



National Association of Conservation Districts

Memo

To: NACD Officers, Executive Board, Board Members, Presidents and Executive Directors of State/Territory Associations, Members

From: Jeremy Peters, NACD CEO

A handwritten signature in black ink, appearing to read 'Jeremy Peters'.

Date: June 6, 2025

Re: NACD Update on Recent Congressional and Executive Actions

FISCAL YEAR 2026 (FY26) APPROPRIATIONS

President's Budget Proposal

Last Friday, the Trump administration released a budget appendix detailing the president's vision for Fiscal Year 2026 (FY26) funding across the federal government. Yesterday, June 5, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies met to review their FY26 spending bill, [released the day prior](#). The measure passed the subcommittee and will now head to the full Appropriations Committee for markup on Wednesday, June 11 at 10:00 AM ET.

U.S. DEPARTMENT OF AGRICULTURE

The House language prohibits the Secretary from contracting out or privatizing any functions or activities performed by Federal employees, unless the Secretary of Agriculture, Secretary of Health and Human Services, or Chairman of the Commodity Futures Trading Commission (as applicable) notifies in writing and receives approval from the Committees of Appropriations of both Houses of Congress at least 30 days in advance of the reprogramming of such funds or the use of such authority.

It also prohibits the USDA to utilize funding provided by this Act to move any staff office or agency from the mission area in which it was located on August 1, 2018, to any other mission area or office within the Department in the absence of the enactment of specific legislation affirming each move.

Sec. 755 of the House language codifies Executive Orders relating to diversity, equity, and inclusion initiatives: "None of the funds appropriated or otherwise made available by this Act may be used for diversity, equity and inclusion initiatives, trainings, programs, offices, officers, policies, or any program, project, or activity that promotes or advances Critical Race Theory or any concept associated with Critical Race Theory."



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Natural Resources Conservation Service

Program (in millions)	2025 enacted	President's Budget 2026 Proposed	House
Conservation Operations	896 million	112 million	850 million

Conservation Technical Assistance (CTA) supports our conservation workforce, conservation planning, and the extension of specialized technical assistance to producers, and is considered the backbone of USDA's conservation programs. Earlier this year, NACD led a letter [requesting](#) that a \$1.2 billion budget be considered for Conservation Operations (CO), which funds CTA. We remain hopeful that this request is reflected in the Appropriations process.

Additional note from House: It should be noted that the House markup includes language giving the Secretary authority to utilize any appropriations made available to the USDA to purchase new passenger motor vehicles, so long as the total number of U.S. based vehicles purchased in FY2026 does not exceed the number of U.S. based vehicles owned or leased in FY218. NRCS has a significant fleet, which employees and conservation district partners utilize to successfully perform their work and deliver technical assistance on producers' lands.

Program (in millions)	2025 enacted	President's Budget 2026 Proposed	House
Watershed and Flood Prevention Operations	47 million	0	35 million
Small Watershed Operations (PL 566)	119 million	0	N/A
Emergency Watershed Protection Operations	299 million	0	N/A
Watershed Rehabilitation Program	9 million	0	7 million

Forest Service

The President's FY26 budget proposes the elimination of the State, Private, and Tribal Forestry (SPTF) programs within the USDA Forest Service. While some past administrations have proposed cutting select programs, this marks the first time an administration has sought to eliminate the entire SPTF suite.



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The budget justification states that USDA will use carryover balances to terminate these programs, with Forest Service staff for these functions dropping from 520 employees in FY2024 to 37 in FY2026. The budget also proposes:

- No new funding for Forest and Rangeland Research, using carryover balances to wind down operations.
- A \$10 million cut to the Forest Inventory & Analysis (FIA) program, with no clarity on staffing levels or program capacity.
- A narrow exception of \$14 million for Forest Health Protection in response to the eastern spruce budworm outbreak.

Forestry Programs at Stake:

Forest Stewardship Program (FSP)

- Supports management of nearly 60% of U.S. forests that are privately owned.
- Connects landowners to foresters for planning, fuels reduction, reforestation, and more.
- Without it, nearly 7 million acres could exit active management, increasing forest conversion risk.

State Fire Assistance (SFA)

- Trains and equips first responders for wildland fire and funds fire mitigation on non-federal lands.
- Has supported over 26,000 wildland firefighters, 4,400 prevention projects, and fuel reduction on over 500,000 acres.
- Loss of this program would increase fire risk at the community level, especially in the wildland-urban interface.

Urban and Community Forestry (UCF)

- Reaches 7,500 communities and over 203 million people annually.
- Supports urban tree canopy, stormwater management, heat mitigation, and public health.
- Leverages federal dollars up to 5:1 through states and nonprofits. Without it, critical community-based forestry would collapse.

Community Forest and Open Space Conservation (CFP)

- Provides grants to tribes, local governments, and nonprofits to create working community forests.
- Enhances recreation access, protects water sources, and generates local revenue through forest products.
- Also provides unique authority for direct tribal land acquisition.

Forest Health Management – Cooperative Lands (FHM)

- Coordinates prevention and response to invasive pests on non-federal lands.
- Over 80 million acres are at risk of pest damage, and 25% of trees over 1 inch in diameter may die by 2027 without mitigation.
- Supports municipalities facing billions in pest-related tree removal and loss of urban canopy.



Landscape Scale Restoration (LSR)

- Delivers flexible, competitive grants to implement State Forest Action Plans.
- Supports multi-benefit projects focused on wildfire risk, watershed protection, and forest resilience.

Forest Legacy Program (FLP)

- Uses conservation easements to protect working forests and prevent fragmentation.
- Has protected over 3 million acres since 1990.
- Keeps timberlands intact and productive, supporting mills, recreation, and wildlife.

SPTF is the only federal mechanism supporting technical, financial, and educational assistance to non-federal forest owners. These programs are essential for wildfire mitigation, watershed protection, pest control, and supporting the \$300+ billion U.S. forest products industry. Most programs deliver 2:1 or higher match rates, making them cost-effective tools for land stewardship. Eliminating them would reduce disaster readiness, increase wildfire and storm vulnerability, and leave landowners and communities without support.

Farm Production and Conservation Business Center

Program (in millions)	2025 enacted	President's Budget 2026 est	House
FPAC Business Center	244 million	214 million	210 million

The FPAC Business Center provides administrative services to NRCS, FSA, and RMA. The House language includes a \$210 million budget. Of this, \$70,740,000 is transferred from mandatory NRCS programs (Section 1241(a) of Farm Security and Rural Investment Act of 1985; 16 USC 3841(a). The White House budget contains the same transfer of funds from mandatory NRCS programs.

Farm Service Agency

The text from the House requires no less than \$15M of FSA's Salaries and Expenses account to go to the hiring of new employees to fill existing and anticipated vacancies at county and farm loan offices (available through 9/30/27). However, FSA would be required to submit a report by Q4 of FY26 to House and Senate Appropriations committees that identifies current performance against key indicators of customer satisfaction or other technical metrics. The report would also analyze current and planned spending on operational enhancements and upgrades, with an assessment of whether the investment continues to meet business needs as intended as well as alternatives to the investment.

ENVIRONMENTAL PROTECTION AGENCY (EPA)



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Overall [EPA's budget](#) request would cut total funding by 54.4%. The biggest relevant cuts would be to State Revolving Funds (SRF) and the 319 Program, which are imperative to addressing issues like sediment runoff, nutrient pollution, and water infrastructure maintenance, along with assisting conservation districts in incentivizing the adoption of conservation practices on working lands. The proposed budget also includes cuts to enforcement and science and technology which could undermine the agency's ability to uphold environmental laws.

The EPA is funded through the yearly Interior, Environment, and Related Agencies Appropriations Act, and does not have comparable figures in the released House language.

Programs at Stake:

Nonpoint Source Pollution Program – Section 319 – categorical grants - ↓100%

- Provides for grants to states, territories, and tribes to address nonpoint source pollution with voluntary pollution control projects.
- Many conservation districts utilize 319 funding to conduct nonpoint source pollution assessments and management programs at the local level.
- The Adams Lake County Soil and Water District used section 319 funds to significantly reduce sediment into three local waterbodies by implementing a variety of practices which resulted in the delisting of all three waterbodies as impaired.

Clean Water State Revolving Fund - ↓90.5%

- \$155M to be divided amongst the states, territories and tribes.
- State CWSRF programs can provide low-interest loans and grants to farmers, conservation districts and others for projects that reduce runoff, enhance soil health, and manage waste more effectively in cropland and animal feeding operations.

Drinking Water State Revolving Fund - ↓86.7%

- \$150M to be divided amongst the states, territories, and tribes.
- DWSRF programs can provide low-interest loans and grants for source water protection and drinking water infrastructure maintenance.

Staffing

- EPA proposes cutting full-time staff by 1,274, or 8% of the remaining workforce.

DEPARTMENT OF THE INTERIOR

The DOI [FY 2026 Interior Budget](#) request mirrors the President's proposed budget, and emphasizes energy independence, wildfire management, infrastructure maintenance, and Tribal self-determination while reducing funding for renewable energy programs and non-core initiatives. Interior has requested \$14.4B, down from \$16.8B or a 30% reduction from 2025 spending levels, and supports the establishment of the US Wildland Fire Service, which incorporates the Forest Service's wildland fire activities into the Interior's Office of Wildland Fire with a total funding request of \$6.55B.



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As with the EPA, the Interior is funded through the yearly Interior, Environment, and Related Agencies Appropriations Act, and has no comparable figures in the released section of the House language.

In the proposed budget, DOI relies heavily on income collected through oil and gas leasing and associated royalties, as well as the Land and Water Conservation Fund and Legacy Restoration Fund, to provide economic coverage.

Bureau of Land Management (BLM) - ↓35% - \$827M, a decrease of \$476M

- Proposed cuts to management of lands and resources with no clear information on staffing or office changes.
- Includes efforts to streamline grazing permit and right of way processing.
- Includes request to Congress to shift funding from land acquisition to address deferred maintenance in National Parks.
- NACD has worked closely with BLM in the past few years to develop local partnerships for management and conservation implementation on and around public lands.

U.S. Fish and Wildlife (FWS) – ↓23.7% - \$1.1B, a decrease of \$349M

- Habitat Conservation programs, conservation and enforcement, and the National Wildlife Refuge System are all seeing cuts.
- This budget acknowledges that conserving natural resources is impossible without partnerships at the local level and proposes eliminating requirements for specific species and investing in partnerships with private landowners but provides no information on what funding is attached and what staff resources may exist.
- NACD and FWS have a signed MOU that staff from both organizations are working to implement by providing education and outreach at the state and regional level.

THE COURTS:

On May 29, in *Seven County Coalition et al. v. Eagle County*, the Supreme Court upheld a lower court ruling that courts must give federal agencies “substantial judicial deference” when reviewing National Environmental Policy Act (NEPA) documents, and that NEPA does not require agencies to consider the environmental impacts on upstream or downstream locations that are separate in time or place from a proposed action. This ruling significantly narrows NEPA requirement that agencies look comprehensively at the environmental impacts of a proposed project. Justice Kavanaugh stated in the decision that “even a deficient EIS does not necessarily require vacating an agency’s project approval” unless there is a reason to believe the agency might disapprove of the project if more was added to the EIS. Potential impacts of this ruling are faster project approval but also more conflict with local communities and project proponents.

OTHER NEWS FROM THE HILL:



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On Tuesday, June 3, 2025, the Senate Agriculture, Nutrition and Forestry Committee held a hearing to consider the nomination of Michael Boren for Under Secretary of Agriculture for Natural Resources and the Environment.

On Thursday, June 5, 2025, the House Agriculture Subcommittee on Conservation, Research, and Biotechnology held its first hearing of the 119th Congress RE: “Supporting Farmers, Strengthening Conservation, Sustaining Working Lands” (recording available [here](#)). Witnesses discussed Farm Bill priorities including supporting the transfer of the Inflation Reduction Act’s remaining unobligated funds into the Conservation Title. Subcommittee Chair Congressman Frank D. Lucas (OK-03) was particularly interested in discussing the watershed and flood prevention program as well as the need to simplify voluntary conservation programs so they can be accessible to all producers.

ACTION ITEMS:

On Tuesday May 20, DOI published a [Request for Information](#) seeking feedback to assist the Department and its various offices and bureaus in identifying existing regulations that can be modified, repealed, and changed to be consistent with applicable law. The deadline for comment is June 20, 2025. As the people who work on DOI lands, with DOI staff and regulations, we ask that members provide any insight or thoughts regarding this RFI. NACD will be submitting comments based on our various policies and look forward to including real life examples of how these regulations work, or don’t, on the ground.

We ask that you **please provide your comments by June 16** and do so by emailing Libby Wawro at libby-wawro@nacdnet.org.