

Field Notes: AgriPolicy Brief

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NM ATTORNEY GENERAL JOINS LAWSUIT AGAINST USDA

Attorney General Raúl Torrez joined a coalition of 21 attorneys general, filed a major lawsuit to stop the administration from requiring states agree to new terms and conditions for their financial agreements with the federal government. These agreements include billions of dollars in critical food, agriculture, and rural development assistance.

On December 31, 2025, the USDA announced new conditions for its federal agreements. These rules require states (and other agreement holders) to adopt specific administration policies regarding gender identity, immigration, and diversity initiatives to remain eligible for funding.

Programs required to follow the terms and conditions includes but are not limited to the national school lunch program, the Supplemental Nutrition Assistance Program (SNAP), Women Infants and Children (WIC) program, and other rural support programs including volunteer fire capacity programs.

In New Mexico, 150,357 students benefit from the National School Lunch programs and roughly 481,000 New Mexicans benefit from the Supplemental Nutrition Assistance program.

AG Campbell and the coalition argue that the administration is operating far outside its legal lane.

Joining Massachusetts in this lawsuit are the Attorneys General of:

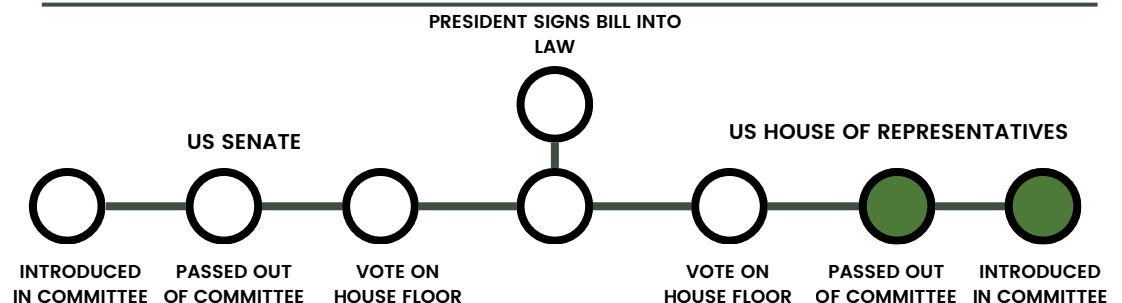
California, Colorado, Connecticut, Delaware, the District of Columbia, Hawai'i, Illinois, Maine, Maryland, Michigan, Minnesota, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, Virginia, Washington, and Wisconsin.

THIS ISSUE INCLUDES UPDATES ON:

- 21 States Sue USDA.....1
- Farm Bill Tracker.....1
- Funding for Navajo-Gallup Water Supply.....2
- NMISC Rule2
- Water Saving Commodities.....2
- Farmers Markets..... 3
- Product of USA Label.....3
- White House Event.....4
- Feeding the Economy Report....4



FARM BILL TRACKER





LUJÁN, HEINRICH, LEGER FERNÁNDEZ ANNOUNCE RELEASE OF \$120 MILLION IN FUNDING FOR THE NAVAJO-GALLUP WATER SUPPLY PROJECT

On March 16, 2026, U.S. Senator Ben Ray Luján (D-N.M.), U.S. Senator Martin Heinrich (D-N.M.), and U.S. Representative Teresa Leger Fernández, announced that the Bureau of Reclamation has expedited the release of \$120 million in funding for the Navajo-Gallup Water Supply Project from its Reclamation Water Settlements Fund.

According to the Senator Luján’s press release the coalition has been pursuing funding for this project since August of 2024.

August 2024 - Senators Luján, Heinrich and Congresswoman Leger Fernández welcomed a \$267 million Navajo-Gallup Water Supply Project contract to design and build the San Juan Lateral Water Treatment Plant in northwest New Mexico. The plant is the largest and most important feature of the Navajo-Gallup Water Supply Project.

January 2025 - Senators Luján and Heinrich and Congresswoman Leger Fernández announced \$120 million for the Navajo-Gallup Water Supply Project using funding from the U.S. Bureau of Reclamation’s Reclamation Water Settlements Fund.

March 2025 - Senator Luján passed the Navajo Gallup Water Supply Project Amendments out of the Senate Committee on Indian Affairs.

July 2025 - Senator Luján questioned nominee for Assistant Secretary for Indian Affairs, Billy Kirkland, on commitment to fund and complete the Navajo-Gallup Water Supply Project.

January 2026 - Senators Luján and Heinrich secured \$55 million to support the Navajo-Gallup Water Supply Project in the Fiscal Year 2026 Energy and Water Development appropriations bill.

NEW MEXICO INTERSTATE STREAM COMMISSION (NMISC) ADOPTS NEW RULE

NMISC adopted a new rule implementing the Water Security Planning Act (WSPA) intended to streamline regional water planning and encourage a more sustainable water future in New Mexico.

The rule creates a statewide framework for regional water planning, including criteria for convening regional water planning councils.

You can view the new rule [here](#).



WATER SAVING COMMODITIES

Grist recently reported that 400 million in drought funding through the Water Saving Commodities programs has still not been given to awardees, even though the program was awarded in 2024.

In 2024 Irrigation Districts, including several in New Mexico, were invited to apply for a noncompetitive grant program to help areas impacted by persistent drought. More specifically, 18 districts across 12 western states were awarded up to \$15 million each to upgrade irrigation infrastructure and reduce consumptive water use within their respective irrigation districts.

As part of an Administrative review conducted in early 2025, the funding for this program was frozen and awardees have still not received an update on if the funding will be disbursed.

According to the USDA Website New Mexico awardees included:

- Elephant Butte Irrigation District
- New Mexico Association of Conservation Districts
- Navajo Indian Irrigation Project



USDA ANNOUNCES NEW “PRODUCT OF USA” LABEL

On March 24, 2026 USDA Secretary Brooke Rollins announced a new, voluntary label for meat, poultry, and eggs. The "Product of USA" label is a voluntary USDA claim for meat, poultry, and egg products derived from animals exclusively born, raised, harvested, and processed in the United States. To use the label, USDA outlines that farmers and ranchers need to confirm their products are eligible for the label, maintain their documentation, including supply chain records, and finally apply the label.



Cattle organizations are still interested in a mandatory country of origin label but are generally supportive of the mandatory label created by the US Department of Agriculture. Farmers and ranchers who elect to use the label will be able to differentiate their products more easily in the market place and consumers will be able to tell which meat, poultry, and eggs are raised and processed here in the United States.

FARMERS MARKET SEASON!

As the weather gets warmer, don't forget to shop local and support your local farmers market. The New Mexico Farmers Marketing Association works to strength local food systems by supporting farmers and ranchers and strengthening the food system network.

NMFMA maintains a farmers market location tracker on their website.

To find a farmers market near you, check out their map [here](#).



MARCH FSA LENDING RATES

Farm Operating Loans (Direct): 4.750%
Farm Ownership Loans (Direct): 5.875%
Farm Ownership Loans (Direct, Joint Financing): 3.875%
Farm Ownership Loans (Down Payment) 1.875%
Emergency Loan (Amount of Actual Loss): 3.750%

FEEDING THE ECONOMY RELEASES ANNUAL REPORT

Feeding the Economy released their 2025 report. According to the report, agriculture in the state generates 265,032 jobs and approximately \$14.4 billion in wages. As an industry, New Mexico agriculture contributes over \$50 billion to the economy.

Read the full report [here](#).

FARMERS AND RANCHERS GATHER ON THE SOUTH LAWN OF THE WHITE HOUSE DURING NATIONAL AGRICULTURE CELEBRATION



President Donald Trump addressed farmers and ranchers on the South Lawn of the White House on March 27, 2026. In addition to the President, USDA Secretary Brooke Rollins, HHS Secretary Robert F. Kennedy Jr., Small Business Administration Administrator Kelly Loeffler and other agricultural leaders were in attendance. The address included announcements of an EPA waiver for the summer sale the E15 gasoline, the “Product of USA” label, and new initiatives to lower the costs of tractors.

Hundreds of farmers and ranchers were in attendance from all over the United States.



HOW TO FIND YOUR POLLING LOCATION

As summer rolls in, don't forget to mark your calendar's for New Mexico's primary election on June 2, 2026 and general election on November 3, 2026. You can find your polling place on the [New Mexico Secretary of State's Website](#).

USDA ANNOUNCED AWARDEES FOR LOCAL FOOD PROMOTION PROGRAM

On March 10, 2026 USDA announced the awardees for the Farmers Market Promotion Program (FMPP), Local Food Promotion Program (LFPP), and the Regional Food System Partnerships (RFSP). These programs help local and regional food entities develop, coordinate, and expand producer-to-consumer marketing, local and regional food markets, and local food enterprises.

Congratulations to New Mexico's Taos County Economic Development Council (TCEDC)! TCEDC was selected as one of the awardees for the LFPP program.

The overarching goal of this project is to increase the production, marketing, distribution, and consumption of local meats in Northern New Mexico through the continued development of a small-scale local meat processing facility and educational opportunities for ranchers, farmers, and value-added producers. “La Matanza” is a developing local meat processing facility in the rural high desert town of Taos, New Mexico that will expand marketing opportunities for Northern New Mexico ranchers by filling the urgent need for a USDA certified meat processing facility in our region. Key partner Benavidez Ranches will help to establish consistent local markets and ensure that the Matanza facility meets regional high demand for local meat. Work will entail supplying and staffing the Matanza facility to increase its processing capacity, workshops and technical assistance to inspire the development of value-added products, developing specialized marketing strategies for local ranchers such as securing MOUs, and creating efficient distribution routes for deliveries of local meat and value-added products. Local meat sales and distribution will focus on retail, wholesale, and institutional markets in the region, including grocery stores, restaurants, schools, senior centers, and hospitals. Project beneficiaries include local ranchers processing in the Matanza facility, local producers accessing TCEDC's programs and services for value-added product development, and consumers living in rural food deserts.

TCEDC has cultivated strong, trusting relationships with producers over the years. They encourage producers to be leaders in this project through active participation in guiding the project's direction by attending monthly listening sessions to provide suggestions and input contributing to the project's feasibility. TCEDC will continue this practice to ensure that stakeholder groups are active participants contributing to the overall success of the project. The proposed project activities consist of the most effective tried-and-true ways of engaging the local community.