

Statement of Senator Tim Johnson
Nomination of Mr. Joseph A. Smith, Jr. to be Director, Federal Housing Finance Agency
Senate Banking Committee
December 9, 2010

I would like to thank Chairman Matz for testifying today and with that conclude our first hearing today. Mr. Smith, would you take your seat at the table so we can begin the second hearing?

I call to order this hearing on the nomination of Mr. Joseph A. Smith, Jr., of North Carolina, to be Director of the Federal Housing Finance Agency.

As our economy recovers, the regulators begin to implement the Dodd-Frank Walls Street Reform Act and we consider the future of the housing market, it is essential that the Federal Housing Finance Agency have leadership that is answerable to Congress. I would like to commend Chairman Dodd and Ranking Member Shelby for their joint letter urging President Obama to name a nominee for this post and ask that the letter be included in the record. The Director of F-H-F-A has a unique role as regulator for the Federal Home Loan Bank system and both regulator and conservator of Fannie Mae and Freddie Mac. This dual role requires a balance between protecting taxpayers and using the tools available to stabilize the housing market.

Mr. Smith is no stranger to this committee or to the challenges of implementing financial reforms. As Commissioner of Banks, he was responsible for implementing and enforcing North Carolina's anti-predatory lending laws, overseeing the state's foreclosure prevention program and serving on the Governor's task for to increase small business lending – to name a few of his accomplishments - all while regulating small and large financial institution in the state. To highlight some of those accomplishments, I would like to enter into the record letters from the Independent Community Bankers Association, the Conference of State Bank Supervisors, the Mortgage Bankers Association and National Association of Realtors.

Thank you for your willingness to serve at the federal level – especially at a time when our country is trying to overcome significant economic challenges.

Balancing consumer protection and credit availability, regulation and economic growth will be extremely important for creating a sustainable housing and economic recovery. I look forward to learning more about your work and how you view the role of Director of F-H-F-A.

Senator Shelby would you like to give a statement?

Then we will turn to Senator Burr and Senator Hagan to give introductions.

Senator Burr?

- *After you and Senator Shelby give opening statements and Mr. Smith is introduced by Senators Hagan and Burr.*

Before we turn to you Mr. Smith, would you please stand and raise your right hand for the swearing in?

**DO YOU SWEAR OR AFFIRM THAT THE TESTIMONY THAT YOU
ARE ABOUT TO GIVE IS THE TRUTH, THE WHOLE TRUTH, AND
NOTHING BUT THE TRUTH, SO HELP YOU GOD?**

**DO YOU AGREE TO APPEAR AND TESTIFY BEFORE ANY DULY
CONSTITUTED COMMITTEE OF THE SENATE?**