Overview
When Farm Service Agency (FSA) borrowers located in designated disaster areas or contiguous (adjacent) counties are unable to make their scheduled payment on any FSA debt, FSA is authorized to consider set-aside of one payment to allow the operation to continue. This program is authorized under Section 331A of the Consolidated Farm and Rural Development Act.

Eligibility and Limitations
Eligibility to receive the DSA will primarily be determined based on the following criteria:

- As a direct result of the disaster, the borrower is unable to pay all family living and farm operating expenses, payments to other creditors, and payments to FSA;
- The borrower must have operated a farm or ranch in a county designated as a disaster area or in a contiguous county. Each loan considered for DSA must have been outstanding at the time of the disaster;
- The borrower must have acted in good faith and complied with written agreements with FSA;
- The borrower must not be in non-monetary default;
- The borrower must not be in non-monetary default;
- The borrower's FSA debt has not been restructured since the disaster;
- The amount set aside will not exceed one year’s FSA payment;
- No loan may receive more than one disaster set-aside unless it is later restructured; and
- The borrower must be able to develop a positive cash-flow projection for the coming year.

Payment
Each payment set-aside must be repaid prior to the final maturity of the note. Any principal set-aside will continue to accrue interest until it is repaid.

More Information
For more information, visit fsa.usda.gov/farmloans or farmers.gov. Find your local USDA Service Center at farmers.gov.