

Committee on Banking, Housing, and Urban Affairs
Nomination Hearing for Mr. Joseph Gormley, Mr. Francis Cassidy, Mr. Paul Hollis, and
The Honorable Travis Hill
October 30, 2025

Questions for Mr. Joseph Gormley, to be President, Government National Mortgage Association, Department of Housing and Urban Development, from Ranking Member Elizabeth Warren:

Policy

1. **Staffing:** According to HUD’s Fiscal Year (FY) 2026 congressional justifications (CJs), there will be a nearly 30% reduction—or a loss of 68 full time employees (FTEs)—in Ginnie Mae’s staffing capacity by the end of 2026.¹ According to the FY26 CJs, there were a total of 258 FTEs at Ginnie Mae, which means there are 190 total FTEs expected in 2026.² This would put Ginnie’s staffing capacity below 2022 levels when there were 191 FTEs, which was up from 154 FTEs in 2021 and 145 FTEs in 2020 under the first Trump Administration.³
 - a. How do you expect Ginnie to handle ongoing workflows with reduced staff, including industry oversight, risk management, and the need for increased efficiency to keep market liquidity stable?

RESPONSE: As outlined in the FY26 CJ, Ginnie Mae’s projected staffing level is 235 FTEs in FY2026. Through the support of Secretary Turner, we continue to prioritize ensuring that Ginnie Mae has the appropriate staff to meet operational commitments and maintain market confidence.

- b. How many RIFs have been issued at Ginnie Mae between January 20, 2025-September 31, 2025 and October 1-present, respectively?

RESPONSE: In FY2025, Ginnie Mae experienced a reduction of 5 (five) FTEs through probationary separations. As of November 3, 2026, Ginnie Mae has had no involuntary separations in FY2026.

- c. Has the Office of Management and Budget consulted you on Ginnie Mae’s staffing needs and any plans for RIFs?

RESPONSE: As in recent administrations – Democrat and Republican – Ginnie Mae engages in annual budgeting conversations with OMB. Through

¹ HUD, “FY 2026 Congressional Justifications, Ginnie Mae,” https://www.hud.gov/sites/dfiles/CFO/documents/2026_CJ_SE_GNMA.pdf.

² HUD, “FY 2026 Congressional Justifications, Ginnie Mae,” https://www.hud.gov/sites/dfiles/CFO/documents/2026_CJ_SE_GNMA.pdf.

³ HUD, “FY 2023 Congressional Justifications, Ginnie Mae,” https://archives.hud.gov/budget/fy23/2023_CJ_S_and_E_-_GNMA.pdf; See also HUD, “FY 2022 Congressional Justifications, Ginnie Mae,” https://archives.hud.gov/budget/fy22/33_2022CJSE-GinnieMae.pdf.

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**the support of Secretary Turner, we continue to prioritize ensuring that
Ginnie Mae has the appropriate staff to meet operational commitments and
maintain market confidence.**

2. Oversight: What gaps remain in Ginnie Mae’s oversight and technological capacity that you would prioritize to ensure the safe growth of Ginnie-backed MBS?

RESPONSE: Since joining Ginnie Mae, I have been impressed with the staff’s dedication to ensuring the safe and sustainable operation of the Ginnie Mae platform. If confirmed, I will prioritize efforts to continue to meet Ginnie Mae’s operational commitments and maintain market confidence.

3. Nonbank Risk: Last year, Financial Stability Oversight Council (FSOC) and the Government Accountability Office (GAO) highlighted concerns regarding the growth and concentration of nonbank risk and associated losses in the Ginnie portfolio.⁴
- a. How are you working to address and mitigate safety and soundness concerns posed by nonbank risk?

RESPONSE: Ginnie Mae continues to make significant investments in exploring viable public/private solutions to mitigate risks, including challenges posed by the growth of non-bank Issuers, within its program. For example, Ginnie Mae is working with creditors to the mortgage industry to identify opportunities to provide additional sources of private capital and liquidity to the support the needs of its issuer base. Similarly, through Ginnie Mae’s loan level initiatives, we are pursuing enhancements to our securitization platform to increase issuer asset management capabilities with the goal of optimizing issuer cash management and ensuring portfolio liquidity.

- b. Do you need any authority from Congress to more effectively mitigate nonbank risk?

RESPONSE: Ginnie Mae continues to pursue programmatic improvements that reduce risks to American taxpayers while ensuring that we can continue to support our mission to enable affordable homeownership and rental opportunities. As this work progresses, if appropriate, Ginnie Mae will be pleased to work with Congress on additional statutory authorities or other changes that may be required.

⁴ FSOC, “Report on Nonbank Mortgage Servicing,” 2024, <https://home.treasury.gov/system/files/261/FSOC-2024-Nonbank-Mortgage-Servicing-Report.pdf>; See also GAO, “Nonbank Mortgage Companies: Greater Ginnie Mae Involvement in Interagency Exercises Could Enhance Crisis Planning,” January 31, 2025, <https://www.gao.gov/products/gao-25-107862>.

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- c. There is currently an open GAO recommendation on this issue. Can you confirm that Ginnie Mae is working on addressing that recommendation? When can Congress expect the recommendation to be closed?

RESPONSE: That specific GAO recommendation arose from an ad-hoc interagency exercise. Ginnie Mae has always been an enthusiastic collaborator with our colleagues across the federal government to share information within existing legal structures. Although Ginnie Mae is a government corporation, due to Ginnie Mae’s privity of contract with its Issuers, HUD’s Office of General Counsel has cautioned us that certain proprietary Issuer information should not be shared. If confirmed, I will ensure that Ginnie Mae prioritizes mitigating any audit findings.

4. Private Capital: You have stated that Ginnie is focused on ways to introduce more private capital into the ecosystem.

- a. Please describe what that would look like, and whether you think there is sufficient capacity and resources to execute on those plans.

RESPONSE: While Ginnie Mae continues to scope its loan level initiative, current plans point toward a future state which includes the ability to transfer servicing of individual loans within a pool. A key part of the scoping phase includes a full assessment of what additional resources Ginnie Mae will require to successfully complete the project.

- b. How would you mitigate for new or increased risks in those efforts to expand capital in the housing market?

RESPONSE: As the project progresses, Ginnie Mae will incorporate appropriate changes into its risk management process.

- c. What is your philosophy for attracting private capital to the U.S. housing market and what sets your philosophy apart from other experts and leaders in the field?

RESPONSE: Ginnie Mae is a public-private partnership in the truest sense. While it is the Ginnie Mae guaranty backed by the full faith and credit of the United States of America that provides investors the confidence to invest in mortgage back securities issued through the Ginnie Mae program, we depend on the private sector originators and servicers to make and service the loans that create affordable, homeownership and rental opportunities. If confirmed, I will continue to prioritize initiatives – such as our project to

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move from a pool level to loan level program - that introduce additional private sector investment and capital into the Ginnie Mae ecosystem.

5. Mortgage Access: Between 2021 and 2023, Ginnie-backed securities helped a record number of first-time homebuyers access affordable mortgage lending and homeownership.⁵ Based on current year-over-year trends, do you expect Ginnie to be on track to continue building on this progress to expand access to homeownership and if not, why?

RESPONSE: In FY2025, Ginnie Mae’s guaranteed portfolio grew approximately 7.4% from \$2.64 trillion to \$2.84 trillion and served approximately 712,000 first-time homebuyers.

6. Securitizations: Please describe any plans you have to alter Ginnie Mae’s current mortgage backed securities (MBS) structure, including transitioning from a pool-based to a loan-level securitization program. How do you expect this to affect Ginnie Mae MBS pricing or investor treatment compared to Fannie Mae and Freddie Mac MBS?

RESPONSE: Please see the response to 4(a). Ginnie Mae offers the only MBS product backed by the full faith and credit of the United States of America. This guaranty is statutory and can only be changed through Congressional action. We do not expect our loan level initiative to materially impact investor pricing or demand for Ginnie Mae MBS.

7. Loss Mitigation: Foreclosure is the most costly loss mitigation outcome and it hurts local economies. Do you think there are any improvements needed to the FHA, USDA, or VA loss mitigation waterfalls to help keep people in their homes and sustain the American dream of homeownership?

RESPONSE: Prioritizing efforts to keep distressed homeowners in their homes through safe and sustainable loss mitigation is important. Ginnie Mae supports efforts by our colleagues at the federal insuring and guaranteeing agencies to ensure loss mitigation programs are properly calibrated to meet the needs of homeowners while not imposing undue risks and losses on American taxpayers. Congress should be applauded for its efforts to make new loss mitigation options available to VA homeowners.

8. Regulatory Oversight and Compliance: Given your regulatory compliance background, please describe the importance of federal regulatory oversight and compliance reviews in ensuring the stability of households and the U.S. housing market.

⁵ HUD, “The U.S. Department of Housing and Urban Development Delivers for the American People: Increasing Home Ownership Opportunities, Adding to the Supply of Affordable Housing, Expanding Rental Assistance and Addressing Homelessness,” January 11, 2024, <https://archives.hud.gov/news/2024/pr24-005.cfm>.

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RESPONSE: Through my career experiences, I have developed a thorough appreciation for compliance and regulatory oversight. Regulatory oversight is important to ensuring the safe and sound operation of the residential mortgage finance market.

9. GSE reform: Ginnie Mae, alongside FHA, Fannie Mae, and Freddie Mac, serve as critical backbones to the U.S. housing finance market. The Trump Administration has made clear that it plans to reprivatize Fannie and Freddie through an IPO sometime between Q4 2025 and Q2 2026.

- a. How do you expect any release of the Enterprises to affect Ginnie’s book of business, including the pricing and treatment of Ginnie MBS versus Enterprise MBS?

RESPONSE: It is hard to speculate about a hypothetical, but we continue to see robust demand for Ginnie Mae MBS from investors around the globe. The full faith and credit guaranty of Ginnie Mae MBS by the United States of America is what provides investors the confidence to invest in Ginnie Mae MBS. That guaranty is statutory and can only be changed by Congress.

- b. How are you preparing to deal with any shifts in the market in terms of potential increased demand in Ginnie securitizations, managing risk, and industry oversight?

RESPONSE: If confirmed, I will continue to prioritize Ginnie Mae processes which assess marketplace trends to ensure we have sufficient resources to meet Ginnie Mae’s statutory responsibilities.

- c. Have you or any representatives from Ginnie Mae been involved in Administration conversations related to housing finance reform?

RESPONSE: Ginnie Mae staff engage in regular conversations with colleagues across the federal government regarding the housing finance ecosystem.

- d. How often have you met with the HUD Secretary, FHA, VA, and USDA, either collectively or respectively?

RESPONSE: Ginnie Mae staff, including me, meet regularly with our colleagues at HUD, FHA, VA, and USDA.

10. Housing Crisis: How do you think Ginnie Mae can strengthen its role in helping to address the nation’s broader housing supply and affordability crisis?

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RESPONSE: Ginnie Mae plays a unique and critical role in the United States housing finance system by guaranteeing the timely payment of principal and interest on MBS made up of federally insured or guaranteed loans, such as those from the Federal Housing Administration, VA Loan Guaranty Program, USDA’s Rural Housing Service, and HUD’s Office of Public and Indian Housing. If confirmed, I will continue to prioritize initiatives – such as our project to move from a pool level to loan level program - that introduce additional private sector investment and capital into the Ginnie Mae ecosystem.

Committee Questionnaire

1. Under Committee rules, you are required to provide true and correct responses to all questions in the Committee’s questionnaire. Can you confirm that you have provided complete, true, and correct answers to all of the Committee’s questions in the questionnaire?

RESPONSE: To the best of my knowledge, all of the responses I have provided have been true and correct.

2. The Committee questionnaire requires you to list all of the formal speeches, presentations (e.g., PowerPoint), and public statements you have delivered during the past ten years which are on topics relevant to the position for which you have been nominated, including dates and name of the forum you delivered the speech, presentation, or public statement. The questionnaire also requires you, if available, to provide the Committee with one digital copy of each formal speech, presentation, and public statement, and if text is no longer available, list the date, place, and organization or group to whom you made the speech or presentation. Can you confirm that you have provided complete, true, and correct disclosures in response to the Committee’s requirements?

RESPONSE: To the best of my knowledge, all of the responses I have provided have been true and correct.

Nomination

3. During or leading up to the selection of your nomination, did anyone on the Trump campaign, transition team, or other closely related entity approach you about your loyalty to President-elect Trump? Did you sign a loyalty pledge or other similar oath?

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RESPONSE: The oath I have pledged is one to uphold the Constitution of the United States of America. I support the President and am honored that he nominated me for this role.

4. During or leading up to the selection of your nomination, did you discuss Project 2025 with any officials directly or associated with the Heritage Foundation? If so, please explain.

RESPONSE: I am and will always be committed to maintaining confidentiality in my conversations with you, other elected officials, policy makers and their advisors / staff unless there is a legal responsibility to the contrary.

5. Please provide a comprehensive list of the people who approached you about joining the administration.

RESPONSE: See response to #4 above.

6. Did any person provide advice to you, oral or written, on your responses to these questions? If so, please provide a comprehensive list of the individuals or organizations that provided assistance.

RESPONSE: My responses to these questions were reviewed under the customary practices of recent administrations.

Congressional Oversight and Whistleblower Protection

7. If confirmed, will you commit to making yourself available to provide testimony (including but not limited to briefings, hearings, and transcribed interviews) to the Committee on any matter within its jurisdiction, upon the request of either the Chair or Ranking Member?

RESPONSE: If confirmed, I will work with the committee to make myself and employees of HUD available to the Committee as appropriate.

8. If confirmed, will you commit to fully complying with all information requests from me and responding to those requests in a timely manner?

RESPONSE: If confirmed, I will respond to requests for information as appropriate.

9. If confirmed, do you intend to respond to congressional information requests differently depending on who is making the request?

RESPONSE: If confirmed, I will respond to requests for information as

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appropriate.

10. If confirmed, will you commit to complying with any federal protections for whistleblowers?

RESPONSE: Yes.

Public Integrity

11. Will you commit to recuse yourself from any matters involving your former employers or clients for 4 years while serving as Housing and Urban Development Assistant Secretary?

RESPONSE: If confirmed, I will comply fully and faithfully with all obligations under the ethics laws.

12. For at least 4 years after leaving the Department of Housing and Urban Development , will you not seek employment or compensation from (1) any entity that you personally and substantially interacted with in your role as Assistant Secretary and (2) from any entity that lobbies the Department of Housing and Urban Development ?

RESPONSE: If confirmed, I will comply fully and faithfully with all obligations under the ethics laws.

11. Will you commit to not receiving any compensation from any entity that was within Government National Mortgage Association jurisdiction, whether or not a filing was made, for at least 4 years after leaving the Department of Housing and Urban Development?

RESPONSE: If confirmed, I will comply fully and faithfully with all obligations under the ethics laws.