

## 75. FARM CREDIT

We support:

1. The availability of adequate sources of credit for all agricultural interests.
2. Agricultural lenders publicizing their rates and loan policies.
3. Farm Service Agency (FSA) assistance to those borrowers who cannot obtain credit otherwise.
4. Continued graduation of FSA borrowers who exhibit the ability to obtain credit from conventional sources and continue to work with FSA in developing improved and flexible programs with more effective use of FSA funds.
5. FSA in providing adequate levels and terms of credit in a constructive and responsible manner.
6. Reviewing and recommending appropriate FSA agency policy on loan term limits, loan size limits, and interest rate subsidies.
7. FSA loans be secured by adequate collateral and reasonable repayment capacity.
8. The use of past business performance, when available, as a strong indicator of future performance when considering approval of an FSA loan for a farmer.
9. Educational programs for members and agricultural lenders on financial management and marketing programs.
10. Lenders cooperating with federal and state programs designed to help farmers with financial stress.
11. Illinois Finance Authority's (IFA) current agricultural loan programs and will cooperate with IFA in the expansion of existing programs and the development of new programs.
12. Legislation so that persons who have made prepayments to failed licensees for production inputs or services will receive a 100 percent refund of those payments, making the purchaser of the inputs first in line as a secured creditor.
13. Increased funding for federal guaranteed farm loan programs. These programs should be made more user friendly for both bankers and farmers by allowing increased flexibility of repayment terms and minimizing paperwork.
14. Seeking legislation so alfalfa and grassland forages are considered farm storage facility loan commodities.
15. The Farm Credit System (FCS) remaining available to the farmer-owners through the cooperative system as an alternative to commercial banks.
16. Commercial banks, the FCS, and other lenders seeking opportunities to cooperate in meeting the financing needs of farmers.
17. Elimination of the "exit provision" in the Farm Credit Act.

We oppose:

1. Any move by commercial banks and/or bankers to alter the structure of the FCS, including attempts to replace farmers on boards of directors with commercial bankers.
2. Commercial banks having access to money procured by virtue of the agency status enjoyed by the FCS.
3. The sale of district FCS banks to commercial or private banking interests.
4. All efforts to limit access to credit by major credit suppliers or to limit competition or to artificially set interest rates by government edict.