FOR IMMEDIATE RELEASE:
Contact: Bruce Krasnow
Bruce.Krasnow@state.nm.us
505- 795-0119

Gov. Michelle Lujan Grisham
Cabinet Secretary Alicia J. Keyes
Deputy Secretary Jon Clark

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SBA's Disaster Loan Program Opens to Agricultural Businesses

N.M. Farmers, ranchers urged to consider EIDL

SANTA FE, N.M. - The U.S. Small Business Administration opened applications today for agricultural businesses in New Mexico to apply for Economic Injury Disaster Loans (EIDL), Economic Development Department Cabinet Secretary Alicia J. Keyes said today.

The loan program has been closed to agricultural businesses for 30 years, but authorizing legislation by Congress now allows the loans as part of the CARES Act, SBA Administrator Jovita Carranza said in a news release.

New Mexico Secretary of Agriculture Jeff Wittesaid that New Mexico has 24,800 farms and ranches in the state, and most are seeing some negative impact from the COVID-19 health emergency.

"I highly encourage New Mexico farmers and ranchers to apply for the economic relief offered by the SBA for this program. New Mexico is a state in which 93% of our agriculture producers are small-to-medium producers, and 100% of our producers have been impacted by the severe economic harm resulting from the COVID-19 pandemic," Secretary Witte said.

"These low-interest, long-term loans can help sustain agricultural business through this health emergency and stabilize the food-supply chains," Secretary Keyes said.

Agricultural businesses include businesses engaged in the legal production of food and fiber, ranching and raising livestock, aquaculture, and all other farming and agricultural related industries (*as defined by section 18(b) of the Small Business Act (15 U.S.C. 647(b)*). Eligible agricultural businesses must have 500 or fewer employees.

Under the Economic Injury Disaster Loan Program, a small business can borrow up to $2 million, with an immediate grant advance up to $10,000 that can distributed in three days. Repayment of EIDL can stretch over 20 years.

Unlike other SBA programs, no bank or community lender is necessary for the EIDL program and applications are filed directly with the agency here or go to SBA.GOV for more information.

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The New Mexico Economic Development Department's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.