

Ranking Member Tim Scott (R-S.C.)
Opening Statement
Full Committee Hearing
February 9, 2023 at 10:00 AM

Thank you, Chairman Brown. It certainly has been a privilege to work with you and we have found some common ground between the two of us. We also very often see the same problem, and just see different paths to get to the solution.

Today is a day when we celebrate bipartisanship. Thank you for working together on consensus witnesses who will help us understand the plight of so many Americans who are suffering through the challenges of homeownership or renting. I grew up with a mom who worked really hard—16 hours a day—and we rented through high school. We lived with my grandparents when we were younger, with my brother, my mother, and I sharing a bedroom in a rented house. The problems we see today aren't recent problems—they span back across history.

And so today we have an opportunity to try to understand why housing in this country has become so expensive and out of reach for so many families.

Federal housing policy has long been disconnected from economic reality. Partisan spending bills have contributed to housing inflation, and I worry that continuing to promote irresponsible federal spending does not address affordability challenges. In fact, it may be the root cause. Too much money flooding into our market and leading to incredible inflation, causing the Fed to try to figure out how to tamp down inflation by slowing the economy.

This administration likes to talk about the need for more affordable housing, but as we all know, talk is cheap and leads to empty promises. For instance, when President Biden ends federal apprenticeship programs that produce high paying jobs in the skilled trades, he shouldn't get to bemoan the lack of construction workers. Or, when he fails to address domestic supply chain bottlenecks, he shouldn't feign surprise when construction materials take months to arrive at job sites.

Finally, threatening builders and housing providers with the possibility of rent control will only further increase the gap in housing supply.

For decades, Washington's response to housing challenges has simply been more spending. We need to end this cycle and stop spinning our wheels.

While the trillions spent on numerous federal housing programs were well intended, the net result has made no meaningful and lasting impact on homeownership rates. Especially as we see burdensome regulations push closing costs higher and higher, making the path to homeownership more difficult.

For African American families in particular, the homeownership rate remains unchanged since 1968, the year the Fair Housing Act was signed into law. For too long assistance programs have served as subsistence programs for the most vulnerable Americans.

It's past time to rethink the tax-and-spend strategies that keep families trapped in generational cycles of poverty and find real solutions to meaningfully impact all households—breaking the cycle. Government must begin responsibly helping families rather than doubling down on programs that fail to generate results.

We need to leverage the successes of American capitalism by encouraging private investment in the housing sector and eliminating needless barriers that artificially restrict supply. And most importantly, we should remember that effective housing policy is driven by communities—it is critically important the federal government encourages local solutions to uniquely local problems.

These ideas are common sense and shouldn't be controversial. I sincerely believe Republicans and Democrats should be able to find common ground on many of these important matters that impact the American people. I thank Chairman Brown for working together on building this consensus panel.

With that, I would like to welcome the witnesses and I look forward to your testimony.