



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

Date: January 13, 2026

A handwritten signature in blue ink that reads "Jeremy Peters".

Re: NACD Update on Recent Congressional and Executive Actions

All NACD updates are accessible on the [members only page](#) of the NACD website.

Headlines and Deadlines

- House passes partial funding package including Dept. of Interior and EPA appropriations
- Secretary Rollins announces research priorities, which include soil health and invasive species, and new USDA-wide terms and conditions for grants and agreements
- NRCS issues FY2026 payment schedules and practice scenarios; establishes program timelines and batching periods that allow for the inclusion of the Regenerative Agriculture Initiative pilot

Action Items:

- Please provide success stories using 319 funding or wetland protections
- Local perspectives on pilot design and implementation

Current Events

Congress

On January 8, the House passed a bipartisan appropriations package by a vote of 397-28 that if passed by the Senate, would fund the Department of Interior, including the Environmental Protection Agency and the Forest Service, the Department of Commerce, the Department of Energy, and the Department of Justice. The Senate is rapidly addressing the House-passed packages, with a procedural vote on one of the bills expected today. If the current minibus passes, Congress will have six more funding packages to address before the continuing resolution expires on January 30.

In addition to funding allocations, this package includes individual mandates for agency leadership regarding reporting back to the congressional committees and engaging with third-party experts on land management and efficient spending practices. See Wildland Fire Service for example.



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Individual Spending

Explanatory statements are included with the appropriations bills. [This statement](#) includes individual spending amounts for the Dept. of Interior, EPA, and the Forest Service as well as individual amounts for specific community projects, i.e. funding for flood mitigation in the City of Carbondale, IL.

Environmental Protection Agency

Total Allocation	\$8,825,888,000
Section 319	\$175,250,000
State and Drinking Water Revolving Funds	Clean Water – \$1,483,861,000 Drinking Water - \$1,126,101,000

U.S. Fish and Wildlife Service

Total Allocation	\$1,650,466,000
Conservation services	Habitat Conservation (Partners for Fish and Wildlife - \$69,760,000 North American Wetlands Conservation Fund - \$49,000,000 Cooperative Endangered Species Conservation Fund - \$22,202,000 Fish and Aquatic Habitat Conservation - \$225,775,000

Bureau of Land Management

Total Allocation	\$1,378,383,000
Land and Resource Management	\$1,226,862,000

Forest Service

Total Allocation	\$8,614,772,000
Cooperative Forestry	Forest Stewardship - \$12,000,000 Community Forest and Open Space - \$5,500,000 Urban and Community Forestry - \$37,000,000
Forest Health Management	\$58,000,000



	Cooperative Lands - \$42,000,000
Cooperative Fire Assistance	\$97,000,000 Volunteer Fire Capacity Grants - \$21,000,000
Wildland Fire Service	The proposed language includes a directive to the Secretary’s of Agriculture and Interior to contract an independent third-party to develop a comprehensive study on the feasibility of consolidating wildland fire management operations as proposed by the administration.

***Please note these numbers have only been passed by the House and are subject to change.**

Farm Bill

House Agriculture Committee members have expressed optimism in passing spending bills by the end of January to avoid a partial government shutdown, as well as negotiating and moving a farm bill forward in February, though no markup date has been set. NACD will continue to closely monitor progress and provide updates as they come available.

Staffing Shortages

Witnesses at hearings on a variety of environmental and conservation focused bills in committees in both the House and Senate have emphasized the importance of and need for appropriate staff and funding across agencies and programs.

USDA

On December 30, Secretary of Agriculture Brooke Rollins signed a [memorandum](#) establishing new priorities for future research and development activities. Within this memorandum, all USDA agencies and staff office should focus new research on projects that prioritize:

- Increasing profitability of farmers and ranchers
- Expanding markets and creating new uses for U.S. agricultural products
- Protecting the integrity of American Agriculture from invasive species (new world screwworm, spotted lanternfly, avian flu are a few examples)
- Promoting soil health to regenerate the long-term productivity of the land
- Improving human health through precision nutrition and food quality

The Chief Scientist and Under Secretary for Research, Education, and Economics (REE) are directed to advise and assist all USDA agencies to ensure proper implementation and alignment of priorities.

On December 31, Secretary Rollins released a [memorandum](#) that establishes USDA-wide [general terms and conditions](#) for all grants, cooperative agreements, and similar arrangements



(e.g., NRCS contribution agreements). Notably, these terms and conditions are intended to strengthen USDA control and oversight of obligated funds and compliance with applicable laws, regulations, and policy priorities. The new terms and conditions provide for standard requirements for advance payments, ensure prompt return of funds after termination, and require prior approval of subawards and subcontracts.

NRCS

Secretary Rollins's announcement on research priorities follows her joint announcement with Secretary Kennedy on the [Regenerative Agriculture Initiative \(RAI\) pilot](#) on December 10, 2025. Improving soil health, increasing water use efficiency, and reducing inputs are aligned with the regenerative agriculture and the "Make America Health Again" goals.

NRCS has published [FAQs](#) on the RAI pilot, as well as formal policy on [eDirectives](#), which includes the list of eligible practices. Highlights include:

- The RAI initiative is \$700 million of existing EQIP and CSP funding (25% of the financial assistance allocations for each state and territory)
- To be eligible for the RAI initiative, participating producers must:
 - Have a whole farm conservation plan
 - Include at least one regenerative management practice in their contract; note that all practices within the conservation plan are eligible for financial assistance and producers may select which practices they want to include in their application based on their goals and objectives
 - Agree to soil testing during the first and last year of their contract

Eligible practices include conservation crop rotation (328), contour farming (330), contour orchard and other perennial crop (331), cover crop (340), drainage water management (554), forage harvest management (511), forest stand improvement (666), irrigation water management (449), mulching (484), nutrient management (590), pest management conservation system (595), prescribed grazing (528), residue and tillage management, no till (329), residue and tillage management, reduced (345), and stripcropping (585). Soil health testing (CEMA 216) and Soil and Source Testing for Nutrient Management (CEMA 217) are also included.

Within this announcement, USDA also signaled its intent to advance private-public partnerships by matching private funding. The [SUSTAINS Act](#) authorizes USDA to accept private funding to support conservation programs. While NRCS [sought public input](#) to inform implementation of the act in August 2024, it has not yet released regulations or policy guidance.



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NRCS announced the establishment of a national **January 15, 2026** deadline for the first funding round of key conservation programs. FY2026 payment schedules and practice scenarios were also published. Please see below for specific programs and timelines.

Updated NRCS Program Timelines

- All NRCS conservation programs remain continuous sign-up.
- Farmers and ranchers have until January 15, 2026, to apply for the first batching period.
- National and State Conservation Innovation Grants (CIG) will follow later in the year.
- PL-566 and Emergency Watershed Protection (EWP) opportunities remain open for sponsors based on available funding.

Programs with a January 15, 2026, batching period deadline include:

- [Agricultural Conservation Easement Program \(ACEP\)](#)
- [Environmental Quality Incentives Program \(EQIP\)](#)
- [Conservation Stewardship Program \(CSP\)](#)
- [Agricultural Management Assistance Program \(AMA\)](#)
- New NRCS [Regenerative Pilot Program \(EQIP & CSP\)](#)

DOI – US Wildland Fire Service

Today, January 12, the Department of the Interior named Brian Fennessey chief of the new wildland fire office. Chief Fennessey has extensive experience in fire management in both wild and domestic fire arenas working as both a hotshot and most recently as chief of the San Diego Fire-Rescue Department. He is tasked with developing an office that coordinates and consolidates wildfire response across Interior’s bureaus and offices to “streamline decision making” and “improve operational efficiency”.

Action Items:

Water Quality/Improvement Projects

To inform our advocacy and in advance of NACD’s spring fly-in, NACD is requesting any and all success stories of projects using 319 grant funding and/or highlighting wetland restoration. Please contact Libby Wawro at libby-wawro@nacdnet.org with any stories, articles or links. NACD is also glad to set up a phone call to learn more about local initiatives and successes.

Locally Led Conservation Delivery System

NACD applauds the Trump Administration’s leadership in elevating soil health as a national priority by two Secretaries, reflecting a strong commitment to America’s farmers, ranchers, and working lands. It is important to recognize that several of these initiatives are being launched as pilots or initial steps. NACD looks forward to working with NRCS to better understand how they will be implemented on the ground and strengthen the locally led conservation delivery system.



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We are particularly interested in hearing from members and understanding how these pilots can work across different geographies, natural resource concerns, and operation types, while remaining accessible to of all sizes.

- Regenerative Agriculture Initiative (RAI) pilot
- SUSTAINS Act Implementation (potential impacts of matching private donations with federal conservation program funds)
- Establishment of 5 ranking pools per program, per state
- Recently published FY2026 payment schedules and practice scenarios for EQIP and CSP

Please feel free to reach out to any member of the NACD Government Affairs team or provide written feedback through this [form](#).