

October 14, 2022

Ms. Autumn R. Agans
Deputy Director | Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

RE: Response to Notice of Intent & Request for Comment – *Statement on Regulatory Burden*; Farm Credit Administration, Agency; 12 CFR Chapter VI RIN 3052-AD55; 87 Federal Register 43227-43228

Dear Ms. Agans:

Premier Farm Credit, on behalf of its members, sincerely appreciates the opportunity to comment on the Farm Credit Administration's (FCA) *Statement on Regulatory Burden* that was published in the *Federal Register* on July 20, 2022 (87 FR 43227). Premier Farm Credit supports the review, modification or elimination of FCA regulations that are overly burdensome, costly and in some instances unnecessary to support the safety and soundness of System institutions. We also support and endorse the comment letter submitted by the Farm Credit Council (FCC) and we join the FCC in asking FCA to move forward with its consideration of the burdens identified.

In general, it has been observed that the recent pace of regulatory initiatives advanced by FCA has been unprecedented. These regulatory initiatives include numerous proposed rules, final rules, examination manual updates, and bookletters. To provide perspective, Premier Farm Credit is a small Association with assets less than \$1.0 billion and fewer than 50 employees. We serve six counties in the Northeast corner of Colorado with three lending offices and an administrative office. We are very proud to dutifully serve the mission of the Farm Credit System. As a small Association, the pace of regulatory initiatives has created administrative burdens and challenges requiring significant staff resources to be redirected in an effort to ensure compliance. In addition to being challenging, it was disappointing that the agency chose to issue many of these initiatives while Associations were navigating through the unprecedented challenges of a global pandemic and striving to serve their member/owners while protecting employee health and safety.

Examination manual updates have specifically been burdensome in multiple ways. The agency has utilized examination manual updates to introduce new guidance that is afforded the same weight and expectation as legal regulation, which in effect has allowed the FCA to circumvent regulatory processes.

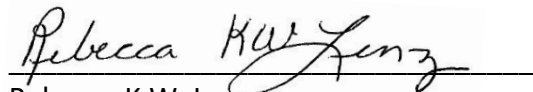
Extensive examination manual updates have been issued without the simple courtesy to provide a redline version to allow readers the opportunity to efficiently review changes. Additionally, it has been common practice for examiners to examine and issue Matters Requiring Attention on pending or recently issued examination manual changes, not taking into consideration that Associations have not been afforded adequate time to address new requirements or expectations. Most rule or guidance change issued by the FCA requires an Association to make policy and procedural changes and in some instances it requires more comprehensive solutions that are costly and take time to fully implement. Guidance is also issued without taking into consideration the cost versus benefit or the regulatory need for true safety and soundness. In many instances guidance appears to be issued to require a desired outcome as opposed to addressing real governance or managerial deficiencies across the Farm Credit System.

Responding to and addressing Matters Requiring Attention in a manner deemed appropriate by the FCA also creates unnecessary regulatory burden as the agency treats and reports all examination findings as Matters Requiring Attention. Matters Requiring Attention should be based on true safety and soundness violations of the Farm Credit Act or FCA regulation. Examination findings related to best practices, which in some cases is just the opinion of an examiner, should be treated as recommendations. Giving all examination findings and conclusions the same weight as a Matter Requiring Attention overstates the risk profile of an institution and can be misleading to interested parties that read a Report of Examination.

Premier Farm Credit appreciates the opportunity to comment on the agency's Statement of Regulatory Burden. We join the FCC in asking the agency to move forward with its consideration of the specific burdens identified and the recommendations proposed within the System comment letter.

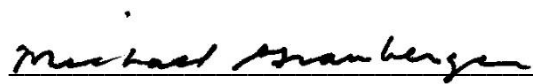
Please feel free to contact us if you have any questions.

Sincerely,



Rebecca K.W. Lehz

Chair of the Board



Michael Grauburger

President and Chief Executive Officer