

THE RURAL REPORT | MAR 10 2026

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

House Ag Approves Farm Bill

Last week, the House Agriculture Committee marked up The Farm, Food, and National Security Act of 2026 and approved the bill by a vote of 34-17, with seven committee Democrats voting with Republicans to advance the bill. House Chair Thompson (R-PA) opted for a “budget-neutral” approach, shifting or reallocating funding among programs rather than increasing total federal farm-bill spending. Overall, the bill largely reauthorizes existing farm-bill programs while expanding conservation tools, research initiatives, and pest-control efforts.

The Senate, which is currently focused on delivering a second round of tariff funding for farmers, has yet to introduce their own farm bill. Lawmakers have a tight window to pass a farm bill ahead of midterm elections, after which it’s very unlikely Congress will come to an agreement. If the House is able to pass their version of the bill in the coming months, the onus will shift to the Senate to turn something around quickly.

Republicans Consider Attaching Farm Aid to Iran Funding Supplement

Republicans in Congress are considering attaching farm aid to a supplemental spending package requested to fund U.S. military operations involving Iran. Lawmakers are discussing including roughly \$15 billion in tariff relief and other assistance for farmers in the broader funding bill, alongside items like disaster aid, as a way to build political support for the package. The proposed funding would serve as a follow-up to the roughly \$12 billion in farm assistance already approved for farmers and ag producers, providing additional support to producers still facing losses tied to trade disruptions and market volatility.

Some Republican lawmakers argue that combining agricultural relief with the Iran funding measure could help attract votes from members representing farm states and increase the chances of passing the supplemental through Congress. Many Democrats will be hesitant to support a significant military spending package, but may have no other choice given the impacts of high input costs and tariffs on ag producers in their states and districts.

Funding Opportunities

[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**

[Timber Production and Expansion Guaranteed Loan Program \(TPEP\)](#)

U.S. Department of Agriculture

USDA Rural Development provides financial support to qualified lenders whose loan applicants want to establish, reopen, expand, or improve a sawmill or other wood processing facility that process ecosystem restoration byproducts from USDA Forest Service National Forest System lands. **Application deadline: Accepted until funds are expended.**