



U.S. Department of Agriculture

2020

Rural Development

COVID-19 Programs

The U.S. Department of Agriculture (USDA) Rural Development program carries out a wide range of activities to help improve the economy and quality of life in rural America in the areas of economic development, housing and essential services. More specifically, it is focused on working with financial institutions to support business loans; providing technical assistance and information to agricultural producers and cooperatives; assisting rural residents in buying or renting affordable housing or making home repairs; helping communities to undertake empowerment programs; and providing loans, loan guarantees, and grants that help create jobs, support local development, and provide services in the areas of health care, first responder services & equipment, and infrastructure.

Rural Development is enhancing its activities in several areas, including **Community Facilities** and **Business & Industry** programs to address the economic impact of the COVID-19 pandemic. Please see below:

COMMUNITY FACILITIES DIRECT LOAN PROGRAM

- **Effective through September 30, 2020**, borrowers impacted by COVID-19 who had a current repayment status as of March 1, 2020, may request to defer principal and interest payments for up to one year.
- During the deferral period, interest will continue to accrue on the account.
- The borrower must demonstrate an experienced hardship such as a loss of income, reduced work hours, or illness that impacts the ability to make payments to Rural Development.

BUSINESS AND INDUSTRY CARES ACT PROGRAM

- Over \$1 billion in loan guarantee authority is available to rural business owners and agricultural producers to be used as working capital to prevent, prepare for, or respond to the effects of the COVID-19 pandemic.
- Potential borrowers should contact their local lender and ask them about a USDA Rural Development Business & Industry CARES Act loan guarantee.
- Lenders that serve rural communities can access guarantees by working with their local USDA Rural Development state office.
- Loan guarantees can help bolster the working capital of an agricultural producer, stabilize the local food supply chain, get a small business operating again with new social distancing practices, or provide other benefits.
- Loans must support rural businesses, including agricultural producers, that were in operation as of February 15, 2020.
- Rural areas outside of a municipality with a population of fewer than 50,000 people are eligible for the program.
- Loans are guaranteed at 90%. Maximum term is 10 years. **Deadline is September 15, 2021**, or until funds are expended.

More information on these or other Rural Development programs can be accessed here: <https://www.rd.usda.gov/coronavirus>, or by contacting the USDA Wisconsin State Office in Steven's Point. Tel: 715-345-7600 or E-mail: wi-rd-stateoffice@usda.gov