

THE RURAL REPORT | FEB 3 2026

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

MAHA Objections May Delay Farm Bill

As Congress scrambles to pass a farm bill before midterm elections, Make America Healthy Again advocates are threatening to complicate efforts to pass a farm bill this year if it includes protections for pesticide producers. Agriculture industry representatives have been lobbying for a provision that would block states from requiring pesticide-makers to label their packaging in any way that differs from EPA guidance.

House Chair G.T. Thompson (R-PA) has voiced support for the provision, arguing that it will protect farmers' access to valuable chemical tools as states introduce stricter labeling mandates. But MAHA advocates argue that the provision would shield pesticide companies from litigation alleging their products are linked to negative health effects. House Ag Democrats, including Ranking Member Angie Craig (D-MN), support blocking the provision and are warning that its inclusion could amount to a "poison pill" that may hamper Dems' support for the farm bill.

USDA Pauses Loans Boosting Alternative Energy on Farms

The Trump administration announced yesterday that USDA will pause loan guarantees for biodigesters — the systems that turn farm waste into energy — citing delinquencies and other issues. Biodigesters are funded primarily through USDA's Rural Energy for America Program (REAP), as well as other Rural Business-Cooperative Service initiatives. According to USDA, the delinquency rate in the current portfolio of 21 loans for anaerobic digesters is 27%, or roughly \$102.6 million in arrears, compared to an average 11% delinquency across other programs.

The pause is expected to last 90 days. REAP has also seen grants frozen and new restrictions placed on solar panel projects in the last year.

Funding Opportunities

[Better Utilizing Investments to Leverage Development \(BUILD\) Grant Program](#)

U.S. Department of Transportation

The U.S. Department of Transportation's (USDOT) Office of Infrastructure Deployment provides grants for surface transportation infrastructure projects with significant local or regional impact. **Application deadline: 2/24/2026**

[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: 3/31/2026**

[Electric Infrastructure Loan & Loan Guarantee Program](#)

U.S. Department of Agriculture

USDA Rural Development provides insured loans and loan guarantees to nonprofit and cooperative associations, public bodies, and other utilities. Insured loans primarily finance the construction of electric distribution facilities in rural areas. **Application deadline: Open**

[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**

[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 Direct Loan Program](#)

U.S. Department of Agriculture

USDA Rural Development provides affordable funding to develop essential community facilities in rural areas. Projects include fire and rescue stations, town halls, health care clinics, and hospitals. **Application deadline: Open**

[Community Facilities Guaranteed Loan Program](#)

U.S. Department of Agriculture

USDA Rural Development provides loan guarantees to eligible lenders to develop essential community facilities (CF) in rural areas. Examples of community facilities include health care facilities, buildings like town halls, and public safety facilities such as fire departments. **Application deadline: Open**