

October 5, 2017

Senator Mike Rounds
U.S. Senate
125 Dirksen Senate Office Building
Washington, DC 20002

Dear Senator Rounds,

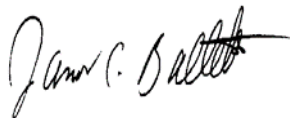
We are writing to express our strong support for your legislation to increase the lending limit and the total funding for the Farm Service Agency Guaranteed Farm Ownership and Guaranteed Farm Operating Loan Programs.

As you are well aware, the American Bankers Association (ABA) has long supported an increase in the loan limit for both of these critical programs. Under current law, these programs have a lending limit of \$1,399,000. With increasing costs in the agricultural sector, this limit has decreased a lender's ability to help borrowers. ABA fully supports the limit increase to \$3,000,000 for these programs as they are vital for lenders when providing loans to all borrowers, especially young, beginning, and small farmers.

In past years, there have been far too many funding shortages for the Guaranteed Farm Ownership Loan Program and the Guaranteed Farm Operating Loan Program. By increasing the total funding to \$8 billion, ABA believes the likelihood of a funding lapse would decrease dramatically. With this additional funding, lenders would be able to help many more borrowers through potentially tough times in the agricultural economy.

ABA is pleased to support this legislation and we look forward to working with you on this measure and additional agriculture finance issues.

Sincerely,



James C. Ballentine

cc: Members of the Senate Committee on Agriculture, Nutrition and Forestry