

THE RURAL REPORT | AUG 4 2026

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

Senate Ag Committee to Mark-up Farm Bill this Thursday

Momentum is building toward passing a new farm bill this fall, but Senate Agriculture Committee Chair John Boozman's (R-AR) bill faces opposition from Democrats ahead of Thursday's planned markup. Sen. Cory Booker (D-NJ) is urging Democrats to oppose the bill unless it includes a two-year delay of the new SNAP cost-sharing requirement. Boozman's proposal would provide states a one-year delay before they begin sharing the cost of SNAP benefits based on error rates, while increasing penalties for states with error rates above 6 percent beginning in FY2031. House Agriculture Committee Chair G.T. Thompson (R-PA) has indicated he could support the one-year delay and said he expects the chambers to begin informal pre-conferencing during the August recess.

The House passed its farm bill in May largely along party lines, and significant differences remain between the two chambers on SNAP, pesticide and animal welfare provisions, and other issues. Thompson has expressed optimism that lawmakers can reach an agreement in September, but the Senate bill's need for Democratic support could complicate that timeline. Boozman has defended the package as a compromise supported by Republicans and the White House, while anti-hunger and environmental groups argue that the SNAP provisions do not go far enough. The bill has received more favorable attention from agricultural groups for provisions including permanent year-round E15 sales, which could attract bipartisan support from farm-state lawmakers. With the current farm bill authority expiring September 30 and limited legislative days remaining before the midterm elections, lawmakers face a narrow window to resolve the remaining differences.

NRCS Reorganization Underway

USDA's Natural Resources Conservation Service (NRCS) is beginning a major reorganization that will consolidate the agency's four Deputy Areas into three and relocate DC employees to regional hubs by September 2027. The restructuring follows significant staffing losses at NRCS, which shed almost a quarter of its workforce in the last year, leaving 141 counties without any NRCS staff. USDA says the reorganization is intended to improve efficiency above the state level while adding field-focused staff, but stakeholders have raised concerns that continued staffing shortages could further delay conservation projects and reduce service to producers.

Funding Opportunities

[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***

[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.

[Targeted Technical Assistance for Rural Hospitals Program](#)

Health Resources & Services Administration

A federally funded initiative that offers comprehensive technical assistance to rural hospitals to address financial and operational challenges and maintain essential health services for their communities. ***Application Deadline: Rolling Basis***