

June 2, 2025

The Honorable Michael Crapo  
Chairman  
Senate Committee on Finance  
United States Senate  
Washington, D.C. 20510

The Honorable Ron Wyden  
Ranking Member  
Senate Committee on Finance  
United States Senate  
Washington, D.C. 20510

Dear Chairman Crapo and Ranking Member Wyden:

As Congress moves forward with the budget reconciliation process, we write to express our strong support for the inclusion of the bipartisan and bicameral Access to Credit for our Rural Economy (ACRE) Act of 2025 (S.838). This legislation will help sustain and grow rural America by easing the financial burden on farmers, ranchers, and rural communities.

The ACRE Act was introduced in the Senate by Senators Jerry Moran (R-KS), Angus King (I-ME), Ruben Gallego (D-AZ), Kevin Cramer (R-ND), Tommy Tuberville (R-AL), and Roger Marshall (R-KS). The House companion was introduced by Representatives Randy Feenstra (R-IA-04), Don Davis (D-NC-01), and Nathaniel Moran (R-TX-01). A modified version of this legislation was also included in the House-passed *One Big Beautiful Bill Act* (H.R.1).

Farmers and ranchers are working through an increasingly difficult economic cycle. According to the annual American Bankers Association [2024 Ag Lender Survey](https://www.aba.com/news-research/analysis-guides/agricultural-lender-survey),<sup>1</sup> the combination of lower export demand for U.S. agricultural goods and the rebound of global inventories has put significant downward pressure on global commodity prices and U.S. farm incomes. According to the United States Department of Agriculture (USDA) Economic Research Service, total inflation-adjusted cash receipts are forecast to fall \$14.2 billion (2.7 percent) from 2024 to \$515.0 billion in 2025. Crop cash receipts are projected to decline \$11.5 billion (4.6 percent) during the year, and animal/animal product cash receipts are expected to fall by \$2.8 billion (1.0 percent).<sup>2</sup> While net farm incomes are expected to rise in the short-term due to the Emergency Commodity Assistance Program and USDA disaster assistance payments, these measures will only temporarily offset the burden of high input prices, including interest rates, in the future.

The ACRE Act offers more long-term stability for farmers and ranchers by creating the most competitive interest rate environment possible on loans secured by farm real estate, fisheries and aquaculture facilities. ABA estimates the ACRE Act will lower the cost of credit by 100-150

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<sup>1</sup> <https://www.aba.com/news-research/analysis-guides/agricultural-lender-survey>

<sup>2</sup> <https://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances/farm-sector-income-forecast>

basis points. For a young producer financing farmland purchased at \$10,000 per acre, that would equal a sustained reduced yearly interest cost of \$100-\$150 an acre.

Over 30 million rural Americans stand to benefit from the ACRE Act. Approximately 45 percent of agricultural lenders already receive this tax treatment on agricultural loans and rural mortgages. By including FDIC-insured financial institutions, ACRE would increase competition in rural markets and help drive down borrowing costs for rural families, farmers, and ranchers. It would also improve the accessibility of affordable credit, enabling borrowers to shop for the best product, rate, and service at more than 79,000 bank branch locations nationwide.

The ACRE Act is a practical, targeted solution to lower the cost of credit and increase credit availability across rural America. Congress can help our country's farmers, ranchers, and rural communities continue to grow and thrive by ensuring that they have access to the credit they need. We strongly support and respectfully request you include S. 838, the ACRE Act, as introduced, in the budget reconciliation package and appreciate your consideration.

Sincerely,

American Bankers Association  
Alabama Bankers Association  
Alaska Bankers Association  
Arizona Bankers Association  
Arkansas Bankers Association  
California Bankers Association  
Colorado Bankers Association  
Connecticut Bankers Association  
DC Bankers Association  
Delaware Bankers Association  
Florida Bankers Association  
Georgia Bankers Association  
Hawaii Bankers Association  
Idaho Bankers Association  
Illinois Bankers Association  
Indiana Bankers Association  
Iowa Bankers Association  
Kansas Bankers Association  
Kentucky Bankers Association  
Louisiana Bankers Association  
Maine Bankers Association  
Maryland Bankers Association

Massachusetts Bankers Association  
Michigan Bankers Association  
Minnesota Bankers Association  
Mississippi Bankers Association  
Missouri Bankers Association  
Montana Bankers Association  
Nebraska Bankers Association  
Nevada Bankers Association  
New Hampshire Bankers Association  
New Jersey Bankers Association  
New Mexico Bankers Association  
New York Bankers Association  
North Carolina Bankers Association  
North Dakota Bankers Association  
Ohio Bankers League  
Oklahoma Bankers Association  
Oregon Bankers Association  
Pennsylvania Bankers Association  
Puerto Rico Bankers Association  
Rhode Island Bankers Association  
South Carolina Bankers Association  
South Dakota Bankers Association

Tennessee Bankers Association  
Texas Bankers Association  
Utah Bankers Association  
Vermont Bankers Association  
Virginia Bankers Association

Washington Bankers Association  
West Virginia Bankers Association  
Wisconsin Bankers Association  
Wyoming Bankers Association

Cc: Speaker Mike Johnson, Majority Leader John Thune, Chairman Jason Smith, Minority Leader Hakeem Jeffries, Minority Leader Chuck Schumer, Ranking Member Richard Neal