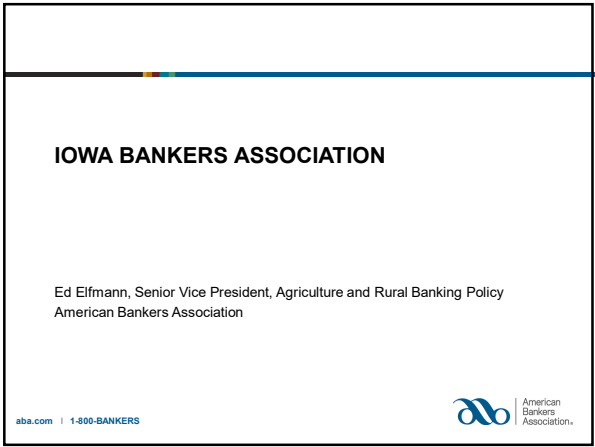
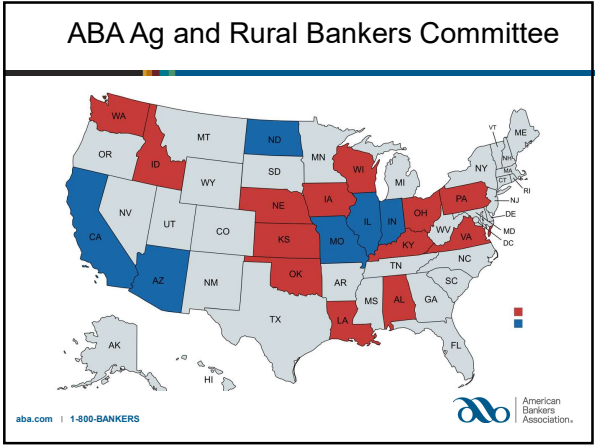




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ABA in Washington, D.C.

- Work with all 541 Congressional Offices
 - 100 Senators
 - 435 Voting Representatives
 - 5 Delegates and 1 Resident Commissioner (Puerto Rico)
- House Focus: Financial Services, Ways and Means, Energy and Commerce, Agriculture, Appropriations, Judiciary, Small Business and Oversight Committees
- Senate Focus: Banking, Finance, Commerce, Agriculture, Appropriations, Judiciary, Small Business and Oversight

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ABA Agricultural Finance Issues

- USDA Loan Programs
- House and Senate Agriculture Committees
- ACRE Act
- Farm Credit System
- Rural Development
- Hemp/Cannabis Financing
- Climate Smart Agriculture
- Crop Insurance

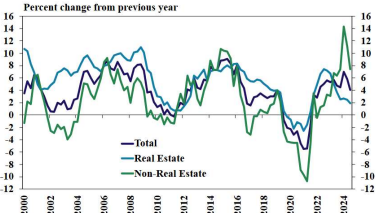
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Farm Debt Increasing

Farm Debt Outstanding at Commercial Banks




Percent change from previous year

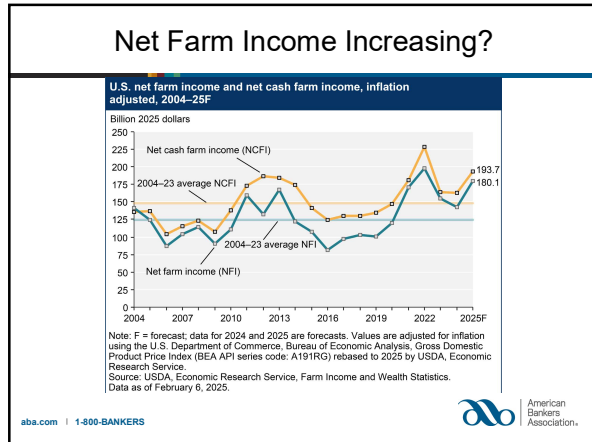
— Total
— Real Estate
— Non-Real Estate

Sources: Reports of Condition and Income and Federal Reserve Board of Governors

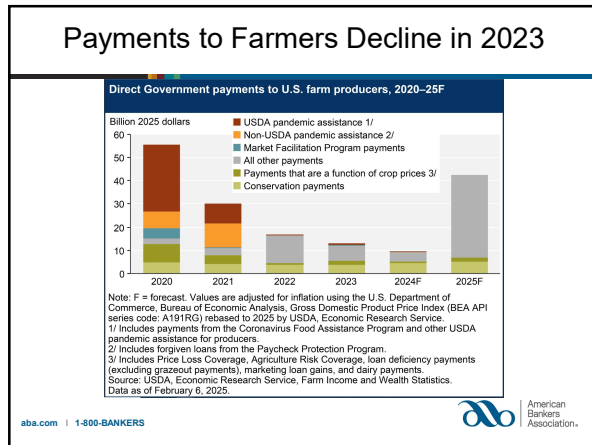
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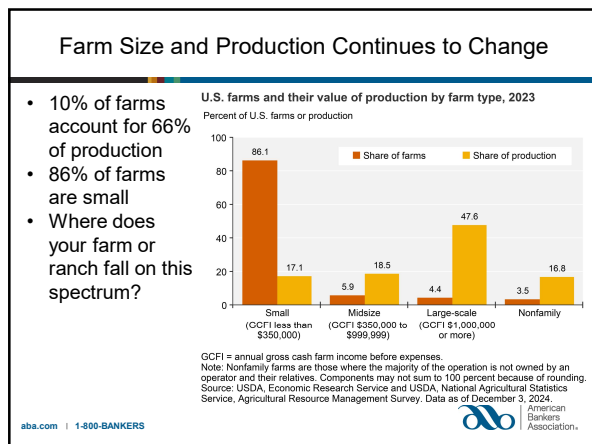
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Agricultural Economic Assistance

Estimated Economic Aid Payments (\$/Acre)
Eligible crops with published cost-of-production estimates

Corn	\$43.80
Soybeans	\$30.61
Wheat	\$31.80
Cotton	\$84.70
Rice (long-/medium-grain)*	\$69.52
Grain Sorghum	\$41.85
Oats	\$78.42
Barley*	\$21.76
Peanuts**	\$76.30

*Activated minimum payment
*While bill text states that the Secretary will determine the COP for peanuts, the ERS does publish a COP estimate for the crop.

Source: American Farm Bureau Federation

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ABA Farm Bill Priorities

- Increase FSA Guaranteed Loan Limits
- Modify the Beginning Farmer and Rancher Programs
- Fix the Down Payment Assistance Program
- Reexamine the Interest Assistance Program
- More Consistent Funding for Rural Development Loan Programs
- Modernize Technology for USDA Loan Programs

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Farm Bill Titles

- Currently 12 Titles in the Farm Bill
 - Title I – Commodities
 - Title II – Conservation
 - Title III – Trade
 - Title IV – Nutrition
 - **Title V – Credit**
 - **Title VI – Rural Development**
 - Title VII – Research, Extension, and Related Matters
 - Title VIII – Forestry
 - Title IX – Energy
 - Title X – Horticulture
 - **Title XI – Crop Insurance**
 - Title XII – Miscellaneous


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Farm Bill Titles with Loan Programs

- Title II – Conservation
- Title III – Trade
- Title V – Credit
- Title VI – Rural Development
- Title X – Forestry
- Title XII - Miscellaneous

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Farm Bill Titles That Affect Bankers

- Title V – Credit
 - Farm Credit and Farmer Mac
 - Where changes can be made to both entities
 - FSA Guaranteed Loan Programs
 - Changes to loan limits
 - Directing USDA on how to work with lenders
- Title VI – Rural Development
 - Business and Industry (B&I), Community Facilities (CF), Rural Energy for America (REAP) Loan Programs, Rural Housing Service (RHS)
 - Funding for a variety of rural programs
 - Most consequential title for non-farmers outside of Nutrition Title
- Title XI – Crop Insurance
 - Provides risk management for producers

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2024 Farm Bill Highlights

- Increases Limits for FSA Guaranteed Loan Programs
 - Currently \$2,236,000
 - Ownership to \$3.5 million
 - Operating to \$3 million
- Fixes Down Payment Assistance Program
- Improves Bona Fide Operator Eligibility Rules
- Expands Farmer Mac Eligibility
 - Allows for purchase of REAP loans
 - Increases flexibility on acreage caps
- Increases Disaster Assistance
- Increases Commodity Programs to 90% Coverage
 - Increases reference prices for commodities


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2025 Farm Bill Timeline


- House of Representatives
 - Farm Bill hearings first quarter
 - By June?
- Senate
 - Farm Bill hearings first quarter
 - May wait on House
- Congressional Passage?

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Other ABA Farm Bill and Ag Issues


- Farmer Age and Farm Transition
 - Average age of the U.S. farmer has increased to 58.1
- Support strong insurance programs
 - Crop Insurance, Dairy Insurance Programs, Pasture Insurance (PRF)
- Support Biofuel Programs
- Tax Issues
 - Estate Taxes, Depreciation, Land Credits, Aggie Bond Programs

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Access to Credit for our Rural Economy

- H.R. 1822, the ACRE Act
 - Introduced by Representatives Feenstra (R-IA), Davis (D-NC), and Moran (R-TX)
- S. 838, the ACRE Act
 - Introduced by Senators Moran (R-KS), King (I-ME), Cramer (R-ND), Gallego (D-AZ), Tuberville (R-AL), and Marshall (R-KS)
- ACRE will remove the taxation on income earned from interest
 - This is a 21% tax federally
- ACRE will lower the cost of credit by increasing competition between lenders
- Eligible loans include agricultural real estate, rural home mortgages and aquaculture facilities


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Eligible Loans

- Rural or agricultural real estate
 - Any real property which is substantially used for the production of one or more agricultural products
- Any single-family residence
 - Principal residence of the occupant
 - Located in a rural area according to section 1.11(b)(3) of the Farm Credit Act of 1987
 - Residence must be in a rural area or town of less than 2,500 and under \$750,000
- Any aquaculture facility

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Changes to the ACRE Act

- New originations
- Farmer Mac and Life Insurance Companies Included
- Report from Treasury on interest rate changes
- Fisheries added to legislation
- No lending to foreign adversaries

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ACRE Impact


HOW IOWA BENEFITS FROM ACRE


The Access to Credit for our Rural Economy (ACRE) Act (S. 838/H.R. 1822) is a bipartisan approach to help lower interest rates for rural borrowers. By expanding an existing tax incentive to all rural lenders, ACRE would increase competition and lower the cost of credit on total mortgages and farm real estate loans. In Iowa:


**86,911**
farms would qualify for interest savings on loans secured by real estate

**413,030**
people live in a community that would qualify for mortgage interest savings under ACRE


**\$1,803,989**
total rural mortgage savings per year

**\$76,497,423**
total farm real estate savings per year

**\$78,301,412**
TOTAL ESTIMATED SAVINGS



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How Bankers are Promoting ACRE

What can you do to help move ACRE?

- www.aba.com/ACRE
- www.aba.com/ACREtoolkit
- Contact your Members of Congress and Senators
- Work with your state agricultural associations
- Reach out to local bankers and state banking association with questions
 - Many states are looking into state level ACRE legislation


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Congress in 2025

- Tax Reform
 - House is aiming for April
- Farm Bill
- Immigration and Border Security Legislation

Biggest Question: What's the Process?


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ABA Agricultural Banking Resources

ABA.com/agbanking

- Agricultural Lending Education
 - Online class offered yearly
 - Discussions on offering a graduate level school
- Webinars
- ABA Agricultural Banks Performance Scorecard
- Agricultural Lender Survey
- Monthly ABA Ag Journal

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ABA Agricultural Bankers Conference

November 12-14, 2025
St. Louis, MO
Early Bird \$995 until September 19

CONFERENCE HIGHLIGHTS

Why You Should Attend



In-Person Networking
Opportunities to connect face to face with ag bankers from across the country - finally!



The National Perspective on Ag
Long term projections for the broader rural economy and state of play in Washington from national experts



Strategies for Growth
Practical knowledge to navigate the current low-rate, highly competitive environment

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Thank you!

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