



INDEPENDENT COMMUNITY
BANKERS of AMERICA®

January 15, 2014

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Farm Credit Administration
McLean, Virginia 22102

Honorable Kenneth Spearman
Board Member
Farm Credit Administration
McLean, Virginia 22102

Honorable Leland Strom
Board Member
Farm Credit Administration
McLean, Virginia 22102

RE: SECRET FCA MEETING

Dear FCA Board Members:

On behalf of the Independent Community Bankers of America (ICBA)¹, we write to express our strong opposition to the FCA board's decision to conduct a secret meeting open only to certain members of the public but not interested members of the public. The meeting, scheduled for January 16, is titled "*Consolidation in the Farm Credit System – The Factors Influencing Consolidation and the Potential Impact on Mission.*" An ICBA request to attend was rejected by FCA staff.

Since taxpayers ultimately stand behind the Farm Credit System (FCS), any member of the public should have been able to attend this meeting. Further, several community banks in the past have worked with System institutions either through loan participations or as Other Financial Institutions.

Yet this meeting apparently was not published on FCA's website or in the *Federal Register*. In addition, upon requesting to attend, we were told this public meeting was by "invitation only." Such callous disregard of the public's interest suggests that the purpose is largely for the FCA to collude with FCS representatives on future plans to seek expanded powers for FCS lenders. Such expanded powers will undoubtedly come at the expense of community banks.

The Independent Community Bankers of America represents nearly 5,000 community banks of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. ICBA aggregates the power of its members to provide a voice for community banking interests in Washington, resources to enhance community bank education and marketability, and profitability options to help community banks compete in an ever-changing marketplace.

With nearly 5,000 members, representing more than 20,000 locations nationwide and employing over 300,000 Americans, ICBA members hold \$1 trillion in assets, \$800 billion in deposits, and \$700 billion in loans to consumers, small businesses and the agricultural community. For more information, visit ICBA's website at www.icba.org.

INDEPENDENT COMMUNITY BANKERS of AMERICA

The Nation's Voice for Community Banks.®

1615 L Street NW, Suite 900, Washington, DC 20036-5623 ■ 800-422-8439 ■ FAX: 202-659-1413 ■ Email: info@icba.org ■ Website: www.icba.org

The FCA's meeting appears to be inconsistent with the Government in Sunshine Act's provisions that require portions of every agency meeting be open to the public unless it meets certain criteria under which portions of the meeting would be closed to *all* – *not just some* – public attendees.

The FCA's actions appear to indicate the FCA has little if any real interest in meaningful transparency. The secretive nature of this meeting and FCA's exclusive invitation list suggests FCA is primarily interested in developing an agenda to expand FCS lending parameters and doing so by working out of the public's eye with FCS representatives and their lobbyists. The FCA apparently fears non-FCS attendees could witness objections to and discussion of FCA/FCS strategies to gain new lending powers. Obviously, the FCA board has signed off on this meeting. Therefore we ask the FCA to respond to the following questions:

- Will a majority of the FCA board be attending this secret meeting? If so, will this not constitute an official board meeting? Are not official FCA board meetings required to be open to all interested public attendees?
- Will the FCA make available a list of who has been invited to this meeting? Excluding speakers, has anyone who is not employed or regulated by the FCA and/or the FCS been invited to attend this meeting?
- Has anyone been invited from the Farm Credit Council or CoBank?
- Why is the FCA precluding other members of the public from attending?
- Will a full and complete transcript or recording of this secret meeting be made available upon request to any interested individuals and provided in a timely manner?
- Will any speakers or non-local attendees be compensated in any way by the FCA?
- Will any policy matters be discussed during the meeting including those related to expanding the scope and eligibility of FCS lenders?

We also formally request a full and complete transcript or recording of the meeting be made available to any interested individual including to the ICBA in a timely manner. Please provide your written responses to these questions to Mark Scanlan at 202-659-8111 or mark.scanlan@icba.org. Thank you for your attention to this matter.

Sincerely,

Signed

Mark Scanlan
Senior Vice President
Agriculture and Rural Policy