November 25, 2014

Alfred M. Pollard, General Counsel

Attention: Comments/RIN 2590-AA39

Federal Housing Finance Agency

400 Seventh Street SW, Eighth Floor

Washington, D.C. 20024

Re: Notice of Proposed Rulemaking and Request for Comments – Members of Federal Home Loan Banks (RIN 2590-AA39)

Mr. Pollard:

Thank you for the opportunity to respond to the Federal Housing Finance Agency (FHFA) notice of proposed rulemaking regarding revised membership regulations. There are concerns that I would like to address.

The FHLBank System has been in existence since 1932 and the amendments that have been made have increased the scope of member eligibility since that time to accommodate financial institutions that did not exist at the beginning. At no time have there been changes that restrict a type of financial institution. This proposal now excludes Captive insurance companies. All insurance companies are regulated to insure that they remain solvent and viable to protect the consumer. Captive Insurance companies are no exception. There is consistent oversight as required of financial institutions.

It is not appropriate to change the definition of an insurance company which is defined under state statute. Nor is it appropriate to change the definition that is under the congressional control.

The system has worked well for 82 years and there is no compelling reason to change the existing structure. The system does not appear to be broken so there is no need for correction. The changes proposed may cause more difficulties than fixes that are anticipated.

I request that the proposed changes be left to the congress to adjust if they feel it necessary.

Sincerely,

David J Snowball

Captive Director

Utah Insurance Department

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