

Congress of the United States
Washington, DC 20515

May 25, 2005

The Honorable Tom DeLay
Majority Leader
United States House of Representatives
H-107 Capitol
Washington, DC, 20515

Dear Mr. Leader:

The House of Representatives will soon consider the Federal Housing Finance Reform Act of 2005 (H.R. 1461). While we appreciate the work of the Financial Services Committee in crafting this vital legislation, we are strongly opposed to the provision that creates a new Affordable Housing Fund for government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac.

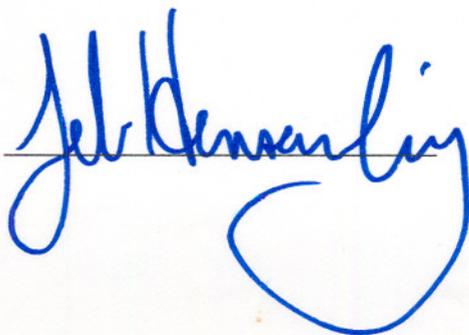
In short, Fannie Mae and Freddie Mac will be required to contribute 5% of their after-tax income to this new fund for the intended purpose of promoting affordable housing. While we support efforts to improve access to affordable housing, we think this is a damaging course of action to take. We believe creating additional regulations such as these - whether they are placed on GSEs or private companies - work against the free market principles that have made our nation's housing market one of the most accessible in the world.

Furthermore, the money from this fund could be used to finance third party advocacy groups that have agendas far beyond simply increasing affordable housing for low-income Americans - agendas that are antagonistic to the free market principles that we value.

Our request is that H.R. 1461 not be scheduled for consideration by the full House of Representatives until these concerns are addressed in an appropriate manner. If a fund of this nature is included in the final version of H.R. 1461, we intend to vote against this legislation and will encourage other Members to do the same.

As always, thank you for your continued leadership on matters of importance to all Americans.

Yours respectfully,



Jim Ryan

Ron Paul

RT

John Hostetler

R. M. ^{TR-24}

John T. Little

Kent Starks

Barter

Walter B. Jones

Jim Ryan

Marilyn Musgrave

Scott Barnett

Tom Madegs

Jay Lew

Paul McHenry

Ernest F. Cook

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Vergil Goodys

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Angie Hts

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Chi Chi

