



MORTGAGE BANKERS ASSOCIATION

September 18, 2019

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
U.S. House of Representatives
2221 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of the Mortgage Bankers Association (MBA), I am writing to express our views on one of the bills that will be considered and marked up by the Committee on Financial Services on September 18, 2019.

MBA welcomes the introduction of the *FHA Additional Credit Pilot Program Reauthorization Act* (H.R. 123), sponsored by Congressman Al Green (D-TX). This legislation would reauthorize a 2008 program created as a result of the enactment of the Housing and Economic Recovery Act that would allow HUD to test the use of additional credit information for FHA loans. The program – which expired in July 2013 before it could be fully implemented – is intended to expand mortgage access among individuals with limited credit histories who may otherwise be considered creditworthy.

MBA has long advocated for the responsible use of alternative credit information in the underwriting process to promote a more inclusive housing market. Accordingly, we appreciate Rep. Green's Amendment in the Nature of a Substitute to H.R. 123, which includes clarifying language regarding pilot program participation by FHA-approved lenders, while also directing FHA to coordinate appropriately with the Government National Mortgage Association (Ginnie Mae). This addition is critical considering the important role Ginnie Mae plays in encouraging the availability of capital for lenders who provide FHA loans.

Thank you as always for the consideration of the views expressed within this letter. We look forward to our continued work together to promote a more competitive and sustainable real estate finance market in the United States.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Killmer", is written over a horizontal line.

Bill Killmer
Senior Vice President
Legislative and Political Affairs