

First, I want to wish a quick and full recovery to our colleague Senator Van Hollen, who has been so active on these issues. We are all thinking of him and his family this morning.

This morning the Banking and Housing Committee will examine how we can address a crisis facing millions of families – housing affordability. When we do this right, we lower people’s energy costs and reduce the risk to our communities from climate change.

Outdated HVACs and appliances and poor insulation and homes needing renovation cost Americans money each month on their gas and electric bills, and contributing to climate change.

Around 20 percent of U.S. greenhouse gas emissions come from residential buildings.

At the same time, most homes in the United States have some risk of climate change-induced disasters.

Nearly one-third of homes – about 35 million of them – are considered to be at high risk.

Ask any family who has lived through a flood or a wildfire how devastating those disasters can be – the expense, the stress, the lost memories.

Today we will hear from witnesses discussing how we can make our homes safer, more energy- and water-efficient, more resilient to natural disasters.

Homes that we build or renovate with these goals in mind – whether they’re manufactured housing, single-family homes, or apartments – are healthier, and they save on energy.

And we know we need more homes in this country.

For too long, we have not built enough housing to keep up with demand.

In our hearings, we’ve heard from mayors in places like Akron and Bozeman and Akron that we have far fewer homes than we need – nearly 4 million, by one estimate.

As a nation, we haven’t invested in our affordable housing infrastructure. Barriers to new housing at the local level impede development, deny families access to opportunity, and keep prices artificially high.

The result is that a multitude of policy decisions – many of them the legacy of Jim Crow and redlining – have helped create a national housing crisis that is pushing up costs for families across the country.

Even before the pandemic, a quarter of all renters were paying more than half of their incomes for housing. Even before the pandemic.

Due to a lack of funding, federal housing assistance reaches only one fourth of the renters who need it.

And of course, we know that wages haven't even come close to keeping up with housing prices.

A year of raises for some workers don't make up for nearly a half century of a Wall Street business model that funnels more and more wealth away from the workers who create it.

And we know that many of the affordable homes we do have are aging and need repairs.

The housing shortage and high costs have been years in the making. And the pandemic only made things worse.

Rents rose more than 11 percent on average between 2021 and 2022, while home prices rose more than 18 percent over the same period. In some areas, price increases have been much sharper.

Wall Street firms and other outside investors have come into our communities, snapping up homes, renting them out at exorbitant rates, and further reducing the supply of affordable housing available to families.

In his book *Evicted*, Matthew Desmond wrote that when families go to pay their bills, "the rent eats first."

And for most families, after the rent or the mortgage, utility bills eat second. And those bills have been eating into families' budgets for years, too.

We hear a lot of talk in this committee about inflation. Housing prices and energy bills take up a bigger and bigger chunk of families' budgets all the time.

Think about the stress workers feel every month when that electric bill comes in the heat of summer, or the gas bill arrives in the dead of winter.

In 2020, nearly a third of families said they had difficulty paying their energy bills, or had kept their home at an unsafe temperature because of energy cost concerns.

The burden is especially high for the lowest-income families and people of color.

We can bring down housing prices, and save people money on those bills every single month.

Virtually any new or renovated housing will have better environmental performance than older homes.

Thanks to American innovation, today we have building materials, technologies, and appliances that are dramatically more energy efficient than products from only a few years ago.

We just need to actually get those new technologies into people's homes.

Today we will hear from our witnesses how we can help all of our efforts work together.

We have to do better.

We can build more housing, protect it from fires and floods, and we can renovate and upgrade the homes we already have.

That means lower emissions.

It means jobs for building trades workers, in communities all over the country – installing new insulation, replacing windows, bringing in new appliances, removing lead paint, building new houses and apartments.

It means healthier, safer housing for our children.

And it means lower energy bills.