

Statement of Secretary Steven T. Mnuchin
Department of the Treasury
Before the Banking, Housing, and Urban Affairs Committee
U.S. Senate
September 24, 2020

Chairman Crapo, Ranking Member Brown, and members of the Committee, I am pleased to join you today to discuss the critical steps the Department of the Treasury and the Federal Reserve have taken over the last six months to provide economic relief for the American people, as well as to provide liquidity to credit markets, businesses, and households. We are fully committed to getting every American back to work as quickly as possible.

Economic Recovery

America is in the midst of the fastest economic recovery from any crisis in U.S. history. The August jobs report showed that the economy has gained back 10.6 million jobs since April—nearly 50% of all jobs lost due to the pandemic. The unemployment rate has also decreased to 8.4%, a notable achievement considering some people were expecting up to 25% unemployment at the height of the pandemic. Thanks to the programs provided through the CARES Act, we never got close to that figure.

I believe we will see tremendous third-quarter growth, fueled by strong retail sales, housing starts and existing home sales, manufacturing growth, and increased business activity. The September Blue Chip survey increased its projection for third-quarter GDP growth by 5.3 percentage points to 24%.

The recovery has been strong because the Administration and Congress worked together on a bipartisan basis to deliver the largest economic relief package in American history. The Federal Reserve has also been instrumental to the recovery by implementing 13 unique 13(3) lending facilities.

Economic reopenings, combined with the CARES Act, have enabled a remarkable economic rebound, but some industries particularly hard hit by the pandemic require additional relief.

Phase IV Relief

The President and I remain committed to providing support for American workers and businesses. We continue to try to work with Congress on a bipartisan basis to pass a Phase IV relief package. I believe a targeted package is still needed, and the Administration is ready to reach a bipartisan agreement.

Transparency

Treasury has been working hard to implement the CARES Act with transparency and accountability. We have released a significant amount of information to the public on our website, Treasury.gov, and on USAspending.gov. In many instances, we have released more information than what is required by the statute. The Federal Reserve has also posted information on its website regarding its lending facilities.

We have provided regular updates to Congress, with this marking my seventh appearance before Congress for a CARES Act hearing. Additionally, we are cooperating with various oversight bodies, including the new Special Inspector General for Pandemic Relief, the Treasury Inspector General, the Treasury Inspector General for Tax Administration, the new Congressional Oversight Commission, and the Government Accountability Office (GAO).

We appreciate Congress's interest in these issues and have devoted significant resources to responding to inquiries from numerous congressional committees and individual Members of Congress on both sides of the aisle. We remain committed to working with you to accommodate Congress's legislative needs and to further our whole-of-government approach to defeating COVID-19.

Conclusion

I would like to thank the members of the Committee for working with us to provide critical economic support to the American people. I am pleased to answer any questions you may have.