



441 G St. N.W.
Washington, DC 20548

B-334361

June 14, 2022

The Honorable Sherrod Brown
Chairman
The Honorable Patrick J. Toomey
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable Maxine Waters
Chairwoman
The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
House of Representatives

Subject: *Federal Housing Finance Agency: Enterprise Regulatory Capital Framework—Public Disclosures for the Standardized Approach*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Federal Housing Finance Agency (FHFA) entitled “Enterprise Regulatory Capital Framework—Public Disclosures for the Standardized Approach” (RIN: 2590-AB18). We received the rule on May 26, 2022. It was published in the *Federal Register* as a final rule on June 2, 2022. 87 Fed. Reg. 33423. The effective date is August 1, 2022.

The final rule, according to FHFA, amends the Enterprise Regulatory Capital Framework by introducing new public disclosure requirements for the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. FHFA stated that the requirements include quantitative and qualitative disclosures related to risk management, corporate governance, capital structure, and capital requirements and buffers under the standardized approach.

Enclosed is our assessment of FHFA’s compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Shari Brewster, Assistant General Counsel, at (202) 512-6398.

Shirley A. Jones
Managing Associate General Counsel

Enclosure

cc: Clinton Jones
General Counsel
Federal Housing Finance Agency

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
FEDERAL HOUSING FINANCE AGENCY
ENTITLED
“ENTERPRISE REGULATORY CAPITAL FRAMEWORK—
PUBLIC DISCLOSURES FOR THE STANDARDIZED APPROACH”
(RIN: 2590-AB18)

(i) Cost-benefit analysis

In its submission to us, the Federal Housing Finance Agency (FHFA) indicated that it considered preparation of an analysis of the costs and benefits of this final rule to be not applicable.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

FHFA certified that this final rule will not have a significant economic impact on a substantial number of small entities because the rule is applicable only to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, which are not small entities for purposes of the RFA.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

As an independent regulatory agency, FHFA is not subject to the Act.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On November 3, 2021, FHFA published a proposed rule. 86 Fed. Reg. 60589. FHFA received six public comment letters on the proposed rule. FHFA responded to comments in this final rule.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

FHFA stated that this final rule contains no collection of information requiring approval from the Office of Management and Budget under the PRA.

Statutory authorization for the rule

FHFA promulgated this final rule pursuant to sections 4511, 4513, 4513b, 4514, 4515, 4517, 4526, 4611–4612, and 4631–4636 of title 12, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

As an independent regulatory agency, FHFA is not subject to the Order.

Executive Order No. 13132 (Federalism)

As an independent regulatory agency, FHFA is not subject to the Order.