

USDA Rural Development is providing both immediate and long-term assistance to rural residents, businesses and communities affected by the COVID-19 pandemic.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress authorized nearly \$1 billion in additional loan guarantee authority for the U.S. Department of Agriculture and created the Business and Industry (B&I) CARES Act Program. For the first time, agricultural producers may access this program if they are ineligible for financing from USDA's Farm Service Agency.

Any loan guaranteed by the B&I CARES Act program must be used as working capital to prevent, prepare for or respond to the effects of the coronavirus pandemic.

- Ensuring more rural agricultural producers are able to gain access to much-needed capital in these unprecedented times is a cornerstone of that commitment.
  - Provide 90 percent guarantees on B&I CARES Act Program loans;
  - Set the application and guarantee fee at two percent of the loan;
  - Accept appraisals completed within two years of the loan application date;
  - Not require discounting of collateral for working capital loans, and
  - Extend the maximum term for working capital loans to 10 years.
- B&I CARES Act Program loans must be used as working capital to prevent, prepare for or respond to the effects of the coronavirus pandemic.
- This program may only be used to support rural businesses, including agricultural producers, that were in operation on February 15, 2020.
- USDA intends to consider applications in the order they are received. However, the Department may assign priority points to projects if the demand for funds exceeds availability. Program funding expires Sept. 30, 2021.