



Senate confirms Trump pick for agency overseeing Fannie, Freddie

Sylvan Lane

April 4, 2019

The Senate on Thursday voted to confirm Mark Calabria to be director of the Federal Housing Finance Agency (FHFA) as the Trump administration eyes a fundamental overhaul of the housing finance system.

Calabria, who most recently served as chief economist for Vice President Pence, was confirmed by a 52-44 vote.

A critic of the housing finance system, Calabria will now lead the federal agency overseeing Fannie Mae and Freddie Mac, the two government-sponsored enterprises charged with packaging and selling securities of federally-backed mortgages to help finance low- and moderate-income housing.

Calabria will play a critical role in the Trump administration's push to reduce federal involvement in housing finance while maintaining certain protections and guarantees considered essential to supporting housing for working- and middle-class Americans.

President Trump last week released a memorandum directing federal officials to develop a plan for releasing Fannie and Freddie from government control that preserves access to 30-year fixed-rate mortgages and bolsters the agencies' capital and liquidity requirements.

As a Senate Banking Committee staffer, Calabria was involved in drafting the original legislation that created FHFA and will be charged with coordinating efforts to overhaul the system. He was also the director of financial regulatory studies at the libertarian Cato Institute before joining Pence's team in 2017, and deputy assistant secretary at the Department of Housing and Urban Development under former President George W. Bush.

Lawmakers have struggled for more than a decade to reform the housing finance system, one of the few areas affected by the 2008 financial crisis yet to be addressed by Congress.

The White House reform plan closely resembles a housing finance overhaul outline released earlier this year by Sen. Mike Crapo (R-Idaho), the Senate Banking Committee chairman.

Crapo and his House counterpart, House Financial Services Committee Chairwoman Maxine Waters (D-Calif.), have both prioritized housing finance reform but have yet to move forward with a joint proposal.