

Farm Service Agency
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Disaster Relief Available for Farmers and Ranchers

(Spokane, WA), Dec. 1, 2009 – The U.S. Department of Agriculture designated six counties in Washington as primary natural disaster areas due to drought. Counties include Chelan, Douglas, Ferry, Grant, Lincoln, and Okanogan. The designation triggers availability of low-interest loans and the Supplemental Revenue Assistance Payment Program (SURE) for farmers and ranchers. Agricultural producers in the six primary counties, or contiguous counties, may be eligible for financial relief according to Rod Hamilton, Farm Service Agency Program Chief in Spokane.

"Disaster designations have taken on added importance since the 2008 Farm Bill," said Hamilton. "We have always offered emergency loans after a disaster designation but the SURE program is new."

The SURE program provides a direct payment that helps cover revenue losses when a natural disaster impacts crop quality or production. Producers need to have already purchased 2009 crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage for all of their economically significant crops to be eligible for SURE payments.

SURE payments will be made based on a complex formula that takes into account the difference between guaranteed revenue depending on crops grown and the actual revenue made for a farm. Producers will need to show documentation of losses or prevented plantings.

"Because SURE is a revenue program, payments are made only after revenue for the year is known," said Hamilton. "It provides financial assistance but the relief is not as immediate as a farm loan may be."

Emergency loans may be used to restore or replace essential property or pay all or part of production costs associated with the disaster year. They may also be used to pay essential living expenses or reorganize a farming operation or refinance certain debts.

Producers who suffered losses in the designated and contiguous counties may qualify for FSA emergency loans with 3.75% interest and payment terms up to 40 years with real estate security. FSA is accepting emergency loan applications in county offices through July 30, 2010.

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“Because the federal government does not intend to compete with private business, applicants must be unable to obtain credit elsewhere to finance their needs at reasonable rates and terms,” said Hamilton.

Applicants must be United States citizens or non-citizens that have been legally admitted for permanent residence, must be established producers and must have suffered an agricultural loss due to the disaster named in the designation. An applicant’s farm must be family-sized. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability.

The Farm Service Agency has other disaster relief programs which may help farmers and ranchers recover from losses. The Livestock Forage Disaster Program (LFP) is available in Okanogan, Chelan, Douglas and Grant counties. The program provides a direct payment for forage losses as a result of the drought. The program is not dependent on the recent disaster designation but is triggered by the U.S. Drought Monitoring Index. NAP coverage for 2009 is required for grazing acres only to meet the eligibility for the Livestock Forage Disaster Program.

Interested farmers may contact their county FSA office at for further information on eligibility requirements and application procedures for emergency loans and other programs. Additional information and office listings are also available online at: <http://www.fsa.usda.gov/wa>.

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