

News Release

Farm Credit Administration
1501 Farm Credit Drive
McLean, Virginia 22102-5090



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Contact: Mike Stokke or Christine Quinn,
703-883-4056
E-mail: info-line@fca.gov
Website: www.fca.gov

FCA Board Approves Fall 2011 Unified Agenda and Regulatory Performance Plan

McLEAN, Va., September 8, 2011 —The Farm Credit Administration (FCA) Board today approved the agency's Fall 2011 Abstract of the Unified Agenda of Regulatory and Deregulatory Actions, as well as the Fall 2011 Regulatory Performance Plan.

The agenda identifies 22 projects, including 17 rulemaking items, that FCA is planning over the next 12 months. Of the rulemaking items, seven are final rules and 10 are proposed rules. Of the 22 projects, four are new:

- A review of FCA's lending guidance
- A review of the agency's Young, Beginning, and Small Farmer Guidance
- A review of FCA regulations to identify where updates are needed to reflect changes in Generally Accepted Accounting Principles
- Proposed rule regarding the use of "common loan identifiers" to identify risk in the System

In addition, the agenda shows actions or reviews completed since the FCA Board approved the Spring 2011 Abstract of the Unified Agenda.

The information in the abstract will be included in the official Unified Agenda, which is published semiannually on the Web at www.reginfo.gov.

The Regulatory Performance Plan shows only the reviews and actions that are projected to occur over the next 12 months, and it is posted on the agency's website at www.fca.gov/law/perf_plan.html.

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Reports

In its quarterly report on the condition of the Farm Credit System, the Office of Examination reported that the System remains fundamentally safe and sound. The System continues to report strong earnings and higher capital levels, and asset quality remains satisfactory.

Following the downgrade of the long-term sovereign credit rating of the United States, Standard & Poor's downgraded the long-term debt rating for the Farm Credit System to AA+ from AAA. Despite the downgrade, the System continues to have reliable access to funding and to experience strong marketplace demand for FCS debt.

Overall, the farm economy continues to thrive, yet challenges persist. Extreme drought conditions have led to crop failures in parts of the Plains and Southwest, especially Texas, and hot weather in the Midwest has adversely affected crop yields. High feed costs remain a concern in the livestock and dairy sectors while poultry, forestry and nursery producers remain under stress.

During the closed session of the meeting, the Board also received an update on supervisory and oversight activities of the Office of Examination.

Notational Votes

Since the August 11, 2011, FCA Board meeting, one notational vote has occurred. Notational votes are actions taken by the FCA Board between Board meetings.

- On August 25, the FCA Board voted to approve the agency's FY 2012 Revised Budget in the amount of \$60,812,899 and the FY 2013 Proposed Budget in the amount of \$64,130,601.

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The Farm Credit Administration is the safety and soundness regulator of the cooperative Farm Credit System and the Federal Agricultural Mortgage Corporation (Farmer Mac). FCA charters, regulates, and examines the 96 banks, associations, service corporations and special-purpose entities of the Farm Credit System, which makes loans to agricultural producers and their cooperatives nationwide. This includes Farmer Mac, which provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. Members of the FCA Board are Leland A. Strom, Chairman and CEO; Kenneth A. Spearman; and Jill Long Thompson.

Note: FCA news releases are available on the Web at www.fca.gov.