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CORKER APPLAUDS SENATE BANKING COMMITTEE PASSAGE OF HOUSING FINANCE REFORM BILL

"I am extremely proud the banking committee took a significant step toward building a modern and more efficient housing finance system..."

U.S. Senator Bob Corker (R-Tenn.), a member of the Senate Banking Committee, today commended the committee's passage of the Housing Finance Reform and Taxpayer Protection Act (S.1217) and called on the Senate Majority Leader to schedule a floor vote on the bill this Congress. The bill passed the committee in a 13-9 bipartisan vote.

"After more than a year of discussions and a dozen hearings, I am extremely proud the banking committee took a significant step toward building a modern and more efficient housing finance system that provides access to creditworthy borrowers while protecting taxpayers from writing massive checks in the heat of a future financial crisis," said Corker. "This bill serves as a model of how we can tackle the major challenges in our economy and should become the framework for how our housing finance system will ultimately look."

"I hope the Senate Majority Leader recognizes this tremendous opportunity to address the unfinished business of the 2008 financial crisis and schedules a floor vote on this important, bipartisan bill," added Corker. "The Senate should not let this moment pass by, allowing the status quo of private gains and public losses to continue."

In June 2013, Corker and Senator Mark Warner (D-Va.) [introduced](#) S.1217, which gained the support of 10 Senate cosponsors, to strengthen America's housing finance system by replacing government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac with a privately capitalized system that preserves market liquidity and protects taxpayers from future economic downturns.

In 2008, Fannie Mae and Freddie Mac were taken into government conservatorship and given a \$188 billion capital injection from taxpayers to stay afloat. As a result of this bailout, the private market has almost completely disappeared, and so nearly every loan made in America today comes with a full government guarantee. Despite this unsustainable situation, there still has been no real reform to our housing finance system since the financial crisis.

In addition to Corker and Warner, Chairman Tim Johnson (D-S.D.), Ranking Member Mike Crapo (R-Idaho), Senators Tom Coburn (R-Okla.), Mike Johanns (R-Neb.), Jon Tester (D-Mont.), Dean Heller (R-Nev.), Heidi Heitkamp (D-N.D.), Jerry Moran (R-Kan.), Kay Hagan (D-N.C.), Mark Kirk (R-Ill.), and Joe Manchin (D-W.V.), voted in favor of passing S. 1217 out of the Senate Banking Committee.

Click [here](#) to watch Senator Corker's opening statement at the Senate Banking Committee's markup on housing finance reform.

Permalink: <http://www.corker.senate.gov/public/index.cfm/2014/5/corker-applauds-senate-banking-committee-passage-of-housing-finance-reform-bill>



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