What follows is a conversation about housing finance reform among several members of the Milken Institute Center for Financial Markets’ Housing Finance Program and the Urban Institute’s Housing Finance Policy Center. The focus is a draft bill under discussion in the Senate Banking Committee that was leaked earlier this month. Given the breadth and the complexity of the bill, which would dramatically overhaul the nation’s housing finance system, the conversation is not intended to be comprehensive. It is instead an informal dialogue about what this group finds most interesting and important in the draft, more of a point of departure for further discussion than an attempt to resolve the innumerable and challenging issues it raises.

Q: Let’s start by discussing the role of competition in the system proposed. Fannie Mae and Freddie Mac are not released from government control until there is a competitive guarantor market, suggesting that the drafters view this kind of competition as a necessary condition for success. Why do you think it’s so important to them?

Jim Parrott: There is a view implied in the bill, which I must say that I share, that a duopoly, or even an oligopoly, is the worst of all words, leaving us dependent on a few privately owned institutions that we can’t allow to fail. This incentivizes them to take too much risk, because they get the upside of the riskiest bets and the taxpayer the downside.
That view leaves you with a choice: either collapse the guarantors into a single government-owned institution or generate enough competition that any one guarantor can fail without taking the economy down with it. While I like the first idea (see here for why), the drafters of the bill opted instead for the second. And it’s hard to blame them, as with Republican control of both Congress and the executive branch, it’s the only alternative that has any practical chance of success.

Q: That would seem a dramatic transition, moving from a duopoly to a competitive multiguarantor model. How is it supposed to work?

Laurie Goodman: The best way to understand the transition they have in mind is through two key triggers in the bill. The first is the so-called “launch date,” when the Federal Housing Finance Agency (FHFA) determines that each of the following has occurred: the regulatory framework has been established; the common securitization platform (CSP) is complete; the minimum number of guarantors have been approved; it is reasonably likely that the affordability and access features of the bill will be achieved; and it is likely that within 24 months, no single guarantor will have more than the maximum share of the market. A great deal obviously has to be done to get to that date, but once the conditions are met, new guarantors will have full access to the CSP and the government guarantee.

The second trigger occurs when no single guarantor has more than the maximum share of the market. Once that target is reached, the government-sponsored enterprises (GSEs) will be put into receivership, their charters will be revoked and their legacy assets run off, and their successors will be privatized. If the FHFA believes that it can’t get to this second trigger, it can work with the Federal Home Loan Banks to stand up a guarantor, break Fannie and Freddie into additional entities, or allow small lenders to stand up their own guarantors.

JP: It’s worth noting here how tricky this sequencing makes it for private capital that is considering investing in a guarantor. With the explicit wrap kicking in only after the launch date, investors will need to put down capital without knowing when, or even if, they will be able to stand the business up. The only way that doesn’t scare everyone off is if the FHFA is open about what it will take for it to have adequate comfort in a launch date, how close it is to deciding that that date has been reached, and so forth. Absent that kind of transparency into the transition process, there is simply no way private capital will flow in at the scale needed here.

Eric Kaplan: The critical element will be ensuring that would-be competitors see a path through and a viable business proposition at the end of the setup, and the construct for this must be woven into the fabric of the legislation and a top priority for the regulator charged with carrying out the more detailed architectural framework. Without this, I don’t think any entity would be willing to invest the significant time, resources, and money into becoming a new guarantor.

Q: What kind of capital are we likely to see stepping in?

LG: Well, the bill prohibits lenders from being guarantors, so one of the most natural forms of capital is off the table. And the timing challenge that Jim and Eric mention likely rules out most risk-averse sources of capital as first movers, unless they are already well positioned to step into the role.
Remember, prospective guarantors can’t write a single policy prior to the launch date but will nonetheless have to have their systems built and ready to go. All of this means that the initial new entrants will likely be entities that already have some of the key infrastructure in place, so they are not building from scratch and can move their investments to other uses if this doesn’t launch.

Q: Can you provide some examples?

Michael Stegman: Private mortgage insurance companies might be best positioned to step in, especially nonlegacy firms with significant unencumbered capital and the ability to raise more. They have established lender networks and the infrastructure and skill to manage the credit risk at issue here. Some are even beginning to lay off a portion of their first-loss risk through back-end credit risk transfer programs, precisely as is envisioned of guarantors in the new system. Other business models that might be well positioned to move into this space are large insurers looking to expand and diversify their market, mortgage real estate investment trusts and perhaps those that already manage large platforms or exchanges, like the Intercontinental Exchange (ICE). Each of these have infrastructure and skill sets that would allow them to adapt readily to the challenges here.

Q: Why not just break up Fannie and Freddie to get to enough guarantors right out of the gate?

JP: The drafters are being much more careful not to disrupt the system than their reform-minded predecessors were, myself included, and while breaking Fannie and Freddie up does solve your too-big-to-fail problem and your competition problem, it would do so at the expense of pretty significant disruption.

EK: The GSEs have dominated the postcrisis mortgage market and provide the operational backbone of the to-be-delivered (TBA) market, which is key to a functioning secondary market. So, no matter what reform may look like, you can’t just wind them down, let alone break them up, before we have a viable replacement plan in place. To do so would cause tremendous damage to numerous elements of the housing finance system, from borrowers to lenders to investors, and all participants in between. That’s one of the quandaries of GSE reform—it is difficult to stand up the housing finance system of the future while the current one continues to operate in such a powerfully protected and meaningful way.

Q: What does the Senate bill do to entice in competitors for Fannie and Freddie, then?

LG: The bill has a number of provisions in place to ease the path for new entrants. The FHFA can arrange for the new guarantors to administer some or all of the GSEs’ legacy mortgage-backed securities (MBS) and manage credit risk transfers on these assets, allowing new entrants to grow to scale more quickly. And the FHFA can sell GSE assets to third parties so that new entrants can use them. For example, the FHFA could sell off the GSEs’ business in managing and disposing of real estate acquired in connection with servicing their nonperforming mortgage loans, so the guarantors would have access to the same service the GSEs utilize.
EK: The most important piece of the puzzle here will be access to the CSP. Without equal access to the CSP, guarantors would have to build their own securitization infrastructure to compete with that of Fannie and Freddie, which would present a prohibitive barrier to entry for almost everyone.

Almost as important, though, is giving new entrants access to the GSEs’ automated underwriting systems and legacy data. The former will allow new entrants to step into the role of lender counterparty more easily, and the latter will allow them to develop their own proprietary automated systems like the GSEs continue to do today. Policymakers should go even further, opening up to new entrants still more GSE tools and systems, particularly the ones created postcrisis. The more you can put into the CSP for all to use, the more you lower the barriers to entry and stabilize the system over the long term.

Ted Tozer: Policymakers should consider leveraging the Ginnie Mae platform, which, unlike the CSP, is already set up to handle many competing counterparties. Indeed, in part because Ginnie Mae’s platform has been developed to support hundreds of issuers, with low barriers to entry, no organization controls more than 7 percent of the new MBS issue volume.

Q: Let’s shift gears here to another critical piece of the puzzle: access to credit. Is there a consensus about what kind of access and affordability a new system should provide?

JP: Only at a very, very high level. There is broad agreement that any system that has the support of the government should ensure widespread access to sustainable credit for those in a financial position to become homeowners. Determining what that means, of course, is wildly controversial. Defining what counts as sustainable and who’s in a financial position to become homeowners, for instance, often invites very different answers, as does determining what kind of measures to provide broad access are appropriate. This is partly because these are genuinely hard questions but also partly because answering them quickly pulls one into very challenging ideological and political waters.

Q: Can you say a bit more about why it’s such a politically tricky topic?

MS: Take the affordable housing goals. Despite an abundance of contrary empirical evidence, many conservatives implicate the goals in precipitating the financial crisis. So, for them, the goals are not only ill conceived, they’re dangerous. And then many progressives see the goals as critical to adequate access for low- and moderate-income (LMI) borrowers. So, for them, the goals are not only good policy, they’re necessary. One side can’t live with them, the other can’t live without them.

JP: The irony here is that the goals aren’t effective enough to be either the system’s downfall or its saving grace. But for both sides they have become a proxy for larger ideological battles over the role of government in the economy.

MS: The ideological divide runs deeper than just the goals, though. The principal means by which the GSEs seek to meet their statutory and charter requirements of serving low-income borrowers is through an opaque process of internal cross-subsidies of higher-risk loans, charging guarantee fees that underprice higher-risk borrowers and overprice lower-credit-risk borrowers. Many conservatives decry
this attenuation of pricing and loan-level credit risk, arguing that it leads to the misallocation of resources.

**JP:** But the more closely you connect loan-level risk with pricing, the more you price out of the market the very LMI households that progressives, and frankly many moderates, demand to see supported by the system. Therein lies the crux of the policy challenge here. Indeed, it is misleading to call this part of the debate simply political. While both sides overplay the importance of the goals in the debate, there are legitimate differences of opinion over policy lurking behind the less helpful political debate.

**LG:** Yes, what makes reform so hard is that the basic policy goals of housing finance reform, putting private capital first and supporting LMI households, are in significant tension. Putting private capital first argues for risk-based pricing, and supporting LMI households argues for softening risk-based pricing. If you pull too hard in one direction, you do so at the expense of the other. In fact, it was exactly this challenge—making sure that a system with a stronger role for private capital is available all borrowers, not just the wealthiest—that led to the collapse of the last major effort in the Senate several years ago.

**Q:** How do Fannie and Freddie handle this tension today?

**MS:** The GSEs apply risk-based pricing through a system of up-front, loan-level price adjustments, which are added to a flat guarantee fee. So their pricing is a hybrid, combining the kind of risk-based pricing you would see in a more private market with the kind of flat pricing you see at the Federal Housing Administration (FHA). This allows the GSEs to pursue their affordability goals without ignoring altogether the loan-level risk involved.

**TT:** Whatever cross-subsidization was done in the past to support affordable lending appears to have been largely eliminated by the GSE loan-level price adjustments. A borrower with a credit score of 660 who puts down 25 percent will pay the GSEs a fee of 2.25 percent. Yet another borrower with a credit score of 660 who instead puts down 5 percent, and thus has to buy mortgage insurance to bring the equity protecting the GSEs up to 33.5 percent, will pay exactly the same 2.25 percent fee, despite presenting a lower risk to the GSEs. So it looks like the guy who puts down 5 percent is actually subsidizing the guy who puts down 25 percent, not the other way around.

**Q:** Isn’t the additional cost to cover the counterparty risk the mortgage insurers create for the GSEs?

**TT:** If so, they are vastly overcharging for that risk. Mortgage insurance companies have proven to be a strong partner to the GSEs. Even during the Great Recession, mortgage insurance companies met all the requirements of their insurance policies, subject to declining coverage when their rules weren’t followed, much as the GSEs themselves did with lenders. Moreover, since the Great Recession, the FHFA has raised the capital requirements for mortgage insurance companies above what was required prior to the Great Recession, presumably to remove whatever counterparty risk they created for the GSEs.
EK: This exchange is a reminder of how problematic the black box of the GSEs’ pricing process is, particularly in the context of the GSEs as profit-seeking entities. Remember, every dollar of GSE profit essentially comes at the expense of a borrower, a lender, or an investor. The notion that we’re not sure about whether cross-subsidization is now running the wrong way, as Ted suggests, is a remarkable commentary on the opacity of the system. Of course, it wouldn’t matter so much if we weren’t relying on them so heavily to deliver on our public policy objectives.

Q: How does the Senate’s proposed approach handle the tension between pricing and access?

MS: It shifts the burden of leveling pricing from the private market to the government. Guarantors can risk-base price their guarantee fees at the loan level, but borrowers will be charged a 10 basis point “market access fee” that will generate money for the Housing Trust Fund and Capital Magnet Fund established in 2008, with the remainder going into a “Market Access Fund” administered by FHFA to subsidize the loans of LMI borrowers, making up for the increase in guarantor pricing.

JP: Where the GSE system we have today imposes its social policy mission onto private institutions, the system proposed in the Senate gives that mission to the government. This is a recurring theme in the legislation really: moving from today’s hybrid of privately owned, profit-maximizing institutions with a mandate to serve public policy ends to a cleaner division of labor between the private and public sectors. Of course, private guarantors are not only largely freed from the public policy mandate they have today, they are also free from the protections that have long run with those mandates.

Q: I can see how this might address the concerns of conservatives, but how does it work as a matter of policy?

MS: It actually compares favorably to the current regime, because it better targets both who receives support and what kind of support they receive. By basing the support on income, the system proposed ensures that all and only LMI borrowers who qualify for a loan get support. Today’s system of distributing subsidy instead largely on the basis of credit quality misses many LMI borrowers and supports many who frankly don’t need it. Moreover, unlike the system today, support in the proposed system isn’t limited to interest rate reductions, which not everyone needs, but also comes as down payment and closing cost assistance, helping those for whom wealth is the most significant constraint to homeownership and providing borrowers with savings toward emergency housing costs, helping address one of the greatest drivers of default for LMI borrowers who do purchase a home.

Q: As usual, we’ve focused almost entirely on support for homeownership. Does the bill offer any support for rental housing?

MS: Yes, quite a bit. In addition to expanding revenues for the Housing Trust Fund and Capital Magnet Fund—early indications are that together, they could be doubled over current levels—the bill mandates that at least 60 percent of all of Fannie and Freddie’s multifamily business going forward support renters who make 80 percent or less of the area median income.
Q: What arguments will be made against the approach?

MS: Some conservatives will argue that the Market Access Fund duplicates housing subsidy programs at US Department of Housing and Urban Development and elsewhere, while some progressives will argue that it is unwise to build an affordability regime principally on the back of a single, explicit policy tool that can be easily rolled back or eliminated by a nonsupportive Congress.

Q: Is there merit to these concerns?

MS: I don’t think so. Given the demonstrated need for more support for affordable homeownership, asking those who get a government-backed mortgage through this channel to help lower the cost to LMI borrowers getting a mortgage seems entirely reasonable. And the Senate’s proposed affordability and access system is no more vulnerable than the current affordability regime, and perhaps less so. At least eliminating the market access fee would take congressional action, where much of the current affordable housing regime could be wiped out through administrative action.

Q: If those aren’t the right concerns, what should we be concerned about?

MS: The biggest challenge in this idea lies in the conversion of the affordability regime from one that primarily relies on cross-subsidizing guarantee fees to one that delivers customized support to hundreds of thousands of individuals each year. It will require the FHFA to develop from whole cloth a whole new affordable housing subsidy and grantmaking delivery system.

To make this transition more efficient and accountable, it might be best to deliver all mortgage buy-down, down payment assistance, and reserve funds through the limited number of guarantors, who can then redistribute the funds to lenders in accord with their market access plans. Whatever the right solution, though, it will be a big shift from the subsidy allocation system we have today.

LG: In developing this subsidy delivery system, the FHFA will need to ensure that the entirety of the subsidy is actually channeled to the borrower rather than being absorbed by guarantors or lenders. Jim Parrott and I have written a piece on how to do this.3

JP: The biggest challenge here is really just the general uncertainty inherent in a shift of this scale. While this model for allocating subsidy is preferable to the one we have today, getting it into place will raise difficult issues that have to be handled reasonably well for this to work. Of course, this is equally true of the broader reform effort and not really a criticism, as it’s true of any reform effort of any scale.

MS: Another example of the kind of implementation challenge we’re talking about arises because of the way the waterfall of subsidy payments works in the proposal. Revenues generated by the market access fee flow to the Housing Trust Fund and Capital Magnet Fund until their limits are met, and then to the Market Access Fund. Because allocations to the Housing Trust and Capital Magnet Funds are adjusted for inflation and the market access fee is not, the flow of resources left over for the Mortgage Access Fund will decline over time. Unless, that is, long-term housing prices rise with inflation as well, pushing up the amount of revenue the 10 basis point fee generates along with the amount allocated to the Housing Trust Fund and Capital Magnet Fund.
**LG:** The incentive for lenders to make LMI loans also poses a challenge. As a group, LMI borrowers tend to take out loans that are smaller and more likely to go into default. Making smaller loans is less profitable for lenders, because lenders and servicers are generally compensated based on the loan amount, and loans that go into default have higher costs. Together, this puts a squeeze on the average profitability of LMI loans, reducing the incentive for lenders to make them. Of course, this problem isn’t unique to the system proposed—we have it in the current system. And the Senate bill does attempt to address it by setting aside some money to go toward servicing delinquent loans, but the solution would be very difficult to implement.

**Q:** Speaking of access and affordability, FHA reform is noticeably absent in the draft bill. Should it be left for another day?

**TT:** Absolutely not. You can’t reform the conventional conforming mortgage system in a vacuum, because it doesn’t operate in a vacuum. When a potential homebuyer contacts a lender for a loan, they don’t contact them for an FHA loan, or a Veterans Administration loan, or a GSE loan. That is, they don’t think of the system in terms of isolated channels, but holistically, in terms of the best loan the whole system can offer. Likewise, policymakers need to step back and consider the system as a whole as they think about reform.

**Q:** That makes intuitive sense, but give me an example.

**TT:** We need to make sure that the changes that are made in the conventional conforming loan space do not have unintended impacts in the private-label securities or FHA space. If conforming loan limits are reduced or guarantee fees raised, for instance, we need to make sure non-GSE investors are ready to take on the additional volume and that underserved borrowers aren’t priced out of homeownership. And the housing finance system needs to evolve to a point where the origination, underwriting, and servicing of loans looks the same to a consumer no matter who the mortgage investor is. Again, we need to think about the system as a whole, the way the borrower thinks about it.

**LG:** How higher-credit-risk borrowers are handled offers perhaps the clearest example of how you need to think holistically. In this new system, private capital takes the first loss and will inevitably use risk-based pricing. By contrast, the FHA does not do risk-based pricing. Thus, in the absence of affordability and access features in the new guarantor system, we would see all the risky loans go the FHA route and all the less risky loans go to the reformed system. The Market Access Fund we discussed earlier is intended to address this problem, providing enough subsidy for a significant share of LMI borrowers to continue to be served through the guarantor channel rather than the FHA channel.

**Q:** Why would it be a bad thing for all of the subsidized lending to go to FHA?

**MS:** It is very hard to shake the FHA’s historical legacy of embracing racial covenants that prevented African Americans from getting a government guaranteed mortgage. While the Supreme Court ruled these venal instruments unenforceable under the Equal Protection clause in 1948, the die had already been cast and contributed mightily to the segregated nature of post–World War II suburban America. Among other consequences, these kinds of policies contributed to the rise of land sales contracts, a
predatory form of mortgage finance that targets African Americans because of their limited mortgage choices, and a host of other abusive lending practices up to and including predatory lending in the lead-up to the Great Recession.

This history has left many in the civil rights and consumer advocate communities wary of the FHA and utterly opposed to the idea of expanding it to cover all subsidized lending. Critics of the idea also express an understandable wariness of creating a dual market, with one that disproportionately supports wealthier, largely white families, and another that disproportionately supports poorer, largely minority families. This is why for many, myself included, it is important that we make the primary government-supported channel for lending work well for all who can afford to buy a home.

Q: Why do you think the FHA is left out of the bill?

JP: As Mike’s answer suggests, FHA reform introduces its own complex and often charged politics, and the drafters likely didn’t want to create additional headwinds for their already challenging effort right out of the gate. So the idea apparently was to get the GSE reform part of this out, develop some momentum, and then follow with a title that addresses FHA reform.

Q: It’s surprising to hear that FHA reform might add a headwind. The call for FHA reform appears almost universal.

JP: It’s universal in the sense that everyone thinks that FHA reform of some kind should happen, but what kind remains very much in dispute. Conservatives tend to want to rein it in, and progressives and lenders tend to want to make it work better.

Q: Are the two visions irreconcilable?

JP: Not necessarily. Indeed, I’d expect to see the Senate propose to take steps in both directions, with some mix of tightening loan limits and increasing the FHA’s capitalization, on the one hand, and giving the FHA more financial and other flexibilities, on the other.

MS: It’s also important to note that there are a number of FHA issues that can be fixed without legislation, which could both reduce the risk that the FHA poses and make it work better. Clarifying the FHA’s use of the False Claims Act, for instance, could go a long way toward encouraging national banks that have withdrawn from doing FHA lending to get back in the game. This would both expand access to credit and reduce the counterparty risk that Ginnie Mae faces in securitizing the loans that the FHA is insuring.

LG: Clarifying the use of the False Claims Act is critical. I would also add servicing reform to the list of things that could be done administratively to help the FHA. The Urban Institute’s Mortgage Servicing Collaborative found it costs three times as much to service a delinquent FHA loan as a delinquent GSE loan, which plays almost as big a role in chasing off lenders from the FHA as the False Claims Act does.4
Q: What happens if the legislation fails?

LG: If the legislation fails, one of two things will happen. The GSEs could be put into receivership and reconstituted. Under the Housing and Economic Recovery Act of 2008, they could be wound down within five years and replaced by new entities with no government backstop. While the fate of government support for the legacy securities is not made clear in the statute, I would expect the administration to find a way to have the existing Treasury line cover them as they run off to avoid additional market disruption. That said, this path is fraught with uncertainty for the entire housing finance system, a $10 trillion part of the economy.

The other possibility is that the GSEs stay in conservatorship and continue down their current path of administrative reforms, awaiting Congress’s intervention. The GSEs’ credit risk transfer will be continued and expanded, and the current securitization platform will continue to be enhanced, likely supporting only Fannie Mae and Freddie Mac but potentially eventually supporting others. This seems to me the more likely option, if only because it’s much less risky.

JP: I think some variation of the first option is much more likely than you suggest, perhaps even the most likely outcome. This Treasury has made it clear that they want to get the GSEs out of conservatorship, and the only way they are going to be given room by their party to do that is by stripping as much government support from the enterprises as they can. That means running them through receivership, increasing their capital levels, removing virtually all of the cross-subsidy they provide today, and shrinking their footprint. As a result, there will be less lending through this channel, and the lending that is done will be more expensive, particularly for low- and moderate-income folks.

Even if the Treasury doesn’t go down this path, Mel Watt’s replacement certainly will, at least in part. The new director will lower loan limits, raise capital levels, and increase the cost of the guarantee the GSEs provide. And they will also almost surely reduce dramatically the cross-subsidy in the system: shifting much of their pricing from the flat-priced guarantee fee to the loan-level price adjustments we discussed earlier, softening the goals and duty to serve enough that they have little effect, and turning off altogether the fee that supports the Housing Trust Fund and Capital Magnet Fund.

That’s why it’s perplexing that so many are pushing back on reform because they like the status quo, as they’re leading us down a path that is very likely to destroy everything about it they like.

MS: Jim’s affordable housing assessment is spot-on, but I’m not so sure about the receivership part of his scenario, if for no other reason that it would put an end to the net profit sweep that the Office of Management and Budget forecasts to generate $185 billion to the federal coffers over the next decade.

EK: This brings us back to the central problem with the current system: the awkward combination of the public mission with private profit seeking. The government can certainly just return Fannie and Freddie to the market as privately owned, profit-making entities (with regulated returns or otherwise). Or it can have them serve our public policy objectives. But it can’t prioritize both. It has to decide whose interests are paramount: their shareholders or the public.
This is one of the promising concepts that the Senate’s proposal offers: it seeks to break this unsustainable hybrid apart, so that the private profit-seeking guarantors can behave as one would expect them to without undermining the broader mission of the system.

Q: What do you think the odds of passage are this year?

LG: This year is easily the most promising year for GSE reform that we will have for quite some time. Both Bob Corker (R-TN), the leader on GSE reform legislation in the Senate, and Jeb Hensarling (R-TX), the leader of the effort in the House, have announced that they will not stand for reelection in 2018. Both leaders view this as a priority before they leave. Moreover, Mel Watt’s five-year term as the head of the FHFA ends in January of 2019. And the odds are high that he will be replaced with a conservative, with the implications Jim has mentioned. This makes the status quo much less comfortable and could lead some on the left to take the GSE reform effort more seriously.

That said, I remain skeptical that GSE reform will pass in this Congress, both because there is no sense of urgency and because there is no consensus on many key aspects of the new system, including, most critically, how to handle affordability and access. And if it does not pass this year, the odds of passage later in this administration are even lower, as the two leaders pushing to get it done now will be gone.

EK: I agree with this bearish assessment, even though I hope we’re proven wrong. Legislation could happen, but there is a complex mix of political pressures in play. That said, both sides have an incentive to work toward a cooperative legislative framework that is healthier for the economy and better able to withstand the swings in administrative control that will come with each election.

Not all legislative reform is worth having, though. If not well thought through or implemented properly, legislation could do more harm than good. This is why the operational details we’ve been discussing here and elsewhere (see here and here) are so important to get right.5

JP: If the effort in the Senate does falter once again, as seems more and more likely with each passing week, we will all need to brush up on what exactly the FHFA and Treasury can do administratively, as that’s where the reform discussion will turn and likely turn quickly. Because make no mistake, we will see movement away from the status quo in the next few years—the question is just where it will take us.
Notes

1. A copy of the draft bill as of February 28, 2018, is available at https://assets.bwbx.io/documents/users/iqjWHBFdfxIU/r8xUN8jPpe5c/v0.


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