

June 6, 2018

Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
400 Seventh Street S.W.
Washington, D.C. 20219
Attention: Comments/RIN 2590-AA83

Re: Notice of Proposed Rulemaking – Affordable Housing Program

Dear Mr. Pollard:

On behalf of the 43 community banks that are members of the South Carolina Bankers Association and the Federal Home Bank of Atlanta, I am writing to express our concerns about the Federal Housing Finance Agency's (FHFA) notice of proposed rulemaking amending FHFA's regulation on the Federal Home Loan Banks' (FHLBanks) Affordable Housing Program (AHP).

Our concerns focus on the outcomes framework proposed as this new outcomes framework introduces a complex award structure that could result in AHP becoming a less attractive funding resource. Since the proposed rule requires a significant percentage of AHP funds to be awarded to certain types of projects and sponsors, the risk is that the outcomes framework will become the only scoring method for an FHLBank. If this occurs then the program would be an inflexible, national program that would leave little room for individual FHLBanks to address the particular needs of their local communities.

Flexibility and the ability for an FHLBank to tailor its AHP funds to the specific needs of its district are critical to the success of the AHP program and to the community it serves. Presently, AHP rules allow FHLBanks to quickly and efficiently respond to local needs, encourage all project types to apply for AHP funding, and maintain program transparency. For these reasons, we urge the FHFA to continue this flexible and tailored approach for AHP within the context of the entire proposed rule.

SCBA commends FHFA for working to update the AHP regulation. However, in light of the concerns above, we respectfully ask that you reconsider the proposed rule, especially the required outcomes framework.

Sincerely,



Fred L. Green III
President and CEO