

THE RURAL REPORT | SEPT 2 2025

Updates on Federal Action and Funding Opportunities
Supporting Development in Rural Communities

USDA Reorganization Comment Period Pushed to End of September

USDA quietly extended the public comment period for its reorganization plan – technically for a second time. USDA released the plan for public comment on July 24th for a period that was originally set to last 30 days. The original submission date was listed as August 26th, but was quietly changed to August 31st. A department webpage that last week listed the updated deadline now says it is September 30th. The new deadline comes after sharp criticism from both parties regarding the speed at which the administration is trying to reshape the Department without any substantive input from policymakers and stakeholders.

Where's the Farm Bill?

House Ag Chair G.T. Thompson (R-PA) is still hoping to advance a farm bill out of his committee by the end of the month. But the committee has yet to release text, and prospects for passing a farm bill in 2025 are fading fast. Stakeholders are pressuring Congress to pass vital farm and nutrition policies that Republicans couldn't include in their reconciliation package, but congressional Democrats are hesitant to negotiate after major cuts to nutrition assistance programs were included in the One Big Beautiful Bill. Some staff are already saying talks will likely be pushed into next year. House Ag Ranking Member Angie Craig (D-MN) described the probability of getting more than 100 House Democrats to support a farm bill after SNAP cuts as "Impossible."

Report Projects Decrease in Farm Trade Deficit

USDA is predicting a \$47 billion agricultural trade deficit for FY25 – a \$2 billion decrease from the May estimate – in the Department's quarterly trade report. The new deficit estimate comes as farmers are seeking new markets for their goods amid the President's tariff wars, which are discouraging previously reliable buyers. The updated trade estimate still represents an increase from fiscal 2024, when the deficit for agricultural products was \$31.8 billion. The report also projects a \$41.5 billion farm trade deficit in FY26.

Funding Opportunities

[Water & Waste Disposal Loan & Grant Program](#)

U.S. Department of Agriculture

USDA Rural Development provides funding for clean and reliable drinking water systems, sanitary sewage and solid waste disposal, and storm water drainage to households and businesses in eligible rural areas.

Application deadline: Open

[On-Farm Labor Housing Loans](#)

U.S. Department of Agriculture

USDA Rural Development provides low-interest loans to eligible borrowers to develop or rehabilitate rental housing for very-low- to moderate-income farm laborers. Application deadline: **Open until funds are depleted**

[USDA Rural Economic Development Loan and Grant Program](#)

U.S. Department of Agriculture

USDA Rural Development supports zero-interest loans and grants for current and former eligible Rural Utilities Service borrowers who then use the funds to help local businesses finance projects that create/retain jobs or support community facility projects. **Application Deadline: Quarterly**

[Intermediary Relending Program](#)

U.S. Department of Agriculture

USDA Rural Development provides funds to local lenders or “intermediaries” that re-lend to businesses to improve economic conditions and create new opportunities in rural communities. **Application deadline: Quarterly**

[Community Facilities Programs](#)

U.S. Department of Agriculture

USDA Rural Development provides funding to develop or improve essential public services and facilities. Projects include fire and rescue stations, town halls, health care clinics, hospitals, childcare centers, assisted living facilities, rehabilitation centers, public buildings, schools, libraries, and many other community-based initiatives. **Application Deadline: Open**

[Mutual Self-Help Housing Technical Assistance Grants](#)

U.S. Department of Agriculture

USDA Rural Development provides grants to organizations to help them carry out local self-help housing construction projects. Recipients supervise groups of very-low- and low-income individuals and families as they construct their own homes in rural areas. **Application deadline: Open**

[On-Farm Labor Housing Loans](#)

U.S. Department of Agriculture

USDA Rural Development provides low-interest loans to borrowers to develop or rehabilitate rental housing for very-low- to moderate-income farm laborers. **Application deadline: Open until funds are depleted**