DEFENSE CREDIT UNION COUNCIL

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Jason Stverak
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September 14, 2026

The Honorable Glenn "GT" Thompson
Chairman
Committee on Agriculture
U.S. House of Representatives
1301 Longworth House Office Building
Washington, DC 20515

The Honorable Angie Craig
Ranking Member
Committee on Agriculture
U.S. House of Representatives
1301 Longworth House Office Building
Washington, DC 20515

Re: "Increasing Demand and Opportunities for Homegrown Products Here and Abroad"—September 16, 2026 Hearing

Dear Chairman Thompson and Ranking Member Craig:

On behalf of the Defense Credit Union Council (DCUC), the voice for defense credit unions and the servicemembers, military families, and veterans they serve, I write regarding the Committee's September 16 hearing, "Increasing Demand and Opportunities for Homegrown Products Here and Abroad." We appreciate your attention to strengthening markets for American agriculture and urge the Committee to recognize access to affordable, responsible financing as an essential component of that effort.

Opening new markets must be matched by the ability of producers and small businesses to serve them. A new customer at home or abroad cannot translate into growth if a farmer cannot finance equipment, a processor cannot expand production, or a small business cannot obtain the working capital necessary to fill an order. Credit unions should be empowered to help close that gap.

These recommendations build on DCUC's previous submissions, including our July 15, 2025 letter concerning rural financing and our August 3, 2026 Farm Bill letter. In those submissions, DCUC emphasized the importance of agricultural credit, targeted relief from member business lending restrictions, support for veteran entrepreneurs, and meaningful credit union participation in rural financing programs. Those priorities directly complement the Committee's objective of expanding opportunities for homegrown products.

Advance the Veterans Member Business Loan Act

DCUC strongly urges members of the Committee to support the bipartisan Veterans Member Business Loan Act, H.R. 507 and S. 110. The legislation would exclude qualifying business loans made to veterans from the statutory definition used to calculate a credit union's member business lending limit. It would expand lending capacity without creating a new federal lending program or eliminating applicable underwriting, capital, examination, or safety-and-soundness requirements.

For federally insured credit unions subject to the limit, aggregate member business lending generally cannot exceed the lesser of 12.25 percent of assets or 1.75 times actual net worth, subject to applicable exclusions and exemptions. Consequently, a credit union can reach a portfolio-wide ceiling even when it has the financial capacity, lending expertise, and willingness to make additional creditworthy business loans.

This is particularly relevant to agriculture. USDA's 2022 Census of Agriculture counted 305,753 producers who had served or were serving in the U.S. military. Fifteen percent of farms had at least one producer with military service, and those farms generated approximately $49 billion in agricultural sales. Supporting veterans' access to agricultural capital is therefore not a peripheral issue; it is directly connected to the strength of American agriculture.

Consider a veteran seeking to expand a family farm, purchase livestock, acquire processing equipment, or launch a specialty food business. The financing decision should turn on the viability of that operation, the borrower's repayment capacity, and prudent risk management—not solely on whether an otherwise capable credit union has reached an aggregate statutory limit.

As DCUC emphasized in our April 28, 2026 letter to the Senate Committee on Small Business and Entrepreneurship, expanding veterans' access to responsible credit should be a bipartisan economic priority. The Veterans Member Business Loan Act offers a targeted way to advance that objective.

We respectfully ask members of this Committee to cosponsor H.R. 507 and work with the House Committee on Financial Services, to which the legislation was referred, to advance it. Agricultural and veterans' advocates should be working together to ensure that those who served our country have a fair opportunity to build businesses that strengthen it.

Strengthen Credit Unions' Ability to Finance Agricultural and Small-Business Growth

Credit unions are already part of America's agricultural lending infrastructure. For example, First Community Credit Union, serving communities in North Dakota and northwestern Minnesota, offers agricultural equipment, livestock, operating, and real estate loans. These are practical financing tools that help producers sustain and expand their operations.

The Committee's discussion should recognize the full range of financing needs associated with increasing demand for American products. Farm operating credit can support production expenses such as seed, feed, fuel, and other inputs, while equipment financing can support investments in productive capacity. USDA's own guaranteed farm loan programs recognize these financing needs.

Growth also requires investment beyond the farm gate. Consider a rural processor that needs a larger facility, a food business that needs refrigerated storage, or a distributor that needs equipment to serve additional customers. For these businesses, expanding domestic sales or reaching an overseas buyer may require financing well before the resulting revenue arrives. A strategy that promotes demand without addressing this need for upfront financing risks leaving smaller enterprises unable to participate.

DCUC therefore urges Congress to consider targeted member business lending relief for qualifying agricultural loans, particularly those supporting small and beginning farmers and ranchers. This builds on our longstanding request that Congress remove unnecessary barriers to responsible agricultural lending. Any relief should preserve sound underwriting, appropriate risk controls, and effective supervision. The objective is not lending without limits; it is ensuring that well-managed credit unions can respond to legitimate agricultural credit needs.

We also encourage the Committee to view agricultural producers and the small businesses supporting them as an interconnected rural economy. A successful farm depends on suppliers, repair businesses, transportation providers, processors, and other local enterprises. Expanding responsible credit availability should help strengthen that entire network—not only the largest operations with the most financing options.

Ensure Meaningful Credit Union Participation in USDA and Rural Financing Programs

Federal agricultural and rural development programs should complement the capacity of qualified community lenders, including credit unions. USDA's Farm Service Agency guaranteed loan programs support eligible farm ownership and operating purposes. Separately, USDA's Business and Industry Guaranteed Loan Program explicitly recognizes credit unions as eligible lenders and can support qualifying rural business expansion, facilities, equipment, and other investments.

The policy objective should be meaningful participation, not eligibility on paper alone. We encourage the Committee to pursue clear lender guidance, practical training, predictable application review, reasonable fees, and reduced duplicative paperwork. Qualified credit unions should be able to use these programs effectively while meeting their underwriting and servicing responsibilities.

Consistent with DCUC's previous Farm Bill recommendations, legislation that establishes rural lending partnerships or participation opportunities should include qualified credit unions alongside other community lenders. Congress should avoid bank-only preferences that unnecessarily overlook credit unions' ability to serve rural borrowers. The governing considerations should be a lender's qualifications, capacity, and service to the community.

We further encourage USDA to connect veteran and beginning-farmer training efforts with defense credit unions and other qualified community lenders. Agricultural training, financial counseling, business planning, and access to responsible capital should reinforce one another. A veteran who completes a training program should have a practical path toward evaluating financing options and building a sustainable operation.

Chairman Thompson and Ranking Member Craig, increasing demand for homegrown products is an important goal. Ensuring that American producers and small businesses can finance the work necessary to meet that demand is equally important. Credit unions should be recognized as partners in that effort.

DCUC respectfully urges the Committee to support the Veterans Member Business Loan Act, champion targeted agricultural lending relief and ensure full and fair participation by qualified credit unions in rural financing initiatives. Together, these steps would help connect market opportunities with the capital needed to pursue them.

Thank you for considering the perspective of defense credit unions and the military, veteran, agricultural, and rural communities they serve. We respectfully request that this letter be included in the hearing record. DCUC welcomes the opportunity to work with the Committee and your colleagues on these priorities. Please contact me at Jason.Stverak@dcuc.org with any questions.

Serving ALL Who Serve,

Jason Stverak
Chief Advocacy Officer
DCUC

Cc: Members of the House Agriculture Committee