

Emergency farm loan applications being accepted

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March 3, 2011 - Applications for emergency farm loans for losses caused by THE DROUGHT, MAY 1, 2010 THROUGH DECEMBER 31, 2010 are being accepted at the Farm Service Agency (FSA) office located in Bonham, David Dunmon said today.

Hunt, Collin and Fannin counties (along with surrounding counties) were recently named by Secretary of Agriculture to be eligible for loans to cover part of actual production losses and physical losses resulting from the drought.

Dunmon said farmers may be eligible for loans of up to 100% of their actual losses or the operating loan needed to continue the agricultural business, whichever is less. For farmers unable to obtain credit from private commercial lenders, the interest rate is 3.75 percent.

"As a general rule, a farmer must have suffered at least a 30 percent loss of production to be eligible for an FSA emergency loan,"Dunmon said. Farmers participating in the Federal Crop Insurance program will have to consider proceeds from those programs in determining their loss.

"Applications for loans under this emergency designation will be accepted until October 17, 2011 but farmers should apply as soon as possible. Delays in applying could create backlogs in processing, with possible delays into the new farming season," Dunmon said.

FSA is a credit agency of the U.S. Department of Agriculture. It is authorized to provide disaster emergency loans to recognized farmers who work at and rely on farming for a substantial part of their living. Eligibility is extended to individual farmers who meet U.S. citizenship requirements and to farming partnerships, corporations, or cooperatives in which U.S. citizenship requirements are met by individuals holding a majority interest.

The FSA office in Bonham is open from 8 a.m. to 4:30 p.m., Monday through Friday.