

Statement
Jill Long Thompson, Board Chair
Farm Credit Administration Board Meeting
March 13, 2014

I thank Debbie Wilson and Laura McFarland, as well as the Offices of Regulatory Policy and General Counsel, for their hard and expeditious work on this interim final rule. I also commend my colleague Lee Strom for taking on this issue several years ago when it was learned the Board of one of the institutions in the System had approved a compensation package whose total cost it did not fully comprehend.

The compensation rule we adopted in 2012 has merit and I was proud to support it. But, I completely respect the authorities of the United States Congress. And they have spoken. Title VI of the 2014 Appropriations Act prohibits FCA from using funds to implement or enforce this requirement. And the Farm Bill states very clearly that the oversight of compensation practices is the responsibility of the boards of directors, exclusive of but accountable to their shareholders. This interim final rule will make our regulation compliant with current law.

I am also pleased our action today will preserve the enhanced transparency of compensation disclosures, as well as the enhanced responsibilities of the compensation committee of the boards of directors.