Crato Statement on Administration Housing Reform Plans

WASHINGTON – U.S. Senator Mike Crapo (R-Idaho), Chairman of the U.S. Senate Committee on Banking, Housing and Urban Affairs, issued the following statement on the housing reform reports issued today by the Administration:

“Earlier this year, I released a housing finance reform outline that would fix our flawed housing finance system by establishing stronger levels of taxpayer protection, preserving the 30-year fixed rate mortgage, increasing competition among mortgage guarantors and promoting access to affordable housing. The Treasury Department’s report makes many legislative recommendations that are consistent with my outline by attracting private capital back into the market, protecting taxpayers against bailouts and promoting competition. My preference is to fix the housing finance system through legislation and I look forward to working with all of my colleagues as we move forward. At the same time, it is important for the Administration to begin moving forward on key administrative reforms outlined in the Treasury Department and HUD reports. Fannie Mae and Freddie Mac contributed to the housing bubble and subsequent crash and are too big to fail. Eleven years after being bailed out and put into conservatorship, it is time to make the hard decisions and strengthen our housing finance system.”