



No.: **1999-32**
Date: **May 27, 1999**

FEDERAL HOUSING FINANCE BOARD

Rescission of Federal Home Loan Bank Board Policies Concerning Federal Home Loan Bank
Membership Dues and Federal Home Loan Bank Employee Travel

WHEREAS, section 12(a) of the Federal Home Loan Bank Act (Bank Act) (12 U.S.C. § 1432(a)) authorizes the Federal Home Loan Banks (FHLBanks) to exercise powers that are customary and usual in corporations generally and further provides that all the powers granted to the FHLBanks by law may be exercised and enjoyed subject to the approval of the Federal Housing Finance Board (Finance Board);

WHEREAS, the Finance Board believes that, consistent with the safe and sound operation of the FHLBanks and to the extent permissible under the Bank Act, management and governance responsibilities should reside with the boards of directors and the management of the FHLBanks (*See, e.g.*, Report on the Structure and Role of the Bank System (Apr. 28, 1993)); and

WHEREAS, the two policies adopted by the Board of Directors of the Finance Board's predecessor agency, the former Federal Home Loan Bank Board (FHLBB), which concern payment of FHLBank membership dues and the establishment of FHLBank employee travel policies should not raise any safety and soundness concerns if rescinded, do not require specific approval by the Finance Board under the Bank Act or Finance Board regulations, and are the type of management and governance responsibilities over which corporations generally exercise authority;

NOW, THEREFORE IT IS RESOLVED that the FHLBB Policy Guideline Statement dated September 19, 1983, which concerns payment of FHLBank membership dues, and FHLBB Resolution Number 84-390 dated July 25, 1984, which concerns the establishment of FHLBank travel policies for officers and employees, are hereby rescinded.

By the Board of Directors of the
Federal Housing Finance Board

/s/ Bruce A. Morrison

Bruce A. Morrison
Chairman