

**Opening Statement of Ranking Member Sherrod Brown  
Hearing on the Chairman's Housing Reform Outline: Part 1  
March 26, 2019**

Thank you, Chairman Crapo, and thank you to all of the witnesses for being here today.

I have long said that the “housing” part of this Committee’s name doesn’t get enough attention, and I look forward to the next two days of discussions and to working with the Chairman to address our nation’s housing needs.

Whether you rent it or own it, a house isn’t just where you live. One of the best books about housing is Matthew Desmond’s book *Evicted*, and couple of years ago, he wrote in the front cover of my book, “home = life.”

Home equals life. That’s how we should all approach this.

A house is where you go after a long day at work. It’s where you make memories with your children, maybe marking time with a growth chart on the bedroom wall. It determines what neighborhood you live in, where you worship, and where your kids go to school.

But too many Americans can’t afford that home.

Nearly one-third of households are paying more than 30 percent of their income for housing, including almost 21 million renters and more than one in five rural homeowners.

And in the fallout from the financial crisis, millions of people of color lost vast amounts of housing wealth they had finally been able to build after a century of redlining and discrimination.

Today, homeownership among African-American households has fallen under 43 percent – more than 30 percentage points below the white homeownership rate.

When work has dignity, everyone can afford housing and can choose to build wealth through homeownership and to pass that on to their children and grandchildren.

That’s simply not the reality we live in today, and any changes we make to our housing finance system should be to help working people – not Wall Street.

In 2008, when Congress last passed substantial, bipartisan housing finance legislation, we strengthened oversight of our housing system and took important steps toward serving Americans who are too often left behind.

We maintained the GSEs’ responsibility to facilitate national access to mortgage credit.

This broad, national market means that interest rates for borrowers in Idaho look a lot like those in Ohio and Arizona.

We further targeted affordable housing goals, and we established a duty to serve underserved rural areas, manufactured housing, and affordable housing preservation markets, all monitored by a new regulator.

We also created the Housing Trust Fund and Capital Magnet Fund to allocate dedicated resources each year to the development of affordable housing opportunities for the lowest-income households.

We know markets don't always work perfectly, and the market isn't serving these Americans on its own.

These funds are far from enough to solve our affordable housing crisis, but they are part of the solution.

Since 2008, FHFA has been an independent regulator that has worked to serve underserved markets, closely monitored the GSEs' business, and built up the capability to collect the housing data we need to help us help families.

Unfortunately, not all of the 2008 changes have been consistently implemented.

Even though they are funded outside the appropriations process, the Housing Trust Fund and Capital Magnet Fund have not been safe from attempts to eliminate them. For the last three years, this Administration has proposed cutting these funds.

And this year, nearly three months after the close-out of the GSEs' books and a month and a half after Fannie and Freddie told investors that they had set aside funds for the Housing Trust Fund and Capital Magnet Fund, the acting FHFA director still has not disbursed these affordable housing dollars.

Clearly, there is more work to be done to make sure every family can access the homeownership opportunities and rental housing that meets their needs.

As we begin these two days of discussions, we should start by asking: what housing options do families have today, and what housing opportunities we will make available for families in the future?

Failure to put working people first in this process will only make it harder for families to afford rent or to buy a home; put the viability of the 30-year fixed rate mortgage at risk; and hit lower income communities, communities of color, and rural Americans particularly hard.

I look forward to hearing from each of our witnesses today about how the housing market is working for homeowners and renters. Any changes we consider must strengthen, not weaken, our ability to address the housing challenges facing our nation and make the housing market work better for families.

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