September 2026

Congressional Update – Spending and Shortened September

The House of Representatives recently returned to Washington from its month-long August recess and quickly passed a short-term spending package, known as a Continuing Resolution, or CR, aimed at preventing a government shutdown when the new fiscal year begins October 1.

Appropriating federal funds is one of Congress's most basic constitutional responsibilities, and the 12 annual appropriations bills collectively fund national defense, veterans' programs, energy and water infrastructure, transportation, housing, agriculture, food safety, law enforcement, scientific research, et cetera.

Passage of the CR avoids a government shutdown, but it does not complete the work, with important details still needing to be negotiated. In the meantime, most government agencies must continue operating at existing funding levels, and new programs, procurements and grant initiatives may be delayed until full-year appropriations are enacted.

As of September 3, prospects for completing those bills before the election have changed, as House leaders announced ending legislative business on September 17, canceling the final two weeks of a work period originally scheduled to continue through October 1. Members are not expected to return until after the November elections.

The shortened calendar effectively pushes funding, and other legislative decisions into a compressed lame-duck session.

White House Order Targets Bulk-Power Supply Chain Risks

On August 26, the White House declared a national emergency addressing security risks from foreign-supplied equipment used in the U.S. bulk-power system. The order authorizes the Department of Energy to block or condition certain acquisitions, imports, transfers, or installations linked to covered foreign entities. It applies not only to hardware but also to critical components, software, firmware, maintenance services, and remote-access capabilities.

The order is not an immediate blanket ban on foreign electrical equipment. DOE has 120 days to develop implementing rules defining covered entities, products, risks, and compliance procedures. Also, the scope of the EO is meant to address vulnerabilities of infrastructure operating at 69kV and above, while excluding local electricity distribution.

Major changes could mean domestic manufacturers may benefit from new demand, while contractors could face tighter specifications, fewer approved alternatives, and longer lead times for some projects. Distributors serving utilities, substations, generation facilities, critical infrastructure, and federal projects should anticipate greater demands for sourcing and product traceability.

Either way, NAED is committed to working with the administration to understand potential changes that will impact our members and communicate any concerns our members raise.

Federal Court Upholds Oregon EPR Law

On August 27, a federal district court upheld Oregon's Plastic Pollution and Recycling Modernization Act, rejecting claims that the state's extended producer responsibility (EPR) program violates certain constitutional protections. The ruling followed a five-day trial and allows Oregon to continue requiring covered producers to participate in a producer responsibility organization (PRO) which helps finance the state's recycling system.

The National Association of Wholesaler-Distributors (NAW), which brought the challenge, is reviewing its legal options, including a potential appeal.

For electrical distributors, the decision reinforces the importance of determining whether a company qualifies as a "producer" under Oregon law. Ordinary wholesale distribution does not automatically create producer responsibility. However, obligations may arise when a distributor owns a private-label brand, imports covered products, or assumes responsibility for packaging products shipped into Oregon. Covered materials can include certain primary, secondary, and tertiary packaging.

NAED will continue advocating for clear producer definitions, transparent compliance requirements, and safeguards to ensure that ordinary warehousing, transportation, and distribution activities do not improperly trigger producer obligations.

At the same time, NAED is expanding its engagement in states considering EPR legislation, with the goal of addressing problematic definitions, fee structures, and compliance requirements before they are enacted into law.