



No.: 2000-44
Date: November 30, 2000

FEDERAL HOUSING FINANCE BOARD

Authority of the Office of Finance to Reopen Debt

WHEREAS, pursuant to section 11(c) of the Federal Home Loan Bank (Bank) Act, 12 U.S.C. § 1431(c), the Federal Housing Finance Board (Finance Board), since 1989, has issued consolidated obligations (COs) through the Office of Finance; and

WHEREAS, to facilitate such debt issuance, the Finance Board has adopted periodic delegations to the Office of Finance, most recently in Resolution No. 2000-11 (Feb. 23, 2000), as modified by Resolution No. 2000-27 (June 2, 2000), specifying the terms and conditions under which the Office of Finance may issue debt on behalf of the Finance Board; and

WHEREAS, these periodic delegations to the Office of Finance have allowed the Office of Finance to reopen debt issuances, and the Office of Finance has found it convenient and economical to reopen debt issuances from time to time; and

WHEREAS, the Finance Board has issued a large portion of its fixed-rate, non-callable COs through a program known as TAPS; and

WHEREAS, pursuant to section 985.2(b)(1) of the Finance Board's regulations, 12 C.F.R. § 985.2(b)(1), the Banks have been authorized to issue joint debt - also called COs - under section 11(a) of the Bank Act, 12 U.S.C. § 1431(a), through the Office of Finance; and

WHEREAS, the current delegation from the Finance Board to the Office of Finance to issue COs on behalf of the Finance Board will expire on December 31, 2000, after which time all COs are anticipated to be issued by the Banks, and, without specific authorization, the Office of Finance would no longer be able to issue COs on behalf of the Finance Board; and

WHEREAS, because of the nature of the securities issued by the Finance Board under the TAPS program, the Finance Board wishes to continue to be able to reopen these, or any other COs, as necessary, pursuant to section 985.2(b)(2) of the Finance Board's regulations and section 11(c) of the Bank Act;

NOW, THEREFORE, IT IS RESOLVED that the Office of Finance may reopen any COs issued on behalf of the Finance Board pursuant to section 11(c) of the Bank Act and section 985.2(b)(2) of the regulations, or any predecessor provisions.

By the Board of Directors
of the Federal Housing Finance Board

/s/ William C. Apgar

William C. Apgar
HUD Secretary's Designee to the Board