

Policy on Leadership Structure for the FHFA

REALTORS® believe that a strong Federal Housing Finance Agency (FHFA) is a critical entity in reform of the conventional mortgage market and essential to regulating the government sponsored enterprises (GSEs) to support the continuous and reliable flow of affordable and accessible credit for homebuyers and homeowners. The leadership of the FHFA is tasked with balancing three goals; supporting market liquidity, supporting liquidity for underserved communities, and protecting safety and soundness. This role demands expertise, a long-term perspective, decisiveness, and political insulation to maintain stability in decision making.

REALTORS® recommend that:

- The FHFA should be led by a bipartisan, five-person panel with staggered terms and no more than three persons from one political party serving at a time.
- The panel should be led by a chairperson and all members of the panel would be nominated by the president and confirmed by the senate. A mechanism should be implemented for interim appointments to be made until Senate confirmations are completed.
- Daily operations of the FHFA should be the purview of the chairperson, while matters of significance should reside with the panel. Matters of significance include decisions that affect access and affordability for consumers, costs and impacts on private capital, and/or the market standing or structure of an Enterprise.
- The panel should be constructed with rules that enable a majority vote even if a member is absent from a vote.
- The existing funding sources, through a fee levied on the regulated entities, should be preserved.