



OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

# NEWS RELEASE

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**Comment of Armando Falcon, Jr.**  
**Director, Office of Federal Housing Enterprise Oversight**  
**on the GAO Report Released by GSE Subcommittee Chairman Richard Baker**

"I appreciate Chairman Baker's commitment to OFHEO's mission as evidenced by his request for this report and the thoughtful analysis of GAO. The GAO report accurately notes that the enforcement powers of the Office of Federal Housing Enterprise Oversight are based on broad safety and soundness authorities that are bank-like in scope and nature. The report also suggests appropriate enhancements to OFHEO's explicit enforcement authority that I included in a broad set of recommendations in my testimony at the GSE Summit last year. Finally, the GAO report indicates that OFHEO has properly employed its current informal and formal authorities to address any ambiguities and uncertainties in the law. OFHEO continues to encourage passage of legislation to enhance OFHEO's authority and remove OFHEO from the appropriations process as is the case for other safety and soundness regulators."

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OFHEO was established as an independent entity within the Department of Housing and Urban Development by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Title XIII of P.L. 102-550). OFHEO's primary mission is ensuring the capital adequacy and financial safety and soundness of Fannie Mae and Freddie Mac.