

Ranking Member Pat Toomey (R-Pa.)  
Opening Statement  
Full Committee Hearing: Nomination Hearing  
October 7, 2021 at 10:00 AM

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Mr. Chairman, thank you. And welcome to our nominees.

Mr. Axelrod has been nominated to serve as Assistant Secretary for Export Enforcement in the Commerce Department's Bureau of Industry and Security, or BIS. BIS determines which U.S. goods are too sensitive to be shipped abroad.

In the face of China's drive for dominance in key tech sectors, BIS's mission today is as important as ever. But export controls are only as good as their enforcement.

Mr. Axelrod would have the important job of overseeing that enforcement. I expect him to give his own answers to questions from this Committee, including questions for the record, in a timely and transparent manner, which is something BIS nominees have not always done.

Today's other nominees would, if confirmed, fill key leadership positions at HUD.

In response to COVID, Congress appropriated billions of dollars for HUD programs, in addition to the billions we normally provide for them. In March, the Democrats' partisan spending bill sent billions more to HUD.

Now Democrats are trying to use their reckless tax-and-spending reconciliation bill to provide more than \$300 billion to HUD. Unfortunately, based on their records, I'm concerned that today's nominees may be ill-suited to be good stewards of these taxpayer dollars.

Ms. McCargo has been nominated to serve as the President of Ginnie Mae. After the 2008 financial crisis, she was responsible at Fannie Mae for implementing the Home Affordable Modification Program, or HAMP, which was intended to help borrowers avoid foreclosure.

HAMP was beset with challenges. A special Inspector General found that a significant share of borrowers in HAMP—people who had already defaulted because they couldn't afford their initial mortgage—received loan

modifications then defaulted again. And GAO found inconsistencies in how loan servicers interfaced with borrowers, which GAO claimed could lead to inequitable treatment.

Fast forward to today. Ginnie Mae recently rolled out a proposal to help borrowers by transitioning them from COVID-related mortgage forbearance into loan modifications for up to 40 years. Ms. McCargo has endorsed this idea.

If confirmed, Ms. McCargo will need to be vigilant to ensure the challenges that HAMP faced do not reappear for borrowers—and taxpayers—with this latest taxpayer-backed scheme to subsidize certain people's mortgages.

Mr. Jemison has been nominated to serve as the Assistant Secretary responsible for public housing and Indian housing. For almost seven years, he worked on housing issues for Detroit, a city so chronically mismanaged that it had to file for bankruptcy in 2013.

Under Mr. Jemison's leadership, Detroit often failed to revitalize blighted homes and neighborhoods on time as promised. Amazingly, city officials admitted that they set aggressive construction timelines without any data to support them.

Mr. Jemison's track record in Detroit is concerning because Democrats and the White House want to spend \$80 billion more on public housing in their reckless tax-and-spend reconciliation bill. If confirmed, Mr. Jemison, would lead HUD's public housing office, which would be responsible for this enormous amount of money.

Our last nominee today, Mr. Colon, has a particularly concerning record. He's had senior management roles at New York housing agencies that have been rife with problems—from project delays to ignoring ever-increasing tenant complaints—according to independent auditors.

These failures, which occurred under Mr. Colon's watch, give me no confidence that he would be a good steward of taxpayer dollars at HUD. However, what's even more troubling about Mr. Colon's record is his history of using Twitter to engage in vitriolic and profane attacks on his political opponents.

Over the years, he's repeatedly mocked and attacked—by name—our Senate colleagues. He's ridiculed Senator Manchin. He referred to Senators Collins and other Republicans as “clowns.” Senator Graham as “Senator Snagglepuss” and “#SenatorShameless,” Senator Rubio as “Senator Jellyfish,” Senator Paul as spineless, Senator McConnell as “MassacreMitch” and “Moscow Mitch.”

He's endorsed the slanderous claim that Republican Senators, including members of this Committee, were “Russian stooges” for traveling there on a CODEL. And he's gone on profanity-laced tirades about President Trump. This is just a small selection.

Unfortunately, we don't know the full extent of Mr. Colon's statements because he deleted some of them before being nominated. I asked him to try to recover his deleted tweets from Twitter. But he refused to comply with this reasonable request. It makes you wonder, what does he have to hide?

The statements we do have from Mr. Colon are more than sufficient to demonstrate that he lacks the judgment and temperament to serve in a senior leadership position at HUD. Frankly, I'm shocked and disappointed that the Biden administration did not withdraw his nomination months ago after his statements were uncovered.

Thank you, Mr. Chairman.