for Conservation Coalition, and Environmental Defense Fund.

HIGHLIGHTS FROM AROUND D.C.

SUPREME COURT OVERTURNS 1984 CHEVRON DECISION

In June, the Supreme Court issued a decision in *Loper Bright Enterprises v. Gina Raimondo* that held that the US Constitution vests the power to interpret laws in the judiciary, not administrative agencies. The decision marked a significant limitation on the application of “Chevron deference” or “Chevron doctrine,” which is named after the Supreme Court’s decision in *Chevron U.S.A., Inc. v. Natural Resources Defense Council*, which directs courts to defer to an agency’s interpretation of an ambiguous statute so long as that interpretation was “reasonable,” even if the court would have interpreted the law differently. The Court’s decision restricted the scope of Chevron’s deference, emphasizing that agencies need clear statutory authorization to impose significant regulatory measures.

The Supreme Court’s decision in *Loper Bright* represents a pivotal moment in administrative law, with significant implications for FEMA and state and local governments. FEMA’s regulatory actions, especially those imposing significant financial or operational burdens on state and local governments, may now face heightened scrutiny. The agency will need clear statutory mandates for substantial regulatory requirements. FEMA may need to ensure that Congress explicitly authorizes its funding mechanisms and compliance requirements to avoid legal challenges. This could impact how FEMA structures disaster preparedness and response programs. In addition, state and local governments could experience relief from certain federally imposed regulatory burdens that lack clear statutory backing. This may reduce the financial and administrative pressures associated with compliance.

State and local governments may need to advocate for more precise and supportive legislation from Congress to ensure that federal regulatory actions are authorized and funded, promoting effective governance and regulatory compliance. Otherwise, *Loper Bright* will make it easier to challenge existing federal regulations, including those that may implicate the work of state and local governments.

FEMA ISSUES FEDERAL FLOOD RISK MANAGEMENT STANDARD FINAL RULE AND POLICY

On July 11, 2024, FEMA published a Final Rule in the Federal Register and an updated policy that revises regulations to fully implement the Federal Flood Risk Management Standard (FFRMS). The FFRMS is designed to make communities more resilient and help reduce damage caused by flooding and is effective as of September 9, 2024.

FFRMS aims to strengthen FEMA’s standards to incorporate both current and future flood risk, making taxpayer-funded projects more resilient to flooding, protecting federal investments, and reducing the risk of damage and loss from floods. Under the new rules, construction using FEMA funds must either elevate structures above projected flooding or relocate the site to a safer area. It also requires agencies to develop resilience and flood protection plans for federally funded projects and buildings. The rule was first proposed under the Obama Administration before being withdrawn by the Trump Administration. FEMA resumed work on rule following an executive order from President Biden.

PRESIDENT BIDEN SIGNS NATIONAL SECURITY MEMORANDUM-22

On April 30, 2024, President Biden signed National Security Memorandum-22 (NSM-2) on Critical Infrastructure Security and Resilience. The NSM assigns key roles to the Department of Homeland Security (DHS) related to overall strategic guidance and enhancing national unity of effort. NSM-22 is the guiding document that outlines how the US government and the interagency approaches critical infrastructure security and risk management and represents the first time this policy has seen a wholesale revamp since 2013.

NSM-22 codifies the Cybersecurity and Infrastructure Security Agency’s (CISA) role as National Coordinator and directs CISA to leverage all tools in the toolkit to lead the national efforts to understand, manage, and reduce risk for critical infrastructure.

NSM-22 also details a new risk management cycle that requires SRMAs to identify, assess, and prioritize risk within their respective sectors and develop sector risk management plans to address those risks. With these risk assessments and risk management plans, CISA will identify and prioritize systemic, cross-sector, and nationally significant risk through a cross-sector risk assessment. This assessment will enable CISA to prioritize systemic risk reduction efforts that the US government will take in collaboration with relevant federal, state, local, private, and international partners.

DHS ANNOUNCES FIRST TRANCHE OF ADDITIONAL NSGP FUNDS

In June, DHS announced that it will distribute \$160 million in Nonprofit Security Grant Program (NSGP) funds as a first tranche of additional funding that the Biden Administration secured to protect faith-based institutions and nonprofit organizations against targeted attacks. The announcement accompanied DHS’ release of an amended Notice of Funding Opportunity (NOFO) that will now enable qualifying institutions and organizations to apply for these additional NSGP funds.

The \$160 million in additional funds are a portion of the \$390 million that were included in the FY24 National Security Supplemental. In total for FY24, the administration has secured \$664 million for the NSGP, more than double last year’s \$305 million appropriation. These grants can help enable previously unfunded, yet at-risk houses of worship, religious schools, and nonprofit organizations to implement new security measures to protect their congregations, students and teachers, employees, members, and their broader communities across the country.

This summary is provided courtesy of the NEMA Legislative Committee. Should you have any questions, please feel free to contact NEMA Deputy Director, Matt Cowles at 202-624-5459 or mcowles@csg.org or Policy Analyst Matt Shade at 202-624-5458 or mshade@csg.org