



Committed to the future of rural communities.

United States Department of Agriculture
Rural Development
California
www.rurdev.usda.gov/ca

AGRIBUSINESS PROJECTS

March 29, 2004

Business & Industry (B&I) Guaranteed Loan Program

Most agriculture-related businesses are eligible for B&I guaranteed loans. There is no "family size farm" requirement connected to the B&I program.

Eligible agriculture-related businesses

All types of agriculture-related businesses which are not directly involved in the production of agricultural commodities are eligible for the B&I program.

Examples of eligible agribusinesses include:

- Fruit/vegetable/crop packing, processing, & marketing sheds
Wineries
Meat packing & processing facilities
Custom farm service & farm management providers
Farm trucking operations

Ineligible agriculture-related businesses

With the few exceptions noted below, B&I guaranteed loans are not authorized for businesses engaged only in production agriculture:

Table with 2 columns: Ineligible and Eligible. Lists various agricultural activities under each category.

Vertically-integrated farm operations

Vertically-integrated farms -- i.e., those that combine the production and processing of agricultural commodities -- are eligible for B&I assistance if:

the loan is ineligible for a USDA Farm Service Agency (FSA) loan or guarantee (For more information on FSA farm loans and guarantees, call (530-792-5520)

AND

agricultural production is a secondary purpose -- i.e., less than 50% of the loan and less than \$1 million

430 G Street • Agency 4169 • Davis, CA 95616
Phone: (530) 792-5800 • Fax: (530) 792-5837 • TDD: (530) 792-5848

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