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AFR Supports Appeal for a New FHFA Director

Americans for Financial Reform applauds today's letter from 45 House members calling on the White House to nominate a permanent director of the Federal Housing Finance Agency (FHFA).

The agency has been headed by an acting director, Edward J. DeMarco, for three and a half years. The 45 co-signers of a [letter to the President](#), initiated by Representative Elijah E. Cummings (D-Md.), ranking member of the House Committee on Oversight and Government Reform, and Representative John F. Tierney (D-Mass.), decry the agency's "repeated failure," under DeMarco's leadership, to "fully and effectively implement" laws intended to help beleaguered homeowners. In particular, they point to DeMarco's long record of hostility to the use of principal reduction as a loan-modification tool.

Last fall, the Obama administration indicated that DeMarco would likely be replaced after the election. The House letter underscores the urgency of the matter, not just for the housing sector but for the general economic recovery. "As of last month, approximately 10.9 million residential borrowers still owed at least 25% more on their mortgages than the value of their homes," the 45 House members point out. "It is imperative that we have a strong leader at FHFA to take on these challenges, strengthen the housing market, and promote our nation's continued economic recovery." There is also a [petition](#) to the White House calling for action to replace DeMarco.