



One Astoria Federal Plaza, Lake Success, NY 11042-1085 (516) 327-3000

October 1, 2004

Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609

Re: File No. S7-32-04 - Proposed Rule: Temporary Postponement of the Final Phase-In Period for Acceleration of Periodic Report Filing Dates

Dear Mr. Katz:

Astoria Financial Corporation ("Astoria") appreciates the opportunity to comment on the Securities and Exchange Commission's (the "Commission") Proposed Rule: Temporary Postponement of the Final Phase-In Period for Acceleration of Periodic Report Filing Dates ("The Proposal"). Astoria Financial Corporation is a unitary savings and loan holding company for Astoria Federal Savings and Loan Association. We are a publicly traded thrift institution with assets of approximately \$23 billion and operate 86 banking offices in the State of New York.

We fully support the Commission's proposal for a one year postponement of the final phase-in of the accelerated filing deadlines to allow accelerated filers and their auditors to focus on compliance with the internal control reporting requirements of Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404"). The following comments address the specific questions detailed in The Proposal:

*Is it appropriate to postpone the final phase-in period of the accelerated filing deadlines? If so, is the length of the proposed postponement appropriate, or should it be shorter or longer?*

We feel that the one year postponement of the final phase-in of the accelerated filing deadlines is appropriate. We agree with the Commission that accelerated filers and their auditors should focus their efforts on complying with the internal control reporting requirements of Section 404. Many registrants, as well as their auditors, significantly underestimated the time and cost required to comply with Section 404 requirements. Eliminating the additional burden of complying with an accelerated filing deadline, which presents many challenges in and of itself as evidenced by the comments received in response to the Commission's 2002 proposal to accelerate periodic report filing dates, would allow registrants and their auditors to focus all of their efforts and resources to completely and carefully implement the internal control requirements mandated by Section 404 to improve the accuracy and reliability of financial reporting.

*Would a postponed phase-in period benefit investors by helping to ensure the quality and accuracy of the information included by companies in their periodic reports? Would it disadvantage investors in any significant respect?*

As previously discussed, the postponement of the final phase-in of the accelerated filing deadlines will allow companies to focus their efforts and resources on their internal control assessments and reporting which will improve the accuracy and reliability of financial reports, thereby benefiting investors. We do not feel the postponement of the final phase-in of the accelerated filing deadlines would disadvantage investors in any significant respect because they would still be receiving periodic reports within the same time frame in 2005 as they had in 2004.

*Should we postpone the final phase-in of the accelerated filing deadlines for both annual and quarterly reports or only for annual reports given that management's internal control report must appear only in the annual report? Does the required disclosure about material changes to a company's internal control over financial reporting that must appear in the quarterly report warrant a postponement of the accelerated filing deadlines for quarterly reports?*

We feel that the postponement of the final phase-in of the accelerated filing deadlines should apply to both the quarterly and annual reports. The quarterly disclosure requirements regarding material changes to a company's internal control over financial reporting require companies to perform a thorough analysis of the impact of changes in internal controls and required disclosures. Additionally, as a result of the focus on Section 404 compliance, companies may not have had sufficient resources to focus on enhancing the quarterly reporting process to accommodate further acceleration of the quarterly filing deadlines. Keeping the quarterly filing deadline at 40 days for 2005 would enable companies to complete a thorough quarterly evaluation of changes in internal controls as well as provide additional time to streamline the quarter end reporting process to prepare for further acceleration of the filing deadlines.

*Should we provide for an extension of the filing deadlines only for accelerated filers that request an extension, for example, by providing for an extension upon the filing of a form 12b-25 under the Exchange Act? Should we only provide an extension of the filing deadlines only to certain companies such as those that demonstrate a need for the extension? If so, what would be the best method for companies to communicate their request for an extension?*

We believe that the one year postponement of the final phase-in of the accelerated filing deadlines should be available to all accelerated filers without having to request an extension by filing form 12b-25. We feel that many accelerated filers would request an extension, thereby creating an additional administrative burden for both the registrant and the Commission. In addition, the postponement of the accelerated filing deadline for all accelerated filers would not preclude a registrant from filing prior to the due date.

We appreciate the opportunity to express our views on The Proposal. If you have any questions regarding our response or would like to discuss our views further, please call me at (516) 327-7754.

Sincerely,

Katherine A. O'Brien  
First Vice President and Director of Financial Reporting

cc: Monte N. Redman – Executive Vice President and Chief Financial Officer