

**House Financial Institutions Committee
Proponent Testimony for House Bill 440
November 17th, 2021**

Good morning Chairman Jordan, Vice Chair Ferguson, Ranking Member Crossman, and members of the committee. My name is Allan Helber Senior Vice President of Kingston National Bank and I am here to give proponent testimony on HB 440.

I have close to 20 years experience in Agricultural Finance and many of those years involved facilitating the Ag Link program for our customers. Our customers are familiar with the program and know it by name. They are well aware that our ability to participate in the program is through our partnership with the State Treasurer's office.

I've had many conversations with our farm customers in regards to the proposed changes to the Ag-Link program. These proposed changes are welcomed and we are hopeful will be in place for 2022. While the Ag economy has improved for some farmers in 2021, we anticipate a strong demand for lines of credit heading into 2022. Input prices have doubled or in some cases tripled. We have also seen equipment and Farm Land increase in price.

Many of our full time farm operations require a line of credit much greater than \$150,000. While this amount of discount is appreciated, many of our operations require a much larger line of credit to support their operation. The ability to offer our customers a discounted fixed rate line of credit would be welcomed at our bank and with the customers who we serve. I've included a few stats regarding Kingston National Bank's involvement in the program.

Kingston National Bank

Ag-Link Stats as of 3rd Quarter 2021

Total Loans

\$313,000,000

Agricultural Loans

\$147,954,839 Principal Balance plus unused available commitment

\$24,838,017 Farm LOC Balance

\$46,084,207 Farm LOC Balance plus unused available commitment

2021 Ag Link participation level

161 Ag Link applications approved

\$18,399,000 Ag Link loan volume

Out of the 161 active Ag link applications, 96 customers would benefit from an increase of the existing cap of \$150,000.

Our customer base is well aware and appreciative of the Ag-Link program and it is an important tool that our bank utilizes in serving our Ag community.

Not uncommon for full time farm operations to have operating lines over \$500,000.

With the proposed changes we would expect the ability to double our involvement (approx. \$40,000,000) in the program in 2022

Chairman Jordan and members of the committee, thank you again for allowing me to testify in support of this legislation. I would be happy to answer any questions at this time.

Allan Helber

Senior Vice President

Office: 740-642-2191

Cell: 740-497-8649

Email: a.helber@kingstonnationalbank.com

