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President and CEO

September 15, 2016

The Honorable John Hoeven
United States Senate
Washington, D.C. 20510

The Honorable Amy Klobuchar
United States Senate
Washington, D.C. 20510

Dear Senators Hoeven and Klobuchar:

On behalf of the more than 6,000 community banks represented by ICBA, I write to thank you for introducing S. 3229 – The Capital for Farmers and Ranchers Act of 2016.

This important bipartisan legislation would increase USDA guaranteed farm operating and guaranteed real estate loan limits from the current \$1.39 million level to \$2.5 million. Additionally, the bill doubles the lending cap for direct loans to \$600,000. We believe larger loan limits and greater funding are needed for USDA farm loan programs, particularly during these times of growing financial stress.

S. 3229 recognizes that agricultural land values have increased significantly in recent years and the current USDA farm loan limits simply do not reflect the higher capital needs of today's modern farms. The higher loan limits reflected in your legislation represent a reasonable approach and will benefit family farmers and ranchers as they seek to ensure strong and sustainable farming operations during these stressful times. We believe your legislation will also assist younger farmers and ranchers acquire farmland and establish viable farming operations well into the future.

Again, we appreciate you introducing "The Capital for Farmers and Ranchers Act of 2016" and we look forward to working with you as this legislation moves through Congress.

Sincerely,

/s/

Camden R. Fine
President & CEO

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