



MEMORANDUM

TO: SAN LUIS & DELTA-MENDOTA WATER AUTHORITY DIRECTORS
FROM: SAMANTHA BARNCastle, EXECUTIVE DIRECTOR
SUBJECT: UPDATE REPORT
DATE: JANUARY 6, 2026

This memo is intended to keep you apprised as to what is happening regarding policy issues the Family Farm Alliance (Alliance) is engaged in. This month's report covers many of the issues I've tracked over the last month, the Alliance engagement in those matters, and upcoming deadlines and other things to keep an eye on. The month of December 2025 went fast, and it carried no shortage of work. Congress was back and on fire, and so were the agencies. We covered a lot of ground, so let's dive in with the update:

GOVERNMENT SHUTDOWN – AGAIN?

Looking ahead into 2026, federal workforce and agency actions will remain a key area of focus, with several developments likely to impact how Washington functions and how federal programs that affect agriculture and water are implemented. Congress is returning to Washington this week with a crowded agenda and limited time to avoid a government shutdown after January 30, when the current continuing resolution (CR) funding the government is set to expire. Congress must complete funding for the remaining agencies before the January 30 deadline to avoid another shutdown, and ongoing debates over federal workforce reductions and civil-service restructuring (including changes to hiring, layoff authorities, and employee protections) could shape agency capacity across natural-resource, environmental, and infrastructure programs. Additionally, expected agency reorganizations and a slate of court battles over administrative actions will influence how federal partners support water management, permitting, and rural priorities in the year ahead. Lawmakers must finish nine remaining FY 2026 spending bills while also tackling major policy fights that could shape the midterm elections, particularly around energy, infrastructure, and rising electricity costs.

While Senate and House Appropriations leaders have reached an agreement on overall spending totals, significant obstacles remain, particularly pressure from House fiscal hard-liners to hold

spending at or below prior-year levels. These internal GOP divisions could slow or derail progress, even as leadership in both chambers publicly commits to completing full-year appropriations rather than relying on another stopgap. Complicating matters further, bipartisan negotiations on the substance of the remaining bills have barely begun, leaving limited time for consensus as Congress returns from the holiday recess.

Key priorities include reviving stalled negotiations on permitting reform, debating the contents of a new highway bill, advancing biennial water infrastructure legislation, and attempting to pass a long-delayed farm bill. At the same time, Republicans are weighing whether to pursue another party-line reconciliation package, largely focused on health care, while Democrats are demanding briefings on U.S. military strikes in Venezuela and raising concerns about the Trump Administration's energy and environmental actions. Disputes over offshore wind, renewable energy policy, federal research funding, and disaster programs are complicating bipartisan efforts, even as Congress traditionally moves forward on items like the Water Resources Development Act (WRDA). With deadlines looming and partisan tensions high, the coming weeks will test whether lawmakers can avoid a shutdown and make progress on long-standing legislative goals. Another shutdown or prolonged funding patch would disrupt federal agency operations critical to agriculture, water management, and rural programs, making the next several weeks a period of heightened uncertainty.

TRUMP 47 ADMINISTRATION

1. Administration appointments & staffing

a. Interior lifts hiring freeze with Limitations

The Interior Department has lifted a seven-month personnel freeze imposed earlier this year under the Trump Administration that had halted most hiring, promotions, reassignments and transfers across the agency. The freeze was implemented as Interior prepared for potential layoffs and workforce reductions tied to broader efforts to shrink the federal government, including buyouts, early retirements and proposed reductions in force. While the change allows personnel actions to resume, significant hiring limits remain in place, including a requirement to cut four positions for every new hire. Officials and park advocates say the move may provide some relief to understaffed agencies like the National Park Service, which has lost more than a quarter of its permanent workforce this year, but budget constraints and ongoing restrictions are expected to limit any major rebound in hiring.

b. Tim Petty, others confirmed by Senate

The Senate confirmed a new slate of Trump Administration nominees, including key leadership positions at EPA and NOAA, using expedited procedures that allowed for mass confirmations along party lines. At EPA, lawmakers approved Jeffrey Hall to lead the enforcement office and Douglas Troutman to head the chemicals office, both of whom advanced through the Environment and Public Works Committee on party-line votes. The Senate also confirmed Dr. Timothy Petty as NOAA Assistant Secretary for Oceans and Atmosphere, with oversight over NOAA fisheries

service. Petty brings prior executive and congressional experience and received bipartisan support. Former Congresswoman from New Mexico, Yvette Herrell was also confirmed to a key post as Assistant Secretary for Agriculture for Congressional Affairs. The confirmations mark continued progress on filling senior environmental agency posts, while other nominees, including leadership picks for the Bureau of Land Management, remain pending.

c. Karen Budd-Falen in the news

In other news, a top lawyer in the Department of Interior made the news in early January. The *New York Times* reports that a senior Interior Department official, Associate Deputy Secretary Karen Budd-Falen, failed to disclose her husband's \$3.5 million water-rights contract with the developers of the controversial Thacker Pass lithium mine in Nevada, raising ethical and transparency concerns about potential conflicts of interest in the project's federal approval. The water rights deal directly relates to the lithium mine—a major mining project fast-tracked under recent federal policy—and critics say the lack of disclosure undermines confidence in Interior's decision-making around water and resource projects. Budd-Falen is among those leading Interior's charge to revamp environmental laws, she has a robust background including representing producers on issues related to Endangered Species Act.

2. Administration's Expedited Permitting Agenda Moves Forward

a. Waters of the US (WOTUS)

First, please meet [Web WIMP](#). This is the fun tool we'll be working with as *Waters of the United States* (WOTUS) moves forward. In late November, the U.S. Environmental Protection Agency (EPA) and the U.S. Department of the Army announced a new proposed rule to revise and clarify the definition of "waters of the United States" (WOTUS). This proposal is intended to fully implement the U.S. Supreme Court's decision in *Sackett v. EPA* and establish what the agencies call a "clear and durable" framework. The proposal had a 45-day public comment period, which ended January 5, 2026. The Alliance provided comments regarding the rule, as well as a form document for use by its members in commenting. Many members submitted their own comments in support of the Alliance comments – huge thank you to everyone who participated! In terms of substance in the rule, one thing to know is that the concept of a 'wet season' and the Web WIMP tool will be used to determine jurisdiction, so you should become familiar with it. I encourage everyone to open the tool and look at your local area – does it match your well-known perspective on jurisdiction? Also, please take a look closer at the Alliance comments and get to know the 'wet season' concept closer. I anticipate that the rule will move forward quickly and the rubber will meet the road on implementation soon after.

Meanwhile, as federal clean-water protections continue to align with updated Supreme Court Clean Water Act interpretations — leaving many streams and wetlands outside of the federal jurisdiction — Colorado water regulators have moved to "fill the gap", becoming one of the first states to approve comprehensive state rules designed to safeguard thousands of miles of streams and extensive wetlands across the state. Colorado's Water Quality Control Commission has adopted historic state-level rules to protect thousands of miles of streams and wetlands that lost federal Clean Water Act safeguards after the U.S. Supreme Court's *Sackett v. EPA* ruling, which

narrowed federal jurisdiction to waters with a continuous surface connection to navigable waters. The new state permitting framework requires dredge-and-fill permits for activities affecting these waters, and includes exemptions to balance the needs of farmers, water providers, and other users, demonstrating how states are now stepping up to protect critical water resources in the absence of robust federal oversight. The rules seek to clarify when wetlands near irrigation ditches and canals are regulated—an important clarification for agricultural water users navigating changing regulatory terrain.

The Alliance's comments on the EPA/Army Corps WOTUS rulemaking emphasize that wetlands must be adjacent and connected to be considered jurisdictional under *Sackett*, and underscores the need for clear, predictable definitions to avoid unintended impacts on farmers, water delivery systems, and irrigation infrastructure. In the wake of the current WOTUS rulemaking effort, I expect to see more states to follow Colorado's lead, including New Mexico who is already underway with such rulemaking.

b. ESA Rulemaking

In December, the Alliance submitted formal comments on four separate rulemaking dockets, in support of the proposed overhaul of Endangered Species Act (ESA) regulations via four proposed rules that collectively roll back the Biden-era ESA framework and reinstate key elements of the 2019–2020 rules. The Alliance has shared these comments widely, however, if you wish to receive a copy, please contact samantha@familyfarmalliance.org. We will continue to monitor changes to ESA as this Congress moves forward – see also section 12 below.

3. DOI Secretarial Order

As reported last month, DOI Secretary Doug Burgum has issued Secretarial Order 3446 (SO), a policy shift giving local irrigation districts and other Reclamation contractors greater authority in managing aspects of federally funded water and power projects. On December 19, the Bureau of Reclamation held a Webinar in which it discussed its implementation approach, screening processes for allowing stakeholders to take on further aspects of projects, input processes (reciprocal and iterative feedback between the public and Reclamation), scope parts of the remainder of the SO and outline timelines for moving forward. The focus of this webinar was on sections 5, 6, and 9 of the SO, and they introduced a new webpage www.usbr.gov/SO3446 as well as a new email address where questions can be emailed going forward SO3446@usbr.gov. An additional webinar will be held in January, and more information will be provided as soon as we have it – please plan to attend and help gather as much information as possible, it will be up to us, the boots on the ground, to shape this new agency culture in a way that serves us and our goals.

4. DOI, Bureau of Reclamation: Agency Realignment and Efficiency

Our Reclamation agency realignment initiative is advancing following the much-anticipated new Secretarial Order. As a recap, to operationalize this work, three targeted workgroups have been formed, supported by a Steering Committee to ensure coordination with Reclamation leadership. The groups have focused on clarifying federal vs. non-federal roles under the National Environmental Policy Act (NEPA), broadening opportunities for local implementation of

operations and maintenance, and cutting unnecessary oversight delays. The work groups include 1) NEPA, 2) Procurement & Operations/Maintenance & Replacement (OM&R), and 3) Multiple Reviews. The NEPA Workgroup has had multiple meetings with Reclamation. Reclamation agreed to work with us to draft a “short” NEPA guidance document that includes tools and could be used to inform NEPA implementation webinars for both Reclamation staff and non-Federal stakeholders. The initial draft of that document has been provided to the workgroup, and feedback was provided back to Reclamation. We now have a new meeting date upcoming to discuss the document as a group. The OM&R and Multiple Reviews groups are working internally to create deliverables to provide to Reclamation for review, and that process remains ongoing.

5. USDA Reorganization

USDA plans to complete a major departmental reorganization by the end of 2026 that would relocate more than 2,000 Washington, D.C.-based employees to five regional hubs (Raleigh, Kansas City, Indianapolis, Fort Collins, and Salt Lake City), significantly reducing the department’s footprint in the national capital region. Deputy Secretary Stephen Vaden has indicated the reorganization is already underway, and recent reporting suggests it may also include relocating the Forest Service’s headquarters staff to Salt Lake City—an idea that surprised agency employees and has reignited debate following the disruptive first-term relocation and reversal of the Bureau of Land Management headquarters. USDA argues the shift would strengthen its Western presence and improve responsiveness to land-management needs, while critics warn it could further thin senior leadership, accelerate staff departures, and complicate congressional engagement at a time when the agency is already stretched. At the same time, newly enacted agriculture appropriations language could slow or constrain USDA’s plans by requiring congressional approval for office closures, relocations, and reorganizations, while directing new funding to rebuild staffing at Farm Service Agency county offices. How these competing forces—administrative restructuring and heightened congressional oversight—are resolved will have important implications for USDA capacity and service delivery to producers nationwide.

6. Speaking of USDA – NRCS has a new program!

USDA’s Natural Resources Conservation Service (NRCS) has launched a new Regenerative Pilot Program to help lower farmers’ production costs and promote whole-farm conservation planning under the *Make America Healthy Again* (MAHA) agenda. The pilot combines \$700 million in funding—\$400 million through EQIP and \$300 million through CSP—to support voluntary regenerative practices that improve soil health, water management, and overall land stewardship in a streamlined, outcomes-based framework that allows producers to bundle practices into a single application. The program is open to farmers and ranchers of all experience levels, and NRCS will also establish a Chief’s Regenerative Agriculture Advisory Council to ensure producer-led, practical implementation. Producers interested in participating should contact their local NRCS Service Center to apply, using the new single application process for both EQIP and CSP regenerative projects, and submit by their state’s ranking dates for FY2026 funding; a January 15 national batching deadline has been announced for major NRCS programs including this pilot. For more details and to start the process, farmers can visit their local NRCS office or the NRCS regenerative pilot page here: <https://www.nrcs.usda.gov/programs-initiatives/regenerative-agriculture-pilot-program>.

7. Trump Management Plan Shrinks Government, Curbs ‘Woke’ Programs

A new White House Office of Management and Budget (OMB) memo laying out President Trump’s Management Agenda directs agencies to cut jobs and office space, consolidate procurement, streamline data collection, and expand automation and AI to improve efficiency. The agenda also ties management goals to ideological priorities, including ending DEI programs, boosting hiring for border and immigration enforcement, and increasing political control over grant-making and personnel decisions.

8. Trump vetoes *Finish the Arkansas Valley Conduit Act* (H.R. 131 Boebert)

President Trump used the first veto of his second term to reject the *Finish the Arkansas Valley Conduit Act*, an otherwise non-controversial, bipartisan bill passed by both chambers by voice vote before landing on his desk. The bill would have eased federal financing and repayment terms for the long-planned Arkansas Valley Conduit—a Bureau of Reclamation pipeline project designed to deliver clean, reliable drinking water to ~50,000 residents in 39 rural southeastern Colorado communities. Trump justified the veto by citing concerns about federal taxpayer exposure and project costs, while Colorado lawmakers criticized the move as harmful to rural water access and potentially politically motivated. Although ongoing construction is funded for existing segments, the veto complicates future financing and could delay completion unless Congress overrides the veto or alternative funding is secured, underscoring persistent federal-state tensions over rural water infrastructure support. Pressure for a Congressional override has begun. This Executive veto action could have major implications for other blue states, such as California and New Mexico, as more, specific projects move through Congress.

DEVELOPMENTS IN THE 119TH CONGRESS

9. Top line agreement on FY 2026 spending levels

House and Senate Republican appropriators have reached an agreement on overall funding levels for the nine appropriations bills that must be enacted before the January 30 shutdown deadline, clearing the way for formal House–Senate negotiations. The deal between House Appropriations Chair Tom Cole (R-OK) and Senate Appropriations Chair Susan Collins (R-ME) sets topline numbers that are below current stopgap spending levels and align with President Trump’s push to curb federal spending. With funding totals now set, lawmakers will have roughly four weeks in January to negotiate bill details and avert a government shutdown, even as Senate leaders separately pursue passage of a partial spending package.

10. Congress Kicks the Farm Bill Can Down the Road for Another Year

Congress has again postponed enactment of a full new farm bill, pushing serious negotiations into January 2026 as lawmakers work toward the January 30 spending deadline. House Agriculture Chair G.T. Thompson aims to schedule committee action early in the year but acknowledged it may be too complex to attach a comprehensive farm bill to must-pass funding legislation, meaning it could be a stripped-down package or piecemeal approach rather than a traditional five-year farm bill. The 2018 farm bill has been extended again through September 30, 2026, as part of the federal funding package, avoiding expiration of key programs but leaving producers in a third year without

long-term policy certainty. House and Senate leaders are already signaling disagreements over priorities—such as hemp policy, Proposition 12, SNAP and nutrition titles, and other contentious issues—which may complicate bipartisan consensus. Meanwhile, the Trump administration has announced a \$12 billion “Farmer Bridge” aid program to provide near-term relief to producers affected by market disruptions and high costs, but industry groups argue these payments are not a substitute for comprehensive farm bill reauthorization.

11. Congress on permitting reform discussions more generally

Top Senate Democrats have halted negotiations on federal permitting reform after the Trump administration abruptly canceled five offshore wind projects—moves that Democrats say violate existing law and undermine trust needed to reach bipartisan agreement. Senate Environment and Energy Democrats, including Sheldon Whitehouse and Martin Heinrich, said there’s “no path to permitting reform” unless the administration reverses the cancellations and follows the law. The stoppage comes after the House passed a bill to speed up energy project reviews with bipartisan support, and Republicans such as Speaker Mike Johnson and Rep. Jen Kiggans backed one of the affected Virginia offshore wind projects. Critics on both sides warn that the pause complicates efforts to streamline permitting processes for energy and infrastructure projects nationwide.

Recent congressional efforts to reform the federal permitting process have hit a new roadblock: Senate Energy and Natural Resources Committee Chair Senator Mike Lee (R-Utah) publicly suggested using changes to Senate filibuster rules to force permitting legislation through without the traditional 60-vote threshold, after Democrats stepped back from negotiations in response to the offshore wind project cancellations. Lee’s comments underscore growing partisan frustration and signal a possible shift away from bipartisan compromise toward procedural tactics to advance permitting changes; however, there is little support among Senate leadership to actually eliminate or overhaul filibuster rules, making this a high-stakes but uncertain strategy. This development adds complexity to longstanding permitting reform discussions that have significant implications for infrastructure and energy project timelines—an issue the Alliance continues to monitor given its impact on water, power, and public lands development nationwide.

12. ESA Amendments Act

The House Natural Resources Committee moved forward with a markup of H.R. 1897, the *ESA Amendments Act of 2025*, sponsored by Chair Bruce Westerman, which proposes significant reforms to the Endangered Species Act (ESA) aimed at restoring its original focus on species recovery while reducing litigation-driven outcomes. Key provisions would require economic and national security analyses for listing and critical habitat decisions, narrow and clarify the “jeopardy” standard, prioritize resources for species most in need, incentivize private landowner conservation, increase transparency and accountability in recovery planning, and streamline permitting to reduce delays that affect working lands and development. Many agriculture groups strongly support these reforms as long-overdue updates to an ESA framework that has disproportionately burdened ranchers and other landowners, even as Democrats argue the bill weakens the law. The bill was reported out of committee on December 17 by a vote of 25–16.

13. SPEED Act to Speed up NEPA reviews

House Republicans moved forward with the Standardizing Permitting and Expediting Economic Development (SPEED) Act (H.R. 4776), the House's main vehicle for modernizing the National Environmental Policy Act (NEPA), despite brief internal divisions that complicated its path. The bipartisan bill, led by Natural Resources Chair Bruce Westerman and Rep. Jared Golden, would establish firm timelines for environmental reviews, narrow analyses to impacts directly tied to a project, limit agencies' ability to revoke permits after approval, and sharply reduce litigation delays by shortening the window to file NEPA lawsuits. Supporters argue these reforms are essential to cut costs and delays for infrastructure projects critical to agriculture, water delivery, energy, and forest management.

Progress has been slowed by late-stage changes added to appease offshore wind opponents, which prompted at least one major clean energy trade group to withdraw support, even as other industry groups remain supportive. Conservatives argue the bill does not go far enough to unwind regulatory barriers for traditional energy and water infrastructure, while Democrats seek stronger permit certainty and safeguards to accelerate renewables and transmission. Although the House ultimately passed the SPEED Act, its prospects in the Senate remain uncertain, and broader permitting negotiations there are stalled. The outcome will significantly affect the timeline and certainty for water, irrigation, and land management projects important to agricultural producers and rural communities.

14. WIFIA Amendments reintroduced

A bipartisan water infrastructure bill aims to boost drought resilience in the West. The bill, which are amendments to Water Infrastructure Finance and Innovation Act (WIFIA), would expand access to financing and technical assistance—particularly for rural areas—enabling more long-term water supply and irrigation projects. Rep. Dan Newhouse (R-WASHINGTON) highlighted the bill as a major step toward helping local water managers maintain systems and secure reliable water for communities and agriculture. At the national level, EPA announced \$7 billion in new WIFIA funding, including \$6.5 billion for water systems and \$550 million for states, alongside five newly approved low-interest loans for major water projects in Texas, Illinois, Oregon, and Florida. Responding to concerns about slowed loan closings, EPA emphasized that the expanded financing will modernize aging infrastructure, support water reuse and resilience, and create jobs. WIFIA remains popular in Congress because small federal appropriations leverage large amounts of low-cost financing, with utilities benefiting from long-term loans that can cover nearly half of major project costs. The Alliance led a coalition of 30 entities West-wide (but mostly from CA) in support of this initiative and submitted that letter of support in December.

15. ePermit Act (H.R. 4503)

The ePermit Act (H.R. 4503) is bipartisan legislation that would modernize and digitize the federal permitting process by establishing unified data standards, a shared interagency digital portal, and cloud-based tools to streamline environmental reviews and permit authorizations across agencies—making project timelines more transparent and efficient for applicants and the public. The House passed the bill on December 9, 2025, and it has been received in the Senate and referred

to the Environment and Public Works Committee; if enacted, it would help reduce duplicative paperwork and delays that currently slow infrastructure and water-related projects.

16. Wildfire bills

In December, the Senate Energy and Natural Resources Committee, chaired by Sen. Mike Lee, scheduled a mark-up of a wide-ranging package of 15 public lands, conservation, and wildfire bills this week, marking its first legislative markup since September and reflecting renewed congressional focus on wildfire mitigation, land management, and cross-boundary conservation. Among the measures are bipartisan wildfire bills to expand prescribed fire and improve cross-ownership wildfire mitigation, as well as several Western land and water measures, including legislation affecting the Lower Colorado River Multi-Species Conservation Program and protections for private water rights—issues with direct implications for irrigated agriculture and rural communities.

The House Natural Resources Water, Wildlife and Fisheries Subcommittee will hold a hearing this week on how worsening wildfires are threatening both critical watersheds and the reliability of the nation's electric infrastructure and fresh water supplies. The discussion will focus on forest management strategies, particularly efforts to increase forest thinning and vegetation removal near utility rights of way and key water sources. Lawmakers will examine provisions of the bipartisan House passed *Fix Our Forests Act*, which aims to speed approval of forest management projects by easing certain environmental reviews. Supporters argue the bill would better protect drinking water supplies and reduce wildfire risks to power lines by expanding hazard tree removal and accelerating U.S. Forest Service and Bureau of Land Management approvals.

While Republicans on the subcommittee emphasize regulatory barriers and limits on timber harvesting as drivers of the wildfire crisis, Democrats and federal land managers point to climate change, drought, and fuel buildup as compounding factors. Despite disagreements over causes, there is broad consensus that wildfires pose growing risks to federal forest watersheds, which supply water to roughly 180 million Americans and to electric infrastructure needed to meet increasing demand for energy. The Alliance continues to elevate the connection between forest management and water reliability, with Alliance Board Member Ea'mon O'Toole scheduled to testify this week before the House Natural Resources Subcommittee on Water, Wildlife, and Parks on the impacts of catastrophic wildfire on Western irrigators and the need for proactive forest and watershed management.

17. PFAS - House E&C Subcommittee Hearing to Discuss PFAS Liability

A House Energy and Commerce Environment Subcommittee held a hearing to examine Superfund liability concerns related to two PFAS chemicals, focusing on whether so-called “passive receivers” should be protected from paying for cleanup of the chemicals. The debate stems from a Biden-era rule designating PFOS and PFOA as hazardous substances under Superfund, which empowers EPA to pursue polluters but also exposes entities that do not manufacture or intentionally use PFAS to potential liability. Lawmakers from both parties are weighing legislative options to shield groups such as water utilities, landfills, farmers and airports, as only Congress can create such exemptions. The hearing continues ongoing bipartisan discussions in both

chambers, including proposals to extend “innocent landowner” protections or provide targeted liability relief for certain water treatment systems. Related: A bipartisan group of lawmakers has reintroduced the *Relief for Farmers Affected by PFAS Act*, which would provide federal grants to states to help farmers address production losses, remediation, testing, and potential relocation costs tied to PFAS (“forever chemical”) contamination. The bill reflects growing concern that farmers are bearing the consequences of contamination through no fault of their own, even as federal PFAS policy remains unsettled and prior USDA assistance funding has been cut. The Alliance continues to monitor this issue, especially with the attack media reports recently focused on farmers and application of chemicals to water, land, and crops.

18. House passes NDAA – Senate Consideration Forthcoming

The House passed the bipartisan fiscal 2026 National Defense Authorization Act (NDAA) on a 312–112 vote after GOP leaders overcame internal resistance, sending the bill to the Senate where passage is expected soon. The compromise measure includes numerous energy and environmental provisions, such as boosting the Pentagon’s use of advanced nuclear energy, addressing critical minerals and batteries, and accelerating environmental cleanup of PFAS, while cutting more than \$1 billion in Defense Department climate-related programs. The bill drew support from both parties but faced opposition from some conservatives and progressives over foreign aid and climate change issues. Despite objections, House leaders and the Trump White House backed the measure, arguing it strengthens national defense and trims wasteful spending.

19. PERMIT Act

The House passed the PERMIT Act on December 11 by a 221–205 vote, advancing a Republican-led package of more than a dozen changes to the Clean Water Act aimed at speeding up permitting and limiting litigation. Supporters argue the bill provides regulatory certainty needed to build and maintain infrastructure—including farms, irrigation works, dams, levees, roads, and energy projects—by narrowing Clean Water Act jurisdiction, setting firm deadlines for legal challenges, codifying streamlined Army Corps nationwide permits, and curbing EPA and state authority to block projects on water quality grounds. Most Democrats opposed the bill, framing it as a threat to water quality and affordability that could shift pollution cleanup costs onto communities, tribes, and rural areas. Six Democrats joined Republicans in support, while one Republican voted no. With House passage complete, the bill now heads to the Senate, where its prospects remain uncertain given strong Democratic opposition and ongoing debates over the scope of Clean Water Act reform.

20. Environmental tactic known as ‘Sue and settle’ under fire in the House

The House Natural Resources Subcommittee on Oversight and Investigations held a hearing on alleged abuse of the Equal Access to Justice Act, where NCBA past president Todd Wilkinson testified that environmental groups are exploiting EAJA through “sue-and-settle” litigation to drive policy changes and collect taxpayer-funded legal fees. NCBA urged Congress to reform EAJA by restoring reporting requirements, extending financial limits to nonprofits, and capping legal fees to curb frivolous lawsuits that increase regulatory costs and burden producers. While the practice of ‘sue and settle’ is not directly aimed at irrigated agriculture, in 2013, the U.S. Chamber of

Commerce found that 71 sue-and-settle cases resulted in more than 100 new regulations and more than \$100 million in new annual compliance costs for federal agencies. Settlements often result in direct impacts to working lands in the form of environmental regulation, without the direct involvement of those who work the land.

ALLIANCE INITIATIVES

21. **Agriculture Hit Pieces from the past month – it never cease to surprise me how many there are!**

a. The UCLA/NRDC report was a focal point for about a week

This past month has seen a *wave of media coverage* that places a spotlight on water pricing and scarcity in ways that, intentionally or not, cast irrigated agriculture in a negative or misleading light. A recent *CalMatters* report has made headlines arguing that urban water users pay far more for water than agricultural districts in California, Arizona, and Nevada — sometimes by orders of magnitude — implying that farmers receive “cheap” or “free” water compared with cities. The underlying data simply reflect complex historical contracts and infrastructure costs, not wasteful or unfair usage by producers, yet many outlets frame it as evidence that agriculture is a drain on scarce water supplies.

Similarly, an *InsideClimateNews* piece on the Colorado River asserts that water is “too cheap,” especially for agricultural users, and suggests that inexpensive water encourages inefficiency and overconsumption without adequately acknowledging the critical role irrigated agriculture plays in feeding millions and sustaining rural economies across the basin. Both pieces highlight a UCLA/NRDC study showing that nearly a quarter of Lower Basin water diverted for irrigation is priced at or near zero, and that municipal users pay dramatically more per acre-foot than farmers, implicitly suggesting that agriculture bears too little of the cost of scarcity.

What the article glosses over, however, is the legal and economic context that shapes water pricing in the West, longstanding federal and state commitments to productive water use, and the very real pressures that irrigators already face from drought, cutbacks, and shrinking supplies. In effect, this narrative oversimplifies a deeply complex resource-allocation challenge and, without acknowledging agriculture’s critical role in food production and rural economies, comes across as another unwelcome critique at a time when farmers and ranchers are already dealing with relentless water stress and policy shifts.

These narratives, amplified by national and regional media, risk oversimplifying highly technical issues about water pricing, conveyance costs, interstate compacts, and long-standing federal water project contracts. They also stoke public misunderstanding about the real causes of water scarcity — climate-driven hydrologic decline, over-allocation of supply, and aging infrastructure — while positioning farmers as easy targets rather than part of collaborative solutions. Going forward, it’s essential that the agricultural voice — grounded in the practical realities of irrigation and drought management — engages with the public to educate and correct misconceptions and advocate for policies that recognize both the value of agricultural water use and the need for sustainable, equitable water management across all sectors.

b. *High Country News*, for once, does not lead the pack, but is still on the list!

A recent *High Country News* article portrays Western ranchers as avoiding accountability for grazing violations on public lands by leveraging political influence and legislative pressure, using anecdotes about isolated permit disputes and alleged regulatory interference to suggest systemic problems with agricultural oversight. The piece amplifies environmentalist talking points and highlights political pushback against federal enforcement, but overlooks the broader context of responsible grazing practices, the importance of predictable permitting for rural communities, and the economic realities of ranching on public lands. While critics may frame this as “dodging oversight,” many irrigators and ranchers see it as evidence of recurring media bias against working agricultural landscapes and the regulatory complexities they navigate, rather than a balanced assessment of grazing management and compliance.

22. Wildfire prevention

A *News-Press* report highlights growing concern that the U.S. Forest Service is falling further behind on wildfire prevention work, with federal efforts to reduce hazardous fuels through prescribed burns, tree thinning and other mitigation practices significantly lagging compared with recent years. Outside analysis of agency data shows that in the first nine months of 2025, fuel reduction treatments covered only about half the acreage that was treated in prior years, signaling a slide in proactive watershed and forest management just as fire risks intensify across the West. This shortfall in wildfire prevention matters deeply to irrigated agriculture because healthy watersheds are the foundation of reliable water supplies for farms and ranches. Wildfires that burn hotter and more frequently due to accumulated fuels can strip hillsides of vegetation, increase soil erosion, and lead to sedimentation in streams and reservoirs — all of which degrade water quality and reduce the storage capacity that irrigators depend on. Lawmakers from Western states, including Colorado and New Mexico, have expressed serious concerns about the decline in hazardous fuels reduction work and the agency’s capacity to meet wildfire mitigation needs, emphasizing that reduced staffing and funding make it harder to protect high-risk landscapes and the watersheds that irrigators rely on. Strengthening fire prevention is not just a forestry issue but a core part of responsible watershed management. Without adequate fuels management and watershed protection, catastrophic wildfires will continue to threaten soil stability, contaminate water sources, and disrupt the hydrologic systems vital for agricultural irrigation and rural communities. Ensuring robust fire prevention programs — including prescribed fire, mechanical thinning, and other landscape treatments — must remain a priority if we are to safeguard the water resources that agricultural economies depend upon.

Meanwhile, The Department of the Interior launched a new “One Dollar, One Tree” holiday initiative through the Bureau of Land Management that reduces personal-use permit fees for Christmas trees and firewood to just \$1 per tree or cord through January 31, 2026, while opening new cutting areas in overstocked woodlands to give families greater access to these resources and promote cost savings; this effort is designed not only to help families save money and enjoy public lands during the holiday season, but also to support wildfire prevention by encouraging forest thinning and hazardous fuel reduction across millions of acres of public land.

23. AI in the West

Artificial intelligence–driven data center development is rapidly becoming a land, water, and energy issue for agriculture and rural communities, not just a technology story. Recent reporting highlights growing national backlash as massive AI-focused data centers seek large tracts of land, convert productive farmland, and draw heavily on scarce water and electricity supplies. From rural Pennsylvania to New Mexico’s Lower Rio Grande region, proposed projects have sparked community opposition, lawsuits, and demands for more robust public engagement, particularly where facilities threaten irrigated agriculture, local land use, and already-stressed water resources. In the West and other drought-prone regions, data centers’ water-intensive cooling systems increasingly compete with agricultural irrigation and municipal needs, with studies showing that many new facilities are being built in high water-stress watersheds—raising long-term concerns about water security for farmers and ranchers.

At the same time, states are beginning to push back against secrecy surrounding data center water use, as lawmakers from at least eight states have introduced bipartisan legislation to require disclosure of water consumption tied to these facilities. While some measures passed legislatures in California, New Jersey, and Virginia, governors vetoed them amid industry concerns over proprietary data and economic impacts, setting the stage for renewed debates in 2026. Utilities and regulators—particularly in states like Colorado—are also grappling with the electric grid impacts of data centers, where “large-load” customers could drive most new demand and potentially shift costs onto farmers and rural ratepayers. Together, these developments underscore a growing concern for agriculture: unchecked expansion of AI infrastructure risks intensifying competition for land, water, and energy, reinforcing the need for transparency, planning, and safeguards so that technology growth does not undermine the sustainability of irrigated agriculture and rural communities.

24. Trump Administration Denies ESA Protections to Two Populations of Salmon

NOAA has denied ESA protections for two Chinook salmon populations off the coasts of Oregon and Northern California, reversing a 2023 Biden Administration preliminary finding that said the fish warranted the highest level of protection amid a decades-long decline. In a Federal Register notice, NOAA said the Oregon Coast and Southern Oregon–Northern California Coast populations are not currently at risk of extinction and are unlikely to become endangered in the foreseeable future, calling the decision final and not open to public comment. Environmental groups condemned the move as politically motivated and harmful to ecosystems and communities that rely on salmon. The affected populations include Chinook runs from Oregon’s Elk River to the Columbia River mouth, and from Euchre Creek (OR) through California’s Lower Klamath River.

WESTERN WATER “HOT SPOTS”

25. Drought – especially when it comes to mountain snowpack

Federal scientists and Western researchers are warning that warming mountain temperatures are increasingly undermining the West’s primary natural water storage system: snowpack. A recent analysis highlights that mountain regions are warming faster than adjacent valleys, causing more

winter precipitation to fall as rain rather than snow and reducing the amount of water stored in high-elevation snowpack that irrigators rely on for gradual spring and summer runoff. That trend is already evident this winter, as federal meteorologists have declared a widespread “snow drought” across much of the West. As of early December, snow covered only about 90,000 square miles—its lowest extent for this point in the season in at least 25 years—with snow-water equivalent levels well below normal in many basins. New Mexico, for example, had only about one-quarter of its typical snow cover by December 10. While some regions have received near-average precipitation, warmer conditions have limited snow accumulation, raising concerns about reduced reservoir recharge and summer water availability for agriculture. A shift toward colder, snow-producing storms later in the winter could still improve conditions, but the combined trends reinforce growing concern that climate-driven warming is steadily eroding the reliability of snowpack as the backbone of Western water supply planning.

26. Colorado River Basin (AZ/CA/CO/NE/NM/UT/WY)

a. New deadline looming to agree on operating conditions or risk federal intervention

The Colorado River dominated Western water headlines in December as negotiations over post-2026 operating rules were front and center at the Colorado River Water Users Association’s 80th Annual Conference in Las Vegas. Representatives from all seven basin states continue to meet under mounting pressure but have so far failed to reach consensus ahead of the Bureau of Reclamation’s February deadline, as long-standing allocation guidelines expire in 2026 and environmental review timelines tighten. Deep divisions persist between Upper Basin and Lower Basin states over how to absorb deeper cuts in the strained system — putting at risk water supplies for more than 40 million people and roughly 5.5 million acres of irrigated farmland. Federal officials continue to press for a state-led agreement to avoid litigation but have made clear that Interior Department intervention is increasingly likely if negotiations remain stalled.

December reporting also underscored how legal uncertainty and interim measures are shaping the debate. Recent Supreme Court decisions and shifting federal policy have complicated efforts to craft durable basin-wide rules, while states are already testing stopgap approaches such as Utah’s expanded funding to compensate farmers for voluntary, temporary conservation and downstream water transfers. At the same time, Lower Basin states—particularly Arizona and Nevada—face heightened shortage risks in 2026 due to the vulnerability of key supplies such as the Central Arizona Project. I participated in the CRWUA on a panel of legal experts who discussed the changing regulatory framework on the federal level and its impact on the CO River negotiations at the conference and emphasized that how the Colorado River basin should be looking to collaboratively resolve questions of water supply shortage using infrastructure investment and adaptation with new technology to respond to increasingly volatile hydrology. My view is these discussions are likely to set precedent for water users across the West, as the basin becomes a proving ground for whether collaborative solutions can keep pace with a hotter, drier future.

b. Colorado River’s ‘new’ scientific study:

A new report from leading scientists across the Colorado River Basin paints a stark picture of the river’s future, suggesting that climate change may already have shifted the basin into a “new

“normal” of reduced water supplies rather than a temporary drought, with long-term declines in precipitation and snowpack leading to chronically lower river flows and reservoir storage. One primary focus of the report is the reduced precipitation in the basin, which researchers say is not likely to improve, even though some believe temporary high precipitation events could help the basin rebound. Instead, this group of researchers opine the drier conditions are here to stay. The essays in *Colorado River Insights 2025: Dancing with Deadpool* warn that essential reservoirs like Lake Powell and Lake Mead are significantly depleted, and a single dry year could push them toward critically low “deadpool” conditions where water deliveries, hydropower production, and even the physical conveyance of water downstream could be jeopardized — raising the specter of mandated cuts for municipal, industrial, and agricultural water users alike. While the scientists emphasize that coordinated, “climate-realistic” management solutions are still possible, the report underscores a sense of urgency that the basin is running out of time to avert repeated crises and adapt to what may be a fundamentally drier future for the 40 million people and 5.5 million acres that depend on the Colorado River.

27. California’s Delta operations and Newsom’s voluntary plan

The Trump administration finalized new operational rules for the federal Central Valley Project that increase pumping from the Sacramento–San Joaquin Delta to deliver more water to Central Valley farms, fulfilling a campaign promise to maximize agricultural water supplies. The decision relaxes certain environmental constraints on federal pumps, allowing higher exports in both wet and dry periods, but sets up renewed conflict with California, which jointly operates the Delta system and maintains stricter state fish protection standards. State officials warn that greater federal pumping could force California to reduce its own pumping to meet state law, and environmental groups are threatening litigation over potential harm to salmon, Delta smelt, and other species; irrigation districts south of the Delta support the move, noting it could boost annual average supplies by roughly 129,000 acre-feet—enough for nearly 37,000 acres.

Against this backdrop, a draft of California Governor Gavin Newsom’s *voluntary agreements*—a state-backed alternative to strict regulatory restrictions—has inched forward despite federal hesitation. State and federal agencies and stakeholders have been negotiating these voluntary water quality and flow agreements for years, aiming to provide flexibility for water users while addressing ecological needs in the Delta. Although federal officials have been slow to endorse the state’s plan and have expressed concerns about water quality standards and legal challenges, California continues to refine its proposal to balance agricultural and environmental interests. Together, these developments reflect ongoing federal-state tensions over Delta management and highlight the complexity of coordinating water supply reliability with species protection under divergent regulatory frameworks.

MISCELLANEOUS

- 2026 is the International Year of the Woman Farmer. A variety of events will be held to commemorate the event throughout the year while raising awareness surrounding involvement of women in food production and the food supply chain. I started our engagement in this initiative by filling out a comprehensive survey that is seeking to gather data on women in agriculture. If you know anyone interested in taking the survey, or other

information related to this initiative, it can be found at: [Celebrating International Year of the Woman Farmer - NASDA](#)

- Washington Republican Rep. Dan Newhouse, the former chair of the Congressional Western Caucus, is retiring from the House. Newhouse led the Congressional Western Caucus from 2021 until 2025. The caucus is active on natural resources issues like public land, forestry, endangered species and water rights.
- Representative Doug LaMalfa of California's 1st District has died at age 65 (Jan. 6, 2025), as confirmed by GOP leadership, further narrowing the Republican majority in the U.S. House to 218–213. LaMalfa, a fourth-generation rice farmer who had served since 2013 and was known for his advocacy on agriculture, water, forestry, and rural issues, was widely praised by colleagues as a staunch voice for rural America; his passing triggers a special election and marks a notable shift in the House's narrow balance of power. La Malfa was a partner and friend to the Alliance, having worked with us throughout the years on a number of initiatives, and we are grateful for his service.

ADMINISTRATIVE

- In December, I attended and participated in the 80th Annual Colorado River Water Users Association, where I spoke on a legal panel about the changing regulatory environment and how the Colorado River basin should be looking to collaboratively resolve questions of water supply shortage using infrastructure investment and adaptation with new technology to respond to increasingly volatile hydrology.
- I am applying for the Colorado River Water Leaders Program. The biennial Colorado River Water Leaders program selects rising stars from the Upper and Lower basin states (California, Nevada, Arizona, Utah, Colorado, New Mexico and Wyoming), tribal nations and Mexico. Participants are up-and-coming leaders in their early to mid-career at state and federal agencies, including the Bureau of Reclamation, water and irrigation districts, tribal nations, environmental groups, agricultural interests, private companies and non-governmental organizations. The program's goal is to build a network of water leaders from diverse backgrounds across the basin who will deepen their knowledge of the iconic Southwestern river, build their leadership skills and learn how to collaborate on real-life challenges. There is a California Water counterpart, and I plan to apply for that one soon.
- This month I will be headed out to multiple areas of the desert southwest. First, I'll be in Northglenn Colorado next week for the Four States Irrigation Council Annual Meeting, where I will give a federal update. Following that engagement I will have two back-to-back speaking engagements, one on a federal update panel at the Idaho Water Users Association's annual Conference in Boise, Idaho, and another at the Annual Conference for the New Mexico Hay Growers Association in Ruidoso, New Mexico. After that, I'm off to Arizona to visit the Agribusiness and Water Council of Arizona along with Salt River Project for a tour of local Arizona facilities and issues.

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 575-202-2705 or samantha@familyfarmalliance.org if you would like further information about what the Alliance is doing to protect water for Western irrigated agriculture.