



AgCarolina
FARM CREDIT

June 22, 2026

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

RE: Response to Proposed Rule & Request for Comment – *Assessment and Apportionment of Administrative Expenses*, 12 CFR Part 607

Dear Ms. Agans:

AgCarolina Farm Credit appreciates the opportunity to comment on the Farm Credit Administration's ("FCA") proposed rule on Assessment and Apportionment of Administrative Expenses, published in the Federal Register on April 23, 2026 (the "Proposed Rule").

The Farm Credit Council ("FCC") has submitted a comprehensive comment letter on behalf of the Farm Credit System, reflecting principles developed through a System workgroup that included representatives from each System bank and associations of varying sizes. Although, AgCarolina Farm Credit did not have representation on the workgroup, we support the principles outlined in the FCC's letter, including the importance of a methodology that is fair, equitable, durable over time, and aligned with cooperative principles. We also support continued transparency and periodic review to ensure the methodology remains appropriate as the System evolves.

We submit this letter to emphasize our support for the Proposed Rule as drafted. FCA is right to revisit the current assessment formula, which was implemented in 1993 and no longer reflects the size, structure, and distribution of assets in today's Farm Credit System. This approach restores a more appropriate proportionality among institutions and is more consistent with cooperative principles. By relying more heavily on a pro rata framework rather than fixed tier thresholds, the methodology is better positioned to adapt over time as institutions grow, consolidate, or otherwise change in relative size.

We commend FCA for its thoughtful, data-driven review of the current methodology and for proposing a rule that meaningfully restores balance while creating a more sustainable framework moving forward. The Proposed Rule reflects a reasonable and well-supported approach to meeting the Act's mandate that assessments be apportioned equitably. Accordingly, we encourage FCA to finalize the Proposed Rule without material change.

Thank you for the opportunity to comment.

Respectfully,

Evan Kleinhans
President & Chief Executive Officer



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