

November 26, 2008

Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 Seventeenth Street, N.W.
Washington, D.C. 20429
RE: FDIC RIN# 3074-AD34 Treatment of Certain Claims On, or Guaranteed By,
Fannie Mae and Freddie Mac

Office of the Comptroller of the Currency
250 E. Street S.W., Mail Stop 1-5
Washington, D.C. 20219
RE: Docket No. OCC-2008-0016
Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551
RE: Docket No. R-1335

Regulations Comments, Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, N.W.
Washington, D.C. 20552
Attention: OTS-2008-0014

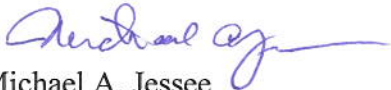
I write to comment on the federal banking agencies' proposed rule that would lower the risk weighting that banks assign to Fannie Mae and Freddie Mac debt from 20 percent to 10 percent. I urge you to extend the same treatment to debt issued by the Federal Home Loan Banks (FHLBanks).

The federal government has been consistent in its support of the FHLBanks and the role they have played serving as a source of liquidity to communities during the current financial crisis. The Department of the Treasury and the Federal Reserve have treated the FHLBanks and Fannie Mae and Freddie Mac with parity as they have worked to address the crisis, most recently when the Federal Reserve announced it would buy the direct obligations of the housing-related government-sponsored enterprises (GSEs).

Not including FHLBank debt in the proposal to lower capital risk weights for Fannie and Freddie suggests the FHLBanks do not have the same degree of government support as do Fannie and Freddie. As a result, investors would likely demand higher yields, increasing the cost of funding for communities banks utilizing advances. The unintended consequence of the proposed rule would be to raise the cost of credit at the very time the government is looking enhance the flow of credit and stabilize the economy of communities throughout the nation.

I strongly encourage the federal banking agencies to treat the debt securities of the housing GSEs in a comparable manner in the risk-based capital rules. Such action would be consistent with other federal initiatives and would ensure the FHLBanks can continue their mission of serving as a steady and reliable source of affordable funding for community banks.

Sincerely,



Michael A. Jessee
President and Chief Executive Officer