

Congress of the United States
Washington, DC 20515

July 21, 2014

The Honorable Mel Watt
Director
Federal Housing Finance Agency
400 7th Street SW
Washington, DC 20024

Dear Director Watt:

We congratulate you on your confirmation as Director of the Federal Housing Finance Agency (FHFA). We share your commitment to greater investments in affordable housing and community economic development.

We write to request that you review the determination that the FHFA made on November 13, 2008 to temporarily suspend Fannie Mae and Freddie Mac's contributions to the Housing Trust Fund and Capital Magnet Fund.

As you know, the Housing and Economic Recovery Act of 2008 (HERA) requires Fannie Mae and Freddie Mac (the GSEs) to set aside "4.2 basis points for each dollar of the unpaid principal balance of its total new business purchases" to fund the Housing Trust Fund and Capital Magnet Fund. This was an important, hard-fought victory, as it provided a dedicated source of revenue for the construction and preservation of affordable housing for extremely low income families.

However, HERA also gave the Director of the FHFA the authority to temporarily suspend these contributions in certain circumstances. On November 13, 2008, then-Director of the FHFA James B. Lockhart III directed the GSEs to suspend the contributions to the Housing Trust Fund and Capital Magnet Fund, citing the financial instability at the GSEs during the fall of 2008. The GSEs have repaid all of the investment provided to them during the Great Recession.

We urge you to lift this temporary suspension and begin to follow the intent of Congress by contributing to the National Housing Trust Fund and the Capital Magnet Fund. The need for affordable rental housing and job and business investment in disadvantaged communities has only grown since the Great Recession.

We respectfully request that you review this matter soon and respond to our request.


Sincerely,




Keith Ellison
Member of Congress



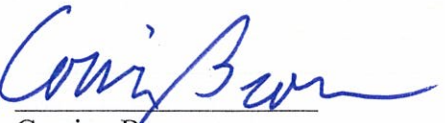
Raul M. Grijalva
Member of Congress

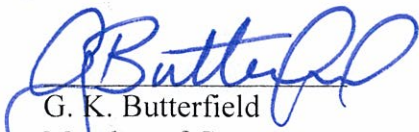


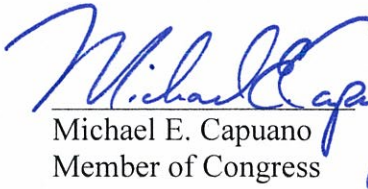
Carolyn B. Maloney
Member of Congress

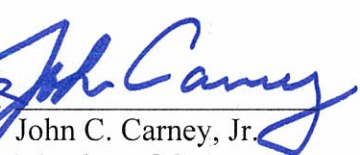

Joyce Beatty
Member of Congress



Sanford D. Bishop, Jr.
Member of Congress


Corrine Brown
Member of Congress

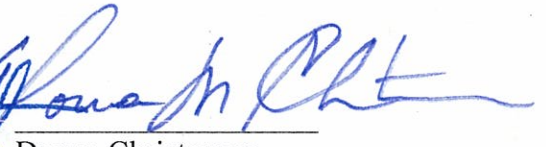

G. K. Butterfield
Member of Congress

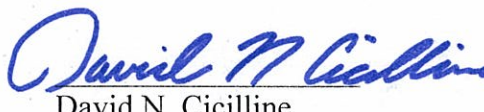

Michael E. Capuano
Member of Congress

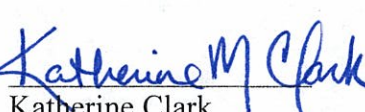

John C. Carney, Jr.
Member of Congress


André Carson
Member of Congress



Matt Cartwright
Member of Congress



Donna Christensen
Member of Congress



David N. Cicilline
Member of Congress


Katherine M. Clark
Member of Congress

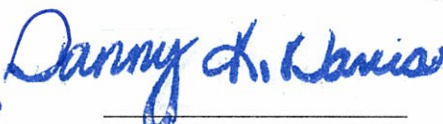

Wm. Lacy Clay
Member of Congress



Emanuel Cleaver
Member of Congress

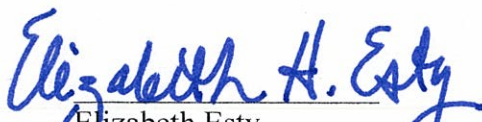

Gerald E. Connolly
Member of Congress


John Conyers, Jr.
Member of Congress

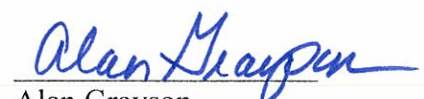

Elijah E. Cummings
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Danny K. Davis
Member of Congress


John K. Delaney
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Elizabeth H. Esty
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Chaka Fattah
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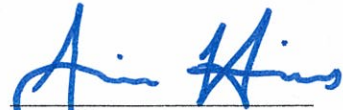

Alan Grayson
Member of Congress



Al Green
Member of Congress



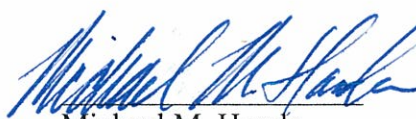
Denny Heck
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Jim Himes
Member of Congress



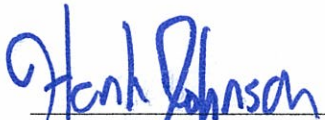
Rubén Hinojosa
Member of Congress



Michael M. Honda
Member of Congress



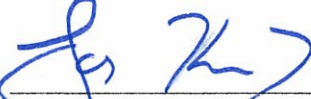
Steven A. Horsford
Member of Congress



Henry C. "Hank" Johnson Jr.
Member of Congress



Marcy Kaptur
Member of Congress



Joseph P. Kennedy, III
Member of Congress



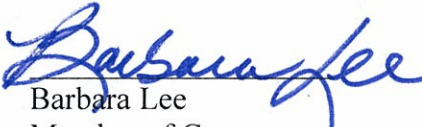
Daniel T. Kildee
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Derek Kilmer
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John B. Larson
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Barbara Lee
Member of Congress



Sheila Jackson Lee
Member of Congress



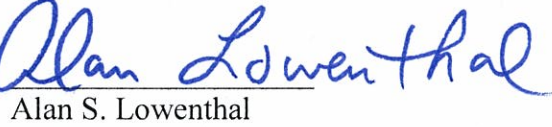
Peter Welch
Member of Congress



John Lewis
Member of Congress



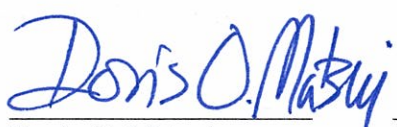
Zoe Lofgren
Member of Congress



Alan S. Lowenthal
Member of Congress



Stephen F. Lynch
Member of Congress



Doris O. Matsui
Member of Congress



Carolyn McCarthy
Member of Congress



Patrick E. Murphy
Member of Congress



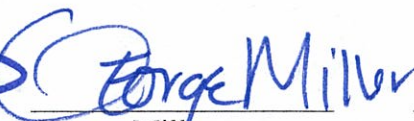
Jim McDermott
Member of Congress



James P. McGovern
Member of Congress



Gregory Meeks
Member of Congress



George Miller
Member of Congress



Gwen Moore
Member of Congress



Terri A. Sewell
Member of Congress



Jerrold Nadler
Member of Congress



Richard M. Nolan
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Gary C. Peters
Member of Congress



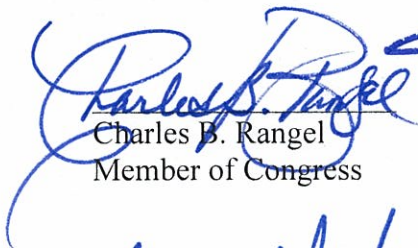
Ed Perlmutter
Member of Congress



Collin C. Peterson
Member of Congress



Mark Pocan
Member of Congress



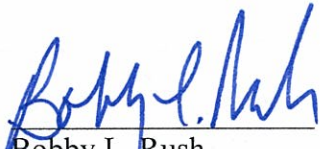
Charles B. Rangel
Member of Congress



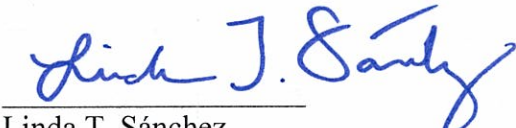
Cedric L. Richmond
Member of Congress



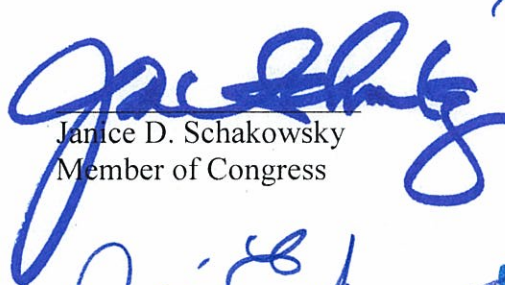
Lucille Roybal-Allard
Member of Congress



Bobby L. Rush
Member of Congress



Linda T. Sánchez
Member of Congress



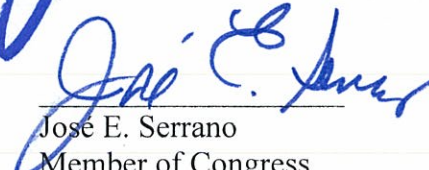
Janice D. Schakowsky
Member of Congress



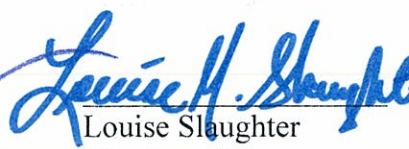
Bobby Scott
Member of Congress



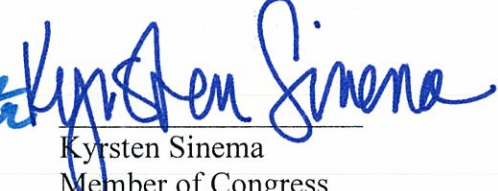
David Scott
Member of Congress



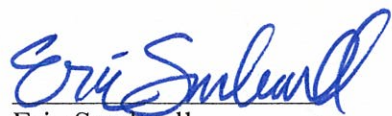
José E. Serrano
Member of Congress



Louise Slaughter
Member of Congress



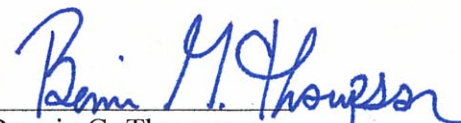
Kyrsten Sinema
Member of Congress



Eric Swalwell
Member of Congress



Mark Takano
Member of Congress



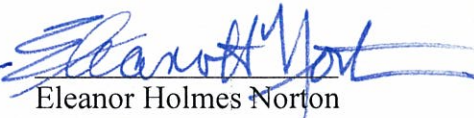
Bennie G. Thompson
Member of Congress



Dina Titus
Member of Congress




Judy Chu
Member of Congress



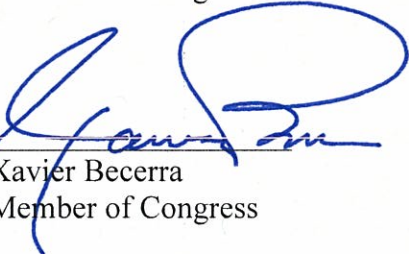
Eleanor Holmes Norton
Member of Congress



Karen Bass
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Rosa L. DeLauro
Member of Congress



Xavier Becerra
Member of Congress