

Field Notes: AgriPolicy Brief

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New Mexico Farm to Table

New Mexico Farm to Table is dedicated to providing accurate information that gives you the opportunity to learn about what is happening in agricultural policy and how it impacts not only you but your neighbors.

This newsletter serves as the start of a conversation between neighbors, friends, and colleagues. Together we will support and advocate for our New Mexico Community.

Whether you are sitting horseback, driving a tractor, or enjoying your local farmers market, we hope you will join us as we embark on this new journey. If you are interested in participating getting this news letter on a regular basis and learning about other events, please signup using the QR code or this [link](#).



What's at Stake in New Mexico?

New Mexico's farmers, ranchers, and food security organizations are facing severe consequences due to federal funding freezes and agency layoffs. Despite court rulings ordering the release of obligated federal funds, critical projects remain stalled, leading to layoffs, mounting debt, and halted conservation work ahead of an expected hot and dry season.

In FY2024, our state received close to \$430 million in federal funding to support food, agriculture, and conservation programs. The federal cuts may force New Mexico to absorb significant additional costs.

[View this infographic to better understand what's at stake in New Mexico.](#)

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USDA “Removal of Unconstitutional Preferences Based on Race and Sex in Response to Court Ruling” Rule

On July 9, 2025, USDA published a rule titled “Removal of Unconstitutional Preferences Based on Race and Sex in Response to Court Ruling” which announced that USDA will no longer be implementing race- and sex-based remedies to discrimination. The rule specifically alters programs within the Natural Resource Conservation Service (NRCS), Rural Development (RD), and the Farm Service Agency (FSA). For New Mexico, this will directly impact approximately 20,300 farmers and ranchers who identify as persons of Socially Disadvantaged (SDA) groups, according to the 2022 New Mexico Census of Agriculture.

The rule makes changes to the following programs:

Conservation Reserve Program	<ul style="list-style-type: none"> SDA farmers and ranchers are no longer eligible as lessees through the Transition Incentive Program
Wetland Reserve Program	<ul style="list-style-type: none"> The NRCS Chief is no longer able to allocate funding to encourage SDA Farmers and Ranchers to enroll in the program
Agricultural Conservation Easement Program	<ul style="list-style-type: none"> The NRCS Chief is no longer able to allocate funding to encourage SDA Farmers and Ranchers to enroll in the program
Rural Energy For America Program	<ul style="list-style-type: none"> The State Director and Administrator are no longer able to provide additional ranking points to SDA applicants.
FSA Farm Loans	<ul style="list-style-type: none"> Removes waiver of 10% down payment for the lease of inventory property for SDA farmers and ranchers Excludes SDA farmers and ranchers from other inventory property benefits. Removes transaction fee waivers for SDA Farmers and ranchers participating in the Down Payment Loan Program. Removes SDA farmer or rancher from the benefit of receiving a higher guaranteed on their loan
Emergency Relief Program	<ul style="list-style-type: none"> Removes policy for a higher payment to SDA producers
Milk Loss Program	<ul style="list-style-type: none"> Removes eligibility for SDA participants to receive payment in the amount of 90% of the value of incurred costs
Wildlife Habitat Incentive Program	<ul style="list-style-type: none"> Removes 90% cost share for SDA farmers and ranchers
Pandemic Assistance Revenue Program	<ul style="list-style-type: none"> Removes policy for a higher payment to SDA producers
Coronavirus Food Assistance Program	<ul style="list-style-type: none"> Removes policy for a higher payment to SDA producers

New Mexico Federal Funding Stabilization Subcommittee

New Mexico State Legislators Rep. Patricia A. Lundstrom and Senator William P. Soules co-chair a new committee on Federal Funding. In a May 2025 meeting, the committee reviewed the impact that federal dollars have in New Mexico. Most notably the state was projected to receive \$14.44 billion in fiscal year 2026 to assist in the administration of government programs.

The Subcommittee is dedicated to understanding federal delays and cancellations of federal funding and determining a plan of action to ensure that New Mexico gets the government services it needs.

The Subcommittee’s next meeting is scheduled to take place on August 28th in Santa Ana, NM.

Local Food Purchase Programs

While recent USDA actions have halted local food purchase programs including the Local Food for Schools (LFS) and Local Food Purchase Assistance (LFPA) programs, a bipartisan Senate bill has been introduced with the aim to expand access to healthy food for families. Senators Reed (D - RI) and Justice (R-WV) have introduced the “ Strengthening Local Food Security Act of 2025”.

This act allows for USDA to enter into cooperative agreements with state and tribal governments to promote local food being used for school and community food assistance programs.

The bill was referred to the Senate Ag Committee on 7/17/2025.

Agriculture Provisions of the “One Big Beautiful Bill”

SUMMARY

Investments made through the agriculture provisions of One Big Beautiful Bill Act (OBBBA) provide a challenging path for future Farm Bill negotiations. While a few key items, typically negotiated during the Farm Bill, were included in OBBBA, critical safety net, disaster, and conservation programs were excluded for many farmers. Passage of a Farm Bill is still critical to support conservation, disaster response, and to prevent law from reverting to 1949 permanent law. Commodity crop safety net programs received needed investments, however other farmers, including specialty crop and livestock, need fully funded, multi-year safety net programs.

The OBBA prioritizes improving the financial outlook for the largest scale commodity producers. \$59 billion of the estimated \$66 billion increase in agricultural spending goes specifically to increased payments or risk management options for large scale commodities in safety net programs, and further increasing the gap between safety net programs for large scale commodities and the rest of agriculture.

OBBBA shifts federal spending from paying for resilience for farms and instead prioritizes reactive direct payments. Rather than prioritizing federal spending for practices and markets which help reduce susceptibility to natural disasters and market fluctuations, this law prioritizes compensating losses after the disaster event. This law selects for and encourages production practices that are the most expensive to the taxpayer and assures that the cost of the safety net will only increase over time.



SPOTLIGHT

COMMODITY SAFETY NET

Agricultural Risk Coverage and Price Loss Coverage (ARCPLC) has an increase in reference prices across the board and FSA will implement the program on an additional 30,000,000 acres. Farms are generally eligible if their average planted and prevented plant covered commodity acres from 2019–2023 exceeded their existing base acres. Projections show New Mexico will not have new base acres as a result of this bill.

Payment limitation has been increased for commodity programs to \$155,000.

LIVESTOCK PROGRAMS

The Act strengthens the Livestock Indemnity Program (LIP), which provides financial assistance to livestock producers for livestock deaths caused by eligible adverse weather events or predation from reintroduced wildlife. A crucial expansion within LIP is the introduction of coverage for losses of unborn livestock for the first time. This provision offers a payment rate of up to 85% of the lowest weight class payment rate for that specific livestock type.

Livestock Forage Program (LFP) increases monthly payments from 1 to 2 and changes the trigger for payments at a D2 drought.

DAIRY PROGRAMS

Dairy Margin Coverage (DMC) Program is reauthorized. Annual production will be determined using 2021–2023 data. The tier 1 production limit has been increased from 5,000,000 lbs to 6,000,000 lbs.

This will save New Mexico dairy operations, with large herd sizes, money on their margin coverage.

CONSERVATION

Environmental Quality Incentive Program (EQIP), Conservation Stewardship Program (CSP), and Agricultural Conservation Easement Program (ACEP) are authorized through 2031. Funding for these programs has been put into the Farm Bill baseline. To be implemented over time:

- CSP – \$13.6 billion, a 36% increase
- EQIP – \$31.55 billion, a 55% increase
- ACEP – \$6.85 billion, a 26% increase
- RCPP – \$4.475 billion, a 49% increase

In the process, the climate sideboards previously required through the IRA have been removed.

AGRICULTURAL APPROPRIATIONS

What are appropriations?

Every year Congress works to pass appropriations for USDA. This bill provides USDA with annual funding to pay staff, make loans, and operate federal programs throughout the country. You may remember in years past the USDA being on “furlough” or full or partial government shutdown, at USDA, this shutdown is the result of appropriations not being passed timely. If the bill is not passed by the start of the fiscal year, October 1, USDA would not have the authority to spend money and therefore must shutdown.

Ensuring USDA is funded is critical to the services farmers and ranchers in New Mexico receive.

Congressional Actions

On June 23, 2025 the House Appropriations met to consider H.R. 4121 the “Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2026”. The Committee approved the bill 35 to 27.

On July 10, 2025, the Senate Committee on Appropriations approved the Fiscal Year (FY) 2026 Agriculture, Rural Development, Food and Drug Administration (FDA), and Related Agencies Appropriations Act, by a unanimous vote of 27-0,

A Few Things to Note

In the House version of the bill several programs received sizeable cuts in the name of “fiscal responsibility”:

- Value-Added Producer Grant program – 56% cut;
- Conservation Technical Assistance – 9% cut;
- Sustainable Agriculture Research and Education program – 16% cut.
- Office of Urban Agriculture and Innovative Production – 100% cut
- Grazing Lands Conservation Initiative 100% cut

We will continue to provide updates as the bill’s advance through both chambers of the legislature.

NEW WORLD SCREWORM FLY UPDATES:

New World screwworm (NWS) is a devastating pest. When NWS fly larvae burrow into the flesh of a living animal, they cause serious, often deadly damage to the animal. NWS can infest livestock, pets, wildlife, occasionally birds, and in rare cases, people.

In 2023, NWS detections in Panama exploded from an average of 25 cases per year to more than 6,500 cases in 1 year. Since then, screwworm has been detected in Costa Rica, Nicaragua, Honduras, Guatemala, Belize, El Salvador, and Mexico, north of the biological barrier that’s successfully contained this pest to South America for decades.

On July 9, 2025 Secretary Rollins ordered the closure of livestock trade through southern ports of entry.

Who is your Legislator?

Find your New Mexico State Representatives and Senators here: www.nmlegis.gov

Find your US Representative here: www.house.gov/representative/find-my-representative

Find your US Senators: www.senate.gov/senators/senators-contact.htm

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