

Farm Bill Goals

REAP

1. Continuation/Increase in \$50 million of mandatory spending
2. Require a zero subsidy in guaranteed program by FY20
3. Change the current environment review from 10 acres to 100 acres
4. Require __% of REAP to be deployed in guaranteed loans (based on the historical evidence)

Business and Industry Loans

1. Require a zero subsidy by FY20
2. Eliminate the Tangible Net Worth calculation as it is meaningless
3. Include leasehold improvements as eligible for a loan and inclusion as collateral depending on circumstances
4. Regionalize loan processing and follow the model set up by the CF program. A suggestion is to have four regional processing centers.
5. Establish a preferred lender program for lenders with good track records, copying the SBA model. Lenders with excellent track records will have automatic authority to approve loans and will be audited by the Agency to assure they are in compliance with the regulations. Should a lender's portfolio deteriorate, where its losses are greater than 5% on Agency loans, their preferred lender status will be revoked.
6. Make all Borrowers pay a 3% guarantee fee up front and 75 basis points per annum.

Community Facilities

1. Require zero subsidy by FY19
 - Contract with private sector to service all direct loans (Servicing Agent).
 - Centralize all CF grants in the servicing administration.
 - Increase budget authority for guaranteed loans from \$3.5MM to \$14MM.
2. Require 50/50 split between direct and guaranteed loans
 - Set aside 50% of CF direct loans for public private partnerships.
3. Permit constructions loans in the Community Facilities Program
 - Allow the issuance of CF guaranteed loans prior to construction for a 1% construction fee.

4. Charge a 1% borrower fee for the direct loan program.
5. Consolidate all RD grant programs into a Rural Infrastructure Grant Program.

Water & Waste Program

1. Require that RUS and General Field Reps (accountants) take over all outreach, loan making and servicing for W&WP. This will free up resources in the field to promote rural community infrastructure and public private partnerships.

FY18 Appropriation Goals

1. FY17 funding of Business and Industry Program
2. Eliminate CHIMP in REAP program

FY19 Goals

1. Lobby both OMB and USDA for
 - a. lower subsidy in FY19 and zero subsidy in FY20
 - b. increased loan authorization to \$2 billion with needed Budget Authority