3-16-2008

Jeremiah Norton Email regarding update on GSE plan announcement

Jeremiah Norton

Robert Steel

https://elischolar.library.yale.edu/ypfs-documents/1238
We have hardened guarantee legislative language on stand-by.

Line with Treasury process is very informal -- can be executed swiftly.

Your plan on cap raise is best option.

----- Original Message ----- 
From: Steel, Robert 
To: Nason, David; Ryan, Tony; Norton, Jeremiah; Kashkari, Neel 
Subject: GSEs 
Sent: Sun Mar 16 08:32:43 2008 
Subject: GSEs 

As I think all of you know, we are being leaned on as part of the plan for today's series of afternoon announcements to deliver a GSE "plan".

Just to summarize, the idea would be to announce a grand bargain of capital raise and beginning of relaxation of the capital surcharge for housing GSEs. Also some ideas about "commitment" to legislation but that's a bit fuzzy. This would be done at same time as other announcements.

My three constituents are:
Mudd
Syron
Lockhart

I have spoken to Mudd and he is good and knows we are on a tight timetable which is cool with him. I told him noon. He expressly said Lockhart needs to ELIMINATE the negative rhetoric.

I have emailed and called Syron and waiting to hear back...I will continually follow up. My thought was to get Syron nailed down...then connect with Lockhart.

Goal should then be a conference call with Dan, Dick, Jim and Hank to finalize language early afternoon.

I was leaned on very hard by Bill Dudley to harden substantially the qty. I do not like that and it has not been part of my conversation with anyone else. I view
that as a very significant move, way above my pay grade to double the size of the US debt in one fell swoop.

That's the update... Pls feel free to share any thoughts re substance or process.