



To: WSW Clients
FROM: WSW Team
DATE: January 12, 2017

On January 12, 2017, Dr. Ben Carson appeared before the Senate Banking, Housing and Urban Affairs Committee for his confirmation hearing to serve as the Secretary of the U.S. Department of Housing and Urban Development (HUD). Below please find a brief review of the hearing.

HIGHLIGHTS/KEY POINTS:

All members of the committee commended on his past achievements as a renowned neurosurgeon. A number of Democratic Senators voiced concerns regarding Carson's past statements on housing equality/affirmative action, cutting HUD's budget and government welfare/safety net programs. Additionally, there were concerns raised regarding if any of the HUD administered programs would benefit Trump or his families' businesses.

Carson attempted to put those concerns to rest by continually noting he would do what was best for the American people and ensure equal rights for all Americans, noting he believes a number of HUD's programs are essential and he would not end programs without a replacement. Additionally, he said he would advocate for HUD's budget and not seek to gut the department.

Of note, Senator Marco Rubio (R-FL), a former Presidential rival, introduced and expressed his support of Dr. Carson.

NOMINEE INFORMATION & LINK TO TESTIMONY

[Link to Carson's Full Written Testimony](#)

Highlights and select portions of Dr. Carson's testimony and responses to issues raised by Senators of the committee:

- Mentioned his personal experience with housing insecurity.
- Noted his belief that, "sometimes the most basic needs prevent these people from reaching their potential. Simply put, it's difficult for a child to learn at school if he or she doesn't have an adequate place to live. In these situations, government can and should help. However, I believe we need to ensure that the help we provide families is efficient and effective. It cannot, and should not, trap people in an intergenerational cycle of poverty."
- Brought up numerous times that he thinks, "We must revisit the ways we do things in order to give people an opportunity to climb the economic and social ladder" and discussed going on a listening tour to hear directly from communities on what works and what they need as well as looking at all HUD programs (including CBDG) to determine how to do things better.

- Additionally, he mentioned numerous times the idea of looking at problems of fair housing, homelessness, housing security, poverty, drug abuse, and upward mobility holistically to solve these problems, “Right now, social mobility has become stagnant. However, if we think holistically about this – we will know that it’s more than just housing. We must include the areas of healthcare, education, jobs and the skills to do them, in addition to transportation, as we develop the best approach. In order to provide access to quality housing for the elderly, disabled, and low-income we need to work across silos, and I intend to do that.”
- He attempted to make the case that his background makes him suited to be HUD Secretary as well as to reiterate his idea of looking at problems holistically, “There is a strong connection between housing and health, which is of course my background. Housing (and housing discrimination) is a “social determinant” of health. Substandard housing conditions such as pest infestation, the presence of lead paint, faulty plumbing, and overcrowding, which disproportionately affect low-income and minority families, lead to health problems such as asthma, lead poisoning, heart disease, and neurological disorders.”
- He discussed deregulation on a number of housing related issues to make HUD programs more efficient and effective.

MEMBER INTERESTS/TOPICS RAISED

Chairman Michael Crapo (R-ID)

- Welcomed new members of the committee.
- He supports and thinks Carson’s listening tour is a good idea as is streamlining requirements for public housing authorities, Section 8 and public housing programs.
- Additionally, it is a good idea, where there has been interest in reform for a number of years, to reevaluate home equity conversion mortgages.
- Also important to tackle homelessness issues and allow communities to address these issues.
- Asked how he thought the Federal government should approach public assistance? Carson responded he thought we should do everything we can to help others
- He submitted 17 letters in support of Carson to the record.

Ranking Member Sherrod Brown (D-OH)

- Hammered Carson on his past statements regarding those receiving federal assistance and proposed cuts to “dependency” programs, and discussed the effects it would have to those currently receiving HUD funding as well as past remarks calling into question HUD’s fair housing, equal access and civil rights efforts. Mentioned the inconsistency between past statements and today’s testimony in these areas.
 - Carson responded he has no problem with affirmative action, but his issue is with the federal government dictating to local communities a one size fits all solution “central dictation” is the issue/enforce laws of the land and protect all, but no extra rights
- Asked for assurances that lead-hazards and Urban renewal would be a focus and Carson agreed to address both issues with the Senator’s help

- Asked if he would support the minimum wage and overtime rule? Carson skirted to directly answer the question a couple times and said he supported creating an environment that would allow employers to pay employees more
- Asked if under Carson's holistic approach, would he oppose repeal of ACA without an immediate replacement? Carson responded he would be opposed without a replacement.

Senator Richard Shelby (R-AL)

- In the interest of time submitted questions to the record to be answered by Carson after he is confirmed covering the following topics: FHA mortgage, distressed assets, HUD spending and HUD/DOJ enforcement.

Senator Robert Menendez (D-NJ)

- Voiced concerns and asked if Carson thought poverty is a choice, if he hoped to get rid of all regulations, if he planned to get rid of legal obligations for fair housing, trim budgets by 10%, concerned that programs that power, promote and improve communities lead to dependency, do you actually believe in the goals of HUD? Do you agree rental assistance program should continue? Carson responded that his concept of cutting across all departments was for fairness, not picking winners and losers, but he's changed that to 1%, but if we can find a number on which we agree. He said he would not withdraw programs unless there is a replacement in place.

Senator Patrick Toomey (R-PA)

- Would like to discuss FHA issues further with Carson.

Senator Elizabeth Warren (D-MA)

- Asked repeatedly can you assure me that not a single taxpayer dollar in HUD grants and loans will benefit Trump or his family? Carson did not directly answer the repeated question, but said he would absolutely not play favorites and his intention is to support programs that will benefit any/all Americans.
 - During a second round of questions, **Senator Brown** brought up the issue Warren and Tester raised regarding Trump and his family and asked if Carson would commit to report back on any issue that arises on his or family owned property and if he would set up a process to identify potential conflict of interest? He agreed to.
- Expressed he concern with lead exposure and asked can you make sure HUD resources are used to continue to abate lead in housing units? Carson said agreed funding for lead abatement would continue

Senator Dean Heller (R-NV)

- Asked do you believe everyone should own a home? Carson responded everyone should have the opportunity to have one
- Asked if he would keep 30 year home loan? Yes
- Support federal government backstop (Fannie/Freddie)? Yes, but interested in introducing more private investments
- Expressed concern for veterans in Nevada that are homeless and Veteran homelessness and asked if he would address this issue? Yes

Senator Joe Donnelly (D-IN)

- Brought up lead and arsenic in soil in town which was being addressed with emergency funding asked if HUD would continue to support? Yes
- Brought up the drug epidemic and hardest hit program and expressed the very importance of continued to support

Senator Tim Scott (R-SC)

- Agreed we need to empower people and commend Carson's idea for a listening tour and hoped under Carson's leadership HUD would actually listen to communities. Carson responded that housing assistance should be a spring board to move forward, that's why he emphasizes a holistic approach including education and healthcare

Senator Brian Schatz (D-HI)

- Asked if Carson would advocate for the HUD budget? Carson said he would and that based on his listening tour he would put together a world class plan on how to accomplish a plan and the funding it entails
- Cited abundant evidence that housing assistance helps with upward mobility and Carson noted he thought we can do better, focus on developing our people
- Brought up housing first issue and unless you put a roof over people's heads they won't be able to move up. Carson repeated that he wants to examine all HUD programs carefully

Senator Bob Corker (R-TN)

- Support, thanks, no questions

Senator Mike Rounds (R-SD)

- Noted CDBG funding is very valuable and asked for Carson's assessment and if he thought it could be expanded? Carson agree CBDG funding is very important because it give communities/people flexibility and he hopes to increase flexibility as well as fix the current issues with CBDG
- Brought up Native American housing, current formula doesn't follow current recommendations; can we find a fairer way to get them the resources they need? Yes

Senator Chris Van Hollen (D-MD)

- Noted his concerns with lead paint regulations hindering progress
- Also concern with Carson's comments on housing programs/subsidies creating dependency and not opportunities, now seems you think housing subsidies are needed

Senator Tom Tillis (R-NC)

- Asked if Carson would look at all programs to make sure there is no duplication in efforts among Departments and Federal agencies as well as to coordinate Criminal justice reform? Yes

Senator Catherine Cortez Masto (D-NV)

- Concern with protecting the LGTB community, enforcing FHA free of discrimination, ensuring fair housing and mortgages, including new HUD rule for communities to

address segregation, fairness as well as Carson's past comments on vegetating in public housing. As if Carson thought Americans should have a limit to public housing? Carson responded he thought there needs to be a limit on public housing, due to our fiscal situation, but would never advocate to abolish a program without a replacement

- Mentioned a state financial literacy program she was helped establish in Nevada and Carson said he's take a look at that program
- Asked how Public/private partnerships might address mortgages? Carson responded having people in the private sector invest resources in renovations, obviously need to be incentives, stumbling block to invest and realize return, figure out best ways

Senator John Kennedy (R-LA)

- Not interested in taking away affordable housing to people that need it, but interest in creating upward mobility, how are you going to achieve this? Carson again stated the need to give people a springboard and his hope to create an environment to allow this
- Expressed concern over the flexibility of flood insurance/CBDG and to make sure it goes to people that need it. Carson agreed there were many hoops and he will work to streamline the process and use IT to eliminate waste and fraud

Senator Jon Tester (D-MT)

- Expressed concern with affordable housing
- Asked do you believe it is possible to have a 30 year mortgage without a government guarantee? Carson thought there was a fix and would like to work with the Senator on how to accomplish it
- Asked if he would work with the Interagency on Homelessness? Yes
- Indian housing-will look how improve housing?
- Mentioned CBDG Again, Carson said he'd look at the issues as a holistic model not just putting people in housing but learning what is putting people in poverty in those tribal lands, regulatory burden for creating housing

Senator David Perdue (R-GA)

- Asked how Carson planned to get private investments involved? Carson referenced the Low income housing tax credit has allowed and an example in Detroit of a project private company bring down costs of lights

Senator Heidi Heitkamp (D-ND)

- Challenged Carson to take enthusiasm for change to figure out why people are in poverty without judgment.
- Transitional housing and runaway assistance essential to reentry, asked for commitment to look at judicial reform look at transitional housing and wrap around services to transition
- Human trafficking-need to reauthorize the homeless and runaway youth act to prevent them from becoming victims of human trafficking
- Trauma-entry level for change, housing is foundational

Senator Tom Cotton (R-AR)

- Homeless Veterans issue is main concern