



# Entrepreneurship Loans



**We believe** our youth are the future of agriculture

**Youth learn values** such as responsibility, respect, and resourcefulness

**We make loans of up to \$5,000 at low rates** to help start or continue projects

**We specialize in:**

Loans for beginning farmers, operational financing, real estate, disaster recovery, and socially disadvantaged farmers

Farm planning and counseling

Sustained financial planning services

Farm Service Agency (FSA) has partnered with the Wisconsin Association of FFA in making small loans available to FFA members involved in the Entrepreneurship Proficiency.

## **We want FFA members to learn important life values.**

These loans allow young adults to start an agriculturally-related project, and learn life values such as responsibility, respect, resourcefulness, animal or crop practices, sensible money management, and how to borrow money.

## **We finance projects with oversight of parents and advisors.**

Young adults, at least 10 years old but not 21, can borrow up to **\$5,000** to start an agriculturally-related project as part of the FFA Entrepreneurship proficiency. The loans are at a low interest rate, currently around **2.5%**, and repayment is tailored to when the project generates income.

Although entrepreneurship loans are targeted to FFA members, any eligible youth from 10 to 20 years old involved in FFA, 4-H or a similar organization can qualify for a youth loan.

The FSA loan officer will generally meet with the youth and a parent, on the farm, to assess the project. To qualify for the loan, the youth needs to:

1. Have the sponsorship of the advisor and permission of a parent.
2. Live in a rural area or town of less than 50,000 people.
3. Show that they can repay the loan with the project. You can attach a copy of the FFA Entrepreneurship Proficiency application to the FSA loan application (FSA 2301), available for download at <http://www.fsa.usda.gov/wi> You can also use your own plan format. Submit this to your local FSA office.

## **We think outside the box.**

Our commitment to doing things better shows in how we look at projects. We believe being open to varied and diverse projects helps the youth start and stay committed to an enterprise they're interested in. Past projects include:

- Dairy heifers
- Beef cows
- Milking goats
- Organic chickens
- Sheep
- Beekeeping
- Fat cattle
- Corn and soybeans
- Milking cows
- Raising eggs
- Hogs
- Hay and vegetables

## **We offer a commitment.**

FSA's loan staff are committed to our customers, their goals, and our communities. At FSA, we are the lender of first opportunity because we provide agriculture producers who need assistance an entry into agriculture production.



Farm Service Agency • Wisconsin  
Visit us on the web at [www.fsa.usda.gov/wi](http://www.fsa.usda.gov/wi)

USDA is an Equal Opportunity Provider and Employer



<b>FSA-2301</b> (12-31-07)	<b>U.S. DEPARTMENT OF AGRICULTURE</b> Farm Service Agency
<b>REQUEST FOR YOUTH LOAN</b>	

**PART A - APPLICANT INFORMATION**

1. EXACT FULL LEGAL NAME	2. ADDRESS		
3. COUNTY OF PROJECT			
4. SOCIAL SECURITY NUMBER	5. BIRTH DATE	6. TELEPHONE NUMBER	
7. MARITAL STATUS: <input type="checkbox"/> MARRIED <input type="checkbox"/> UNMARRIED <input type="checkbox"/> SEPARATED <i>(INCLUDING SINGLE, DIVORCED, AND WIDOWED)</i>		8. AMOUNT OF LOAN REQUEST \$	

	YES	NO
9. Are you a citizen of the United States? If "NO", appropriate documentation must be submitted for a United States non-citizen national, or a qualified alien under applicable Federal immigration laws.		
10. Have you ever obtained a direct or guaranteed farm loan from the Farm Service Agency (FSA)?		
11. Are you delinquent on any Federal debt or do you have any outstanding Federal judgments? If "YES", provide details in Item 17.		
12. Have you ever had any FSA direct or guaranteed farm loan debt forgiven through a write-off, debt settlement, compromise, write-down, charge-off, adjustment, reduction, or bankruptcy? If "YES", provide details in Item 17.		
13. Are you currently employed? If "YES", provide employer's name, address, phone number, amount of annual income, and if employment is full or part-time in Item 17.		
14. Are you an FSA employee or are you related to or closely associated with any FSA employee? If "YES", explain in Item 17.		
15. Are you an active member of FFA, 4-H or other agriculture related organizations? If "YES", provide name of organization in Item 17.		
16. Are you a Veteran?		
17. ADDITIONAL ANSWERS. Write the item number to which each answer applies. If you need more space, use additional sheets of paper the same size as this page. On each sheet, write your name.		

18. BRIEF DESCRIPTION OF PROJECT. *(Beginning date of project, name of organization and project plans.)*

**VOLUNTARY INFORMATION**

**VOLUNTARY INFORMATION FOR MONITORING PURPOSES:** Race, ethnicity and gender information is requested by the Federal Government in order to monitor FSA's compliance with Federal laws prohibiting discrimination against loan applicants. You are not required to furnish this information, but are encouraged to do so. Failure to complete this information may result in you not receiving access to targeted funds for which you may have been eligible. This information will not be used in evaluating your application or to discriminate against you in any way. If you do not furnish it, FSA is required to note your race, ethnicity and gender on the basis of observer identification. *(\*This data is requested for statistical purposes only. One or more boxes may be selected.)*

19A. *ETHNICITY  <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	19B. *RACE <i>(Choose as many boxes as applicable)</i>  <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Asian <input type="checkbox"/> White <input type="checkbox"/> Black or African-American	19C. GENDER  <input type="checkbox"/> Male <input type="checkbox"/> Female	19D. FOR FSA USE ONLY  <input type="checkbox"/> Provided <input type="checkbox"/> Observed
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**ANNUAL INCOME AND EXPENSES**

<b>20. INCOME:</b>	
A. DESCRIPTION:	B. \$ Amount
<b>21. Total:</b>	

<b>22. EXPENSES:</b>	
A. DESCRIPTION:	B. \$ Amount
<b>23. Total:</b>	
<b>24. Annual Total Income from Item 21:</b>	
<b>25. Annual Total Expenses from Item 23: (-)</b>	
<b>26. Annual Amount of Payments Due (Including this loan): (-)</b>	
<b>27. Ending Cash Balance (Subtract Item 25 and Item 26 from Item 24):</b>	

**ASSETS AND DEBTS**

<b>28. ASSETS:</b>		<b>30. DEBTS:</b>	
A. DESCRIPTION:	B. \$ Amount	A. DESCRIPTION:	B. \$ Amount
<b>29. TOTAL ASSETS:</b>		<b>31. TOTAL DEBTS:</b>	
<b>32. Total Assets from Item 28:</b>			
<b>33. Total Debts from Item 30: (-)</b>			
<b>34. Net Worth (Subtract Item 33 from Item 32):</b>			

**35. SPECIAL PROGRAM INFORMATION**

Certain FSA programs are, by law, designed to reach targeted applicants. If you are interested in the program described below, or have questions about this program and whether you may qualify for this program, the FSA office processing your application will help you.

**SOCIALLY DISADVANTAGED APPLICANTS:** A portion of FSA farm ownership and operating loan funds are, by law, targeted to applicants who have been subjected to racial, ethnic or gender prejudice because of their identity as a member of a group, without regard to individual qualities. Under the applicable law, groups meeting this condition are: American Indians/Alaskan Natives, Asians, Blacks/African Americans, Native Hawaiians/Other Pacific Islanders, Hispanics, and Woman.

**36. GENERAL INFORMATION**

- A. RIGHT TO FINANCIAL PRIVACY ACT OF 1978 (TITLE XI, 1113(h) OF PUB. L. 95-630):** FSA has a right of access to financial records held by financial institutions in connection with providing assistance to you, as well as collecting on loans made to you or guaranteed by the government. Financial records involving your transaction will be available to FSA without further notice or authorization but will not be disclosed or released by this institution to another government Agency or Department without your consent except as required by law.
- B. THE FEDERAL EQUAL CREDIT OPPORTUNITY ACT** prohibits creditors from discriminating against borrowers on the basis of race, color, religion, sex, national origin, marital status, age (provided the borrower has the capacity to enter into a binding contract), because all or a part of the borrower's income derives from any public assistance program, or because the borrower has in good faith exercised any right under the Consumer Credit Protection Act.
- C. FEDERAL COLLECTION POLICIES:** Delinquencies, defaults, foreclosures and abuses of mortgage loans involving programs of the Federal Government can be costly and detrimental to your credit, now and in the future. The mortgage lender in this transaction, its agents and assigns as well as the Federal Government, its agencies, agents and assigns, are authorized to take any and all of the following actions in the event loan payments become delinquent on the mortgaged loan described in the attached application: (1 ) Report your name and account information to a credit bureau, (2) Assess additional interest and penalty charges for the period of time that payment is not made, (3) Assess charges to cover additional administrative costs incurred by the Government to service your account, (4) Offset amounts owed to you under other Federal programs; (5) Refer your account to a private attorney, collection agency or mortgage servicing agency to collect the amount due, foreclose the mortgage, sell the property and seek judgment against you for any deficiency; (6) Refer your account to the Department of Justice for litigation; (7) If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits; (8) Refer your debt to the Department of the Treasury for cross-servicing and offset against any amount owed to you by any Federal Agency, such as an income tax refund; and (9) Report any resulting written-off debt to the Internal Revenue Service as taxable income. All of these actions can and will be used to recover debts owed to the Federal Government, when in its best interests.

**37. CERTIFICATIONS**

**A. ABUSE OF CONTROLLED SUBSTANCES**

I certify that as an individual, or as a member of an entity, I have not been convicted under Federal or State law of planting, cultivating, growing, producing, harvesting, or storing a controlled substance within the previous 5 crop years. See the Food Security Act of 1985 (Pub. L. 99-198). I also certify that as an individual, or as a member of an entity, I am not ineligible for Federal benefits based on a conviction for the distribution of controlled substances or any offense involving the possession of a controlled substance under 21 U.S.C. § 862.

**B. PERMISSION TO FILE A FINANCING STATEMENT**

Under the Uniform Commercial Code, you do not have to sign the financing statement which allows FSA to obtain a security interest in your property. If the loan is approved and funded, FSA will file a financing statement at the earliest possible date, **before you enter into a SECURITY AGREEMENT. BY SIGNING BELOW I GIVE FSA PERMISSION TO FILE A FINANCING STATEMENT PRIOR TO THE EXECUTION OF THE SECURITY AGREEMENT AS WELL AS TO FILE AMENDMENTS AND CONTINUATIONS OF THE FINANCING STATEMENT THEREAFTER.**

**C. DISQUALIFICATION DUE TO FEDERAL CROP INSURANCE FRAUD:**

The applicant certifies that as an individual or any member of the entity, has not been disqualified for Federal benefits as provided in Section 515(h) of the Federal Crop Insurance Act (FCIA). Applicants who willfully and intentionally provide false or inaccurate information to the Federal Crop Insurance Corporation (FCIC) or to an approved insurance provider with respect to a policy or plan of FCIC insurance, after notice and an opportunity for a hearing on the record, will be subject to one or more of the sanctions described in Section 515(h)(3) of FCIA.

**D. RESTRICTIONS AND DISCLOSURE OF LOBBYING ACTIVITIES:**

1. The loan applicant certifies that: if any funds, by or on behalf of the loan applicant, have been or will be paid to any persons for influencing or attempting to influence an officer or employee of any agency, a Member, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan, the loan applicant shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
2. The loan applicant shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including contracts, subcontracts, and subgrants, under grants and loans) and that all subrecipients shall certify and disclosure accordingly.
3. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this statement is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required statement shall be subject to a civil penalty,

**38. WARNING**

I CERTIFY THAT THE INFORMATION PROVIDED IS TRUE, COMPLETE, AND CORRECT TO THE BEST OF MY KNOWLEDGE AND IS PROVIDED IN GOOD FAITH TO OBTAIN A LOAN. (WARNING: SECTION 1001 OF TITLE 18, UNITED STATES CODE, PROVIDES FOR CRIMINAL PENALTIES TO THOSE WHO PROVIDE FALSE STATEMENTS TO THE GOVERNMENT. IF ANY INFORMATION IS FOUND TO BE FALSE OR INCOMPLETE, SUCH FINDING MAY BE GROUNDS FOR DENIAL OF THE REQUESTED ACTION.)

39A. SIGNATURE	39B. DATE
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**PART B - PROJECT ADVISOR RECOMMENDATION**

40A. Project Advisor - I agree to sponsor the applicant on this project and provide supervision for the duration of the loan. *(Describe how you plan to assist the applicant, such as monthly meetings, financial planning, and management advice.)*

40B. Name	40C. Signature
40D. Phone Number	40E. Date

**PART C - PARENT/GUARDIAN RECOMMENDATION**

41A. Parent/Guardian - I recommend the applicant and consent to their participation in this project. I will assist and encourage the applicant to successful completion of the project. *(Describe how you plan to assist the applicant, such as reviewing the plan, daily supervision, environmental concerns, communications with FSA, and marketing of production.)*

41B. Name	41C. Signature	41D. Date
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**PART D - FSA USE ONLY**

42A. DATE FORM FSA-2301 RECEIVED	42B. DATE APPLICATION COMPLETE	
42C. CREDIT REPORT FEE \$	42D. DATE RECEIVED	42E. NAME OF AGENCY OFFICIAL

NOTE:: *The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a): the Farm Service Agency (FSA) is authorized by the Consolidated Farm and Rural Development Act, as amended (7 USC 1921 et seq.), or other Acts, and the regulations promulgated thereunder, to solicit the information requested on its application forms. The information requested is necessary for FSA to determine eligibility for credit or other financial assistance, service your loan, and conduct statistical analyses. Supplied information may be furnished to other Department of Agriculture agencies, the Internal Revenue Service, the Department of Justice or other law enforcement agencies, the Department of Defense, the Department of Housing and Urban Development, the Department of Labor, the United States Postal Service, or other Federal, State, or local agencies as required or permitted by law. In addition, information may be referred to interested parties under the Freedom of Information Act (FOIA), to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, to collection or servicing contractors, to credit reporting agencies, to private attorneys under contract with FSA or the Department of Justice, to business firms in the trade area that buy chattel or crops or sell them for commission, to Members of Congress or Congressional staff members, or to courts or adjudicative bodies. Disclosure of the information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Tax Identification Number, may result in a delay in the processing of an application or its rejection.*

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0237. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.*