

Statement of Chairman Sherrod Brown
“Home = Life: The State of Housing in America”
March 16, 2021

The title of today’s hearing – Home = Life – comes from Matthew Desmond, the author of the book “Evicted.”

He scribbled that in the front cover of my copy of the book. And it tells you really all you need to know about housing.

Where you live determines where your kids go to school, how far you have to go to get to work, and what kinds of jobs you can get. It determines where you do your grocery shopping, and whether your kids are exposed to hazardous lead or mold.

And we saw over the past year that our housing certainly affects our health.

That’s only going to be even more true in an era of a changing climate. The location and quality of our housing can determine how resilient or vulnerable we are to natural disasters.

And that is why this hearing is long overdue. For the past six years, we’ve had hearings on the GSEs and the effects of housing on Wall Street, but ignored how our entire housing system is working for homeowners looking to buy a lower cost home, seniors on a fixed income, and renters working a minimum wage job.

We’ll have lots of discussions about the GSEs and their role in our housing finance system. I’ve put forward a set of principles on the role the GSEs should play in our housing market. But that’s not what today’s hearing is about.

It’s been nearly nine years since this Committee held a hearing on the state of all housing in America – and that’s what we’re here to discuss today.

When we held that hearing in 2012, we were still trying to clean up the mess Wall Street and predatory lenders had made.

We might expect things to get better as we moved out of that recession. As Wall Street reminds us daily, the stock market is up, and interest rates have been near record lows.

And for many Americans, things have gotten better. Home prices have increased, giving many homeowners a valuable asset and the ability to finance home repairs and send their kids to college.

But this doesn’t tell the whole story.

People’s paychecks have not kept up with the cost of living – particularly the cost of rent.

The typical nursing assistant or janitor or retail worker – the very people we’ve called essential during this pandemic – isn’t paid enough to afford a two-bedroom apartment anywhere in the country.

Even before the pandemic, nearly 11 million renters – that’s one-in-four renters – were paying more than half their income for housing.

For more than half of Black and Latino renters, there is little left over each month for food and medication, let alone saving for a rainy day.

When a hard day's work doesn't even pay your bills, saving for a down payment just isn't a reality.

And it's not just renters.

Today, more than one-in-five homeowners are still paying more than one-third of their income for housing. The number of lower income homeowners has continued to shrink. And most concerning of all, perhaps – the Black home ownership rate is as low as it was when housing discrimination was legal.

Former HUD Secretary Romney – the father of our colleague, Senator Mitt Romney – tried to fully implement the Fair Housing Act when it first passed to combat systemic discrimination in our housing markets.

But he was sidelined by the Nixon Administration and its Southern strategy, and the law has never been fully enforced, making it harder to ensure equal access to housing.

And while we're the wealthiest country in the world, we have more than half a million people – including more than 100,000 children – without a place to stay on a given night.

And behind every one of these numbers is a family with a story.

Last year, before the pandemic began, I asked Ohioans to tell me their housing stories.

Stories flooded in. I heard from seniors who just weren't sure how they could stay in their home on a fixed income.

I heard from people in their 40s and 50s who, in their entire adult life, had never been paid enough to make rent without working multiple jobs.

I heard from parents who would love to own a home for their children, but knew they would never be able to beat out an investor looking to buy the same property for cash.

This is what families were facing a year ago. The pandemic only made it worse.

An estimated 10 million renters were behind on rent at the beginning of January. If they were paying more than half their income on rent before the pandemic started, it's tough to see how they could ever hope to catch up.

As some homeowners are bombarded with ads to refinance at the lowest rates on record, the homeowners who need help the most don't have those same opportunities.

Meanwhile, millions of homeowners are behind on their payments or facing foreclosure. Homeowners of color are more likely to have fallen behind because of the pandemic.

The American Rescue Plan will help. It will get shots in arms to get the virus under control and speed additional help to renters, homeowners, and people experiencing homelessness

But the Rescue Plan was just that – a rescue, to mobilize all our resources to get us through an emergency. Returning to the same broken system, where hard work wasn't paying off for too many workers, isn't good enough.

We have an opportunity on this Committee to make people's lives better through better housing policy – to expand access to affordable rentals, to make it easier to purchase a home, and to put trades people to work building housing and making it safer and more resilient.

Fundamentally, we all pretty much want the same thing – a place that’s safe, in a community we care about, where we can get to work and our kids have a good school, with room for our family – whether that’s three kids, or an aging parent, or a beloved pet.

You should get to define what home looks like for you. And you should be able to find it and afford it without crippling stress every single month. That is our charge on this committee – to make it so for everyone.

Thank you.

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