



REPORT OF THE
ILLINOIS DEPARTMENT OF AGRICULTURE
ON THE
FARMER EQUITY ACT
PA100-1039

DECEMBER 31, 2019

TABLE OF CONTENTS

INTRODUCTION AND SUMMARY	1
ILLINOIS STATE PROGRAMS SUMMARY	3
ILLINOIS DEPARTMENT OF AGRICULTURE	
SPECIALTY CROP BLOCK GRANT	5
ILLINOIS FINANCE AUTHORITY	
BEGINNING FARMER BOND PROGRAM	16
YOUNG FARMER GUARANTEE PROGRAM	23
WORKING CAPITAL GUARANTEE PROGRAM	28
AGRICULTURAL RESTRUCTURING DEBT GUARANTEE	33
ILLINOIS OFFICE OF THE STATE TREASURER	
AG INVEST PROGRAM	40
FEDERAL PROGRAMS SUMMARY	42
US ENVIRONMENTAL PROTECTION AGENCY	
LOCAL FOODS LOCAL PLACES PROGRAM	45
US DEPARTMENT OF AGRICULTURE – FARM SERVICE AGENCY	
LOANS FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS	49
FARM LOANS OVERVIEW	51
US DEPARTMENT OF AGRICULTURE - OFFICE OF PARTNERSHIPS AND PUBLIC ENGAGEMENT	
OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND VETERAN FARMERS AND RANCHERS GRANT	56
ADDITIONAL DOCUMENTS	64
FARMER EQUITY ACT (PA100-787)	65
ILLINOIS FINANCE AUTHORITY RESOLUTION 2019-1008-GP	67
USDA FSA FARM LOAN PROGRAMS COMBINED/UNDUPLICATED BEGINNING FARMER AND SDA OBLIGATIONS REPORT FY2019	68
USDA FARM SERVICE AGENCY FARM LOAN INFORMATION CHART	69

Introduction and Summary

The Farmer Equity Act (PA100-1039) tasks the Illinois Department of Agriculture with identifying, disseminating, and including programs for socially disadvantaged and women farmers to promote opportunities in agriculture to these groups. The Department of Agriculture has reviewed the charge of the Farmer Equity Act and has performed the mandated tasks or has developed programs and processes to meet the requirements of the Farmer Equity Act. Detailed in the accompanying report is the result of that effort.

The Department of Agriculture has identified programs at both the state and federal level which either specifically support socially disadvantaged farmers, or which can be utilized by socially disadvantaged farmers. These programs offer options in commercial, large-scale agriculture as well as small-scale urban agriculture, agribusiness, and food programs. Programs aimed at socially disadvantaged and new farmers through the United States Department of Agriculture have assisted 675 farmers with over \$121 million in funds in 2019¹. Summaries of these programs are included in this report, and detailed descriptions of these programs are included in the appendices of this report. In some cases, programs and grants have set dates for application, and in that case the most recent information and program descriptions are included.

In order to further the goals of the Farmer Equity Act, the Illinois Finance Authority passed a resolution² declaring support for the Illinois Department of Agriculture to further the goals of the Farmer Equity Act. The Department of Agriculture is currently working to promote existing programming of the Illinois Finance Authority to socially disadvantaged farmers. In addition, the Department of Agriculture and the Illinois Finance Authority are working to develop new or enhanced programming based on the guidance of the Farmer Equity Act.

The Department of Agriculture has identified an overall lack of centralized information for socially disadvantaged farmers, women, new farmers, and individuals seeking to enter careers in agriculture. To provide greater centralization of information, the Department of Agriculture will provide a central hub of links and associated information on the Department website. This information will be regularly updated, and means of dissemination to the public, particularly

¹ USDA FSA Farm Loan Programs Combined/Unduplicated Beginning Farmer and SDA Obligations Report FY2019

² IFA Resolution 2019-1008-GP, Resolution Declaring Support for the Illinois Department of Agriculture in Meeting the Goals of the Farmer Equity Act; and Other Related Matters, October of 2019

targeted communities throughout Illinois, will be undertaken to ensure those most interested in participating in agricultural careers and programs are informed of these opportunities.

In partnership with the Office of the Governor, the Department of Agriculture is developing policies to enhance agriculture options and opportunities in urban agriculture throughout Illinois. Ongoing discussions, including stakeholders from Illinois agencies and institutions, non-government organizations, and urban farmers will inform the Department of Agriculture on policy options to benefit farmers in urban communities, including socially disadvantaged farmers.

The Department of Agriculture recognizes that addressing the goals of the Farmer Equity Act is a continuing process and does not view this report as a closure of our efforts and responsibilities to meet our responsibilities to socially disadvantaged farmers throughout Illinois. The Department will continue to develop policies, outreach, and inclusion of socially disadvantaged farmers and women to expand the opportunities of agriculture to all Illinoisans.

ILLINOIS STATE PROGRAMS SUMMARY

Illinois Department of Agriculture

Specialty Crop Block Grant: These funds will support projects that are intended to expand the availability of fresh, locally-grown produce and strengthen the competitiveness of the state's specialty crop industry. To encourage further expansion of this industry, and to take full advantage of the allocated funds, the department invites the development of projects pertaining to the following issues affecting the specialty crop industry:

- enhancing food safety;
- improving the capacity of all entities in the specialty crop distribution chain to comply with the requirements of the Food Safety Modernization Act, for example, by developing “Good Agricultural Practices,” “Good Handling Practices,” “Good Manufacturing Practices,” and in cost-share arrangements for funding audits of such systems for small farmers, packers and processors;
- investing in specialty crop research, including research to focus on conservation and environmental outcomes;
- developing new and improved seed varieties and specialty crops;
- improving pest and disease control;
- increasing child and adult nutrition knowledge and consumption of specialty crops;
- improving efficiency and reducing costs of distribution systems; and sustainability

Illinois Finance Authority

Beginning Farmer Bond Program: The purpose of the Beginning Farmer Bond Program is to provide affordable financing to new, low net worth farmers for financing capital purchases. IFA works with the borrower's local lender to provide this financing. IFA issues a tax-exempt bond for the amount and with the terms of the loan. Because the interest income to the lender is exempt from federal income tax, the lender is able to charge a lower rate to the borrower.

Young Farmer Guarantee Program: The Young Farmer Guarantee Program is designed to enhance credit availability for younger farmers who are purchasing capital assets such as land, buildings, machinery, equipment, breeding livestock, and soil and water conservation projects.

Working Capital Guarantee Program: The Working Capital Guarantee Program is a guarantee program designed to enhance credit availability for a farmer, producer or agribusiness for needed input costs related to and in connection with planting and raising agricultural crops and commodities in the State of Illinois. Eligible input costs include, but may not be limited to, fertilizer, chemicals, feed, seed, fuel, parts, and repairs.

Office of the Illinois State Treasurer

Ag Invest: The Treasurer's Office partners with approved financial institutions to provide qualified farmers, agri-business and agriculture professionals below-market rate loans to start, expand or add value to their farm operations. The loans provided by the financial institution can be used for the purchase of farm equipment, purchase of land, construction-related expenses, provide operating lines of credit or other costs related to conventional or sustainable farming.

The Ag Invest Annual Agriculture Loan program makes loans more affordable for farmers and agricultural professionals. The loans can be used to help pay for the annual start-up costs associated with seed, fertilizer, plants, salaries, transportation cost, transitioning, milling, processing, crop insurance, and other qualified expenses.

The Ag Invest Long Term Agriculture Loan program makes loans more affordable for farmers and agricultural professionals. The loans can be used to help pay for major expenses like machinery, purchase of land up to \$400,000, building construction, milling, processing, transportation cost, fees, salaries, irrigation systems and other qualified expenses.



2020 Illinois Specialty Crop Grant Program

Funded by the United States Department of Agriculture's Specialty Crop Block Grant Program (www.ams.usda.gov/scbgbp)

CFDA# 10.170

Proposal Submission Guide

DESCRIPTION OF FUNDING OPPORTUNITY

The Illinois Department of Agriculture has been allocated funds next federal fiscal year from the U.S. Department of Agriculture through its Specialty Crop Block Grant Program (SCBGP). These funds will support projects beginning in calendar year 2020 that are intended to expand the availability of fresh, locally-grown produce and strengthen the competitiveness of the state's specialty crop industry. Illinois currently devotes more than 100,000 acres of farmland to growing specialty crops, which produce nearly \$500 million in sales for Illinois farmers. To encourage further expansion of this industry, and to take full advantage of the allocated funds, the department invites the development of projects pertaining to the following issues affecting the specialty crop industry:

- enhancing food safety;
- improving the capacity of all entities in the specialty crop distribution chain to comply with the requirements of the Food Safety Modernization Act, for example, by developing “Good Agricultural Practices,” “Good Handling Practices,” “Good Manufacturing Practices,” and in cost-share arrangements for funding audits of such systems for small farmers, packers and processors;
- investing in specialty crop research, including research to focus on conservation and environmental outcomes;
- developing new and improved seed varieties and specialty crops;
- improving pest and disease control;

Details contained in this document are incorporated from the United States Department of Agriculture, Agricultural Marketing Service's Specialty Crop Block Grant Program website: <http://www.ams.usda.gov/scbgbp>

- increasing child and adult nutrition knowledge and consumption of specialty crops;
- improving efficiency and reducing costs of distribution systems; and sustainability

Grants will be awarded through a competitive review process that includes the use of an independent committee of stakeholders from the agricultural community. Project proposals are due **April 26, 2019 at 4:00 p.m.** Those selected for funding will be notified after their application has been approved by the USDA, which is anticipated in **September**. Work on the selected projects may begin Jan. 1, 2020, after contracts between the department and grantees have been signed.

ELIGIBILITY INFORMATION

To be eligible for grant funding, a proposal must solely enhance the competitiveness of Illinois-grown specialty crops in domestic or foreign markets. Specialty crops are defined as fruits and vegetables, dried fruit, tree nuts and horticulture and nursery crops, including floriculture. For a complete list of eligible specialty crops, visit the USDA's SCBGP [website](#).

ELIGIBLE APPLICANTS

Proposals should describe how the project potentially impacts and produces measurable outcomes for either the entire specialty crop industry or general public as opposed to a single organization, institution or individual. Grant funds will not be awarded for projects that solely benefit a particular commercial product or provide a benefit to a single organization, institution or individual. Single organizations, institutions and individuals are encouraged to participate as project partners.

- Proposals will be accepted from non-profit organizations, producer organizations, government agencies, universities and other organizations related to Illinois' specialty crops industry.
- Proposals cannot be accepted from individuals, individual producers, for-profit businesses or commercial entities **unless** the project is focused on research, education, demonstration or in some way benefits the entire specialty crop industry.
- Grant funds will not be awarded for projects that solely benefit a particular commercial product or provide a benefit or profit to a single organization, institution or individual.
- Projects must have a very strong information dissemination and outreach component where results from the project are shared with others so that others may benefit from the project.

- Proposals that involve collaboration or partnerships between producers, industry groups, academics, or other organizations are encouraged.
- Applicants may cooperate with any public or private organization involving agricultural development, research, and/or marketing to enhance Illinois' specialty crop industry.
- If two or more individuals or organizations propose a joint project, they must submit one application as co-applicants.

EXAMPLES

ELIGIBLE PROJECTS

- A State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating and growing a specialty crop in a particular area, the results of which can be shared with many growers throughout the State.
- A single grower requests funds to demonstrate the viability of organic small fruit production and partners with Cooperative Extension to publicize the working model of diversification to other regional growers.
- A single company requests funds to provide a viable pollination alternative to specialty crop stakeholders in the region, which currently does not have one.
- A non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.
- A single farmer erects high tunnels on their property to extend the growing season of tomatoes and lettuce and conducts a field day and farm tour to encourage other small family farmers to adopt the production methods.

INELIGIBLE PROJECTS

- A company requests grant funds to purchase starter plants or equipment used to plant, cultivate and grow a specialty crop to make a profit, or to expand production of a single business or organization.
- A State requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.
- A non-profit organization uses grant funds to purchase produce and then sells that produce to other entities either at cost or at a higher price than the purchase price while competing with other private companies that sell produce in the area.

- A sole proprietor requests grant funds to redesign his logo in order to make his specialty crop value-added product stand out at the local farmer's market.
- A single specialty crop organization requests grant funds to market its organization so that it can increase its membership.

PROJECTS MORE SUITABLE FOR OTHER FEDERAL GRANT PROGRAMS

- Projects that support the increase of fruits and vegetables in the Supplemental Nutrition Assistance Program (SNAP) by providing incentives at the point of purchase and/or include technologies for benefit redemption systems should consider submitting those projects to the [Food Insecurity Nutrition Incentive Grants Program](#).
- Projects that support domestic farmers' markets, roadside stands, community-supported agriculture programs, agritourism activities, other direct producer-to consumer market opportunities, local and regional food business enterprises that process, distribute, aggregate, or store locally or regionally produced food products should consider submitting those projects to the [Farmers' Market Promotion Program](#) and [Local Food Promotion Program](#).
- Projects that support bio-based products and bioenergy and energy programs, including biofuels and other alternative uses for agricultural and forestry commodities, should visit the [USDA energy website](#) for information on how to submit those projects for consideration to the energy programs supported by USDA.

To demonstrate its impact on the competitiveness of an eligible specialty crop, projects **must** include at least one of the eight outcomes listed in the [SCBGP Evaluation Plan](#) and at least one of the indicators listed in the selected outcome(s). Recipients cannot use grant funds to compete unfairly with private companies that provide equivalent products or services. They also cannot use funds to disparage the mission, goals or actions of another organization.



How to Submit an Application

[By email: nicole.moore@illinois.gov](mailto:nicole.moore@illinois.gov)

By fax: (217) 524-5960

By mail:
Illinois Specialty Crop Grant Program
Illinois Department of Agriculture
801 E. Sangamon Ave.
Springfield, IL 62702-1813

EXPENSES

All costs must be associated with project activities that solely enhance the competitiveness of specialty crops. The program **does not** have a cost-sharing or matching requirement. However, in some cases applicants may need to propose cost-sharing or matching contributions to ensure all grant funds benefit only eligible specialty crops. Indirect costs are limited to 8 percent of the total funds provided per [Sec. 101\(k\) \(2\) of the Agricultural Act of 2014, Public Law 113-79](#). The list below summarizes the program's funding restrictions. It is not intended to be all-inclusive. Applicants should consult the most recent [USDA General Terms and Conditions](#) for a complete list of eligible and ineligible expenses.

ELIGIBLE EXPENSES

- Compensation for Personnel Services
 - Salaries, wages and fringe benefits
- Consultant Services or Subcontractors
 - Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill.
- Materials and Supplies
 - Costs incurred for materials, supplies, and fabricated parts necessary to carry out the grant project. Purchased materials and supplies shall be charged at their actual prices, net of applicable credits.
- Equipment and other Capital Expenditures
 - Lease/rental or depreciation costs
 - Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5000 or more have the prior approval of the USDA.
- Travel Costs
 - Expenses for airfare, lodging, meals, mileage, parking, etc. are allowable if directly related to, and necessary for, grant activities, and accounted-for in the budget.
- Other Miscellaneous Costs
 - For example: telephone, meetings, publications, etc.

INELIGIBLE EXPENSES

- Capital Expenditures for General Purpose Equipment, Buildings and Land (Equipment)
- Bad Debts
- Lobbying, Political and Other Governmental Activities

- Entertainment and Alcohol
 - Alcoholic beverages except when the costs are associated with enhancing the competitiveness of wine grapes and prior approval is given from the awarding agency.
 - Amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are not allowed.
- Contributions to a contingency reserve or any similar provision
- Fines, penalties, damages, and other settlements resulting from violations (or alleged violations) of, or failure of the governmental unit to comply with, Federal, State, local, or Indian tribal laws and regulations
- Costs of goods or services for personal use of the governmental unit's employees regardless of whether the cost is reported as taxable income to the employees
- Organized fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions regardless of the purpose for which the funds will be used
- Costs of investment counsel and staff and similar expenses incurred to enhance income from investments
- Contributions or donations, including cash, property and services, made by the governmental unit, regardless of the recipient
- Grant funds shall supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds

APPLICATION REQUIREMENTS

Proposal Deadline: April 26, 2019 at 4:00 p.m.

- Proposals must meet **all** specified requirements. Failure to follow and complete all requirements will result in the proposal not being considered for funding.
- Electronic submissions of proposals (Microsoft Word or PDF documents) are preferred.
 - [Submissions should be emailed to nicole.moore@illinois.gov](mailto:nicole.moore@illinois.gov).
- Fax submissions are allowable. Faxes, however, must be legible to allow scanning and text recognition. Faxes should be sent to (217) 524-5960.
 - If hard copies of proposals are being submitted, one copy of each proposal packet must be received at the Department by the deadline.
- **Applications received after 4:00 p.m., April 26, 2019 (regardless of the postmark date and delivery method) will not be considered for funding.**
- All proposals, including the cover page, must be typed or computer generated.
- The acceptable font size for the narrative is 11 or 12 pitch. All margins should be set at 1 inch.

- The application cover page provided by the Department must be the first page of the proposal packet. Proposals should not include more than one cover sheet or instruction pages.
- Copies of the required proposal forms may be requested from the Illinois Department of Agriculture and also are available on the Illinois Department of Agriculture's [website](#).
 - Note: The forms are included in this packet, too.
- Applicants must include a W-9 form (<http://www.irs.gov/pub/irs-pdf/fw9.pdf>) with their packet.

APPLICATION REVIEW AND SELECTION PROCESS

Grant proposals will be assessed by an internal review committee comprised of Illinois Department of Agriculture employees as well as an external review committee of representatives from throughout the agricultural community utilizing the “2020 Illinois Specialty Crop Grant Program, Proposal Packet Requirements, IDOA Internal Review Committee Questions and Scoring Criteria.”

Selected proposals will be submitted to the United State Department of Agriculture for final approval as part of Illinois’ State Plan Application.

If approved by the USDA for funding, the organization responsible for the successful project and the Department will enter into a grant agreement. By signing the document, the grantee will agree to 1) execute all aspects of the grant agreement according to applicable state and federal regulations (or as they may be later revised) and successive published regulations as appropriate; 2) complete activities outlined in the approved proposal, any approved revisions thereto, and the approved project budget; and 3) adhere to the SCBGP General Award Terms and Conditions as set forth within the grant agreement.

PROGRAM PAYMENTS

Grantees have two options for payment. The first is quarterly cash advances. To receive cash advances, a quarterly budget form must be submitted to the Department at the beginning of the grant term. This form, which the Department will provide, will plan the disbursement of funds over the entire life of the grant. Modifications to the scheduled payment amounts can be made by submitting an amended quarterly budget form by email to the Department’s Grant Manager.

This type of payment must be limited to the amount needed to meet anticipated expenses each quarter and shall be scheduled so the funds are available as closely as administratively feasible to the actual disbursements by the grantee. If these requirements cannot be met, payments must be requested on a reimbursement basis, which is the second option.

Like cash advances, reimbursements will be paid quarterly. The Project Coordinator identified in the USDA-approved Project Profile, or his or her fiscal agent, shall request reimbursements from the Department within thirty (30) days of the end of the quarter using a Department-provided template that categorizes expenditures according to their line item in the Grantee’s approved budget.

Regardless of the method chosen, payment is dependent upon the Department receiving the requested funds from the USDA and the grantee having a certified W-9 on file with the Illinois Comptroller's Office.

Any expenses incurred after September 29, 2022 the end of the grant term, will not be eligible for reimbursement. Furthermore, any unobligated balance of cash at the end of this period must be refunded immediately to the Department.

The Department will require written justification if grant funds are not drawn down in the first year of the grant term and at reasonable intervals thereafter. It reserves the right to reduce or terminate the obligation of funds to a project without further cause unless the grantee commences a timely draw-down of funds.

REPORTING REQUIREMENTS

Both interim and final performance reports are required to track the progress made toward the completion of each objective within the approved Project Profile. The frequency of the interim reports depends upon the method of payment chosen. Grantees that opt to receive cash advances are required to submit monthly progress reports, while grantees that opt to be reimbursed for project expenses need only to submit quarterly progress reports. All projects are required to submit a final performance report, regardless of the method of payment chosen, and may need to submit annual reports as well if their work spans more than one year.

Interim Performance Reports - Monthly performance reports are due no later than the end of the first, full week of the month after the period covered in the report. Quarterly performance reports are due no later than thirty (30) days after the end of each fiscal quarter. If the Grantee is unable, because of extenuating circumstances, to meet the appropriate filing deadline, the Grantee shall notify the Department and may request an extension of time in which to submit the report. The Department shall not withhold approval of such a request without good cause. However, only one extension of time is permitted per report. These interim report requirements will remain in place until such time as the required Final Performance Report is submitted to the Department. The Department will provide to the Grantee the format to be used for these reports, which will include the following information:

- A. A brief summary of the activities performed and milestones achieved for each objective of the project.
- B. A description of any problems or delays that have been encountered as well as any favorable or unusual developments.
- C. An outline of future project plans.
- D. A narrative explaining the grant funds and matching contributions, if any, that have been expended on the project.

Annual Performance Reports - Annual Performance Reports are required if a grant period is more than one year in length and are due the first business day in December. A Grantee potentially could submit as many as two Annual Performance Reports, one in each of the first two years of their Agreement. In the third, and final, year of the Agreement the Grantee must complete and submit a Final Performance Report. If the grant period is one year or less, then only a Final Performance Report is required. The Annual Performance Report should cover only the most recent one-year period. The Department will provide the Grantee with a template for this report, which will include the same categories as the Interim Performance Report.

Final Performance Reports - A final, written report describing the work performed and results obtained is due no later than 90 days after the end date of the grant Agreement, unless an extension has been granted. The Final Performance Report covers the entire grant period of the award and shall include the following sections: Project Summary, Project Approach, Goals and Outcomes Achieved, Lessons Learned, Beneficiaries, Contact Person and Additional Information. A budget worksheet that details all grant-funded expenditures also is a required component of the Final Performance Report, as are copies of source documentation such as invoices from grant-related expenditures.

Final Performance Reports are an important vehicle for sharing award findings with the public. Like with the Interim and Annual reports, the Department will provide a template to use for this report.

Grantees who do not submit the required performance reports, or who submit incomplete reports, may have funds withheld or be required to return previously distributed funds.

PROGRAM POLICIES

The Illinois Department of Agriculture reserves the right to:

- Reject any or all proposals received.
- Request additional information on project proposals.
- Provide partial funding for a proposal that may be less than the full amount requested in the grant application.
- Require a good faith effort from the project sponsor to work with the Department subsequent to project completion to develop reporting data or implement the project results, where applicable.
- Withhold any payments that do not meet grant conditions.
- Require the refunding of any grant monies used for ineligible or unauthorized expenditures.

Grantees must:

- Agree to comply with all applicable federal, state and local laws, codes, regulations, rules and orders. The grant will be governed by and construed in accordance with the laws of the state of Illinois. Information submitted in the grant proposals is subject to Illinois law.
- Be accountable for all grant funds awarded.

- Maintain books, records, receipts and accounting procedures and practices sufficient to reflect all costs claimed to have been incurred for the performance of the grant agreement.
- Complete required reports that document all grant expenditures and activities. Failure to meet report deadlines can result in the Department terminating the grant agreement and requesting the refund of all grant monies from the grantee.
- Make receipts, books and records available for audit or examination as specifically outlined in the grant agreement.
- Obtain prior approval from the Department, which will notify USDA, to reallocate budget funds between categories if a material change (20 percent of the total grant amount or greater) is needed during the project period.

LEGISLATIVE AUTHORITY

Legislative authority is provided under section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) and amended under section 10010 of the Agricultural Act of 2014, Public Law 113-79 (the Farm Bill). SCBGP is currently implemented under 7 CFR part 1291 (published March 27, 2009; 74 FR 13313).

USDA ADMINISTRATIVE REQUIREMENTS

Awards issued under this announcement are subject to the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* of 2 CFR part 200 as implemented by the USDA under 2 CFR part 400 and the most recent [SCBGP General Award Terms and Conditions](#). An application funded with the release of Federal funds through a grant award does not constitute, or imply, compliance with Federal regulations. Grant recipients and subrecipients are responsible for ensuring that their activities comply with all applicable Federal regulations.

DUNS NUMBER REQUIREMENT

Applicants, with the exception of individuals, must have a Data Universal Number System (DUNS) number at the time of application. A DUNS number is a unique number established and assigned by Dun and Bradstreet, Inc., to identify organizations. Applicants may acquire a DUNS number at no cost online at <http://fedgov.dnb.com/webform>. To acquire a DUNS number by phone, contact the Dun and Bradstreet Government Customer Response Center:

U.S. and U.S. Virgin Islands: 1-866-705-5711

Alaska and Puerto Rico: 1-800-234-3867 (Select option 2, then option 1)

Monday – Friday 7 a.m. to 8 p.m., CST

SYSTEM FOR AWARD MANAGEMENT

To receive a specialty crop block grant, applicants also are required to register with System for Award Management (SAM) and, in doing so, to designate an e-Business Point of Contact (e-Business POC). SAM registration must be updated annually and be active and maintained with current information at all times during which the applicant has an active award or an application under consideration.

The e-Business POC authorizes individuals to submit grant and cooperative agreement applications on behalf of the organization and creates a special password called a Marketing Partner ID Number (M-PIN) to verify individuals authorized to submit grant applications for the organization. Organizations that need to register in SAM for the first time or need to update their SAM registration should visit <https://www.sam.gov/portal/SAM/#1>. Questions about SAM should be directed to askSAM@gsa.gov.

CHECKLIST OF REQUIRED DOCUMENTS

- ✓ 2020 Illinois Specialty Crop Grant Program
Application Cover Sheet
 - *This form is required for the project proposal and should be included as the first page of the proposal packet when submitted to the Department.*
- ✓ 2020 Illinois Specialty Crop Grant Program
Project Profile
 - *This document is provided to the applicant for use during the development of the proposal. This document outlines in detail the USDA, AMS requirements for Project Profiles to be submitted within the State's Plan. All content must be included in the Proposal Packet submitted to IDOA for consideration of funding.*
- ✓ Internal Revenue Service W-9 Form (Rev. 3)
 - *This form is required for payments by the Illinois Office of the Comptroller.*
 - <http://www.irs.gov/pub/irs-pdf/fw9.pdf>

2020 Illinois Specialty Crop Grant Program

IDOA Internal Review Committee Questions and Scoring Criteria

This form is provided for reference purposes only. It will be utilized by the IDOA Internal and External Review Committees during their review of all submitted applications.



PROGRAM SUMMARY

Contact: For additional information, contact:

- Lorrie Karcher (618) 244-2424 ext. 1500
lkarcher@il-fa.com
- An application form may be downloaded from the IFA web site:
www.il-fa.com

BEGINNING FARMER BOND

GENERAL INFORMATION

The information herein is subject to rules and regulations established by the Illinois Finance Authority (IFA) as a means of implementing the Beginning Farmer Bond Program.

The purpose of the Beginning Farmer Bond Program is to provide affordable financing to new, low net worth farmers for financing capital purchases. IFA works with the borrower's local lender to provide this financing. IFA issues a tax-exempt bond for the amount and with the terms of the loan. Because the interest income to the lender is exempt from federal income tax, the lender is able to charge a lower rate to the borrower. The loan and the bond are secured solely by the collateral required by the lender and are not obligations of IFA or of the State of Illinois. Because the lender assumes all credit risk, the lender makes all credit decisions.

Loans may be used to acquire agricultural land, new depreciable property, or used depreciable property in conjunction with agricultural land.

INTERNAL REVENUE SERVICE RESTRICTIONS

The tax-exempt interest income on IFA bonds makes low interest rate loans possible. The Internal Revenue Service has imposed rigid requirements on how bond proceeds may be used in a tax-exempt financing. If a Borrower or Lender ignores any of these rules in an IFA financing, there is a substantial danger that interest on the IFA bond will not be tax exempt. It is the ultimate responsibility of the Borrower to see that none of the rules are broken. If a Borrower fails to satisfy any Internal Revenue Service requirement, his loan will be subject to mandatory prepayment in full with a premium. Borrowers are required to sign certificates at closing stating that the rules have been and will be faithfully observed.

APPLICANT ELIGIBILITY

Net worth. The applicant must have net worth of not more than \$500,000 at the time of application. Net worth is defined as total assets less total liabilities of the individual and the individual's spouse and minor children, if any.

Residency. The applicant must be a permanent resident of Illinois when the bond is issued.

Age. The applicant must be at least eighteen (18) years of age when the IFA loan application is submitted.

Individuals. The applicant must be an individual. IFA cannot loan money to corporations, partnerships, trusts, or any other legal entity under the Beginning Farmer Program.

Capital Requirements. The applicant may be required to document to the satisfaction of the Lender and IFA that he will have access to adequate working capital, farm equipment, and livestock, if appropriate.

Limited Prior Ownership. The applicant must not have had any prior direct or indirect ownership interest in a substantial amount of land. A substantial amount of land is a parcel that exceeds 30% of the median farm size in the county in which the land is located.

ELIGIBLE PURCHASES

The maximum loan amount is \$543,800 per person.^(01/2019) Loan proceeds may be used for the following capital purchases only:

- Agricultural Land. Land located in the State of Illinois that is suitable for use in farming and which is or will be operated as a farm.
- Agricultural Improvements. Any improvements, buildings, structures or fixtures suitable for use in farming which are located on Agricultural Land. IFA will finance the purchase of new improvements on Agricultural Land. IFA can finance used Agricultural Improvements only in situations in which:
 - the improvements are purchased in conjunction with Agricultural Land and used in the operation of a farm to be operated on the Agricultural Land being purchased; or
 - a sufficient amount of qualified rehabilitation expenditures are incurred by the Borrower with respect to the Agricultural Improvements within two years from the date of issue of the Bond.
- Depreciable Agricultural Property. Personal property suitable for use in farming for which an income tax deduction for depreciation is allowable in computing federal income tax under the Internal Revenue Code of 1954, as amended. Examples include, but are not limited to, farm machinery and trucks. Feeder livestock, seed, feed, fertilizer, and other types of inventory or supplies do not qualify as Depreciable Agricultural Property. IFA will finance the purchase of any new Depreciable Agricultural Property. IFA can also finance used Depreciable Agricultural Property if it is purchased in conjunction with Agricultural Land and used in the operation of a farm to be operated on the Agricultural Land being purchased. The total loan proceeds allocated to the purchase price of used equipment may not exceed \$250,000.

No portion of the loan proceeds may be used for the purchase of a residence. If the project includes a residence, the applicant must make a down payment or obtain conventional financing for the value of the residence.

Purchase From Related Persons. IFA loan proceeds can be used to purchase property from a Related Person. The IRS states that the following, among others, are deemed to be "Related Persons" of an individual: grandfather, grandmother, father, mother, brother, sister (whether whole or half blood), child, grandchild, or spouse.

In addition, a partnership and each of its partners (and their spouses and minor children) are Related Persons, as are an S corporation and each of its shareholders (and their spouses and minor children.) Related Persons also includes certain related corporations and partnerships. It should be pointed out that the foregoing list is not all-inclusive. There are certain other entities and individuals that could also be considered Related Persons.

It should also be noted that certain individuals are not Related Persons. For example, an uncle, aunt, nephew, niece, brother-in-law or sister-in-law would not be treated as a Related Person.

If IFA proceeds are used to purchase property from a Related Person, the applicant must certify and provide supporting documentation that the purchase price of the project is equal to the market value of the project. The applicant must also certify that the seller will have no continuing financial interest in the project and will not be a principal user of the project, and will have no other direct or indirect ownership or use of the project.

Sixty Day Eligibility Window. In order for a purchase to be eligible, IFA Board of Directors must approve the loan within sixty days of the date that the borrower commences acquisition of the property to be financed. Commencement of acquisition includes acquisition or construction of any part of the Project to be financed with the proceeds of the loan; any contract or purchase agreement, installment or otherwise, in connection with the acquisition or construction of the Project or any part thereof, or the off-site fabrication or acquisition of any part of the Project; and payment of any money by the Applicants for down payment or earnest money.

LOAN PROCESS

Application and Approval. The private lender first makes its own loan analysis, determines what collateral and guarantees are necessary, and sets the interest rate and payment schedule for the loan. The Lender should consult with its tax accountants to calculate the appropriate interest rate. A lender who is subject to alternative minimum tax may not benefit from the tax-exempt status of the bond.

The Applicant and Lender then complete the IFA application form and submit it with the non-refundable \$100.00 application fee. IFA will review the information supplied in the application to determine whether all Internal Revenue Service requirements have been satisfied. For this reason, it is vital that the application be completed with care. The IFA Board of Directors meets the second Thursday of each month to consider loan requests. An application for a loan

must be received by four weeks prior to the Board meeting to allow sufficient time for processing prior to the meeting.

Public Hearing and Bond Resolution. At the meeting following the approval of the application, the Board will pass a bond resolution approving the bond sale. Prior to that meeting, IFA is required to hold a public hearing on the proposed project. A notice of public hearing will be published in a newspaper of general circulation in the county in which the project is located. The notice includes the applicant's name, the amount, and a description of the project.

Bond Documents. After IFA has approved the loan application and passed a bond resolution, IFA will send to the Lender a Bond Document Package containing the following documents:

- (I) Loan Agreement between IFA and Borrower
- (AI) Requisition Form
- (II) Lender Loan Agreement between IFA and Lender
- (III) Closing Certificate of Lender
- (IV) Certificate of Participation
- (V) Closing Certificate of Borrower
- (VI) Closing Certificate of IFA
- (VII) Bond Resolution
- (VIII) Arbitrage Certificate
- (IX) Promissory Note of Borrower to IFA
- (X) Agreement as to Terms
- (XI) Guaranty of Promissory Note
- (XII) Sample Bond
- (XIII) Sample Bond Opinion

The documents should be executed by both the Borrower and the Lender and returned to IFA.

Project Fund. After the bond documents have been signed by the Borrower and Lender and approved by IFA, IFA will call the Lender and authorize funding of the project. The lender opens a non-trusted, non-interest bearing checking account titled IFA Project Fund Account and the Borrower's name. The lender deposits the proceeds of the loan into the account. A copy of the dated deposit ticket used to fund the account is sent to IFA. IFA dates the original documents with the date of the deposit ticket and returns the documents to the Lender.

Money in the Project Fund may not be invested by the Borrower between the time the loan is funded and the time the loan proceeds are disbursed for the purpose approved in the Borrower's application. Money must remain in the non-interest bearing Project Fund account.

The Project Fund Account must be disbursed within six months of the loan date. Any money that remains in the Project Fund following completion of the Project must be used to prepay the principal of the Bond.



Letter of Opinion. IFA's Bond counsel will review each Bond for legality and exemption of interest from federal income tax. Bond counsel will then issue a Letter of Opinion as to the tax-exempt status of the bond.

Security for the Loan. To facilitate the making of the loan, the Lender Loan Agreement provides that the Lender will act as agent and fiduciary for IFA in connection with the loan. The principal and interest of the Bond are payable solely out of the revenue derived from the Borrower's Promissory Note, which is secured by collateral furnished by the Borrower. The Bond that is issued by IFA and purchased by the Lender is a non-recourse obligation. The principal and interest on the Bond do not constitute an indebtedness of IFA or a charge against its general credit or general fund.

If the Lender determines that a Guaranty of the Promissory Note is required, it must use the form of Guaranty included in the Bond Documents Package.

The Lender should use its own security documents, as it deems necessary for each loan. Please note that cash and cash equivalents may not be used as collateral. IFA recommends that security documents clearly state that they are given as additional security for the indebtedness evidenced by the Promissory Note, the Loan Agreement, the Lender Loan Agreement and the IFA Bond and are given to further secure the agreements, covenants, and obligations of the Borrower contained in the Loan Agreement. The security documents should be directly between the Borrower and the Lender or the guarantor and the Lender.

The Lender may also wish to add a "cross-default" provision to these documents, making an event of default under the Loan Agreement, the Promissory Note or the Lender Loan Agreement an event of default under the security agreements. Any additional requirements not specifically provided for in the Loan Agreement, such as insurance coverage, can be required.

Prepayment of Loans. The Bond Documents and the structure of the financing require any installment payment under the Loan Agreement and Promissory Note to be applied against a like installment payable under the Bond. Under the Loan Agreement and the Lender Loan Agreement, the Loan is subject to mandatory prepayment on the happening of certain events. The Lender agrees that any such prepayments will be applied to the payment of the Bond. The Loan Agreement requires mandatory prepayment in full with a premium if interest on the Bond becomes subject to federal income taxation as a result of any action or failure to act of the Borrowers.

(See discussion of INTERNAL REVENUE SERVICE RESTRICTIONS above). The premium will be equal to the difference between the actual interest payable on the Loan up to the date of prepayment and the amount of interest which would have been payable if the Lender had charged its normal market rate. In addition, the Loan Agreement provides for optional prepayment without premium at the discretion of the Lender in the event of damage, destruction or condemnation of all or any part of the Project. The Loan Agreement also provides for prepayment, in whole or in part, without premium at the option of the eligible Borrower.

Assumption of Loans and Transfer of Property. Loans may not be assumed without the prior approval of IFA, and then only if the assuming party is an eligible applicant. The benefits of the Loan made at the tax-free rate from the proceeds of an IFA Bond must remain with the



qualified Borrower, and no person other than the Borrower may obtain the benefits of the IFA Loan.

FEES

IFA charges a non-refundable application fee of \$100 that should be submitted with the application. There is also a closing fee of one and one-half percent (1.5%) of the loan amount, less the \$100 application fee, due when the loan is closed.

The Lender may charge a closing fee of up to one-half of one percent of the loan amount. No other fees may be charged. However, the Lender may pass on to the borrower any recording or filing fees associated with the loan.

RIGHT TO AUDIT

IFA shall have at any time the right to audit records of the Lender and the Borrower relating to a particular bond transaction to insure the bond proceeds were used for qualified purposes by a qualified user.

STATE CAP IN ILLINOIS

The Tax Reform Act of 1986 imposed a limit cap on the amount of Bonds that can be issued in Illinois. Bonds issued by IFA are subject to this limitation.

Questions: If you have any questions regarding the application process, financial records, appraisals, or other terms and conditions, please call the IFA Ag Team at the Mt. Vernon office at 618.244.2424.

About IFA: Illinois Finance Authority is an independent, self-funded state agency offering a variety of loan programs mutually beneficial to farmers and lenders. Contact us for more information on the Beginning Farmer Bond Program, Beginning Farmer Contract Bond Program, Debt Restructuring Loan Guarantee Program, Young Farmer Guarantee Program, Specialized Livestock Guarantee Program, Agri-Industries Loan Guarantee Program, and/or the Value-Added Stock Purchase Loan Guarantee Program.

Serving Illinois Agriculture One Family at a Time Since 1982

PROGRAM SUMMARY

Contact: For additional information, contact:

- Lorrie Karcher (618) 244-2424 ext. 1500
lkarcher@il-fa.com
- An application form may be downloaded from the IFA web site:
www.il-fa.com

YOUNG FARMER GUARANTEE

GENERAL INFORMATION

The Young Farmer Guarantee Program (YFG) is a guarantee program designed to enhance credit availability for younger farmers who are purchasing capital assets. Loan funds may be used for new purchases of capital assets such as land, buildings, machinery, equipment, breeding livestock, soil and water conservation projects, etc. In some cases, up to 50% of the loan proceeds may be used to refinance existing debt as needed to improve lien positions.

All YFG Loans are made through conventional lenders; IFA will provide up to 85% guarantee of principal and interest on the loan made to a qualified borrower. The applicant must be able to demonstrate the loan will cash flow on a projected cash flow statement and provide sufficient collateral for the loan. A YFG Loan may be amortized over thirty years for loans secured by real estate. Loans secured by depreciable property will be amortized over a shorter period. In any event, the maximum term of a YFG Loan shall be fifteen (15) years.

APPLICANT REQUIREMENTS

Each eligible applicant must:

- be a resident of the State of Illinois.
- be at least eighteen years of age.
- be the principal operator of a farm who derives or will derive at least 50% of annual gross income from farming. (i.e., my gross farm revenues must exceed my nonfarm income.)
- have a net worth greater than \$10,000.
- have a debt to asset ratio of between 40% and 70% after purchase of the capital item.
- have adequate cash flow and collateral

D/A Ratio: The Debt to Asset Ratio (D/A) is defined as the total outstanding liabilities divided by the total outstanding assets of an applicant using appraised values on a market value balance sheet.

Collateral and Cash Flow: The applicant must provide collateral sufficient to secure the loan and keep the loan collateralized throughout its term. The applicant must also demonstrate the ability to adequately service the proposed debt with a projected cash flow statement. If the applicant has insufficient collateral or if his/her ability to service the debt is not adequately demonstrated, they can have a guarantor sign the note with them and/or pledge additional collateral for the loan.

Appraisals: All real estate and depreciable property that is to be used as collateral on a YFG Loan must be evaluated by a qualified appraiser. All real estate appraisals must meet Federal regulatory requirements and meet the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

Auctioneers and machinery and- equipment dealers are qualified to appraise depreciable property. The applicant is responsible for all appraisal fees connected with the YFG Loan.

Loan Size: The maximum loan per applicant is \$500,000. An eligible applicant may use the



program more than once provided that the totals of the original loan amounts do not exceed \$500,000. Existing debt may be refinanced in conjunction with a purchase.

Interest Rate: The interest rate must be less than the market rate of interest generally available to the borrower as determined by IFA. The interest rate may be fixed or variable. The maximum term for a YFG Loan is fifteen years, but real estate loans may be amortized up to thirty years. Loans with depreciable property will be amortized over a shorter period.

Uses of Funds: Loan funds may be used for purchases of capital assets such as land, buildings, machinery, equipment, breeding livestock, soil and water conservation projects, etc. Purchases made not more than six months prior to IFA loan approval are eligible. Also, the applicant must certify that all of his/her debts will be current at the time the YFG loan is closed.

LENDER REQUIREMENTS

IFA makes its loans available through private lenders. A lender may be any Federal or State chartered bank, savings and loan association, or building and loan association; Farm Credit Service; small business investment company; or any other institution qualified with the State of Illinois to originate and service loans, including but not limited to insurance companies, credit unions, and mortgage loan companies. A lender may also be a wholly owned subsidiary of a manufacturer, seller or distributor of goods or services that makes loans to businesses or individuals.

LOAN PROCEDURES

All YFG Loan applications will be reviewed by IFA staff, and then presented to the Board of Directors for its review and action. The Board of Directors usually meets on a monthly basis and posts notices of its meetings as required under the Illinois Open Meetings Act. Currently, the Board meets on the second Thursday of each month. If IFA has approved an application, the lender will be contacted regarding closing instructions. YFG Loans may not be assumed; however, YFG Loans may be transferred between lending institutions with the consent of all parties or pursuant to the IFA's Agriculture Secondary Market Program. Also, collateral may be substituted with the consent of all parties. If the lender subsequently sells all or a portion of a State Guarantee pursuant to the IFA's Agriculture Secondary Market Program, the lender agrees to pay the IFA those fees charges, from time to time, by the IFA for participation in the program.

RIGHT TO AUDIT

The YFG Loan shall be reviewed annually by the lender and IFA for adequacy of collateral and performance by the applicant. The applicant is required to provide the lender with a current balance sheet annually. If it is determined that there is not sufficient collateral to adequately secure the YFG loan, additional collateral may be required. If the applicant is unwilling or unable to pledge additional collateral, the YFG Loan may be called due and payable. If a YFG Loan is going to be called for any reason other than default, written notice must be served to all parties (IFA and borrower) not less than ninety days prior to the anniversary date.

FEES

Applicant Fees: A nonrefundable application fee of \$300 must be paid to IFA at the time of application. For guarantees approved by the IFA's Board of Directors prior to July 1, 2007, at the time of closing of the loan, the applicant shall pay a fee of 1.0% of the principal amount of the loan less the \$300 application fee. IFA shall receive .75% and the lender shall receive .25%. For guarantees approved by the IFA's Board of Directors on or after July 1, 2007, at the time of closing of the loan, the applicant shall pay a fee of 1.25% of the principal amount of the loan less the \$300 application fee. IFA shall receive 1.0% and the lender shall receive .25%. The minimum fee is \$300. The closing fee may be included in the YFG Loan amount. The applicant is liable for normal and customary attorney's fees, title work, lien searches, credit reports, filing fees, appraisal fees, and other costs of the loan.

Lender Fees: The lender may charge no additional fees or points in addition to the fee received at closing. The lender agrees to pay to IFA an annual administrative fee equal to: (a) for State Guarantees approved by the IFA's Board of Directors prior to July 1, 2007, one fourth of one percent (1/4%) of the outstanding principal balance of the YFG Loan calculated on the anniversary date, or (b) for State Guarantees approved by the IFA's Board of Directors on or after July 1, 2007, one half of one percent (1/2%) of the outstanding principal balance of the YFG Loan calculated on the anniversary date. The fee is payable on each anniversary date of the loan. This fee may not be passed on to the borrower.

Collection Costs: The lender agrees to assume all responsibility and costs for collecting any YFG Loan that is delinquent or in default. Collection efforts, including dispositions of collateral, are subject to IFA approval. The lender shall have fourteen months from the date that a loan is declared in default to dispose of the collateral on the YFG Loan and reimburse the State of Illinois for any payments made from the fund. If the lender does not dispose of the collateral within the fourteen month period, the lender shall be liable to pay the State of Illinois interest on the YFG Loan guarantee at the same rate which the YFG Loan would be accruing at that time if it were still in force. The lender shall pay this interest until the collateral has been liquidated and the State reimbursed. IFA may extend the fourteen month period for a lender in the case of bankruptcy or other extenuating circumstances.

THE STATE GUARANTEE

Loan losses are paid from the Illinois Farmer Agribusiness Loan Guarantee Fund. IFA will have the final approval on the sale of all collateral for the YFG Loan. Proceeds from collateral sales after the date of default shall be applied as follows:

1. State recovers the guaranteed portion of principal of the loan (i.e., up to 85%);
2. Lender recovers the unguaranteed portion of principal of the loan (i.e., at least 15%);
3. State and lender share additional funds on a guaranteed portion/unguaranteed portion basis (i.e., 85%/15%) until all interest (excluding any default rate of interest) is recovered; and
4. lender recovers legal expenses and costs of sale.

The lender understands and agrees that it bears the risk of loss on at least the first 15% of principal and interest.



Questions: If you have any questions regarding the application process, financial records, appraisals, or other terms and conditions, please call the IFA Ag Team at the Mt. Vernon office at 618.244.2424.

About IFA: Illinois Finance Authority is an independent, self-funded state agency offering a variety of loan programs mutually beneficial to farmers and lenders. Contact us for more information on the Beginning Farmer Bond Program, Beginning Farmer Contract Bond Program, Debt Restructuring Loan Guarantee Program, Young Farmer Guarantee Program, Specialized Livestock Guarantee Program, Agri-Industries Loan Guarantee Program, and/or the Value-Added Stock Purchase Loan Guarantee Program.

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<i>Mt. Vernon</i>	<i>2929 Broadway, Suite 7b, Mt. Vernon, Il 62864</i>	<i>618.244.2424</i>	<i>618.244.2433 Fax</i>
<i>Springfield</i>	<i>500 E. Monroe St., Third Floor, Springfield, Il 62701</i>	<i>217.782.5792</i>	<i>217.782.3989 Fax</i>

PROGRAM SUMMARY

Contact: For additional information, contact:

- Lorrie Karcher (618) 244-2424 ext. 1500
lkarcher@il-fa.com
- An application form may be downloaded from the IFA web site:
www.il-fa.com

WORKING CAPITAL GUARANTEE

GENERAL INFORMATION

The Working Capital Guarantee Program (WCG) is a guarantee program designed to enhance credit availability for a farmer, producer or agribusiness for needed input costs related to and in connection with planting and raising agricultural crops and commodities in the State of Illinois. Eligible input costs include, but may not be limited to, fertilizer, chemicals, feed, seed, fuel, parts, and repairs. Generally, the farmer, producer or agri-business must be able to provide the originating lender with a first lien on the proposed crop or commodity to be raised, and an assignment of Federal Crop Insurance sufficient to secure the WCG Loan. Additional collateral may be required as deemed necessary by the lender and the IFA.

All WCG Loans are made through conventional lenders. IFA will provide up to 85% guarantee of principal and interest on the loan made to a qualified borrower. The applicant must be able to demonstrate the loan will cash flow on a projected cash flow statement and provide sufficient collateral for the loan. The WCG Loan shall be repaid annually and may be renewed annually at the discretion of the IFA for a period not to exceed three (3) years.

APPLICANT REQUIREMENTS

Each eligible applicant must:

- be a resident of the State of Illinois;
- be at least eighteen years of age;
- be the principal operator of a farm who derives or will derive at least 50% of annual gross income from farming (i.e., gross farm revenues must exceed nonfarm income);
- have a debt to asset ratio of between 40% and 70%; and
- have adequate cash flow and collateral.

D/A Ratio: The Debt to Asset Ratio (D/A) is defined as the total outstanding liabilities (including debt being requested by applicant) divided by the total outstanding assets of an applicant using appraised values on a market value balance sheet.

Collateral and Cash Flow: The applicant must provide collateral sufficient to secure the loan and keep the loan collateralized throughout its term. The applicant must also demonstrate the ability to adequately service the proposed debt with a projected cash flow statement. If the applicant has insufficient collateral or if his/her ability to service the debt is not adequately demonstrated, he/she can have a guarantor co-sign the note and/or pledge additional collateral for the loan.

Appraisals: All real estate and depreciable property that is to be used as collateral on a WCG Loan must be evaluated by a qualified appraiser. All real estate appraisals must meet Federal regulatory requirements and meet the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. Auctioneers and machinery and equipment dealers are qualified to appraise depreciable property. The applicant is responsible for all appraisal fees connected with the WCG Loan.

Loan Size: The maximum loan per applicant is \$250,000. An eligible applicant may use the WCG program more than once provided that the aggregate loan amounts does not exceed \$250,000.

Interest Rate: The interest rate must be less than the market rate of interest generally available to the borrower as determined by IFA. The interest rate may be fixed or variable.

Uses of Funds: Loan funds may be used for needed input costs related to and in connection with planting and raising agricultural crops and commodities in the State of Illinois. Eligible input costs include, but may not be limited to, fertilizer, chemicals, feed, seed, fuel, parts, and repairs. Also, the applicant must certify that all of his/her debts are current at the time the WCG loan is closed.

LENDER REQUIREMENTS

A lender may be any Federal or State chartered bank, savings and loan association, or building and loan association; Farm Credit Service; small business investment company; or any other institution qualified with the State of Illinois to originate and service loans, including, but not limited to, insurance companies, credit unions and mortgage loan companies. A lender may also be a wholly-owned subsidiary of a manufacturer, seller or distributor of goods or services that makes loans to businesses or individuals.

LOAN PROCEDURES

All WCG Loan applications will be reviewed by IFA staff, and then presented to the Members of the Board for its review and action. The Board usually meets on a monthly basis and posts notices of its meetings as required under the Illinois Open Meetings Act. Currently, the Board meets on the second Thursday of each month. If IFA has approved an application, the lender will be contacted regarding closing instructions. WCG Loans may not be assumed; however, WCG Loans may be transferred between lending institutions with the consent of all parties or pursuant to the IFA's Agriculture Secondary Market Program. Also, collateral may be substituted with the consent of all parties. If the lender subsequently sells all or a portion of a State Guarantee pursuant to the IFA's Agriculture Secondary Market Program, the lender agrees to pay the IFA those fees charged, from time to time, by the IFA for participation in the program.

RENEWAL REQUIREMENTS

Originating lenders for WCG loans will be required to submit an annual balance sheet for the borrower, prepared as of fiscal year end. A year-end profit and loss statement, a detailed cash flow projection for the next crop year, and the borrower's balance sheet must also be submitted within 90 Days of fiscal year end. Lenders must also submit a copy of borrower's current credit bureau report.

Lenders must also complete and submit an IFA Extension of Working Capital Guarantee Application. IFA staff will review the application and accompanying financial statements to determine if the borrower's WCG loan will be extended for the following year, and upon concurrence with Lender's request, provide written concurrence to the Lender approving the extension of the WCG loan.

Crop Insurance Requirements: Borrowers must obtain satisfactory crop insurance to secure the proposed WCG loan and provide the lender with a copy of the crop insurance policy. The originating lender must obtain and provide proof of Assignment of Indemnity on the borrower's crop insurance policy to the IFA prior to receipt of the IFA guarantee. Any waiver of this requirement is at the discretion of the IFA.

Determination and Resolution of Carryover Debt: Prior to IFA's approval of extending a borrower's WCG loan, the lender must determine and certify that the borrower does not have any carryover debt as a result of a shortfall from the previous operating year. If it is determined that the borrower has Carryover Debt from the previous year, the lender must submit a plan to refinance the Carryover Debt in a separate loan transaction in order to remove the Carryover Debt from the borrower's WCG loan. The IFA must approve the lender's refinancing plan and determine that the borrower can still provide adequate cash flow and collateral for the WCG loan, including the new debt service requirements for the Carryover Debt.

RIGHT TO AUDIT

The WCG Loan shall be reviewed annually by the lender and IFA for adequacy of collateral and performance by the applicant. The applicant is required to provide the lender with a current balance sheet annually. If it is determined that there is not sufficient collateral to adequately secure the WCG loan, additional collateral may be required. If the applicant is unwilling or unable to pledge additional collateral, the WCG Loan may be called due and payable. If a WCG Loan is going to be called for any reason other than default, written notice must be served to all parties (IFA and borrower) not less than ninety days prior to the anniversary date.

FEES

Applicant Fees: A nonrefundable application fee of \$300 must be paid to IFA at the time of application. Applicant shall pay IFA a fee of 1.25% of the principal amount of the loan at closing. The minimum fee is \$300. The closing fee may be included in the WCG Loan amount. The applicant is liable for normal and customary attorney's fees, title work, lien searches, credit reports, filing fees, appraisal fees, and other costs of the loan.

Lender Fees: The lender may charge up to an additional .25% fee in addition to the IFA's fee received at closing, with no renewals fees if the WCG is extended by the IFA for subsequent years.

Collection Costs: The lender agrees to assume all responsibility and costs for collecting any WCG Loan that is delinquent or in default. Collection efforts, including dispositions of collateral, are subject to IFA approval. The lender shall have fourteen months from the date that a loan is declared in default to dispose of the collateral on the WCG Loan and reimburse the State of Illinois for any payments made from the fund. If the lender does not dispose of the collateral within the fourteen month period, the lender shall be liable to pay the State of Illinois interest on the WCG Loan guarantee at the same rate which the WCG Loan would be accruing at that time if it were still in force. The lender shall pay this interest until the collateral has been liquidated and the State reimbursed. IFA may extend the fourteen-month period for a lender in the case of bankruptcy or other extenuating circumstances.

THE STATE GUARANTEE

Loan losses are paid from the Illinois Agricultural Loan Guarantee Fund and the Illinois Farmer and Agribusiness Loan Guarantee Fund. IFA will have the final approval on the sale of all collateral for the WCG Loan. Proceeds from collateral sales after the date of default shall be applied as follows:

1. State recovers the guaranteed portion of principal of the loan (i.e., up to 85%);
2. Lender recovers the unguaranteed portion of principal of the loan (i.e., at least 15%);
3. State and lender share additional funds on a guaranteed portion/unguaranteed portion basis (i.e., 85%/15%) until all interest (excluding any default rate of interest) is recovered; and
4. lender recovers legal expenses and costs of sale.

The lender understands and agrees that it bears the risk of loss on at least the first 15% of principal and interest.

Questions: If you have any questions regarding the application process, financial records, appraisals, or other terms and conditions, please call the IFA Ag Team at the Mt. Vernon office at 618.244.2424.

About IFA: Illinois Finance Authority is an independent, self-funded state agency offering a variety of loan programs mutually beneficial to farmers and lenders. Contact us for more information on the Beginning Farmer Bond Program, Beginning Farmer Contract Bond Program, Debt Restructuring Loan Guarantee Program, Young Farmer Guarantee Program, Specialized Livestock Guarantee Program, Agri-Industries Loan Guarantee Program, Working Capital Loan Program and/or the Value-Added Stock Purchase Loan Guarantee Program.

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Offices of the Illinois Finance Authority

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<i>Mt. Vernon</i>	<i>2929 Broadway, Suite 7b, Mt. Vernon, IL 62864</i>	<i>618.244.2424</i>	<i>618.244.2433 Fax</i>
<i>Springfield</i>	<i>500 E. Monroe St., Third Floor, Springfield, IL 62701</i>	<i>217.782.5792</i>	<i>217.782.3989 Fax</i>

WWW.IL-FA.COM

TTY: 1.800.526.0844 | VOICE : 1.800.526.0857

PROGRAM SUMMARY

Contact: For additional information, contact:

- Lorrie Karcher (618) 244-2424 ext. 1500
karcher@il-fa.com
- An application form may be downloaded from the IFA web site:
www.il-fa.com

AGRICULTURAL RESTRUCTURING DEBT GUARANTEE

GENERAL INFORMATION

THE DESCRIPTION SET OUT HEREIN IS SUBJECT TO RULES AND REGULATIONS ESTABLISHED BY ILLINOIS FINANCE AUTHORITY (IFA) AS A MEANS OF IMPLEMENTING THE STATE GUARANTEE PROGRAM FOR RESTRUCTURING AGRICULTURAL DEBT (ADR).

The State Guarantee Program for Restructuring Agricultural Debt was passed by the Illinois General Assembly and signed into law in November, 1985.

The ADR Loan is designed to consolidate and spread out a farmer's existing debt over a longer term at a reduced interest rate. All ADR Loans are made through conventional lenders. IFA will provide up to an 85% guarantee of principal and interest on the loan made to a qualified borrower by a qualified lender. The interest rate may be a variable or fixed rate. The applicant and his/her lending institution must complete an application, balance sheet, security analysis, and cash flow projection. Based upon this information, IFA will approve or reject the request for the ADR Loan.

The applicant must be able to provide sufficient collateral to adequately secure the ADR Loan. The maximum term for an ADR Loan is thirty years. Loans collateralized by real estate may be amortized up to thirty years. Loans collateralized by depreciable property will be amortized over a shorter period.

The guarantees are backed in part by the State of Illinois and any losses incurred will be paid from the Illinois Agricultural Loan Guarantee Fund.

DEFINITIONS

Asset	shall include, but not be limited to the following: cash; crops or feed on hand; livestock held for sale; breeding stock; marketable bonds and securities; securities not readily marketable; accounts receivable; notes receivable; cash invested in growing crops; net cash value of life insurance; machinery and equipment; cars and trucks; farm and other real estate including life estates and personal residence; value of beneficial interest in trusts; government payments or grants; assets under capital leases; retirement accounts; and any other assets
Liability	shall include, but not be limited to the following: accounts payable; notes or other indebtedness owed to any source; taxes; rent; amounts owed on real estate contracts or real estate mortgages; judgments; accrued interest payable; payments under capital leases; and any other liability.
Debt to Asset Ratio	the total outstanding liabilities divided by the total outstanding assets of an applicant using appraised values on a market value balance sheet.
Fund	the Illinois Farmer and Agricultural Loan Guarantee Fund, which is the State's fund to cover all losses.
ADR Loan	a note for which the State of Illinois shall be liable for up to 85% of the total principal and interest as determined by IFA.

APPLICANT REQUIREMENTS

The eligible applicant must:

- be a resident of the State of Illinois.
- be the principal operator of a farm who derives or will derive at least 50% of annual gross income from farming. (i.e., my gross farm revenues must exceed my nonfarm income.)
- have a debt to asset ratio of between 40% and 65%.
- have adequate cash flow and collateral.

The applicant must provide collateral sufficient to adequately secure the ADR Loan at the time of application, and keep the loan collateralized throughout its term. The applicant must also demonstrate the ability to adequately service the proposed debt. If the applicant has insufficient collateral or if his/her ability to service the debt is not adequately demonstrated, they can have a guarantor sign the note with them and/or pledge additional collateral for the loan.

All real estate and depreciable property which is to be used as collateral on a ADR Loan must be evaluated by a qualified appraiser. All real estate appraisals must meet Federal regulatory requirements and meet the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. Auctioneers and machinery and equipment dealers are qualified to appraise depreciable property. The applicant is responsible for all appraisal fees connected with the ADR Loan.

Only one ADR Loan shall be outstanding for any one applicant, or any one farming operation. If the applicants file separate Schedule F's for their Federal Income Tax Return, then they will be considered separate farming operations. The maximum loan per applicant is \$500,000.

The applicant must certify and agree that he/she will only use the ADR Loan to consolidate and restructure existing agricultural debts. The ADR Loan cannot be used for any new purchases or new operating loans. Also, the applicant must certify that all of his/her debts will be current at the time the ADR Loan is closed.

The applicant agrees to make all payments on the ADR Loan on the stated payment date. If the payment is not made within ninety days of the stated payment date, the total outstanding principal and interest shall become immediately due and payable.

A nonrefundable application fee of \$300 must be paid to IFA at the time of application. For guarantees approved by the IFA's Board of Directors prior to July 1, 2007, the applicant pays a fee of 0.75% of the principal amount of the loan at closing. For guarantees approved by the IFA's Board of Directors on or after July 1, 2007, the applicant pays a fee of 1.00% of the principal amount of the loan at closing. This closing fee is net of the \$300 application fee; however, the minimum fee is \$300. The closing fee may be included in the ADR Loan amount, the \$300 application fee may not. No other fees may be charged by the lender.

LENDER REQUIREMENTS

IFA makes its loans available through private lenders. A lender may be any Federal or State chartered bank, savings and loan association, or building and loan association; Farm Credit Service; small business investment company; or any other institution qualified with the State of Illinois to originate and service loans, including but not limited to insurance companies, credit unions, and mortgage loan companies. A lender may also be a wholly owned subsidiary of a manufacturer, seller

or distributor of goods or services that makes loans to businesses or individuals.

The lender must agree to complete and certify that to the best of his/her knowledge all information is true and correct on the application and any other documentation submitted during the application process. Misrepresentations by lender or material misstatement of information on the application or otherwise in connection with the ADR Loan can result in the State Guarantee being revoked or terminated.

The lender agrees to charge an interest rate which shall not exceed 2.5% over the 1-Year Treasury Constant Maturity Yield. If the loan is participated or sold in a secondary market, a reasonable fee, approved by IFA before loan closing, may be added. Generally, ADR Loans will call for an annual interest rate adjustment unless converted to a fixed or longer term variable rate not to exceed 250 basis points over the corresponding length Treasury Note. The interest rate term can be converted at closing or at any time during the term of the loan.

The lender may charge no additional fees or points in addition to the fee received at closing. The applicant is liable for normal and customary attorney's fees, title work, lien searches, credit reports, filing fees, appraisal fees, and other costs of the loan. The lender agrees to pay to IFA an annual administrative fee equal to: (a) for State Guarantees approved by the IFA's Board of Directors prior to July 1, 2007, one fourth of one percent (1/4%) of the outstanding principal balance of the ADR Loan calculated on the anniversary date, or (b) for State Guarantees approved by the IFA's Board of Directors on or after July 1, 2007, one half of one percent (1/2%) of the outstanding principal balance of the ADR Loan calculated on the anniversary date. The fee is payable on each anniversary date of the loan. This fee may not be passed on to the borrower. When the ADR Loan is closed, all of the applicant's debts must be current or brought to a current status. If the lender subsequently sells all or a portion of a State Guarantee pursuant to the IFA's Agriculture Secondary Market Program, the lender agrees to pay IFA those fees charged, from time to time, by the IFA for participation in the program.

The ADR Loan may not be called until the third anniversary date except for lack of performance or insufficient collateral. On the third anniversary date and on each successive anniversary date, the lender will have the option of renewing the ADR Loan or withdrawing from the guarantee program, regardless of default. If no such action is taken, the loan automatically continues until the end of the loan term. The maximum loan term is thirty years. If a ADR Loan is going to be called or revoked for whatever reason, written notice must be served to all parties (IFA, lender, and applicant) not less than 90 days prior to said anniversary date.

ADR LOAN PROCEDURES

Applications must be submitted with a nonrefundable application fee of \$300 to IFA. Applications will be processed on a first come, first served basis and will be approved as long as funding permits. All ADR Loan applications will be reviewed by IFA staff, and then presented to the Board of Directors for its review and approval or rejection. The Board of Directors meets monthly and posts notices of its meetings as required by the Open Meetings Act. Generally, the Board meets on the second Thursday of each month.

Lenders must use the application form provided by IFA or a photocopy thereof. Lenders may use and submit their own forms in addition to the approved IFA application, but must complete the IFA application in full.

The security analysis, cash flow statements, balance sheets, and environmental survey must be completed fully and returned with the application. In addition, lender must submit a credit bureau report of the applicant(s). The average for the past three years' cash flow statement may not need to



be completed if the upcoming year's cash flow statement is not similar to the past farm operation (i.e., a major expansion in the farm operation).

After IFA has reviewed and approved an application, the lender will be instructed to send necessary lien and title information so that IFA can prepare the loan closing documents. IFA will then mail fully completed loan documents, including the Note, Mortgage, Security Agreement, Financing Statements, and all guarantee documents to the lender. The lender, applicant, and IFA must execute all appropriate forms and documents before the ADR Loan is considered finalized.

For guarantees approved by the IFA's Board of Directors prior to July 1, 2007, at the time of closing of the loan, the applicant shall pay a fee of 0.75% of the principal amount of the loan less the \$300 application fee. IFA shall receive 0.50% and the lender shall receive 0.25%. For guarantees approved by the IFA's Board of Directors on or after July 1, 2007, at the time of closing of the loan, the applicant shall pay a fee of 1.00% of principal amount of the loan less the \$300 application fee. IFA shall receive 0.75% and the lender shall receive 0.25%.

The ADR Loan can be fully or partially paid at any time while the loan is outstanding as long as the loan is held in the lender's portfolio and not sold into a secondary market. ADR Loans may not be assumed; however, ADR Loans may be transferred between lending institutions with the consent of all parties or pursuant to the IFA's Agriculture Secondary Market Program. Also, collateral may be substituted with the consent of all parties.

The ADR Loan shall be reviewed annually by the lender and IFA for adequacy of collateral and performance by the applicant. The applicant is required to provide the lender with a current balance sheet annually. If it is determined that there is not sufficient collateral to adequately secure the ADR loan, additional collateral may be required. If the applicant is unwilling or unable to pledge additional collateral, the ADR Loan may be called due and payable.

THE STATE GUARANTEE

In the event of a default on an ADR Loan, the lender shall serve notice to the borrower that the loan is in default and will become due and payable in full if the default is not cured within ninety days. The lender shall provide IFA with a copy of such notice. At the end of the ninety day cure period, the lender may request payment on the ADR Loan guarantee from IFA. IFA shall have thirty days to make such payment.

The lender agrees to assume all responsibility and costs for collecting any ADR Loan that is delinquent or in default. Collection efforts, including dispositions of collateral, are subject to IFA approval. The lender shall have fourteen months from the date that a loan is declared in default to dispose of the collateral on the ADR Loan and reimburse the State of Illinois for any payments made from the fund. If the lender does not dispose of the collateral within the fourteen month period, the lender shall be liable to pay the State of Illinois interest on the ADR Loan guarantee at the same rate which the ADR Loan would be accruing at that time if it were still in force. The lender shall pay this interest until the collateral has been liquidated and the State reimbursed. IFA may extend the fourteen month period for a lender in the case of bankruptcy or other extenuating circumstances.

IFA will have the final approval on the sale of all collateral for the ADR Loan. Proceeds from collateral sales after the date of default shall be applied as follows:

- (1) State recovers the guaranteed portion of principal of the loan (i.e., up to 85%),
- (2) Lender recovers the unguaranteed portion of principal of the loan (i.e., at least 15%),
- (3) State and lender share additional funds on a guaranteed portion/unguaranteed portion basis (i.e., 85%/15%) until all interest (excluding default rate of interest) is recovered; and
- (4) Lender recovers legal expenses and costs of sale.

The lender understands and agrees that it bears the risk of loss on at least the first 15% of principal and interest.

TOTAL OBLIGATIONS THROUGH ADR LOANS

IFA may not have outstanding at any one time guarantees in an aggregate principal amount exceeding \$160,000,000.

RIGHT TO AUDIT

IFA shall have, at any time, the right to audit records of the lender and borrower relating to a particular State Guarantee loan to insure that all information submitted is accurate and complete.

This Loan Program Summary is intended to be informational. In case of any discrepancies between the Loan Closing Documents and the Loan Program Summary, the Loan Closing Documents shall prevail.

Questions: If you have any questions regarding the application process, financial records, appraisals, or other terms and conditions, please call the IFA Ag Team at the Mt. Vernon office at 618.244.2424.

About IFA: Illinois Finance Authority is an independent, self-funded state agency offering a variety of loan programs mutually beneficial to farmers and lenders. Contact us for more information on the Beginning Farmer Bond Program, Beginning Farmer Contract Bond Program, Debt Restructuring Loan Guarantee Program, Young Farmer Guarantee Program, Specialized Livestock Guarantee Program, Agri-Industries Loan Guarantee Program, and/or the Value-Added Stock Purchase Loan Guarantee Program.

Serving Illinois Agriculture One Family at a Time Since 1982

Offices of the Illinois Finance Authority

Chicago	160 N LaSalle St., Ste. S-1000, Chicago, IL 60601	312.651.1300	312.651.1350 fax
Mt. Vernon	2929 Broadway, Suite 7B, Mt. Vernon, IL 62864	618.244.2424	618.244.2433 fax
Springfield	500 E. Monroe Street, Third Floor, Springfield, IL 62701	217.782.5792	217.782.3989 fax

www.il-fa.com

TTY: 1.800.526.0844 | VOICE: 1.800.526.0857



Ag Invest

Payton Luebchow · Paxton, IL

All photos displayed are 2019 Cream of the Crop Photo Contest 1st place winners

The Ag Invest program makes loans more affordable for farmers and agricultural professionals to plant and harvest crops, explore opportunities in agribusiness and rebound from difficult economic times.

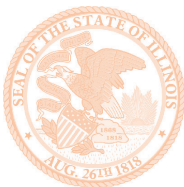
After a participating lender approves your loan or line of credit, the Ag Invest program works with your lender to reduce your interest rate, lowering the overall cost to enhance your farm or alternative agricultural business.

I need access to capital for regular operating expenses.

You may qualify for the Annual Ag line of credit, limit one per calendar year not to exceed \$400,000 per farmer or \$800,000 per farm operation.

I need access to capital for regular operating expenses.

You may qualify for the Long-Term Ag loan, multiple loans per calendar year up to \$300,000 per borrower. Qualified expenses include machinery, construction/renovation, transportation, technology, processing, milling, livestock, specialty crops and land acquisition up to \$400,000. Value Added Ag projects may include, milling, grain processing, Ag truck farming, tile business, store front, and transition cost. The loan term is three years with a possible two year extension for expenses up to \$300,000. Other terms are available for expenses greater than \$300,000. Value Added Ag may extend out a total of nine years.



Michael W. Frerichs

ILLINOIS STATE TREASURER

For further information or assistance, please contact the Illinois State Treasurer's Office by phone: (866) 458-7327 or email: aginvest@illinoistreasurer.gov



Ag Invest

Frequently Asked Questions

The Ag Invest program offers affordable financing to Illinois farmers and agriculture professionals through two options: Annual Ag and Long-Term Ag & Value Added Ag.

How does the program work?

For each approved project, the treasurer's office deposits funds at a discounted rate into an eligible financial institution thereby lowering the interest rate. This enables borrowers to secure below-market rates for either one year or up to possible nine years of the loan.

What is Annual Ag?

Annual Ag is a one-year program that assists farmers with expenses associated with seed, fertilizer, salaries, fees, inventory, transportation cost, processing, milling, transitioning, crop insurance and other expenses.

How much can I borrow through the Annual Ag program?

There is a limit of one loan per calendar year not to exceed \$400,000 per farmer and \$800,000 per farm operation.

What is Long-Term Ag?

Long-Term Ag/Value Added Ag is designed to help with capital expenditures such as machinery, construction/renovation, transportation, technology, processing, milling, livestock, specialty crops, land acquisition up to \$400,000, and other cost.

How much money can I borrow through Long-Term Ag?

The limit for Long Term Ag is multiple loans per calendar year up to \$300,000. Projects greater than \$300,000 are considered on a case-by-case basis.

How do I apply?

1. Contact the treasurer's office for an overview and list of eligible lenders.
2. Contact an eligible lender to start the application process.
3. Apply for an Ag Invest interest rate reduction with your eligible lender. Application is available online at illinoistreasurer.gov/investinillinois.
4. The treasurer's office deposits state funds at your lender. The lender then lowers your interest rate upon approval.

When do I have to pay back a Long-Term Ag loan?

The initial rate is guaranteed for three years. If a compliance check is successfully passed at the end of three years, the loan may be extended for another two years and additional two years for grape and vineyard production. Other loans terms available for expenses greater than \$300,000. Value Added projects can be extended to 3+3+3 for a total of nine years.

The maximum interest rate on the loan may not exceed the associated deposit rate by more than 3.75 percent during the term of the treasurer's participation. Current deposit rates are available at illinoistreasurer.gov.

Does the program guarantee the loan?

The program does not provide a guarantee or any type of credit enhancement to the borrower, nor does it have any impact on the financial institution's normal credit requirements.

Which lenders are eligible to participate? What if my financial institution is unfamiliar with the program?

More than 400 financial institutions are eligible to participate in the treasurer's Invest in Illinois programs. Contact the treasurer's office for a complete list. If your financial institution does not participate or has questions about the program, please refer its loan officer to the treasurer's office.



Austin Kammeyer · Manito, IL



Tanner Mickey · Taylorville, IL

FEDERAL PROGRAMS SUMMARY

United States Environmental Protection Agency (USEPA)

Local Foods, Local Places Program: Local Foods, Local Places helps communities revitalize neighborhoods through development of local food systems.

Local Foods, Local Places aims to support projects that do all of the following:

- Create livable, walkable, economically vibrant main streets and mixed-use neighborhoods.
- Boost economic opportunities for local farmers and main street businesses.
- Improve access to healthy, local food, especially among disadvantaged populations.

The Local Foods, Local Places program will provide selected communities planning assistance that centers around a two day community workshop. At the workshop, a team of experts will help community members develop an implementable action plan that promotes local food and neighborhood revitalization.

United States Department of Agriculture (USDA)

USDA Farm Service Agency (FSA)

Socially Disadvantaged Farmers Programming Overview: The U.S. Department of Agriculture's Farm Service Agency (FSA) makes and guarantees loans to eligible socially disadvantaged (SDA) farmers to buy and operate family-sized farms and ranches. Each fiscal year, FSA targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to SDA farmers. Non-reserved funds can also be used by SDA individuals.

An SDA farmer or rancher is a group whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups consist of American Indians or Alaskan Natives, Asians, Blacks or African-Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA:

- Helps remove barriers that prevent full participation of SDA farmers in FSA's farm loan programs; and
- Provides information and assistance to SDA farmers to help them develop sound farm management practices, analyze problems, and plan the best use of available resources essential for success.

Socially Disadvantaged Farmer Down Payment Program: FSA has a special loan program to assist SDA and beginning farmers in purchasing a farm. Retiring farmers may use this program to transfer their land to future generations.

To qualify:

- The applicant must make a cash down payment of at least 5 percent of the purchase price;
- The maximum loan amount does not exceed 45 percent of the least of the purchase price of the farm or ranch to be acquired, the appraised value of the farm or ranch to be acquired, or \$667,000 (Note: This results in a maximum loan amount of \$300,150);
- The term of the loan is 20 years. The interest rate is 4 percent below the direct FO rate, but not lower than 1.5 percent;
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee;
- Financing from participating lenders must have an amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

Socially Disadvantaged Farmer Land Contract Guarantees: These provide certain financial guarantees to the seller of a farm through a land contract sale to a beginning or SDA farmer. The seller may request either of the following:

- Prompt Payment Guarantee: A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.
- Standard Guarantee: A guarantee of 90 percent of the outstanding principal balance under the land contract.

Socially Disadvantaged Farmer and Beginning Farmer Sale of Inventory Farmland: FSA advertises inventory property within 15 days of acquisition. Eligible SDA and beginning farmers are given first priority to purchase these properties at the appraised market value.

Direct Farm Loans: Direct Farm Loans: FSA's Direct Loan Program is designed to help farmers start, purchase, or expand their farming operation. From beginning farmers who have limited financial history to qualify for commercial credit to farmers who have suffered financial setbacks from natural disasters, FSA offers a variety of loans to provide additional resources farmers need to establish and maintain profitable farming operations.

Guaranteed Farm Loans: FSA guaranteed loans are available to farmers who may not meet loan qualifications from a commercial lender. Guaranteed loans are made and serviced by commercial lenders, such as banks, Farm Credit System institutions, or credit unions.

Farm Ownership Loans: Farm Ownership Loans may be used to purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection. The direct loans are available up to a maximum of \$600,000. Microloans are also available.

Farm Operating Loans: Farm Operating Loans may be used for normal operating expenses, machinery and equipment, minor real estate repairs or improvements, and refinancing debt. The direct loans are available up to a maximum of \$400,000. Microloans are also available.

Conservation Loans: Conservation Loans provide access to credit for farmers and ranchers who want to implement conservation measures on their land. These loans are available to both smaller and less financially established farmers and ranchers, and to larger and financially stronger farmers and ranchers.

USDA Office of Partnerships and Public Engagement (OPPE)

Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Grant: This program provides grant-based funding to community-based and non-profit organizations, institutions of higher education, and Tribal entities to compete for financial assistance through the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program (hereinafter referred to as the “2501 Program”). Individual applicants do not meet the eligibility criteria. Funding is being provided to eligible entities who, in partnership with the Office of Partnerships and Public Engagement (OPPE), will conduct outreach initiatives and training to achieve the overall goal of the 2501 Program—to assist socially disadvantaged and veteran farmers and ranchers in owning and operating farms and ranches while increasing their participation in agricultural programs and services provided by the U.S. Department of Agriculture (USDA).

An official website of the United States government.

Close

We've made some changes to EPA.gov. If the information you are looking for is not here, you may be able to find it on the EPA Web Archive or the January 19, 2017 Web Snapshot.



Local Foods, Local Places 2019-2020 Application

On this page:

- [Background](#)
- [Eligibility and Special Considerations](#)
- [How to Apply](#)
- [Selection Criteria](#)
- [Questions?](#)

The application period for the 2019-2020 round of Local Foods, Local Places assistance closed on September 30, 2019. The application is available here for reference only.

Background

Webinar on Applying for Local Foods, Local Places Assistance

On September 4, 2019, we hosted a webinar that provided an overview of the Local Foods, Local Places program and the selection criteria for the 2019-2020 application. [Watch the recording of the webinar.](#)

Local Foods, Local Places helps communities revitalize neighborhoods through development of local food systems. In 2018, the program was supported by the U.S. Department of Agriculture, the U.S. Environmental Protection Agency, and the Northern Border Regional Commission.

Local Foods, Local Places aims to support projects that do all of the following:

- Create livable, walkable, economically vibrant main streets and mixed-use neighborhoods.
- Boost economic opportunities for local farmers and main street businesses.
- Improve access to healthy, local food, especially among disadvantaged populations.

See the main [Local Foods, Local Places](#) page to learn about past projects.

The Local Foods, Local Places program will provide selected communities planning assistance that centers around a two-day community workshop. At the workshop, a team of experts will help community members develop an implementable action plan that promotes local food and neighborhood revitalization. [Click here to see examples of action plans from community workshops organized through this assistance.](#) This assistance is not a grant, and the program does not provide money directly to communities.

Eligibility and Special Considerations

Eligible applicants include local governments, Indian tribes, and nonprofit institutions and organizations proposing to work in a neighborhood, town, or city of any size anywhere in the United States. Larger cities are encouraged to focus on a particular neighborhood rather than a city-wide project. We expect that many of the communities we select will be economically challenged and in the early phases of their efforts to promote local foods and community revitalization.

Communities with projects located in federally designated Opportunity Zones will receive special consideration this round. [Click here to see a list and map of designated Opportunity Zones.](#) Highest consideration will be given to those communities who can identify how Local Foods, Local Places assistance will leverage the Opportunity Zone designation to support implementation of the resulting action plan.

How to Apply

Download the fillable PDF form at the bottom of the page and complete it using the latest version of the [free Adobe Acrobat Reader software](#). **EXIT** Please do not complete the application form in your web browser or using Apple's Preview application. Save the form using the file name: City State PointOfContact'sLastName. For example: Washington DC Smith.

Applicants must identify a point of contact from the lead organization who will be available for the duration of the project to lead coordination of local participation and interact with the planning assistance team. Selection for this technical assistance award will be based in part on a phone interview with the point of contact and will be awarded in part based on this person's interest and ability to lead the local team in creating and implementing an action plan. The point of contact responsibilities cannot be transferred to another person without EPA approval.

Your application should give us a clear sense of how this assistance would help you and your partners revitalize your downtown through development of your local food system. In your application, you should answer these questions:

- What is the project's geographic scope (e.g., neighborhood, citywide)? What is the area's demographic makeup and economic condition? If the project involves a particular building or site, please include its address.
- What challenges does your community face around downtown or neighborhood revitalization?
- What actions has your community taken so far to overcome these challenges?
- How do you propose to use local foods as a strategy to help address some of these challenges?
- How would a community workshop through Local Foods, Local Places help you achieve your goals?
- What will be the environmental benefits of achieving your goals? Does this work build on any past environmental work, e.g., a brownfields assessment or cleanup?
- What other partners will be involved in planning and implementing your action plan, such as public agencies and institutions, nongovernmental organizations, foundations, businesses, agricultural producers, and residents? Will elected officials be supportive?
- What other assistance related to this project has your community received? How have you been able to use that assistance to advance your goals?
- If you are in an Opportunity Zone, how will this assistance help you leverage that designation to implement your action plan?

Letters of support are not required in order to be selected for the Local Foods, Local Places Program. However, some applicants might wish to strengthen their applications by having partner organizations or local elected officials submit letters verifying statements in the application or pledging to participate in the process and/or support implementation of the

resulting action plan. All letters of support must be emailed along with the application form by the application due date. Please send all letters of support in a single file using the file name: City State PointOfContact'sLastName LOS. For example: Washington DC Smith LOS

Do not include any additional materials (e.g., city master plan, market strategies, event flyers, etc.).

Email the completed application and optional letter(s) of support to lflp@epa.gov by **5:00 p.m. Eastern Time on September 30, 2019**.

Selection Criteria

Applications will be evaluated on the extent to which they meet the following criteria:

Need

- The community faces issues of disinvestment downtown or in long-established neighborhoods.
- The project benefits a traditionally underserved or high-poverty community.

Capacity

- The lead organization has enough capacity and resources to help plan the workshop and implement the resulting action plan.
- The lead organization could benefit from federal assistance to help plan a public workshop and convene stakeholders.
- The lead organization has demonstrated the ability to reap maximum benefit from other federal assistance it has received (if any).

Goals

- The project supports development of a local food system in a way that helps revitalize downtown or long-established neighborhoods, promotes economic development, and increases access to healthy food.
- The community wants to address problems with the built environment (e.g., empty storefronts or car-oriented streets), and the project has clear benefits for the place it is located.
- The project has environmental benefits and/or a connection to other environmental work (e.g., brownfields clean-up, stormwater management, water infrastructure).

Fit of Program

- The applicant's goals and expectations fit with the scope and nature of the assistance, i.e., convening stakeholders to develop an action plan during a two-day public workshop.
- This project builds on and complements (rather than duplicates) prior federal investments in the community.
- The project's location has (or the community is working to develop) the assets of a traditional downtown or close-in neighborhood, e.g., a centralized business district, walkable streets, and compact development.

Partnerships

- Given the intended project and goals, the applicant has identified appropriate partners, including within the local government.
- The applicant has a history of working with the identified partners and/or a letter of support to demonstrate willingness to participate in the workshop and help with project implementation.

We will contact all selected and non-selected communities upon completion of the review process in early 2020. Workshops in selected communities will most likely be scheduled during spring and summer 2020.

Questions?

If you have questions about the Local Foods, Local Places Program or the application process, please read the [Frequently Asked Questions \(FAQ\) About Local Foods, Local Places](#). If your question is not answered there, please email flfp@epa.gov.

You may need a PDF reader to view some of the files on this page. See EPA's [About PDF page](#) to learn more.

- [2019-2020 Local Foods, Local Places Application Form \(PDF\)](#) (2 pp, 4 MB, 2019)

LAST UPDATED ON OCTOBER 2, 2019



Farm Service Agency

Loans for Socially Disadvantaged Farmers and Ranchers

FACT SHEET
August 2019

Overview

The U.S. Department of Agriculture's Farm Service Agency (FSA) makes and guarantees loans to eligible socially disadvantaged (SDA) farmers to buy and operate family-sized farms and ranches. Each fiscal year, FSA targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to SDA farmers. Non-reserved funds can also be used by SDA individuals.

An SDA farmer or rancher is a group whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups consist of American Indians or Alaskan Natives, Asians, Blacks or African-Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA:

- Helps remove barriers that prevent full participation of SDA farmers in FSA's farm loan programs; and
- Provides information and assistance to SDA farmers to help them develop sound farm management practices, analyze problems, and plan the best use of available resources essential for success.



Types Of Loans And Uses Of Loan Funds

Direct FO loans and OLs are made by FSA to eligible farmers. Guaranteed FO loans and OLs are made by lending institutions subject to federal or state supervision (banks, savings and loans, and units of the Farm Credit System) and guaranteed by FSA. Typically, FSA guarantees 90 percent of any loss the lender might incur if the loan fails. FO funds may be used to purchase or enlarge a farm or ranch, purchase easements or rights of way needed in the farm's operation, erect or improve buildings, implement soil and water conservation measures, and pay closing costs. Guaranteed FO funds also may be used to refinance debt.

OL funds may be used to purchase livestock, poultry, farm equipment, feed, seed, fuel, fertilizer, chemicals, insurance, and other operating expenses. The funds also may be used for training costs, closing costs, and to reorganize and refinance debt.

Terms And Interest Rates

Repayment terms for direct OLs depend on the collateral securing the loan and usually run from one to seven years. Repayment terms for direct FO loans vary but never exceed 40 years.

Interest rates for direct loans are set periodically according to the government's cost of borrowing.

Guaranteed loan terms are set by the lender. Interest rates for guaranteed loans are established by the lender.



LOANS FOR SDA FARMERS AND RANCHERS - AUGUST 2019

Down Payment Program

FSA has a special loan program to assist SDA and beginning farmers in purchasing a farm. Retiring farmers may use this program to transfer their land to future generations.

To qualify:

- The applicant must make a cash down payment of at least 5 percent of the purchase price;
- The maximum loan amount does not exceed 45 percent of the least of the purchase price of the farm or ranch to be acquired, the appraised value of the farm or ranch to be acquired, or \$667,000 (Note: This results in a maximum loan amount of \$300,150);
- The term of the loan is 20 years. The interest rate is 4 percent below the direct FO rate, but not lower than 1.5 percent;
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee;
- Financing from participating lenders must have an amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

Land Contract Guarantees

These provide certain financial guarantees to the seller of a farm through a land contract sale to a beginning or SDA farmer. The seller may request either of the following:

- Prompt Payment Guarantee: A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.
- Standard Guarantee: A guarantee of 90 percent of the outstanding principal balance under the land contract.

The purchase price of the farm cannot exceed the lesser of \$500,000 or the market value of the property. The buyer must provide a minimum down payment of 5 percent of the purchase price of the farm. The interest rate is fixed at a rate not to exceed the direct FO loan interest rate in effect at the time the guarantee is issued, plus three percentage points. The guarantee period is 10 years for either plan regardless of the term of the land contract. The contract payments must be amortized for a minimum of 20 years. Balloon payments are prohibited during the 10-year term of the guarantee.

Sale Of Inventory Farmland

FSA advertises inventory property within 15 days of acquisition. Eligible SDA and beginning farmers are given first priority to purchase these properties at the appraised market value. If one or more eligible SDA or beginning farmer offers to purchase the same property in the first 135 days, the buyer is chosen randomly.

How To Apply

Applications for direct loan assistance may be submitted to the local FSA office serving the area where the operation is located. Local FSA offices are listed in the telephone directory under U.S. Government, Department of Agriculture, or Farm Service Agency. For guaranteed loans, applicants must apply to a commercial lender who participates in the Guaranteed Loan program. Contact the local FSA office for a list of participating lenders.

More Information

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



Farm Service Agency

Farm Loans Overview

FACT SHEET
August 2019

Overview

The U.S. Department of Agriculture’s Farm Service Agency (FSA) offers direct and guaranteed loans to farmers and ranchers to promote, build, and sustain family farms for a thriving agricultural economy.

Farm ownership, operating, and emergency loans are available under the Direct Loan Program. Farm ownership, operating, and conservation loans are available under the Guaranteed Loan Program. FSA offers two types of guarantees under the Land Contract Guarantee Program.

The goal of FSA’s farm loan programs is to help farmers and ranchers obtain commercial credit. Once you are able to obtain credit from a commercial lender, our mission of providing temporary, supervised credit is complete.

Direct Farm Loans

FSA’s Direct Loan Program is designed to help farmers start, purchase, or expand their farming operation. From beginning farmers who have limited financial history to qualify for commercial credit to farmers who have suffered financial setbacks from natural disasters, FSA offers a variety of loans to provide additional resources farmers need to establish and maintain profitable farming operations. Farmers may apply for direct loans at their local FSA offices.

Guaranteed Farm Loans

FSA guaranteed loans are available to farmers who may not meet loan qualifications from a commercial lender. Guaranteed loans are made and serviced by commercial lenders, such as banks, Farm Credit System institutions, or credit unions. Under

a guaranteed loan, a commercial lender makes and services the loan, and FSA guarantees it against loss up to a maximum of 90 percent in most cases or 95 percent in limited circumstances. FSA approves eligible loan guarantees and provides oversight of lenders’ activities. Contact a local FSA office for a list of participating lenders.

Farm Ownership Loans

Farm Ownership Loans may be used to purchase a farm, enlarge an existing farm, construct new farm buildings and/or improve structures, pay closing costs, and promote soil and water conservation and protection. The direct loans are available up to a maximum of \$600,000. Microloans are also available. FSA will guarantee farm ownership loans through a commercial leader up to \$1,750,000. The maximum repayment term is 40 years for both direct and guaranteed farm ownership loans.



FARM LOANS OVERVIEW - AUGUST 2019

Farm Operating Loans

Farm Operating Loans may be used for normal operating expenses, machinery and equipment, minor real estate repairs or improvements, and refinancing debt. The direct loans are available up to a maximum of \$400,000. Microloans are also available. FSA will guarantee farm operating loans through a commercial lender up to \$1,750,000. The repayment term may vary, but it cannot exceed seven years. Annual operating loans are generally repaid within 12 months or when the commodities produced are sold. Direct operating loans require applicants to have sufficient education, training, or at least one year's experience in managing or operating a farm or ranch within the last five years.

Down Payment Program

The Down Payment loan assists socially disadvantaged and beginning farmers in purchasing a farm.

Requirements:

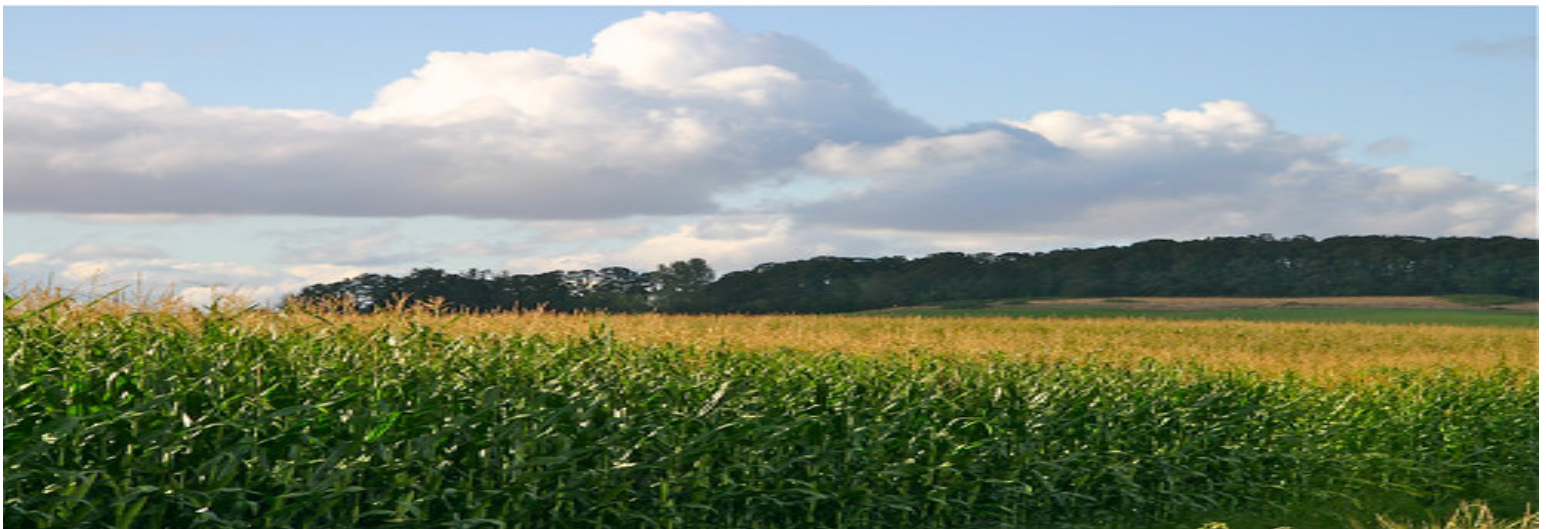
- The applicant must make a cash-down payment of at least 5 percent of the purchase price;
- The maximum loan amount does not exceed 45 percent of the least of the purchase price of the farm to be acquired, the appraised value of the

farm to be acquired or \$667,000 (Note: This results in a maximum loan amount of \$300,150);

- The term of the loan is a maximum of 20 years. The interest rate is 4 percent below the direct farm ownership rate, but not lower than 1.5 percent;
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee
- Financing from participating lenders must have an amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

Youth Loans

Youth loans may be made to young persons who are sponsored by a project advisor, such as a 4-H club, FFA, tribal youth organization, or similar agriculture affiliated group. The project must provide an opportunity for the young person to acquire experience and education in agriculture-related skills. These loans are only available as direct loans with a maximum loan amount of \$5,000. Youth loans are available to those between the ages of 10 and 20 years at the time of loan closing.



FARM LOANS OVERVIEW - AUGUST 2019

Emergency Loans

Emergency loans help farmers and ranchers who have suffered a loss caused by natural disasters that damaged their farming or ranching operation. Emergency loan funds may be used to restore or replace essential property, pay all or part of production costs associated with the disaster year, pay essential family living expenses, reorganize the farming operation, and refinance certain debts. The county or counties where the farm is located must be declared a disaster area by the President or designated by the Secretary of Agriculture. For production loss loans, applicants must demonstrate a 30 percent loss in a single farming enterprise. Applicants may receive loans up to 100 percent of production or physical losses.

These loans are only available as direct loans from FSA with a maximum loan amount of \$500,000.

Conservation Loans

Conservation Loans provide access to credit for farmers and ranchers who want to implement conservation measures on their land. These loans are available to both smaller and less financially established farmers and ranchers, and to larger and financially stronger farmers and ranchers. The family

farm and test for credit requirements are not applicable to Conservation Loans.

Farmers and ranchers may use conservation loans to complete any conservation activity included in a USDA approved conservation plan or Forestry Management Plan. The maximum loan amount is \$1,750,000 with a maximum repayment term of 30 years. Conservation Loans are available as guaranteed loans only.

Loans for Beginning and Socially Disadvantaged Farmers

Each year, Congress targets a percentage of farm ownership and farm operating loan funds to beginning and socially disadvantaged farmers. Providing loan programs is important as these groups of farmers have historically experienced more difficulties obtaining financial assistance. FSA offers several loan programs to assist beginning and socially disadvantaged farmers (refer to the fact sheets titled Loans for Socially Disadvantaged Farmers and Ranchers and Loans for Beginning Farmers and Ranchers). FSA's Down Payment Program is offered to assist socially disadvantaged and beginning farmers in purchasing a farm with a maximum loan amount of \$300,150.



FARM LOANS OVERVIEW - AUGUST 2019

Land Contract Guarantees

FSA also offers financial guarantees for land sale contracts to a beginning or socially disadvantaged farmer. The seller may request either of the following:

- **Prompt Payment Guarantee:** A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.
- **Standard Guarantee:** A guarantee of 90 percent of the outstanding principal balance under the land contract.

The purchase price of the farm cannot exceed the lesser of \$500,000 or the market value of the property. The buyer must provide a minimum down payment of 5 percent of the purchase price of the farm. The interest rate is fixed at a rate not to exceed the direct farm ownership loan interest rate in effect at the time the guarantee is issued, plus three percentage points. The guarantee period is 10 years for either plan regardless of the term of the land contract. The contract payments must be amortized for a minimum of 20 years. Balloon payments are prohibited during the 10-year term of the guarantee.

Who Is Eligible?

Eligibility requirements:

- Be a family farmer;
- Have a satisfactory credit history;
- Be a citizen of the United States, including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Commonwealth of the Northern Mariana Islands, Republic of Palau, Federated States of Micronesia and the Republic of Marshall Islands; a U.S. non-citizen national or a qualified alien under federal immigration law;
- Be unable to obtain credit elsewhere at reasonable rates and terms to meet actual needs;
- Have the legal capacity to incur the obligations of the loan;
- Not have outstanding unpaid judgments obtained by the U.S. in any court, excluding judgments filed in U.S. Tax Courts;
- Not be delinquent on a federal debt;
- Must not have provided FSA with false or misleading documents or statements in the past;
- Not have been convicted under federal or state laws of planting, cultivating, growing, producing, harvesting, or storing a controlled substance within the last 5 crop years;
- Not have received debt forgiveness from FSA (certain exceptions apply); and



FARM LOANS OVERVIEW - AUGUST 2019

- Be within the time restrictions as to the number of years they can receive FSA assistance.

Applications may also be made by entities. Entities are corporations, cooperatives, joint operations, partnerships, trusts, and limited liability companies. Their members/stockholders must meet these same eligibility requirements. The entity must also be authorized to operate a farm or ranch in the state where the land is located.

For socially disadvantaged members, they must hold a majority interest in the entity applicant to receive targeted funding.

Working with Farmers and Ranchers

FSA does more than just provide credit - it works with farmers and ranchers to identify strengths and opportunities for improvement in farm production and management. FSA helps farmers and ranchers find alternative options, so they can achieve success. Learning and improving business planning and financial insight through FSA's credit management is the difference between success and failure for many farm families.

FSA works to keep farmers and ranchers farming. FSA may be able to support direct loan borrowers whose

accounts are distressed or delinquent, including:

- Re-amortization, rescheduling, consolidation, and/or deferral of loans;
- Rescheduling at a lower interest rate;
- Acceptance of conservation contracts on environmentally sensitive land in exchange for reduction of debt; and
- Writing down the debt.

If none of these options results in a feasible farm operating plan, FSA will work with borrowers to determine if they are eligible for consideration to retain the homestead and up to 10 acres. Borrowers may be offered the opportunity to pay off their debt for an amount below the full debt if that amount represents the market value of the loan collateral.

Farms that come into FSA ownership are sold at market value, with preference given to socially disadvantaged and beginning farmers.

More Information

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



Notices

Federal Register

Vol. 84, No. 136

Tuesday, July 16, 2019

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

[FOA No. OPPE-013]

Office of Partnerships and Public Engagement; Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers

Catalog of Federal Domestic Assistance (CFDA) No.: 10.443—Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers.

AGENCY: Office of Partnerships and Public Engagement (OPPE), USDA.

ACTION: Funding Opportunity Announcement (FOA) FY 2019.

SUMMARY: This notice announces the availability of funds and solicits applications from community-based and non-profit organizations, institutions of higher education, and Tribal entities to compete for financial assistance through the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program (hereinafter referred to as the “2501 Program”). Individual applicants do not meet the eligibility criteria.

Funding is being provided to eligible entities who, in partnership with the Office of Partnerships and Public Engagement (OPPE), will conduct outreach initiatives and training to achieve the overall goal of the 2501 Program—to assist socially disadvantaged and veteran farmers and ranchers in owning and operating farms and ranches while increasing their participation in agricultural programs and services provided by the U.S. Department of Agriculture (USDA). This is a non-construction grant.

DATES: Only one project proposal may be submitted per eligible entity. Proposals must be submitted through www.grants.gov and received by August 15, 2019, at 11:59 p.m. EST. Proposals

submitted after this deadline will *not* be considered for funding.

OPPE will host two (2) teleconferences during the open period of this announcement to answer any clarifying questions as follows:

- July 23, 2019 at 2 p.m. EST, Telephone Number: (800) 230-1085, Passcode: 469845
- August 6, 2019 at 2 p.m. EST, Telephone Number: (800) 230-1059, Passcode: 469846

Filing a Complaint of Discrimination

To file a program discrimination complaint, you may obtain a complaint form by sending an email to Cr-info@ascr.usda.gov. You or your authorized representative must sign the complaint form. You are not required to use the complaint form. You may write a letter instead. If you write a letter, it must contain all the information requested in the form and be signed by you or your authorized representative. Incomplete information will delay the processing of your complaint. Employment civil rights complaints will not be accepted through this email address.

Send your completed complaint form or letter to USDA by mail, fax, or email:

Mail: U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue SW, Washington, DC 20250-9410.

Fax: (202) 690-7442.

Email: program.intake@usda.gov.

FOR FURTHER INFORMATION PLEASE

CONTACT: U.S. Department of Agriculture, Office of Partnerships and Public Engagement, Attn: Kenya Nicholas, Assistant Deputy Director, J.L. Whitten Building, Room 520-A, 1400 Independence Avenue SW, Washington, DC 20250, Phone: (202) 720-6350, Fax: (202) 720-7704, Email: 2501grants@usda.gov.

Persons with Disabilities: Persons who require alternative means for communication (Braille large print, audiotape, etc.), should contact USDA’s TARGET Center at (202) 720-2600 (voice and TDD). Additionally, alternative means for submissions due to disability status will be approved on a case-by-case basis.

SUPPLEMENTARY INFORMATION: Funding/Awards: The total funding potentially available for this competitive opportunity is approximately \$16 million (including funds provided in the 2018 Farm Bill and the Consolidated

Appropriations Act of 2019). The OPPE will award grants from this announcement, subject to availability of funds and the quality of applications received. All applicants will compete based on their organization’s entity type (e.g., nonprofit organization or higher education institution), as described below. Projects that are part of multi-year initiatives will be funded in accordance with the approved statement of work. Additionally, USDA has the discretion to fund multi-year projects in an effort to maximize outreach and technical assistance ensuring geographical distribution of funds. Eligible entities may receive subsequent years funding provided that:

(a) Activities and associated costs do not overlap with projects awarded in previous years; and

(b) recipients are current and compliant with existing financial and progress reporting. The progress of existing projects, along with the percentage of funds used to date, may impact funding decisions.

Funding will be awarded based on peer competition within the three categories described below along with the amount of anticipated funding for each category. The OPPE reserves discretion to allocate funding between the three categories based upon the number and quality of applications received. There is no commitment by the OPPE to fund any particular application or to select a specific number of recipients within each category.

1. Category #1: Eligible entities described in Sections III.A.2, III.A.3, and III.A.4 (1890 Land Grant colleges and universities, 1994 Tribal Land-Grant, Alaska Native and American Indian Tribal colleges and universities, and Hispanic-Serving Institutions of higher education).

2. Category #2: Eligible entities described in Sections III.A.1 and III.A.6 (i.e., nonprofit organizations, community-based organizations, including a network or a coalition of community-based organizations, Indian Tribes (as defined in 25 U.S.C. 450b), and National Tribal organizations).

3. Category #3: Eligible entities described in Sections III.A.5 and III.A.7 (i.e., all other institutions of higher education including 1862 colleges, nonprofit organizations without a 501(c)(3) status certification from the

IRS, and other organizations or institutions, including those that received funding under this program before January 1, 1996).

Contents of This Announcement

- I. Funding Opportunity Description
- II. Award Information
- III. Eligibility Information
- IV. Proposal and Submission Information
- V. Application Review Information
- VI. Award Administration Information

I. Funding Opportunity Description

A. Background

The OPPE is committed to ensuring that socially disadvantaged and veteran farmers and ranchers are able to equitably participate in USDA programs. Differences in demographics, culture, economics, and other factors preclude a single approach to identifying solutions that can benefit our underserved farmers and ranchers. Community-based and non-profit organizations, higher education institutions, and eligible Tribal entities can play a critical role in addressing the unique difficulties they face and can help improve their ability to start and maintain successful agricultural businesses. With 2501 Program funding, organizations can extend our outreach efforts to connect with and assist local socially disadvantaged and veteran farmers and ranchers and to provide them with information on available USDA resources.

1. The 2501 Program was authorized by the Food, Agriculture, Conservation, and Trade Act of 1990. The Food, Conservation, and Energy Act of 2008 expanded the authority of the Secretary of Agriculture (the Secretary) to provide awards under the program and transferred the administrative authority to the OPPE. The Agricultural Act of 2014 further expanded the program to include outreach and assistance to veterans. The 2501 Program extends USDA's capacity to work with members of farming and ranching communities by funding projects that enhance the equitable participation of socially disadvantaged and veteran farmers and ranchers in USDA programs. It is the OPPE's intention to build lasting relationships between USDA, the recipient's organizations, and socially disadvantaged and veteran farmers and ranchers.

2. Only one proposal will be accepted from each organization. This does not apply to applicants in the State of Massachusetts. The State fiscal transfer agent may submit multiple proposals ensuring that only one proposal is submitted on behalf of each of its

individual fiscally sponsored organizations.

B. Scope of Work

The 2501 Program provides funding to eligible organizations for training and technical assistance projects designed to assist socially disadvantaged and veteran farmers and ranchers in owning and operating viable agricultural enterprises. This is a non-construction grant. Proposals must be consistent with requirements stated in 7 U.S.C. 2279(c)(3). Under this statute, the outreach and technical assistance program funds shall be used exclusively:

1. To enhance coordination of the outreach, technical assistance, and education efforts authorized under agriculture programs;

2. To assist the Secretary of Agriculture in:

a. Reaching current and prospective socially disadvantaged farmers or ranchers and veteran farmers or ranchers in a linguistically appropriate manner; and

b. Improving the participation of those farmers and ranchers in USDA programs.

Proposals from eligible entities must address two or more of the following priority areas:

1. Assist socially disadvantaged or veteran farmers and ranchers in owning and operating successful farms and ranches;

2. Improve participation among socially disadvantaged or veteran farmers and ranchers in USDA programs;

3. Build relationships between current and prospective farmers and ranchers who are socially disadvantaged or veterans and USDA's local, state, regional, and National offices;

4. Introduce agriculture-related information to socially disadvantaged or veteran farmers and ranchers through innovative training and technical assistance techniques; and

5. Introduce agricultural education targeting socially disadvantaged youth, and/or socially disadvantaged beginning farmers and ranchers, in rural and persistent poverty communities.

OPPE is required to seek input from stakeholders providing technical assistance under this grant program at least annually. This is to ensure that the program is responsive to the eligible entities providing technical assistance (7 U.S.C. 2279(c)(4)(J)). To fulfill this obligation, the OPPE may require Project Directors to attend an annual training conference that can be expensed with awarded grant funds not to exceed \$1,000 per award. The

conference will allow recipients, USDA officials, and other agriculture-related guests to share ideas and lessons learned; provide training on performance and financial reporting requirements; and provide information on USDA programs and services. Project Directors will also have an opportunity to make contacts in their field and regions and gather information on best practices. Stakeholder input will also be accepted by those unable to attend the annual symposium in person by September 30th of each fiscal year at: 2501grants@usda.gov.

C. Anticipated Outputs (Activities), Outcomes (Results), and Performance Measures

1. Outputs (Activities). The term "output" means an outreach, educational component, or assistance activity, task, or associated work product related to improving the ability of socially disadvantaged and veteran farmers and ranchers to own and operate farms and ranches, assistance with agriculture related activities, or guidance for participation in USDA programs. Outputs may be quantitative or qualitative but must be measurable during the period of performance.

Examples of outputs from the projects to be funded under this announcement may describe an organization's activities and their participants such as: Number of workshops or meetings held and number of participants attending; frequency of services or training delivered; and to whom and/or development of products, curriculum, or resources provided. Other examples include but are not limited to the following:

a. Number of socially disadvantaged and veteran farmers or ranchers served;

b. number of conferences or training sessions held and number of socially disadvantaged and veteran farmers and ranchers who attended;

c. type and topic of educational materials distributed at outreach events;

d. creation of a program to enhance the operational viability of socially disadvantaged and veteran farmers and ranchers;

e. number of completed applications submitted for consideration for USDA programs; or

f. activity that supports increased participation of socially disadvantaged farmers and ranchers and veteran farmers and ranchers in USDA programs.

Progress and Financial Reports will be required, as specified in Section VI, Subsection D, "Reporting Requirement."

2. Outcomes (Results). The term "outcome" means the difference or

effect that has occurred as a result from carrying out an activity, workshop, meeting, or from delivery of services related to a programmatic goal or objective. Outcomes refer to the final impact, change, or result that occurs as a direct result of the activities performed in accomplishing the objectives and goals of your project. Outcomes may refer to results that are agricultural, behavioral, social, or economic in nature. Outcomes may reflect an increase in knowledge or skills, a greater awareness of available resources or programs, or actions taken by stakeholders as a result of learning. Specifically, outcomes must be quantitative as it relates to the project goals and objectives.

Project Directors will be required to document anticipated outcomes that are funded under this announcement including, but not limited to the following:

- a. Number of new farmers and/or ranchers as a result of your award;
- b. number of farmers and/or ranchers whom *applied* to participate in USDA's programs and services among socially disadvantaged and veteran farmers and ranchers by program area, race, sex, national origin and disability;
- c. number of applications *approved* for funding among socially disadvantaged and veteran farmers and ranchers as a result of your activities funded with grant funds by program area, race, sex, national origin and disability;
- d. number of farmers and/or ranchers whom have increased access to and participation in USDA's programs and services for socially disadvantaged and veteran farmers and ranchers to increase outreach efforts through effective communication linguistically appropriate;
- e. increase in sustainability and retention of socially disadvantaged and veteran farming operations;
- f. increase in profitability and economic stability resulting from increased marketing and sales opportunities for the products of socially disadvantaged and veteran farmers and ranchers; and
- g. increase in the number of USDA Agency's programs and services utilized.

3. Performance Measures. Performance measures are tied to the goals or objectives of each activity and ultimately the overall purpose of the project. They provide insight into the effectiveness of proposed activities by indicating areas where a project may need adjustments to ensure success. Applicants must develop performance measure expectations which will occur

as a result of their proposed activities. These expectations will be used as a mechanism to track the progress and success of a project. Project performance measures should include statements such as: Whether workshops or technical assistance will meet the needs of farmers or ranchers in the service area and why; how much time will be spent in group training or individual hands-on training of farmers and ranchers in the service area; or whether activities will meet the demands of stakeholders. Project performance measures must include the assumptions used to make those estimates.

Consider the following questions when developing performance measurement statements:

- What is the measurable short-term and long-term impact the project will have on servicing or meeting the needs of stakeholders?
- How will the organization measure the effectiveness and efficiency of their proposed activities to meet their overall goals and objectives?

II. Award Information

A. Statutory Authority

The statutory authority for this action is 7 U.S.C. 2279(c), which authorizes award funding for projects designed to provide outreach and assistance to socially disadvantaged and veteran farmers and ranchers.

B. Expected Amount of Funding

The total estimated funding expected to be available for awards under this competitive opportunity is approximately \$16 million, including funds provided in the 2018 Farm Bill and the Consolidated Appropriations Act of 2019. Funding will be awarded in the following three categories for a maximum of \$750,000:

- A. Proposals less than \$300,000
- B. Proposals between \$300,000–\$525,000
- C. Proposals exceeding \$525,000

C. Project Period

The performance period for projects selected from this solicitation will not begin prior to the effective award date listed in the grant agreement. The maximum project period is three (3) years.

D. Award Type

Funding for selected projects will be in the form of a grant agreement which must be fully executed no later than September 30, 2019. The anticipated Federal involvement will be limited to the following activities:

1. Approval of recipients' final budget and statement of work accompanying the grant agreement;
2. Monitoring of recipients' performance through quarterly, annual and final financial and performance reports; and
3. Evaluation of recipients' use of federal funds through desk audits and on-site visits.

III. Eligibility Information

A. Eligible Entities

1. Any not for profit community-based organization, network, or coalition of community-based organizations that:

- Demonstrates experience in providing agricultural education or other agricultural-related services to socially disadvantaged or veteran farmers and ranchers;
- provides documentary evidence of work with, and on behalf of, socially disadvantaged or veteran farmers and ranchers during the 3-year period preceding the submission of a proposal for assistance under this program; and
- does not or has not engaged in activities prohibited under Section 501(c)(3) of the Internal Revenue Code of 1986.

2. An 1890 or 1994 institution of higher education (as defined in 7 U.S.C. 7601).

3. An American Indian Tribal community college or an Alaska Native cooperative college.

4. A Hispanic-Serving Institution of higher education (as defined in 7 U.S.C. 3103).

5. Any other institution of higher education (as defined in 20 U.S.C. 1001) that has demonstrated experience in providing agricultural education or other agricultural-related services to socially disadvantaged farmers and ranchers.

6. An Indian Tribe (as defined in 25 U.S.C. 5304) or a national tribal organization that has demonstrated experience in providing agricultural education or other agriculturally-related services to socially disadvantaged farmers and ranchers.

7. All other organizations or institutions that received funding under this program before January 1, 1996, but only with respect to projects that the Secretary considers similar to projects previously carried out by the entity under this program.

B. Cost-Sharing or Matching

Matching is not required for this program.

C. Threshold Eligibility Criteria

Applications from eligible entities that meet all criteria will be evaluated as follows:

1. Proposals must comply with the submission instructions and requirements set forth in Section IV of this announcement. Pages in excess of the page limitation will not be considered.

2. Proposals must be received through www.grants.gov as specified in Section IV of this announcement on or before the proposal submission deadline.

Applicants will receive an electronic confirmation receipt of their proposal from www.grants.gov.

3. Proposals received after the submission deadline will not be considered. Please note that in order to submit proposals, organizations must create accounts in www.grants.gov and in the System for Awards Management (SAM.gov); both of which could take several weeks. Therefore, it is strongly suggested that organizations begin this process immediately. Registering early could prevent unforeseen delays in submitting your proposal.

4. Proposals must address a minimum of two or more of the priority areas that provide outreach and assistance to socially disadvantaged or veteran farmers and ranchers as stated in Section I, Subsection B, Scope of Work.

5. Incomplete or partial applications will not be eligible for consideration.

IV. Proposal and Submission Information

A. System for Award Management (SAM)

It is a requirement to register for SAM (www.sam.gov). There is NO fee to register for this site.

Per 2 CFR part 200, applicants are required to: (1) Be registered in SAM prior to submitting an application; (2) provide a valid unique entity identifier in the application; and (3) continue to maintain an active SAM registration with current information at all times during which the organization has an active Federal award or an application or plan under consideration by a Federal awarding agency. The OPPE may not make a Federal award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements. If an applicant has not fully complied with the requirements by the time the OPPE is ready to make a Federal award, OPPE may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

SAM contains the publicly available data for all active exclusion records entered by the Federal Government identifying those parties excluded from receiving Federal contracts, certain subcontracts, and certain types of Federal financial and non-financial assistance and benefits. All applicant organizations and their key personnel will be vetted through SAM.gov to ensure they are in compliance with this requirement and not on the Excluded Parties List. Organizations identified as having delinquent Federal debt may contact the Treasury Offset Program at (800) 304-3107 for instructions on resolution, but will not be awarded a 2501 Program grant prior to resolution.

B. Obtain Proposal Package From www.grants.gov

Applicants may download individual grant proposal forms from www.grants.gov. For assistance with www.grants.gov, please consult the Applicant User Guide at <http://grants.gov/assets/ApplicantUserGuide.pdf>.

Applicants are required to submit proposals through www.grants.gov. Applicants will be required to register through www.grants.gov in order to begin the proposal submission process. We strongly suggest you initiate this process immediately to avoid processing delays due to registration requirements.

Federal agencies post funding opportunities on www.grants.gov. The OPPE is not responsible for submission issues associated with www.grants.gov. If you experience submission issues, please contact www.grants.gov support staff for assistance.

Proposals must be submitted by August 15, 2019, via www.grants.gov at 11:59 p.m. EST. Proposals received after this deadline *will not* be considered.

C. Content of Proposal Package Submission

All submissions must contain completed and electronically signed original application forms, as well as a Project Summary, Project Narrative, and a Budget Narrative as described below:

1. Forms and documents. The forms listed below can be found in the proposal package at www.grants.gov and must be submitted with all applications. Required forms are provided as fillable PDF templates. Applicants must download and complete these forms and submit them in the application submission portal at www.grants.gov. PDF documents listed below are documents the applicant must create in Word format and then submit in PDF format.

- Standard Form (SF) 424, Application for Federal Assistance
- Standard Form (SF) 424A, Budget Information—Non-Construction Programs
- Standard Form (SF) 424B, Assurances—Non-Construction Programs
- Key Contacts Form (please provide first, middle, and last names)
- PDF document of 1-Page Project Summary
- PDF document of Project Narrative
- PDF document of Budget Narrative
- Form AD-3031, Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants

Please note, additional required forms from organizations being awarded 2501 Grant funds will be provided for execution upon grant approval.

2. Attachments. The attachments listed below are required for all proposals and must be included in the proposal package at www.grants.gov. Attachment 1 will consist of the Project Summary Page and the Project Narrative. Attachment 2 will consist of the Budget Narrative. Please submit the summary and narratives in PDF format to preserve the content and formatting. Attachment 3 will consist of Appendices. NOTE: Number each page of each attachment and indicate the total number of pages per attachment (*i.e.*, 1 of 15, 2 of 15, etc.). **DO NOT PASSWORD PROTECT ANY OF YOUR SUBMITTED DOCUMENTS.** Documents that are password protected cannot be viewed by the OPPE staff or members of the Independent Review Panel.

Attachment 1: Project Summary Page. The proposal must contain a Project Summary Page, which should not be numbered and must follow immediately after the SF Form 424, Application for Federal Assistance form. The Project Summary Page is limited to 250 words and should be written as a CONCISE summary or advertisement about your project. It should contain:

- Your organization's name;
- Name of your project;
- Three or four sentences describing your project;
- The primary populations/communities you serve;
- The project's geographic service area (counties, state(s), etc.); and
- Project Director's name, email address, and telephone number.

No points will be given or subtracted for the Project Summary Page as it will be used for informational purposes. Organizations can expect that the Project Summary Page may be used in its entirety or in part for media purposes to include press releases, informational

emails to potential stakeholders or partners, to provide upper echelons of government with a snapshot of an organization, and for demographic purposes. Please do not restate the objectives of the 2501 Program (*i.e.*, “to provide outreach and assistance for socially disadvantaged farmers and ranchers and veterans farmers and ranchers”); it should reflect the goal of your specific project.

- **Attachment 1: Project Narrative.** In 20 double-spaced pages or less, using 1-inch margins and 12-point font, indicate the organization that will conduct the project and the priority areas that will be addressed by the project. Please be concise. Note: Members of the review panel will not be required to review proposals from organizations that have deviated from these formatting specifications.

- Project proposals should include a well-conceived strategy for addressing the priority areas stated in Section I, Part B, Scope of Work. Additionally, proposals must: (1) Define and establish the existence of the needs of socially disadvantaged farmers and ranchers, veteran farmers and ranchers, or both; (2) identify the geographic area of service; and (3) discuss the potential impact of the project.

- **Programmatic Capability:** Project proposals must: (1) Identify the experience of the organization(s) taking part in the project (past successes); (2) identify the names of organizations that will be your partners in the project if any; (3) identify the qualifications, relevant experience, education, and publications of each Project Director or collaborator; (4) specifically address the work to be completed by key personnel and the roles and responsibilities within the scope of the proposed project.

- **Financial Management Experience:** Document a demonstrated ability to successfully manage and complete your project by including details of past successfully completed projects and financial management experiences.

- **Tracking and Measuring:** Clearly document a detailed plan for tracking and measuring the progress and results of the project in terms of achieving expected project outputs and outcomes as stated in Section I, Part C, Performance Measures.

- In an organized format, create a timeline for each task to be accomplished during the period of performance timeframe. Relate each task to one of the five priority areas in Section I, Subsection B. The timeline is part of the 15-page limit but can be as simple as a one-page description of tasks.

- **Attachment 2: Budget Narrative.** The Budget Narrative should identify and describe the costs associated with the proposed project, including sub-awards or contracts and indirect costs. Please refer to 2 CFR 200 Subpart E—Cost Principles, to review allowable/unallowable costs. Applicants may charge their negotiated indirect cost rate or 10 percent, whichever is lower. Indirect cost rates exceeding 10 percent will not be permitted. Other funding sources may also be identified in this attachment. Each cost indicated must be reasonable, allocable, necessary, and allowable under the Federal Cost Principles (2 CFR part 200, subpart E—Cost Principles) in order to be funded. The Budget Narrative should not exceed two pages and is *not* part of the Project Narrative.

- **Attachment 3: Appendices.** Organizations may submit abbreviated Articles of Incorporation for recently established organizations (must have been established at least 3 years prior to this application); résumés for key personnel; Letters of Commitment; Letters of Intent, Partnership Agreements, or Memoranda of Understanding with partner organizations; Letters of Support; 501(c)(3) certification from the IRS, or other supporting documentation which is encouraged but not required. Applicants can consolidate all supplemental materials into one additional attachment. Do *not* include sections from other attachments as an Appendix.

Checklist of documents to submit through www.grants.gov:

1. SF-424, Application for Federal Assistance. Note: Ensure this is completed with accuracy; particularly email addresses and phone numbers. The OPPE may not be able to reach you if your information is incorrect.

2. Project Summary Page (no more than 250 words).

3. Project Narrative including a timeline (no more than 20 pages, 12-point font, and 1-inch margins only).

Note: To ensure fairness and uniformity for all applicants, Project Narratives not conforming to this stipulation may not be considered.

4. SF-424A, Budget Information—Non-Construction Programs

5. SF 424B, Assurances—Non-Construction Programs

6. Budget Narrative (not to exceed 2 pages)

7. Key Contacts Form (include the Project Director/Manager and Financial Representative). Provide first, middle, and last names.

Note: Please ensure this form is completed with accuracy. Individuals not listed on an applicants' Key Contact Form will not receive information about or access to data that concerns the applicant organization.

8. Résumés of key personnel, Partnership Agreements, Letters of Intent, Support, or Recommendation, proof of 501(c)(3) status (if applicable), etc.

Best practice notes:

- * Complete the following as soon as possible:

- (1) Obtain a registered DUNs number.

- (2) Register and maintain an active System for Award Management (SAMs) account.

- (3) Register in www.grants.gov.

- * Only submit Adobe PDF file format documents to www.grants.gov to preserve content and formatting.

- * Documents must be named with short titles to prevent issues with uploading/downloading documents from www.grants.gov. Documents with long names may not always upload/download properly.

- * Do not password protect any submitted forms or documents.

- * Ensure all the information on your SF-424 Application and Key Contact forms are correct. Please include first, middle, and last names on Key Contact forms.

UPLOADING ATTACHMENTS ON YOUR APPLICATION. There are three blocks on the application where you may upload attachments:

- * On block 14, click on “Add Attachment” to upload your Project Summary and Project Narrative.

- * In the section that reads “Budget Narrative File(s)”, type in the “Mandatory Budget Narrative Filename”. Just below the file name, click on “Add Mandatory Budget Narrative” to upload your Budget Narrative.

- * After block 15, click on “Add Attachments” to add all your supporting documents (résumés, Partnership Agreements, Letters of Support, etc.).

D. Sub-Awards and Partnerships

Funding may be used to provide sub-awards, which includes using sub-awards to fund partnerships; however, the recipient must utilize at least 50 percent of the total funds awarded, and no more than three sub-awards will be permitted. All sub-awardees must comply with applicable requirements for sub-awards. Applicants must provide documentation of a competitive bidding process for services, contracts, and products, including consultant contracts, and conduct cost and price analyses to the extent required by applicable procurement regulations.

The OPPE awards funds to *one eligible applicant* as the recipient. Please indicate a lead applicant as the responsible party if other organizations are named as partners or co-applicants or members of a coalition or consortium. The recipient will be held accountable to the OPPE for the proper administrative requirements and expenditure of all funds.

E. Submission Dates and Times

The closing date and time for receipt of proposal submissions is August 15, 2019, at 11:59 p.m., EST, via www.grants.gov. Proposals received after the submission deadline will be considered late without further consideration. Proposals must be submitted through www.grants.gov without exception. Additionally, organizations must also be registered in the SAM (www.sam.gov). Creating an account for both websites can take several weeks to receive account verification and/or PIN numbers. Please allow sufficient time to complete access requirements for these websites. The proposal submission deadline is firm.

F. Confidential Information

In accordance with 2 CFR part 200, the names of entities submitting proposals, as well as proposal contents and evaluations, will be kept confidential to the extent permissible by law. Any information that the applicant wishes to have considered as confidential, privileged, or proprietary should be clearly marked as such in the proposal. If an applicant chooses to include confidential or proprietary information in the proposal, it will be

kept confidential to the extent permitted by law.

G. Pre-Submission Proposal Assistance

1. The OPPE may not assist individual applicants by reviewing draft proposals or providing advice on how to respond to evaluation criteria. However, the OPPE will respond to questions from individual applicants regarding eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification regarding the announcement. Any questions should be submitted to 2501grants@usda.gov. Additionally, OPPE will host public teleconferences to address clarifying questions during the open period of this solicitation as listed on Page 1.

2. The OPPE will post questions and answers relating to this funding opportunity during its open period on the Frequently Asked Questions (FAQs) section of our website: <http://www.outreach.usda.gov/grants/>. Reviewing this section of our website will likely save you valuable time. The OPPE will update the FAQs on a weekly basis and conduct webinars on an as-needed basis.

3. Please visit our website at: <https://www.outreach.usda.gov/grants/index.htm> to review the most recent Terms and Conditions for administering our grants. This version is subject to change upon new program requirements.

V. Application Review Information

A. Evaluation Criteria

Only eligible entities whose proposals meet the threshold criteria in Section III

of this announcement will be reviewed according to the evaluation criteria set forth below. Applicants should explicitly and fully address these criteria as part of their proposal package. Each proposal will be evaluated under the regulations established under 2 CFR part 200.

An Independent Review Panel will use a point system to rate each proposal, awarding a maximum of 100 points (80 points, plus an additional 20 discretionary points for secretarial priorities). Each proposal will be reviewed by at least two members of the Independent Review Panel who will review and score all applications submitted. The Independent Review Panel will numerically score and rank each application within the three funding categories. Funding decisions will be based on the Independent Review Panel's recommendations to the designated approving official. Final funding decisions will be made by the designated approving official and are not appealable.

Please be patient as processing all submitted applications, vetting key personnel, proposal reviews, approval process, and agreement creation is a lengthy process that takes approximately two to three months. All applicants will be notified of their application status when final selections have been made.

B. Evaluation Criteria for New Grants Proposals

Criteria	Points
<p>1. Project Narrative: Under this criterion, your proposal will be evaluated to the extent to which the narrative includes a well-conceived strategy for addressing the requirements and objectives stated in Section I, Part B, Scope of Work, (see page 5, Project Narrative, for further clarification) identifying a minimum of two or more of the priority areas</p> <p>In addition, the OPPE may award up to 20 discretionary points (five (5) points each) for the following eligible entities:</p> <ul style="list-style-type: none"> • Nongovernmental and community-based organizations with an expertise in working with socially disadvantaged and/or veteran farmers and ranchers (2018 Farm Bill provision). • Projects to assist states/communities identified as rural and/or persistent poverty; • Projects assisting beginning and/or youth farmers and ranchers (as defined in 7 U.S.C. 3319f); • Projects with an emphasis on partnering and leveraging funding with other organizations, entities or programs to maximize areas of coverage for outreach (<i>i.e.</i>, nonprofits, for profits, Federal, state, tribal and local entities, higher education institutions, etc.). 	<p>40</p> <p>20</p>
<p>2. Programmatic Capability: Under this criterion, applicants will be evaluated based on their ability to successfully complete and manage the proposed project considering the applicant's: Organizational experience, its staff's expertise and/or qualifications, and the organization's resources. The organization must also clearly document its historical successes and future plans to continue assisting socially disadvantaged and veteran farmers and ranchers</p>	<p>10.</p>
<p>3. Financial Management Experience: Under this criterion, applicants will be evaluated based on their demonstrated ability to successfully complete and manage the proposed project considering the applicants' past performance in successfully completing and managing prior funding agreements identified, Section I, Part C, Performance Measures (see page 8). Past performance documentation on successfully completed projects may be at the Federal, state, or local community level. Per 2 CFR 200.205, if an applicant is a prior recipient of Federal awards, their record in managing that award will be reviewed, including timeliness of compliance with applicable reporting requirements and conformance to the terms and conditions of previous Federal awards</p>	<p>5</p>

Criteria	Points
<p>4. <i>Tracking and Measuring:</i> Under this criterion, the applicant’s proposal will be evaluated based upon clearly documenting a detailed plan for tracking and measuring their progress toward achieving the expected project outputs and (see page 6). Applicants should indicate how they intend to clearly document the effectiveness of their project in achieving proposed thresholds or benchmarks in relation to stated goals and objectives. For example, state how your organization plans to connect socially disadvantaged and veteran farmers and ranchers with USDA agricultural programs. Specifically, how many new or existing farmers and ranchers were assisted in <i>applying</i> for USDA’s programs and services, versus the number of farmers and ranchers <i>approved</i>. Applicants must clearly demonstrate how they will ensure timely and successful completion of the project with a reasonable time schedule for execution of the tasks associated with the projects. This criterion should clearly address how you will quantify the tracking of your progress and measuring the success of your planned project</p>	15
<p>5. <i>Budget:</i> Under this criterion, proposed project budget will be evaluated to determine whether costs are reasonable, allowable, allocable, and necessary to accomplish the proposed goals and objectives; and whether the proposed budget provides a detailed breakdown of the approximate funding used for each major activity. Additionally, indirect costs (10 percent maximum) must be appropriately applied (see page 14). Food for conferences may not exceed \$10 per person. Additionally, cattle for demonstration projects only, may not exceed \$4000, which includes any transportation costs, feed/feeding lot, etc.). Grant funds may NOT be used to pay attendees as an incentive for participation in conferences nor be advertised as such. For a list of unallowable costs, please see 2 CFR Part 200, subpart E</p>	10

C. Selection of Reviewers

All applications will be reviewed by members of an Independent Review Panel. Panel members are selected based upon training and experience in assisting socially disadvantaged and veteran farmers and ranchers. This assistance includes, but is not limited to, bringing increased awareness of USDA’s programs and services in underserved communities, outreach, technical assistance, cooperative extension services, civil rights, education, statistical, and ethnographic data collection and analysis, and agricultural programs, and are drawn from a diverse group of experts, including applicant peers, to create a balanced panel.

VI. Award Administration Information

A. Award Notices

Proposal Notifications and Feedback

1. Successful applicants will be notified by the OPPE via telephone, email, and/or postal mail that its proposed project has been recommended for award. The notification will be sent to the *Project Manager* listed on the SF-424, Application for Federal Assistance. Project Managers should be the Authorized Organizational Representative (AOR) and authorized to sign on behalf of the organization. It is imperative that this individual is responsive to notifications by the OPPE. If the individual is no longer in the position, please notify the OPPE immediately to submit the new contact for the application by updating your organization’s Key Contact form and forwarding a résumé of the new key personnel. The award notice will be forwarded to the recipient for execution and must be returned to the OPPE Director, who is the authorizing official.

Once grant documents are executed by all parties, authorization to begin work will be given. At a minimum, this process can take up to 30 days from the date of notification.

2. Within 10 days of award status notification, unsuccessful applicants may request feedback on their application. Feedback will be provided as expeditiously as possible. Feedback sessions will be scheduled contingent upon the number of requests and in accordance with 7 CFR 2500.026.

B. Administrative and National Policy Requirements

All awards resulting from this solicitation will be administered in accordance with the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards codified at 2 CFR part 200, as supplemented by USDA implementing regulations at 2 CFR parts 400 and 415, and OPPE Federal Financial Assistance Programs—General Award Administrative Procedures, 7 CFR part 2500. In compliance with its obligations under Title VI of the Civil Rights Act of 1964 and Executive Order 13166, it is the policy of the OPPE to provide timely and meaningful access for persons with Limited English Proficiency (LEP) to projects, programs, and activities administered by Federal grant recipients. Recipient organizations must comply with these obligations upon acceptance of grant agreements as written in OPPE’s Terms and Conditions. Following these guidelines is essential to the success of our mission to improve access to USDA programs for socially disadvantaged and veteran farmers and ranchers.

C. Data Universal Numbering System, System for Award Management, and www.grants.gov.

In accordance with the Federal Funding Accountability and Transparency Act (FFATA) and the USDA implementation, all applicants must obtain and provide an identifying number from Dun and Bradstreet’s (D&B) Data Universal Numbering System (DUNS). Applicants can receive a DUNS number, at no cost, by calling the toll-free DUNS number request line at (866) 705-5711 or visiting the D&B website at www.dnb.com.

In addition, FFATA requires applicants to register with the System for Award Management (SAM). *This registration must be maintained and updated annually.* Applicants can register or update their profile, at no cost, by visiting the SAM website at www.sam.gov. This is a requirement to register for www.grants.gov.

All applicants must register for an account on www.grants.gov to submit their application. There is no cost for registration. All applications must be submitted through www.grants.gov. This website is managed by the Department of Health and Human Services, not OPPE. Many Federal agencies use this website to post Funding Opportunity Announcements (FOA). Please click on the “Support” tab to contact their customer support personnel for help with submitting your application.

D. Reporting Requirement

Your approved statement of work, timeline, and budget are your guiding documents in carrying out the activities of your project and for your reporting requirements. Please familiarize yourself with USDA’s grants management system called ezFedGrants: <https://www.nfc.usda.gov/FSS/ClientServices/ezFedGrants/>. In accordance with 2 CFR part 200, the

following reporting requirements will apply to awards provided under this FOA. The OPPE reserves the right to revise the schedule and format of reporting requirements as necessary in the award agreement.

1. Quarterly Progress Reports and Financial Reports will be required as follows:

- *Quarterly Progress Reports.* The recipient must submit the most current OMB-approved Performance Progress Report form (SF-PPR). For each report, the recipient must complete fields 1 through 12 of the SF-PPR. To complete field 10, the recipient is required to provide a detailed narrative of project performance and activities as an attachment, as described in the award agreement. Quarterly progress reports must be submitted to the designated

OPPE official via ezFedGrants within 30 days after the end of each calendar quarter.

- *Quarterly Financial Reports.* The recipient must submit SF 425, Federal Financial Report. For each report, the recipient *must complete both* the Federal Cash Transaction Report and the Financial Status Report sections of the SF-425. Quarterly financial reports must be submitted to the designated OPPE official via ezFedGrants within 30 days after the end of each calendar quarter.

2. Annual reports may be warranted for multi-year projects.

3. Final Progress and Financial Reports will be required upon project completion. This report must include a summary of the project or activity throughout the funding period, achievements of the project or activity,

and a discussion of overall successes and issues experienced in conducting the project or project activities. It should convey the impact your project had on the communities you served and discuss the project's accomplishments in achieving expected outcomes. This requirement includes, but is not limited to, the number of new USDA applicants as a result of your award, the number of approved applicants for USDA programs and services, increased awareness of USDA programs and services, etc. The final Financial Report should consist of a complete SF-425 indicating the total costs of the project. Final Progress and Financial Reports must be submitted to the designated OPPE official via ezFedGrants within 90 days after the completion of the award period as follows:

Report	Performance period	Due date	Grace period
Form SF-425, Federal Financial Report and Progress Report (<i>Due Quarterly</i>).	1 October thru 31 December	12/31/2019	1/30/2020
	1 January thru 31 March	3/31/2020	4/30/2020
	1 April thru 30 June	6/30/2020	7/30/2020
	1 July thru 30 September	9/30/2020	10/30/2020
Annual and Final Progress and Financial Reports	Earlier of December 30, 2020, or 90 days after project completion.		

* Dates subject to change at the discretion of OPPE.

Signed this 8th day of July 2019.
Riley Pagett,
Chief of Staff, Office of Partnerships and Public Engagement.
 [FR Doc. 2019-14825 Filed 7-15-19; 8:45 am]
BILLING CODE P

DEPARTMENT OF AGRICULTURE

Forest Service

Ketchikan Resource Advisory Committee

AGENCY: Forest Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The Ketchikan Resource Advisory Committee (RAC) will meet in Ketchikan, Alaska. The committee is authorized under the Secure Rural Schools and Community Self-Determination Act (the Act) and operates in compliance with the Federal Advisory Committee Act. The purpose of the committee is to improve collaborative relationships and to provide advice and recommendations to the Forest Service concerning projects and funding consistent with Title II of the Act. RAC information can be found at the following website: https://cloudapps-usda.gov.secure.force.com/FSSRS/RAC_Page?id=001t0000002jcvNAAS.

DATES: The meeting will be held on Thursday, August 1, 2019, at 5:00 p.m.

All RAC meetings are subject to cancellation. For status of the meeting prior to attendance, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

ADDRESSES: The meeting will be held at the Ketchikan Misty Fiords Ranger District, 3031 Tongass Avenue, Ketchikan, Alaska. A conference line will be available for those who would like to listen by telephone. For the conference call number, please contact person listed under the **FOR FURTHER INFORMATION CONTACT**.

Written comments may be submitted as described under **SUPPLEMENTARY INFORMATION**. All comments, including names and addresses when provided, are placed in the record and are available for public inspection and copying. The public may inspect comments received at the Ketchikan Misty Fiords Ranger District. Please call ahead at 907-228-4105 to facilitate entry into the building.

FOR FURTHER INFORMATION CONTACT: Penny L. Richardson, RAC Coordinator, by phone at 907-228-4105 or via email at penny.richardson@usda.gov.

Individuals who use telecommunication devices for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339

between 8:00 a.m. and 8:00 p.m., Eastern Standard Time, Monday through Friday.

SUPPLEMENTARY INFORMATION: The purpose of the meeting is to:

1. Update members on past RAC projects, and
2. Propose new RAC projects.

The meeting is open to the public. The agenda will include time for people to make oral statements of three minutes or less. Individuals wishing to make an oral statement should request in writing by Thursday, July 25, 2019, to be scheduled on the agenda. Anyone who would like to bring related matters to the attention of the committee may file written statements with the committee staff before or after the meeting. Written comments and requests for time for oral comments must be sent to Penny L. Richardson, RAC Coordinator, Ketchikan Misty Fiords Ranger District, 3031 Tongass Avenue, Ketchikan, Alaska 99901; by email to penny.richardson@usda.gov, or via facsimile to 907-225-8738.

Meeting Accommodations: If you are a person requiring reasonable accommodation, please make requests in advance for sign language interpreting, assistive listening devices, or other reasonable accommodation. For access to the facility or proceedings, please contact the person listed in the

ADDITIONAL DOCUMENTS

Information maintained by the Legislative Reference Bureau

Updating the database of the Illinois Compiled Statutes (ILCS) is an ongoing process. Recent laws may not yet be included in the ILCS database, but they are found on this site as Public Acts soon after they become law.

For information concerning the relationship between statutes and Public Acts, refer to the Guide.

Because the statute database is maintained primarily for legislative drafting purposes, statutory changes are sometimes included in the statute database before they take effect. If the source note at the end of a Section of the statutes includes a Public Act that has not yet taken effect, the version of the law that is currently in effect may have already been removed from the database and you should refer to that Public Act to see the changes made to the current law.

AGRICULTURE
(505 ILCS 72/) Farmer Equity Act.

(505 ILCS 72/1)

Sec. 1. Short title. This Act may be cited as the Farmer Equity Act.

(Source: P.A. 100-1039, eff. 8-23-18.)

(505 ILCS 72/5)

Sec. 5. Legislative findings. This State recognizes the importance of investing in the long-term prosperity of our food and farming system, beginning with farmers. It is the intent of the General Assembly that the Director of Agriculture should support socially disadvantaged farmers and include this support in the Department's vision and its relevant policies.

(Source: P.A. 100-1039, eff. 8-23-18.)

(505 ILCS 72/10)

Sec. 10. Definitions. In this Act:

"Department" means the Department of Agriculture.

"Director" means the Director of Agriculture.

"Socially disadvantaged farmers" means a farmer who is a member of a socially disadvantaged group.

"Socially disadvantaged group" means a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to that member's personal qualities. "Socially disadvantaged group" includes, but is not limited to, African Americans, Native Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

"Urbanized area" means a geographic location with a population of at least 50,000 people.

(Source: P.A. 100-1039, eff. 8-23-18.)

(505 ILCS 72/15)

Sec. 15. Inclusion of socially disadvantaged farmers.

(a) The Department shall ensure the inclusion of socially disadvantaged farmers, including socially disadvantaged farmers in urbanized areas, in the development, adoption, implementation, and enforcement of food and agriculture laws, regulations, policies, and programs.

(b) The Department shall:

(1) consult with the Director of the Environmental Protection Agency, the Director of Natural Resources, the Executive Director of the Illinois Housing Development Authority, the Secretary of Human Services, and other interested parties of the public and private sector of the

State on opportunities for socially disadvantaged farmers to coordinate State programs;

(2) disseminate information regarding opportunities provided by, including, but not limited to, the United States Department of Agriculture, the United States Environmental Protection Agency, the General Accounting Office, the Office of Management and Budget, and other federal agencies that that have programs that may assist socially disadvantaged farmers; and

(3) evaluate opportunities for the inclusion of socially disadvantaged farmers in boards, committees, commissions, and other similar positions created by the Department.

(Source: P.A. 100-1039, eff. 8-23-18.)

(505 ILCS 72/20)

Sec. 20. Report. On or before January 1, 2020, the Department shall submit a report to the Governor and the General Assembly on efforts to serve socially disadvantaged farmers and female farmers in this State. The report shall include recommendations to the Governor and the General Assembly on how to improve processes to include socially disadvantaged farmers. The report to the General Assembly shall be filed electronically with the General Assembly as provided under Section 3.1 of the General Assembly Organization Act and shall be provided electronically to any member of the General Assembly upon request.

(Source: P.A. 100-1039, eff. 8-23-18.)

(505 ILCS 72/99)

Sec. 99. Effective date. This Act takes effect upon becoming law.

(Source: P.A. 100-1039, eff. 8-23-18.)

IFA RESOLUTION 2019-1008-GP

RESOLUTION DECLARING SUPPORT FOR THE ILLINOIS DEPARTMENT OF AGRICULTURE IN MEETING THE GOALS OF THE FARMER EQUITY ACT; AND OTHER RELATED MATTERS

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (“the Authority”) was created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., as amended from time to time (the “Act”); and

WHEREAS, the Act, including sections 801-5(k) and 801-5(p), recognizes that adequate funds for agricultural financing are required to encourage family farmers in an orderly and sustained manner and provides that it is an objective of the Authority to assist in the delivery of agricultural assistance; and

WHEREAS, the Farmer Equity Act, 505 ILCS 72/1 et seq. (Public Act 100-1039, effective August 23, 2018; reproduced in Appendix A hereto; bill status reproduced in Appendix B hereto), directs the Illinois Department of Agriculture (the “Department”) to, among other things, consult with interested State entities on opportunities for socially disadvantaged farmers (as defined in the Farmer Equity Act) to coordinate State programs; and

WHEREAS, the Authority desires to support the Department in meeting the goals of the Farmer Equity Act and to support agricultural operations, including those pursued by socially disadvantaged farmers in urban and rural communities, by partnering with the Department and other organizations, including but not limited to the Chicago Botanic Garden, the Illinois Farm Bureau, the Illinois Forestry Development Council, the Illinois Corn Growers Association and the Illinois Soybean Association; and

NOW, THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority as follows:

Section 1. Recitals. The recitals set forth above are found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

Section 2. Declaration of Support. The Authority hereby declares its support for the Department in meeting the goals of the Farmer Equity Act and its intent to support agricultural operations including those pursued by socially disadvantaged farmers, to the extent authorized by the Act.

**FARM SERVICE AGENCY
FARM LOAN PROGRAMS COMBINED/UNDUPLICATED
BEGINNING FARMER AND SDA OBLIGATIONS REPORT
FY 2019 AS OF SEP 30, 2019**

STATES	DIRECT OL		GUAR OL		DIRECT FO		GUAR FO		TOTAL	
	NO	\$ AMT	NO	\$ AMT	NO	\$ AMT	NO	\$ AMT	NO	\$ AMT
ALABAMA	140	4,055,751	9	618,531	27	6,860,120	42	29,410,561	218	40,944,963
ALASKA	3	144,700	0	0	1	19,000	0	0	4	163,700
ARIZONA	156	7,452,880	1	460,000	22	6,084,700	3	1,676,000	182	15,673,580
ARKANSAS	572	40,780,779	112	38,064,775	138	27,023,935	96	93,745,650	918	199,615,139
CALIFORNIA	556	19,389,190	37	14,328,245	50	14,935,030	33	20,715,150	676	69,367,615
COLORADO	208	11,444,760	24	4,391,233	71	14,699,850	23	7,931,568	326	38,467,411
CONNECTICUT	13	1,453,743	1	300,000	2	560,000	3	726,075	19	3,039,818
DELAWARE	3	129,220	0	0	6	2,097,000	10	7,185,000	19	9,411,220
FLORIDA	146	5,797,505	11	1,462,563	24	6,152,610	11	5,391,700	192	18,804,378
GEORGIA	249	21,871,593	52	19,082,979	38	9,701,100	30	28,610,589	369	79,266,261
HAWAII	118	3,267,250	1	101,000	13	4,557,230	3	2,014,237	135	9,939,717
IDAHO	236	16,424,604	70	14,494,832	53	14,244,210	21	8,663,370	380	53,827,016
ILLINOIS	150	8,868,650	20	3,934,430	346	65,843,541	159	43,013,755	675	121,660,376
INDIANA	78	5,823,670	38	7,135,300	169	39,169,000	95	31,240,524	380	83,368,494
IOWA	954	60,907,479	75	14,933,356	479	109,621,865	84	31,561,981	1,592	217,024,681
KANSAS	333	17,778,558	30	7,128,145	322	58,678,945	51	10,960,014	736	94,545,662
KENTUCKY	659	24,680,947	51	7,139,618	189	41,218,400	92	26,946,667	991	99,985,632
LOUISIANA	203	11,787,263	83	32,892,745	13	2,471,750	7	5,979,000	306	53,130,758
MAINE	80	4,616,825	1	103,000	10	1,253,880	0	0	91	5,973,705
MARYLAND	14	663,800	3	313,000	4	1,001,000	10	4,227,150	31	6,204,950
MASSACHUSETTS	21	478,863	0	0	9	2,605,500	1	135,000	31	3,219,363
MICHIGAN	125	8,788,045	53	9,670,419	130	21,492,640	64	15,251,265	372	55,202,369
MINNESOTA	555	46,390,750	84	19,173,239	238	57,656,910	117	25,513,185	994	148,734,084
MISSISSIPPI	226	10,152,060	23	4,618,164	6	1,060,860	35	27,882,568	290	43,713,652
MISSOURI	213	13,096,534	80	16,025,027	227	40,907,960	162	53,478,566	682	123,508,087
MONTANA	300	23,079,457	33	8,503,985	63	17,622,090	16	7,146,318	412	56,351,850
NEBRASKA	1,327	92,608,470	37	8,502,510	258	69,149,230	38	13,967,630	1,660	184,227,840
NEVADA	54	2,841,870	2	214,900	8	1,831,900	4	1,851,500	68	6,740,170
NEW HAMPSHIRE	5	505,000	1	153,200	0	0	0	0	6	658,200
NEW JERSEY	23	960,430	3	427,500	1	112,500	1	162,000	28	1,662,430
NEW MEXICO	147	7,007,440	11	4,736,610	49	10,925,600	15	7,471,900	222	30,141,550
NEW YORK	89	4,464,740	15	3,374,430	24	4,308,850	11	2,941,025	139	15,089,045
NORTH CAROLINA	203	13,811,967	17	3,092,753	31	8,446,610	40	31,815,705	291	57,167,035
NORTH DAKOTA	324	31,636,773	81	22,081,970	123	28,261,560	13	4,666,039	541	86,646,342
OHIO	107	3,949,685	11	3,027,165	148	27,878,514	154	41,905,318	420	76,760,682
OKLAHOMA	966	49,547,966	53	12,257,563	748	144,105,004	51	19,005,237	1,818	224,915,770
OREGON	178	11,205,801	8	1,832,603	34	10,336,450	10	3,911,250	230	27,286,104
PENNSYLVANIA	271	14,776,001	14	1,493,500	71	20,978,760	15	6,107,452	371	43,355,713
PUERTO RICO	72	2,807,380	0	0	16	2,260,530	3	1,949,000	91	7,016,910
RHODE ISLAND	11	297,500	0	0	1	200,000	0	0	12	497,500
SOUTH CAROLINA	134	10,417,353	39	4,947,730	26	7,154,100	28	21,284,110	227	43,803,293
SOUTH DAKOTA	691	47,471,760	48	5,924,610	184	48,781,120	46	17,933,675	969	120,111,165
TENNESSEE	409	16,949,620	10	2,770,340	117	19,962,870	45	22,921,816	581	62,604,646
TEXAS	648	35,542,457	98	26,133,326	141	31,808,670	49	45,342,017	936	138,826,470
UTAH	252	13,070,270	6	1,380,830	61	14,818,230	10	4,616,730	329	33,886,060
VERMONT	26	1,442,400	9	925,380	10	1,477,200	11	1,959,100	56	5,804,080
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0
VIRGINIA	123	10,171,281	14	3,839,000	71	19,519,700	15	5,975,200	223	39,505,181
WASHINGTON	181	15,064,635	20	4,579,560	38	9,854,700	11	3,498,550	250	32,997,445
WEST PAC TERR	3	67,500	0	0	1	90,000	0	0	4	157,500
WEST VIRGINIA	221	6,636,030	2	305,000	56	8,878,330	6	3,535,000	285	19,354,360
WISCONSIN	324	17,220,307	46	6,138,715	205	48,006,370	82	27,525,524	657	98,890,916
WYOMING	79	4,562,010	17	4,313,789	18	5,008,778	6	3,586,678	120	17,471,255
TOTAL	13,179	784,361,522	1,454	347,327,570	5,090	1,111,694,702	1,832	783,338,349	21,555	3,026,722,143



Farm Service Agency

Farm Loan Information Chart

FACT SHEET
August 2019

Program	Maximum Loan Amount	Rates and Terms	Use of Proceeds
Direct Farm Ownership (FO)	\$600,000	<ul style="list-style-type: none"> Rate based on agency borrowing costs Term up to 40 years 	<ul style="list-style-type: none"> Purchase farm Construct buildings or other capital improvements Soil and water conservation Pay closing costs
Direct Farm Ownership (FO) Participation	\$600,000	<ul style="list-style-type: none"> Rate is direct FO rate less 2% with a floor of 2.5% if at least 50% of loan amount provided by other lender Term up to 40 years 	Same as direct FO
Direct Farm Ownership Microloan (FO ML)	\$50,000	<ul style="list-style-type: none"> Rate based on agency borrowing costs Term up to 25 years 	<ul style="list-style-type: none"> Purchase farm Construct buildings or other capital improvements Soil and water conservation Pay closing costs
Direct Down Payment Farm Ownership Program	The lesser of 45% of: <ul style="list-style-type: none"> the purchase price; the appraised value; or \$667,000 (\$300,150 maximum) 	<ul style="list-style-type: none"> Rate is direct FO rate less 4% with a floor of 1.5% Term of 20 years Down payment of at least 5% 	Purchase of farm by a beginning or underserved farmer
Direct Operating (OL)	\$400,000	<ul style="list-style-type: none"> Rate based on agency borrowing cost Term from 1 to 7 years 	<ul style="list-style-type: none"> Purchase livestock, poultry, equipment, feed, seed, farm chemicals, and supplies Soil and water conservation Refinance debts with certain limitations
Direct Operating Microloan (ML)	\$50,000	Same as direct OL	Same as direct OL
Direct Emergency	100% actual or physical losses \$500,000 maximum program indebtedness	<ul style="list-style-type: none"> Rate is based on the OL rate plus 1%; with a cap of 3.75% Term from 1 to 7 years for non- real estate purposes Term up to 40 years for physical losses on real estate 	<ul style="list-style-type: none"> Restore or replace essential property Pay all or part of production costs associated with the disaster year Pay essential family living expenses Reorganize the farming operation Refinance debts with certain limitations



FARM LOAN INFORMATION CHART - AUGUST 2019

Program	Maximum Loan Amount	Rates and Terms	Use of Proceeds
EZ Guarantee	\$100,000	Same as Guaranteed Operating or Guaranteed Farm Ownership	Same as Guaranteed Operating or Guaranteed Farm Ownership
Guaranteed Operating	\$1,750,000 (Amount adjusted annually for inflation)	<ul style="list-style-type: none"> Rate determined by the lender Term from 1 to 7 years Loan guarantee fee is 1.5% 	Same as direct OL
Guaranteed Farm Ownership	\$1,750,000 (Amount adjusted annually for inflation)	<ul style="list-style-type: none"> Rate determined by the lender Term up to 40 years Loan guarantee fee is 1.5% 	Same as direct FO except loan may be used to refinance debts
Guaranteed Conservation Loan (CL)	\$1,750,000 (Amount adjusted annually for inflation)	<ul style="list-style-type: none"> Rate determined by the lender Term not to exceed 30 years, or shorter period, based on the life of the security Loan guarantee fee is 1.5% Eligibility requirements expanded to include large and financially strong operations 	<ul style="list-style-type: none"> Implement any conservation practice in an NRCS-approved conservation plan May be used to refinance debts related to implementing an NRCS- approved conservation plan
Land Contract (LC) Guarantee	The purchase price of the farm cannot exceed the lesser of: <ul style="list-style-type: none"> \$500,000; or The current market value of property 	<ul style="list-style-type: none"> Rate cannot exceed the direct FO interest rate plus 3% Amortized over a minimum of 20 years with no balloon payments during the first 10 years of loan Down payment of at least 5% 	<ul style="list-style-type: none"> Sell real estate through a land contract to a beginning or underserved farmer Guarantee is with the seller of the real estate

For more information about Farm Loan Programs, visit fsa.usda.gov/farmloans or find a local FSA office at farmers.gov.