

March 24, 2011

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA39
Federal Housing Finance Agency – Fourth Floor
1700 G Street, NW
Washington, D.C. 20552

Re: Advance Notice of Proposed Rulemaking (ANPR) and Request for Comments – Members of Federal Home Loan Banks (RIN 2590-AA39)

Dear Mr. Pollard:

Per the request for comments concerning insurance companies which are members of Federal Home Loan Banks, I am in favor of leaving requirements for membership in the successful Federal Home Loan Bank System as it is and has been since 1932 when the Federal Home Loan Bank Act was enacted by Congress. At no time since then has Congress restricted insurance company membership, and there is no benefit for doing so now.

This is the time to let the FHLB System with all of its members continue to prove its value and move forward doing what they do best as a reliable funding partner that provides access to liquidity and serves the housing and community development needs of their respective districts.

I first learned about the Federal Home Loan Bank System 11 years ago from Wells Fargo Bank executives when I was an active volunteer/board member of Mary Lee Foundation (MLF) in Austin, Texas. MLF provides programs, services and housing for adults with mental retardation, traumatic brain injury and other disabilities. Persons living at MLF typically live on disability payments that are often around \$500 per month and must cover all living costs. The FHLB Affordable Housing Program provided the very first major affordable housing grant that MLF ever received which in itself spurred the full revitalization of a supportive neighborhood for persons with disabilities/very low income. FHLB Dallas continues to support this important and one-of-a-kind model.

Since that first introduction to the FHLB, I have served as Director of Development for MLF and turned to FHLB for an AHP grant to help fund a fully accessible 64-unit apartment building for very low income persons. Today, that building is filled with grateful tenants.

Presently, I work for a state association on behalf of insurance agents who obviously work for/with insurance companies. Insurance companies provide products and services to businesses and individuals that no one can live without in today's world. Obviously, their value was recognized when the Federal Home Loan Bank System was first enacted by Congress. Any request for changes to FHLB's membership or mission should first come from Congress.

I urge that the FHFA withdraw the membership ANPR.

Thank you for the opportunity to comment.

Sincerely,



Nancy Cates

Former Director of Development / Present Board of Directors member of Mary Lee Foundation
Director of Government Relations for insurance agents
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