



## ***The FARM Home Loans Act***

**Led in the Senate by:** Senators Peter Welch (D-Vt.); Jim Justice (R-W.Va.); Adam Schiff (D-Calif.); Cindy Hyde-Smith (R-Miss.)

**Introduced in the House by:** Representatives Kristen McDonald Rivet (D-MI-08); Bill Huizenga (R-MI-04)

### **Background:**

Farm credit institutions like the Farm Credit Council provide vital flexible lending assistance for rural homebuyers. However, under the *Farm Credit Act of 1971*, farm credit institutions are unable to issue loans to homebuyers in areas living in areas with a population of greater than 2,500. Increasing the population limit to align with current U.S. Department of Agriculture (USDA) rural housing program lending authority population limits would allow more homebuyers to qualify for rural housing assistance and help farm credit institutions better meet the needs of rural communities.

### **Legislation:**

The bipartisan, bicameral *FARM Home Loans Act* would spur rural economic growth by helping more homebuyers qualify for rural housing assistance. The legislation would modernize the Farm Credit System's housing assistance eligibility requirements to help 38% of the U.S. population—nearly 30 million homebuyers—access rural housing assistance from Farm Credit for the first time. In Vermont, this would mean nearly 97,000 homebuyers, or an additional 15.1% of Vermont's population, would be newly eligible to apply for rural housing assistance.

Specifically, the legislation would update the Farm Credit System by increasing the Rural Home Loan lending authority population limit from 2,500 to 10,000. This change aligns the Farm Credit System's population limits closer to USDA's rural housing program lending eligibility requirements, which permit home loans in certain areas with a population of 20,000 or more.

**Supporting Organizations:** The *FARM Home Loans Act* is supported by the American Farm Bureau Federation; Farm Credit Council; Housing Assistance Council; National Cooperative Business Association (NCBA-CLUSA); National Council of Farmer Cooperatives; and National Farmers Union.