



**Consumer Federation of America**

**For Immediate Release**  
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## **HOUSING EXPERTS SPEAK OUT ON THE SENATE BANKING COMMITTEE'S VOTE TO REFORM THE NATION'S HOUSING FINANCE SYSTEM**

Washington, D.C. — Yesterday, the Senate Banking Committee voted 13-9 to approved S. 1217, a bill to reform the nation's housing finance system. The bill winds down Fannie Mae and Freddie Mac, replacing them with a system whereby a new government entity will issue mortgage backed securities that will carry a government guarantee standing behind prescribed levels of private insurance.

Today's approval of mortgage finance reform legislation in the Senate Banking Committee is an important—but still insufficient—step toward a durable and equitable mortgage finance system.

### **Consumer Federation of America Director of Housing Policy Barry Zigas:**

*This legislation is a positive step in the ongoing debate about the future of the mortgage finance system. However, the bill still fails to provide sufficiently strong requirements that credit guarantors who form the heart of the system fully serve the broadest possible range of creditworthy borrowers and communities, especially those traditionally underserved by the market, such as communities of color and low and moderate income borrowers. We hope that further changes to S. 1217 or subsequent legislation that would strengthen its ability to assure equitable access to sustainable and affordable credit can still be made.*

### **Center for American Progress Director of Housing Finance and Policy Julia Gordon:**

*While we cannot support the bill as it passed out of the Committee today, discussions over the past few weeks suggest many potential opportunities with participants from all sides to ensure that the bill creates the open and accessible mortgage market we seek. We believe it's important for reform to continue to move forward, and for that reason, we hope the Senate can work to improve the bill as it moves toward the floor*

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*The Consumer Federation of America is an association of more than 250 nonprofit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy, and education.*