



**FARM CREDIT EAST, ACA**

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August 10, 2017

Mr. Barry F. Mardock  
Deputy Director  
Office of Regulatory Policy  
Farm Credit Administration  
1501 Farm Credit Drive  
McLean, VA 22102-5090

**RE: RIN 3052-AD24 Regulatory Burden**

Dear Mr. Mardock:

Farm Credit East, ACA is pleased to have the opportunity to respond to the Farm Credit Administration's (FCA) request for comment concerning regulations that are inefficient or burdensome. By requesting comments, the FCA is fulfilling an important task in ensuring that the regulations do not unduly burden or hinder system institutions ability to serve its members in an effective and efficient manner.

Farm Credit East serves members in the States of New York, New Jersey, Connecticut, Massachusetts, Maine, New Hampshire and Rhode Island. Our portfolio is very diverse and includes a wide variety of agricultural products, commercial fishing, and forest products businesses as well as marketing and processing firms and farm related businesses.

Farm Credit East strongly supports the comments submitted by the Farm Credit Council and urges FCA to act on regulatory relief suggestions. The following are specific concerns that impact on our ability to fully serve our mission in the most effective manner:

**Aquatic Related Business (fishing) Industry:** Farm Credit may currently finance "farm related businesses" as eligible entities in the agriculture sector, and should also be permitted to finance related businesses which support the commercial fishing industry. Commercial fishing is the economic backbone of many rural communities in some parts of the nation and producers and harvesters of seafood are themselves very dependent on many types of infrastructure for their long-term viability. FCA regulations that address "related businesses" should be modified to match overall lending authorities (for Farmers, Ranchers and Aquatic Producers and Harvesters) so that financing for "fishing related businesses" is specifically permitted. §613.3020

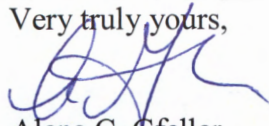
**Nominating Committee:** The regulations identify extensive direction for identification and evaluation of candidates by the Nominating Committee. However, the regulation then outlines a method to permit a stockholder to be nominated from the floor, which process can serve to defeat the very purpose of the Nominating Committee. This floor nomination process, without a defined process or ability of a System Institution to adopt implementation procedures creates a "loophole" and allows for uncertainty in the nominating process. Farm Credit East fully supports

the FCC position and believes it necessary to have increased flexibility to adopt procedures which maintain the ability for floor nominations while facilitating compliance with disclosure and voting procedures. This flexibility will serve as a means for System Institutions to ensure they are fulfilling the spirit and intent of the Act. §611.326(2)

**Interest Rate Disclosures:** The regulations require System Institutions to disclose rate changes when Borrower's rates are tied to a widely published external index (i.e. prime rate or LIBOR); however, the intent of permitting such interest rates is transparency. Borrowers can determine their rate by numerous published sources. To require notification by System Institutions of rate changes as outlined by the regulation is unnecessary and burdensome. §617.7135(a)(2)

Thank you for allowing Farm Credit East the opportunity to comment. Please do not hesitate to contact me if we can provide additional information.

Very truly yours,



Alena C. Gfeller  
SVP and Managing Counsel

cc: William Lipinski, CEO Farm Credit East, ACA  
Charles Dana, General Counsel Farm Credit Council

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