SHERROD BROWN, OHIO, CHAIRMAN TIM SCOTT, SOUTH CAROLINA, RANKING MEMBER

JACK REED, RHODE ISLAND
ROBERT MENENDEZ, NEW JERSEY
JON TESTER, MONTANA
MARK WARNER, VIRGINIA
EUIZABETH WARREN, MASSACHUSETTS
CHRIS VAN HOLLEN, MARYLAND
CATHERINE CORTEZ MASTO, NEVADA
TINA SMITH, MINNESOTA
KYRSTEN SIREMA, ARIZONA
RAPHAEL WARNOCK, GEORGIA
JOHN FETETERMAN, PENNSYLVANIA

MIKE CRAPO, IDAHO
MIKE ROUNDS, SOUTH DAKOTA
THOM TILLIS, NORTH CAROLINA
JOHN KENNEDY, LOUISIANA
OTHER SELL HAGGERY, TENNESSEE
CYNTHIA LUMMIS, WYOMING
AJD, VANCE, OHIO
KATE BRITT, ALABAMA
KEVIN CRAMER, NORTH DAKOTA
STEVE DAINES, MONTANA

LAURA SWANSON, STAFF DIRECTOR LILA NIEVES-LEE, REPUBLICAN STAFF DIRECTOR United States Senate COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

WASHINGTON, DC 20510-6075

March 20, 2024

The Honorable Marcia Fudge Secretary U.S. Department of Housing and Urban Development 451 7th Street SW Washington, D.C. 20410

Dear Secretary Fudge:

We write to express our serious concerns regarding the Biden administration's failure to address the growing problem of homelessness across the nation. On December 15, 2023, the Department of Housing and Urban Development (HUD) reported that the number of people experiencing homelessness nationwide swelled by over 70,000, an increase of more than 12 percent. This represents the largest ever annual change since HUD began tracking this data, and single-handedly erases all gains made by previous administrations. These figures are especially troubling given the unprecedented amount of resources available to your department to address homelessness. The Biden administration stated that ending homelessness is among its top priorities, but these historic increases illustrate that your policies are having the opposite effect.²

This surge in homelessness cannot be blamed on a lack of funding for federal housing programs. In recent years, Congress has provided HUD with record appropriations, expanding the Department's annual budget authority over 42 percent from FY19 through FY23.³ Moreover, \$5 billion in HOME Investment Partnerships Program funds were made available in the partisan American Rescue Plan Act (ARPA), specifically for homelessness, but nearly all of that funding remains unspent.⁴

Instead, it is clear that the policies of this administration are to blame. Rents have grown by more than 27 percent since 2019, and home prices have climbed by nearly 50 percent in that same period. Deportunities to access affordable housing or achieve the American Dream of homeownership have faded under your watch, as federal spending has driven inflation to historic

¹ Dep't of Hous. and Urban Dev., *Annual Homeless Assessment Report Part 1*, iii (Dec. 2023), https://www.huduser.gov/portal/sites/default/files/pdf/2023-AHAR-Part-1.pdf.

² U.S. Interagency Council on Homelessness, *All In: The Federal Strategic Plan to Prevent and End Homelessness* at 2 (Dec. 19, 2022), https://www.usich.gov/sites/default/files/document/All In.pdf.

³ Dep't of Hous. and Urban Dev., Budget Authority by Program Comparative Summary FY18-20, https://www.hud.gov/sites/dfiles/CFO/documents/2020CJ-BudgetAuthorityTable.pdf (last visited Mar. 12, 2024); Dep't of Hous. and Urban Dev., Budget Authority by Program Comparative Summary FY22-24, https://www.hud.gov/sites/dfiles/CFO/documents/2024CJ_2024BATable.pdf.

⁴ See Dep't of Hous. and Urban Dev., ARPA Financial Summary (Dec. 14, 2023) (on file with Committee).

⁵ Fed. Reserve Bank of St. Louis, Rent of Primary Residence in U.S. City Average, https://fred.stlouisfed.org/series/CUUR0000SEHA (last visited Mar. 12, 2024); Fed. Reserve Bank of St. Louis, S&P CoreLogic Case-Shiller 20-City Composite Home Price Index, https://fred.stlouisfed.org/series/SPCS20RSA (last visited Mar. 12, 2024).

The Hon. Marcia Fudge March 20, 2024

highs. Rather than reduce burdens for families, the Biden administration continues to add more red tape, needlessly raising costs and increasing barriers to housing construction.⁶

Even more concerning, this administration's open border policies have exacerbated homelessness in cities across our nation. U.S. Customs and Border Protection recorded an all-time high of roughly three million encounters with migrants illegally entering the country in FY23.⁷ The staggering levels of illegal border crossings are impacting state and local budgets, including their capacity to assist our own citizens struggling with homelessness. According to recent reports, in 2023 alone, New York City spent more than \$10 million per day to house illegal migrants in hotels and emergency shelters while simultaneously experiencing an increase in homelessness of over 27 percent. Moreover, as detailed in your own report, grantees in Massachusetts, New York, and Colorado all attributed the large rise in homelessness, in part, to the influx of migrants to their shelter facilities. ¹⁰

We would like to acknowledge your decision to leave at the end of this month. HUD has an important mission to "create strong, sustainable, inclusive communities and quality affordable homes for all." We hope Deputy Secretary Todman and the rest of the administration will be as committed as we are to responsibly addressing these issues moving forward.

Sincerely,

Tim Scott Ranking Member

2/

⁶ See Letter from Tim Scott, Sen., to Jennifer Granholm, Sec'y (Apr. 3, 2023), https://www.banking.senate.gov/imo/media/doc/scott_letter_to_granholm1.pdf; Tim Scott, President Biden's (un) affordable housing policies, THE HILL, June 27, 2023, https://thehill.com/opinion/congress-blog/4069179-president-bidens-unaffordable-housing-policies/; Letter from John Thune, Tim Scott et al., Sens., to Marcia Fudge and Tom Vilsack, Secretaries (Nov. 1, 2023), https://www.thune.senate.gov/public/cache/files/0b656735-3392-4fe0-bc29-c3c2b2779e68/71B152EAF230912420BA61ED49BA6DA5.awhudusda.pdf.

⁷ U.S. Customs and Border Prot., Nationwide Encounters, https://www.cbp.gov/newsroom/stats/nationwide-encounters (last modified Dec. 22, 2023).

⁸ Andy Newman and Raúl Vilchis, *Migrants Search for Beds as New York Quietly Stops Offering Them to All*, N.Y. TIMES, Oct. 28, 2023, https://www.nytimes.com/2023/10/28/nyregion/nyc-migrant-crisis-shelter.html. Mayor Eric Adams has publicly lamented the strain President Biden's border policies are creating for the city, stating that people are going to see "visual signs of [the migrant] crisis in this city," making clear that emergency shelters "are out of room, and it's not if people will be sleeping on the streets, it's when." Nolan Hicks and Jesse O'Neill, *Eric Adams warns NYC is 'out of room,' migrants will soon sleep on the street*, N.Y. POST, Oct. 24, 2023, https://nypost.com/2023/10/24/metro/eric-adams-says-nyc-is-out-of-room-amid-migrant-crisis/.

⁹ Dep't of Hous. and Urban Dev., *Annual Homeless Assessment Report Part 1* at 36.

¹⁰ *Id.* at 23, 52.

¹¹ Dep't of Hous. And Urban Dev., Mission, https://www.hud.gov/about/mission (last visited Mar. 12, 2024).

Wike Cryoo

Mike Crapo U.S. Senator M. Michael Rounds U.S. Senator

M. Muchas for

Bill Hagerty U.S. Senator

Cynthia Lummis U.S. Senator

Katie Boyd Britt U.S. Senator

Kevin Cramer U.S. Senator

Steve Daines U.S. Senator

cc. Hon. Adrianne Todman, Acting Secretary