

Memorandum

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November 8, 2023

To: Chair, Board of Directors
Chief Executive Officer
Each Farm Credit System Institution

From: Vincent Logan
FCA Board Chairman and CEO

Subject: Encouraging Farm Credit System institutions to strengthen outreach to military veterans for lending and hiring purposes

Saturday is Veterans Day — a day to honor the men and women who put their lives on the line in defense of our nation. As board chairman and CEO of the Farm Credit Administration, I want to take this opportunity to encourage your Farm Credit System (System) institution to reach out to the armed forces veterans in your lending territory. They can be an excellent source not only of new customers but of valuable new employees as well.

We issued an [informational memorandum \(PDF\)](#) on July 20, 2023, inviting you to reflect on your diversity and inclusion activities since passage of the business planning rule 10 years ago. Under our business planning regulation, [12 C.F.R. § 618.8440](#), institutions are required to incorporate diversity and inclusion into their employment and lending strategies and actions.

However, as I noted in the memo I sent earlier this month about outreach to Native American communities, planning is never enough. Veterans deserve our concerted efforts to ensure that they have the same opportunities for both credit and employment as everyone else, and that's why outreach is so important.

Providing the support and access our veterans deserve

Both of my parents served during World War II, and their willingness to stand up for our nation at such a perilous time instilled in me a profound respect for the sacrifices made by all servicemembers. I am certain many of us are connected to a veteran who had a similar impact on our lives.

The System's mission to serve all eligible, creditworthy borrowers gives your institution a chance to support the veteran community by reaching out to ensure that its members know about the credit opportunities for which they may qualify. As an employer, you can further support our veterans by engaging with veteran groups and organizations when you are hiring.

Hiring veterans

From an internal diversity and inclusion perspective, recruiting veterans as part of your human capital plan offers a wealth of benefits. Veterans possess diverse skill sets, a strong work ethic, adaptability, and leadership experience acquired through their military service.

Moreover, veterans often possess problem-solving abilities and a commitment to mission that can support your immediate organizational goals but also drive innovation from within your workforce. Thus, hiring veterans can demonstrate social responsibility while also providing a strategic advantage within your internal operations.

It is vital, however, to create an inclusive environment that recognizes and maximizes the unique strengths veterans bring to the workforce.

Serving veterans

In addition to internal diversity and inclusion efforts, striving to reach all types of creditworthy borrowers from your chartered territory is a requirement, as the System is a government-sponsored enterprise, with firm direction to serve **all** eligible, creditworthy borrowers.

Although you cannot offer programmatic benefits to borrowers exclusively on the basis of their veteran status, many veteran borrowers may qualify as young, beginning, or small (YBS) farmers or ranchers, making them eligible for benefits under your institution's YBS program.

Veterans in rural America

In 2020, there were 18 million veterans in the United States.¹ According to the U.S. Census Bureau, about 5 million veterans lived in areas designated as rural during the 2011 – 2015 period.²

Many veterans are particularly well-suited for agriculture because of the unique skill set they acquired in the military. In addition to the qualities of leadership and adaptability mentioned above, veterans are often adept at following strict protocols and paying close attention to detail — skills that align with the precision required in modern agricultural practices. Furthermore, the commitment to service and community, which veterans exemplify, is consistent with the values inherent in sustainable agriculture, making them good stewards of land and natural resources.

Diversity in the veteran community

The U.S. veteran population, while large, is also a dispersed demographic, composed of individuals from every race, gender, ethnic group, social class, and geographic area throughout the United States.

Moreover, our contemporary veterans (that is, our post-9/11 veterans) differ considerably from earlier generations of veterans in the way they associate and communicate with each other. Post-9/11 veterans are more likely to use online platforms, social media, and digital tools for networking, advocacy, and communication. The post-9/11 veteran community is

¹ <https://www.census.gov/content/dam/Census/library/publications/2020/demo/acs-43.pdf> (PDF)

² <https://www.census.gov/library/publications/2017/acs/acs-36.html>

also generally more diverse than older generations in terms of race, gender, and background.

I encourage you to consider these unique characteristics in your strategies to reach individuals within the veteran community.

Leveraging existing resources to better serve veterans

Veterans face many of the same challenges that young, beginning, and small farmers and ranchers face. The good news is that veteran support is a governmentwide mission, which means there are a variety of programs to provide resources for education, business mentoring, real estate acquisition, and transition assistance. Although these programs are abundant, they are often siloed across multiple agencies, which can make access difficult for individual veterans.

This underscores the importance of hiring individuals — veteran or otherwise — who are familiar with navigating government and nonprofit veteran support programming. The available training programs, financial assistance, and mentorship opportunities can bridge the gap between military service and the agricultural sector. With the right collaborations between your institution and the veteran community in your lending territory, you can provide necessary resources and guidance to prime veterans for success in agriculture.

Concluding thoughts

Veterans are important to America's agricultural industry, and your institution should make every effort to support them through your lending and recruiting practices. Veteran outreach and engagement are consistent with the System's mission as a government-sponsored enterprise and a matter of importance to us at FCA.

System institutions have a special opportunity to connect with a diverse population of borrowers, offer valuable lending and educational opportunities, and attract a diverse talent pool from these communities. To fulfill the mission of serving all of America's farmers and ranchers, forging these important connections with our veterans and the military community can only make the System stronger.