



Preston L. Kennedy, *Chairman*  
Noah W. Wilcox, *Chairman-Elect*  
Robert M. Fisher, *Vice Chairman*  
Kathryn G. Underwood, *Treasurer*  
Alice P. Frazier, *Secretary*  
Timothy K. Zimmerman, *Immediate Past Chairman*  
Rebeca Romero Rainey, *President and CEO*

June 19, 2019

The Honorable Pat Roberts  
United States Senate  
Washington, D.C. 20510

Dear Senator Roberts:

On behalf of community banks across the country, with more than 52,000 locations, I write to express our strong support for the Enhancing Credit Opportunities in Rural America Act of 2019 (the ECORA Act, S. 1641), which will promote access to credit and reduce borrowing costs for rural borrowers.

Agricultural production and the prosperity of farmers are critical to rural economies where thousands of jobs are connected to the sector. S. 1641 would allow lenders to help farmers remain viable in a sometimes-challenging environment. The bill would provide that when a bank lends to a farmer or rancher and the loan is secured by agricultural real estate, interest received on the loan is not taxable. Similarly, interest on a bank loan secured by a single-family home which is the principal residence of the borrower is not taxable, provided the home is located in a rural area or community, as defined by the Secretary of Agriculture, which is not in a Metropolitan Statistical Area, and which has a population of 2,500 or less.

These provisions would give lenders more flexibility to work with farmers, ranchers, and rural homeowners by providing them lower interest rates and better lending terms, while giving lenders a strong incentive to remain in the rural farming and housing markets.

Thank you again for introducing S. 1641. ICBA looks forward to working with you to advance this important legislation.

Sincerely,

/s/

Rebeca Romero Rainey  
President & CEO

*The Nation's Voice for Community Banks.®*

WASHINGTON, DC  
1615 L Street NW  
Suite 900  
Washington, DC 20036

SAUK CENTRE, MN  
518 Lincoln Road  
PO Box 267  
Sauk Centre, MN 56378

866-843-4222  
[www.icba.org](http://www.icba.org)