

Mr. David Uejio
To be Assistant Secretary of Housing and Urban Development
Department of Housing and Urban Development

Dear Mr. Uejio:

Thank you for testifying before the United States Senate Committee on Banking, Housing, and Urban Affairs on April 18, 2023, at the nominations hearing.

In order to complete the hearing record, we would appreciate your answers to the enclosed questions by 12:00PM on April 27, 2023. When formatting your response, please repeat the question, then your answer, single spacing both question and answer. Please do not use all capitals.

Send your reply to Mr. Cameron Ricker, the Committee's Chief Clerk. He will transmit copies to the appropriate offices, including the Committee's publications office. Due to current procedures regarding Senate mail, it is recommended that you send replies via e-mail in a Microsoft Word or PDF attachment to Cameron_Ricker@banking.senate.gov.

If you have any questions about this letter, please contact Mr. Ricker at (202) 224-5587.

Sincerely,

Sherrod Brown
Chairman

SB/cr

**Committee on Banking, Housing, and Urban Affairs
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Questions for Mr. David Uejio, of California, to be Assistant Secretary of Housing and Urban Development, Department of Housing and Urban Development, from Ranking Member Tim Scott:

1. The Davis-Bacon Act was passed in 1931, mostly in order to prevent non-unionized black and immigrant laborers from competing with unionized white workers. It continues to have discriminatory effects today, since minorities are vastly underrepresented in unionized trades, and since minority contracting firms are often smaller and non-unionized, they often cannot afford to pay prevailing wages. This creates a barrier to entry into construction on federal projects for minority owned businesses and minority workers.
 - a. Do you believe that the historically intended and present consequences of Davis-Bacon requirements are discriminatory? Please answer “yes” or “no.”

My understanding is that HUD’s Office of Field Policy and Management administers Davis-Bacon prevailing wage standards and I do not have the expertise or facts to assess the historical intentions or present consequences of the Davis-Bacon requirements.

2. After President Biden's executive order on Advancing Racial Equity and Support for Underserved Communities, HUD released a Climate Action Plan to "deliver on the President's commitment to environmental justice and promoting racial equity." HUD has stated that it is “committed to tackling the climate crisis” and "address[ing] environmental injustices.” One of the action items in this plan includes updating HUD's NEPA policies. None of the listed updates include any reforms to reduce construction delays or reduce litigation risk for construction projects, something that has had bipartisan calls for action.
 - a. Do you think that construction delays and higher housing costs from policies like these could have disparate impacts on communities of color? Please answer “yes” or “no.” If yes, please explain.

The Office of Fair Housing and Equal Opportunity does not have a role in administering the National Environmental Policy Act at HUD. I acknowledge that delays in housing construction and housing costs are issues of concern.

- b. Do you think these types of environmental regulations should be streamlined to reduce delays and lower costs? Please answer “yes” or “no.” If yes, please explain.

The Office of Fair Housing and Equal Opportunity does not have a direct role in implementing environmental regulations. I am not conversant enough with these environmental regulations to have a view on this question.

3. On April 7th, despite bipartisan support from both sides of Congress to overturn the regulation, President Biden vetoed a resolution that would have reversed the EPA's Waters of

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the U.S. (WOTUS) rule. Never mind that this regulation will have a massive impact on farmers, ranchers, and small businesses across the country, I am extremely concerned about its potential impacts on building affordable housing. This rule would require federal assessments on construction sites across the country by expanding federal authority over drainage ditches, water tanks, and irrigation systems.

- a. Virtually every association responsible for building affordable housing is ringing alarm bells about how this regulatory overreach will create massive delays and higher costs. Would you agree with them? Please answer “yes” or “no.” If no, please explain

I am not an expert on the WOTUS rule or the potential impacts of the rule on affordable housing.

- b. Do you think that the federal government should be regulating every drainage ditch across the country? Please answer “yes” or “no.” If yes, please explain

No.

- c. Can you provide any other examples of current federal regulations, environmental or otherwise, that result in higher housing costs for families?

No, I have not conducted an analysis of federal regulations and the impact of such regulations on housing costs for families.

- d. From your perspective, if this regulation raised housing costs disproportionately for minority families, would it be a violation of HUD's disparate impact rule? Please explain.

HUD’s discriminatory effects rule sets the legal framework requiring an individualized, fact specific analysis. I have not undertaken such an analysis and the hypothetical offered does not provide sufficient facts by which such an analysis could be done properly. My understanding is that a finding that a policy has a disparate impact based on race or other protected classes would not by itself demonstrate a violation, but rather would require a further analysis involving whether the policy is necessary to serve important purposes. If confirmed, I would work in close partnership with HUD’s Office of General Counsel in enforcing the Fair Housing Act.

4. What experience, if any, do you have in enforcing fair housing laws?

In my government career I have been proud to work on issues in the housing finance marketplace. As Acting Director of the CFPB, I led the nation’s consumer financial protection regulator, with authority over large segments of the housing finance marketplace. Since that time, I have led the law enforcement and compliance work of the

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CFPB, enforcing fairly and impartially the laws Congress has written to protect American consumers. That experience has prepared me well to enforce the Fair Housing Act, where we see many overlapping problems including appraisal bias, inaccurate tenant screening, and illegal race-based redlining.

Among the statutes the CFPB enforces are the Equal Credit Opportunity Act (ECOA) prohibiting discrimination in the provision of financial services, to include housing, as well as the Fair Credit Reporting Act (FCRA) which helps ensure fair treatment of homeowners and tenants. As Chair of the Federal Financial Institutions Examination Council (FFIEC), I led members to focus on discrimination in the home appraisal marketplace, and convened key governmental partners, consumer advocates, civil rights leaders, and local leaders to better understand their experience with these biases on a day-to-day basis. I also led the FFIEC's work to encourage coordination across federal banking regulatory agencies and promote uniformity in the supervision of financial institutions, including supervision for compliance with the Fair Housing Act. Under my leadership, the Bureau also joined the Interagency Task Force on Property Assessment Valuation Equity (PAVE). I am fortunate to have strong relationships with the Director of the FHFA and other banking regulators, and if confirmed look forward to working with these stakeholders and the Department of Justice to enforce the Fair Housing Act.

5. What experience, if any, did you have in enforcing fair housing laws prior to being appointed Acting Director of the CFPB?

Over 17 years I have been blessed to serve the American people as a career civil servant at the National Institutes of Health, the Pentagon, and at the CFPB. Over that time, I have been called upon to stand up or reinvigorate agencies and to solve complex problems preventing them from delivering for the American people. Prior to my appointment as Acting Director of the CFPB, I did not have direct experience enforcing fair housing laws. I did, however, bring with me to that role a deep expertise in leading, designing, and strengthening federal programs, offices, and processes.

6. What experience, if any, did you have in enforcing any fair lending or civil rights laws prior to being appointed Acting Director of the CFPB?

Over 17 years I have been blessed to serve the American people as a career civil servant at the National Institutes of Health, the Pentagon, and at the CFPB. Over that time, I have been called upon to stand up or reinvigorate agencies and to solve complex problems preventing them from delivering for the American people. Prior to my appointment as Acting Director of the CFPB, I did not have direct experience enforcing fair lending or civil rights laws. I did, however, bring with me to that role a deep expertise in leading, designing, and strengthening federal programs, offices, and processes.

7. Prior to your appointment as Acting Director of the CFPB, you were the Chief Strategy Officer, a career CFPB employee at the assistant director level. On a call with Committee staff, you indicated that you did not know why you were selected to be Acting Director,

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rather than another employee at a higher level, but you speculated that it might be due to your experience in improving organizations.

- a. Have you since learned why you were appointed as Acting Director?

The President of the United States is responsible for the designation of acting officials where there is a vacancy. Like many individuals who are called upon to serve, I accepted the opportunity without reservation and with full determination to support and defend the Constitution.

Though, as I explained in response to questions from your staff during a call on April 5, 2023, I do not know the specific reason that I was selected to be Acting Director, I am confident that my deep expertise and demonstrated record of leadership across administrations of both parties are among the reasons I was nominated for this position. The White House explained in its June 24, 2021 press release announcing my nomination, my significant and highly relevant experience “serv[ing] the Bureau as Acting Chief of Staff, as Lead for Talent Acquisition, and... as the Bureau’s Chief Strategy Officer.” The announcement further notes that “[a]s Chief Strategy Officer, [I] led the development of an integrative approach to strategic planning, policy prioritization, enterprise risk management, organizational performance, and program evaluation.”

- b. Do you continue to believe that you were appointed to this position because of your experience in improving organizations?

Yes.

8. Shortly after Rohit Chopra became CFPB Director, he appointed you as Acting Associate Director for Supervision, Enforcement, and Fair Lending (SEFL), notwithstanding your relative lack of experience in supervision, enforcement, or fair lending, particularly compared to other officials in SEFL, such as SEFL Deputy Associate Director David Bleicken, who has served in senior positions in that office for more than 10 years, including as Deputy Associate Director and Acting Associate Director. On a call with Committee staff, you indicated that you did not know why you were selected to be Acting Associate Director of SEFL, rather than David Bleicken or another more experienced official in SEFL, but you speculated that it might be due to your experience in improving organizations.

- a. Have you since learned why you were appointed as Acting Associate Director of SEFL?

As noted above, I have a record of strong leadership as a career civil servant and extensive expertise in leading, designing, and strengthening organizations. Though, as I explained in response to questions from your staff during a call on April 5, 2023, I do not know the specific reason that I was selected to lead SEFL, I am confident that my deep experience and demonstrated record of leadership in these areas is among the reason I was appointed to this position.

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- b. Do you continue to believe that you were appointed to this position because of your experience in improving organizations?

Yes.

9. As you know, GovExec reported in 2021 that, under your leadership as Acting Director, the CFPB pushed out a number of senior career civil servants so that Rohit Chopra could handpick their replacements after his confirmation. How many employees at the assistant director level or higher departed the CFPB, either voluntarily or involuntarily, during your approximately 9-month tenure as Acting Director?

- a. Please list the names and position of any such employees.

I am receiving and responding to these questions in my capacity as nominee for HUD's Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB and would respectfully refer you to previous correspondence between the CFPB and the Senate Banking Committee that provide further information on the Voluntary Separation Compensation Policy.

10. One of the employees that it appears that the CFPB pushed out during your tenure is Bryan Schneider, the then-Associate Director of SEFL. Rohit Chopra then appointed you to be the Acting Associate Director of SEFL shortly after he became Director, even though you had very limited experience in supervision, enforcement, or fair lending.

- a. Did Mr. Schneider depart from the CFPB during your tenure as Acting Director? Please answer "yes" or "no." If yes, when did he depart the CFPB?

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- b. What were the circumstances surrounding his leaving?

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- c. Did you push out or buy out Mr. Schneider? Please answer "yes" or "no."

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- d. Was Mr. Schneider offered a voluntary separation compensation package? Please answer "yes" or "no."

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- i. If yes, did he receive a voluntary separation compensation package in connection with his departure from the CFPB during your tenure as Acting Director?

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11. Did you approve an expanded or more generous voluntary separation compensation policy as Acting Director? Please answer "yes" or "no."

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- a. If yes, when did you approve an expanded or more generous voluntary separation policy?

I am receiving and responding to these questions in my capacity as nominee for HUD's Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB and would respectfully refer you to previous correspondence between the CFPB and the Senate Banking

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Committee that provide further information on the Voluntary Separation Compensation Policy.

b. In what specific ways was such a policy expanded or made more generous?
See response immediately above.

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12. The Acting Associate Director position to which you were appointed by Mr. Chopra has allowed you claim much-needed experience in enforcing civil rights laws for the HUD position for which you had been nominated. Was your appointment to lead SEFL in any way a reward from Rohit Chopra for pushing out CFPB employees for him to replace, so that you could pad your resume for this nominated HUD position?

No.

13. As the CFPB's Acting Director of Supervision, Enforcement, and Fair Lending, the team you oversaw amended the Supervision exam manual UDAAP section to add discrimination. Pursuant to what legal authority did the CFPB make that change [or "a wholesale change of well-settled antidiscrimination statutes and regulations"] through the Exam Manual instead of an Administrative Procedure Act (APA) rulemaking?

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14. Congress passed the Equal Credit Opportunity Act in 1974 to prohibit discrimination in lending. Does the CFPB have the authority to create a new discrimination standard through UDAAP? Please answer "yes" or "no."

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15. Does the new legal requirement in the UDAAP manual apply to call center communications?

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16. Are financial institutions allowed under law to require call centers to ask consumers about their race and ethnicity? Please answer "yes" or "no."

I am receiving and responding to these questions in my capacity as nominee for HUD's Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB but would respectfully refer you to public materials and previous responses from the Bureau to the Senate Banking Committee on this topic.

- a. Are they allowed to ask consumers their gender or age?

I am receiving and responding to these questions in my capacity as nominee for HUD's Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB but would respectfully refer you to public materials and previous responses from the Bureau to the Senate Banking Committee on this topic.

- b. How would you suggest a financial institution go about legally measuring whether discrimination is occurring in call centers?

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- i. If not, how is a financial institution supposed to measure or find out whether they're treating protected classes of consumers differently?
- c. How would you suggest a financial institution go about legally measuring whether discrimination is occurring in call centers?

I am receiving and responding to these questions in my capacity as nominee for HUD's Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB but would respectfully refer you to public materials and previous responses from the Bureau to the Senate Banking Committee on this topic.

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17. Recently, the SEFL Division of the CFPB that you oversee released a policy statement explaining their thoughts on the legal prohibition on abusive conduct. There are several troubling things about this guidance.

- a. The policy statement suggests that bad customer service can be “abusive.” How does the Bureau draw the line about what customer service is traditionally “bad” service, versus service that is “abusive”?

I am receiving and responding to these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not on behalf of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB but would respectfully refer you to the Bureau’s public policy statement on abusive acts and practices for information.

- b. How is a lender supposed to manage this type of risk and potential action from the Bureau?

I am receiving and responding to these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not on behalf of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB but would respectfully refer you to the Bureau’s public policy statement on abusive acts and practices for information.

- c. How can a lender be expected to offer products and services when it could be hit with an enforcement action for “abusive” conduct if even one consumer comes back and says they were confused or did not understand?

I am receiving and responding to these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not on behalf of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB but would respectfully refer you to the Bureau’s public policy statement on abusive acts and practices for information.

18. Please provide your philosophy on how you will approach and respond to Congressional information requests (both for documentary information and oral testimony), if you are confirmed.

I recognize that Congress plays an important oversight role regarding executive branch activities, and I pledge to thoughtfully consider all Congressional information requests, recognizing the importance of transparency in government. If confirmed, I pledge to work through the accommodations process to comply with Congressional requests for information to the fullest extent consistent with the constitutional and statutory obligations of the executive branch.

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19. Will you commit that, if confirmed, you will timely respond to and fully comply with all information requests from me? Please answer “yes” or “no.” If your answer is “no,” please explain.

I recognize that Congress plays an important oversight role regarding executive branch activities, and I pledge to thoughtfully consider all Congressional information requests including from any member, recognizing the importance of transparency in government. If confirmed, I pledge to work through the accommodations process to comply with Congressional requests for information to the fullest extent consistent with constitutional and statutory obligations of the executive branch.

20. Did you provide all information requested of you by members of Congress when you were Acting CFPB Director? Please answer “yes” or “no.”

- a. If not, please provide a list of all such Congressional information requests that were sent to you while you were Acting Director that you did not fully comply with.

Under my leadership, the CFPB worked diligently to respond to all Congressional inquiries, including by working through the accommodations process when needed to comply with all requests for information to the fullest extent practicable, consistent with constitutional and statutory obligations of the executive branch.

21. If you did not fully comply with Congressional information requests that were sent to you as Acting Director, why should Senators believe that you would be responsive to Congressional information requests going forward at HUD if you are confirmed?

I recognize that Congress plays an important oversight role regarding executive branch activities, and I pledge to thoughtfully consider all Congressional information requests including from any member, recognizing the importance of transparency in government. If confirmed, I pledge to work through the accommodations process to comply with Congressional requests for information to the fullest extent practicable, consistent with constitutional and statutory obligations of the executive branch.

22. I have concerns regarding the CFPB’s Policy Fellowship program, which you established during your time as Acting Director. While hiring market experts can be a good thing, so long as they have real experience in providing consumer financial products and services, your Fellowship program seems to have been designed to contravene federal civil service laws and to shield your fellows from the disclosure requirements applicable to senior political and career staff. Furthermore, there have been instances where one or more of your fellows have been allowed to take permanent career roles at the CFPB without open competition for these positions.

- a. Please explain why your Policy Fellowship program does not violate federal civil service laws.

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I am receiving and responding to these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer questions on behalf of the CFPB.

- b. Will you commit to identifying the CFPB’s policy fellows, to disclosing their particular roles at your agency, and explaining how they are paid?

I am receiving and responding to these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB. Accordingly, I cannot answer questions on behalf of the CFPB.

23. As the CFPB’s Acting Associate Director for Supervision, Enforcement, and Fair Lending, please explain the Bureau’s decision to “invoke” its dormant authority to examine nonbank companies posing risks to consumers.

- a. What standards does the CFPB use to govern this supervisory power?

Because I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB, I cannot answer questions on behalf of the CFPB, and would respectfully refer you to the Bureau’s procedural rule and public blog post on this topic.

- b. What “sources of information” can the CFPB rely on as evidence?

Because I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB, I cannot answer questions on behalf of the CFPB, and would respectfully refer you to the Bureau’s procedural rule and public blog post on this topic.

- c. How does the Bureau define “reasonable cause”?

Because I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB, I cannot answer questions on behalf of the CFPB, and would respectfully refer you to the Bureau’s procedural rule and public blog post on this topic.

- d. What are the “risks to consumers” that are sufficient for the CFPB to invoke this authority?

Because I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB, I cannot answer questions on behalf of the CFPB, and would respectfully refer you to the Bureau’s procedural rule and public blog post on this topic.

- e. As head of supervision, did you ever recommend to Director Chopra that this supervisory authority would be better defined by rulemaking?

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Because I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity and not as a representative of the CFPB, I cannot answer questions on behalf of the CFPB, and would respectfully refer you to the Bureau’s procedural rule and public blog post on this topic.

- i. If yes, why did he disagree with your view?
- ii. If no, why do you believe that businesses have sufficient guidance to understand the CFPB’s standards?

24. During Director Chopra’s testimony before the Senate Banking Committee on December 15, 2022, he responded to a question about the March 2022 amendment to the CFPB’s examination manual that “This is not disparate impact. As Senator Toomey has claimed this many times. And it’s just not true.” The facts do not support this claim. In the press release announcing the update, the CFPB stated that “consumers can be harmed by discrimination of whether it is intentional” and that CFPB examiners now consider “discriminatory outcomes.” Do CFPB examiners now consider discriminatory outcomes as part of their assessment of acts or practices are “unfair”? Please explain.

I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity, not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB. I would respectfully refer you to the public exam manual and previous responses from the Bureau to the Senate Banking Committee on this topic.

25. The CFPB proposed a new rule earlier this year that seeks to create a public registry of companies’ terms and conditions used in contracts with consumers. The Bureau claims that certain terms and conditions are “risky” to consumers, and thus believes they should be submitted to a CFPB database. The CFPB’s logic is that this database will inform its risk-based supervision program, and that the agency will make this information to inform consumers of “risks.”

The Proposal mentions arbitration by name 152 times in 64 pages of the Federal Register. The Bureau issued the Proposed Rule shortly after receiving pressure from consumer groups calling for action to limit the use of arbitration.

- a. What section of the agency’s market monitoring authority authorizes it to regulate arbitration clauses?

I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity, not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB. I would respectfully refer you to the Notice of Proposed Rulemaking for that proposed rule for information about the Bureau’s reasoning and analysis.

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- b. The entire premise of the proposed rule is that certain terms and conditions are “risky” to consumers, but the CFPB only provides evidence regarding the use of arbitration clauses, relying on a study it issued in 2017 that has been widely discredited by multiple organizations.
 - i. Are companies that use arbitration clauses any more likely to be subject to an enforcement action by the CFPB than companies who do not use arbitration clauses?

I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity, not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB. I would respectfully refer you to the Notice of Proposed Rulemaking for that proposed rule for information about the Bureau’s reasoning and analysis.

- ii. Are companies that use arbitration clauses any more likely to receive a complaint in the CFPB’s consumer complaint portal than companies who do not use arbitration clauses?

I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity, not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB. I would respectfully refer you to the Notice of Proposed Rulemaking for that proposed rule for information about the Bureau’s reasoning and analysis.

- c. The CFPB’s proposed rule is also surprising in that it proposes to make this information public.
 - i. Does the CFPB intend to use the publication of certain information to discourage consumers from using certain products or services?

I am answering these questions in my capacity as nominee for HUD’s Office of Fair Housing and Equal Opportunity, not as a representative of the CFPB. Accordingly, I cannot answer these questions on behalf of the CFPB. I would respectfully refer you to the Notice of Proposed Rulemaking for that proposed rule for information about the Bureau’s reasoning and analysis.

- ii. If not, why make the info public?

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Questions for Mr. David Uejio, of California, to be Assistant Secretary of Housing and Urban Development, Department of Housing and Urban Development, from Senator Catherine Cortez Masto:

1. If confirmed, how would you handle complaints about discrimination from those disabled due to a COVID-19 infection?

HUD is authorized by statutes to address housing discrimination based on disability. If confirmed, I would ensure all persons filing complaints about discrimination based on disability, no matter the source, are taken seriously by the Office and are afforded the appropriate considerations.

I am aware that the Department of Health and Human Services and the Department of Justice have determined that persons with COVID can in some circumstances be considered to be disabled under the Americans with Disabilities Act and Section 504 of the Rehabilitation Act.

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Questions for Mr. David Uejio, of California, to be Assistant Secretary of Housing and Urban Development, Department of Housing and Urban Development, from Senator J.D. Vance:

1. Something that I'm concerned about is the role of large institutional investors in the housing market—such as Blackrock. In the third quarter of 2022, these investors bought up 1 in 15 single-family homes, exacerbating the housing shortage and artificially increasing home prices. Ohio has been hit harder than most states by this phenomenon—Ohio has the sixth highest share of institutional-investor purchases, with institutional investors accounting for 16 percent of home purchases.
 - a. Can you please explain your thoughts on the increased involvement of large investors in the housing market?

I share your concern about the role of institutional investors in the housing market. Institutional investor activity in single family and mobile/manufactured housing all increased rapidly during the pandemic. And beyond that, they paid 2% less than the state median prices when they made those purchases. And we know, as you have noted, that these purchases are not evenly distributed across all communities or areas in the country.

In some instances, these firms are acquiring single family homes previously owned by Americans and converting them into permanent rental properties, displacing current residents. By capturing this important housing stock, these investors deny everyday Americans a chance at the long-term financial benefits of homeownership and decrease the supply of single-family homes that families can buy. This phenomenon replaces the traditional, relationship-based model in favor of commoditization of people's homes, which are more than just another asset class.

Reporting has highlighted the ways these firms are acquiring multifamily properties and mobile and manufactured home parks. I am troubled by reports that upon assuming ownership of these properties, some of these firms have pursued aggressive increases in rents, imposed substantial new fees, and pursued aggressive eviction policies to turn over units and mobile homes in pursuit of greater profits.

This phenomenon is deeply concerning; it is imperative that these firms, like all participants in the housing market comply with the Fair Housing Act and all applicable law and regulation in conducting their business.

- b. b. If confirmed, what will you do at HUD to ensure that these large institutional investors aren't crowding homebuyers out of the market?

If confirmed, I would be eager to learn more about whether there are opportunities to generate, integrate, and share data that make institutional acquisitions easier to identify and track, so that policymakers at all levels of government can act based on better

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information. If I were confirmed to lead the Office of Fair Housing and Equal Opportunity, I would ensure that should HUD receive complaints of discrimination violating the Fair Housing Act concerning the acts or practices of institutional investors, HUD, as required by law, will evaluate the facts and circumstances to determine whether a violation of law has occurred, and proceed accordingly. I would ensure staff and HUD grantees understood the high priority I place on this issue, and look to work closely with state and local law enforcement officials to enforce the Act wherever appropriate.

2. If confirmed, what will you do at HUD to help alleviate the immense affordable housing shortage we're seeing across the nation and in Ohio?

As Secretary Fudge has consistently reiterated, the shortage of affordable housing is a major challenge for our country, and HUD, with the support of the Congress, has undertaken numerous steps to address the issue of a sufficient supply of affordable housing. I am eager to support the staff in the Office of Fair Housing and Equal Opportunity in fulfilling the responsibilities Congress assigned to that office in investigating any complaints about housing discrimination, including those that could contribute to diminishing available housing, particularly for protected classes. If I were confirmed, the Office of Fair Housing and Equal Opportunity would focus on protecting the rights of homeowners and tenants under the Fair Housing Act, with a particular emphasis on foreclosure and eviction prevention, including in the provision of loss mitigation.

3. In January 2021, HUD released a report entitled "Eliminating Regulatory Barriers to Affordable Housing: Federal, State, Local, and Tribal Opportunities," which "identifies many federal regulations and practices that could be revised to eliminate unnecessary burdens to providing Americans with affordable, safe, quality places to live, including opportunities to make sustainable homeownership more achievable." Which of the report's recommendations do you agree with?

If confirmed, I would have responsibilities with respect to housing discrimination and violations of the Fair Housing Act. I would defer to the Office of Policy Development and Research, Office of Housing, and other HUD colleagues to address regulatory barriers to sustainable homeownership.

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Questions for Mr. David Uejio, of California, to be Assistant Secretary of Housing and Urban Development, Department of Housing and Urban Development, from Senator Steve Daines:

1. How do you intend to use your position, if confirmed, as Assistant Secretary to solve current housing issues facing Montanans?

Given the acute shortage of affordable housing facing the nation, it is also imperative that HUD act to keep existing homeowners and tenants in their homes or risk further exacerbating this immense challenge. If I were confirmed, the Office of Fair Housing and Equal Opportunity would focus on protecting the rights of homeowners and tenants under the Fair Housing Act, with a particular emphasis on foreclosure and eviction prevention, including in the provision of loss mitigation.

2. Please list, in your opinion, the most pressing housing issues in Montana at this time.

Montana has a significant shortfall of affordable housing. This supply challenge has been exacerbated by the inflow of remote workers from outside the state, significantly increasing the cost of housing and reducing the available supply. Montana saw the second highest increase in housing prices in 2021, with prices increasing by 28% that year.

In response, Montana's Housing Task Force identified a number of challenges underpinning this shortfall and recommended a variety of steps to address them, including greater flexibility for the development of denser forms of housing including accessory dwelling units.

Montana has also recently taken steps to strengthen tenant protections with a specific focus on residents of mobile and manufactured homes. Given the acute shortage of affordable housing facing Montana, it is crucial that steps be taken to keep existing homeowners and tenants in their homes or risk further exacerbating this immense challenge. A continued focus on ensuring that individuals who face foreclosure or eviction are not effectively barred from accessing new housing due to tenant screening or lending practices that unfairly preclude access on the basis of protected characteristics. Montana is home to over 85,000 veterans, who may face unique challenges in securing or retaining housing.

3. How do you intend to use your position, if confirmed, to reduce the regulatory burdens in Montana?

If confirmed, I would have responsibilities with respect to housing discrimination and violations of the Fair Housing Act and commit to fulfilling FHEO's mission efficiently and effectively.