

# Waters Slams Trump Administration's Harmful, Rushed Actions to Limit Activities of GSEs, Bail Out Hedge Funds

## *Trump Administration Action Limits Biden Administration's Options for GSEs, Pushes Toward End to Conservatorship*

Washington, DC, January 14, 2021

Today, **Congresswoman Maxine Waters (D-CA)**, Chairwoman of the House Committee on Financial Services, gave the following statement in response to changes that Treasury Secretary Steven Mnuchin and Federal Housing Finance Agency (FHFA) Director Mark Calabria made to Treasury's ownership stake in the government sponsored enterprises, Fannie Mae and Freddie Mac.

"It is simply unacceptable that Treasury Secretary Steven Mnuchin and Federal Housing Finance Agency Director Mark Calabria are moving in the last days before President-Elect Biden takes the oath of office to make major changes to the housing finance system which will have repercussions across the country, and could lock families out of homeownership.

"I have warned both Secretary Mnuchin and Director Calabria in recent letters that they must halt any significant changes to the housing finance system that could cause a shock to the housing market—a warning which they have clearly ignored.

"The deal that Secretary Mnuchin and Director Calabria have struck also directs the GSEs to bail out hedge funds that speculated on Fannie Mae and Freddie Mac shares and line their pockets with taxpayer dollars. This is yet another harmful action from the Trump Administration at the expense of Main Street."

In December of 2020, **Chairwoman Waters** and **Senator Sherrod Brown (D-OH)**, Ranking Member of the Senate Committee on Banking, Housing, and Urban Affairs, sent a [letter](#) to Mr. Steven Mnuchin, Secretary of the Treasury, urging him to listen to concerns from all stakeholders and halt any significant changes to our housing finance system during the current crisis. The letter also requested that Mr. Mnuchin brief the Chairwoman and Ranking Member on any actions that the Treasury Department might take in the next month that will affect the housing finance system and housing opportunities for families across the country.

Also in December of 2020, **Chairwoman Waters** sent a [letter](#) to Mark Calabria, Director of the Federal Housing Finance Agency (FHFA), urging him to fully engage with Congress, halt all efforts to raise the capital requirements for Fannie Mae and Freddie Mac and halt all efforts to release them from conservatorship.

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