

No. 98-40

Date: September 14, 1998

FEDERAL HOUSING FINANCE BOARD

Waiver of the Three-Year Term Requirement for Ten Advisory Council Members of the Federal Home Loan Bank of New York

WHEREAS, section 10(j) of the Federal Home Loan Bank Act (Bank Act) requires each Federal Home Loan Bank (FHLBank) to establish an Affordable Housing Program (AHP), see 12 U.S.C. § 1430(j);

WHEREAS, section 10(j)(11) of the Bank Act requires each FHLBank to appoint an Advisory Council of seven to fifteen persons for the purpose of advising the FHLBank on low-and moderate-income housing programs and needs in the district and on the utilization of advances for these purposes, see id. § 1430(j)(11);

WHEREAS, prior to 1998 the Federal Housing Finance Board's (Finance Board) AHP regulation required Advisory Council members to serve staggered terms of two years each. see 12 C.F.R. § 960.14(f)(amended);

WHEREAS, effective January 1, 1998, the Finance Board amended the provisions of its existing AHP regulation governing the terms of Advisory Council members, see 62 Fed. Reg. 41812, 41831 (August 4, 1997) (to be codified at 12 C.F.R. § 960.4(d));

WHEREAS, section 960.4 of the revised AHP regulation requires a FHLBank's board of directors to appoint an Advisory Council of seven to fifteen persons who will serve for no more than three consecutive terms of three years each, with such terms being staggered to provide continuity in experience and service to the Advisory Council, see 12 C.F.R. § 960.4(a), (d);

WHEREAS, on December 31, 1997, the terms expired for each of the fifteen members of the FHLBank of New York Advisory Council;

WHEREAS, compliance with the requirement in the revised AHP regulation that Advisory Council members be appointed for three-year terms would result in the lack of staggering to provide continuity in experience and service to the Advisory Council;

WHEREAS, in order to achieve a staggering of terms, the FHLBank-New York has requested a waiver of the three-year term requirement in order to appoint five new members to initial four year terms and five new members to initial five year terms;

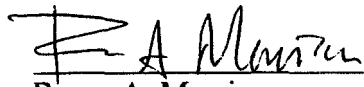
WHEREAS, §902.6 of the Finance Board's regulations provides that the Finance Board reserves the right, in its discretion and in connection with a particular transaction, to waive any provision, restriction, or requirement of its regulations, or any required submission of information, not otherwise required by law, if such waiver is not inconsistent with the law and does not adversely affect any substantial existing rights, upon a determination by the Finance Board that application of the provision, restriction, or requirement would adversely affect the purposes of the Bank Act, or upon a showing of good cause, see id. §902.6;

WHEREAS, the three-year term requirement for Advisory Council members is a regulatory requirement established by the Finance Board but not specifically required by the Bank Act or other law; and

WHEREAS, waiver of the three-year term requirement in §960.4(d) of the AHP regulation as described above is not otherwise inconsistent with law and would not adversely affect substantial existing rights of any party.

NOW, THEREFORE, IT IS RESOLVED, the Finance Board, for good cause shown, hereby waives the three-year term requirement in § 960.4(d) of the AHP regulation, as described above.

By the Board of Directors of the
Federal Housing Finance Board



Bruce A. Morrison
Chairman