



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

April 20, 2020

Eric Steenstra
712 H Street NE
Washington, DC 20002

Dear Mr. Steenstra,

This correspondence is in response to your April 13, 2020 email to the Administrator regarding loan eligibility consideration from the U.S. Small Business Administration (SBA) Office of Disaster Assistance to help overcome the effects of the unprecedented Coronavirus (COVID-19) pandemic. Specifically, you requested that the Administrator ensure that in the face of the COVID-19 pandemic, farmers are afforded eligibility for SBA programs such as the Economic Injury Disaster Loans (EIDL) program. The Administrator has requested that the Small Business Administration (SBA) respond directly to your correspondence.

The SBA through the EIDL program has been providing substantial economic support to small businesses by providing loans to cover working capital needs directly attributable to the COVID-19 pandemic. On March 29, 2020, following the passage of the CARES Act, the SBA provided small business owners and non-profits impacted by COVID-19 with the opportunity to obtain up to a \$10,000 Advance on their Economic Injury Disaster Loan (EIDL). In addition, the Paycheck Protection Program has saved millions of jobs and is helping America's small businesses make it through this challenging time.

Unfortunately, we regret to inform you that agricultural enterprises are not eligible for disaster assistance from SBA. This limitation also pertains to the Paycheck Protection Program (PPP) and EIDL-COVID-19 related assistance program (including EIDL Advances). The law makes SBA disaster loans available to homeowners, renters, non-farm businesses, and private non-profit organizations. The law defines ineligible agricultural enterprises as those businesses that are engaged in the production of food and fiber, ranching and raising of livestock, aquaculture (except for economic injury disaster loans), and all other farming and agricultural related industries. Hemp Farm businesses meets the definition of an agricultural enterprise and is not eligible for SBA disaster assistance.

You may wish to contact the U.S. Department of Agriculture for information regarding their disaster recovery programs, as we know this is an extremely difficult time for agricultural enterprises around the country.

If you have further questions, please contact the SBA disaster assistance customer service center at 1-800-659-2955 or email disastercustomerservice@sba.gov.

Sincerely,

James E. Rivera
Associate Administrator
for Disaster Assistance