

Full impact of Arkansas flooding yet to be seen

NOMAAN MERCHANT, Associated Press

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LITTLE ROCK, Ark. (AP) — Flooding throughout Arkansas has swamped the state's economy, and officials in industries from farming to trucking say it could take months to fully understand the impact of this year's storms.

As residents in southeast Arkansas continue to watch the Mississippi River, which is expected to crest Sunday in Arkansas City, thousands of acres of farmland remain under water and a key shipping link is still closed.

But the disaster will have other implications for Arkansas' economy long after the floodwaters recede: lower sales and income tax receipts, high costs for cleaning up roads and communities, and insurance premiums that could go up.

"I think that when we look at the impact of the flooding, one of the things that you have to understand is that it's not just agricultural production," said Kathy Deck, director of the Center for Business & Economic Research at the University of Arkansas.

"We know it's going to be substantial," she added. "But we don't know what the full impact is going to be."

The Arkansas Farm Bureau estimates state farmers have lost up to \$500 million in crops, but that number could rise significantly.

Once the flooding clears, many farmers who planted this year's crop in March or early April will have to replant at a cost of up to \$300 an acre, said Matt King, an economist at the Arkansas Farm Bureau who specializes in wheat and feed grain.

Planting late will likely shrink farmers' final products, King said. It also pushes back the harvest and puts crops in danger if cold weather hits in October, he said.

"You get a frost in the middle part of October, which we have had before ... that early frost is what could kill us," he said.

The Farm Bureau's current estimate also leaves out damage to farm equipment and the destruction of harvested rice and grains in bins that are now flooded, King said.

"We've never had this happen before, so nobody really knows what this will do to that rice," he said.

A stretch of Interstate 40, a key cross-country link for commercial traffic, was closed for several days due to White River flooding. That led to hours of delays for truckers and forced some commercial

companies to re-route deliveries.

"We're glad it's over," said John Coppens, vice president of operations for Maverick USA, a Little Rock-based company that operates tractor-trailers across the U.S. and Canada.

Maverick USA's drivers lost about 300 hours due to delays and detours, or about 15,000 driving miles, Coppens said Friday. While the company didn't cancel any routes, drivers were late in completing their trips. Customers aren't usually billed for extra time due to severe weather, he said.

"I don't think we lost any of the loads that we would have picked up, but it took us longer to get there," he said, estimating the interstate closure cost the company about \$50,000 to \$100,000.

Glenn Bolick, a highway department spokesman, said Wednesday that other state and U.S. highways closed by flooding may need repairs, though I-40 was likely to be fine.

The floods have also hampered shipping. Companies relying on shipments of steel and other goods continue to be affected by the rising Mississippi, which neared 53 feet Friday at Arkansas City and continued to rise.

The rising Mississippi and White rivers have started to push the Arkansas River backward and forced the U.S. Army Corps of Engineers to close a lock connecting most out-of-state traffic to Little Rock, officials said. The lock could stay closed until May 25, said P.J. Spaul, a Corps spokesman.

Keith Garrison, executive director of the Arkansas Waterways Commission, said companies could weather a short-term closure, but would run out of supplies if the river stays closed into June.

"Once those inventories run out, that's when the plant may have to cease operations, may have to lay off the workers," Garrison said. "That's when you start to get the ripple effect that impacts the economy."

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