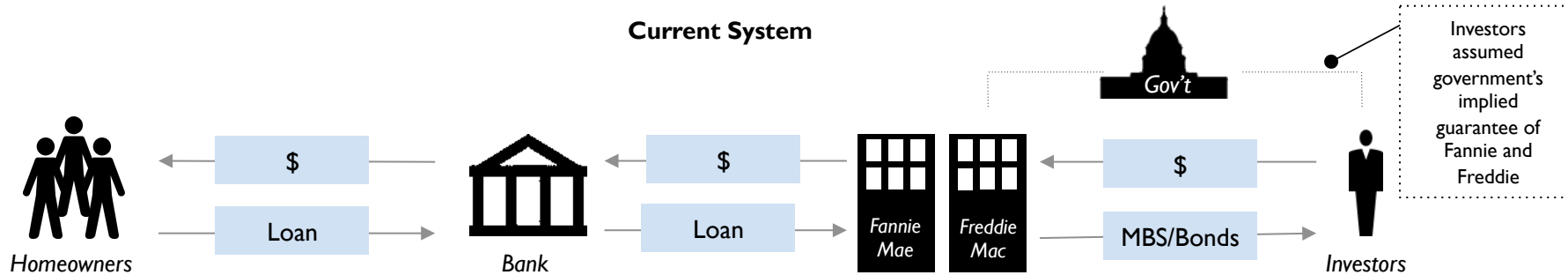
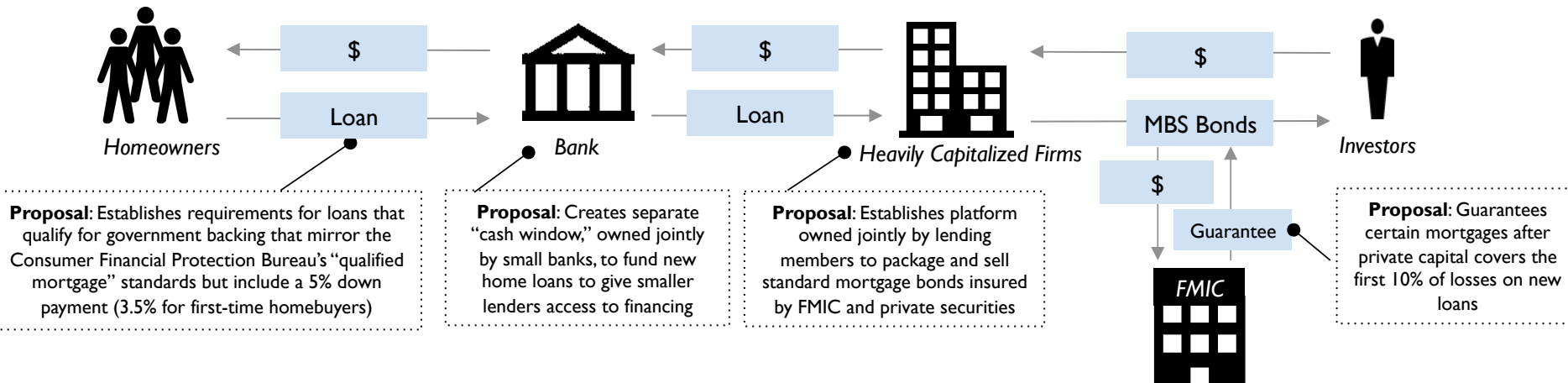


# Senate Introduces Proposal to Reform Fannie and Freddie

## Current System



## Proposed Reforms to System



## Analysis

- In March 2014, Senate Banking Committee Chairman Tim Johnson (D-SD) and Mike Crapo (R-ID) released a bipartisan plan to wind down mortgage giants Fannie Mae and Freddie Mac and replace the entities with a Federal Mortgage Insurance Company (FMIC)
- The plan attempts to limit the government's role in the mortgage marketplace—a Republican priority—and protect access to affordable housing, a top concern of Democrats
- While it is unlikely the bill will be voted upon on the floor this year, the proposal serves as a catalyst to begin seriously considering repairing the housing market