

July 13, 2026

Mr. Robert J. Fenton, Jr.
Senior Official Performing the Duties of the Administrator
Federal Emergency Management Agency
500 C Street SW
Washington, DC 20472

Dear Acting Administrator Fenton,

We write to follow up on our August 1, 2025, letter urging the Federal Emergency Management Agency (FEMA) to reimburse Shelter and Services Program (SSP) recipients for all allowable costs incurred prior to FEMA's termination of the program.¹ In light of the May 7, 2026, order issued by the U.S. District Court for the Northern District of Illinois ordering the government to process reimbursement claims, we reiterate our request that FEMA promptly fulfill its reimbursement obligations and provide updated information regarding the status of outstanding SSP reimbursements for all recipients and subrecipients in Arizona.

As we noted in our letter on August 1, 2025, Congress established and funded SSP to support sheltering and related activities provided by non-federal entities, including work intended to relieve overcrowding in short-term holding facilities of U.S. Customs and Border Protection.² Arizona local governments and service providers carried out this work in reliance of congressional appropriations, FEMA's program rules, and the federal government's commitment that eligible expenses would be reimbursed. Failing to fulfill reimbursements to these partners risks undermining the trust needed for effective coordination in future emergencies.

Recent federal court decisions make FEMA's obligations clear. On May 7, 2026, the U.S. District Court for the Northern District of Illinois ordered the government, by May 22, 2026, to process all reimbursement claims submitted by *all SSP grantees* for costs incurred before an SSP grant was terminated, pursuant to 2 C.F.R. § 200.305(b)(3).³ In a separate case, reinforcing that opinion, a different federal court found FEMA's SSP termination policy was unlawful as applied to the State of Washington.⁴ Together, these rulings reinforce the need for FEMA to follow the law and process reimbursement requests pursuant to the rules and guidelines as they existed under the program prior to the agency's termination and provide direction to recipients and

¹ Mark Kelly et al. to David Richardson, Senior Official Performing the Duties of the Administrator, Federal Emergency Management Agency, August 1, 2025, letter regarding Shelter and Services Program reimbursements.

² *Consolidated Appropriations Act*, 2023, Public Law 117-328, *U.S. Statutes at Large* 136 (2022) 4459.

³ *City of Chicago et al. v. Department of Homeland Security et al.*, No. 1:25-cv-05463, Memorandum Opinion and Order, 1 (N.D. Ill. May 7, 2026).

⁴ *State of Washington v. United States Department of Homeland Security et al.*, Docket No. 2:25-cv-01401-BJR, at 23–24 (W.D. Wash. May 26, 2026).

subrecipients, including those in Arizona. Reimbursements are long past due, and FEMA must resolve reimbursement claims without further delay.

We request that FEMA designate a primary point of contact for Arizona SSP reimbursement matters and make appropriate DHS and FEMA officials available for a briefing to our offices as soon as possible. The briefing should provide an overview of DHS and FEMA's plan to comply with the May 7, 2026, court order, including how the agency is identifying, reviewing, and resolving outstanding pre-termination reimbursement requests from Arizona SSP recipients and subrecipients. We also ask that FEMA provide regular updates to Arizona recipients and congressional staff until all outstanding reimbursement requests have been resolved.

Arizona localities and service providers fulfilled their responsibilities under this program and courts have agreed the agency's actions to limit reimbursements were unlawful. FEMA should now provide the clarity, transparency, and timely reimbursement as required under the agency's own program rules pre-termination. We urge you to comply with these obligations without delay.

Thank you for your prompt attention to this matter. We look forward to your response by July 24, 2026.

Sincerely,

Handwritten signature of Mark Kelly in black ink.

Mark Kelly
United States Senator

Handwritten signature of Ruben Gallego in black ink.

Ruben Gallego
United States Senator