

THE RURAL REPORT | JAN 20 2026

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

Ag Leadership Mulling Second Farm Aid Package

Congressional agricultural leaders on both sides of the aisle are considering pathways to provide additional funding for farmers after the Trump administration's December announcement of \$11 billion in aid for row crop farmers and \$1 billion for specialty crop farmers.

Republican leadership is discussing \$15 billion in additional aid for farmers in this month's appropriations bills. Sen. John Hoeven (R-ND), who chairs the Senate Appropriations Ag-FDA subcommittee, met last week with House Agriculture Chair G.T. Thompson (R-PA) and Senate Agriculture Chair John Boozman (R-AR) to discuss a path forward for the package. Hoeven and Thompson noted that the second round of farm aid would include money designated for specialty crop producers, who requested additional assistance after the Trump administration's initial farm aid launch.

Meanwhile, House Agriculture ranking member Angie Craig (D-MN) has introduced her own farm aid plan, which includes \$17 billion in additional funds, with carve-outs for specialty crops and foresters. Craig's proposal would also give Congress sole authority over new tariffs and delay when states start paying for some SNAP costs under the Republicans' One Big Beautiful Bill Act.

Congress Passes Three-Bill Appropriations Minibus

The Senate passed a three-bill spending package on Thursday by a vote of 82-15, sending the bill to the President's desk to avert a shutdown for another portion of federal spending. The package provides full-year funding for the Commerce-Justice-Science, Energy and Water, and Interior-Environment accounts. The Senate is expected to vote on another two-bill package for the Departments of Treasury and State next week, leaving only four spending bills remaining for passage by January 20th. It's possible the House introduces another minibus to round out FY26 funding by then; otherwise, a short-term continuing resolution would be necessary to avoid a partial shutdown.

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**