



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

[USDA Offers Microloan Assistance to New Mexico Agricultural Producers for Wildfire Recovery](#)

News Release | New Mexico | September 20, 2022

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Albuquerque, NM, Sept. 20, 2022 – The USDA Farm Service Agency (FSA) in New Mexico offers operating microloans to farmers and ranchers directly impacted by the 2022 wildfires. Short-term access to capital through microloans can help producers recover while applications for other available disaster recovery programs are being processed and funds distributed.

“Wildfires and natural disasters can have devastating impacts on agricultural operations,” said Jonas Moya, State Executive Director for FSA in New Mexico. “Our microloans can help producers bridge the financial ‘gap’ while we and our partner agencies process applications for additional recovery benefits through our disaster assistance, risk management and conservation programs.”

Microloans offer flexible access to credit, a simplified application process, and serve as an attractive loan alternative for small agricultural operations. To be eligible for the microloan program, applicants must meet certain eligibility requirements including the inability to secure credit for financial needs through a commercial lender at reasonable rates and terms, have at least one year of farming experience, and have a satisfactory credit history of meeting credit obligations.

FSA will consider microloans for 80% of any Federal agency’s valid disaster program payment. The maximum loan amount under the operating microloan program is \$50,000. Repayment terms can be between one to seven years depending on the loan purpose. Interest rate is based on the regular FSA operating loan rates that are in effect at the time of the microloan approval or closing, whichever is less.

All microloans must be fully secured up to the loan amount. FSA may also require additional security to be pledged by an applicant depending on whether the loan is for annual operating expenses or a term loan. For New Mexico wildfire recovery assistance, an assignment on disaster program payments along with a security agreement on livestock and/or equipment will be required.

Approval of a microloan request cannot be made until all application requirements are met.

Additional Disaster Recovery Assistance

In addition to microloans, USDA has technical and financial assistance available to help New Mexico farmers and livestock producers recover from recent wildfires and ongoing drought. Producers impacted by these events should contact their local USDA Service Center to learn more about program options available to assist in their recovery from crop, land, infrastructure and livestock losses and damages. For more information on drought and wildfire assistance, read the [May 2022 news release outlining available USDA wildfire and drought recovery assistance](#). ?

More Information???

Producers interested in microloans and other USDA programs should contact their local [USDA Service Center](#) to learn more or to apply for programs.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit usda.gov.

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