
INFORMATIONAL MEMORANDUM



June 4, 2020

To: Chair, Board of Directors
Chief Executive Officer
Each Farm Credit System Institution

From: David P. Grahn, Director
Office of Regulatory Policy

Subject: Extension of regulatory pause until at least July 10

The Farm Credit Administration is issuing this informational memorandum to announce that FCA's regulatory pause has been extended until at least July 10. This will allow Farm Credit System institutions to continue to focus all efforts on responding to the COVID-19 pandemic and to fulfilling their mission.

In an April 9 notational vote, the FCA board voted to delay publication in the Federal Register of the three rules listed below until at least June 8, 2020. The rules had been approved at the February 2020 board meeting.

- Proposed rule: Amendments to the tier 1/tier 2 regulatory capital framework
- Final rule: Criteria to reinstate nonaccrual loans
- Final rule: Eligibility criteria for outside directors

FCA announced the publication delay in the [news release \(PDF\)](#) published after the April board meeting. In the same release, we also effectively postponed the dates by which the FCA board planned to take action on the rulemaking activities listed in FCA's Spring 2020 [Regulatory Projects Plan](#), which had been approved by notational vote on February 25.

Then, in a June 1 notational vote, the board approved a continued delay of the three rules, as well as the rulemaking activities planned for the next 12 months. The board determined that the regulatory pause would have no adverse impact on the safety and soundness of System institutions.

We are extending the regulatory pause until July 10 in our discretion and will continue to evaluate the need for any further extensions as conditions require. We will work with the System on transitioning back to normal operations as appropriate.

If you have any questions regarding this informational memorandum, please contact David P. Grahn, Director, Office of Regulatory Policy, at (703) 883-4145 (grahnd@fca.gov).