

CSBS: Fed Should Establish Liquidity Facility to Support Mortgage Servicers

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Washington, D.C. – Conference of State Bank Supervisors President and CEO John W. Ryan today sent a [letter](#) to Federal Reserve Board Governor Jerome Powell and U.S. Treasury Secretary Steven Mnuchin encouraging the creation of a liquidity facility to support mortgage servicers.

Statement by John W. Ryan:

“While I applaud actions taken to allow distressed borrowers to stay in their homes during the disruption caused by COVID-19 pandemic, more is needed. I urge the Federal Reserve, in consultation with the Treasury Department, to establish a credit facility that supports mortgage servicers and, ultimately, their customers.

“Consumer protection and financial stability are top concerns for state regulators. In order to work with their borrowers in these extreme conditions, state-regulated mortgage servicers must have adequate capital and liquidity. I believe that without a credit facility, a severe liquidity shortage will threaten both the ability of mortgage servicers to serve their customers and the health of the nation’s housing finance market.”

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The Conference of State Bank Supervisors (CSBS) is the national organization of bank regulators from all 50 states, American Samoa, District of Columbia, Guam, Puerto Rico and U.S. Virgin Islands. State regulators supervise 79% of all U.S. banks and are the primary supervisor of non-depository financial services. CSBS, on behalf of state regulators, also operates the Nationwide Multistate Licensing System to license and register non-depository financial service providers in the mortgage, money services businesses, consumer finance and debt industries.