



VIA E-MAIL TO: [comments@fhfb.gov](mailto:comments@fhfb.gov)

July 13, 2006

Ronald A. Rosenfeld, Chairman  
Federal Housing Finance Board  
1625 Eye Street, NW  
Washington, DC 20006

RE: Federal Housing Finance Board Proposed Rule: Excess Stock  
Restrictions and Retained Earnings Requirement for the  
Federal Home Loan Banks.  
RIN Number 3069-AB30. Docket No. 2006-03

Dear Chairman Rosenfeld:

The Ohio Credit Union League, the trade association for credit unions in Ohio, including 56 credit unions who are members of the Federal Home Loan Bank, appreciate the opportunity to comment on the proposed rule from the Federal Housing Finance Board (FHFB). This proposal would require a minimum level of retained earnings and restrict the amount of excess stock that a Federal Home Loan Bank (FHLB) can accumulate, thereby changing the capital structure of the FHLB.

It is the Ohio Credit Union League's (League) understanding that the intent of this proposed rule is to enhance the safety and soundness of the FHLBs. While the League supports the efforts of the FHFB to enhance the safety and soundness of the FHLB, the League is concerned that the changes proposed to the FHLBs are so far reaching that the FHLBs and their programs could be significantly affected. More importantly, the affect on the members of the FHLBs and their members' customers could also be negatively affected.

Therefore, the League respectfully requests that the FHFB withdraw the proposed rule for further consideration, input, and review. The League suggests that all interested parties, including credit unions, be included in the process of gathering information and viewpoints of each affected member or their representatives. One suggestion would be for the FHFB to sponsor meetings geographically with the interested parties prior to any further proposed rulemaking in order to solicit input from those who use the FHLB. By doing so, the League believes that the parties will benefit by maintaining the FHLB system as a viable source of funding for the FHLB members and those whom they serve. The League would be more than willing to participate in these meetings if so requested.

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If you have any questions, comments or if I can be of additional assistance, please do not hesitate to contact me at (614) 336-2894 or (800) 486-2917.

Sincerely,

A handwritten signature in cursive script that reads "John F. Kozlowski".

John F. Kozlowski  
General Counsel

Cc: Paul Mercer  
Douglas Fecher  
Phil Buell  
Gerald Guy  
Jeff Bloch