



## CBAI Urges Caution in FHFA's Review of FHLBank Membership

In a June 23, 2020, response to a Request for Information (RFI) by the Federal Housing Finance Agency (FHFA), the Community Bankers Association of Illinois (CBAI) urged caution by the FHFA in its review of membership eligibility in Federal Home Loan Banks (FHLBanks). CBAI stressed the regional structure, special functions and unique purpose of the FHLBanks are important to the nation, and must be recognized, supported and maintained by policymakers.

CBAI recommended the FHFA not unilaterally exclude any class from FHLBank membership, and not again propose an ongoing mortgage asset test for bank membership. Further, Congress should dictate major membership decisions. Additionally, the FHFA should maintain a reasonable degree of flexibility in developing a set of principles and requirements of general applicability for membership, while maintaining the rigorous safety and soundness standards and the housing and community development mission focus that has served the FHLBSystem and its members well for many decades.

[Read CBAI Comment Letter to the FHFA »](#)

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