

The Obama administration is close to completing work on a more detailed housing finance overhaul, a key House Republican said Tuesday.

Financial Services Chairman Spencer Bachus, R-Ala., said he met with Treasury Secretary Timothy F. Geithner and Housing and Urban Development Secretary Shaun Donovan in April, when they told him the Obama administration was working on a plan to overhaul the mortgage market that would be ready in the coming months.

According to Bachus, Donovan said last week that he “would get me something in the next week or two.”

Bachus said the administration officials had asked him to wait to advance a comprehensive overhaul of government-controlled mortgage giants Fannie Mae and Freddie Mac because they were hoping to unveil something soon. The two companies are also known as government-sponsored enterprises (GSEs) because they were originally chartered by Congress and then sold to public shareholders.

“We’re continuing to wait for the administration to put something on the table,” Bachus said.

In February, the Obama administration issued a broad proposal for overhauling the housing finance sector with three options that called for varying levels of government support for the market. The new plan would presumably have more details, said a GOP aide, though it may not be in the format of actual legislation. Treasury and HUD staff did not immediately respond to inquiries.

Democrats have criticized Bachus for not taking up far-reaching legislation (HR 1182), sponsored by Texas Republican Jeb Hensarling, that would fully privatize Fannie Mae and

Freddie Mac within five years and that GOP lawmakers pushed last year.

The panel is also advancing a series of incremental bills, spearheaded by Scott Garrett, R-N.J., designed to rein in Fannie and Freddie and hasten their departure from the housing market. The Capital Markets subcommittee marked up a second round of those bills Tuesday, including one (HR 2441) that would eliminate an affordable housing trust fund.

Hensarling's bill is likely to receive a hearing during consideration of the third round of GSE bills, according to the GOP aide.

Ranking Democrat Barney Frank of Massachusetts ridiculed the GOP for slow-walking its consideration of Hensarling's proposal, and said the delay was really due to GOP infighting on the issue.

"The Republican Party is always ready to talk tough when they're in the minority. In the majority, they choke," he said, adding that the administration's reluctance to address the GSEs was "a convenient excuse for not acting."

The divisions within the GOP spilled into the open during the Tuesday markup when **Rep. John Campbell**

R-Calif., pointedly called for a hearing on his bill (HR 1859) and a measure (HR 2413) sponsored by Rep. Gary G. Miller, R-Calif., both of which envision a role for the federal government in guaranteeing mortgage-backed securities.

Conservatives have called for eliminating the government's role in the mortgage market, but lawmakers like **Campbell** and Miller, who hail from high-cost areas, have expressed concerns with this approach. They worry mortgages in their districts would be unaffordable without some government backing of the market and that the common 30-year fixed mortgage, in particular,

would go extinct.

Garrett said no hearings have yet been scheduled on the Campbell or Miller bills, to **Campbell's** dismay.

**“Are we going to have a comprehensive discussion?” Campbell said. “Let’s have the debate. Let’s have the debate.”**