

July 16, 2002

Opening Statement for Congressman Paul E. Gillmor
House Financial Services Committee Subcommittee on Capital Markets, Insurance, and
Government Sponsored Enterprises
Hearing on the Department of the Treasury's policy concerning the housing Government
Sponsored Enterprises (GSEs)

I would like to thank Chairman Baker for holding this important hearing and continuing his leadership in this subcommittee's consideration of the current effect of the GSEs on the overall US housing market, and specifically, market competition.

Given the unique nature of the GSEs, as federally chartered and privately owned corporations, it is important that this subcommittee upholds its oversight responsibility and continues its evaluation of their government-authorized public purposes.

I look forward to learning the opinion of the Treasury Department on the current standing of the housing GSEs and any recommendations they may have regarding the continued applicability of their special status.

I would also like to take this opportunity to commend both Fannie Mae and Freddie Mac on their decision of July 12, 2002 to begin filing their financial statements with the Securities and Exchange Commission (SEC), possibly as early as 2003. This voluntary decision will make great strides in increasing the transparency of the housing GSEs and reassure investors of their financial strength.

Again, I thank the Chairman for calling this hearing and look forward to an informative session.