

THE RURAL REPORT | JAN 6 2026

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

USDA Announces Disbursement Plans for Farm Aid

The Trump administration recently announced that payments for its \$12 billion bailout package will be calculated using farmers' planted acreage in 2025, and the rate will vary by crop. Agriculture Secretary Brook Rollins said that farmers can expect to receive the money by the end of February. Rice and cotton producers will see the highest payment rates, while soy and corn producers will receive significantly less money per acre because the bailout is designed to assist with unusually high costs of fertilizer and other inputs, rather than solve for lost market access. The announcement only addressed how much USDA would send to row crop producers, who are eligible for \$11 billion of the total farm aid package. There have been no further details regarding the remaining \$1 billion, which is reserved for producers of specialty crops and other commodities. As producers call for more funding, lawmakers are considering a second tranche of farm aid that could be included in Congress's January 30th funding package.

House Moves Quickly on FY26 Appropriations and Healthcare

This week, congressional appropriators unveiled text for a 3-bill minibus package for Interior-Environment, Energy and Water, and Commerce, Justice, and Science funding. The House is expected to vote on the package, which has bipartisan and bicameral support, on Thursday so that the Senate can move the measure before the end of next week. The package includes millions of dollars in earmarks to fund rural health innovation, water, and restoration projects. Passage of this new minibus would mean 7 accounts are fully funded through the end of FY26, leaving 5 in need of a solution by the end of the month.

The House is also expected to vote Thursday on legislation to extend Affordable Care Act premium subsidies for 3 years – a vote forced by GOP moderates concerned about the ramifications of the healthcare cliff. The bill is expected to pass in the House with backing from Democrats, but it likely doesn't have a path forward in the Senate.

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**

[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**

[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**