



MEMORANDUM

TO: SLDMWA BOARD OF DIRECTORS
FROM: DAN KEPPEL, EXECUTIVE DIRECTOR
SUBJECT: EXECUTIVE DIRECTOR'S REPORT
DATE: MARCH 1, 2021

This memo is intended to keep you apprised as to what is happening behind the scenes on policy issues the Family Farm Alliance is engaged in. In the past month, our efforts have focused on working with new Biden administration, preparing and advocating for a stimulus infrastructure package that includes Western water provisions, and conducting our 2021 "virtual" annual conference. These issues and other matters important to our members are further discussed in this memo.

BIDEN ADMINISTRATION DEVELOPMENTS

1. Confirmation of Cabinet Positions: Overview

Biden Cabinet nominees with important roles that impact Western farmers and ranchers are steadily being confirmed by the U.S. Senate. Importantly, the Senate last week voted to confirm former Iowa Gov. Tom Vilsack to Secretary of the U.S. Department of Agriculture (USDA). He was the Secretary of Agriculture during the Obama Administration. Other recently confirmed Cabinet members whose leadership will have bearing on Western irrigators include Energy Secretary Jennifer Granholm and Transportation Secretary Pete Buttigieg. Various Senate committees held confirmation hearings for additional cabinet or cabinet-level positions in the Biden Administration, including Rep. Deb Haaland (D-NM) to be Secretary of the Interior, and Michael Regan to be Administrator of the environmental Protection Agency (EPA). Several committees also held votes to advance the nomination of Neera Tanden to be Director of the Office of Management and Budget.

The Family Farm Alliance's West-wide, primarily rural membership works closest with the Departments of Agriculture and Interior (which houses the Bureau of Reclamation, Fish and

Wildlife Service, Bureau of Land Management, among other agencies) and the Environmental Protection Agency. Senior appointed officials in these departments play an important role in directing and implementing policies that have a real bearing on the well-being of Western farmers and ranchers.

2. Senate Confirms Vilsack as Secretary of Agriculture

The Senate by a 92-7 vote on February 23 confirmed Tom Vilsack to lead USDA for the second time. He is the ninth member of President Biden's Cabinet to be confirmed by the Senate. Mr. Vilsack previously served for eight years as head of USDA under former President Obama. Mr. Vilsack, 70, earlier received bipartisan praise from the Senate Agriculture Committee and his nomination was unanimously advanced. Most agricultural organizations have been supportive of Mr. Vilsack's return to USDA. Secretary Vilsack during his February 2 confirmation hearing emphasized to the Senate Agriculture, Nutrition and Forestry Committee that he will work to stabilize trade policy, focus on climate change and work with Congress on efforts to achieve President Biden's goal of "zero emission" agriculture. Secretary Vilsack believes this can be accomplished through more farmland conservation and encouraging carbon markets to give farmers a financial incentive.

3. Rep. Haaland's Confirmation Hearing for Secretary of the Interior

President Biden's nominee for Secretary of the Interior, Rep. Deb Haaland (D-NEW MEXICO) endured a two-day confirmation hearing before the Senate Energy and Natural Resources (ENR) Committee last week. As an enrolled member of the Pueblo of Laguna in New Mexico, Rep. Haaland would be the first Native American to be elevated to the office of Secretary at the Department of the Interior, if she is confirmed by the Senate. In her opening statement at her confirmation hearing on February 23rd, Rep. Haaland noted that fossil energy does and will continue to play a major role in America for years to come.

Committee Ranking Member John Barrasso (R-WYOMING) and other Senate Republicans during the course of the two-day hearing raised concerns over Rep. Haaland's early endorsement of the Green New Deal, her participation in protests against the Dakota Access pipeline, and her position on other issues surrounding oil and gas development and banning the practice of fracking on federal lands. They did not appear to be fully satisfied with Rep. Haaland's responses at the hearing. Senator Steve Daines (R-MONTANA) in the weeks leading up to the hearing threatened to stall the nomination by placing a hold preventing her from advancing through a procedural vote and instead forcing a more time-consuming cloture vote. However, Rep. Haaland has garnered the support of progressives, Native American, and major environmental groups, as well as House Natural Resource Committee Chairman Raul Grijalva (D-AZ). Chairman Grijalva's committee is charged with oversight of many Interior Department matters.

If Senate Republicans are united in their opposition to Rep. Haaland, it will only take one Senate Democrat's opposition to prevent the confirmation. All eyes prior to the hearing were on Chairman

Manchin, who hails from a carbon energy production state. The hearing wrapped up without a vote. Afterward, Senator Manchin announced that he would vote in favor of confirming Rep. Haaland to lead the Interior Department.

4. Tanden Confirmation in Jeopardy

Rep. Haaland appeared to have escaped the plight of Ms. Neera Tanden, President Biden's choice to lead the White House Office of Management and Budget (OMB). Ms. Tanden's confirmation is now in jeopardy after Sen. Manchin and Sen. Susan Collins (R-ME) said they would not support her. Ms. Tanden has been one of President Biden's most controversial nominees, in part because of her scathing Tweets against political opponents, regardless of their political affiliation, including Senators Bernie Sanders (I-VT) and Mitch McConnell (R-KY). Senator Collins criticized Mr. Tanden for deleting tweets in the days before her nomination was announced and said that "raises concerns about her commitment to transparency." Ms. Tanden apologized for the tweets in two recent hearings, and her defenders have pointed to her deep policy expertise and experience. She cannot afford to lose any Democratic support with a 50-50 Senate.

5. Committee Advances EPA Administrator Nominee

On February 9, the Senate Environment and Public Works (EPW) Committee voted 14-9 to advance Michael Regan's nomination to be Administrator of the EPA, clearing the way for full Senate consideration of his confirmation. His written testimony suggests he will employ a centrist, consensus-driven approach in his new position, if confirmed by the full Senate. Mr. Regan started his career at the EPA, serving in the Clinton and Bush Administrations until 2008. Regan then spent eight years at the Environmental Defense Fund, where he ultimately became the associate vice president for clean energy and a Southeast regional director. He has served as Secretary of the North Carolina Department of Environmental Quality since 2017. Mr. Regan's confirmation by the full Senate is imminent.

6. USDA Role in Biden Climate Change Initiative

The Biden administration is evaluating options for using USDA's Commodity Credit Corporation (CCC) to quickly launch its ambitious food and farm agenda without relying on appropriations from a closely divided Congress. The CCC – established in the Depression-era - is authorized to borrow \$30 billion from the U.S. Treasury for the purpose of stabilizing the farm economy. Former President Donald Trump used the CCC as means of paying farmers for coronavirus relief and mitigating for trade impacts. President Biden's team is looking at their creative opportunities to apply the fund for a whole new agenda. One option could be using the agency to create a "carbon bank" that pays farmers and ranchers to sequester greenhouse gases in their farmland soil.

The Biden Administration also plans to raise the figure it will use to assess the damage that greenhouse gas pollution inflicts on society to \$51 per ton of carbon dioxide. This rate is seven times higher than that used by the Trump Administration. This so-called "social cost of carbon"

could reach as high as \$125 per ton once the Biden administration completes a more rigorous analysis. The final figure will be incorporated into federal agency decisions, including purchasing, pollution control requirements, and which types of infrastructure are permitted in the future.

7. Role of Farmers and Ranchers in Climate Programs

Many Western producers are anxious about President Biden's executive order to protect 30% of the country's land and waters by 2030, the so-called "30x30" initiative. Senate Republicans have expressed concerns about how 30x30 will affect production agriculture and resource development, including on federal land. Mr. Vilsack at his confirmation hearing pledged to "aggressively" seek advice from farmers about how best to involve agriculture in the new administration's climate change policies. One of those groups of farmers is Solutions from the Land (SfL), a nationwide network of agricultural leaders that seeks to mobilize public demand and support for solutions from the land. SfL last month released a report, "21st Century Agriculture Renaissance", written by farmers, ranchers, foresters and other land stewards in partnership with climate, energy and conservation experts. It seeks to stimulate empathy and action towards the many roles that farmers must take on for them to be successful and for all to live and grow. The report features a write-up and video by Family Farm Alliance President Pat O'Toole on sustainable water management on his family's Ladder Ranch. Mr. O'Toole represents the Alliance on the SfL board of directors, and he shared the link to report with Mr. Vilsack, who responded in an encouraging way.

DEVELOPMENTS IN CONGRESS

8. House Passes COVID Stimulus Package

With the second impeachment trial of former President Donald Trump behind them, House Democrats moved fast to enact a new COVID-19 relief package in recent weeks. Democrats employed the little-used budget reconciliation process to quickly pass a massive COVID relief package recommended by nine House committees before an earlier round of unemployment insurance benefits runs out on March 14. On February 22, President Biden issued a proclamation remembering the 500,000 Americans lost to COVID-19. Congressional activity on the COVID-19 front accelerated after the Senate last month voted to acquit former President Donald Trump on the House's charge of inciting the Jan. 6 insurrection at the Capitol. The 57-43 vote marks the first time since 1868 that a majority of the Senate voted to convict a president on an impeachment charge. But it still fell short of the two-thirds majority needed to secure a conviction. Mr. Trump's attorneys argued that it was unconstitutional to try a former president for impeachment and said the House managers did not meet the standard for an incitement charge.

The House passed the massive COVID stimulus package last Friday, setting the stage for a Senate vote on a package that will likely look much different. Senate Democratic leaders are working on the changes to the package that will be needed to get all 50 Senate Democrats and Independents on board. Budget reconciliation only requires a simple majority vote in the Senate - overriding the 60-vote requirement for most bills to be considered in the Senate. The House will need to vote

again on an amended Senate passed bill.

Included in budget reconciliation recommendations approved by the House committees are mandatory funding, program changes, and tax policies aimed primarily at mitigating the continuing effects of the Covid-19 pandemic. The package includes \$350 billion to states, localities, tribes and territories in flexible funding to “replace revenue that was lost, delayed, or decreased” as a result of the COVID-19 pandemic (as of January 27, 2020), as well as other costs related to responding to or mitigating the impacts of the pandemic and addressing negative economic impacts. Notably, the package provides \$1,400 in direct payments to certain individuals and dependents and additional transportation and agricultural funding, including \$1 billion for racial justice provisions for farmers. Also of import, the Senate parliamentarian ruled Thursday that Democrats would be deemed out of order if they include a \$15 minimum wage hike in their coronavirus relief package, a major blow to Senate Budget Committee Chair Bernie Sanders (I-Vt.) and progressives. House Democrats still included the minimum wage provisions on their version of the COVID-19 bill on Friday. However, according to *POLITICO*, the Senate decision means Democrats need to find another route to increasing the minimum wage.

The Republican Study Committee (RSC) – the largest conservative caucus in the House - authored a three-page memo to conservatives to outline "all the left-wing items Democrats are hoping the public won't find about." *Fox News* first obtained a copy of the fact sheet that was widely circulated last week. Among the provisions generating angst among the GOP are \$1,400 stimulus checks going to mixed-status families with undocumented immigrants; allowing Planned Parenthood to receive Paycheck Protection Program funds designed to keep small businesses afloat; and nearly \$600 million for additional emergency paid family leave for federal employees and U.S. Postal Service workers, according to the RSC memo.

9. Alliance Supports Special Districts Assistance Legislation

The National Special Districts Coalition (NSDC) – comprised of state special districts associations in California, Colorado, Florida, Oregon and Utah – along with 126 national, state, nonprofit and private business organizations – including the Family Farm Alliance – last month formally expressed support of the *Special Districts Provide Essential Services Act* (S.91/H.R.535). In a letter to House and Senate leadership, these organizations, who are the voice of more than 30,000 special districts across the country, urged Congress to include the needs of special districts in future COVID-19 relief aid legislation. Special districts – like irrigation and water districts - are independent local governments that provide critical infrastructure and essential services. S.91 / H.R. 535 would provide these districts certain access to future Coronavirus relief funding. Even as the anticipated fiscal impact of the pandemic on special districts tops \$30.5 billion nationwide, many districts have not been able to access federal assistance to help their communities respond to and recover from the spread of the virus. The legislation would allocate critically needed financial relief to special districts that have experienced unforeseen expenditures, decreases in revenue, or both, as a result of the COVID-19 health crisis.

10. Congress Gears Up to Move Infrastructure Package

Democrat leaders in Congress have responded to President Joe Biden's plea last month for Congress to move quickly on a large infrastructure improvement plan. President Biden leveraged his observations from an earlier two-hour call with Chinese President Xi Jinping. "If we don't get moving, they're going to eat our lunch," he told reporters. China plans to invest billions of dollars in rail projects, automobile manufacturing and environmental improvements.

Committees in both house of the Democrat-led Congress last week initiated hearings that were seen by many as the official start of the legislative process required to pass a massive infrastructure stimulus package by July Fourth. Top House Democrats are also preparing to tee up an overhauled version of congressional earmarks, a legislative tool that was banned in 2011 due to claims that it led to wasteful spending. The work could start quickly, with infrastructure and spending bills as prime vehicles.

Bloomberg News reports that House Appropriations Committee Chair Rosa DeLauro (D-Conn.) will be releasing details of what the next generation of earmarks will look like "in coming weeks". Sen. Patrick Leahy (D-Vt.), chair of the Senate appropriations panel, is also preparing for a return to earmarks. Earmarks are seen by some as a way that contributes to bipartisan compromise. For President Joe Biden, getting member buy-in through earmarked funds could smooth the ability to pass a massive infrastructure package, *Bloomberg* opines. The Freedom Caucus and the Republican Study Committee both recently released statements in opposition to a revived use of earmarks.

a. House T&I Subcommittee Debates Price Tag

The House Transportation and Infrastructure (T&I) Subcommittee on Water Resources and Environment held a hearing last week to study the need for water infrastructure upgrades, from wastewater and drinking water facilities to pipes and other equipment. The Subcommittee probed both legislative and funding solutions, including the use of existing tools within federal agencies, in dealing with the current state of clean water systems, the backlog of water infrastructure major maintenance and replacement needs, and the challenges many cash-strapped communities are facing when paying for such upgrades. The infrastructure package price tag was a point of contention between committee Democrats and Republicans. Much of the discussion centered on provisions in last Congress' H.R. 2, the *Moving Forward Act*. That \$1.5 trillion bill from Chairman Peter DeFazio passed the House last year but stalled in the Republican-led Senate. Included in that overarching infrastructure bill were provisions from H.R. 1497, the *Water Quality Protection and Job Creation Act of 2019*, which Rep. Napolitano co-sponsored with more than 50 House members, including Chairman DeFazio.

b. Senate Committee Hearing on “Build Back Better”

The Senate Environment and Public Works (EPW) Committee last week held a hearing on the "Build Back Better" COVID recovery initiative, President Biden's broad outline for infrastructure, clean energy, COVID recovery and economic stimulus. Republican and Democrat Senators said during the hearing they're hoping to craft a bipartisan bill that invests in aging transportation infrastructure and expands the nation's electric vehicle infrastructure. EPW Committee Chair Tom Carper (D-Del.) earlier in the month said he plans to pass two major infrastructure bills out of his committee by Memorial Day. On the surface transportation bill specifically, Carper said his goal is to "beat the record" for moving it through committee. In addition, Senator Carper said the committee would focus on water infrastructure legislation and intends to advance a version of the Water Resources Development Act by the end of May.

Any transportation infrastructure bill that comes out of these efforts may turn into a legislative vehicle to move a broader infrastructure package and could attract bipartisan support in the current highly partisan political atmosphere in Washington. Senator Carper, EPW Committee Ranking Member Shelley Moore Capito (R-WV) and President Biden have advocated a bipartisan approach. However, others, including Vermont Democrat Senator Bernie Sanders has advocated that infrastructure and climate policies could be folded into a second budget reconciliation bill, which would allow Democrats to bypass filibusters by Senate Republicans with a simple majority vote. Chairman Tom Carper (D-Del.) has similarly downplayed talk of moving infrastructure through reconciliation.

c. Valadao Introduces WIIN Act Extension Legislation

Representative David G. Valadao (R-CALIFORNIA) last month introduced the *Responsible, No-Cost Extension of Western Water Infrastructure Improvements*, or RENEW WIIN, Act, a clean extension of operations and storage provisions of the WIIN Act (P.L. 114-322). The RENEW WIIN Act would extend the general and operations provisions of Subtitle J of the WIIN Act and extend the provision requiring consultation on coordinated operations of the Central Valley Project and State Water Project in California. The legislation would also extend the authorization of appropriations for water storage projects that the Secretary of the Interior finds feasible. The RENEW WIIN Act is supported by the entire Republican delegation of California, and some of California's largest water organizations, including the Fresno Irrigation District, Friant Water Authority, Westlands Water District, and San Luis & Delta-Mendota Water Authority.

d. Family Farm Alliance Efforts

As reported in the January 2021 “Monthly Briefing”, over 200 urban and rural water districts urged President-elect Joe Biden and congressional leadership last month to address aging Western water infrastructure in any potential infrastructure or economic recovery package. The effort was spearheaded by the Family Farm Alliance, ACWA, California Farm Bureau, National Water Resources Association and Western Growers Association. In separate letters to President-elect

Biden and congressional leaders, the coalition said existing Western water infrastructure is in desperate need of rehabilitation and improvement. Most of the federal water projects in the West were built more than 50 years ago and were not designed with the present and future population demands and climate conditions in mind. The coalition is working with stakeholders from several Western states and Western Congressional offices to encourage federal investment in a diversified water management portfolio that enhances water supply and quality for urban and environmental uses while keeping water flowing to Western farms.

11. House Democrats Fast-Track Public Lands Package

House Democrats with support from President Biden last week quickly passed legislation along partisan lines that would permanently protect public lands and waters in Colorado, California, and Washington by designating approximately 1.5 million acres of wilderness and incorporating more than 1,000 river miles into the National Wild and Scenic Rivers System. H.R. 803, the *Protecting America's Wilderness and Public Lands Act* also contains provisions to create and maintain additional recreational access by authorizing new trails, services, and facilities.

House Republicans strenuously protested the bill and the process used to advance it. They claim that if H.R. 803 had gone through regular order, it would have come before the Committee on Natural Resources for hearings and a markup. House Democrats, they say, bypassed this procedure and sent the legislation straight to the Committee on Rules. During a hearing before the Rules Committee last week, House Democrats struck down every Republican outdoor recreation and wildfire amendment, including one offered by Rep. Russ Fulcher (R-IDAHO) and others that would have prevented agency secretaries from superseding water law or water rights that individual states have already established. The western states are governed by a senior water rights doctrine usually determined by a state water engineer or board. Rep. Bruce Westerman, Ranking Member of the House Committee on Natural Resources, led Republicans on the House floor in opposing H.R. 803 last Thursday evening. The House on Friday passed H.R. 803 largely along party lines, 227-200.

12. Wild and Scenic and Conservation Corps Legislation

Several bills aimed at protecting Western land and waters have also been introduced in the Senate, including a bill authored by Oregon Democrats Ron Wyden and Jeff Merkley that would add nearly 4,700 miles of rivers and streams in Oregon to the national Wild and Scenic Rivers system – the largest Wild and Scenic Rivers effort in the nation's history. Sen. Wyden and Rep. Joe Neguse (D-CO) have also reintroduced the "21st Century Civilian Conservation Corps Act," modeled after the initiative of the same name in the Roosevelt Administration's "New Deal" era that provided employment and job training to 3 million out-of-work Americans between 1933 and 1942. The companion bills would establish a \$9 billion account to hire and train individuals for jobs in the outdoors planting trees, constructing trails, controlling invasive species, restoring wetlands, and building parks. The bills authors have said these new jobs are needed for rural and tribal areas to fully recover from the COVID pandemic while supporting the restoration of public lands and

forests across the country. Along the same lines, President Biden recently signed an executive order that called for the Interior and Agriculture Departments to develop the logistics for the creation of a "climate conservation corps" with objectives that also match up with the newly reintroduced legislation.

13. Snake River Dam Removal

Rep. Mike Simpson (R-ID) has proposed a sweeping \$33.5 billion plan to save the Pacific Northwest's salmon that includes breaching four Army Corps of Engineers' dams on the Lower Snake River in Eastern Washington State. The proposal also offers a framework that would remake the region's energy system and replace power production and barging lost from the breached dams. Rep. Simpson plans to draft legislation to include in President Biden's infrastructure stimulus package planned for later this year. The regions' stakeholders, and even the Congressman, say the entire proposal will be a heavy lift politically. The Idaho Grain Producers and Idaho Farm Bureau Federation have already expressed full-throated opposition.

Much of the media coverage to date has implied widespread support for the proposal, particularly from tribes, fishing and environmental groups, and some Northwest governors. However, the story on the ground may be a different one. Four Pacific Northwest Republican House members introduced a resolution to reaffirm the country's support for hydropower. Rep. Cathy McMorris Rodgers opposes removing the dams. And she was joined last month in a resolution of support for existing and new hydropower by Republican Reps. Dan Newhouse and Jaime Herrera Beutler in Washington state and Russ Fulcher in Idaho. Northwest RiverPartners (NWRP), a not-for-profit, member-driven organization representing community utilities, farmers, ports, and businesses across the region, issued a balanced but firm public statement on Rep. Simpson's proposal. NWRP believes the case for breaching to save salmon lacks scientific rigor. In addition, they point to a growing body of science suggests warming, acidifying oceans are the driving factor behind worldwide declines in marine fish populations, including salmon. NWRP does believe Rep. Simpson's plan has the best of intentions and deserves to be vetted among Northwest stakeholder groups.

ALLIANCE INITIATIVES

14. 2021 Family Farm Alliance "Virtual" Annual Conference

Our first (and hopefully, last) virtual annual conference was held February 18 and 19. Throughout the two days, audience participating hovered between 150 and 200. The reaction from participants was very positive and encouraging, but honestly, I think everyone wishes we could have met in person in Reno. The silver lining of having a virtual event is that we were able to get participating from four Members of Congress, which was a first for us. If you didn't have a chance to participate, we have made recordings of the event available. Links to each day's events, along with the agenda and associated time stamps are provided below.

[Session Link for February 18 \(Day 1\)](#)

0:00:10	Welcome – Alliance President Pat O’Toole
0:15:00	U.S. Senator Michael Bennet (D-CO)
0:21:50	Q&A moderated by Alliance Executive Director Dan Keppen
0:49:40	Reclamation Roundtable
0:52:22	Opening Remarks of Interior Deputy Commissioner Camille Touton
0:59:45	Regional Director Roundtable Discussion
1:57:00	Q&A moderated by Dan Keppen
2:12:58	U.S. Representative Dan Newhouse (R-WA)
2:24:00	U.S. Representative Jim Costa (D-CA)
2:37:16	Q&A moderated by Dan Keppen
2:46:45	Washington, D.C. Roundtable
3:32:35	Past Commissioner of Reclamation, Brenda Burman

[Session Link for February 19 \(Day 2\)](#)

0:00:00	Welcome - Pat O’Toole
0:14:00	Food and Agriculture Climate Alliance(FACA) Panel
1:30:27	The 2020 Western Wildfire Season: How did we get here, what have we learned, and how do we prepare for 2021?
1:36:55	CA State Senator Brian Dahle (R- Lassen County)
3:05:30	Pat O’Toole introduction
3:14:05	U.S. Senator John Barrasso (R-WY)
3:19:50	Pat O’Toole introduction
3:25:00	Principal Deputy Assistant Secretary Tanya Trujillo, U.S. Department of Interior
3:41:15	Q&A moderated by Dan Keppen
3:51:00	Closing remarks - Pat O’Toole

This is a quick summary of just a few of the issues the Alliance has been engaged in. Please do not hesitate to contact me at dan@familyfarmalliance.org if you would like further information about what the Alliance is doing to protect water for Western irrigated agriculture.