Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

Youth Loans

NCBA CLUSA webinar

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Dave Bonnett
Senior Loan Officer

FARM PRODUCTION AND CONSERVATION
FSA | NRCS | RMA | Business Center

Who can apply?

- Young people from 10-20 years old
- Must be participating in an established organization that supports agricultural projects:
  - 4-H
  - FFA
  - Tribal youth organizations
  - Similar

What can youth loans be used for?

Projects that are:

- modest in size
- income-producing
- agriculture-related
- educational

Planning for a project

- With assistance of an adviser, a plan will be created that includes all costs of the project and expected source of income.
- All related inputs and expenses can be financed.
- Maximum loan amount is $5,000 (will increase to $10,000 on September 25).
- Term of the loan is between 1 and 7 years, depending on purpose and source of repayment.
- Payments will be due when income is expected to be received.

Key Points

- Advisor will need to agree to support applicant throughout project.
- Does not require a co-signer.
- Applicants under 18 yrs. of age: parent or guardian must sign the application, allowing the child to take on the debt.
- Applicants 18 or older: FSA is required to obtain a credit report.

Benefits

- Carry out a project that youth may not be able to do without funds
- Gain hands-on experience
- Learn responsibility
- Business experience
- Formal experience that can help youth obtain loans from FSA in the future

Additional Resources

- Farmers.gov – Additional information:
  - Fact sheets
  - Youth Loan application

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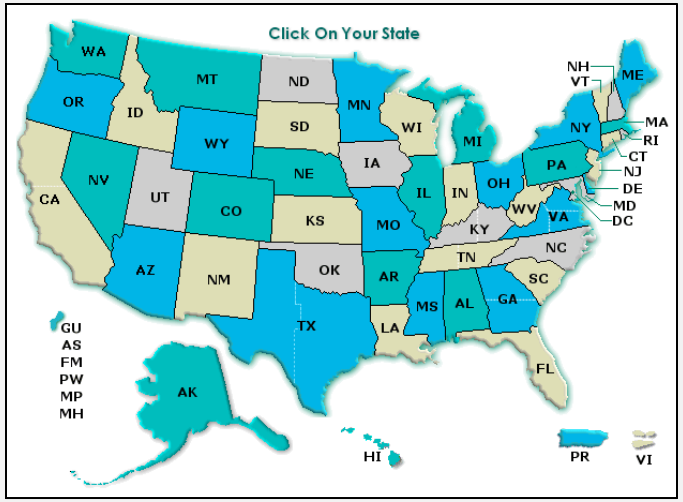
- USDA Service Center Locator – Interactive online map to locate a service center near you



Questions?