



For Immediate Release
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FCA board approves proposed rule on service to young, beginning, and small farmers and ranchers

MCLEAN, Va., May 12, 2022 — At its monthly meeting today, the Farm Credit Administration board approved a proposed rule to restructure and revise its regulations governing the Farm Credit System's service to young, beginning, and small (YBS) farmers and ranchers. The board also received an auditor's report on the 2021 financial statements of the FCS Building Association.

YBS proposed rule

The YBS proposed rule would revise parts 614 and 620 of FCA's regulations. The purpose of the proposed rule is to increase service by the System's direct-lender associations to YBS producers in their respective territories.

The proposed rule is designed to achieve the following objectives:

- Reinforce the supervisory responsibilities of the four funding banks
- Require each direct-lender association to adopt an independent strategic plan for its YBS program
- Provide elements that will be evaluated as part of a rating system to measure year-over-year YBS progress, allowing FCA to compare the success of each direct-lender association to its peers with regard to extension of credit and services to the YBS borrowing population

The Farm Credit System has a unique mission to serve YBS farmers and ranchers. Section 4.19 of the Farm Credit Act of 1971, as amended, requires each System association to establish a program to furnish sound and constructive credit and related services to YBS farmers and ranchers.

Auditor's report on FCS Building Association

In other business, the FCA board received an auditor's report on the 2021 financial statements of the FCS Building Association. Cherry Bekaert LLP, an independent auditing firm, provided an unqualified opinion of the Building Association's financial statements for the years ended Dec. 31, 2021 and 2020.

According to the report, the Building Association's financial statements present fairly, in all material respects, the financial position of the FCS Building Association as of Dec. 31, 2021 and 2020. The results of its operations and its cash flows for those years conformed with accounting principles generally accepted in the United States.

Notational votes

Since the April 14 FCA board meeting, two notational votes have occurred. Notational votes are actions the FCA board takes between board meetings.

On April 15, the board approved the appointment of Sandi Walters as chief financial officer and director of the Office of the Chief Financial Officer.

On April 19, the FCA board approved the final interagency questions and answers (Q&As) regarding flood insurance. On May 11, FCA, together with the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency, issued a [joint news release \(PDF\)](#) to announce the public release of the Q&As. A [prepublication copy \(PDF\)](#) of the Q&As is available on the FCA website. The Q&As will soon appear in the Federal Register.

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The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac), which was established in 1988. The System's borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. FCA news releases are available on the web at www.fca.gov.