



For Immediate Release
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USMI Statement on Moore – Stivers Letter to FHFA Director Watt

“Yesterday’s bipartisan [letter](#) from Representatives Gwen Moore (D-WI) and Steve Stivers (R-OH) to Federal Housing Finance Agency (FHFA) Director Watt is further evidence of the growing bipartisan support for de-risking the Government Sponsored Enterprises (GSEs) with additional risk sharing transactions to reduce taxpayer exposure to losses from another housing downturn. USMI commends Representatives Moore and Stivers for urging FHFA to take additional steps to incorporate front end risk sharing, including with MI.

The letter expresses concern ‘about the lack of balance between ‘front-end’ and ‘back-end’ risk sharing. With FHFA having affirmed the importance of using private capital whenever practicable and equitable in credit-risk sharing transactions, we wanted to urge additional exploration and refinement of credit-risk sharing techniques that are consistent with other federal housing goals.’

Front-end risk share transactions transfer the risk of loans before they ever reach the GSE’s balance sheets. The letter by Reps. Moore and Stivers joins a bipartisan [letter](#) in the U.S. Senate by Sens. Mark Warner (D-VA), Bob Corker (R-TN), Heidi Heitkamp (D-ND), Mike Crapo (R-ID), Jon Tester (D-MT) and Dean Heller (R-NV) which also encourages FHFA to expand and better define the development of credit risk transfer programs.”

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About USMI

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