

Congress of the United States
Washington, DC 20510

April 17, 2025

The Honorable William J. Pulte
Director
Federal Housing Finance Agency
400 7th Street, SW
Washington, D.C. 20219

Dear Director Pulte:

I am writing to express my strong support for the recent actions taken by the Federal Housing Finance Agency (FHFA) in referring New York Attorney General Letitia James for criminal prosecution regarding serious allegations of mortgage fraud. This referral marks a critical moment in the pursuit of accountability, particularly when the alleged misconduct stems from someone in such a high-profile position of public trust.

According to various reports, Ms. James is accused of purposefully misrepresenting her primary residence in a sworn mortgage application to qualify for a preferential loan rate. Evidence presented suggests that Ms. James has routinely falsified records of occupancy in multiple states. This discrepancy was not a clerical error but a calculated act—allegedly designed to secure more favorable terms under a federally backed mortgage instrument, to which she may not have been legally entitled.

If true, these actions would directly violate both federal and state mortgage fraud statutes. More disturbingly, these actions would reveal a deliberate abuse of the very systems she is charged with regulating and enforcing as the Attorney General of New York.

As you are well aware, mortgage fraud—particularly occupancy fraud—has a corrosive impact on our housing market. It not only distorts underwriting practices and exposes taxpayers to unnecessary financial risk but also contributes to inflated housing costs for working families who play by the rules. When public officials exploit these systems for personal gain, it sends a dangerous message that accountability is selective, and the law applies differently depending on one's political position.

I applaud you for taking this courageous and appropriate step in referring Ms. James for criminal charges. It is a powerful reminder that no individual, regardless of title or political influence, is above the law. But this incident also raises broader concerns about systemic vulnerabilities in

mortgage oversight, particularly concerning identity, occupancy certification, and fraud detection across state lines.

To that end, I respectfully request that your agency compile and submit to Congress a set of legislative recommendations aimed at strengthening our ability to combat mortgage fraud at every level. Specifically, I am seeking input on:

- Enhanced verification protocols for borrower identity and occupancy claims in government-backed loans.
- Real-time data-sharing mechanisms between state attorneys general, the U.S. Department of Housing & Urban Development (HUD), FHFA, and federal law enforcement entities to detect red flags across jurisdictions.
- Stricter penalties for elected officials and government employees found guilty of committing mortgage-related fraud, including automatic disqualification from public office.
- Strengthening the role of the FHFA Office of Inspector General.
- Development of a public mortgage fraud offender registry, similar to existing databases for financial crimes or ethics violations.
- Streamlining the process to recall loans that have been obtained fraudulently.

Congress has an obligation to restore integrity to our housing finance system, and this case makes clear that current safeguards are inadequate to prevent high-level abuse. I stand ready to introduce or support legislation in partnership with your expertise to ensure stronger enforcement and deterrence.

Director Pulte, thank you for your strong leadership at FHFA. I look forward to your timely response and to working together to uphold the rule of law and protect the American taxpayer.

Sincerely,



Ralph Norman
Member of Congress