



FARM CREDIT
SOUTHWEST GEORGIA

July 30, 2008

Gary. K. Van Meter
Deputy Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Dear Mr. Van Meter:

I am a dairy farmer in southwest Georgia. I've been fortunate through the years to see first-hand how providing capital to rural America sustains farmers, and the nearly 80% of the U.S. population who live and work in these small towns.

I am a Director for Southwest Georgia Farm Credit and Ag First Farm Credit Bank. We have, over the past three years, been active participants in the Farm Credit Administration's Pilot Program which allows Farm Credit System institutions to bring additional capital resources to rural areas by holding debt and equity investments. The FCA's pilot program has been a success, in that it has proven with little doubt that there is a real need and demand for additional capital resources in rural areas, and how such a program can be operated in a safe and sound manner.

In the Farm Credit Act, Congress specifically recognized the role of FCS in providing "an adequate and flexible flow of money into rural areas." What this Pilot program has shown is that this program results in jobs, in improved health care, infrastructure and other basic services.

How far behind are we? When you consider that the poverty rate is 28% higher in rural areas; that 95% of the rural areas in our country are considered persistent poverty counties; that with few economic opportunities, young people tend to leave these small towns in order to have a future – it's no doubt that in a W.K. Kellogg Foundation study, "Perceptions of Rural America," nearly half of all rural respondents say they have considered moving, primarily because of low pay and few opportunities for advancement.

Since the inception of the Pilot program, our Association has originated or participated in financing hospitals, dental clinics, manufacturing plants and a child psychiatric center, just to name a few. We've created jobs and opportunities. We've helped Americans who value the rural way of life stay in the communities they've grown up in, raised their children in.

I urge you to continue to support the Rural Community Investment regulation.

Sincerely,



Robert Holden
Director