

**David L. Bazelon Center for Mental Health Law
Center for Responsible Lending
Consumer Action
Empire Justice Center
Family Equality Council
Kirwan Institute for the Study of Race and Ethnicity
Lawyers' Committee for Civil Rights Under Law
Leadership Conference on Civil and Human Rights
NAACP
NAACP Legal Defense and Educational Fund, Inc.
National Association of Consumer Advocates
National CAPACD
National Consumer Law Center (on behalf of its low-income clients)
National Council of La Raza
National Gay and Lesbian Task Force Action Fund
National Fair Housing Alliance
National People's Action
Neighborhood Economic Development Advocacy Project (NEDAP)
The Opportunity Agenda
PolicyLink
Poverty & Race Research Action Council**

April 5, 2011

The Honorable Spencer Bachus
Chairman, Committee on Financial Services
U.S. House of Representatives
2246 Rayburn House Office Building
Washington, DC 20515

The Honorable Scott Garrett
Chairman, Financial Services
Subcommittee on Capital Markets and
Government Sponsored Enterprises
U.S. House of Representatives
2244 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Bachus and Chairman Garrett:

On behalf of the undersigned organizations, we write urging you to abandon the piecemeal approach to GSE reform discussed at the March 31st House Financial Services Capital Markets and Government Sponsored Enterprises Subcommittee hearing, "Immediate Steps to Protect the Taxpayer from the Ongoing Bailout of Fannie Mae and Freddie Mac," and included in the eight bills discussed during the hearing. In order to serve best the needs of middle class and working class home seekers and homeowners across the country, we believe that Congress must approach the reform of the housing finance market in a well-directed and comprehensive manner.

Our national interest demands a housing finance system that provides opportunities that are appropriate for the circumstances of American families and individuals. Families who are

financially ready to own a home must have the opportunity to do so, and must have access to the best credit for which they qualify. They should not be denied access to the appropriate mortgage because of where they live, be it in an urban area or a rural area, nor should they be denied access to the appropriate mortgage because of their race or national origin or those of their neighbors. Moreover, we need a robust market for financing well-located, affordable rental housing that meets the needs of renters who seek good jobs, good schools, and access to municipal services.

Housing is more than just a commodity – it is where we live and has always been the cornerstone for building wealth in this country. The private market, left to its own devices, has historically failed to meet these objectives and left major parts of the housing market underserved. A piecemeal approach to reforming the secondary market, that includes attempts to weaken our already uncertain housing market and to move it into private hands, will only serve to perpetuate disparities and eliminate the government oversight we need to assure fair play and practices. As we heard during the hearing, a wide spectrum of consumer, civil rights and industry groups and Members of Congress are wary of the impacts of a piecemeal approach, and call instead for a deliberate and sensible discussion about the future of our housing finance system.

We, too, ask that the committee seek a comprehensive approach to housing finance reform that will further the federal government's housing policy objectives of promoting residential integration, eliminating housing discrimination, and providing safe, decent, and affordable housing for all.

Thank you for your consideration. Please direct any questions or suggestions to Deidre Swesnik of the National Fair Housing Alliance at (202) 898-1661 or dswesnik@nationalfairhousing.org.

Sincerely,

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cc: Members of the Capital Markets and Government Sponsored Enterprises Subcommittee