

Oppose FCS Expansion Efforts in Farm Bill

[H.R. 4736 the “Investing in Rural America Act,”](#) – Allows the FCS to dramatically expand the process and amount of Essential Community Facility loans FCS lenders can make by expanding the percentage calculations for the amount of loans allowed and by bypassing their regulator’s approval process. Such lending will be in competition with community banks as the language does not require any specific type of lending partnership.

[S. 1756 and H.R. 4940, the “Fishing Industry Credit Enhancement Act”](#) – Authorizes FCS to lend to businesses that only tangentially support aquaculture producers and harvesters even when such support is de minimis.

[H.R. 2423, the “Farm Credit Administration Independent Authority Act”](#) – Permits the FCA to authorize their own relaxed regulations for complying with financial regulations that all other lenders need to comply with, providing FCS with competitive advantages over all other segments of the financial industry (i.e., credit unions, community banks, etc.). This legislation would largely nullify burdensome regulations, like CFPB’s small business data collection requirements (Sec. 1071) for the FCS while forcing other lenders to comply with tougher standards. All lenders should have an equal compliance burden for 1071 loans, particularly related to agriculture and rural lending.

[H.R. 6564, the “Farm Credit Adjustment Act”](#) – Expands the exam cycle for FCS lenders deemed “low risk” to 24 months versus the current 18-month cycle. This gives FCS advantages over community banks which must be examined every 12 months and only the highest rated banking institutions can qualify for an 18-month cycle.

If you have any questions on these legislative issues, please contact Mark.Scanlan@icba.org or scott.marks@icba.org.