



May 23, 2025

Chief Aubrey Bettencourt
USDA Natural Resources Conservation Service
Sent via email

Re: Faster, Better Applied Conservation Results for Producers

Dear Chief Bettencourt:

On behalf of the Western Agriculture and Conservation Coalition (WACC), we write to convey our eagerness to partner with you to advance much-needed agency modernization efforts to help ensure that critical resources flow efficiently to farmers, ranchers, and rural communities. We support pragmatic improvements to make the federal government a nimble partner to the private sector and local organizations on our shared water, conservation, food security, and rural economic prosperity goals in the years ahead.

As a coalition committed to collaborative conservation in the West, the WACC sees an opportunity today to improve upon the inefficiencies, fragmentation, and red tape that too often slow down the delivery of funding to working lands. With agency restructuring underway, it will be essential for USDA to invest in partnerships, technical service, and agency streamlining to support its important commitments to agricultural producers and achieve conservation outcomes that benefit all Americans.

In this letter we recommend the following:

- A. Overarching efficiency actions that NRCS could apply to all programs
- B. Actions to streamline and improve outcomes in the Environmental Quality Incentives Program (EQIP)
- C. Actions to streamline and improve outcomes in the Watershed Protection and Flood Prevention Operations Program (PL-566) for projects that do not involve small dam or levee construction
- D. Actions to streamline and improve outcomes in the Regional Conservation Partnership Program (RCPP), and
- E. Actions to better coordinate with partner agencies to unlock leveraged funding and expedite decision-making.

We appreciate your consideration of our perspective and stand ready to help. Please do not hesitate to reach out with any questions.

Sincerely,

Family Farm Alliance
Farmers Conservation Alliance
The Freshwater Trust
Irrigation Association
The Nature Conservancy
Oregon Water Resources Congress
Trout Unlimited
Western Growers Association

Western Agriculture and Conservation
Coalition

(A) Overarching Recommendations for all NRCS programs

1. **Leverage conservation technical assistance (TA) agreements with partners to free up local NRCS staff to be in the field:** There are many things that NRCS staff do that others could do: outreach, data gathering, project designs, cultural resource surveys/reports, drafting environmental compliance documentation, and producer contracting. In light of recent NRCS workforce reductions, cost-effective TA agreements can enable partners to take on many of these tasks, thereby reducing the overall TA costs to NRCS and producers and expediting project delivery and conservation outcomes. This would also allow NRCS staff to focus on the tasks that only the agency can carry out, such as approvals and cross-agency coordination.
2. **Employ “crosscutter” exemptions:** NRCS can utilize existing processes to generate programmatic waivers for Buy America Build America, American Iron and Steel, Davis Bacon and any other “crosscutters” that were not designed with conservation projects in-mind.
3. **Use flexible policy language in internal manuals/handbooks:** NRCS’s recent shift to restrictive terms such as “shall” and “must” in manuals and handbooks undermines flexibility. Adopting terms like “may” and “should” would increase the user-friendliness of agency programming and empower project sponsors and managers to tailor programs to meet local needs effectively.
4. **More expansive use of Adjusted Gross Income (AGI) waivers:** Too many small and medium-sized farmers and ranchers are inadvertently excluded from participating in NRCS conservation programs due to AGI caps. Instead of utilizing AGI as a means test for participation, USDA should utilize income derived from farming and ranching and account for economy of scale, structures, accounting methods, and other special considerations for producers. We encourage NRCS to work with the flexibility afforded by governing law to index these caps to inflation. Our organizations also continue to urge Congress to exempt producers from USDA’s AGI limitation when 75 percent of income is derived from farming.

5. **Give state conservationists more decision-making and approval authority:** In light of agency restructuring plans and a reduction in headquarters capacity, it will be increasingly important to empower state conservationists to work with TSPs and local partners and make decisions so that projects can proceed.

(A) Recommendations for Streamlining and Improving EQIP Producer Outcomes

1. **Streamline cultural resources through expanded use of exemptions:** Obtaining cultural resources review for every on-farm project is a process bottleneck that delays good conservation outcomes. As a lead agency, NRCS has limited staff resources, and projects must also be reviewed by the State Historical Preservation Office and local Tribes (with multiple 30-day notices stacked on top of each other). For land that has been actively farmed for generations, we need a more efficient cultural resources process. Federal regulations allow for creating exempted categories for cultural resources (see [36 CFR 800.14\(c\)](#)), which should be used to help identify types of projects that are a good fit for an expanded category of exemptions.
2. **Improve incentives to expand the pool of Technical Services Providers (TSPs):** In many states, NRCS has insufficient capacity to certify project designs efficiently and meet high demand. Technical service providers (TSPs) can help fill this important gap. Unfortunately, the process to become certified is cumbersome and rates for reimbursement received from NRCS are not sufficient to generate more licensed TSPs.
3. **Encourage NRCS to consider TMDL parameters in EQIP scoring if doing so can help attract additional funding for producers:** NRCS may help producers secure additional funding from sources subject to TMDLs by integrating \$/unit effectiveness into EQIP scoring criteria (the sources providing the funds are regulated but producer acceptance of those funds is voluntary). Tools already endorsed by NRCS, such as Nutrient Tracking Tool, can be used to quantify project-specific outcomes in units relevant to these funders. By using a common unit to pull in more leveraged funding, NRCS can help producers get stronger funding offers and drive overall investment to projects that cost-effectively reduce loading to impaired waterbodies, resulting in faster progress against targets and reduced regulatory pressures on producers.

(B) Recommendations for Streamlining and Improving PL-566 Water User Outcomes

1. **Increase transparency around watershed planning:** We recommend increased transparency around Watershed Planning and the PL-566 program. Pursuant to agency best practices and protocols to safeguard producer confidentiality and protect landowner-level data, NRCS should establish a centralized website that makes the agency's library of authorized Watershed Plans publicly accessible and provides up-to-date information on how many proposals are moving through the watershed planning process (PIFR, Planning, Design, and Construction). Such transparency would showcase the program's impact, inspire collaboration, and provide valuable examples for new applicants. It would also show how the agency is utilizing the funds within the PL566 account.

2. **Right-Size PL-566 review process:** The PL-566 program has historically supported local entities in building small dams and levees or other flood-risk reduction infrastructure. The current project development and review process may be well suited for those project types. However, PL-566 projects that have an existing infrastructure footprint warrant a more streamlined process.¹ For this reason, for irrigation modernization projects and activities that improve agricultural water management and water security, and reduce drought impact, while also increasing fish or wildlife habitat, improving water quality or instream flow, or providing off-channel renewable energy production, or delivering other benefits, we recommend the following:
- a. **Expand watershed plan waiver authority:** The 2018 Farm Bill authorized waivers for areas covered by similar plans. NRCS’s narrow interpretation—requiring an existing Watershed Plan—limits this provision’s intent. Allowing a waiver would simplify the process and make the process more efficient because NRCS would only be required to meet National Environmental Policy Act (NEPA) requirements. For the project types called out above that reduce harms to stream environments and fish populations, it makes sense to define a waiver process to implement the 2018 Farm Bill statutory authorization when there are both stream habitat benefits and alternative planning documents. At the same time, this approach is not appropriate for the level of planning and NRCS-specific review required for proposed small dam, levee, or other built-infrastructure projects.
 - b. **Eliminate the pre-programmatic review step:** The Pre-Programmatic Review, introduced to streamline the final authorization stage, has instead added 6–8 months to the overall review process. Eliminating this step for those projects defined above that do not involve small dam construction would significantly reduce delays while maintaining the integrity of the authorization process.
 - c. **Raise the Principles, Requirements, and Guidelines (PR&G) Financial Threshold in Decision Memo 9500-13:** Decision Memo 9500-13 mandates Principles, Requirements, and Guidelines (PR&G) compliance for all Watershed Projects. This compliance requirement currently applies to projects of all sizes, which adds unnecessary bureaucracy for projects under \$10M. Raising the financial threshold for triggering PR&G requirements to \$10 million for the project types defined above would expedite many smaller projects that do not involve small dam or levee construction.
 - d. **Limit headquarters authorization of Watershed Plans to 30 days:** By the time a draft Watershed Plan is ready for authorization by the Chief it has undergone several rounds of review at both the state and national NRCS offices. NRCS should limit the final authorization review to 30 days and if the plan is not signed by the Chief within

¹ Congress has also called out this class of projects for directed funding over multiple years. In the Consolidated Appropriations Act, 2024 (P.L. 118-42, Division B, Title II), Congress directed: "Provided further, that of the amounts made available under this heading, \$14,650,000 shall be allocated to multi-benefit irrigation modernization projects and activities that increase fish or wildlife habitat, reduce drought impact, improve water quality or instream flow, or provide off-channel renewable energy production."

that window, the plan should be considered authorized. In recent years, Watershed Plans have sat waiting for the Chief's signature well past 30 days. This unnecessary delay has caused projects to miss entire construction seasons, resulting in higher building costs. For the project types called out above that reduce harms to stream environments and fish populations, and that do not have the significant infrastructure considerations of small dam or levee construction projects, the 30-day limitation on Headquarters authorization is warranted.

- e. **Encourage Existing NEPA adoption:** Recent NRCS manual changes have narrowed and made NEPA adoption significantly more difficult, potentially delaying projects by years. Revising the Manual to allow NEPA adoption to occur without having to include the watershed planning elements for projects that do not include small dam or levee construction would save significant time and resources.
- f. **Shift watershed plan reviews to the Program Division:** Currently housed within the Science & Technology Division, PL-566 program timelines have steadily increased since its transfer from the Program Division. To better align with the administrative and programmatic nature of watershed planning, we recommend moving back to the Program Division to ensure a more efficient process for the projects defined above that do not involve small dam or levee construction.
- g. **Shift plan reviews to regional offices:** To reduce delays, NRCS should decentralize the review process, transferring responsibilities from the National Watershed Management Center (NWMC) to regional technical offices for those projects defined above that do not involve small dam construction. Regional offices, with their local expertise, can collaborate effectively with State Conservationists and stakeholders. These reviews should remain technical evaluations, not decision-making processes, fostering a flexible, adaptive approach tailored to project-specific needs.

(D) Recommendations Streamlining and Improving Producer Outcomes in RCPP

1. **Return RCPP “alternative funding arrangement” (AFA) track to its core purpose:** AFAs were specifically designed in the 2018 Farm Bill to help achieve regional/watershed scale conservation benefits by using “innovative approaches to leveraging” federal funds, including utilizing performance-based payments to producers and environmental markets. In 2024, NRCS received \$5.3 billion in applications in response to a \$1.5 billion funding announcement for RCPP. More than half of those applications were AFAs, but process and complexity stand in the way of RCPP's goals. To help fix that:
 - a. **Prioritize proposals where partners help NRCS deliver more for less:** AFA partner duties should be pared down to those that are necessary to successfully deliver on the core premise of AFAs: 1) complete all delegable TA on behalf of NRCS, 2) secure leveraged funding, and 3) efficiently deliver conservation funds faster to producers. Under the statute, NRCS can prioritize projects that significantly leverage funding, provide innovation in delivery, and meet other important factors determined

by the Secretary. We suggest NRCS use these authorities to draft upcoming RCPP solicitations that:

- i. Create an express incentive for partners to deliver more for less by giving preference to proposals that deliver technical assistance at a lower ratio (the default ratio is 75 percent financial assistance to 25 percent technical assistance);
 - ii. Bring a higher percentage of leveraged funding. Currently, the statute calls for partners to bring a “significant contribution.” This has been interpreted subjectively, which has become problematic as the size of awards has grown. and
 - iii. Focus on unlocking and scaling up well established practices that can be serviced by partners or Technical Service Providers, but where current process, staffing and timing issues currently depress the potential for market actors to scale up adoption.
- b. **Establish a performance-based payment procedure for AFAs:** The statute currently describes “the provision of performance-based payments” as one example of using innovative financial mechanism in AFAs. However, if AFA partners want to pay for performance or outcomes, they must complete most of the Classic-based requirements alongside performance-based requirements, resulting in extra paperwork burden and project delays. This creates a disincentive to implement innovative approaches. In addition, NRCS has limited some AFA performance payment amounts to NRCS cost-based reimbursement schedules. Future Notice of Funding Opportunities should include conservation outcomes and performance-based payments definitions, clarify accepted quantification methods, encourage non-linear payments and longer project timelines for outcomes generated from structural practices, and state explicitly that payments exceeding NRCS financial assistance rates are permissible if benchmarked to established environmental markets.
- c. **Consider regional review teams instead of a national one:** The national AFA review team has resulted in NRCS staff from completely different parts of the country reviewing proposals for areas they don’t work in, with partners they don’t know, and a lack of local context. NRCS could embed review obligations in regional teams to help ensure that this critical on-the-ground context is not lost in a review process.
2. **Simplify the funding allocation so the best projects rise to the top:** The statute allocates 50 percent of funding to Critical Conservation Areas (CCA) and 50 percent to “state/multi-state” projects outside of CCAs. Additionally, NRCS has set quotas for Classic and AFA, as well as other set-asides. This effectively results in four competition buckets: CCA Classic, CCA AFA, Non-CCA Classic, and Non-CCA AFA. In the 2024 funding round, these constraints created major imbalances, with AFAs funded at low rates despite state NRCS offices struggling to deliver resources efficiently. To the extent permitted by applicable law,

we propose that NRCS drop Classic v. AFA constraints so that the best projects have the highest likelihood of receiving funding.

3. **Continue to simplify the TA structure:** Though improved in recent solicitations, NRCS has historically added enormous complexity by requiring partners to provide multiple subcategories of TA in proposal budgets. We encourage continued simplification on this front so that less time is spent tagging funds for TA subcategories and more time is spent ensuring that the partner has a viable plan for efficiently and effectively delivering TA.
4. **Streamline contracts and timelines:** Current contracting approaches and timelines are inefficient, with partners needing 12-24 months to finalize the multiple layers of contracting required by NRCS.² This reality cuts into the 5-year agreement term, undermining effectiveness from the beginning. We suggest NRCS consolidate to a single partner contract to be finalized for execution within 6 months of award announcement. Additionally, the first step in developing a contract should be two half-day workshops with all necessary NRCS staff and partners, instead of spreading out many hour-long meetings over weeks.

(E) Recommendations for Coordinating with Partner Agencies

1. **Enhance Interagency Coordination:** Voluntary conservation projects in the West may require collaboration among multiple federal agencies. As such, we urge NRCS to leverage the Federal Water Sub-Cabinet or other appropriate convening mechanisms to strengthen communication, partnership, and coordination with partner agencies. The following actions are worthy of consideration:
 - a. Better integrated planning between NRCS and agencies with similar programs to improve user-friendliness and consistency;
 - b. Help connect producers in priority watersheds to additional funding opportunities from partner agencies, including by expanding the use of EQIP NWQI and EQIP Water Smart Initiative designations;
 - c. Adopt standard quantification and benefit-cost approaches for voluntarily co-funded projects across the agencies, such as USDA's Nutrient Tracking Tool, that will help unlock more leveraged funding;
 - d. Consolidated project eligibility and design criteria for priority areas, including adopting NRCS standards as the single conservation practice standard;
 - e. Consolidated NEPA adoption of categorical exclusions, using Fiscal Responsibility of 2023 authority (now at [42 USC 4336c](#)) to identify and adopt the most effective CEs available for those core project types.

² The Environmental Policy Innovation Center's 2024 [report "A Good Program in Theory"](#) includes a survey which found that the median time to complete a programmatic partnership agreement and first supplemental agreement was 12-20 months, with almost a quarter of participants reporting it took more than two years.