

I would like to thank Secretary Geithner for taking the time this morning to join us in this important discussion of the future of housing finance in this nation.

Last month, as required under the Dodd-Frank Act, the Treasury Department submitted a report to Congress which laid out a plan to change the structure of housing finance. Although this report is a step in the right direction in providing insight to how the administration sees the future of housing, this is a discussion that should have begun last Congress as we considered the sweeping financial regulatory reform. It is impossible to have true comprehensive reform of the financial system without addressing mortgage finance.

As Chairman Bachus has stated several times, reforming the housing finance market is a top priority for this committee and I echo those sentiments. I am happy Treasury recognized the need for a stronger private market presence in their report and presented options to shrink the investment portfolios of Fannie Mae and Freddie Mac. These are ideas which I believe can be used as a foundation to work towards comprehensive reforms to our housing market. The failure to deal with these issues last Congress has taxpayer's already bearing a burden in excess of \$150 billion and only a stable housing finance system will ensure taxpayer's are protected in the future. That can only happen with a real plan in place.

House Committee on Financial Services

Now is the time for us to work towards the shared goal of substantive reforms in housing finance. I look forward to hearing how the administration sees the role both the private sector and government support will play in the future housing market. Thank you Chairman Bachus for holding this hearing and thank you to Secretary Geithner for your testimony.