

**Opening Statement of Ranking Member Sherrod Brown**  
**Hearing on: “Housing Finance Reform: Next Steps”**  
**September 10, 2019**

Thank you, Mr. Chairman, and thank you to all of our witnesses for being here today.

We’re going to hear from the Trump Administration about the “next steps” on housing finance reform, but it’s clear from the plan they put out last week what President Trump thinks those steps should be – the Trump plan will make mortgages more expensive and harder to get.

We shouldn’t have to tell the president that we have an affordable housing crisis in this country. We all know it – we all see it.

I see it when I talk to residents of a manufactured housing community on the verge of losing their home, because they can’t afford the rent increase imposed by wealthy private equity investors who just bought their community.

I see it when I drive past the boarded up houses that belonged to the victims of predatory lending in my neighborhood of Slavic Village, and so many like it across the country.

I see it when I talk to young people in their 20s and 30s who want to buy a home, but who are **drowning in student loan debt** and can’t save enough for a down payment or afford a mortgage.

These are the real crises facing real families all across Ohio and around the country.

They're renters, they're homeowners, and they're former homeowners, and they all have one thing in common – they can't afford a place to call home.

We have had very productive hearings in this Committee where we talked about what it would take for the housing finance system to actually work for working families.

In March, we held two hearings with representatives from the Home Builders, the Realtors, the Mortgage Bankers, the credit unions, the civil rights community, and multifamily lenders.

We heard during those hearings that affordability and access aren't just components of housing finance – they're the whole reason we have housing finance system. They can't be an afterthought once we've answered other questions about the structure of the housing finance system – they have to be built into the system.

We need a housing system built on a mission to serve borrowers and renters, no matter who they are, what kind of work they do, or where they live.

That means we need policies that focus on increasing service for underserved markets, like rural areas and manufactured homeowners, and borrowers who have been locked out of the housing market over decades of discrimination.

And we need a system that helps a wide variety of lenders and borrowers participate, so that they can meet all families' needs, particularly those who have been left behind for far too long.

In our March hearings and in the months since, we've heard housing stakeholders coalescing around a few foundational principles for reform. They've said that reform should:

- Protect access to affordable 30-year fixed rate mortgages;
- Provide a catastrophic government guarantee;
- Structure loan guarantors like public utilities, providing a regulated rate of return;
- Serve a broad, national market;
- Serve lenders of all types and sizes equitably;
- Maintain a duty to serve all markets and all borrowers;
- Maintain affordable housing goals and metrics;
- Expand investment in affordable housing; and
- Maintain the GSEs' successful multifamily business models and ensure continued or better access for financing of affordable rental housing.

Yet unsurprisingly, President Trump and his Administration missed the point.

Rather than create a system that addresses the needs of working families, the Trump Administration has put out half-baked proposals that will make mortgages more expensive and harder to get.

In addition to increasing costs, the plan would make it harder for small lenders to compete, and gut the existing tools we have to help underserved families finally find an affordable apartment or own their first home.

The President's plans would also roll back consumer protections and investor disclosures put in place following the financial crisis, to prevent predatory loans and toxic securities from building up in our financial system.

So let's be clear: whether you're renting and want to buy a home, or own a home and someday want to sell it, President Trump's plan hurts you – all to funnel more money to the same Wall Street system that wrecked the housing markets and wrecked families' lives in 2008.

I was encouraged when I saw that Treasury's plan had nine separate proposals dedicated to **“leveling the playing field.”**

I thought this might mean leveling the playing field for communities of color, young households trapped by student debt, or renters who can't afford to save for a down payment.

So you can imagine my disappointment when I saw that all nine proposals – every last one – were about “leveling the playing field” for Wall Street, which is looking to make money off of working families' mortgages.

Really?

Of course we shouldn't be surprised. Ultimately this plan is the same as every other Trump Administration plan – it's about making it easier for Wall Street to profit off hardworking families.

These plans come in the midst of a flurry of other troubling Administration proposals to weaken fair housing and fair lending protections, and gut a bedrock civil rights law, the Community Reinvestment Act.

Taken together, the President has once again decided to side with Wall Street wealth over the dignity of work.

We don't need to make it easier for Wall Street to get richer. To quote Secretary Carson, "news flash, rich people are going to get richer anyway."

We need to make it easier for every family to find an affordable place to call home.

Housing isn't optional. Housing is a basic need, and no one should go without it in this country.

Thank you.

