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On behalf of The Rural Community Assistance Partnership (RCAP)

Before the United States House of Representatives Committee on Agriculture; Subcommittee on Commodity Markets, Digital Assets, and Rural Development

Hearing: Strengthening Rural America Through USDA Rural Development Programs and Partnerships– (November 19, 2026)

Chairman Thompson, Ranking Member Davis, and distinguished members of the Committee, thank you for the opportunity to testify at this important hearing. And thank you for all that you do on behalf of rural communities. My name is Randy Welch, and I am the Senior Training and Development lead for the Southeast Rural Community Assistance Project, better known as SERCAP. We serve rural areas in Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida. SERCAP is one of six regional partners that make up the Rural Community Assistance Partnership (RCAP). RCAP is a national network of nonprofit organizations that has spent more than 50 years providing hands-on technical assistance to small rural communities across all 50 states, tribal lands, and U.S. territories.

Before stepping into my current role, I spent years as a SERCAP technical assistance provider in North Carolina, working directly with small water and wastewater systems. I've sat in church congregations with folks begging for help with contaminated wells, worked alongside water and wastewater operators on failing systems, and helped local utilities train operators and boards, manage their systems, and plan for needed projects. That work gave me a first-hand view of both the tremendous contributions rural America makes to this country and the very real challenges rural communities face in building and maintaining the basic infrastructure that residents of larger cities often take for granted. It also made it clear that behind every water main break or boil-water notice is a community trying to do right by its people with limited resources.

I want to use my time today to speak to four points:

1. The importance of rural America to every American;
2. the continuing need for the programs housed at USDA Rural Development (RD);
3. the demonstrated success of those programs; and
4. why USDA is the right home for them.

I. Rural America Matters to Every American

Rural America is not a footnote to the national economy. It is the foundation of it. Although only about 14 percent of Americans live in rural counties, those counties produce most of the nation's food, fiber, and energy.

Every American, whether they live in a major metropolitan area or in one of the small towns RCAP technical assistance providers (TAPS) have worked in, eats food grown in rural America, drinks water protected by rural infrastructure, and benefits from the natural resources that rural communities steward. When rural communities thrive, the entire national economy is stronger, more resilient, and more secure. When rural communities are left behind, their water systems fail, their hospitals close, and their young people leave because there is no housing, jobs, or broadband to keep them—the effects are not contained to those counties. They ripple into regional economies, national food security, and our ability to compete globally.

Investing in rural America is not a regional favor. It is a national economic and security imperative.

II. The Continuing Need for USDA Rural Development Programs

Despite that outsized contribution, rural communities continue to face an infrastructure and capacity gap that they cannot close alone. Many of the small towns RCAP TAP's serve have populations under 2,500, part-time or volunteer local officials, and no engineering or grant-writing staff on hand. A water system serving 400 households does not have the economies of scale of a city utility, yet it's important that it meets the same federal safety standards. Further,

demands for additional capacity from agri-business, manufacturing, energy development, housing sprawl, and data center expansion provide potential opportunity for rural communities, but only if affordable capital is available for expansion.

USDA Rural Development programs exist precisely to close that gap. The Water & Waste Disposal Loan and Grant Program, the Community Facilities Program, the Rural Housing Service's home loan and repair programs, and the Rural Utilities Service broadband and energy programs are often the only realistic path a small town has to build a new water tower, replace a failing wastewater system, keep a rural health clinic open, or bring broadband to a county with no other prospect of private investment. In my years working directly with small water systems, I saw again and again that when a boil-water notice hit or a clinic was on the verge of closing, USDA Rural Development was frequently the only door left to knock on.

That need becomes even more urgent in the wake of disaster. When Hurricane Helene tore through western North Carolina in 2024, it devastated water and wastewater systems in small towns that had already been struggling for years to keep aging infrastructure running. Communities I worked with are still rebuilding today, and that recovery has made painfully clear just how thin the margin is for rural systems even before a disaster strikes. The need is growing, not shrinking. Much of rural America's water and wastewater infrastructure is decades past its intended lifespan, broadband gaps persist in the most sparsely populated counties, and workforce and other demographic pressures make local capacity even more scarce than it once was. Sustained, predictable funding for these programs is essential.

III. USDA Rural Development Programs Work

These are not untested programs. USDA Rural Development programs have a decades-long record of delivering results. RD programs help rural areas serve their people, support national and local businesses, and create safer, healthier communities. As trusted USDA and community partners, we see the results firsthand: families receiving safe, reliable public water service for the first time; straight-piped sewage replaced with functioning wastewater treatment; aging community health centers and fire stations rebuilt through Community Facilities financing; and homes repaired or newly built for rural families through Rural Housing loans. In North Carolina,

I've watched this partnership approach help communities rebuild not only day-to-day infrastructure but also recover from disasters like Hurricane Helene.

RCAP's most recent report to the agencies that fund our technical assistance puts numbers behind the work. In Fiscal Year 2026, RCAP and its regional parters, including SERCAP, served 4.1 million rural and tribal residents in over 2,500 communities nationwide. RCAP conducted nearly 500 trainings last year alone, reaching more than 5,000 water systems and nearly 10,000 attendees, building the kind of local capacity that keeps small systems safe and in compliance long after any single loan or grant closes out. And critically, the median household income in the communities RCAP served was about $45,000, underscoring that this assistance is reaching the rural communities Congress intended these programs to serve.

RCAP's technical assistance also helps rural communities access the funding that Congress makes available for water and waste infrastructure. Since October of 2022, RCAP technical assistance has enabled rural communities to successfully complete nearly one thousand applications for more than $2.4 billion in federal water infrastructure funding through USDA Rural Development Water and Waste Programs and EPA State Revolving Funds. Sixty percent of those applicants received funding offers totaling $1.12 billion; funding that would have been out of reach for many of them without hands-on technical assistance.[1]

These communities are made up of hard-working Americans who want to turn on the tap and know that their water is safe to drink and affordable to use. And rural utilities are reliable borrowers. RD programs are tasked to fill a capital access gap and lend where risks may be higher. Despite the risks taken to achieve the mission, RD loans perform. More than 80 percent of RD financing is provided through loans that are repaid with interest to USDA by rural borrowers. The Rural Development Water and Waste Program has, for many decades, maintained a delinquency rate of less than one half of 1 percent, and the RD commercial portfolio has worked to keep an overall delinquency rate below 3 percent.

[1] Totals include FY 2026 data for which a final audit is not completed, and may be subject to change.

What sets the USDA Rural Development programs apart is that they are designed for rural realities. Affordable interest rates, loan-grant-guarantee blends, and technical assistance components recognize that a town of 800 people cannot finance a multimillion-dollar water project the same way a mid-sized or large city can. Because RCAP and other technical assistance providers partner directly with USDA field staff, communities that would never qualify for, or even know how to apply for, conventional financing are able to complete essential infrastructure projects, stay in compliance with safe drinking water and clean water standards, and build local capacity to sustain that infrastructure for the long term. That is a genuine return on federal investment: infrastructure that lasts, communities that stay solvent, and public health that is protected.

None of these successes happen through USDA alone. It depends on partnership. RCAP and its regional entities like SERCAP sit at the table with USDA Rural Development and USDA Extension staff, state agencies, local governments, private lenders, engineers, environmental specialists, and other partners from initial plan of a project through construction and long after a loan or grant closes out. That partnership is what turns a federal program on paper into a working water system, a rebuilt clinic or a family's first home. That partnership extends beyond USDA and RCAP's network. Through the Reimagining Rural Assistance Network (RRAN), philanthropies and leading rural-serving organizations, including our colleagues at NCBA, HAC, and NRWA, work together to bring expertise, resources, and a shared commitment to rural America that strengthens the effectiveness and reach of federal programs. Congress does not just fund infrastructure when it funds USDA Rural Development programs and technical assistance that accompanies them. It funds a partnership model that reaches communities no single agency or funding stream could serve alone. Protecting and strengthening that partnership, between USDA, RCAP, and many partners in between, is essential to implementing RD programs and assisting rural America.

The success of these programs extends well beyond water and wastewater. Rural Utilities Service electric and broadband programs have kept the lights on and, increasingly, brought high-speed internet to communities that private providers had no financial incentive to serve. Rural Development's Business and Industry loan guarantees and cooperative development programs

have given small-town entrepreneurs and local businesses access to capital that simply does not exist in rural credit markets otherwise, helping Main Streets stay open and diversify local economies beyond a single employer or industry. And the RD single family housing home loans, home repair, and multifamily housing programs have made it possible for rural families to buy, repair, and stay in safe decent housing. This, in turn, helps attract and retain the workforce they need. Taken together, these programs provide a platform on which rural communities can grow and prosper. A town cannot recruit a manufacturer, a healthcare provider, or a young family without reliable water, power, housing, and broadband already in place. USDA Rural Development helps build that platform so that private sector economic growth can follow. When Congress funds Rural Development and the technical assistance that supports it, YOU are funding a partnership that makes federal investment work in communities that otherwise might be left behind. That is something worth protecting.

IV. Rural Development Programs Belong at USDA

At times, proposals surface to reduce or eliminate rural development programs or move them into other Federal or state agencies. I want to be direct with the Committee: RCAP, and the rural communities we serve, know that these programs are needed and that they belong at USDA Rural Development where they can best serve rural communities.

USDA Rural Development is the one part of the federal government whose sole mission is rural communities. At USDA Rural Development, rural communities are not competing with the big cities for an agency's attention or funding. <u>At RD, they are the ENTIRE mission.</u> Rural Development's state and area offices are staffed by people who live in and understand rural communities. They know what it means for a water board in Herried, South Dakota, to meet once a month at night, with volunteer members working to keep safe water flowing. They understand rural realities and meet communities where they are. The institutional culture, built over decades, cannot simply be transplanted into an agency whose core mission and clientele are urban or suburban.

USDA offers something no other agency can: a single point of access connecting infrastructurewith the broader rural economy, including agriculture, housing, business

development, and community facilities. That integration allows investments to reinforce one another rather than operate in isolation. Splitting these programs apart would force rural communities to navigate multiple agencies, processes, forms, and priorities at a time when they are being asked to do more with fewer staff and less capacity. It would be a step backward for the very communities we intended to serve.

Conclusion and Recommendations

On behalf of RCAP, and the rural communities we serve, I respectfully urge the Committee to:

1. Continue to authorize and fund USDA Rural Development's programs;
2. Protect the technical assistance funding that enables organizations like RCAP work alongside rural communities to turn federal investments into lasting results; AND
3. Keep these programs at USDA Rural Development. Rural communities need one federal partner with whom they are first in line. That partner is USDA Rural Development.

Thank you again for the opportunity to testify today, and for all that you do for rural Americans. I am happy to answer any questions the Committee may have.

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