

HUD TRANSPARENCY ACT OF 2024

JULY 15, 2024.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MCHENRY, from the Committee on Financial Services,  
submitted the following

R E P O R T

[To accompany H.R. 7280]

[Including cost estimate of the Congressional Budget Office]

The Committee on Financial Services, to whom was referred the bill (H.R. 7280) to require the Inspector General of the Department of Housing and Urban Development to testify before the Congress annually, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:  
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.  
This Act may be cited as the “HUD Transparency Act of 2024”.

## SEC. 2. CONGRESSIONAL TESTIMONY.

Not later than October 1 of each year, the Inspector General of the Department of Housing and Urban Development shall appear before the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate and present testimony on the Office of Inspector General's—

- (1) efforts to detect and prevent fraud, waste, and abuse;
- (2) ability to conduct and supervise audits, investigations, and reviews;
- (3) actions to identify opportunities for the programs of the Department of Housing and Urban Development to progress and succeed;
- (4) recommendations to improve overall efficiency and public accountability;
- (5) assessment of the extent to which the Department of Housing and Urban Development has resources sufficient to carry out its statutory mission; and
- (6) ongoing activities regarding any such additional work, as appropriate.

## PURPOSE AND SUMMARY

Introduced on February 7, 2024, by Representative Monica De La Cruz, H.R. 7280, the *HUD Transparency Act of 2024*, would require annual testimony from the HUD Inspector General by October 1 of each year before the House Financial Services and Senate Banking, Housing, and Urban Affairs Committees.

## BACKGROUND AND NEED FOR LEGISLATION

The heads of several federal agencies that fall under the jurisdiction of the Financial Services Committee—including the Secretary of the Treasury, the Chairperson of the Financial Stability Oversight Council, the Director of the Bureau of Consumer Financial Protection, the Chairperson of the Committee on Foreign Investment in the United States, the Chairman of the Board of Governors of the Federal Reserve System, and the Vice Chairman for Supervision of the Board of Governors of the Federal Reserve System—each have an annual testimony requirement. However, there is no such requirement for the Inspector General of the Department of Housing and Urban Development (HUD). In fact, prior to the current Inspector General's appearance in 2023, the Committee had gone 5 years since it had last received testimony from the Office of the Inspector General regarding the ongoing activities of HUD.

As an agency with over 9,000 full time employees and an annual enacted gross discretionary budget authority of more than \$77 billion, conducting meaningful oversight of HUD and its programs is one of the Committee's primary responsibilities. To ensure Congress remains informed of HUD's activities, Rep. De La Cruz introduced H.R. 7280, the HUD Transparency Act of 2024, which would require the HUD Inspector General to testify annually before the Committee and the Senate Banking, Housing, and Urban Affairs Committee prior to October 1 of each year. An annual testimony requirement will allow for greater oversight of the agency to ensure taxpayer resources are effectively and efficiently used.

## HEARING

Pursuant to clause 3(c)(6) of rule XIII, the following hearing was used to develop H.R. 7280: The Subcommittee on Housing and Insurance of the Committee on Financial Services held a hearing on January 11, 2024, titled "Oversight of the Department of Housing and Urban Development and the Federal Housing Administration."

## COMMITTEE CONSIDERATION

The Committee on Financial Services met in open session on February 29, 2024, and ordered H.R. 7280 to be reported favorably to the House as amended by a recorded vote of 50 ayes to 0 nays (Record vote no. FC-122), a quorum being present. Before the question was called to order the bill favorably reported, the Committee adopted an amendment in the nature of a substitute offered by Ms. De La Cruz by voice vote.

## COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the order to report legislation and amendments thereto. H.R. 7280 was ordered reported favorably to the House as amended by a recorded vote of 50 ayes to 0 nays (Record vote no. FC-122), a quorum being present.

An amendment offered by Ms. Garcia, no. 4, was not agreed to by voice vote.

An amendment offered by Mr. Cleaver, no. 5, was agreed to by a recorded vote of 48 ayes to 2 nays (Record vote no. FC-121), a quorum being present.

## Record vote no. FC-122

| Representative    | Yea | Nay | Present | Representative    | Yea | Nay | Present |
|-------------------|-----|-----|---------|-------------------|-----|-----|---------|
| Mr. McHenry       | X   | —   | —       | Ms. Waters        | X   | —   | —       |
| Mr. Hill          | X   | —   | —       | Mrs. Velazquez    | X   | —   | —       |
| Mr. Lucas         | X   | —   | —       | Mr. Sherman       | X   | —   | —       |
| Mr. Sessions      | X   | —   | —       | Mr. Meeks         | X   | —   | —       |
| Mr. Posey         | X   | —   | —       | Mr. Scott         | X   | —   | —       |
| Mr. Luetkenmeyer  | X   | —   | —       | Mr. Lynch         | X   | —   | —       |
| Mr. Huelskamp     | X   | —   | —       | Mr. Green         | X   | —   | —       |
| Mrs. Wagner       | X   | —   | —       | Mr. Cleaver       | X   | —   | —       |
| Mr. Barr          | X   | —   | —       | Mr. Himes         | X   | —   | —       |
| Mr. Williams (TX) | X   | —   | —       | Mr. Foster        | X   | —   | —       |
| Mr. Emmer         | —   | —   | —       | Mrs. Beatty       | X   | —   | —       |
| Mr. Loudermilk    | X   | —   | —       | Mr. Vargas        | X   | —   | —       |
| Mr. Mooney        | X   | —   | —       | Mr. Gottheimer    | X   | —   | —       |
| Mr. Davidson      | X   | —   | —       | Mr. Gonzalez      | —   | —   | —       |
| Mr. Rose          | X   | —   | —       | Mr. Casten        | X   | —   | —       |
| Mr. Steil         | X   | —   | —       | Ms. Pressley      | X   | —   | —       |
| Mr. Timmons       | X   | —   | —       | Mr. Horsford      | X   | —   | —       |
| Mr. Norman        | X   | —   | —       | Ms. Tlaib         | X   | —   | —       |
| Mr. Meuser        | X   | —   | —       | Mr. Torres        | X   | —   | —       |
| Mr. Fitzgerald    | X   | —   | —       | Ms. Garcia        | X   | —   | —       |
| Mr. Garbarino     | X   | —   | —       | Ms. Williams (GA) | X   | —   | —       |
| Mrs. Kim          | X   | —   | —       | Mr. Nickel        | X   | —   | —       |
| Mr. Donalds       | X   | —   | —       | Ms. Pettersen     | X   | —   | —       |
| Mr. Flood         | X   | —   | —       |                   |     |     |         |
| Mr. Lawler        | X   | —   | —       |                   |     |     |         |
| Mr. Nunn          | X   | —   | —       |                   |     |     |         |
| Ms. De La Cruz    | X   | —   | —       |                   |     |     |         |
| Mrs. Houchins     | X   | —   | —       |                   |     |     |         |
| Mr. Ogles         | X   | —   | —       |                   |     |     |         |

## Record vote no. FC- 121

| Representative    | Yea | Nay | Present | Representative    | Yea | Nay | Present |
|-------------------|-----|-----|---------|-------------------|-----|-----|---------|
| Mr. McHenry       | X   | —   | —       | Ms. Waters        | X   | —   | —       |
| Mr. Hill          | X   | —   | —       | Mrs. Velazquez    | X   | —   | —       |
| Mr. Lucas         | X   | —   | —       | Mr. Sherman       | X   | —   | —       |
| Mr. Sessions      | X   | —   | —       | Mr. Meeks         | X   | —   | —       |
| Mr. Posey         | X   | —   | —       | Mr. Scott         | X   | —   | —       |
| Mr. Luetkemeyer   | X   | —   | —       | Mr. Lynch         | X   | —   | —       |
| Mr. Huizenga      | X   | —   | —       | Mr. Green         | X   | —   | —       |
| Mrs. Wagner       | X   | —   | —       | Mr. Cleaver       | X   | —   | —       |
| Mr. Barr          | X   | —   | —       | Mr. Funes         | X   | —   | —       |
| Mr. Williams (TX) | X   | —   | —       | Mr. Foster        | X   | —   | —       |
| Mr. Emmer         | —   | —   | —       | Mrs. Beatty       | X   | —   | —       |
| Mr. Loudermilk    | X   | —   | —       | Mr. Vargas        | X   | —   | —       |
| Mr. Mooney        | X   | —   | —       | Mr. Gottheimer    | X   | —   | —       |
| Mr. Davidson      | X   | —   | —       | Mr. Gonzalez      | —   | —   | —       |
| Mr. Rose          | X   | —   | —       | Mr. Casten        | X   | —   | —       |
| Mr. Steil         | X   | —   | —       | Ms. Pressley      | X   | —   | —       |
| Mr. Timmons       | X   | —   | —       | Mr. Horsford      | X   | —   | —       |
| Mr. Norman        | —   | X   | —       | Ms. Tlaib         | X   | —   | —       |
| Mr. Menster       | X   | —   | —       | Mr. Torres        | X   | —   | —       |
| Mr. Fitzgerald    | X   | —   | —       | Ms. Garcia        | X   | —   | —       |
| Mr. Garbarino     | X   | —   | —       | Ms. Williams (GA) | X   | —   | —       |
| Mrs. Kim          | X   | —   | —       | Mr. Nickel        | X   | —   | —       |
| Mr. Donalds       | X   | —   | —       | Ms. Pettersen     | X   | —   | —       |
| Mr. Flood         | X   | —   | —       |                   |     |     |         |
| Mr. Lawler        | X   | —   | —       |                   |     |     |         |
| Mr. Nunn          | X   | —   | —       |                   |     |     |         |
| Ms. De La Cruz    | X   | —   | —       |                   |     |     |         |
| Mrs. Houchins     | X   | —   | —       |                   |     |     |         |
| Mr. Ogles         | —   | X   | —       |                   |     |     |         |

# COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

# PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 7280 is to require annual testimony from the HUD Inspector General by October 1 of each year before the House Financial Services and Senate Banking, Housing, and Urban Affairs Committees.

# CONGRESSIONAL BUDGET OFFICE ESTIMATES

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

| H.R. 7280, HUD Transparency Act of 2024                                                                |      |                                           |               |
|--------------------------------------------------------------------------------------------------------|------|-------------------------------------------|---------------|
| As ordered reported by the House Committee on Financial Services on February 29, 2024                  |      |                                           |               |
| By Fiscal Year, Millions of Dollars                                                                    | 2024 | 2024-2029                                 | 2024-2034     |
| Direct Spending (Outlays)                                                                              | 0    | 0                                         | 0             |
| Revenues                                                                                               | 0    | 0                                         | 0             |
| Increase or Decrease (-) in the Deficit                                                                | 0    | 0                                         | 0             |
| Spending Subject to Appropriation (Outlays)                                                            | *    | *                                         | not estimated |
| Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035? | No   | Statutory pay-as-you-go procedures apply? | No            |
|                                                                                                        |      | Mandate Effects                           |               |
| Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035?  | No   | Contains intergovernmental mandate?       | No            |
|                                                                                                        |      | Contains private-sector mandate?          | No            |
| * = between zero and \$500,000.                                                                        |      |                                           |               |

H.R. 7280 would require the Inspector General of the Department of Housing and Urban Development (HUD) to testify annually before the Congress on different topics including the sufficiency of the agency's resources, actions taken to identify opportunities for program improvement, and the inspector general's ability to investigate and audit HUD programs to prevent fraud, waste, and abuse.

Using information from the agency, CBO estimates that implementing H.R. 7280 would cost less than \$500,000. Any related spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Zunara Naeem. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,  
Director, Congressional Budget Office.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX  
EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1973.

FEDERAL MANDATES STATEMENT

Pursuant to section 423 of the Unfunded Mandates Reform Act, the Committee adopts as its own the estimate of the Federal mandates prepared by the Director of the Congressional Budget Office.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

EARMARK IDENTIFICATION

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the bill and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Section 1.* Designates the short title of the bill as the “HUD Transparency Act of 2024.”

*Section 2.* Requires the Inspector General of the Department of Housing and Urban Development to present testimony before the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs on an annual basis prior to October 1 regarding the Office of Inspector General’s efforts to prevent fraud, waste, and abuse, as well as other topics.