

Ranking Member Pat Toomey (R-Pa.)  
Opening Statement  
Full Committee Hearing: Nomination Hearing  
May 11, 2021 at 10:00 AM

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Mr. Chairman, thank you.

Ms. Todman and Deputy Administrator Fernandez, welcome to you both.

President Biden recently marked his first 100 days in office. It's a good occasion to review what he promised and what he has delivered. He promised to be a unifier who would work across the aisle. Unfortunately, what he has delivered is classic tax and spend liberalism.

He has pushed wasteful spending plans to achieve liberal wish lists, and he has proposed raising taxes to pay for these plans, including increasing capital gains taxes and undoing the 2017 tax reforms that helped create the best economy of my lifetime.

Ms. Todman and Deputy Administrator Fernandez have been nominated for leadership positions at two agencies—HUD and FTA—that play a central role in the administration's tax and spend plans.

Let's consider housing. After Congress just finished providing more than \$80 billion for housing in response to COVID in 2020—on top of the \$50 billion we annually spend on HUD programs alone, not to mention the billions we spend on other housing programs and the tens of billions more we forgo in tax revenues to subsidize housing—this March the Biden administration pushed through an additional \$32 billion for housing purportedly in response to COVID.

But the Democrats' March spending bill was not about providing COVID relief. We know this because it made funding available for years after the expected duration of the pandemic. For example, CBO estimates that none of the bill's \$5 billion for HUD homelessness assistance will even be spent in 2021. That is not surprising since HUD has only spent a fraction of the money it was provided in the March 2020 CARES Act. In fact, as of this May, HUD has only spent 29 percent of those funds.

Amazingly, the Biden administration is now proposing almost a quarter-of-a-trillion dollars more for housing in its so-called infrastructure bill, which is really a multi-trillion dollar welfare plan, with a bit of infrastructure sprinkled in. The administration wants Congress to spend \$40 billion to upgrade public housing projects—places where people do not want to live.

Research shows that moving families out of housing projects and integrating them in communities deconcentrates poverty and decreases violent crime. But rather than focusing on sensible alternatives, the Biden administration wants to keep families in housing projects.

The Biden administration is also imposing burdensome housing regulations that will stifle economic growth. For example, the administration keeps extending a nationwide eviction moratorium that lacks both a legal basis and an economic justification. Just last week, a federal judge ruled the moratorium is unlawful.

There is clearly no economic justification for it since Congress allocated billions of dollars in rental assistance, stimulus checks, and unemployment benefits to ensure people could pay their bills. Small landlords are harmed by the eviction moratorium and its extension only drives up housing costs by restricting housing supply.

Democrats have taken a similar approach to transit spending. After Congress just finished providing more than \$40 billion for transit in response to COVID in 2020—on top of the \$12 billion we annually spend on transit—this March the Biden administration and Congressional Democrats pushed through on a partisan basis an additional \$30 billion for transit purportedly in response to COVID. That's a total of \$82 billion that Congress spent on transit over the course of one year.

What is the annual cost of operating all of the transit agencies in the U.S. combined? In 2019, it was \$54 billion.

Democrats tried to justify this spending by saying that transit systems would collapse from declines in ridership and state and local government revenues. But ridership did not drop to zero and ridership has increased since the worst days of the pandemic last spring.

These systems are by definition local. They serve a city or maybe a metropolitan area. Should the local jurisdictions and states where these

systems reside have any responsibility to pay for these systems? Evidently not, according to my colleagues.

The fact is, on the whole, state and local tax collections set a new record in 2020. Plus, in 2020, we sent more than \$500 billion to states and local governments for COVID relief. And this March, the Democrat spending bill gave them another \$350 billion.

Now the Biden administration wants another \$85 billion for transit as part of a wasteful, multi-trillion dollar welfare and infrastructure bill. Let us consider how excessive this is. If we pass the Biden bill, along with the FAST Act reauthorization, and combined it with the \$82 billion we provided over the last year, we could, based on 2019 Census data, buy every transit commuter in America a \$30,000 car.

Given the billions Democrats have spent and want to spend on housing and transit, I hope we will hear from today's nominees about how they plan to protect taxpayer dollars from waste and misuse.

Both HUD and FTA have important missions. HUD serves many low-income Americans. FTA supports public transportation services for Americans. We cannot just irresponsibly throw money at these agencies without oversight and reforms.

As the Biden Administration continues to consider an infrastructure package, it is my hope that it will keep its focus on actual infrastructure and not the welfare plan that's actually proposed.

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