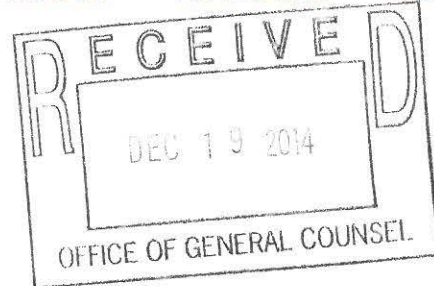


December 15, 2014

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA39
Federal Housing Finance Agency
400 Seventh Street SW, Eighth Floor
Washington, DC 20024



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

Dear Mr. Pollard:

Thank you for the opportunity to submit comments on the notice of proposed rulemaking (“NPR”) in which the Federal Housing Finance Agency has expressed its desire to revise its regulations governing Federal Home Loan Bank (“FHLB”) membership. The New Jersey Bankers Association (“NJBankers”) is the trade association representing the interests of banks in the state, most of which are members of the Federal Home Loan Bank of New York. We believe that this proposal threatens both the strength and the value of the partnership between the Federal Home Loan Banks and their members.

The true value of Federal Home Loan Bank membership is reliability – its members know that they will always have access to funding so long as they have eligible assets to back their borrowings. The Federal Home Loan Bank of New York was a critical source of liquidity for New Jersey institutions during the recent financial crisis and remains so today as the economy continues to slowly recover. These community lenders need access to the global markets through the FHLB System to access funding that is needed by their communities.

The NPR, in creating ongoing requirements for a financial institution to remain a member of a Federal Home Loan Bank, introduces an element of uncertainty into this reliability, thereby diminishing the value of Federal Home Loan Bank membership. Further, this proposed rule would reduce liquidity, tighten credit and reduce available private sector funding for affordable housing and community development.

At the end of the third quarter of 2014, the Federal Home Loan Bank of New York had \$99.5 billion in outstanding advances its members. Just as New Jersey communities rely on our member institutions to meet their needs, our members rely on the Federal Home Loan Bank of New York to be there when needed.

Accordingly, NJBankers respectfully requests that the NPR be withdrawn, or, at the very least, that subsequent membership asset holding tests be eliminated from the rule.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. McWeeney, Jr.", with a long, sweeping horizontal stroke extending to the right.

John E. McWeeney, Jr.
President & CEO