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November 17, 2021

Mr. Kevin Kramp,
Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

RE: Farm Credit Administration's (FCA) Advanced Notice of Proposed Rulemaking: Bank Liquidity Reserve - RIN 3052-AD44/Federal Register Vol. 86, No. 123 (June 30, 2021)

Dear Mr. Kramp:

CoBank, ACB (CoBank) appreciates the opportunity to comment on the Farm Credit Administration's (FCA or Agency) Advance Notice of Proposed Rulemaking (ANPRM) published in the June 30, 2021 Federal Register addressing the Bank Liquidity Reserve regulations. CoBank is appreciative of the opportunity to comment on this regulatory framework prior to the Agency developing a proposal to amend these rules.

CoBank supports maintaining FCA's existing regulatory framework for the Bank Liquidity Reserve. The regulatory framework is comprehensive, working as intended, and effectively supports the safety and soundness of the System Banks. The framework incorporates the liquidity coverage principles of Basel III as appropriate to the System and provides the System banks with the appropriate capacity and flexibility to withstand market disruptions through prudent liquidity management.

Accordingly, CoBank fully supports the comments made by the Farm Credit Council and the Farm Credit System's Treasurers' Workgroup on behalf of the Farm Credit System. Their comment letter recommends maintaining the existing regulatory framework. We believe that the existing framework provides a consistent approach with that taken by the regulators of other non-depository financial institutions, and in particular, the other Government Sponsored Enterprises.

We thank you for the opportunity to comment and hope that the comments submitted by the Farm Credit Council on behalf of the Farm Credit System, will assist the Agency. If you have any questions, please contact Kiran Kini, Treasurer, at (703) 851-3318 or kkini@cobank.com, or Barry Mardock, SVP of Regulatory Affairs, at (571) 420-3920 or bmardock@cobank.com.

Sincerely,

David P. Burlage
Chief Financial Officer