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United States Senate
COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

GREGG RICHARD, STAFF DIRECTOR
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June 27, 2019

The Honorable Ben Carson
Secretary
U.S. Department of Housing
and Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Secretary Carson:

We are writing to request information on recent reports that the Department of Housing and Urban Development (HUD) has hired Mr. Eric Blankenstein as Senior Counsel of the Office of General Counsel (OGC).

Mr. Blankenstein has a history of racist and sexist statements that appear to have contributed to his recent resignation from the Consumer Financial Protection Bureau (CFPB). According to news reports, on October 16, 2018, the Director's Office of the CFPB requested that the agency's Inspector General initiate an inquiry into Mr. Blankenstein who, at the time, served as Policy Director for the CFPB's Division of Supervision, Enforcement and Fair Lending. Mr. Blankenstein's statements, and the reprehensible views they expressed, are even more troubling from someone in a position of influence at an agency overseeing fair access to the credit and mortgage markets. Even President Trump's hand-picked CFPB Director Kathy Kraninger refused to read several of these statements aloud at a March 2019 Banking Committee hearing, explaining "the words here are not words that I would use." On May 15 of this year, Mr. Blankenstein announced his resignation from the CFPB effective May 31, 2019.

Now, just a month later, it has been reported that Mr. Blankenstein has been offered employment at HUD. HUD, like the CFPB, plays a critical role enforcing key civil rights laws addressing some of the financial harms of systemic racism in the credit, mortgage, and housing markets. This vital function of your department ensures that everyone has the opportunity to access stable housing and mortgage credit.

Mr. Blankenstein's appointment at HUD raises serious concerns about the process by which this Administration and HUD evaluates candidates for employment at this Department. Therefore, we are requesting answers to the following questions by July 11, 2019:

1. Was Mr. Blankenstein hired via competitive service, excepted service, or senior executive service (SES) and was he hired under direct-hiring authority or career/career conditional authority? If it was a career appointment, was this position advertised? If it

was a career appointment, on what schedule, and at which level and step, was Mr. Blankenstein hired? Please provide the Committee with the rationale for these decisions.

2. Please describe the circumstances under which Mr. Blankenstein was hired at HUD. In this description, please include the date on which Mr. Blankenstein first applied for the position or another Administration official first contacted someone at HUD regarding Mr. Blankenstein's potential employment at HUD. Please list any and all HUD officials involved in this hiring decision. Please provide the Committee with all communications related to Mr. Blankenstein's hiring at HUD.
3. Did anyone in the White House, the Office of Management and Budget, or elsewhere in the Executive Office of the President suggest or request that HUD hire Mr. Blankenstein? Please provide any and all communications between HUD, the White House, the Office of Management and Budget (OMB), or elsewhere in the Executive Office of the President pertaining to the hiring of Mr. Blankenstein.
4. Did anyone at the CFPB suggest or request that HUD hire Mr. Blankenstein? Please provide any and all communications between HUD and CFPB pertaining to the hiring of Mr. Blankenstein.
5. Did the White House Presidential Personnel Office vet Mr. Blankenstein for a position at HUD? If so, were they aware of and did they have access to information from the Inspector General's investigation? Please provide any and all communications between HUD, the White House, the Office of Personnel Management (OPM) pertaining to the hiring of Mr. Blankenstein.
6. Are you aware of the Federal Reserve OIG investigation into Mr. Blankenstein's conduct? If so, did you consult the Inspector General before deciding to hire Mr. Blankenstein?
7. Do you believe that Mr. Blankenstein's statements are appropriate for a senior counsel involved with HUD's mortgage market activities? Please list all jobs at HUD that you believe are appropriately staffed by a person who has made similar racist or sexist remarks, either in public or in private.

In our country, private citizens may espouse whatever views they have, even abhorrent ones. What they do not have a right to is a six-figure federal job. HUD has an important mission to “create strong, sustainable, inclusive communities and quality affordable homes for all.” It needs employees that can carry out and bolster that mission, not ones that call HUD’s commitment to it into question.

We look forward to your prompt response.

Sincerely,



Sherrod Brown
United States Senator



Robert Menendez
United States Senator



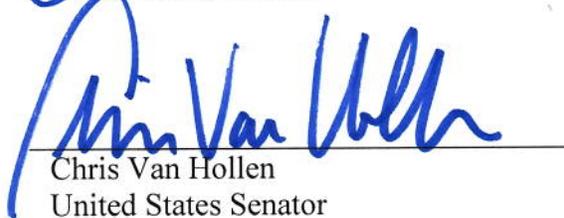
Elizabeth Warren
United States Senator



Jack Reed
United States Senator



Catherine Cortez Masto
United States Senator



Chris Van Hollen
United States Senator