

Government Resources Guide for Farmer Veterans



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Farmer Veteran Coalition

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Credits:

Content Development:

Matt Russell, Resilient Agriculture Coordinator, Drake University Law School Agricultural Law Center
Ed Cox, Former Staff Attorney, Drake University Law School Agricultural Law Center
Kaitlin Acton, Law Student, Drake University Law School Agricultural Law Center

Content Development, Project Management, and Edits:

Brian Shobe, Government Resources Advisor, Farmer Veteran Coalition

Layout:

Juli Rose, Marketing and Communications Manager, Farmer Veteran Coalition

Photography:

Susanna Frohman, Susanna Frohman Photography
Stephanie McCann, Radical Roots Photography

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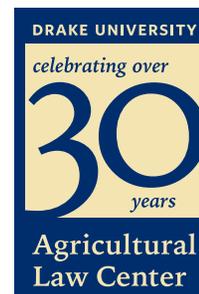


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Introduction

Farmer Veteran Coalition mobilizes veterans to feed America. Through collaboration of the farming and military communities, we are developing viable agricultural careers and cultivating a new generation of farmers. We believe veterans possess the unique skills and character needed to strengthen their communities and create sustainable food systems. Furthermore, we believe agriculture offers purpose, opportunity, and physical and psychological benefits to veterans.

The Government Resources Guide for Farmer Veterans is for veterans who are farmers/ranchers or who are interested in becoming farmers/ranchers. Military veterans know how to tackle a mission and deliver results, so it is no surprise that veterans approach farming with a fierce determination and can-do attitude. Still, farming is a risky business regardless of one's passion and tenacity. Fortunately, there are resources available to help veterans mitigate risk and succeed on their farm or ranch.

The American people, through the actions of Congress, have provided support to small businesses in a multitude of ways. Many of these resources can be used to support farming enterprises. This guide is designed to help veterans understand how to leverage the resources offered by the Department of Veterans Affairs (VA), the Small Business Administration (SBA), the Department of Labor (DOL), and the Department of Agriculture (USDA).

This guide describes programs that directly support farmers. The agencies discussed here often have programs that indirectly support farmers by providing funding to organizations that help farmers. Non-profits, such as Farmer Veteran Coalition, can apply for these funds to help farmer veterans. This guide does not describe those resources. Also, some veterans engage in agriculture for educational or therapeutic purposes. While this guide may be of some benefit to non-profit, therapeutic, or educational farming endeavors, the target is a veteran whose goal is to start or improve a commercial agricultural business.

Farmer Veteran Coalition believes that each veteran should pursue the agricultural path of their choice. We hope to see veterans in every sector of the farming industry; both small and large scale, growing every type of crop with both traditional and less traditional methods. We recognize that farmer veterans, like any new farmers, are looking for ways to raise agricultural products that honor their values and differentiate them in the marketplace.





Consequently, the successful farmer veteran must identify their own mission and develop their own road map to success. Completing these tasks requires a great deal of initiative, but not isolation. Farmer veterans are not alone in their journey. Farmer Veteran Coalition's numerous national partners and thousands of veteran members form a robust network of support. Among these partners is the federal government, which provides an impressive array of resources, some of which only veterans can access. We hope this guide will be a starting point for veterans to access those federal resources.

Farmer Veteran Coalition is here to provide you with the best available information and guidance while giving you the freedom to make decisions that best fit your needs. Please keep in mind it will take years to fully transition into agriculture. If you have never had the chance to experience farm life, you might want to start by working at a local farm, interviewing local farmers, or attending farming workshops. For more in-depth education, you might look for community colleges, universities, or programs offering agricultural degrees or certificates.

Who is a Farmer and Who is a Veteran?

While the answer to this question may seem obvious, it is important to realize veterans and farmers may not be defined in the same way from one government agency to the next. In order to assemble your plan to leverage federal resources for your farm, it is necessary to understand how federal agencies define a veteran and how they define a farmer.

For example, in 2014, Congress included military veterans as a distinct classification of farmers for the first time in the history of farm bills. However, the new classification is essentially for military veterans who are beginning farmers or ranchers. Sadly, veterans who have operated a farm or ranch for more than 10 years are not included within this classification. The 2014 Farm Bill defines a “Veteran Farmer or Rancher” as an individual who has served in the United States armed forces and who:

- has not operated a farm or ranch; or
- has operated a farm or ranch for not more than 10 years.

Service in the armed forces includes the Army, Navy, Marine Corps, Air Force, Coast Guard, Reserves, Army National Guard, and Air National Guard.

While the definition of a veteran for USDA programs is rather narrow, the USDA’s definition of a farm is quite expansive. The USDA defines a farm as “any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold, during the year.” And in the language of USDA, a farmer is called a farm operator, sometimes referred to simply as the operator: “The farm operator is the person who runs the farm, making the day-to-day management decisions. The operator could be an owner, hired manager, cash tenant, share tenant, and/or a partner. If land is rented or worked on shares, the tenant or renter is the operator.”

The Internal Revenue Service (IRS) has yet another definition of farmer. The IRS considers a person a farmer if they “cultivate, operate, or manage a farm for profit, either as owner or tenant.” It is important to recognize these variations from one agency to the next in order to assess eligibility for specific programs. For instance, the special veterans’ benefits from USDA are limited to the first ten years of farming, while VA Educational Benefits, such as the GI Bill, expire 10 years after separation from military service. Meanwhile, assistance from the Small Business Administration in business planning has no time limit. Check the Government Resource Inventory section for eligibility requirements on specific programs.





Success Stories: Vets Leveraging Government Resources

The following examples illustrate the breadth and utility of assistance available through these programs, especially when used in conjunction with one another. By weaving together government programs, these fictional characters achieved their farming goals. These scenarios are intended to be an inspiration, not a template to follow. Remember, what works for one person might not be a good fit for your land, farming skills, enterprise interests, available markets, production practices, access to credit, etc. Ultimately, it is your unique project, and the resources described in this guide are a menu of options to choose from. If any of the programs mentioned below catch your eye, you can learn more about them by clicking in the Government Resource Inventory.

Kelly in the Midwest

After leaving the military, Kelly returned to her family's 2200 acre grain and livestock operation, where she works as a farm employee. Interested in establishing her own home and business, she recently purchased a 40 acre farm with a house. Kelly is also renting land, borrowing family equipment to manage it, and constructing a building for finishing beef on her farm. For the short term, she will custom finish beef for her parents, but plans to buy into the family beef herd in the future. She's using the following programs to help her achieve her farming goals.

Programs:

- **Farm Service Agency (FSA) Farm Ownership Loan**—Kelly has an operating loan with a local bank. However, the bank considered a farm mortgage too much risk for the bank to assume. With a few years of farm experience under her belt and a detailed business plan, Kelly was able to secure an FSA farm ownership loan to purchase her farm and to build the cattle finishing facility.
- **Veterans Affairs (VA) Home Mortgage**—Working with her local bank, they separated the house from the farm land and refinanced just the house with a VA loan. This allowed her to get the most competitive rates and benefits for each part of the property: the farm residence and the farmland.
- **FSA Commodity Loan**—Kelly stores some grain in a grain bin on her recently purchased farm. The commodity loan allowed her to receive some operating capital in the year of harvest while waiting to sell the grain the following year and take advantage of some springtime increases in commodity prices.
- **Risk Management Agency (RMA) Federal Crop Insurance**—Kelly covers her commodity crops with federal crop insurance using revenue insurance coverage. While this slightly increases her input cost per acre, the insurance helps cover her risk for both weather and market disasters. Her lenders, including FSA, require her to carry some level of crop insurance.
- **Sustainable Agriculture Research and Education (SARE) Program**—Kelly tested various spray nozzles for efficiency and accuracy in order to reduce the rate of herbicide application. She received a grant to pay for her research costs and in turn provided SARE with information so the lessons she learned could be shared with other farmers.





Julio in the Southeast

Julio is developing a pastured poultry operation. After four years in active duty and five years of employment, he decided to pursue a budding interest in poultry farming. First, Julio did an apprenticeship with another poultry producer. Soon after, he purchased his modest home in a rural area close to several properties that had promise of land for rent as well as a small property that was coming out of the Conservation Reserve Program (CRP). Julio purchased the latter property - 22 acres - and is now rotationally grazing laying hens and broilers. He continues to work full-time off the farm in addition to starting his poultry operation.

Programs:

- **Rural Development (RD) Single Family Housing Direct Home Loan**—Julio was able to purchase 1.5 acres with a house and garage using the RD direct home loan program because he met the income eligibility.
- **Department of Labor (DOL) Apprenticeship**—Wanting hands-on education, Julio worked with an existing poultry grower to establish an Apprenticeship to learn about raising laying hens and broilers. By coordinating with Department of Labor officials in his state, he got the apprenticeship certified and was able to collect GI Bill benefits while getting paid regular wages.
- **Natural Resources Conservation Service Conservation Reserve Program (CRP) Transition Incentives Program**—This program allowed the owner of the 22 acres to receive two additional years of CRP payments for selling to a beginning farmer veteran. This lowered Julio's purchase price slightly and motivated the seller to work with him on the sale.
- **FSA Microloan**—Julio qualified for a small loan thanks to the Microloan Program's less stringent eligibility requirements. He used the loan to build moveable shelters for his poultry operation. He was able to quickly access the relatively modest funds for the buildings using the Microloan's simplified loan application.
- **NRCS Environmental Quality Incentive Program (EQIP)**—Julio used this program to help pay for portable electric fencing, a well, and electricity for his managed poultry grazing operation. He used his military training to install the pump and electrical work himself, essentially contracting with himself for the labor required and reimbursed by EQIP. Because he is a veteran, he was eligible for some advance payments to get the project started rather than being paid once the project was complete.
- **FSA Livestock Indemnity Program (LIP)**—In his second season, Julio lost a group of 80 broilers to extreme heat. He applied for LIP and the conditions met the criteria for him to receive a disaster payment on some of his loss.
- **GI Bill**—Looking to further his education, Julio is using his GI Bill to get entrepreneurial training from a local Small Business Development Center and a certificate in Livestock Management and Merchandising from a local community college.

Anna in the Southwest

Anna retired from the military and is in her sixth year of owning and operating a produce operation. She markets her produce using a Community Supported Agriculture (CSA) model and has also developed a wholesale business with several institutions. Her income is high enough to qualify for and thus has her mortgage through Farm Credit. But she was still able to utilize several federal programs.

Programs:

- **FSA Farm Storage Facility Loan**—Anna built cold storage and the packing shed needed to prepare the produce for storage through this low interest loan. She made this investment when she developed the wholesale side of her business.
- **Small Business Administration (SBA)**—Anna contacted her regional Veterans Business Outreach Center, which provided education and training, including business planning and feasibility studies for marketing her CSA.
- **Rural Development (RD) Value-Added Producer Grant Program (VAPG)**—Anna received a planning grant, which paid half the expenses of developing her production and marketing plan for producing fresh salsa as a wholesale item.
- **FSA Guaranteed Operating Loan**—Anna's bank initially wouldn't lend her the money for the processing equipment for her salsa, but was willing to do so with a loan guarantee from FSA.
- **NRCS EQIP and Agricultural Marketing Service's (AMS) National Organic Certification Cost-Share Program (NOCCSP)**—Anna utilized two cost-share programs to defray the costs of transitioning to a certified organic operation. Her EQIP contract reduced the cost of implementing her organic transition plan. NOCCSP provided 75 percent of her certification costs.
- **Risk Management Agency (RMA) Federal Crop Insurance**—In 2015, Anna purchased whole farm revenue insurance. She was eligible for this insurance product because she had three years of production history on her farm when this new product was introduced for farms like hers in the 2014 Farm Bill.
- **Rural Development (RD) Rural Energy for America Loans and Grants Program (REAP)**—Anna used REAP to install high efficiency lighting, doors, windows, and cooling in her new packing shed. She also installed solar panels to provide some of the electricity.





Working with Government Departments and Agencies

Federal programs can be extremely helpful in developing your farm, but you are in charge. You have to identify, apply for, and use the programs that will best help you achieve your farming goals. Beginning farmers often think that federal programs provide a road map for putting together a successful farm. They might think: “Here I am, ready to serve. Give me my orders and I’ll work like a dog to have a successful farm.” On one hand, it is unfortunate there are no federal resources that work like this. On the other hand, you have the freedom to shape your farm around your interests, lead the mission from start to finish, and implement a unique strategy for your specific farm.

Working with the USDA

Most of the USDA programs a farmer uses are delivered through three agencies: Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Rural Development (RD). Farmers also use Federal crop insurance, a program of the Risk Management Agency (RMA), but they seldom interact directly with RMA since crop insurance is delivered through private sector crop insurance agencies.

FSA and NRCS programs are delivered at the county level. Many counties have a USDA Service Center where farmers can find these two agencies. While they might be in the same building, they are not the same office. Each reports independently up their own chain of command to the state office and national headquarters in DC. You can find your local USDA Service Center by using this [locator webpage](#)¹.

In some cases, the staff from the two offices work closely together at the county level, but sometimes they do not. It is safest to assume they are not working together and to reach out to each office separately. In the case of RD, farmers are typically instructed to contact the [RD state office](#)² first, though they may then be directed to regional offices, depending on the program.

Working with Other Federal Departments and Agencies

Other federal agencies, including the Small Business Administration (SBA), Department of Veterans Affairs (VA), and Department of Labor (DOL), often do not work together. Generally speaking, you will be the linkage. Your farming plans will tie the federal programs and the staff implementing them together.

It is particularly important to keep in mind that these are completely separate Departments within the Federal government. While they may all have programs that assist veterans, business owners, or both, they also have distinct processes for delivering assistance. For example, the SBA has developed hands-on assistance to provide guidance to veterans through their Veterans Business Outreach Centers (VBOC). SBA counselors at VBOCs will work directly with veterans to ensure they are ready to take on business ownership and are aware of all the programs available to them. On the other hand, veterans taking advantage of GI Bill benefits with on-the-job training or the DOL’s Registered Apprenticeship Program may have to do more leg-work on their own to get a program approved.

It is also important to recognize that USDA is the only agency dedicated exclusively to agriculture. While SBA, VA, and DOL programs can assist with the end goal of owning a farming or ranching business, you may have to explain the unique characteristics of a farm business. For instance, farms and ranches are often family endeavors that blur the lines between business and home. This can create difficulties in dealing with agencies whose programs have narrow definitions of businesses and homes. However, these blurred lines can also create opportunities. For example, some veterans have used the VA's Vocational Rehabilitation and Employment program to acquire assistive technologies that improve independent living and make it easier to work on their farm.

Finally, USDA and other federal agencies do not always do a good job of talking to one another. For example, if you are talking with NRCS about some conservation programs, you might not realize you also need to speak with the FSA about the farm records they keep for your farm. In your mind it's all USDA, but in reality, the staff likely see themselves as NRCS or FSA. The staff member you talk with is an expert regarding the programs with which they directly work, but is probably not an expert in programs from other agencies. In the next page are some questions to help you interact with USDA staff and navigate various programs.



Six Questions to Help You Navigate USDA Programs

1. “Are there any other USDA programs that might help in this situation?”

Assume that every agency has a program that could benefit your farm. Ask as many questions as you feel are necessary. For example, the Conservation Reserve Program (CRP) and Environmental Quality Incentives Program (EQIP) might work well together on your farm. However, since CRP is an FSA program and EQIP is an NRCS program, FSA might not refer you to NRCS and vice versa unless you raise the question. You can also look at the USDA website for more program information. The [“Know Your Farmer, Know Your Food Compass and Map”](#)³ is designed to provide simplified information about USDA programs that support local and regional food systems, including federally supported projects in your area.

2. “What are the requirements for me to participate in this program?”

To participate in the Conservation Stewardship Program (CSP) through NRCS, for example, you need to have a history of certifying your crop production through FSA. You may be doing everything right and your farm would otherwise qualify for CSP, but if you haven’t been in contact with the FSA office to create a history for your farm, starting with a farm number and including certified production, NRCS can’t get you into their program.

3. “Here’s what I’m planning to do. Are there any risks that I’ll be violating any USDA rules?”

Be very clear with what you plan to do on your farm. USDA programs are voluntary, meaning it is up to you whether you participate in them. However, if you do participate, you must follow the rules. Breaking the rules can have serious consequences for both you and any other entity involved in your operation, especially your landowner if you are leasing. The easiest way to avoid later unexpected consequences is to be as transparent as possible with USDA staff.

4. “Do I qualify for any targeted benefits based on my own situation or the situation of any of my farming partners?”

Military service, gender, race, ethnicity, and number of years farming can all play a role in qualifying you for particular programs and preferences that target specific demographic characteristics. Share as much about yourself as you feel comfortable sharing. The better the staff person knows you and your situation, the more likely they are to connect you to resources that will help you succeed in farming.



5. “Do I have a farm number and am I listed as the operator?”

To be eligible for FSA or NRCS programs, a farm must be registered with the FSA, at which point it is assigned a farm number. If your land has not been assigned a farm number, you will need to establish one in order to participate in USDA programs. For example, the EQIP High Tunnel program is only available to farmers with a farm number, tract number, and field. Having a farm number also allows you to join your local USDA Service Center’s email list for announcements about USDA programs, elect county FSA board members, and participate in the agricultural census. Some farmers may have multiple farm numbers. Obtaining, understanding, and keeping track of these numbers can be confusing, especially in situations involving multiple landowners or a landowner who has not considered their property a “farm” before. However, the complex system has the flexibility to recognize all kinds of farmers with all kinds of tenancy relationships. Your county FSA office will help you with this process. Lastly, what you probably think of as “a farmer”, USDA calls “an operator.” Most likely you want to be considered an operator as far as government programs go.



6. “Does my small specialty crop farm qualify?”

In the past, some USDA county offices were not accustomed to dealing with very small farming operations. Even now, offices that are already burdened with complicated and time-consuming programs may not be excited to embrace additional work with new farmers who are not familiar with USDA. But the culture at USDA is changing, and there are ongoing efforts across the entire department to make services available to all farmers regardless of size, production methods, or products grown. USDA is actively promoting their policy that anyone producing food, fiber, or fuel has the right to seek a farm and tract number and sign up for USDA programs applicable to their operation. In other words, if you’re growing a tenth of an acre of produce and see yourself as a farmer, you can request a farm number and tract number and be eligible for USDA programs.

Six Tips for Maximizing Utility of USDA Programs

1. Avoid chasing money.

Identify your goals first. Then, learn which programs will help you achieve your goals rather than change your goals to fit available programs. This can be a give and take, but your goals need to lead, not follow.

2. Build relationships. Encourage feedback from your county or regional offices.

In the case of the NRCS, invite them out to your farm. They can provide more help if they see your farm in person. Find out when the FSA office is busy and when it's not. Staff are going to be much more helpful and have more time for your questions if they are not in the middle of a program sign up, production certification, or other busy time. Always be willing to schedule an appointment. It shows you are serious and facilitates more time for discussion.

3. Use multiple programs when possible.

Different programs address different aspects of your farm, such as production, conservation, cash flow, and risk. Sometimes there may be county or state programs that can help you achieve your goals. Don't be afraid to ask a different agency the same questions you've already asked someone in another agency. The USDA calls these offices "Service Centers" for a reason.



4. Understand the different mechanisms USDA uses to provide assistance.

USDA offers monetary and technical assistance in a variety of ways. Understanding what you are receiving, how you are receiving it, and the obligations for accepting it are important. Most assistance to individual farm businesses will come in the following ways: low-interest loans, cost-shares, rental payments (CRP), and technical assistance (e.g. conservation consultation). Sometimes there are small fees for receiving technical assistance. Loans must be paid back. Cost-share payments are generally based on a formula and not simply paying half the bill at whatever price you paid. There are many grant opportunities through the USDA, but only a few of them are available to for-profit businesses; most grants are targeted to non-profit organizations for educational and research programs to support farmers.

5. Find out how different farming practices and your status in the eyes of USDA affect the competitiveness of your application.

For example, how does being a military veteran or beginning farmer affect your ability to qualify or be competitive for programs? Are there practices you can agree to implement that increase your likelihood of being chosen for the programs you are pursuing? The new Farm Bill gives veterans and beginning farmers priority access to many USDA programs.

6. Consider doing the work yourself.

Some practices require heavy equipment and you may need to contract the work, such as building a pond or waterway. Other practices might be something you can do yourself, like building a fence, disking, or mowing land in conservation. When you do things yourself rather than hiring someone else, you can generally receive a cost share payment for your own work. Make sure you've explored this with the agency before you do the work, as some programs may reimburse the farmer at a lower rate than if the farmer hired a contractor. You will also want to communicate with the USDA office involved well in advance of having the work done. Sometimes program benefits can be denied if work is started ahead of approval. Good communication is key to success when dealing with USDA programs.

A Community of Support: National Agricultural Organizations

Farming is challenging work, but you do not have to do it alone. There are hundreds of national, regional, state, and local organizations to help you navigate regulations, leverage resources, develop markets, and even socialize - after all, farming is a lifestyle. FVC can connect you to organizations in your area. Below are seven national organizations that have partnered with Farmer Veteran Coalition.

AgrAbility provides technical assistance to farmers, ranchers, other agricultural workers, and farm family members impacted by disabilities, both physical and mental. <http://www.agrability.org/>⁴

American Farm Bureau Federation works through its grassroots organizations to enhance and strengthen the lives of rural Americans and build strong, prosperous agricultural communities. Members enjoy a variety of services, including educational and networking opportunities, as well as discounts on a number of business and personal expenses. <http://www.fb.org/>⁵

The Center for Rural Affairs works on behalf of rural communities, family farms and ranches. Its broad programs address small businesses, new farmers, rural health care, renewable energy, minority populations, environmental care, and community revitalization. <http://www.cfra.org/>⁶

Farm Credit serves a diversity of farm businesses as a sound, dependable, and farmer-owned source of credit. They lend money to America's agricultural producers, their cooperatives, and the farm-related businesses they rely on. <http://farmcredit.com>⁷

The National Center for Appropriate Technology offers trainings specifically for veterans, one-on-one advice, and an entire digital library of information about farming. <https://www.ncat.org/>⁸

National Farmers Union protects and enhances the economic well-being and quality of life for family farmers, ranchers and rural communities through advocating grassroots-driven policy positions adopted by its membership. Members benefit from a variety of services, including training and networking opportunities, as well as discounts on travel, office supplies, and insurance. <http://www.nfu.org/>⁹

The National Sustainable Agriculture Coalition is an alliance of grassroots organizations that advocate for federal policy reform to advance the sustainability of agriculture, food systems, natural resources, and rural communities. Their website is a great place to find other organizations in your region as well as up-to-date information and guides about federal farm programs. <http://sustainableagriculture.net/>¹⁰



Government Resource Inventory

Table of Contents

DEPARTMENT OF VETERANS AFFAIRS (VA)

- VA Home Loan
- VA Educational Benefits/GI Bill
- Vocational Rehabilitation & Employment (VR&E)

SMALL BUSINESS ADMINISTRATION (SBA)

- Veterans Business Outreach Centers (VBOC)
- Veterans Advantage in Express Loans

DEPARTMENT OF LABOR (DOL)

- Certified Apprenticeships

DEPARTMENT OF AGRICULTURE (USDA)

- Farm Service Agency (FSA)
 - Loan programs
 - Production programs
 - Disaster programs
- Natural Resources Conservation Service (NRCS)
 - Conservation Stewardship Program (CSP)
 - Environmental Quality Incentive Program (EQIP)
 - Programs partnering with FSA
- Rural Development (RD)
 - Value-Added Producer Grant (VAPG)
 - Rural Energy for America Program (REAP)
 - Housing assistance
- Agricultural Marketing Service (AMS)
 - National Organic Certification Cost-Share Program (NOCCSP)
- Risk Management Agency (RMA) Federal Crop Insurance
- SARE Farmer Rancher Grant Program

Department of Veterans Affairs (VA)¹¹ - VA Home Loan¹²

Program Basics

This is a home loan guarantee program through the Department of Veterans Affairs. The loan is written and administered by a private lending institution, but the lender is guaranteed that a certain amount of the loan will be repaid. In return, the lender agrees to provide the veteran with the favorable terms set forth by the VA. These loans are intended for residential home purchases, but it may be possible to use them for a farm purchase that also contains a residence.

Uses

This is probably the most advantageous home loan program available to veterans. Here is why:

1. A Down Payment is not necessary.
2. No Mortgage Insurance is required.
3. The VA mandates favorable interest rates.
4. There are limits on what can be charged for closing costs.
5. Early pay-off penalties are not allowed.
6. The VA may provide assistance if the borrower has trouble making payments.
7. It may be used more than once.
8. It is assumable by other qualified individuals.

Eligibility

To be eligible for a VA Home Loan, the borrower must have a Certificate of Eligibility. Certificates for active duty service members require a discharge other than dishonorable and minimum service time ranging from 90 days to 2 years depending on whether service was during wartime or peacetime.

National Guard and Reserve service requires at least six years in the Reserve or National Guard and at least one of the following:

- Honorable discharge
- Placement on the retired list
- Continuing to serve

Spouses of veterans who have died in service, have been rated as “totally service-connected disabled,” or are missing in action may also apply for home loan eligibility. Borrowers must also meet the eligibility requirements established by the lending institution, such as minimum credit scores and debt to income ratios.

Restrictions

These loans are for helping veterans make residential home purchases. They are not intended for the purchase of business properties. As such, there are restrictions limiting the use of this program for the purchase of a home that may include business property as well. Below is a summary of these restrictions. More information is provided on the use of VA Home Loans for the purchase of farmland in the “Farming Specific Benefits” section below.

1. Non-residential uses of the property must be subordinate to the residential use. This means the primary purpose of the property must be to provide a home for the veteran.
2. The VA appraisal requirements will only consider the value of the land and other buildings in relation to their residential value. The appraiser will have a good deal of discretion in determining whether land, outbuildings, and other installed facilities, such as wells and septic systems, contribute to the desirability and residential aspects of the property.
3. VA Home Loans are not available for fixer uppers. The home has to meet “Minimum Property Requirements” established by the VA and be move-in ready. This generally means it must comply with all local building codes, federal regulations, and generally be safe and sanitary.
4. It may be possible to obtain an exemption or modification of the Minimum Property Requirements if certain conditions are common to a geographic area. This may be something to ask your lender about in relation to the purchase of a house in a rural area.
5. It is possible to use a VA Home Loan to construct a house. It is more difficult to find a lender that is willing to take on such a loan.

Application Process and Timeline

The private lender will be responsible for processing the loan and making sure all of the documentation is acquired. For the borrower, the process is very much the same as any other loan. There are a couple of unique aspects to the VA Home Loan process of which borrowers should be aware.

1. Additional documentation will be needed in order to prove eligibility as a service member or qualifying veteran and to receive a Certificate of Eligibility. Veterans and service members should ensure they have a copy of their DD-214 or the equivalent for National Guard and Reserve members.



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2. There are strict appraisal guidelines, and the loan cannot exceed the appraised value. The lender will arrange for the VA appraisal. This requirement can prolong the closing process and the buyer and seller should be prepared for the process to take up to 45 days. The borrower should also ensure the purchase contract provides a clause that allows them to get out of the contract if the appraised value comes back lower than the contract price.

Farming Specific Benefits

VA Home Loans are not intended for farm purchases, but that does not necessarily preclude a veteran from purchasing farmland with a house. There are two significant obstacles to navigate in order to use a VA Home Loan for a farm purchase.

The first obstacle is the requirement that the primary purpose of the loan is to secure a residence. Practically, this means a large farm with extensive infrastructure and farm buildings is less likely to qualify than a house on a couple acres that may be used for more intensive specialty crops or niche production. While this presents obstacles for some farming veterans, it may be ideal for small niche market farmers.

***Note:** If claiming that the home purchase is primarily for residential use, you may also want to speak with a tax adviser or attorney on any potential effects this may have on your property tax liability, as many states base property tax for farms on productivity rather than market value.*

The second obstacle is that the loan may not be more than the appraised residential value of the property. For example, if the property has a state of the art milking barn that adds to the purchase price of the property but doesn't have any residential value, this may exclude the use of a VA Loan. On the other hand, if the property has an old barn or just a couple old sheds, they may not have a significant impact on the value of the property, and the appraiser is likely to find that they do have some residential value.

***Note:** It is possible to use two loans for the purchase of a home with farmland. The USDA has both direct and guaranteed loan programs, discussed later in this Guide, that are intended for purchasing farmland at competitive interest rates. A lender may recommend splitting the land from the house and using a VA Home Loan for the residence while obtaining a USDA loan for the farm land.*

Whether a VA Home Loan will work for you depends in large part on the lenders in your area. These loans are guaranteed by the Federal government, but they are administered by private institutions. Therefore, you may need to shop around before you find one that will work well for your situation. It is also important to listen to your lenders if they recommend a loan other than the VA Home Loan. These loans are very competitive, but may not be the best match for your circumstances.

Department of Veterans Affairs (VA) - [GI Bill and Other Education Benefits](#)¹³

Program Basics

First, there are multiple education assistance programs available to veterans and service members, often collectively referred to as the GI Bill. These programs include:

- the Montgomery GI Bill
- the Post 9/11 GI Bill
- the Reserve Educational Assistance Program (REAP)
- the Veterans Educational Assistance Program (VEAP)

These programs vary in eligibility requirements and specific benefits, but they are all available to help pay for education and training. For most veterans serving after September 11, 2001, the Post-9/11 GI Bill has the most to offer, but participation in each program will depend on the individual veteran's time and type of service and the benefits desired.

Eligibility

Post 9/11 GI Bill

The Post 9/11 GI Bill is available to veterans who served on active duty for at least 90 aggregate days after September 10, 2001 and those honorably discharged from active duty with a service-connected disability after serving 30 continuous days after September 10, 2001.

Note: While 90 days is the minimum requirement for eligibility, the amount of the benefit available under the Post 9/11 GI Bill will increase with the amount of time on active duty after September 10, 2001. For instance, someone serving more than 90 days but less than 6 months will receive 40% of the maximum benefit, while anyone serving more than 36 months will receive 100%.



Montgomery GI Bill

The MGIB is available to veterans who served on active duty after June 30, 1985 and had their pay reduced by \$1,200 in their first year of service.

Veterans Educational Assistance Program

VEAP is available to veterans who entered service between January 1, 1977, and June 30, 1985, voluntarily contributed from \$25 to \$2,700, and were discharged under conditions other than dishonorable.

Reserve Educational Assistance Program

This program is available to Reserve and Guard members who meet one of the following eligibility criteria:

1. Served on active duty on or after September 11, 2001, in support of a contingency operation for 90 consecutive days or more, or
2. Performed full-time National Guard duty for 90 consecutive days or more when authorized by the President or Secretary of Defense when responding to a national emergency.

Uses

The GI Bill programs are most commonly associated with assistance pursuing a degree at a college or university. These programs, however, have many other applications beyond traditional higher education.

All of the GI Bill programs listed above may be used for the following activities:

- Pursuit of a college degree
- Pursuit of a vocational degree
- On-the-job training and Apprenticeships
- Correspondence courses
- Obtaining a license or certification
- Flight training
- Work study programs
- Entrepreneurship courses
- Tutoring (Tutoring does not qualify for VEAP)

Some of these activities may be more suited to pursuing careers in farming or ranching than others, and creative ways to use these programs for farming and ranching are discussed in the “Farming Specific Benefits” section below.

Restrictions

Time Limitations

All of the GI Bill programs provide benefits for up to 36 months. This is a cumulative amount, meaning that if you attend school or training for three months, take another three months off, and then attend again for three months, you will have used six months of your available 36.

Multiple Programs

Although you may be eligible for multiple programs, you may not use more than one at a time. For instance, if you qualify for the Montgomery GI Bill as well as the Post 9/11 GI Bill, you must elect which one to use. For veterans serving more than three years after September 10, 2001, and eligible for 100% of the Post 9/11 GI Bill, the choice is almost certainly the Post 9/11 program.

Application Process and Timeline

The application process may be [completed online](#)¹⁴, through your VA regional office, or with a VA Certifying Official. For those attending a college or university, the Certifying Official at the institution can help you complete your application. Once received and enrolled in the school or training program, it may take up to six weeks to process.

For any GI Bill program, other than Post 9/11, you must also verify your enrollment on a monthly basis before you will receive payment for that month. To verify your enrollment, you may either use the Web Automated Verification of Enrollment (WAVE) or call 1-877-823-2378.

Farming Specific Benefits

Farming is an art and a science. Successful farmers need a foundation of knowledge in agronomy and/ or livestock, but they also have to understand how to run their own business, market products, and access capital. Farming also requires skills that are best gained through hands-on experience. The GI Bill can be used in different ways to achieve all of these educational goals.



Degrees in Agricultural Fields

Universities and colleges offer a wide variety of food and agricultural programs that can be of assistance in farming and ranching. Such programs range from agronomy and commodity marketing to advanced degrees in sustainable agriculture.

Business Training

The GI Bill can be used to attend educational workshops on running your own business. This includes farming and ranching. Approved programs are available through Small Business Development Centers (SBDC). Learn more about SBDC's in the Small Business Administration section.

On-the-Job Training and Apprenticeships

Hands-on training is often key to learning the skills needed to successfully manage all the aspects of a farm. Veterans receiving training while working at operational farms and ranches can receive GI Bill benefits at the same time. In order to receive GI Bill benefits, the program must be approved by a state certifying official as On-the-Job Training or be a Certified Apprenticeship through the Department of Labor. For more detailed information on such programs, check out the Department of Labor section.

Department of Veterans Affairs (VA) - [Vocational Rehabilitation & Employment \(VR&E\)](#)¹⁵

Program Basics

The Vocational Rehabilitation & Employment program (VR&E) is designed to provide services that help veterans train for and obtain jobs based on their desires, aptitudes, and disabilities. These services include assistance with self-employment endeavors as well as independent living.

This is a hands-on program in which the veteran will work closely with a Vocational Rehabilitation Counselor (VRC) to conduct job training, find employment, and ensure optimal use of VA services.

While traditionally used by veterans to gain employment, VR&E can be useful in helping veterans with disabilities begin a farming or ranching business.

Eligibility

Veterans are eligible for assistance from the VR&E program if they were discharged under conditions other than dishonorable and have a service-connected disability rating of at least 10%.

Active Duty Service members may also be eligible for VR&E services if they expect to receive a discharge other than dishonorable and have obtained a memorandum rating of 20% or more from the VA.

Uses

The VR&E program has multiple tracks to assist veterans with a disability. The tracks available to each veteran will depend on their specific goals and circumstances.

Reemployment

The Reemployment track provides assistance to return a veteran to work at a previous employer. This provides consistency and allows the veteran to stay in their chosen career path by helping employers provide necessary accommodations.



Job Placement

This is more traditional assistance in locating, applying for, and successfully receiving a job offer. In addition to job placement, the VA can also assist with employer accommodations for a disabled veteran.

Self-employment

VocRehab does assist veterans who are interested in working for themselves. Services under this track include evaluation of business ideas and development of a business plan, as well as training on how to market and operate a small business.

Long-Term Services

This track helps veterans gain the skills they need to compete in the job market. This can include helping veterans access education programs, vocational training, work-study programs, and other job preparation programs.

Independent Living

Some veterans with service-connected disabilities may not be able to return to work, but VR&E can still assist them in living fulfilling, independent lives. VR&E helps them with access to community-based support services, the use of assistive technologies and accommodations, and independent living skills training.

Restrictions

VR&E services are only available for 12 years from (1) the date of separation from active military service, or (2) the date of notification by the VA of a service-connected disability rating. It is possible to extend this period if the veteran is determined to have a Serious Employment Handicap by a Vocational Rehabilitation Counselor.

A Serious Employment Handicap must also be found in order to receive benefits under VR&E if the veteran's disability rating is less than 20%.

Application Process and Timeline

Veterans must apply for VR&E services and attend counseling before receiving VR&E benefits. The following is the process in a nutshell:

1. Register for an account at www.eBenefits.va.gov¹⁶.
2. Complete VA Form 28-1900 if a veteran or Form 28-0588 if a service member.
3. Receive your Letter of Eligibility.
4. Attend an orientation session with a counselor at a VA Regional Office.
5. Participate in an assessment to determine your interests and abilities, as well as review your service-connected disability and its impact on your career options.
6. Develop and implement a Rehabilitation Plan to meet your goals.

Farming Specific Benefits

The tracks available from VR&E are admittedly geared toward placement with an employer. However, VR&E assistance can be used for self-employment, including owning a farm business.

Rehabilitation Counselors can assist with business evaluation and planning and connect veteran entrepreneurs with additional resources. However, veterans eligible for VR&E should also explore other VR&E tracks that may be indirectly beneficial for operating a farm or ranch.

A farmer's use of their home, land, buildings, and other improvements frequently blurs the lines between residence and business. As such, some technology and skills provided by the VR&E to gain independence at home may also be beneficial for working on the farm.

Small Business Administration (SBA)¹⁷ - Veterans Business Outreach Centers¹⁸

Program Basics

The Small Business Administration (SBA) has a demonstrated record of serving military veterans and has several programs available to do so. The SBA's Veterans Business Outreach Centers (VBOC) should be the first point of contact to learn about these programs. VBOCs provide business development services, including business training, counseling, and mentoring, as well as referrals for veterans owning or considering starting a small business.

Eligibility

VBOC resources are available to the following individuals:

- Veterans of any branch of the U.S. military who received an honorable discharge
- Spouses of active duty and deployed service members
- Widows and widowers of deceased service members
- Business partners and investors in the business



Uses

- **Pre-Business Plan Workshops:** VBOCs conduct entrepreneurial development workshops dealing specifically with the major issues of self-employment. An important segment of these workshops entail the usage of the internet as a tool for developing and expanding businesses. Each client is afforded the opportunity to work directly with a business counselor.
- **Concept Assessments:** VBOCs assist clients in assessing their entrepreneurial needs and requirements.
- **Business Plan Preparations:** VBOCs assist clients in developing and maintaining a five-year [business plan](#)¹⁹. The business plan includes the legal form of the business, equipment requirements and cost, organizational structure, a strategic plan, market analysis, and a financial plan. Financial plans include financial projections, budget projections, and funding requirements.
- **Comprehensive Feasibility Analysis:** VBOCs provide assistance in identifying and analyzing the strengths and weaknesses of the business plan to increase the probability of success. The results of the analysis are utilized to revise the strategic planning portion of the business plan.
- **Entrepreneurial Training and Counseling:** VBOCs, working with other SBA resource partners, tailor training projects and counseling sessions to address the needs of the service-disabled veteran entrepreneur.
- **Mentorship:** VBOCs conduct, as appropriate, on-site visits with clients to ensure adherence to their business plans. Additionally, VBOCs can, at a veteran's request, review monthly financial statements to determine whether a revision of the business plan is warranted or that desired results are being attained.
- **Other Business Developmental Related Services:** VBOCs provide special assistance and training in international trade, franchising, internet marketing, accounting, etc. VBOC personnel can also help ensure you are aware of other veteran specific programs made available by the Small Business Administration, such as:
 - **Boots to Business:** This training program is an elective portion of the Department of Defense's Transition Assistance Program (TAP). Boots to Business provides a two day introductory course on the basics of business development as well as an in-depth eight week online course led by Syracuse University. The program is also available to discharged veterans through Boots to Business: Reboot. More information on this program at the [Boots2Business website](#)²⁰.
 - **Military Reservist Economic Injury Disaster Loan Program:** This program provides loans to small business owners who are unable to meet business expenses due to being called up on Active Duty. Find more at the [SBA website](#)²¹.
 - **V-WISE:** Veteran Women Igniting the Spirit of Entrepreneurship is a small business management training program available to women veterans. The program has three phases consisting of (1) a 15 day online course teaching the basics of entrepreneurship and business language; (2) a three day conference for networking with successful entrepreneurs, CEOs, and government leaders; and (3) continued support and mentorship through an online network. Learn more at the [V-Wise website](#)²².

Restrictions

Most of the educational resources available through VBOCs are provided free of charge. There may be a charge for on-site consultations. You should check with your local VBOC for more details.

Note: *If there is a charge, do not forget to ask both the VBOC contact and a VA representative if you can use your GI Bill to cover the costs.*

Application Process and Timeline

Contact your regional office to find out when classes and trainings are available in your area.

There are 15 organizations serving as regional VBOCs. [Contact information for the VBOC is available online](#)²³.

SBA Office of Veterans Business Development
409 3rd Street, S.W. Suite 5700
Washington, DC 20416
United States

Phone: 202-205-6773
Fax: 202-205-7292

Farming Specific Benefits

VBOCs assist with entrepreneurial development relating to any type of veteran business, including food and agricultural endeavors. VBOC personnel may or may not have specific experience with farming, but as described in the “Uses” section above, they can provide assistance with development of the essential components necessary for any business.

Note: *Keep in mind that it is beneficial to utilize different agency personnel for different purposes. For example, you could work with SBA VBOC staff to hone your general business acumen and rely on USDA staff, who have more agricultural knowledge, to help you apply that business knowledge to your farm.*

Small Business Administration (SBA) - Veterans Advantage

Program Basics

The Small Business Administration has programs that guarantee payments to lenders that loan money to qualified small businesses. This reduces the risk for lenders to make money available to small businesses and improves the interest rate and processing requirements on such loans. There is, however, a guarantee fee that must be paid by the borrower.

The SBA's Veterans Advantage eliminates or reduces upfront fees on guaranteed loans for Veterans. The guarantee fee for Express Loans, those between \$150,001 and \$350,000, is completely eliminated. The guarantee fee for SBA loans over \$350,000 is reduced by 50% for Veterans.

These loans are available for most small businesses, including farms. There are a few special considerations for agricultural operations that are discussed further under the "Restrictions" heading below.

***Note:** This program is renewed on an annual basis. Check with your SBA or Veterans Business Outreach Center officials for the latest information on the availability of this program.*

***Another Important Note:** Express Loans should not be confused with an earlier SBA program called Patriot Express Loans. Express Loans are still available to small business owners, but the Patriot Express Loan no longer exists.*

Uses

The SBA's loan guarantee reduces the risk for the lender, which provides a large incentive to approve loans. In exchange for the guarantee, lenders must meet specific requirements that provide other substantial benefits to veterans:

- Flexibility: The guaranteed loan can provide borrowers with up to \$350,000.
- Interest Rate: The rate may be fixed or variable, but lenders may not charge more than:
 - 6.5% over the base rate for loans of \$50,000 or less; and
 - 4.5% for loans over \$50,000.
- Streamlined Processing: The SBA turnaround time for approval is within 36 hours and lenders may use their own forms and procedures.

Eligibility

Business Eligibility

All businesses seeking SBA loans must meet the eligibility requirements for any loan from the SBA. These include:

1. Operating for profit,
2. Doing business in the United States or its territories,
3. Reasonable owner equity to invest,
4. Qualify as a “small” business (definition below in “Restrictions” section) , and
5. Lack of availability of financing from other resources.

Businesses applying for Veterans Advantage must also be 51% or more owned and controlled by a borrower that qualifies as an eligible veteran or service member.

Veterans Advantage Eligibility includes:

1. Veterans with a discharge that is anything other than dishonorable;
2. Service-Disabled Veterans;
3. Active Duty Military service members who are participating in the military Transition Assistance Program (TAP);
4. Members of the National Guard or Reserve; and
5. Spouses of the above listed individuals or of a service member or veteran who died of a service-connected disability.

Restrictions

These loans are available for most small businesses, including farms but with a couple of caveats:

FSA Involvement

The SBA does recommend contacting the Farm Service Agency prior to applying for any SBA loans. FSA may have more competitive loans and better understand how to work with other lenders in relation to financing farm operations. It is also simply beneficial to establish a relationship with your local FSA personnel, as they administer a number of farm programs.

Farm as Small Business

What qualifies as a small business is different depending on the type of business. For the purposes of the Small Business Administration, agricultural enterprises are considered small if average annual receipts are \$750,000 or less. The amount is significantly greater for cattle feedlots and chicken egg production – \$7 million and \$14 million respectively.

It is important to establish the precise business in which you're involved. For most operations, it is easy to pinpoint farming as the primary business, but those engaged in value-added processing or with substantial agri-tourism operations should pay attention to how their business may be categorized by an outside observer.

Application Process and Timeline

Borrowers apply and receive Express loans directly from private lenders. The lender uses their own institution's conventional loan documentation and will submit the application to the SBA. The decision to make a loan remains with the private lender. Finding a lender may require some shopping around.

The SBA has a couple of mandatory requirements that must be met, though these will likely be required from any conventional lender, with or without the guarantee:

1. Projected operating cashflow,
2. A "Statement of Personal History" to demonstrate the willingness and ability to make payments on the loan,
3. Evidence of management expertise and the commitment necessary, and
4. A feasible business plan.

Veteran Specific Benefits

SBA Express Loans are available to any small business owner. The Veterans Advantage program eliminates or reduces the upfront fee required for an Express Loan application. Eligible veterans and spouses are able to receive up to \$350,000 from SBA Express Loans without paying the 3% upfront fee. The guarantee fee for non-Express Loans will be reduced by 50%.

Program Basics

Registered Apprenticeships provide educational opportunities that combine technical training with practical on-the-job learning experiences. The program allows apprentices to earn wages while learning a trade, which can include farming and ranching. Upon completion of the program, the apprentice will have the experience required to excel in their chosen field.

The program is administered by the Department of Labor (DOL), but individual employers provide the training and pay wages to the apprentice. The DOL ensures apprenticeships provide high quality training in a safe environment, meeting Federal and State standards. Additionally, the DOL issues nationally recognized Certificates of Completion to apprentices.

In order to ensure quality training, the apprenticeship must consist of a written plan approved by DOL officials and include technical skills beyond on-the-job learning. DOL officials in your state can assist employers and apprentices in developing these plans.

Uses

Registered Apprenticeships can be used for training in a wide variety of fields, including farming and ranching. The program is established and monitored by the DOL to ensure apprentices complete the program with a level of proficiency to qualify them for employment in the field they pursue.

This assurance of competency provides a number of benefits, including:

- Improved skills and knowledge that provide a competitive edge in a chosen field
- Nationally recognized credentials
- Articulation agreements between certain apprenticeship training programs and 2- and 4-year colleges that create opportunities for college credit and future degrees



Eligibility

Registered Apprenticeships are available to individuals who are 16 years of age or older. However, individual employers may have their own eligibility requirements. These may include a certain level of education, ability to perform physical functions of the occupation, or previous experience in the field of work.

Restrictions

As mentioned above, the individual employers or sponsors of the Registered Apprenticeship create the qualifications of the program based on the characteristics of the occupation. The written plan for the Registered Apprenticeship program must be approved, however, by Department of Labor personnel at the state level.

Application Process and Timeline

The application process is also conducted by the employer or sponsor of the Registered Apprenticeship. You can find Apprenticeship programs by state and county at the [Department of Labor website](#)²⁶.

Veteran and Farm Specific Benefits

Veterans taking part in Registered Apprenticeships can receive GI Bill benefits during the apprenticeship. This means you can earn money from your employer while also receiving funding from your GI Bill. The amount received will depend on the GI Bill program used, although benefits through all programs decrease during the course of the apprenticeship as you begin to earn more money.

For instance, using the Post-9/11 GI Bill, a veteran receives 100% of the Monthly Housing Allowance for an E-5 with dependents for the first six months of the program. This amount decreases 20% every six months until program completion.

Important Note: *The GI Bill is available for on-the-job training outside of DOL Registered Apprenticeships. Such opportunities may not be recognized by the DOL, but still must be approved by a [State Approving Agency](#)²⁷.*

Farming Apprenticeships do exist, but are not common. Veterans seeking to use a Registered Apprenticeship to gain the knowledge and skills needed to run their own farm business may need to work with an existing farmer or organization to develop a Registered Apprenticeship program. Contact your [State Department of Labor personnel](#)²⁸ for assistance in this process.

USDA provides leadership on agriculture, natural resources, rural development, nutrition, and related issues based on sound public policy, the best available science, and efficient management. The goal is to expand economic opportunity through innovation, helping rural America thrive; to promote sustainable agricultural production that better nourishes Americans while also helping feed others throughout the world; and to preserve and conserve our nation's natural resources through restored forests, improved watersheds, and healthy private working lands.

Generally, USDA programs cover conservation improvements, risk management, marketing, and farm financing. Each program has its own set of rules, processes for application, and methods for providing resources (e.g. technical assistance, loans, incentive payments, or insurance). Some programs are competitive. Some are time sensitive, which means the programs only process applications and make awards once a year. While there are USDA employees to help you navigate the individual programs, farmers are responsible for asking questions and doing research on programs to identify which ones are likely to be helpful in their farming operation.

Farmers access USDA programs in a number of ways through county, regional, and state offices. Sometimes USDA resources come through support from organizations such as commodity groups or institutions such as land grant universities. Other times the support is given directly to farmers from USDA. This guide focuses on the resources that farmers can access directly.



Veteran and Farm Specific Benefits

In 2014, the United States Congress included military veterans as a distinct classification of farmer for the first time in the history of the Farm Bill. The 2014 Farm Bill defines a “Veteran Farmer or Rancher” as an individual who has served in the United States armed forces and who:

- has not operated a farm or ranch; or
- has operated a farm or ranch for not more than 10 years.

Service in the armed forces includes the Army, Navy, Marine Corps, Air Force, Coast Guard, Reserves, Army National Guard, and Air National Guard.

***Important Note:** This new classification for military veterans applies only to farmers who are also categorized as beginning farmers or ranchers. Thus, if you qualify as a Veteran Farmer, you also qualify for any benefits available to beginning farmers and ranchers. Sadly, veterans who have farmed for more than 10 years are not included in the USDA’s definition of Veteran Farmers.*

Land Transition Incentives

The Conservation Reserve Program (CRP) Transition Incentive Program gives owners of land coming out of CRP additional CRP payments if they lease or sell the land to a Veteran Farmer.

Benefits:

1. Two additional years of CRP payments to the landowner
2. Allows the veteran farmer leasing or purchasing the land to commence conservation and land improvements, including preparation for planting, a year prior to CRP contract expiration
3. Allows the veteran farmer to begin organic certification a year prior to the CRP expiration
4. Provides the opportunity for the farmer veteran to enroll in the Conservation Stewardship Program (CSP) or the Environmental Quality Incentive Program (EQIP) and to re-enroll parts of the property in the Continuous CRP sign-up.

Requirements:

1. The owner of the CRP land must be retired or retiring
2. The owner must agree to sell or enter a long-term lease (5 years minimum) or lease with an option to purchase with the veteran farmer
3. The veteran farmer must develop and follow a conservation plan for sustainable grazing or crop production

Veteran Preferences and Priorities

Conservation Programs

The USDA is required to set aside a portion of funding for Environmental Quality Incentives Program (EQIP) and a portion of the acres available for Conservation Stewardship Program (CSP) for beginning and socially disadvantaged farmers and ranchers. The set-aside amount is 5% for beginning farmers and ranchers and 5% for socially disadvantaged farmers and ranchers.

The 2014 Farm Bill requires a preference be given to veteran farmers and ranchers that fall within at least one of the set-aside categories. Veteran Farmers now receive additional points when applying for such programs. These points are in addition to any points granted for being a beginning or socially disadvantaged farmer or rancher.

Value-Added Producer Grants.

This program is one of the few instances in which farmers may directly receive grants for their private business. The purpose of the grants are to assist farm businesses and producer groups in developing business plans and strategies to market value-added products. For example, Prairie Pride Poultry, a veteran-owned farm in Nebraska, received a Value-Added Producer Grant to support the marketing of locally produced eggs.

The term “value-added” includes: (a) an agricultural commodity or product that has undergone a change in physical state, (b) was produced, marketed, or segregated (i.e., identity-preserved, eco-labeling) in a manner that enhances its value or expands the customer base of the product, or (c) is aggregated and marketed as a locally-produced food. Grants may be used to: engage in economic planning to develop business plans and feasibility studies (including marketing plans) needed to establish viable marketing opportunities for value-added products; or acquire working capital to operate a value-added business venture.

In awarding grants to producers under this program, the USDA must now give priority to veteran farmers and ranchers, along with small and medium-sized family farms, beginning farmers, and socially disadvantaged farmers and ranchers.

Read the [Farmer's Guide to Applying for Value-Added Producer Grant Funding](#)³⁰ for more information.



Microloan Assistance

Microloans are available through the USDA Farm Service Agency and have a simpler application process with less stringent farm management experience requirements than traditional FSA loans.

The 2014 Farm Bill specifically excludes Microloans that are used by veterans from the term limits applied to other USDA Direct Operating Loans.

The legislation also limits the interest rate that may be charged to farmer veterans using Microloans. Veteran Farmers may choose the Microloan Interest rate, which is set at 5%, or the regular interest rate for USDA Operating Loans. At the time of this publication, regular interest rates are below 5%, making them the better choice. As interest rates rise, the 5% Microloan rate may become more appealing. Essentially, Veteran Farmers will not pay more than 5% on Microloans.



USDA - [Farm Service Agency \(FSA\)](#)³¹

The FSA administers credit, farm commodity, and emergency assistance programs for farmers and ranchers. Services are delivered in USDA Service Centers at the county level.

[Loan Programs](#)³²

The farm loan programs were designed by FSA to help improve and expand a farm. There are a variety of loans available depending on the farmer's needs. Access to some loans are quite restrictive, while others are available to an unrestricted pool of farmers.

Farm Operating and Microloans: These loans may be used to pay rent, purchase livestock, seed, feed, farm equipment, farm chemicals, insurance, and more. [Click here](#)³³ for more details.



Farm Ownership Loans: Ownership loans may be utilized by the farmer to purchase land, construct/repair buildings, and make improvements to the farm. [Click here](#)³⁴ for more details.

Emergency Farm Loans: When a natural disaster occurs, these loans may be used by the farmer to replace essential property, pay part of the production costs, pay essential living expenses, or refinance debts. [Click here](#)³⁵ for more details.

Guaranteed Farm Loans: These loans may be used for both farm ownership and operating expenses. Commercial lenders receive a financial guarantee from FSA to make agricultural credit available to beginning farmers and ranchers who do not meet the lender's normal underwriting criteria. [Click here](#)³⁶ for more details.

Youth Loans: Individual youth (between the ages of 10 and 20) may use these loan funds to create income generating projects for clubs such as FFA or 4-H. [Click here](#)³⁷ for more details.

Commodity Loans: The commodity loan provides assistance to farmers when there is limited cash flow at harvest time due to low commodity prices. Farmers store the grain as collateral against a loan from USDA at a low interest rate. [Click here](#)³⁸ for more details.

Farm Storage Facility Loan Program: This program provides low interest financing for farmers to build or upgrade storage facilities for their commodities. This program has recently been expanded to include facilities for packing and storing fruits and vegetables. [Click here](#)³⁹ for more details.

Production Programs

FSA has put programs in place to protect agricultural producers when market prices are low. This includes a dairy program and support for certain commodities.

Dairy Margin Protection Program: The MPP program offers protection to dairy producers when the difference between the all milk price and the average feed cost falls below a certain dollar amount selected by the producer. [Click here](#)⁴⁰ for more details.

ARC/PLC: These programs are essentially the safety net for 21 covered commodities. They provide revenue and price loss payments to eligible farmers through the 2018 crop year. [Click here](#)⁴¹ for more details.

Disaster Programs⁴²

FSA will provide assistance to farmers when natural disasters such as drought, flood, fire, freeze, tornadoes, or pest infestations cause losses.

Livestock Forage Program (LFP): Provides financial support to farmers with livestock who have suffered grazing losses due to drought or fire on their pasture. [Click here](#)⁴³ for more details.

Livestock Indemnity Program (LIP): Provides financial support to farmers who have lost an abundance of livestock from natural disaster or from wild animal attacks. [Click here](#)⁴⁴ for more details.

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP): Emergency relief is distributed through this program when adverse weather causes losses to livestock, honey bee, or fish populations. [Click here](#)⁴⁵ for more details.

Tree Assistance Program (TAP): Financial assistance is given to nursery tree growers for replanting and rehabilitating trees, bushes, etc. damaged as a result of natural disasters. [Click here](#)⁴⁶ for more details.

Noninsured Crop Disaster Assistance Program (NAP): Under this program, financial support is given to farmers who face losses due to low yields, loss of inventory, or an inability to plant as a result of natural disasters. [Click here](#)⁴⁷ for more details.



USDA - [Natural Resources Conservation Service \(NRCS\)](#)⁴⁸

NRCS gives technical and financial assistance to farmers and ranchers wishing to implement conservation practices on their land. NRCS programs are accessed at the USDA Service Centers at the county level.

Conservation Stewardship Program (CSP): Provides payments to farmers and ranchers to maintain and improve their existing conservation systems and adopt additional conservation activities to address priority resource concerns. [Click here](#)⁴⁹ for more details.

Environmental Quality Incentive Program (EQIP): This program helps farmers and ranchers implement conservation plans to improve soil, plant, water, and air resources and meet federal and state environmental regulations. [Click here](#)⁵⁰ for more details.



Programs partnering with FSA:

Conservation Reserve Program (CRP): Farmers may enroll in the CRP program to receive yearly rental payments for improving the environmental health of their land. This is a land retirement program with some limited exceptions for grazing. [Click here](#)⁵¹ for more details.

Conservation Reserve Enhancement Program (CREP): Like CRP, CREP provides farmers with yearly rental payments for removing their farmland from production to enhance the environmental quality of the land. [Click here](#)⁵² for more details.

Emergency Conservation Program (ECP): Gives farmers and ranchers financial assistance to repair damages to their farmland caused by natural disasters. [Click here](#)⁵³ for more details.

Emergency Forest Restoration Program (EFRP): Provides owners of non-industrial forests with financial assistance to restore damages after a natural disaster. [Click here](#)⁵⁴ for more details.

Farmable Wetlands Program (FWP): This program works with landowners to restore farmable wetlands by ceasing commercial use of the land and establishing new plant cover. [Click here](#)⁵⁵ for more details.

Grassland Reserve Program (GRP): Participants of the GRP program agree to maintain their grasslands to ensure wildlife habitats are not being destroyed. [Click here](#)⁵⁶ for more details.



USDA - Other Agencies

[Rural Development \(RD\)](#)⁵⁷

RD has a wide variety of programs that support essential public services, promote economic development through guaranteed loans, and provide technical assistance to agricultural producers and cooperatives.

Value-Added Producer Grant (VAPG): These grants help farmers and ranchers create business plans and marketing strategies and obtain working capital for value-added products. [Click here](#)⁵⁸ for more details.

Rural Energy for America Loans and Grants Program (REAP): These RD grants and loans may be utilized to purchase or install energy efficiency improvements and renewable energy systems. [Click here](#)⁵⁹ for more details.

Housing Assistance: RD has a variety of loan programs for families trying to purchase or remodel a rural home. [Click here](#)⁶⁰ for more details.

Farm Labor Housing Direct Loans and Grants: RD may provide financial assistance to farmers or ranchers wishing to build housing for their farm laborers. [Click here](#)⁶¹ for more details.

[Agricultural Marketing Service \(AMS\)](#)⁶²

AMS provides the agriculture industry with valuable tools and services that help create marketing opportunities.

National Organic Certification Cost-Share Program (NOCCSP): Provides reimbursements of up to 75 percent of organic certification costs, with a maximum payment of \$750 per certification scope. [Click here](#)⁶³ for more details.

[Risk Management Agency \(RMA\) Federal Crop Insurance](#)

RMA provides voluntary risk management education to farmers and ranchers so they are better able to manage the risks associated with agricultural production losses. Federal crop insurance is provided by private agents, and while the federal government subsidizes premiums, farmers must pay a premium for the coverage they select. [Click here](#)⁶⁴ for more details.

[SARE Farmer Rancher Grant Program](#)⁶⁵

Sustainable Agriculture Research and Education grants are used by individuals or groups of farmers and ranchers who wish to increase sustainability through on-farm research, demonstrations, and education projects. SARE is administered in regions around the country. Farmers compete with other farmers in their region for grants. [Click here](#)⁶⁶ for more details.



Index of Links

Working with Government Agencies

1. USDA Service Center Locator Webpage: <http://offices.sc.egov.usda.gov/locator/app>
2. RD State Office Contact List: <http://www.rd.usda.gov/contact-us/state-offices>

Navigating USDA Programs

3. Know Your Farmer, Know Your Food Compass and Map: http://www.usda.gov/wps/portal/usda/usdahome?navid=KYF_COMPASS

National Agricultural Organizations

4. AgrAbility: <http://www.agrability.org/>
5. American Farm Bureau Federation: <http://www.fb.org/>
6. The Center for Rural Affairs: <http://www.cfra.org/>
7. Farm Credit: <http://farmcredit.com>
8. The National Center for Appropriate Technology: <https://www.ncat.org/>
9. National Farmers Union: <http://www.nfu.org/>
10. The National Sustainable Agriculture Coalition: <http://sustainableagriculture.net/>

Department of Veterans Affairs – VA Home Loans

11. Department of Veterans Affairs Main Page: <http://www.va.gov/>
12. VA Home Loans: <http://www.benefits.va.gov/homeloans/>

Department of Veterans Affairs – GI Bill

13. GI Bill and Other Education Benefits: <http://www.benefits.va.gov/gibill/>
14. GI Bill Online Application: <http://www.benefits.va.gov/gibill/apply.asp>

Department of Veterans Affairs – Vocational Rehab

15. Vocational Rehabilitation & Employment: <http://www.benefits.va.gov/vocrehab/>
16. Register for VR&E Benefits: <http://www.ebenefits.va.gov/>

Small Business Administration – Veterans Business Outreach Centers

17. Small Business Administration Main Page: <https://www.sba.gov/>
18. Veterans Business Outreach Centers: <https://www.sba.gov/tools/local-assistance/vboc>
19. Business Planning: <https://www.sba.gov/content/finding-niche-make-your-business-plan-stand-out>
20. Boots2Business: <http://www.boots2business.org/>
21. Military Reservist Economic Injury Loans: <https://www.sba.gov/content/military-reservists-economic-injury-loans>
22. Veteran Women Igniting the Spirit of Entrepreneurship: <http://whitman.syr.edu/vwise/>
23. Contact info for VBOCs: <https://www.sba.gov/offices/headquarters/ovbd/resources/362341>

Department of Labor – Registered Apprenticeships

- 24. Department of Labor Main Page: <http://www.dol.gov/>
- 25. Registered Apprenticeships: <http://www.dol.gov/apprenticeship/>
- 26. Find Apprenticeship Programs by State and County: <http://www.dol.gov/apprenticeship/find-opportunities.htm>
- 27. Directory of State Approving Agencies: <http://www.nasaa-vetseducation.com/Contacts.aspx>
- 28. State Department of Labor Contacts for Assistance: <http://www.doleta.gov/OA/contactlist.cfm>

Department of Agriculture - Overview

- 29. Department of Agriculture Main Page: <http://www.usda.gov/wps/portal/usda/usdahome>

Department of Agriculture – Veterans Benefits

- 30. VAPG Application Guide: <http://sustainableagriculture.net/wp-content/uploads/2008/08/2015-VAPG-Application-Guide-NSAC-May-2015.pdf>

USDA Farm Service Agency

- 31. Farm Service Agency Main Page: <https://www.fsa.usda.gov/>

FSA - Loan Programs

- 32. Loan Programs: <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/>
- 33. Farm Operating and Microloans: <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/farm-operating-loans/index>
- 34. Farm Ownership Loans: <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/farm-ownership-loans/index>
- 35. Emergency Farm Loans: <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/emergency-farm-loans/index>
- 36. Guaranteed Farm Loans: <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/guaranteed-farm-loans/index>
- 37. Youth Loans: <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/rural-youth-loans/index>
- 38. Commodity Loans: <http://www.fsa.usda.gov/programs-and-services/price-support/commodity-loans/index>
- 39. Farm Storage Facility Loans: <http://www.fsa.usda.gov/programs-and-services/price-support/facility-loans/farm-storage/index>

FSA - Production Programs

- 40. Dairy Margin Protection Program: <http://www.fsa.usda.gov/programs-and-services/Dairy-MPP/index>
- 41. ARC/PLC: http://www.fsa.usda.gov/programs-and-services/arcplc_program/index

FSA - Disaster Programs

- 42. Disaster Assistance Programs: <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/index>
- 43. Livestock Forage Program: <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/livestock-forage/index>
- 44. Livestock Indemnity Program: http://www.fsa.usda.gov/FSA/newsReleases?area=newsroom&subject=landing&topic=pfs&newstype=pfact-sheet&type=detail&item=pf_20140415_distr_en_lip.html
- 45. Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish: <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/emergency-assist-for-livestock-honey-bees-fish/index>
- 46. Tree Assistance Program: <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/tree-assistance-program/index>

47. Noninsured Crop Disaster Assistance Program: <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/noninsured-crop-disaster-assistance/index>

USDA Natural Resources Conservation Service

48. Natural Resources Conservation Main Page: <http://www.nrcs.usda.gov/wps/portal/nrcs/site/national/home/>

49. Conservation Stewardship Program: <http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/csp/>

50. Environmental Quality Incentive Program: <http://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/eqip/?&cid=stel-prdb1044009>

NRCS - Programs Partnering with FSA

51. Conservation Reserve Program: <http://www.fsa.usda.gov/programs-and-services/conservation-programs/conservation-reserve-program/index>

52. Conservation Reserve Enhancement Program: <http://www.fsa.usda.gov/programs-and-services/conservation-programs/conservation-reserve-enhancement/index>

53. Emergency Conservation Program: <http://www.fsa.usda.gov/programs-and-services/conservation-programs/emergency-conservation/index>

54. Emergency Forest Restoration Program: <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/emergency-forest-restoration/index>

55. Farmable Wetlands Program: <http://www.fsa.usda.gov/programs-and-services/conservation-programs/farmable-wetlands/index>

56. Grasslands Reserve Program: <http://www.fsa.usda.gov/programs-and-services/conservation-programs/grassland-reserve/index>

USDA Rural Development

57. Rural Development Main Page: <http://www.rd.usda.gov/>

58. Value-Added Producer Grant: <http://www.rd.usda.gov/programs-services/value-added-producer-grants>

59. Rural Energy for America Loans and Grants: <http://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency>

60. Housing Assistance: http://www.usda.gov/wps/portal/usda/usdahome?navid=HOUSING_ASSISTA&navtype=RT&parentnav=rural-development

61. Farm Labor Housing Direct Loans and Grants: <http://www.rd.usda.gov/programs-services/farm-labor-housing-direct-loans-grants>

USDA Agricultural Marketing Service

62. Agricultural Marketing Service Main Page: <http://www.ams.usda.gov/AMSV1.0/>

63. National Organic Certification Cost-Share Program: <http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateQ&leftNav=NationalOrganicProgram&page=NOPCostSharing&description=Organic+Cost+Share+Program>

USDA Risk Management Agency (RMA) Federal Crop Insurance

64. Risk Management Agency Main Page: <http://www.rma.usda.gov/>

USDA SARE Farmer Rancher Grant Program

65. Sustainable Agriculture, Research, and Education Main Page: <http://www.sare.org/>

66. SARE Farmer Rancher Grant Fact Sheet: <http://www.sare.org/Learning-Center/SARE-Program-Materials/North-Central-SARE-Program-Materials/NCR-SARE-Grant-Program-Sheets/Farmer-Rancher-Grant-Fact-Sheet>

Join the Farmer Veteran movement and learn more about the Farmer Veteran Coalition's work:

Our Services

Farmer Veteran Fellowship Fund

Homegrown By Heroes Program

Training Workshops & Webinars

Legal Assistance

Food Safety Consulting

Regional and Local Referrals



4614 2nd Street, Suite 4
Davis, CA 95618
ph: (530) 756-1395
e: support@farmvetco.org
www.farmvetco.org