United States Department of Agriculture

Rural Development

George Kelly
Administrator

Rural Housing Service
1400 Independence Ave, SW
Washington, DC 20250

TO: **Selected State Directors/Acting State Directors**
Alaska, California, Connecticut, Florida, Iowa, Kentucky, Maine, Massachusetts, Mississippi, Nevada, New Mexico, New York, North Carolina, Oregon, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virgin Islands, Virginia, and Western Pacific

ATTN: Area Directors
Area Specialists
Community Facilities Program Directors

FROM: George Kelly
Administrator
Rural Housing Service

GEORGE KELLY
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Date: 2026.01.11 11:33:30 -05'00'

SUBJECT: Disaster Assistance Funding (DAF) Guidance for Community Facilities

AUTHORITY

Section 10101 of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, P.L. 110-329, as amended (7 U.S.C. 6945), created the Rural Development Disaster Assistance Fund ("DAF"). Funding provided in the DAF is available to the Secretary of Agriculture, until expended, to provide additional amounts in loans, grants, loan guarantees, or cooperative agreements, for any authorized activities of agencies of the Rural Development Mission Area in areas affected by a disaster declared by the President, the Secretary of Agriculture, or the Governor of a State or Territory.

BACKGROUND

The American Relief Act, 2025, P.L. 118-158 (the "2025 ARA"), provided $362.5 million for the DAF to remain available until expended. Community Facilities received a total of $69,085,100 in Disaster Assistance Funding authorized by the 2025 ARA. Of this funding, 28 projects were identified from unfunded CY22/23 disaster submissions totaling $22,278,039. The remaining $46,807,061 is available for projects in state specified disaster declaration areas.

ELIGIBLE DISASTER AREAS

The DAF funds spreadsheet includes state tabs which identifies the disaster declarations for each state where DAF funds have been made available. It also contains the CY22/23 projects in each state as well as available DAF fund amounts

EXPIRATION DATE:
December 31, 2026

FILING INSTRUCTIONS:
Housing Programs

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for potential CF projects in areas affected by the listed disaster declaration. All DAF funds must be used for projects in areas affected by the disaster in which they were awarded. Eligible projects must have been directly affected/damaged by a disaster. If a community had to purchase a vehicle or piece of equipment (i.e. emergency generator) due to the emergency prior to application submission -reimbursement will be considered with proper documentation, timeline, and procurement procedures.

IMPLEMENTATION RESPONSIBILITIES

CF disaster funds will be delivered and processed through the Community Facilities Grant Program and include two categories:

- Category 1 – Comprised of the 28 identified projects previously submitted in response to the Federal Register Notice issued in June 2023 or July 2024. Process these projects in accordance with the requirements of the applicable Notice of Funding Announcement. States should have a pre-application or complete application on file for each of these projects. These projects may also be eligible for waivers authorized by 7 USC 6945 (c)(1), as specified in the DAF funds spreadsheet according to each disaster declaration. These waivers can include Income, Cost Sharing and/or Population.

- Category 2 – Includes projects not falling under Category 1 and will require submission of a complete application package in accordance with 7 CFR 3570. These projects may be eligible for one or more waivers including: Income, Cost Sharing and/or Population. Available waivers are limited to the waivers included in the DAF funds spreadsheet and must be properly documented in CPAP. See further guidance on documentation in the pages below.

States may request funds for projects up to the allocation amount specified for the state's disaster declaration(s) as outlined in the DAF funds spreadsheet.

Funding amounts were based on a review process by the DAF Committee that included representation from agency leadership, State Directors, and RD's Security, Safety & Emergency Management Division. Recommendations were reviewed and concurred by Agency Administrators and the Acting Deputy Under Secretary, with final approval provided by the Secretary of Agriculture.

FUND AVAILABILITY

We encourage states to obligate as soon as possible. While these funds are available to applicable states until expended, it is expected that unobligated funds will eventually revert back to the DAF. At this time, a pooling deadline has not been established.

TYPE OF ASSISTANCE CODE

960 – CF Grant Disaster Assistance Fund

PROCESS

- States without grant approval authority will need to work with their Asset Risk Management Specialist to obtain National Office concurrence.

- CPAP entries:
    - Most projects selected for the CF DAF were granted exceptions for one or more of the following items: Income, Cost Sharing and/or Population.
    - When entering information/underwriting in CPAP – please make a notation in the appropriate comment areas for these exceptions. (Project examples will be provided.)
    - For those projects with an approved Cost Sharing exemption, an override will need to be completed in CPAP. Please contact Kimberly McCay, Community Program Specialist, at kimberly.mccay@usda.gov.
    - All DAF Projects will be funded via CPAP funds request.