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(Original Signature of Member)

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To amend the Consolidated Farm and Rural Development Act to provide additional assistance to rural water, wastewater, and waste disposal systems, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. DAVIS of North Carolina introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Consolidated Farm and Rural Development Act to provide additional assistance to rural water, wastewater, and waste disposal systems, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Assistance for Rural  
5 Water Systems Act of 2026”.

1 **SEC. 2. ADDITIONAL ASSISTANCE FOR RURAL WATER SYS-**  
2 **TEMS.**

3 Subtitle A of the Consolidated Farm and Rural De-  
4 velopment Act is amended by inserting after section 306A  
5 (7 U.S.C. 1926a) the following:

6 **“SEC. 306B. ADDITIONAL ASSISTANCE FOR RURAL WATER**  
7 **SYSTEMS.**

8 “(a) DEFINITION OF ELIGIBLE ENTITY.—In this sec-  
9 tion, the term ‘eligible entity’ means a rural water, waste-  
10 water, or waste disposal facility with respect to which as-  
11 sistance may be provided under a water, wastewater, or  
12 waste disposal program under section 306(a), 306A,  
13 306C, or 306D.

14 “(b) ADDITIONAL ASSISTANCE.—

15 “(1) GRANTS AND LOANS.—The Secretary may  
16 provide a grant, a zero percent interest loan, or a 1  
17 percent interest loan to an eligible entity.

18 “(2) EXISTING LOANS.—The Secretary may—

19 “(A) forgive principal or interest or modify  
20 any term or condition of an outstanding loan  
21 made to an eligible entity; or

22 “(B) refinance part or all of any other loan  
23 (if the purpose of the loan is an eligible purpose  
24 under section 306(a)(1) or 306C) made to an  
25 eligible entity.

1           “(3) LIMITATION.—The Secretary may not pro-  
2           vide assistance under paragraph (2) with respect to  
3           a loan made under paragraph (1).

4           “(c) ELIGIBLE PURPOSES.—The Secretary may pro-  
5           vide assistance to an eligible entity under subsection (b)  
6           as the Secretary determines is necessary—

7           “(1) to ensure that the eligible entity has the  
8           necessary resources to maintain public health, safe-  
9           ty, or order; or

10           “(2) to address financial hardships of the eligi-  
11           ble entity, if the eligible entity is located in a dis-  
12           advantaged or economically distressed area, as deter-  
13           mined under subsection (d).

14           “(d) DETERMINATION.—To determine whether an el-  
15           igible entity may receive assistance pursuant to subsection  
16           (c)(2), the Secretary shall establish—

17           “(1) a residential indicator of affordable water  
18           services in each State or local or geographic area,  
19           calculated using the cost per household as a percent-  
20           age of median household income; and

21           “(2) factors relating to disadvantaged or eco-  
22           nomicallly distressed areas.”.