

Congressman Emanuel Cleaver, II
Financial Services Committee Member Day
Tuesday, June 24th, 2025
2128 Rayburn

Chairman Hill, Ranking Member Waters, and Colleagues, thank you for the opportunity to testify on key issues under the jurisdiction of the Committee.

I currently serve as Ranking Member of the Subcommittee on Housing and Insurance.

In the 119th Congress, the Subcommittee has held 3 housing hearings:

- A March 4th Hearing on housing supply
- A May 14th Hearing on housing innovation, and
- A June 12th Hearing on rural housing

Several bipartisan bills, including legislation I have worked on to address exclusionary zoning, support manufactured housing, and the preservation of rural housing were noticed.

The affordable housing crisis is fundamentally a supply and demand imbalance.

Communities of all sizes need stronger public and private partnerships capable of preserving existing units and of bringing millions more new units online.

On April 8th, the Oversight and Investigations Subcommittee of this Committee also heard from the HUD Acting Inspector General.

HUD plays a significant role in increasing access to housing, including through rental assistance programs.

Much of the IGs testimony spoke to HUDs lack of capacity to sufficiently work with the public and private sectors to address housing and homelessness challenges.

I echo Ranking Member Waters in stressing the importance of HUD Secretary Turner coming before our members.

Last Congress, during a Democratic Administration, I supported the *HUD Accountability Act* which would put a requirement for annual testimony of the Secretary of HUD in statute.

This Congress, during a Republican Administration, I joined Congressman Lawler of New York introducing an amended version of this bipartisan legislation.

Devastating cuts to programs and the agency does not create efficiency, programs and processes need deep evaluation.

And Congress needs to provide the necessary coordination, oversight and resources.

USDA also plays a significant role in increasing access to housing in rural areas.

Congressman Nunn of Iowa and I are leading the *Rural Housing Service Reform Act* which would preserve USDA supported homeownership and rental programs.

These are constructive directions for the Committee.

Additionally, there is a bipartisan agreement that housing has been overregulated.

State and local regulations are driving up costs and making federal investments less effective.

Ironically, the federal government responds by conditioning federal support on compliance with massive amounts of more regulation.

In some cases, the cost of these requirements exceeds the funding provided.

Housing programs include regulations related to achieving public benefits such as minimum wage rates, environmental protection, or the sourcing of materials.

I support positive outcomes in these areas.

However, I distinguish process from outcomes.

The compliance process for achieving these outcomes is so burdensome that it can take years and absorbent amounts of time and capital to execute an affordable housing project.

This is something that Ezra Klein and Derek Thompson wrote at length about in the book “Abundance.”

In many cases, particularly when absorbent rules are placed on small non-profits, public housing authorities, and affordable housing projects, the ancillary public goals are not meaningfully advanced or, in many cases, are being hindered.

This Committee should provide maximum support to efforts, led by Subcommittee Chairman Flood and myself, to make HUD program reforms.

This includes efforts to update HUDs HOME and CDBG programs.

I urge this Committee to help facilitate constructive engagement with the Administration and solidify a constructive – and not destructive – approach to addressing housing challenges.

Thank you for the opportunity to testify today.