

Statement of Chairman Sherrod Brown
“Oversight of Federal Housing Regulators”
April 18, 2024

Home is a lot more than four walls and a roof.

Home is where you go after a long day at work. It’s where your kids play and do their homework. It’s where you plan for the future and build wealth. It’s how millions of families join the middle class.

Our homes are an anchor in our lives.

But for too many families around the country, a home they can afford and build their life around feels out of reach.

I hear it all across Ohio. I hear it from people in Lima – where a new building with 54 apartments for working families just opened. For those 54 apartments, they had 511 interested families.

I hear it from rural Washington County, in Southeast Ohio, where they’ve struggled for years to build 48 homes for seniors.

And I hear it in Franklin County, in central Ohio, where the population has grown by 14 percent – to more than 1.3 million people – but housing supply hasn’t kept up and prices keep rising.

With more people and not enough homes, 40 percent of renters in the county are paying more than they can afford for housing. And the county – with its world-class schools, skilled workers, and great quality of life – will only continue to grow.

I hear these stories from across Ohio. And it’s not just happening in Ohio.

Whether you’re in downtown Columbus or Minneapolis or rural South Dakota or Wyoming, the problem is the same – housing is too expensive. It has been for far too long.

And one big reason is that we don’t have enough of it.

For the past decade, rent has just kept going up and up.

One-in-four renters pays more than half their income for rent.

And when more than half of your income goes to rent every month, it’s hard to juggle all the bills you already have – let alone save for a down payment.

High rent stops people from becoming homeowners. So many families think, if only I could come up with the down payment. The money for a down payment is what stands between millions of Americans and the dream of homeownership.

That's why my bill to support first generation homebuyers, Downpayment Toward Equity Act, and my HELPER Act, to allow law enforcement to buy homes in their communities, and other sources of downpayment assistance are so important.

Secretary Todman and Director Thompson, you know all of these challenges, because your agencies are at the center of our efforts to lower the cost of housing.

Your agencies don't build housing. But you're on the front lines of our housing markets. Your job is to make sure that there's affordable financing for the housing that builders and housing providers create, that families can get a mortgage to buy their first home, and that, as Americans get older, they can still live safely in their homes.

And both of your agencies have announced changes that should help increase housing supply and bring down costs.

Following calls from Senator Reed and me and others, HUD acted to improve access to financing for affordable rental housing through FHA and the Federal Financing Bank. This will help housing providers and states build and preserve more affordable housing for renters across the country.

HUD's long-overdue update to loan limits for manufactured housing and its new guidance to support conversions of old office space into homes will open up new housing options.

At FHFA, you've eliminated up-front fees that Fannie Mae and Freddie Mac have in the past charged lower-income, first-time homebuyers and borrowers who couldn't afford a big down payment.

And you've also refocused Fannie Mae, Freddie Mac, and the Federal Home Loan Banks on their roles not just in the financial markets, but in helping to support housing that families and communities need.

But the fact remains: housing prices are still far too high, and have been for years. And it will take all of us working together – housing providers and federal, state, and local governments – to lower costs.

HUD and FHFA need to do more to be vigilant in ensuring that taxpayer money is actually serving families – not enriching shady landlords and wealthy investors.

In Ohio and around the country, Wall Street firms and other outside investors swoop into communities, buy up properties, evict tenants, and drive up local housing prices. We should pass my Stop Predatory Investing Act to end their tax breaks for buying up single-family homes .

And we need to ensure that all our housing agencies are on the same page and working to stop – not support – predatory business models.

States and local governments have a lot of influence over the housing in their communities.

And more and more cities and counties are making changes – like updates to zoning and shortening lengthy approval processes – to open up opportunities for new housing and expand access to affordable homeownership.

HUD is a critical partner in supporting that work.

Earlier this year, Franklin County Commissioners President Kevin Boyce testified in the Senate on behalf of the National Association of Counties about the critical role that C-D-B-G, HOME, and the Housing Trust Fund play in helping counties of every size to address their housing needs.

Local communities depend on this partnership.

And even with more housing, some families working low-wage jobs and seniors on fixed incomes still won't make enough to afford rent or a mortgage.

HUD's housing assistance programs are critical to keep rent affordable for millions of workers, veterans, seniors, and youth aging out of foster care who could face homelessness without them.

HUD needs to make sure they work effectively and efficiently to serve our communities and protect our investments in affordable housing.

And Congress also needs to do its part.

Last month, this Committee had a hearing on legislative proposals to help expand our housing supply and bring down the cost of housing.

We must continue our bipartisan work to move forward commonsense proposals that will help expand housing options and reduce costs, and I look forward to continuing to work with Ranking Member Scott and our colleagues on this Committee toward that goal.

Today, I look forward to hearing from the two leaders before us about what they have done, what more they can do, and resources they need, and to get their input on what Congress can do to make housing more affordable for both renters and homeowners.