



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

B-334366

June 17, 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: Capital Planning and Stress Capital Buffer Determination*

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 "Capital Planning and Stress Capital Buffer Determination" (RIN: 2590-AB16). We received the rule on May 31, 2022. It was published in the *Federal Register* as a final rule on June 3, 2022. 87 Fed. Reg. 33615. The effective date is August 2, 2022.

According to FHFA, it is adopting a final rule that supplements its Enterprise Regulatory Capital Framework (ERCF) final rule by requiring the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to submit annual capital plans to FHFA and provide prior notice for certain capital actions. See *generally* 85 Fed. Reg. 82150 (Dec. 17, 2020) (ERCF final rule). FHFA stated that the final rule incorporates the stress capital buffer determination from the ERCF final rule into the capital planning process. FHFA also stated that the requirements in the final rule are consistent with the regulatory framework for capital planning for large bank holding companies.

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.

A handwritten signature in black ink that reads "Shirley A. Jones".

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  
“CAPITAL PLANNING AND STRESS CAPITAL BUFFER DETERMINATION”  
(RIN: 2590-AB16)

(i) Cost-benefit analysis

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

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

FHFA stated that it has considered the impact of this final rule under the RFA and certifies that the final rule will not have a significant economic impact on a substantial number of small entities.

(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 Order.

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

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

On December 27, 2021, FHFA published a notice of proposed rulemaking. 86 Fed. Reg. 73187. FHFA stated that it received public comment letters on the proposed rule from a total of 12 different commenters. FHFA also stated that these commenters represented a variety of interested parties, including the Federal Home Loan Mortgage Corporation, two trade associations, one corporation, and eight private individuals. FHFA stated further that three of the private individuals submitted multiple comment letters each, resulting in FHFA receiving a total of 21 comment letters on the proposed rule. FHFA addressed these comments in the final rule.

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

FHFA determined that this final rule contains no information collection requirements under 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.