



TEXAS DEPARTMENT OF AGRICULTURE COMMISSIONER SID MILLER

Young Farmer Grant (YFG) Program Frequently Asked Questions

Q. What's the YFG program?

A. It is a program that provides grants to eligible young farmers to create or enhance agricultural enterprises in Texas.

Q. How do I apply?

A. Applications are available twice a year. Applications instructions are posted online at the Texas Department of Agriculture's website www.TexasAgriculture.gov.

Q. Is it for me?

A. Grant applications will be accepted from any person who is at least 18 years of age but younger than 46 years of age and engaged in creating or expanding agriculture in Texas. The applicant must be able to make dollar-for-dollar matching expenditures to sustain, create or expand the project.

Q. Can I apply if my business is an LLC/Corporation/Partnership?

A. Yes. You will complete your application in your own name. Young Farmer Grants can only be awarded to individuals. You can apply your grant funds to support your LLC/Corporation/Partnership, but funds will not be given directly to your LLC/Corporation/Partnership.

Q. Can I apply if I do not have any previous agriculture production?

A. Yes. The Young Farmer Grant program encourages start-up enterprises.

Q. Can I apply if my sibling or other family member is also applying?

A. Yes. However, family members cannot apply for the same proposed project. Your application should clearly describe a distinct project and demonstrate how you will independently benefit from the grant. Grant funds will not be awarded to multiple family members applying for funding for the same project.

Q. Are there grant limits?

A. The TAFE Board can make awards ranging from \$5,000 not to exceed \$20,000.

Q. Can I use grant funds to purchase land?

A. No. Grant funds can be used to lease land but cannot be used to purchase land.

Q. Can I use grant funds to drill a well or build a new road on my property?

A. No. Grant funds cannot be used for capital expenditures that will improve the value or useful life of buildings, equipment, or land.

Q. Will everyone get a grant?

A. There are no guarantees and historically this has been a very competitive program with significantly more applications received than funds available. Grants are based on available funds, the proposed use of grant funds and other application material.

The board may consider other factors, including:

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- the quality of the application;
- applicant's need for financial assistance;
- the project's ability to:
 - create, enhance or sustain the applicant's agricultural operation;
 - improve overall agricultural productivity in Texas; and
 - increase the number of agricultural enterprises in Texas that are owned and operated by young farmers.

Q. Are certain types of projects given more priority than others?

A. No. All agricultural projects are considered equally.

Q. What happens after I apply?

A. TDA will review the application to determine whether the applicant was responsive to the requirements. The TAFA Board will then individually review and evaluate all eligible applications. After individual evaluations are complete, the TAFA Board will meet to discuss applications for final funding decisions.

Q. How long does the review process take?

A. Since there are multiple steps involved in the review process, the average time takes between 8-10 weeks. Delays may occur due to an exceptionally large number of applications received.

Q. How often are grants awarded?

A. The TAFA board will set two periods in each fiscal year (fall/winter and spring/summer) in which the authority will receive and approve grant applications. Please visit our website to sign up for email notifications.

Application deadlines will be posted at www.TexasAgriculture.gov.

Q. Any restrictions on grant money?

A. Operating expenses for contract labor, seed, fertilizer, livestock, feed, and fuel are all eligible expenses. Grants may not be used for capital expenditures with a useful life of more than one year unit cost of more than \$5,000. Please see the eligible expense guidance for additional details.

Q. May I use a grant to reimburse my own labor?

A. Grant funds may not be used to reimburse the value of your personal labor or services, spouse, immediate family members, and business partners are also excluded. The costs of hired labor specific to your project may qualify for grant funding.

Q. How will I be notified of my grant award?

A. All applicants will receive notification of approval or denial. TDA will provide a Notification of Award via phone call and email.

Q. What happens if I am awarded a grant?

A. Upon the official Notice of Award, TDA will send an official grant agreement (contract) confirming your grant award and matching requirement. The grant agreement will also provide you with a start and end date of your project. These dates are important because you will only be reimbursed for eligible expenses that fall within that timeframe. Your grant agreement is not final until it has been signed by you and TDA.

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Q. What are the matching requirements?

A. This Grant requires the recipient to expend matching funds equal to or greater than the total grant award. For example, if you are awarded a grant for \$20,000 you will be expected to document a match of at least \$20,000. In other words, for every \$2 you spend you will be reimbursed \$1.

If the application indicated you would match a higher dollar amount you will be expected to match that amount. For example, if you are awarded a grant of \$10,000 and said you would match \$40,000 it would be the same as saying for every \$5 you spend you will be reimbursed \$1.

Q. How do I document my matching expenses?

A. Matching expenses are documented on the payment request form. On the itemized list, you will provide the total invoice amount and then divide by your percentage of matching requirement to determine the Matching and Requested Amount column.

a. For example, on the \$10,000 award with \$10,000 match:

i. Total Grant Award	\$10,000	50% (\$10,000/\$20,000)
ii. Total Matching	\$10,000	50% (\$10,000/\$20,000)
iii. Total Grant Project	\$20,000	100%

b. How to calculate the correct amount for payment request:

i. Payment invoice total	\$2,534.00	
ii. Total Amount requested	\$1,267.00	(\$2,534 x 50%)
iii. Total Matching Amount	\$1,267.00	(\$2,534 x 50%)

Q. Can I request reimbursement for expenses that I have made prior to my application?

A. No. Only expenses made during the grant term are eligible for reimbursement.

Q. If I'm selected to receive a grant, may I apply again?

A. Yes! There is no limit, however applicants should show how they can be self-sustaining. The Board has determined a recipient can only reapply once their current project is closed. Future application should build upon the success of awarded applications.

For more information, contact:

Grants Office

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www.TexasAgriculture.gov