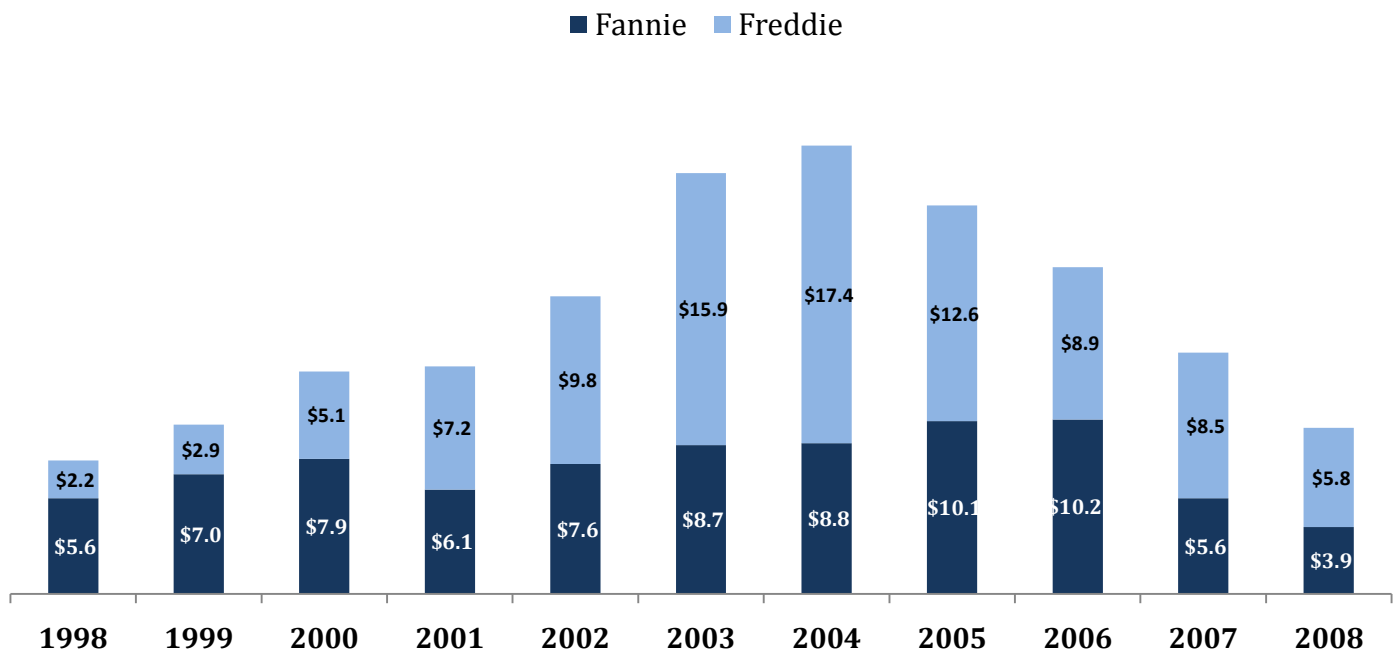


Polling News & Notes

Overlooked Recent Polling And Insights • January 8, 2009

Fannie and Freddie's Lobbying. It's well-known that Fannie Mae and Freddie Mac spent millions of dollars hiring high-priced lobbyists to keep themselves free of regulations. But the size of their lobbying frenzy was staggering—more than \$170 million over the past ten years. This is what Fannie and Freddie had to report as lobbying expenses: their actual outlays were likely to be substantially more.

Fannie Mae and Freddie Mac Lobbying Expenses, 1998-2008 (Millions of Dollars, Source: Center for Responsive Politics)



It's telling that Fannie and Freddie lobbying was concentrated in a few years. The two GSEs never combined to spend less than \$7.7 million on lobbying in a given year, but their lobbying hit new heights between 2003 and 2006, hitting \$26.4 million in just 2004 alone. This was the year Congress began marking-up GSE reform legislation. It's not unusual for companies to ramp up lobbying during election years, but Fannie and Freddie's lobbying continued at full-pace after the election, hitting \$22.7 million in 2005 and then \$19.1 million in 2006.

Unsurprisingly, Fannie and Freddie's lobbying was at its highest when the Bush Administration was pressing for GSE reform. The Administration's reform efforts ramped up in May 2002 and were at a peak in 2004 and 2005 when GSE reform legislation was working its way through Senate Banking and House Financial Services Committees. Once Fannie and Freddie were placed in conservatorship by the federal government, their lobbying activities ceased—but the damage has already been done.

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