



# NEWS

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## Federal Housing Finance Board Adopts A Process For Appointing Public Interest Directors

The Board of Directors of the Federal Housing Finance Board (Finance Board) today unanimously adopted an [interim final rule](#) establishing procedures for the selection of appointed directors to the boards of the Federal Home Loan Banks (Banks). The Finance Board is authorized to appoint public interest directors to the Banks' boards and has determined that these procedures will enhance its ability to appoint well-qualified individuals.

Pursuant to the rule, the Banks are responsible for identifying potential directors, conducting a preliminary assessment of their eligibility and qualifications, and sending a list of nominees to the Finance Board for its consideration. The nominations must be accompanied by a completed eligibility form, which demonstrates the qualifications of each nominee to serve on the board of a Bank. The Finance Board will review each nomination and decide whether to appoint the nominee. If the Finance Board declines to appoint any of the nominees, it will require the Bank to submit additional nominees for its consideration.

Finance Board Chairman Ronald Rosenfeld stated, "Beyond the community interest directors whose qualifications are determined by statute, the public interest directors that the Finance Board appoints should be persons who have the background and experience appropriate to providing guidance to an entity as large and complex as a Federal Home Loan Bank. The process of initially identifying such persons and ascertaining their willingness to serve is best executed by each individual Bank."

The interim final rule will become effective on the date of publication in the Federal Register. However, the Finance Board will accept comments on the interim rule for 30 days after publication. Those comments will be considered in promulgating a final rule.

*The Federal Housing Finance Board is an independent agency in the executive branch that oversees the safety, soundness, and mission of the 12 regional Federal Home Loan Banks. The Banks are government-sponsored enterprises created in 1932 to provide low-cost funding for housing finance. They have more than 8,100 financial institutions as members, including commercial banks, savings and loans, insurance companies and federally insured credit unions. More information can be found at <http://www.FHFB.gov>*

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