

Economic Disaster Loans

- The Challenge Loan statute has a provision that allows a business or group of businesses to apply to the WBC for Economic Disaster declaration. If the request is approved individual businesses may then apply for direct loans in the amount of their actual dollar loss. There have been three approved “Economic Disaster” declarations, one was driven by the AgriBio Tech bankruptcy that led to the “Seed Grower Emergency Loans” in the Big Horn Basin, one was due to the illegal conversion of grower proceeds by a bean warehouseman in Goshen County and the third was due to changing economic conditions in the conversion of sugar beets to sugar.

- An “Economic Disaster” designation is the first step; next affected business owners can apply for a Challenge Loan to spread their loss over several years to maintain their operation.

§ 9-12-301(a)(v) “Economic Disaster” means an event occurring in Wyoming that has an economic impact with total loss revenues to impacted businesses in a 12 calendar month period of at least \$4,000,000 or an economic impact with total lost revenues to impacted businesses in 4 or less counties in a 12 calendar month period of at least \$1,000,000. The business council may use good faith estimates of lost revenues to businesses in determining whether an event qualifies as an economic disaster. Calculation of lost revenues shall only include actual losses incurred and shall not include any future losses;

§ 9-12-304(c). Criteria for loans.

(c)Any business or group of businesses may apply to the council for designation of an area of this state as an area in which an economic disaster as defined in W.S. 9-12-301 (a) (v) has occurred. The council shall prescribe the form and contents of such applications. The council shall review each application and make a determination as soon as practicable as to whether an economic disaster area designation shall be made. The council may make loans to any business located within the designated economic disaster area that has lost revenue as a result of the economic disaster.

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