



WHAT HELP IS AVAILABLE FOR WHAT TYPES OF DISASTER LOSSES?

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Farmers seeking assistance for property damage and other losses caused by flooding, tornados, and other recent storms may find themselves confused by the many different agencies and programs that are offering aid. Assistance programs are typically focused on addressing a particular type of loss or need. Because of this, those seeking help often have to piece together aid from more than one program to meet their needs. In general, programs aimed at meeting the emergency needs of individuals and families—such as food, shelter, and basic necessities—will not cover losses to income-producing property, such as farming structures, equipment, livestock, or crops. And farm disaster programs also tend to be very specific about the types of losses covered.

This piece gives a brief overview of the different federal disaster assistance programs that are generally available to provide assistance for different types of farm losses. State and private charitable programs may also be available; however, these tend to be offered only for home and personal needs.

Damage to Home and Personal Property

Farmers whose homes have been damaged or made uninhabitable due to a disaster, or who have suffered losses to the contents of their homes, could be eligible for assistance from the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), and the Farm Service Agency (FSA). All of these agencies require persons to maximize their insurance benefits for their losses.

- FEMA offers temporary housing and grants of up to \$33,000 for certain disaster-related expenses, including repair or replacement of damaged housing and personal property. FEMA assistance is intended to address only the most critical needs, and is not intended to fully restore damaged property to its pre-disaster condition. The deadline to apply for FEMA assistance is usually 60 days after the disaster declaration for the county.
- SBA offers low-interest loans to cover the cost of repairing a home and repairing or replacing household contents damaged due to a disaster. Up to \$40,000 can be borrowed for personal property losses and up to \$200,000 for the home. SBA disaster loans have a maximum interest rate of either 4.0 percent or 8.0 percent, depending on whether the applicant could obtain credit elsewhere. The deadline to apply for an SBA disaster loan is generally 60 days after the disaster declaration for the county.
- An Emergency loan from FSA can also be used to repair a damaged home and/or repair or replace household contents damaged in a disaster. If all other eligibility requirements are met, up to \$20,000 can be borrowed for essential household contents and up to the amount needed can be borrowed for a damaged home (with a maximum of \$500,000 for all of an individual farmer's outstanding Emergency loans). FSA Emergency loans have a 3.625 percent interest rate. The deadline to apply for an Emergency loan is 8 months from the date of the disaster declaration for the county where the farmer resides.