

March 10, 2016

The Honorable Tom Price
Chairman
Committee on Budget
U.S. House of Representatives
207 Cannon House Office Building
Washington, DC 20515

The Honorable Chris Van Hollen
Ranking Member
Committee on Budget
U.S. House of Representatives
134 Cannon House Office Building
Washington, DC 20515

Dear Chairman Price and Ranking Member Van Hollen:

The undersigned organizations urge the House Budget Committee to include a provision in the Fiscal Year 2017 Budget Resolution that would prohibit the use of Fannie Mae and Freddie Mac guarantee fees (“g-fees”) as a funding offset. Such a provision was included by both the House and Senate in last year’s Budget Resolution and was instrumental in preventing Congress from taxing homeowners to pay for unrelated spending.

Our organizations were deeply troubled when g-fees were raised by 10 basis points for 10 years to fund a two-month extension of payroll tax relief back in 2011. That increase harmed homebuyers and consumers – and continues to do so during the duration of the provision’s 10-year lifespan. Since then, whenever Congress has considered using g-fees to cover the cost of programs unrelated to housing, our organizations have united to emphatically let lawmakers know homeownership cannot, and must not, be used as the nation’s piggybank. Yet the threat remains very real – in fact, just last year, the Senate attempted to use these fees to replenish the Highway Trust Fund.

By preventing g-fees to be used as a funding offset, this budget point of order gives lawmakers a vital tool to prevent homeowners from footing the bill for unrelated spending. We urge you to once again include it in this year’s Budget Resolution.

Sincerely,

**American Bankers Association
American Land Title Association
Community Home Lenders Association
Community Mortgage Lenders of America
Consumer Mortgage Coalition
Credit Union National Association
Habitat for Humanity International
Independent Community Bankers of America
Leading Builders of America
Mortgage Bankers Association
National Association of Federal Credit Unions
National Association of Hispanic Real Estate Professionals
National Association of Home Builders
National Association of Mortgage Brokers
National Association of REALTORS®
The Realty Alliance
U.S. Mortgage Insurers**