



Official Memorandum

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To: SLDMWA Water Resources Committee Members and Alternates

From: Scott Petersen, Water Policy Director

Date: October 6, 2025

RE: Water Resources Committee to Consider Recommendations on Legislation / Board of Directors to Consider Same

Recommendation

Recommend to the Water Resources Committee and Board of Directors to adopt the following positions on legislation:

Federal Legislation

- Adopt a position of "Support and Amend" on H.R. 3572 (Valadao), To make projects in certain counties eligible for funding under the rural surface transportation grant program, and for other purposes.

Federal Legislation

H.R. 3572 (Valadao), To make projects in certain counties eligible for funding under the rural surface transportation grant program, and for other purposes.

RECOMMENDATION: Support and Amend

OBJECTIVE: Improve Water Infrastructure Affecting Authority Member Agencies

Summary

The bill amends the rural surface transportation grant program to include counties with at least \$1 billion in annual agricultural production and \$500,000 per square mile in agricultural output. It defines farm-to-market roads as roads within these covered counties and mandates that 10 percent of annual grant funds be reserved for projects on such roads. The Secretary of Transportation, in coordination with the Secretary of Agriculture, is required to create and annually update a list of eligible covered counties based on agricultural metrics adjusted for inflation.

Status

H.R. 3572 was introduced on May 21, 2025, and has been referred to the House Committee on Transportation and Infrastructure.

Importance to the Authority

The Rural Surface Transportation Grant Program supports projects that improve and expand the surface transportation infrastructure in rural areas to increase connectivity, improve the safety and reliability of the movement of people and freight, and generate regional economic growth and improve quality of life.



Eligible Applicants:

- a State;
- a regional transportation planning organization;
- a unit of local government;
- a tribal government or a consortium of tribal governments; or
- a multijurisdictional group of entities above.

Eligible Projects:

- A highway, bridge, or tunnel project eligible under National Highway Performance Program
- A highway, bridge, or tunnel project eligible under Surface Transportation Block Grant
- A highway, bridge, or tunnel project eligible under Tribal Transportation Program
- A highway freight project eligible under National Highway Freight Program
- A highway safety improvement project, including a project to improve a high-risk rural road as defined by the Highway Safety Improvement Program
- A project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area
- A project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility services

This legislation would set aside 10% of the total rural surface transportation grant program for farm-to-market roads in counties with $\geq \$1B$ in agricultural value & $\geq \$500K/sq\ mi$ in agricultural productivity, both of which are met in Merced County. This legislation, if enacted, could create prioritized funding for rural roads impacting the affordability of Water Authority or member agency infrastructure projects, but does not include a specific linkage for prioritizing infrastructure interdependency and “bridge” infrastructure.

Suggested amendments include adding language to prioritize these two items.

Guidelines for Taking Positions on Legislation

A number of controversial bills are introduced each year in the Congress and in the California Legislature. It is important to understand how the Authority takes positions on legislation.

Policy

By Agenda Item 7, dated December 12, 2024, the Board adopted the Fiscal Year 2026 Objectives.

Water Authority's Positions on Legislation

The Water Authority takes positions on legislation that, if enacted, would impact Water Authority members, consistent with Water Authority Board adopted Goals and Objectives. The Water Authority may take the following positions on legislation: Oppose, Support, Oppose Unless Amended, Support if Amended, Not Favor, Favor, Not Favor Unless Amended, Favor if Amended, and Watch (neutral). The Water Authority's staff and consultants testify and advocate with legislators and staff through meetings and member agency contacts on all positions except Watch, Favor and Not Favor. For Favor and Not Favor positions, written communication of the Water Authority's position is provided to the legislator. Nothing in this section should be read to preclude the Executive Director or his or her delegate from taking an informal support or informal oppose position on behalf of the Water Authority that is consistent with adopted legislative or policy objectives, or to preclude the Executive Director from



communicating a position on emergency legislation after obtaining the concurrence of the Chair, or the Chair's designee, provided that the Executive Director informs the Board regarding such positions on emergency legislation no later than the next regularly scheduled Board meeting.

Amendment Development Process

If the Water Authority takes an Oppose Unless Amended or Support if Amended position, the Water Authority will typically discuss the concepts for the amendments at the meeting. Then Water Authority staff, in consultation with Committee and/or Board Members as needed, will develop the amendments after the meeting.

Information Sharing

To provide adequate information to the entire Water Authority membership, the Water Authority provides legislative updates, posts positions and other information on our website, and sends out advisories and alerts on key legislation.

The Water Authority's legislative department is available to provide specific information on bills on request and Board Members are encouraged to communicate Water Authority positions on priority legislation in meetings with legislative staff, consistent with Water Authority policy. The Water Authority's Water Policy Director appreciates being informed by Water Authority members of positions taken by Water Authority members on legislation.



BILL TEXT

119TH CONGRESS
1ST SESSION

H. R. 3572

To make projects in certain counties eligible for funding under the rural surface transportation grant program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2025

Mr. VALADAO (for himself, Mr. FONG, Mrs. CHERFILUS-McCORMICK, and Mr. COSTA) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To make projects in certain counties eligible for funding under the rural surface transportation grant program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. RURAL SURFACE TRANSPORTATION GRANT**
4 **PROGRAM.**

5 Section 173 of title 23, United States Code, is
6 amended—

7 (1) in subsection (a) by adding at the end the
8 following:

1 “(3) COVERED COUNTY.—The term ‘covered
2 county’ means a county that has an annual gross
3 agricultural production value of at least
4 \$1,000,000,000 and agricultural production of at
5 least \$500,000 per square mile, for all crops and
6 livestock sold, adjusted annually for inflation in ac-
7 cordance with the Consumer Price Index published
8 by the Bureau of Labor Statistics of the Depart-
9 ment of Labor.

10 “(4) FARM-TO-MARKET ROAD.—The term
11 ‘farm-to-market road’ means a road located within a
12 covered county.”;

13 (2) in subsection (i) by striking “subsection
14 (k)(1)” and inserting “paragraphs (1) and (4) of
15 subsection (k)”;

16 (3) in subsection (k)—

17 (A) by redesignating paragraph (4) as
18 paragraph (5);

19 (B) by inserting after paragraph (3) the
20 following:

21 “(4) FARM-TO-MARKET ROADS.—The Secretary
22 shall reserve 10 percent of the amounts made avail-
23 able for the program for each fiscal year to provide
24 grants for eligible projects located on farm-to-market
25 roads in any amount.”; and

1 (C) in paragraph (5) (as so redesignated)
2 by striking “or (3)” and inserting “(3), or (4)”;
3 and
4 (4) by adding at the end the following:
5 “(p) ELIGIBLE COVERED COUNTIES.—The Sec-
6 retary, in consultation with the Secretary of Agriculture,
7 shall create, and annually update, a list of covered coun-
8 ties.”.

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