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COMMITTEE ON
HOMELAND SECURITY

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Congress of the United States
House of Representatives

Washington, DC 20515-3226

July 18, 2011

Ms. Mary L. Schapiro, Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Mr. Martin J. Gruenberg, Acting Chairman
Federal Deposit Insurance Corp.
1776 F Street, NW
Washington, DC 20006

Mr. John G. Walsh, Acting Comptroller
Office of the Comptroller of the Currency
250 E Street, SW
Washington, DC 20219

Mr. Ben S. Bernanke, Chairman
Board of Governors of the Federal Reserve System
20th & Constitution Ave., NW
Washington, DC 20551

Mr. Edward J. DeMarco, Acting Director
Federal Housing Finance Agency
1700 G Street, NW, 4th Floor
Washington, DC 20552

Mr. Shaun L. S. Donovan, Secretary
U.S. Department of Housing & Urban Development
451 7th Street, SW
Washington, DC 20410

Dear Chairman Schapiro, Chairman Bernanke, Acting Chairman Gruenberg, Acting Director DeMarco, Acting Comptroller Walsh, and Secretary Donovan:

In a letter dated May 31, 2011, Rep. John Campbell, Rep. Brad Sherman, and dozens of my congressional colleagues expressed concerns about proposed rulemaking on the regulations to implement Section 941 of the Dodd-Frank act which includes defining a Qualified Residential Mortgage (QRM) that will be exempt from the Act's risk retention requirements. I write today to reinforce those concerns and ask you in this process to consider lower down payment loans that have mortgage insurance (MI) as constituting a QRM.

I believe this proposed rulemaking would prove onerous for my constituents and result in higher rates and fees for home loans; worse, this regulation could prevent qualified buyers from purchasing a home altogether. Across Western New York, families are recovering from the most severe economic downturn since the Great Depression. Now is not the time to place unnecessary regulatory hurdles between the American people and the dream of homeownership.

Sincerely,



Kathleen C. Hochul
Member of Congress