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ONE HUNDRED SEVENTEENTH CONGRESS

Congress of the United States

House of Representatives

SELECT SUBCOMMITTEE ON THE CORONAVIRUS CRISIS

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September 20, 2021

The Honorable James E. Clyburn
Chairman
Select Subcommittee on the Coronavirus Crisis
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clyburn:

On July 21, 2021, I requested that you invite Treasury Secretary Janet Yellen to testify at an upcoming hearing on the Biden Administration’s ineffective implementation of federal rental assistance programs that Congress passed. So far you have not compelled Secretary Yellen to participate in a public hearing to address this catastrophic failure.

On July 27, 2021, the hearing proceeded without Secretary Yellen—as millions of renters across the country waited for relief just days before the expiration of a federal eviction moratorium. Without testimony from a witness who could explain the Biden Administration’s plan to disburse long overdue emergency rental assistance, renters were left to question whether there was any plan at all.

Their answer arrived on August 3, 2021, when the Biden Administration issued another illegal eviction moratorium, just days after issuing a statement acknowledging “the Supreme Court has made clear” the option to extend the moratorium “is no longer available.”¹ Predictably, the Supreme Court struck down the Biden Administration’s unconstitutional end-run around Congress, and renters remained no closer to receiving their share of \$46 billion in relief that Congress initially appropriated in December 2020 on a bipartisan basis.

Perhaps the one bit of good news for renters came in the form of your commitment to invite Secretary Yellen “when the House returns to session following the August district work period . . . to testify on the implementation of this and all the essential relief programs . . . that are being administered by her Department.”² In a related response to my request for Secretary

¹ Statement by White House Press Secretary Jen Psaki on Biden-Harris Administration Eviction Prevention Efforts (July 29, 2021), <https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/29/statement-by-white-house-press-secretary-jen-psaki-on-biden-harris-administration-eviction-prevention-efforts/>.

² Select Subcommittee on the Coronavirus Crisis: Hybrid Hearing On “Oversight of Pandemic Evictions: Assessing Abuses By Corporate Landlords And Federal Efforts To Keep Americans In Their Homes,” 117th Cong. (July 27, 2021) (statement of Hon. James E. Clyburn, Chairman).

Yellen to appear before the Subcommittee, you further stated, “[G]iven the role of the Department of the Treasury in administering several essential programs established by Congress to mitigate the economic crisis caused by the pandemic, I agree that the Select Subcommittee would be well served by a hearing with Secretary Yellen.”³

Rather than schedule such a hearing, however, Subcommittee Democrats attempted to shift the blame to Republican governors by issuing a series of letters seeking data from Wyoming, Alabama, South Dakota, North Dakota, and Arkansas.⁴ The partisan nature of your letters, which incorrectly stated “[t]he slow distribution of rental assistance funds by state governments can hardly be attributed to a lack of federal support,” was made clear by the fact that you ignored poor performing Democrat-led states, including the state that disbursed funds at a lower rate than any other: New York. In fact, in terms of disbursing the rental assistance funds appropriated by Congress in December 2020, New York and South Carolina lag behind all others, but you sent a soft-touch, non-public letter to your home state, South Carolina Governor Henry McMaster on August 30, 2021. According to the Treasury Department’s most recent data, New York and South Carolina have disbursed 0.34 percent and 0.87 percent of their respective allocations, the lowest rates in the nation.⁵

Your letters to Republican-led states also ignored the fact that decisions by state leaders throughout the pandemic led to divergent economic conditions and placed renters in very different circumstances, depending on where they live. In response to your letter to South Dakota, Governor Kristi Noem stated:

Today, South Dakota has the strongest economy of any state in America. Our renters enjoy something even better than government hand-outs: a job. South Dakota’s unemployment rate is 2.9% . . . South Dakota was the only state in America never to order a single business to close.

* * *

Because I respected my authority as governor and did not shut my state down, our renters are in a strong position to keep paying their bills and provide a good life for their families. If renters in other states are in need of

³ Letter from Hon. James E. Clyburn, Chairman, Select Subcommittee on the Coronavirus Crisis, to Hon. Steve Scalise, Republican Leader (July 23, 2021).

⁴ Letters from Hon. James E. Clyburn, Chairman, Select Subcommittee on the Coronavirus, to Gov. Mark Gordon, Gov. Kay Ivey, Gov. Kristi Noem, Gov. Asa Hutchinson, and Gov. Doug Burgum (Aug. 30, 2021), <https://oversight.house.gov/news/press-releases/clyburn-calls-on-states-to-speed-up-delivery-of-emergency-rental-assistance>,

⁵ According to the Treasury Department’s “Emergency Rental Assistance Monthly Compliance Report: July 1- 31, 2021,” New York disbursed \$2.7 million of the state’s ERA1 allocation of \$800.7 million. South Carolina disbursed \$2.4 million of the state’s ERA1 allocation of \$271.8 million. <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>.

government assistance, it's because government overreach throughout the pandemic put them in such a position in the first place.⁶

Governor McMaster of South Carolina is similarly positioned with low unemployment rates since he also refused to entirely shutter his state's economy.⁷

Secretary Yellen needs to explain the challenges the Biden Administration is facing in states like New York. As of July 31, 2021, only about \$4.9 billion of the \$46 billion that Congress allocated for rental assistance had reached renters in need, according to data released by the Department of Treasury in late August. House Democrats, however, continue attempting to coverup for these failures of the Biden Administration. Just last week, Financial Services Committee Chairwoman Maxine Waters refused to invite Secretary Yellen to a hearing on Treasury's emergency rental assistance programs.⁸ This is just the latest in a series of attempts by the Democrat majority to shield Secretary Yellen from accountability for these mounting failures.⁹ Additionally, you have noticed a hearing this week to examine the nationwide poverty rate—Secretary Yellen's testimony would certainly be relevant to that topic.

The stark reality is that the Treasury Department has disbursed less than 11% of the emergency rental assistance funds allocated by Congress. This shows an embarrassing lack of desire to deliver for the millions of families who are devastated by the Biden Administration's failures. Meanwhile, an eight-month streak of crippling inflation, a weak jobs report, and a spike in COVID-19 cases due to the Biden Administration's failure to confront these crises, all combined to cause consumer confidence to retreat to its lowest level since February 2021.¹⁰ In light of the foregoing, I respectfully remind you of your commitment to invite Secretary Yellen to appear before the Subcommittee to answer questions about the Biden Administration's ongoing failure to help renters in need. Thank you for your attention to this important matter.

⁶ Letter from Hon. Kristi Noem, Governor, State of South Dakota, to Hon. James E. Clyburn, Chairman, Select Subcommittee on the Coronavirus Crisis (Sept. 7, 2021).

⁷ Marcus Navarro, *SC has strong July employment report, though impact of ending federal benefits is unclear*, GREENVILLE NEWS (Aug. 20, 2021) available at <https://www.greenvilleonline.com/story/news/local/south-carolina/2021/08/20/sc-unemployment-report-strong-july-sc/8211471002/> (last visited).

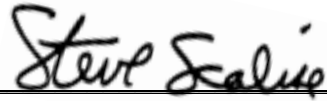
⁸ See Letter from Hon. Patrick McHenry, Ranking Member, H. Comm. on Fin. Services, to Hon. Janet Yellen, Sec'y, Dep't of Treasury (Sept. 7, 2021), https://republicans-financialservices.house.gov/uploadedfiles/2021-09-07_letter_to_yellen_-_re_sept_10_hearing.pdf.

⁹ On May 26, 2021, Secretary Yellen failed to appear at a hearing on the Paycheck Protection Program before the House Committee on Small Business, as required by the bipartisan Consolidated Appropriations Act of 2021. In July 2021, House Financial Services Committee Chairwoman Maxine Waters waived Secretary Yellen's quarterly testimony pursuant to Section 4016 of the CARES Act. On July 20, 2021, Chairwoman Waters refused a request from Committee Republicans to invite Secretary Yellen to a hearing on housing matters. On July 27, 2021, the Select Subcommittee on the Coronavirus Crisis held a hearing on emergency rental assistance and refused a request from Subcommittee Republicans to invite Secretary Yellen. On September 10, 2021, Secretary Yellen declined an invitation from Committee Republicans to testify at a hearing on the Treasury Department's emergency rental assistance program.

¹⁰ Consumer Confidence Survey, August 2021, <https://conference-board.org/data/consumerconfidence.cfm>.

Honorable James E. Clyburn
September 20, 2021
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Sincerely,

A handwritten signature in black ink that reads "Steve Scalise". The signature is written in a cursive style and is positioned above a solid horizontal line.

Steve J. Scalise
Ranking Member
Select Subcommittee on the Coronavirus Crisis