



Memo

To: NACD Officers, Executive Board, Board Members, Presidents and Executive Directors of State/Territory Associations, Members

From: Jeremy Peters, NACD CEO

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

Date: January 30, 2025

Re: **NACD Update on Recent Executive Actions**

The Trump Administration has recently issued dozens of executive orders, proclamations, memos, and revoked nearly 100 of the prior administration's initiatives. Several of these actions may affect the operation of our country's locally led conservation delivery system, along with federally supported programs and grants that districts and NACD participate in.

On the evening of January 27, 2025, the Office of Management and Budget (OMB) issued memorandum M-25-13, which temporarily paused the obligation or disbursement of all federal financial assistance (e.g., via grants or cooperative agreements; not financial assistance to producers) and initiated a review all federal financial assistance. On the evening of January 28, a federal judge issued a temporary administrative stay on this action. On January 29, OMB rescinded the memorandum.

While the OMB directive has been rescinded, other recent Executive Orders are still being implemented. Many of these actions are already facing legal challenges and more are expected, which could result in their suspension or revocation. Pauses on disbursements and new obligations under the Inflation Reduction Act (IRA) and Infrastructure Investment & Jobs Act (IIJA, also referred to as the Bipartisan Infrastructure Law (BIL)), cannot be extended indefinitely without congressional approval.

NACD is working closely with our federal agency partners to track these developments and understand their impact on the important work conservation districts are fulfilling across the country. NACD has shared guidance with grant recipients and will issue updates as we learn more. On January 29, 2025, NACD sent a letter to USDA requesting an exemption to the pause on IRA financial assistance funds for conservation districts and their associations.

Please note that this is a very fluid situation, and the impacts of these recent actions are still unclear. Federal agencies are still working to interpret and implement these orders and will share guidance as soon as possible. Please continue to reach out to NACD staff with questions, concerns, and to share information.

Below, we provide the following updates and information:

- Summary of Relevant Executive Actions
- Potential Impacts on NACD Grants to Conservation Districts
- NACD Grant Overview



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Summary of Relevant Executive Actions:

There are three main “buckets” of executive orders affecting conservation and NACD priorities:

1. Executive Orders Influencing Conservation:

- [Unleashing American Energy](#): Sweeping executive order to boost fossil fuel and mineral extraction by increasing leasing opportunities and reducing environmental regulations.
 - Increases energy and mineral extraction leases on federal land and water.
 - Requires immediate review of all agency actions that potentially burdens the development of domestic energy resources.
 - Rescinds NEPA reviews and requires agencies to adhere only to legislated requirements for environmental regulations.

- *“Immediately pauses disbursement” of certain funds in the Inflation Reduction Act and the Infrastructure Investment and Jobs Act.*
 - This will pause billions of dollars in spending leftover from the Biden administration to "ensure consistency with the law". The administration cannot permanently "pause" or rescind this money without an act from Congress.
 - This order does not apply to financial assistance to individuals (e.g., EQIP, CSP) and NRCS programs that deliver producer assistance. However, efforts such as the Soil Carbon Monitoring Network are currently paused.

- [Declaring a National Energy Emergency](#): Requires agency heads to identify and exercise lawful emergency authorities to facilitate identification, leasing, siting, production, transportation, refining and generation of domestic energy resources, including on public lands. Emergency declarations do not require public comment or input.
 - The order also calls for the Endangered Species Act Committee to convene to explore existing regulatory hurdles.

- [Regulatory Freeze Pending Review](#): Pending review, no actions may be taken until review and approval by department or agency head appointed or designated by President Trump.
 - This will delay any agency action, including the NACD-BLM MOU.

- [Putting America First in International Agreements](#): Withdraws the United States from the Paris Climate Accord.

2. Federal Workforce:

- [Hiring Freeze](#): Freezes hiring of federal civilian employees throughout the executive branch. No vacant positions can be filled, and no new position may be created.
 - Directs agencies to evaluate all employees who are currently in “probationary periods” and determine whether they should be retained.
 - This will be difficult for NRCS, as they have been working to hire thousands of employees to deliver technical assistance to landowners and operators across the country. There is very high unmet demand for voluntary, locally led conservation programs and technical assistance.



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- [Return to In-Person Work](#): Directs agency leaders to take necessary steps to terminate remote work arrangements and require employees to return to work in-person at their respective duty stations on a full-time basis.
- [Restoring Accountability](#): Restates a previous executive order and changes policies to increase supervisors' abilities to fire employees failing to meet performance requirements.
 - May result in many federal workers being reclassified as “at-will” employees.
 - This reclassification removes typical protections of the merit-based civil service system.

3. Diversity Equity and Inclusion (DEI):

- These orders focus on eliminating diversity programs throughout the federal government. Already, DEI sections of agency websites have been deleted and workers in DEI positions have been directed to be placed on paid administrative leave.
- [Ending DEI Initiatives](#): Directs all executive departments and agencies to terminate all discriminatory and illegal preferences, mandates, policies, programs, activities, guidance, regulations, enforcement actions, consent orders, and requirements. Also revokes DEI directives issued by the previous administration.
- [Ending DEI programs and preferencing](#): directs OMB, Attorney General, and OPM to coordinate the termination of all discriminatory programs, including illegal DEI and “diversity, equity, inclusion, and accessibility mandates, policies, programs, preferences, and activities in the Federal Government.”
 - Terminates, to the maximum extent allowed by law, all DEI, DEIA, and “environmental justice” offices and positions.
 - Provides the Director of the OMB with a list of all DEI related positions, contractors, grantees and recommend actions to align agency or department programs, activities, policies, regulations, guidance, employment practices, enforcement activities, contracts (including set-asides), grants, consent orders, and litigating positions with the policy of equal dignity and respect identified in section 1 of this order.



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Potential Impacts on NACD Grants to Conservation Districts

NACD has been in close communication with our federal funding partners to ensure that we are in compliance with Executive Orders and other actions taken by the new Administration. Below is a summary of our assessed impacts on grants with conservation districts as of January 29, 2025.

- NACD agreements are generally not funded by IRA or IIJA/BIL and are therefore not subject to the Executive Order entitled “Unleashing American Energy.”
 - The exception to this is the Soil Carbon Monitoring Network (SCMN) initiative, which is on pause. NACD does not have any open grants with districts or their associations.
- NACD’s grants are fully obligated, including the Soil Carbon Monitoring Project. Additionally, we have not received formal “stop work” orders from USDA. Disbursements and new obligations may be on hold, but NACD is working closely with USDA to process advances in a timely manner so that conservation districts do not experience disruptions in cash flow or service.
- NACD does not receive federal funding to implement diversity, equity, and inclusion (DEI) initiatives. NACD and conservation districts are funded to conduct outreach to historically underserved producers, which is a statutory requirement in the Farm Bill.
 - Note: The in-kind match requirement previously established in FY24 Outreach and Technical Assistance grants is cancelled. While this language was in the RFP, we are reassessing grants to ensure funding is utilized for outreach and not DEI initiatives.

On January 29, 2025, NACD sent a letter to USDA requesting an exemption to the pause on Inflation Reduction Act (IRA) financial assistance funds for conservation districts and their associations. NACD will continue to monitor the situation and provide additional guidance as we receive updates.



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NACD Grant Overview:

Outreach & Technical Assistance Grants: Funding is COTA, EQIP, and CSP. Not funded by IRA or BIL. It is our understanding that work can continue as planned. Payments and claims are being processed.

Urban & Community Grants: Funding is COTA. Not funded by IRA or BIL. It is our understanding that work can continue as planned. Payments and claims are being processed.

Perimeter Fencing: Funding is COTA. Not funded by IRA or BIL. Work may continue as planned. *It may be helpful to note that financial assistance to individuals was exempt from the recently rescinded OMB Memo M-25-13. As such, we believe that this grant may have been exempt from the pause.*

Working Lands Climate Corps (WLCC): The Corps Network will issue specific guidance to those with a Year 1 WLCC grant. NACD is anticipating that its Year 1 training initiatives will be terminated for convenience of the government. Year 2 has been cancelled.

EPA Historically Underserved Farmer to Farmer Outreach Grants: We have not received a formal notification or communication from EPA relating to our Historically Underserved Farmer to Farmer outreach program. As you all know, there is existing law serving historically underserved producers and outreach is a necessary component. We are awaiting specific guidance from EPA.

Partnerships for Climate Smart Commodities: Work under this grant is ongoing. USDA is still reviewing and approving budgets and subawards. Work is already authorized and funded and can continue as planned. Payments and claims are being processed.

REPI & Sentinel Landscapes Grants: We do not anticipate impacts on any REPI programs.