

Nomination Hearing
Senate Committee on Banking, Housing, and Urban Affairs
August 5, 2021

Opening Statements

Chairman Brown (D-OH) introduced the nominees and believed they were all highly qualified for their appointed roles. He added that all three nominees have strong housing policy backgrounds and was disappointed with the Ranking Member for spreading misinformation on the nominees. Brown continued that we should be focused on the housing policy rather than past tweets. He remarked that many of the nominees in the previous administration were unqualified in contrast to the current nominees. Brown entered into the record letters of support for the nominees, specifically mentioning Mortgage Bankers Association in support of Gordon.

Ranking Member Toomey (R-PA) pointed out that he supported many nominees in the Obama and Biden Administrations, but the nominees before the committee today do not meet important criteria. He noted hostility to the police from some of the nominees and read specific controversial tweets from the nominees. Toomey believed that these tweets reveal policy beliefs of the nominees and that these statements disqualify them from their appointments. He viewed these tweets as outside of the political mainstream and noted that some of these tweets have been deleted upon nomination. Toomey emphasized that past statements do matter and cited the Republican letter asking President Biden to withdraw Gordan and Greene's nominations. He turned to Uejio on past remarks on the police and pointed out Uejio's lack of housing experience, particularly in fair housing. Toomey referenced Uejio's position as Acting CFPB Director and talked about how he ignored stakeholders and rescinded relevant rules.

Witness Testimony

Ms. Julia Gordon, *Assistant Secretary of Housing and Commissioner of the Federal Housing Administration, Department of Housing and Urban Development*, was deeply grateful and humbled by her nomination and thanked President Biden and Sec. Fudge for their trust in her. She talked about her family's experience which has played a big role in her passion for housing. Gordon emphasized safe, affordable, and habitable housing and stated that her main priority would be to urgently address pandemic-related foreclosures. She believed that her experience uniquely qualifies her for this appointment and noted her experience working at the Federal Housing Finance Agency (FHFA) and her work to promote more opportunities for homeownership. Gordon added that she would prioritize the supply of affordable housing for both rental and ownership.

Mr. David Uejio, *Assistant Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development*, thanked President Biden along with his family and friends for all the support. Uejio said that if he is confirmed he will work to enforce the nation's fair

housing laws and to create strong and inclusive communities. He believed HUD's Fair Housing and Equal Opportunity (FHEO) work is critical to American families and spoke of his experience working with multiple former CFPB directors before becoming the Acting Director. Uejio stated that he did what he could at the CFPB to keep people housed and talked about the importance of access to opportunity through housing.

Mr. Solomon Greene, *Assistant Secretary for Policy Development and Research, Department of Housing and Urban Development*, was grateful for his nomination to the position and thanked individuals who helped him get there. He said that HUD is navigating a rapidly evolving housing crisis and HUD's mission is more important than ever. Greene explained how he has dedicated his career to helping families find stable and affordable housing. He went on to discuss his humble upbringing and how the house and property his mother owned provided him the stability that allowed him to focus on school and his future. Greene said that he believes that evidence-based housing and community development policies can help ensure that every child has a fair shot in life. He closed by stating that he is passionate about bringing together researchers, practitioners, and policymakers to identify evidence-based and data-driven policy solutions to the nation's housing and community development challenges.

Member Questions

Chairman Brown (D-OH) started his questions by asking Greene and Gordon about their support for law enforcement personnel and asked if they have ever stated that the police should be defunded. Gordon said she supported law enforcement and that she has never advocated for defunding the police. Greene stated that he does not support defunding the police and that he has not taken any positions on policing and law enforcement. Brown turned to Gordon and discussed FHA members exiting forbearance and asked what we have learned since 2011 to keep homeowners in their homes. Gordon replied that we have learned to move swiftly in times of crisis and applauded Congress for passing the CARES Act. She added that most families want to pay their mortgage and that if we develop programs based on this understanding, we can get assistance out rapidly and effectively. Gordon continued that having the right tools in place is only half of it and mortgage servicers have a role to play in the execution of these tools. She believed in her ability to manage this. Brown moved to FHEO's staffing decline over the past decade and pointed to Uejio's years of management experience. He asked how Uejio would ensure proper FHEO staffing. Uejio emphasized that he has spent his career managing teams and finding talent and that he would apply this experience to his role upon confirmation. He thanked Congress for allocating more money to improve staffing at HUD and FHEO. Brown lastly addressed the housing crisis and asked Greene how HUD's Office of Policy Development and Research can help us understand this crisis and find solutions to bring down the cost of housing. Greene believed that the Office of Policy Development and Research has already laid the foundations for this issue.

Ranking Member Toomey (R-PA) thought it was clear that Americans of all races want the police in their communities to protect them and believed that Greene, based on some of his public statements, did not share this view. He worried that this would threaten Greene's ability to advocate for people's safety in their homes. Toomey referred to an article written by Greene and asked if it was still his view that police endanger people of color. Greene emphasized that the referred blog post was sharing the findings of evidence-based research to improve communities and that he did not advocate for defunding the police. Toomey then referenced a tweet on police funding. He turned to Gordon on the topic of similar tweets and asked if police are the "people killing us." Gordon said this was not her view and regretted this retweet. Toomey moved to Uejio and asked who at the CFPB regularly updates Chopra who is awaiting confirmation to be CFPB Director. Uejio replied that staff updates him and that the CFPB is in compliance with its legal office on this. Toomey asked if Chopra has provided any feedback on CFPB matters. Uejio replied that he has not and that all of Uejio's decisions have been his own. Toomey then expressed concern about how responsive Uejio would be to Congress given his response to Toomey's recent letter on the removal of career CFPB staff.

Sen. Reed (D-RI) noted that Gordon has been strongly endorsed by the Fair Housing Alliance and the National Association of Realtors, which are not often on the same frequency, which suggests that a broad coalition of stakeholders are confident in Gordon in this role. He asked how FHA can proactively prevent foreclosures. Gordon replied that having the right tools or products to help homeowners address arrearages is necessary and that we need products to help defer the payment until the end of that. *video cut out*

Sen. Tillis (R-NC) discussed one of Gordon's retweets of an article and asked her what the ideological cause is for Democrats who seek office in southern states. Gordon responded that she retweeted the article in a hurry since it was a tweet from a friend, and she does not have any views on the content of the article. Tillis then addressed the riots in Portland that affected a HUD building and referenced tweets that Greene retweeted on these events. He asked why Greene did this. Greene condemned any violence against people and property damage. Tillis warned Greene of retweeting things for the future. He continued referencing additional protests in June 2020 that involved property damage and asked if Greene considered any of this free speech or peaceful protest. Green recognized that any past tweets were in a personal capacity and noted that if confirmed, he would have a more limited social media presence.

Sen. Menendez (D-NJ) gave examples of nominees that were confirmed in the Trump Administration that tweeted questionable things that he thought were disqualifying. He added that the former President himself retweeted problematic tweets. Menendez pointed out that Democrats never wrote a letter to the former President asking him to recall nominations and then asked Greene about a paper he wrote about affordable housing, public transportation, and

employment opportunities. He asked if there is evidence that these are connected. Greene said yes and that he supported interagency cooperation to address this issue and align housing, education, and transportation policy. Menendez asked him to pay attention to his legislation, the Livable Communities Act. He also believed that HUD was not paying attention to New Jersey matters and asked Gordon if she would ensure proper personnel for the Newark office. Gordon replied yes.

Sen. Scott (R-SC) stated that his Democratic colleagues have previously asked questions that were irrelevant to the hearing topic and believed that the tweets on police had everything to do with housing and the safety of those who live in these homes. Scott noted recent polls and surveys that state that all demographics want the same level of policing if not more. He could not imagine anything more important than having safety where you live and said this due to his past experience living in low-income areas in North Carolina. Scott asked Greene if he wanted a chance to restate his position on police. Greene shared Scott's commitments to the health and safety of everyone and supported reinvestment in communities to make them safer. He stated that his number one priority would be to harness talent to better understand the needs of people on the ground upon confirmation. Scott referenced his current work on police reform and how he thinks about people looking for leadership because it is a matter of life and death, not politics.

Sen. Tester (D-MT) stated that COVID-19 has only amplified the need to address the housing crisis and emphasized the importance of protecting the needs of police members and other first responders. He first asked the nominees if they support defunding the police. All the nominees replied that they do not support defunding the police. Tester moved on to the housing issues in Montana and asked what each nominee sees as their priority to address housing. Gordon replied that Montana is battling twin issues, one being supply, and she would look at how manufactured housing could play a role in Montana. She would also ensure that typical families are able to buy homes with financing. Uejio stated that it would be his role to protect against housing discrimination, if confirmed, and it would be his top priority at FHEO to really strengthen the infrastructure of the office and ensure people knew that they could file complaints of discrimination with it and with our fair housing partners to address it, wherever it exists. Greene emphasized that data is critical for understanding the supply issues for housing and that we need better data to come up with better policy solutions. He believed manufactured housing is important to affordable housing and wanted data on that as well. Greene would want to apply this data to problem solving.

Sen. Warren (D-MA) began by speaking about the support Uejio has received and she knew that he would bring extensive management experience to his role upon confirmation. She enthusiastically supported him. Warren referenced the 2008 financial crash, the foreclosures that ensued and how they particularly impacted communities of color. She stated that private equity firms had a giant payday as a result of the financial crash and how private equity firms turned into predatory landlords. Warren continued that FHA was bundling distressed mortgages and putting them up for auction. She asked Gordon if a family down the street from a foreclosed

FHA property could purchase it via FHA's program that sells pools of distressed mortgages. Gordon replied no they would not and that this is not how these homes were sold. She said that the bulk of sales of foreclosed properties and non-performing loans never returned to owner occupancy and were turned into rental homes because it brings more money to landlords. Warren said this did not have to happen this way and FHA wrote the rules. She asked why the FHA should prioritize making distressed homes available to homeowners for purchase. Gordon found this important due to the lack of housing supply and referenced a HUD program that reduces the cost of homes for first responders and teachers. Warren asked if Gordon would commit to look at the FHA's Under the Claims Without Conveyance of Title (CWCOT) program because it is doing the opposite of prioritizing owner occupants. Gordon replied yes. Warren thought Gordon would bring significant expertise to her role, if confirmed, and strongly supported all three nominations.

Sen. Van Hollen (D-MD) referred to all the support Gordon has received, including support from MBA. He started with Greene given his experience at the Urban Institute. Van Hollen emphasized the demand side of the housing crisis and brought up the need for housing vouchers for the millions of households that struggle to pay rent. He asked if Greene agreed that we need to expand the number of vouchers provided. Greene stated that his research has addressed Housing Choice Vouchers and agreed with addressing both supply and demand issues. He knew that the voucher program is essentially a lottery and that those who qualify simply do not receive the voucher so, if confirmed, he would want to look at how we could fill this gap and help more people achieve stable and affordable housing. Van Hollen referred to his legislation, the Family Stability and Opportunity Vouchers Act, that would make 500,000 housing mobility vouchers available over the next five years. He asked Gordon about the demand side of housing. Gordon replied that both supply and demand need work and on the demand side, rent is too high which requires creativity in supporting renters. She believed that low-income people could achieve homeownership and that there is a lot to be done. Gordon referred to her project in Baltimore where they provide capital to local minority developers reserved for low-income homeowners.

Sen. Smith (D-MN) started with Gordon and was pleased to see the broad array of organizations supporting her nomination, including MBA. She talked about their discussion on ownership disparity and how Minnesota has the highest racial disparity rate. Smith stated that this was a huge priority for her, and she asked what Gordon could do to address this disparity. Gordon responded that the most important thing to be done right now is to prevent more people losing their homes and stated that there should be an array of solutions. She added that changes to zoning laws are going to be very important here. Smith then pointed to the decline of black family homeownership and how many lost their homes due to being preyed upon and then bought by outside entities during the 2008 crisis. She asked how to address this challenge. Gordon responded that this challenge is in many places across the country right now and that this

is locking many families out of homeownership so, if confirmed, she would want to look how to help families achieve and maintain homeownership.

Sen. Ossoff (D-GA) wanted to discuss transit-oriented development with Gordon and referenced a Brookings Institution study on the accessibility of jobs via transit in the metro Atlanta area. He asked for Gordon's thoughts on this and how housing policy in Georgia is linked with the transit infrastructure and accessibility to transit. Gordon committed to working with him on this and believed that transit-oriented development is good for the economy and environment. Ossoff echoed Smith's statements on private equity firms buying homes and turning them into rental properties and asked Greene to discuss this and if there is a link to monetary supply. Greene recognized the challenges and risks of losing homeownership and thought that the financial hardship on existing homeowners is a big cause. He appreciated Ossoff's link to the monetary supply but did not have an answer on this right now. Greene also agreed with the need for a better understanding of the current dynamics and for HUD and the federal government to preserve homeownership. Ossoff turned to affordable housing and asked if the nominees will come to Georgia, if confirmed, to help assess what is driving the affordability crisis and work with community leaders on solutions. Gordon replied yes and thought it was important for leadership in agencies to travel around the country. Uejio said he would be delighted to visit Georgia. Greene committed to visiting Georgia.

Sen. Cortez Masto (D-NV) hoped that the nominees would also come out to Nevada and was thrilled about these nominations. She addressed first-time homebuyers and what FHA can do to help these buyers given the increased prices and the fact that many of these people are first-generation homebuyers. Gordon stated that FHA will need to address this through the supply and demand sides and described the price appreciation of homes as 'insane'. She thought the Neighborhood Homes Investment Act (NHIA) would enable the construction of new homes and rehabilitation of existing homes. Gordon was a first-time homebuyer herself and believed that this is an important issue, and the lending industry has a role here. Cortez Masto mentioned MBA's support of Gordon among others and talked to Uejio about fair housing. She asked how FHEO will manage discrimination against the disabled. Uejio replied that FHEO should hear complaints about any type of discrimination and that these people deserve a strong FHEO that can respond to them and handle their complaints quickly. Cortez Masto supported all of the nominations.

Chairman Brown hoped to move quickly on all the nominations upon returning from the Senate' recess.