

News Release

Farm Credit Administration
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FCA Board Approves Spring 2011 Unified Agenda, Regulatory Performance Plan

McLEAN, Va., February 10, 2011 — The Farm Credit Administration (FCA or Agency) Board today approved the Agency's spring 2011 submission for the Unified Agenda of Federal Regulatory and Deregulatory Actions and the Spring 2011 Regulatory Performance Plan.

The purpose of the Unified Agenda submission is to inform the public of the FCA Board's regulatory priorities for the next 12 months. The subjects identified for regulatory action include operating and strategic business planning, lending and leasing limits and risk management, capital adequacy, investment asset management, and Farmer Mac investments and liquidity management.

The submission also identifies actions or reviews completed since fall 2010, items that are in the pre-rule stage and are being explored for possible rulemaking action, and items for which pre-rule reviews will be completed. The information will be included in the official Unified Regulatory Agenda, which is published semiannually on the Internet 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 FCA Web site at www.fca.gov/law/perf_plan.html.

In other action, the Board authorized three Farm Credit System (FCS or System) associations and their subsidiaries to invest in AgDirect, a limited liability partnership (LLP) to be formed to facilitate point-of-sale agricultural equipment financing originated by equipment dealers or FCS institutions. The three associations are Farm Credit Services of America, ACA; Greenstone Farm Credit Services, ACA; and Badgerland Financial, ACA.

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The concept for AgDirect, LLP, evolved from a proprietary trade credit program developed and implemented by Farm Credit Services of America and marketed under the trade name of “AgDirect.” The AgDirect model has been in use in the four-state territory of Farm Credit Services of America for several years.

According to the written request submitted to FCA by the three associations, the LLP will allow the partner associations to leverage the successful AgDirect program for the mutual benefit of the associations and the farmers and ranchers they serve. The LLP will not conduct any activities that the associations are not already authorized to engage in under FCA regulations.

Reports

In other business, the Office of Management Services presented a report on the Agency’s first-quarter budget status and the status of human capital initiatives and the five-year Information Resources Management Plan process.

Notational Votes

Since the January 13, 2011, FCA Board meeting, two notational votes have occurred. Notational votes are actions taken by the FCA Board between Board meetings.

On January 20, the Board approved the appointment of Laurie A. Rea to the position of director of the Office of Secondary Market Oversight.

On January 28, the Board voted to authorize Yankee Farm Credit, ACA to invest in FarmStart, LLP, a limited liability partnership of Farm Credit East, ACA, and Rural America Investments, LLLP, a limited liability limited partnership. The investors in Rural America Investments, LLLP, are CoBank, ACB, and Farm Credit Leasing Services Corporation. FarmStart, LLP, was established to assist beginning farmers and new cooperatives through their start-up years by providing essential working capital investments.

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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, and service corporations of the Farm Credit System, which makes loans to agricultural producers and their cooperatives nationwide. FCA also examines and regulates 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.