

DISASTER DESIGNATION FOR LOUISIANA PARISHES

Willie Cooper Louisiana State Executive Director of the Farm Service Agency (FSA) Office, announces that Secretary of Agriculture Tom Vilsack has designated all 64 parishes of Louisiana as natural disaster areas due to losses caused by the combined effects of severe storms, tornadoes, severe spring flooding, Tropical Storm Lee, widespread drought and excessive heat that began on January 1, 2011 and continuing today. Practically all crops have experienced losses for some producers.

All parishes were designated natural disaster areas on October 13, 2011 making all qualified farm operators in the designated areas eligible for low interest emergency (EM) loans from USDA's Farm Service Agency (FSA), provided eligibility requirements are met. Among other eligibility requirements, a farm operator must have suffered at least a 30 percent loss in crop production from their normal 3 year production average. EM loan funds can be used to restore or replace essential property; pay all or part of production costs associated with the disaster year; pay essential family living expenses; reorganize the farming operation; and refinance certain debts. Producers can borrow on actual production losses up to a maximum of \$500,000. Loans for crops, livestock and non-real estate losses are normally repaid within 1 to 7 years; depending on the loan purpose, repayment ability, and collateral available as loan security. In special circumstances, terms of up to 20 years may be authorized. The current annual interest rate for emergency loans is 3.75 percent. All emergency loans must be fully collateralized; however, the specific type of collateral may vary depending on the loan purpose. If applicants cannot provide adequate collateral, their repayment ability may be considered as collateral to secure the loan. A first lien is required on property or products acquired, produced, or refinanced with loan funds.

Cooper stated that EM loan applications will be received through June 13, 2012 for production losses only and applications pending on that date may be processed and completed.

In addition to making EM loan funds available to eligible applicants, a Secretarial disaster designation also enables the Supplemental Revenue Assistance Program (SURE) to be available if other triggering requirements are met. Contact your local FSA office for additional information.