

AMERICAN BANKER

Senate confirms Mark Calabria as head of FHFA

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April 4, 2019

The Senate on Thursday confirmed Mark Calabria as director of the Federal Housing Finance Agency, where he is likely to play a pivotal role in the policy debate over reforming Fannie Mae and Freddie Mac.

Calabria, who has been serving as the chief economist to Vice President Mike Pence, was confirmed by a vote of 52-44 to a five-year term as the chief regulator of the government-sponsored enterprises. He was approved under new Senate rules that reduced the debate time for most presidential nominees to two hours.

His Senate supporters praised Calabria for a balanced view on housing finance reform.

“During his nomination hearing a few weeks ago, Dr. Calabria made a commitment to carrying out the clear intent of Congress in protecting taxpayers while also underscoring the importance of maintaining access to affordable housing,” Senate Banking Committee Chairman Mike Crapo, R-Idaho, said on the Senate floor in support of Calabria’s confirmation. “Before considering any action, Dr. Calabria has said he will first ask ‘what does the statute say?’”

Calabria, who was a senior fellow at the Cato Institute before joining the Trump administration, came under heavy scrutiny from Democrats at his [February nomination hearing](#) for previous positions he had taken on the GSEs. They questioned his views on affordable housing, the 30-year fixed-rate mortgage, and capital requirements for Fannie and Freddie.

Although Calabria promised at the hearing to preserve the GSEs’ affordable housing goals and the 30-year mortgage, his nomination was [narrowly advanced](#) out of the Senate Banking Committee, with senators voting along party lines.

But Calabria will take the helm of the FHFA amid uncertainty about Fannie and Freddie's future. Acting FHFA Director Joseph Otting [reportedly told agency staff](#) in January that the White House and the Treasury Department would release an imminent plan to end the conservatorships of the GSEs, setting off speculation that the administration might try to skirt Congress in overhauling the housing finance system.

Although Otting had said Calabria “signed off” on the administration’s supposed reform plan, Calabria denied knowing anything about such a proposal.

“My read of what [Otting] said is to convey a sense of urgency to the FHFA staff,” Calabria told the Senate Banking Committee. “I believe what he’s referred to in terms of me signing off, I

believe he was referring to my longstanding loud support for reform. And I believe what he was trying to convey to the staff was essentially a pep talk of ‘We will move forward.’ ”

President Trump sent a memo March 27 to the Treasury and the Department of Housing and Urban Development, directing the departments to develop both administrative and legislative proposals with the goal of ending conservatorship.