

**STATEMENT OF
THE HONORABLE E. SCOTT TURNER
SECRETARY
OF
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BEFORE THE
COMMITTEE ON APPROPRIATIONS,
SUBCOMMITTEE ON TRANSPORTATION, HOUSING AND URBAN
DEVELOPMENT,
AND RELATED AGENCIES
UNITED STATES SENATE
PRESIDENT TRUMP'S FISCAL YEAR 2027 BUDGET
MAY 14, 2026**

Chair Hyde-Smith, Ranking Member Gillibrand, and distinguished Members of this Subcommittee. I appreciate this opportunity to testify on President Trump's 2027 Budget and what it means for the Department of Housing and Urban Development's mission to foster communities by supporting access to quality, affordable housing, expanding the housing supply, and unlocking homeownership opportunities for the American people.

At HUD, we remain focused on a simple principle: The American Dream of homeownership must be within reach. And that requires both affordability and stewardship. That stewardship is a shared duty between HUD and Congress and it demands we spend taxpayer dollars wisely and reject the notion of simply throwing money at every problem.

Taxpayer dollars are finite. Our responsibility is not. The President's proposal reflects that approach. It reins in wasteful spending, stops the ballooning of federal welfare programs, and continues HUD's focus on serving the American people. We are mission minded.

The Budget proposes to end the Community Development Block Grant program (CDBG). This program was created to revitalize urban communities, but its purpose has lost focus and its results are inconsistent. Too often, CDBG funds are directed toward activities that fall outside core community development priorities. That includes administrative roles like “equity officers” in Chicago, an “equity lens” framework in Denver, and state-level requirements in Massachusetts tied to broader DEI initiatives. With limited resources, HUD must prioritize initiatives that deliver results. Ending CDBG allows us to focus funding on programs with clear accountability and a direct impact on housing supply and affordability. If a program cannot demonstrate results, we have a responsibility to reevaluate it. We are taking inventory.

The President’s proposal also reinforces HUD’s commitment to the statutory intent of the Fair Housing Act rather than spending hard earned taxpayer dollars on “fair housing” activities that are anything but fair. We will continue to enforce the law as written, and nothing else. Fair housing is about equal rights, not extra rights.

On homelessness, the data is clear: By the end of the Biden Administration, HUD spending on the Continuum of Care program surged by **more than 50 percent**, yet street homelessness **rose by 20 percent** since 2020 - painting an undeniable picture of government complacency and inefficiency. Despite record funding, communities reported record homelessness. Since I began serving as Secretary, I have raised concerns about the limitations and shortcomings of a housing-first approach that fails to address underlying causes of homelessness, such as substance abuse and mental illness. Housing first advocates fed a homeless industrial complex that simply warehoused the homeless and called it a day. Compassion requires results, not just resources. Under the President’s plan, HUD will

refocus on addressing root causes and promoting pathways to self-sufficiency, instead of trapping Americans in the clutches of permanent government dependency.

The President's plan reinforces HUD's commitment to being good stewards of taxpayer dollars and ensuring their efficient use, as reflected in program priorities that better serve our nation's most vulnerable.

The Budget secures **30 million dollars** for the Melania Trump Foster Youth to Independence initiative. There are roughly **20,000 young Americans** who age out of foster care annually. Too many of them – **nearly one in four** – will experience homelessness shortly after.

When I visited Colorado earlier this year, I heard directly from foster youth in this program. The message was clear: They are not asking for handouts, they are asking for the tools to achieve independence. They are fighting to stand on their own two feet and help their peers break the cycle. While we cannot take away their pain, we can help hardworking young Americans build a brighter future to move from foster care to self-sufficiency.

Earning a paycheck is empowering, but getting a handout is not. That is why the President is proposing work requirements of at least **20 hours per week**, along with **five-year time limits** for able-bodied Americans in HUD's rental assistance programs. This helps individuals graduate from government assistance and makes room for vulnerable Americans who have been waiting on waitlists for years.

The President's Budget also includes **160 million** dollars for Federal Housing Administration (FHA) administrative contracts to ensure that FHA will be better able to help

Americans access affordable and sustainable homeownership opportunities, and **30 million dollars** for our Program Integrity Initiative to combat waste, fraud, and abuse.

Across HUD, we are strengthening program integrity and accountability. In December, we published the FY25 Agency Financial Report that uncovered **over 5 billion dollars in potential payment errors** under the Biden administration. This includes payments that went to **almost 30,000** deceased tenants. This is unacceptable and underscores the need for stronger oversight. Accountability is not optional. It is fundamental to public trust.

We are also making HUD more efficient by strengthening our stewardship of taxpayer dollars. Our relocation from the aging Robert C. Weaver Federal Building to Alexandria reflects a broader commitment to modernization and cost-effectiveness. The Weaver Building had deteriorated beyond the point of cost-effective repair, with more than **500 million dollars** in deferred maintenance and over **22 million dollars** in annual operating costs – making continued investment unsustainable for both taxpayers and our workforce.

By relocating to a modern, underutilized federal space, HUD is saving taxpayers hundreds of millions of dollars while providing employees with a safe, collaborative workplace that better supports our mission. This move is a key step in rightsizing our real estate footprint and ensuring resources are focused on serving the Americans who rely on us rather than maintaining outdated infrastructure.

The president's budget also secures 30 million dollars for Project HUGS, which will build on HUD's sub-recipient reporting pilot to support data analysis and identify improper payments. This will help HUD to further crack down on waste, fraud, and abuse, and promote our department's efficiency.

Since this administration began, HUD has delivered real results for the American people. From January 2025 to March 2026, HUD has supported homeownership for over 1.2 million American households, more than 70% of them first-time home buyers. That is what focused, disciplined policy can achieve.

The President's plan builds on that progress. It brings greater discipline to federal spending and regulation, strengthens accountability, and reinforces HUD's core mission. We measure success by outcomes, not outlays.

At HUD, we are focused on results, not rhetoric.

This vision positions HUD to lead a renaissance of housing revitalization – one that increases supply, expands access, and delivers real opportunity for the American people. It is my privilege to be here to share this vision with you. I look forward to your questions.