



OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

NEWS RELEASE

For Immediate Release
Friday, March 10, 2000

Contact: Stefanie Mullin
202.414.6921
www.ofheo.gov

OFHEO CLOSES COMMENT PERIOD ON RISK-BASED CAPITAL REGULATION

WASHINGTON, D.C. – **Armando Falcon, Jr.**, Director of the Office of Federal Housing Enterprise Oversight (OFHEO) today announced the closing of the comment period for OFHEO's risk-based capital regulation. OFHEO is an independent office within the Department of Housing and Urban Development (HUD) responsible for monitoring the safety and soundness of Fannie Mae and Freddie Mac.

"We look forward to reviewing comments with an open mind. It is my top priority to implement a strong, state-of-the-art, risk-based capital regulation," Falcon said.

"In order to provide an opportunity for interested parties to comment on the views of other interested parties, we will allow a 30-day reply comment period," Falcon said.

The OFHEO notice, which appears in today's *Federal Register*, provides guidelines for those who wish to review comments submitted to OFHEO. "Reply comments only respond to submitted comments and do not repeat initial comments at length." The replies are due on or before Friday, April 14, 2000.

OFHEO will make all comments on the second Notice of Proposed Rulemaking submitted by March 10, 2000 available for viewing at its offices. Comments submitted in electronic form will be posted on the OFHEO web site on Monday, March 20, 2000. **The web address is www.ofheo.gov.** Please direct all media inquiries to Stefanie Mullin at 202.414.6921. All other inquiries should be directed to Kathleen McLees at 202.414.3751.

Following is a copy of the text appearing in the Friday, March 10 edition of the *Federal Register*:

(more)

1700 G STREET N.W., WASHINGTON, D.C. 202.414.6922 FAX 202.414.3823

SUMMARY: On April 13, 1999, the Office of Federal Housing Enterprise Oversight (OFHEO) published a notice of proposed rulemaking (NPR) entitled ``Risk-Based Capital'' in the *Federal Register* (64 FR 18083). That notice, known as NPR 2, is the second such proposal related to the development of a regulation to establish risk-based capital standards for the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae). NPR2 sets forth the specifications for the risk-based capital stress test, completing OFHEO's risk-based capital proposal. OFHEO has requested electronic copies of the comments on NPR2 and will post all NPR2 comments on our web site, www.ofheo.gov, as soon as practicable.

In today's notice, OFHEO is soliciting reply comments in response to comments addressing the proposed rule that were submitted by the March 10, 2000 deadline. OFHEO requests that such reply comments only respond to the submitted comments, and not repeat the initial comments at length. This decision to solicit reply comments will ensure that all interested parties have ample opportunity to participate in the rulemaking process by providing meaningful comment on the various technical and policy issues involved in the development of the risk-based capital regulation.

DATES: Reply comments are due on or before April 14, 2000.

ADDRESSES: Send written comments to Alfred M. Pollard, General Counsel, Office of General Counsel, Office of Federal Housing Enterprise Oversight, 1700 G Street, N.W., Fourth Floor, Washington, DC 20552. Written comments may also be sent by electronic mail to RegComments@OFHEO.gov.

FOR FURTHER INFORMATION CONTACT: Patrick J. Lawler, Associate Director of Policy Analysis and Research; Eric Bruskin, Deputy Associate Director of Risk Analysis and Model Development; or David A. Felt, Associate General Counsel, Office of Federal Housing Enterprise Oversight, 1700 G Street, NW., Fourth Floor, Washington, DC 20552, telephone (202) 414-3800 (not a toll-free number). The telephone number for the Telecommunications Device for the Deaf is (800) 877-8339.

###