



# FARMERS & DROVERS BANK

**Date:** January 21, 2020

**To:** Senate Committee on Financial Institutions and Insurance

**From:** Julie Hower, President, CEO and Chairman  
Farmers and Drovers Bank, Council Grove

**Re:** Support for Senate Bill 259  
Preserving Local Access to Credit for Kansans

**Dear Chairman Olson and Members of the Committee:**

My name is Julie Hower and I am appearing on behalf of Farmers and Drovers Bank in Council Grove. Thank you for the opportunity to testify today in support of SB 259.

Farmers and Drovers Bank is a \$180,000,000 community bank located in the heart of the Flint Hills. The Bank has locations in Council Grove as well as Alta Vista, and was founded in 1882 making it one of the oldest family-owned banks in Kansas.

As a bank, we have made a decision to invest heavily in our communities. Our 28 employees live in and are part of these communities and they volunteer for local events, provide leadership in community organizations, act as mentors for local youth and are active participants in local government. Our shareholders are Kansans - our neighbors as well as being local businessmen and businesswomen.

We believe that the passage of SB 259 is critical to the accomplishment of these objectives:

1. Revitalize rural communities;
2. Benefit borrowers; and
3. Sustain local access to credit.

The key to real rural revitalization is to help keep local access to credit. Tax inequity is not the only reason many communities in my area are losing bank locations, but it definitely is a contributing factor. Kansans need legislative efforts like this bill to encourage banks to stay in communities across the state.

As a community banker, I have seen the effect that the loss of a bank in a community has on the ability of people in that community to access credit. Without a local bank, other businesses in the community suffer, and folks either have to travel to another community for banking services or they seek loans via internet lenders.

Why should my business and agricultural customers be disadvantaged by choosing to borrow from their local bank instead of one of the tax advantaged lenders operating in the area but without bricks and mortar and local leadership contributing to keep these communities alive and vibrant?

Thank you for your time in considering this very important issue for Kansas, and when you take action on SB 259, I urge you to act favorably on its passage.