



## **DEPARTMENT OF AGRICULTURE**

### **Rural Business-Cooperative Service**

**[DOCKET #: RBS-25-BUSINESS-0005]**

### **Notice of Funding Opportunity for the Rural Economic Development Loan and Grant Programs for Fiscal Year 2026**

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice.

**SUMMARY:** The Rural Business-Cooperative Service (RBCS or Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), invites applications for loans and grants under the Rural Economic Development Loan and Grant Programs (REDLG or Programs) for fiscal year (FY) 2026, subject to the availability of funding. This notice is being issued prior to the passage of a FY 2026 Appropriations Act, which may or may not provide funding for this program, to allow applicants sufficient time to leverage financing, prepare and submit their applications, and give the Agency time to process applications within FY 2026. Based on FY 2025 appropriated funding and current budget situation, the Agency estimates that approximately \$50,000,000 for Loans and \$10,000,000 for Grants will be available for FY 2026. Successful applications will be selected by the Agency for funding and subsequently awarded to the extent that funding may ultimately be made available through appropriations. All applicants are responsible for any expenses incurred in developing their applications.

**DATES:** The deadlines for completed applications to be received in the RD State Office for quarterly funding competitions are no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2025; Second Quarter, December 31, 2025; Third Quarter, March 31, 2026, and Fourth Quarter, June 30, 2026. The Agency will not consider any application received after the deadline for funding competition in that fiscal quarter.

**ADDRESSES:** Applications must be submitted in paper or electronically to the RD State Office of the state where the project is located. A list of the RD State Office contacts can be found at: [rd.usda.gov/about-rd/state-offices](http://rd.usda.gov/about-rd/state-offices). This notice will also be announced at [grants.gov](http://grants.gov).

**FOR FURTHER INFORMATION CONTACT:** Cindy Mason at [cindy.mason@usda.gov](mailto:cindy.mason@usda.gov), Program Management Division, Business Programs, RBCS, USDA, 1400 Independence Avenue SW., Stop 3201, Room 5803-South, Washington, D.C. 20250-3201, or call (202) 690-1433. For further information on this notice, please contact the RD State Office in the state which the applicant's headquarters is located. A list of RD State Office contacts is provided at the following link: [rd.usda.gov/about-rd/state-offices](http://rd.usda.gov/about-rd/state-offices).

### **SUPPLEMENTARY INFORMATION:**

#### **Overview**

*Federal Awarding Agency Name:* Rural Business-Cooperative Service (RBCS)

*Funding Opportunity Type:* Rural Economic Development Loans and Grants (REDLG)

*Announcement Type:* Notice of Funding Opportunity (NOFO)

*Funding Opportunity Number:* RD-RBCS-26-REDLG

*Assistance Listing Number:* 10.854

*Dates:* The deadlines for complete applications to be received in the RD State Office for quarterly funding competitions are no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2025; Second Quarter, December 31, 2025; Third Quarter, March 31, 2026, and Fourth Quarter, June 30, 2026.

#### **A. Program Description**

1. *Purpose of the Program.* The Rural Economic Development Loan (REDL) and Grant (REDG) Programs (REDLG or Program(s)) provide financing to eligible Rural Utilities Service (RUS) electric or telecommunications borrowers (Intermediaries) to promote rural economic development and job creation projects. Assistance provided to rural and Tribal areas, as defined, under this program may include business startup costs, business expansion, business incubators,

technical assistance feasibility studies, advanced telecommunications services and computer networks for medical, educational, and job training services, and Community Facilities, as defined at 7 CFR 4280.3, projects for economic development.

2. *Statutory and Regulatory Authority.* These Programs are authorized under Section 313B of the Rural Electrification Act of 1936, as amended and implemented by 7 CFR part 4280, subpart A.

The Full-Year Continuing Appropriations and Extensions Act, 2025 (Pub. L. 119-4) extends the set aside guidance from the Consolidated Appropriations Act, 2024 that designates funding for projects in persistent poverty counties. Persistent poverty counties is “any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses, and 2007–2011 American Community Survey 5-year average, or any territory or possession of the United States”. Section 736 expands the eligible population in persistent poverty counties to include any county seat of such a persistent poverty county that has a population that does not exceed the authorized population limit by more than 10 percent, expanding the current 50,000 population limit to 55,000 for only county seats located in persistent poverty counties. Therefore, assuming the Appropriations Act for 2025 has similar language, applicants and/or beneficiaries located in persistent poverty county seats with populations up to 55,000 (per the 2010 Census) are eligible.

3. *Definitions.* The definitions applicable to this notice are published at 7 CFR 4280.3.

4. *Application of Awards.* The Agency will review, evaluate, and score applications received in response to this notice based on the provisions found in 7 CFR part 4280, subpart A, and as indicated in this notice. Awards under the REDLG programs will be made on a competitive basis using specific selection criteria contained in 7 CFR part 4280, subpart A and as indicated in this notice. The applicant bears the full burden in preparing and submitting an application in response to this notice regardless of whether or not funding is appropriated for the programs in FY 2026.

## **B. Federal Award Information**

*Type of Awards:* Loans and Grants

*Fiscal Year Funds:* FY 2026

*Available Funds:* Dependent upon FY 2026 appropriations. Funding is anticipated to be approximately \$50,000,000 in Loans and \$10,000,000 in Grants based on FY 2025 amounts.

RBCS may, at its discretion, increase the total level of funding available in these funding rounds from any available source provided the awards meet the requirements of the statute which made the funding available to the Agency.

*Award Amounts:* The Agency anticipates the following maximum amounts per award: Loans - \$1,000,000; Grants - \$300,000.

*Anticipated Award Dates:* First Quarter, November 30, 2025; Second Quarter, February 29, 2026; Third Quarter, May 31, 2026; and Fourth Quarter, August 31, 2026.

*Performance Period:* December 1, 2025, through September 30, 2027

*Renewal or Supplemental Awards:* None

*Type of Assistance Instrument:* Direct Loan and Financial Assistance Agreement

### **C. Eligibility Information**

1. *Eligible Applicants.* Loans and grants may be made to any entity that is identified by USDA RD as an eligible borrower under the Rural Electrification Act of 1936, as amended (Act). In accordance with 7 CFR 4280.13, applicants that are not delinquent on any Federal debt or not otherwise disqualified from participation in these Programs are eligible to apply. The Agency will screen applicants via the Do Not Pay portal for debarment, suspension, and delinquent Federal debt at the time of application, prior to award, and prior to disbursement of funds notwithstanding any other provision of law, any former RUS borrower that has repaid or prepaid an insured, direct, or guaranteed loan under the Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act shall be eligible for assistance under section 313B(a) of such Act in the same manner as a borrower under such Act. All other restrictions in this notice will apply.

The applicant and its principals must not be debarred, suspended, or otherwise excluded from participation in USDA programs, in accordance with 2 CFR parts 180 and 417. The applicant must not be delinquent on any Federal debt, nor have any outstanding judgment obtained by the U.S. in a Federal court. Upon receipt of application, prior to award, and prior to disbursement of Federal funds, the Agency will screen the applicant and its principals through the Do Not Pay System, as required by 31 U.S.C. § 3354, to verify eligibility with respect to debarment, suspension, and any unresolved Federal debts. Applicants are responsible for resolving any issues identified in the Do Not Pay System; if such issues are not resolved by the deadlines specified in this notice, the agency may proceed to award funds to other eligible applicants. Applicants are responsible for compliance with all applicable regulations, including 2 CFR Parts 180 and 417.

2. *Cost Sharing or Matching.* For loans, either the ultimate recipient or the intermediary must provide supplemental funds for the project equal to at least 20 percent of the loan to the intermediary. For grants, the intermediary must establish a revolving loan fund and contribute an amount equal to at least 20 percent of the grant. The supplemental contribution must come from the intermediary's which may not be from other Federal grants, unless permitted by law.

3. *Other.*

(a) There are no "responsiveness" or "threshold" eligibility criteria for these loans and grants. There is no limit on the number of applications an applicant may submit under this announcement.

(b) None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that:

(i) Has any unpaid Federal tax liability, that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

(ii) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

(c) Applications will not be considered for funding if they do not provide sufficient information to determine eligibility or are missing required elements.

#### **D. Application and Submission Information**

1. *Address to Request Application Package.* For further information, entities wishing to apply for assistance should contact the RD State Office provided in the ADDRESSES section of this notice to obtain copies of the application package.

2. *Content and Form of Application Submission.* An application must contain all of the required elements outlined in 7 CFR 4280.39 and address each selection priority criterion outlined in 7 CFR 4280.42(b). Failure to address any of the criterion will result in a zero-point score for that criterion and will impact the overall evaluation of the application.

3. *System for Award Management and Unique Entity Identifier.*

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25. In order to register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at [sam.gov/content/entity-registration](https://sam.gov/content/entity-registration).

(b) Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

#### 4. *Submission Dates and Times.*

(a) *Application Technical Assistance Deadline Date.* Prior to official submission of grant applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made at least 15 days prior to each quarter submission date. Technical assistance is not meant to be an analysis or assessment of the quality of the materials submitted, a substitute for agency review of completed applications, nor a determination of eligibility, if such determination requires in-depth analysis.

(b) *Application Deadline Dates.* Completed applications must be received no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2025; Second Quarter, December 31, 2025; Third Quarter, March 31, 2026; and Fourth Quarter, June 30, 2026. Applications must be in the RD State Office by the dates and times as indicated. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business day. If completed applications are not received by the deadline established above, the application will neither be reviewed nor considered in that quarter under any circumstances.

The Agency will not solicit or consider new scoring or eligibility information that is submitted after the application deadline. The Agency also reserves the right to ask applicants for clarifying information and additional verification of assertions in the application.

5. *Intergovernmental Review.* Executive Order (EO) 12372, “Intergovernmental Review of Federal Programs,” applies to this program. This EO requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the USDA website: [usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review](https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/intergovernmental-review). If your State has a SPOC, you may submit a copy of the application directly for review. Any comments obtained through the SPOC must be provided to your State Office for consideration as part of your application. If your state has not established a SPOC, you may submit your application directly to the Agency. Applications from Federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.* The grantee may utilize a previously approved indirect cost rate. Otherwise, the applicant may elect to charge the de minimis indirect cost rate as permitted under 2 CFR 200.414(f). An indirect cost rate determination may be requested with the application; however, due to the time required to evaluate indirect cost rates, it is likely that all funds will be awarded before the indirect cost rate is determined. No foreign travel is permitted. Pre-Federal award costs will only be permitted with prior written approval by the Agency.

7. *Other Submission Requirements.*

(a) There are no specific limitations on the number of pages, font size and type face, margins, paper size, number of copies, and the sequence or assembly requirements.

(b) The component pieces of this application should contain original signatures on the original application. Any form that requires an original signature but is signed electronically in

the application submission, must be signed in ink by the authorized person prior to the disbursement of funds.

(c) An original copy of the application package must be filed with the RD State Office for the State where the intermediary is located.

(d) Applicants may submit applications in hard copy or electronic format as previously indicated in the ADDRESSES section of this notice. If the applicant wishes to hand deliver their application, the addresses for these deliveries can be located in the ADDRESSES section of this notice. Applicants are encouraged to contact their respective State Office for an email contact to submit an electronic application prior to the submission deadline date(s).

Applicants intending to mail applications must allow sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (FAX) or postage due applications will not be accepted.

#### **E. Application Review Information**

1. *Criteria.* All eligible and complete applications will be evaluated and scored based on the selection criteria and weights contained in 7 CFR part 4280, subpart A. Failure to address any one of the criteria by the application deadline will result in the application being determined ineligible, and the application will not be considered for funding.

2. *Review and Selection Process.* The RD State Offices will review applications to determine if they are eligible for assistance based on requirements contained in 7 CFR part 4280, subpart A. If determined eligible, applications will be submitted to the National Office. Funding projects is subject to the intermediary's satisfactory submission of the additional items required by that subpart and the RD Letter of Conditions. The Agency reserves the right to offer the applicant less than the funding requested.

#### **F. Federal Award Administration Information**

1. *Federal Award Notices.* Successful applicants will receive notification for funding from the RD State Office. Applicants must comply with all applicable statutes and regulations before the loan/grant award can be approved. Provided the application and eligibility requirements have not changed, an eligible application not selected will be reconsidered in three subsequent quarterly funding competitions for a total of four competitions. If an application is withdrawn by the applicant, it can be resubmitted and will be evaluated as a new application.

2. *Administrative and National Policy Requirements.*

(a) *Additional Requirements for Intermediaries and/or Grantees.* Additional requirements that may apply to intermediaries or grantees selected for these programs can be found in 7 CFR part 4280, subpart A and 2 CFR parts 400, 415, 416, 417, 418, 421 and 422, and 2 CFR parts 25, 170, 175, 180, 182, 184, 200 and successor regulations to these parts.

(b) *Awards.* All awards are subject to USDA grant regulations at 2 CFR part 400 which adopt the Office of Management and Budget (OMB) regulations 2 CFR part 200.

(c) *Notification.* All successful applicants will be notified by letter which will include a Letter of Conditions, and a Letter of Intent to Meet Conditions. This letter is not an authorization to begin performance. If the applicant wishes to consider beginning performance prior to the loan or grant being officially closed, all pre-award costs must be approved in writing and in advance by the Agency. The loan or grant will be considered officially awarded when all conditions in the Letter of Conditions have been met and the Agency obligates the funding for the project.

The following additional requirements apply to intermediaries or grantees selected for these Programs:

(i) Form RD 4280-2 “Rural Business-Cooperative Service Financial Assistance Agreement.”

(ii) Letter of Conditions.

(iii) Form RD 1940-1, “Request for Obligation of Funds.”

(iv) Form RD 1942-46, “Letter of Intent to Meet Conditions.”

(v) SF LLL, “Disclosure of Lobbying Activities,” if applicable.

(vi) Form SF 270, “Request for Advance or Reimbursement.”

(vii) Form RD 400-4, “Assurance Agreement” must be completed by the applicant and each prospective ultimate recipient.

(viii) Intermediaries or grantees must collect and maintain data provided by ultimate recipients on race, sex, and national origin and ensure ultimate recipients collect and maintain this data. Race and ethnicity data will be collected in accordance with OMB *Federal Register* notice, “Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity” (62 FR 58782), October 30, 1997. Sex data will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

(d) *Civil Rights*. All awards of Federal financial assistance made under this NOFO are subject to applicable civil rights laws, which may include Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Title VIII of the Civil Rights Act of 1968, Title IX of the Education Amendments Act of 1973, and the Equal Credit Opportunity Act of 1974.

(e) *Build America, Buy America*. Awardees that are Non-Federal Entities, defined pursuant to 2 CFR 200.1 as any State, local government, Indian Tribe, Institution of Higher Education, or nonprofit organization, shall be governed by the requirements of Section 70914 of the Build America, Buy America Act (BABAA) within the Infrastructure Investment and Jobs Act (Public Law 117-58). Any requests for waiver of these requirements must be submitted pursuant to USDA’s guidance available online at [usda.gov/ocfo/federal-financial-assistance-policy/USDABuyAmericaWaiver](https://www.usda.gov/ocfo/federal-financial-assistance-policy/USDABuyAmericaWaiver).

(f) *Geospatial Information*. Awardee, and any and all contracts entered into by the Awardee with respect to the Award, shall ensure that geospatial data required to be collected and provided to the Agency, conforms with the requirements of USDA Department Regulation DR-

3465-001 and the Geospatial Metadata Standards set forth in the USDA Departmental Manual at DM 3465-001, which can be obtained online at [usda.gov/directives/dr-3465-001](https://www.usda.gov/directives/dr-3465-001) and [usda.gov/directives/dm-3465-001](https://www.usda.gov/directives/dm-3465-001).

### 3. *Reporting.*

(a) A financial status report and a project performance activity report will be required of all grantees on a quarterly basis until initial funds are expended and yearly thereafter, if applicable, based on the Federal FY. The grantee will complete the project within the total time available to it in accordance with the scope of work and any necessary modifications thereof prepared by the grantee and approved by the Agency. A final project performance report will be required with the final financial status report. The final report may serve as the last quarterly report. The final report must provide complete information regarding the jobs created and supported as a result of the grant if applicable. Grantees must continuously monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. Grantees must submit an original of each report to the Agency no later than 30 days after the end of the quarter. The project performance reports must include, but not be limited to, the following:

- (i) A comparison of actual accomplishments to the objectives established for that period;
- (ii) Problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
- (iii) Objectives and timetable established for the next reporting period;
- (iv) Any special reporting requirements, such as jobs supported and created, businesses assisted, or economic development which results in improvements in median household incomes,

and any other specific requirements, should be placed in the reporting section of the Letter of Conditions; and

(v) Within 90 days after the conclusion of the project, the intermediary will provide a final project evaluation report. The last quarterly payment will be withheld until the final report is received and approved by the Agency. Even though the intermediary may request reimbursement on a monthly basis, the last 3 months of reimbursements will be withheld until a final report, project performance, and financial status report are received and approved by the Agency.

(b) In addition to any reports that may be required by 2 CFR part 200, 400, 415, 416, 417, 418, 421 and 422, the intermediary or grantee must provide reports as required by 7 CFR part 4280, subpart A.

**G. Federal Awarding Agency Contact(s)** – For general questions about this announcement, please contact your RD State Office provided in the ADDRESSES section of this notice.

#### **H. Other Information**

1. *Paperwork Reduction Act*. In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the program, as covered in this notice, has been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0035.

2. *National Environmental Policy Act*. All recipients under this notice are subject to the requirements of 7 CFR 1b. RBCS will review each grant application to determine its compliance with 7 CFR 1b. The applicant may be asked to provide additional information or documentation to assist RBCS with this determination.

3. *Federal Funding Accountability and Transparency Act*. All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

4. *Equal Opportunity for Religious Organizations.*

(a) Faith-based organizations may apply for this award on the same basis as any other organization, as set forth at, and subject to the protections and requirements of, this part and any applicable constitutional and statutory requirements, including 42 U.S.C. 2000bb et seq. USDA will not, in the selection of recipients, discriminate for or against an organization on the basis of the organization's religious character, motives, or affiliation, or lack thereof, or on the basis of conduct that would not be considered grounds to favor or disfavor a similarly situated secular organization.

(b) A faith-based organization that participates in this program will retain its independence from the Government and may continue to carry out its mission consistent with religious freedom and conscience protections in Federal law. Religious accommodation may also be sought under many of these religious freedom and conscience protection laws.

(c) A faith-based organization may not use direct Federal financial assistance from USDA to support or engage in any explicitly religious activities except when consistent with the Establishment Clause of the First Amendment and any other applicable requirements. An organization receiving Federal financial assistance also may not, in providing services funded by USDA, or in their outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

5. *Nondiscrimination Statement.* In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or

funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office or USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at [usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint](https://www.usda.gov/about-usda/general-information/staff-offices/office-assistant-secretary-civil-rights/how-file-program-discrimination-complaint) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(a) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW Mail Stop 9410

Washington, D.C. 20250-9410; or

(b) Fax: (202) 690-7442; or

(c) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

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Jeremy Claeys

Administrator

Rural Business-Cooperative Service

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