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NOMINATIONS OF: PETER M. ROGOFF, FRANCISCO J. SANCHEZ, RAPHAEL W. BOSTIC, SANDRA HENRIQUEZ, MERCEDES MÁRQUEZ, AND MICHAEL S. BARR

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

ON

NOMINATIONS OF:

PETER M. ROGOFF, OF VIRGINIA, TO BE FEDERAL TRANSIT ADMINISTRATOR, DEPARTMENT OF TRANSPORTATION

FRANCISCO J. SANCHEZ, OF FLORIDA, TO BE UNDER SECRETARY FOR INTERNATIONAL TRADE, DEPARTMENT OF COMMERCE

RAPHAEL W. BOSTIC, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SANDRA HENRIQUEZ, OF MASSACHUSETTS, TO BE ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MERCEDES MÁRQUEZ, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MICHAEL S. BARR, OF MICHIGAN, TO BE ASSISTANT SECRETARY FOR FINANCIAL INSTITUTIONS, DEPARTMENT OF THE TREASURY

WEDNESDAY, MAY 13, 2009

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WEDNESDAY, MAY 13, 2009

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 2:06 p.m., in room SD–538, Dirksen Senate Office Building, Senator Jack Reed, presiding.

OPENING STATEMENT OF SENATOR JACK REED

Senator REED. The Committee will come to order.

We are meeting today in open session to consider the nomination of six key nominees for the Obama administration. On behalf of the Chairman, who is currently engaged on the Senate floor working on the credit card legislation, I would like to welcome my colleagues, distinguished guests, our nominees, and their families and friends to this important hearing.

At this time I would like to recognize my colleague Senator Bill Nelson, who wants to introduce Mr. Francisco Sanchez. Senator Nelson.

STATEMENT OF BILL NELSON, U.S. SENATOR FROM THE STATE OF FLORIDA

Senator NELSON. Thank you, Mr. Chairman.

Frank Sanchez has been a personal friend of mine for a number of years, and he is up for something that he is uniquely qualified, which is the Under Secretary of Commerce for International Trade. He has had all kinds of experience in the International Trade Administration as well as the Tourism Policy Council, the National Intellectual Property Council. He has been the Chief of Staff in the White House to the Special Envoy to Latin America. He is a Florida native. He is an accomplished negotiator. He has authored a book. He served our former colleague Senator Bob Graham, when he was Governor, in his administration as the first Director of the State's Caribbean Basin Initiative, and he has been involved in consulting companies on projects involving complex transactions, labor-management negotiations, litigation settlement, and negotiation strategy. And so this brings a unique set of qualifications. He has even split the difference in Florida. He attended the University of Florida, but he graduated from Florida State. He does—for us Yale guys, we will not hold it against him. He has a Master's degree from Harvard from the Kennedy School, and he has worked with the National Security Council, the State Department, the U.S. Trade Representative.

You could not have a better candidate for this very important job of Under Secretary of Commerce, and on top of that, he is a good guy, and he is a personal friend of mine. Thank you for letting me make these comments about him.

Senator REED. Thank you, Senator Nelson.

Now let me recognize Congressman Barney Frank to introduce Sandra Henriquez. And, by the way, Senator Kerry has a something for the record, Ms. Henriquez.

STATEMENT OF BARNEY FRANK, U.S. REPRESENTATIVE FROM THE STATE OF MASSACHUSETTS

Mr. FRANK. Thank you, Mr. Chairman. I am very pleased to be able to introduce Sandra Henriquez on her behalf, but more on behalf of some of the most, I think, unfairly treated people in this country, and those are the residents of public housing. This country created public housing. You know, sometimes the residents are criticized because of decisions that were made not with their participation about what kind of housing they should live in. And we know now, better than we used to, how to build decent, livable, affordable housing, but we are still in some cases, frankly, stuck with stuff that was not built well in terms of social concerns.

Sandra Henriquez has run one of the largest housing authorities in the country in the city of Boston. It is a housing authority population that is diverse in terms of age, in terms of ethnicity, and in terms of race. It has been a very significant part of Boston for some time. It has been historically a troubled institution. She has done an excellent job, and I am very pleased that the President has selected someone to run the Department of Public and Indian Housing who has a demonstrated record of dealing with sensibly, compassionately, and efficiently with the residents of public housing.

I should note that part of her title is "Indian Housing," and there were probably no people in America as a whole with greater housing problems than the Native American population. People who have been out, for instance, to the Navajo reservation have seen a very serious problem.

I am very proud that in recent years on the Committee on Financial Services, which is the corresponding Committee for this Committee, we have worked hard and you, Mr. Chairman, Senator Reed, have been a leader in this. We have been paying attention to the needs of the Native American population in housing, which has long been neglected.

So Sandra Henriquez is very well qualified. She is a thoughtful, intelligent, compassionate, and successful administrator. And I am very hopeful that she will be promptly confirmed.

Now, I do understand there are different rules in the House and the Senate, and I am prepared to learn that she was confirmed on the proviso that she carry a concealed weapon. I understand that the Senate might decide to add that, as they have from time to time. That is not my decision to make. I can only urge that this very, very able woman who has done such a good job in administering public housing of Boston be confirmed.

Senator REED. Thank you, Chairman Frank.

Now I would like to recognize Congressman Schiff to make an introduction of Raphael Bostic. Congressman.

STATEMENT OF ADAM B. SCHIFF, U.S. REPRESENTATIVE FROM THE STATE OF CALIFORNIA

Mr. SCHIFF. Thank you, Mr. Chairman, Senator Reed, and Ranking Member Shelby. I very much appreciate the opportunity to appear before your Committee again, and thank you for allowing me to introduce the President's nominee for Assistant Secretary of the Office of Policy Development and Research of the Department of Housing and Urban Development, Raphael Bostic.

Dr. Bostic is a proud resident of Pasadena, and we share a common bond as graduates of the same alma maters, Stanford and Harvard, although Dr. Bostic unfortunately did it in the wrong order, but he can be forgiven for that. He has dedicated his career to understanding housing markets and the issue of homeowner. He has extensively studied the sectors that will be critical to our economic recovery, credit markets, and home financing, and understands well how they affect the American household.

His expertise in these most pressing and complex issues of our time make Dr. Bostic an ideal candidate for this position. As Assistant Secretary, he will be the principal adviser to the Secretary on overall departmental policy and will be responsible for main-

taining current information on housing needs, market conditions, and existing programs.

Dr. Bostic is currently a professor in USC's School of Policy, Planning, and Development, and teaches courses in affordable housing development, urban economics, real estate finance, policy and planning analysis, and public finance. He led a distinguished career prior to his years at USC, spending 6 years on the staff at the Federal Reserve Board of Governors where he was awarded a Special Achievement Award for his work. He also served as a Special Assistant to the Assistant Secretary of Policy Development and Research at HUD, providing him with crucial experience in the executive branch which will no doubt serve him well in his new post.

His most recent research examines how mortgage finance institutions such as Fannie Mae and Freddie Mac have influenced the flow of mortgage credit through lenders that originate high-cost or subprime loans through the Federal Housing Administration Insurance Program. He has also studied the role of the private label secondary market in facilitating the flow of capital to subprime and possibly predatory loans.

His work has been published in a number of top peer-reviewed journals, including Real Estate Economics, Housing Policy Debate, and the Journal of Banking and Finance. Dr. Bostic is an active contributor to numerous professional and industry organizations and holds leadership positions in the American Real Estate and Urban Economics Association, the Association of Public Policy and Management, and recently served on a National Academies Committee charged with evaluating the research plan of the Department of Housing and Urban Development.

Given his background, he was an ideal panelist for an economic roundtable that I held in Pasadena nearly a year ago after the collapse of IndyMac, which was headquartered in my district. With a tightening credit market and increasing foreclosures, residents in my district, as well as around the country, were looking for answers and advice about how they could stay afloat, and Dr. Bostic was and has been a clear and well-informed voice during these difficult times.

Many Americans are still struggling with these questions today, and I am confident that with Dr. Bostic advising the Secretary on housing policy, the Department will make the right policy decisions to help families around the country.

I urge the Committee to approve his nomination, and I thank you again, Senator, for allowing me to appear today.

Senator REED. Thank you very much, Congressman.

And now let me recognize Senator Patty Murray of Washington State. Senator Murray.

STATEMENT OF PATTY MURRAY, U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator MURRAY. Well, thank you very much, Mr. Chairman and Senator Shelby. I am very pleased to be here today to have the opportunity to introduce Peter Rogoff as the President's nominee to be the next Administrator of the Federal Transit Administration. I do want to welcome Peter's wife, Dena Morris, who is here with

us, as well as their two children, Lucy and Niles, who are behaving very well behind you, Peter. Don't worry.

Peter and his wife are no strangers to public service, and I really want to thank them personally for both of their commitment and congratulate them on all they have accomplished. And I would just tell Lucy and Niles that I understand that confirmation hearings actually get you extra credit in school, so thank you for being here.

For members of the Senate Appropriations Committee, Peter is a very familiar face. He has served on the Appropriations Committee staff now for the last 22 years, and he has been the Committee's senior transportation adviser for the majority of those years. For the past 9 years, as I have served as either Chairman or Ranking Member of the Transportation Appropriations Subcommittee, I have had the opportunity to work very closely with Peter. He has been a trust adviser to me and a dedicated public servant to the constituents of both my home State of Washington and those of every member of the Subcommittee. I know that Peter's drive and knowledge and experience will be an outstanding asset to President Obama and Secretary LaHood's team.

Peter and I have worked together through many challenges over the years, none greater than the events of September 11th and the transportation security issues that we were confronted with after that. As members of this Committee know well, those efforts were not just limited to aviation security, but they also included initiatives to strengthen security in passenger rail transit systems and our ports and all the systems that connect them.

During those very difficult times, Peter's understanding of our transportation safety systems was fully evident. It is a knowledge that comes with experience, and not just the kind of experience you get from studying policy at your desk, although Peter does do a lot of that, but it is the kind of experience you get from traveling out to accident sites, talking with inspectors, meeting with families, and working hands-on to ensure that we are taking steps to ensure that accidents are not repeated.

In the time that I have worked with Peter, he has regularly traveled across the country to participate in aviation, rail, and ship inspections, and he has voluntarily gone to many accident sites. The expertise gained from those experiences has served this Congress and this country well in some very critical situations. In fact, I still remember—and I know Peter does as well—an evening just about 2 years ago when we all watched in horror as the I–35 bridge collapsed in Minneapolis. Immediately after that tragedy, I dispatched Peter to accompany Senator Klobuchar to the scene because I knew that he could help her identify the core issues and how the Federal Government could help.

Now, I know that as FTA Administrator, people would face a set of wide-ranging challenges, but I also know that he has the transit know-how to hit the ground running. From my work with Peter, I know that he believes in the larger agenda to expand transit ridership and reduce greenhouse gas emissions. I know that he understands how important it is to move projects forward rapidly in a manner that is efficient and productive. And I know that he has the experience to address our biggest challenge—transportation finance.

As all of you know, the outlook for the Highway Trust Fund and its mass transit account is truly dismal. These financing challenges threaten to undermine all that Congress and the President hope to accomplish for our State and our communities. To this central problem, Peter Rogoff will bring over two decades of working knowledge on financing transit and transportation projects of all kinds.

So, Mr. Chairman, while his nomination represents a very big loss for our Appropriations Committee and my Appropriations Subcommittee, I respect and I commend President Obama's decision to put Peter's expertise to work on addressing our country's transit future. It is without any reservation that I commend to you the nomination of Peter Rogoff to be our next Federal Transit Administrator.

All of us that care about public transportation, a clean environment, and the mobility needs of our neediest citizens are going to be very proud to have Peter Rogoff in this position.

Thank you very much, Mr. Chairman.

Senator REED. Thank you very much, Senator Murray.

Let me make brief comments about the nominee before I recognize Senator Shelby for his opening comments, and there may be other colleagues that will join us for introductions, and I will try to work them in as rapidly as possible.

First, beginning with Peter Rogoff, the President's nominee to lead the Federal Transit Administration, we all recognize that strong Federal leadership in transportation is one of the keys to getting our economy back on track. Now, a bold, new commitment to public transportation is needed to reduce congestion on our roads, to address climate change, and to reduce our dependence on foreign oil. And let me say I second with enthusiasm all of the commendations that Senator Murray made, and thank you, as a member of the Appropriations Committee, for your assistance and help, Peter, and we look forward to your service on the Federal Transit Administration.

Our next nominee is Mr. Francisco "Frank" Sanchez. Senator Nelson described your stellar career, Mr. Sanchez. You have been nominated for Under Secretary of Commerce for International Trade. As Under Secretary, the role will play a particularly critical aspect in reviving America's struggling economy. One out of every 10 American jobs depends on exports, which in 2008 generated $1.8 trillion in U.S. business revenue. So this is an extremely important job to match your public service and your talents.

We also have three nominees for the Department of Housing and Urban Development who are before us today. Like never before, we need an engaged, aggressive, and well-run Department of Housing and Urban Development with leadership that is confident in its mission and unafraid to act. As President Obama has himself said, "HUD's role has never been more important."

Our first HUD nominee is Mr. Raphael Bostic, who was introduced by Congressman Schiff. He has been nominated to be the Assistant Secretary for the Office of Policy Development and Research. Mr. Bostic in such a role would be responsible for maintaining current information on housing needs, market conditions, and

existing programs, as well as conducting research on priority housing and community development issues.

Our next nominee is Ms. Sandra Henriquez, who was introduced by Congressman Frank. She has been nominated to be the Assistant Secretary for Public and Indian Housing. In fiscal year 2009, this office will be expected to administer nearly $24 billion in targeted housing assistance programs serving low, very low, and extremely low income families and individuals. These include public housing and Section 8 tenant-based rental assistance programs, which serve over 3 million families, seniors, and persons with disabilities. These housing programs are carried out by approximately 1,600 staff in headquarters and field positions throughout the country. This is an extraordinarily important and influential post.

Our final HUD nominee is Ms. Mercedes Márquez, who has been nominated to be Assistant Secretary for Community Planning and Development. This division administers nearly $8 billion in community, economic, and affordable housing development programs in the fiscal year 2009 budget. In addition, it currently administers $6 billion in neighborhood stabilization program funding, helping communities buy and rehabilitate abandoned and foreclosed properties. These programs are carried out by approximately 800 staff in headquarters and field positions.

Our final nominee today will be Michael Barr, who has been nominated to be the Assistant Secretary for financial Institutions at the Department of Treasury. In this position, Mr. Barr will be responsible for working on administration policy regarding the regulation of banks, credit unions, Government-sponsored enterprises, consumer protection, community reinvestment, Federal deposit insurance, and terrorism risk insurance. Quite a portfolio. He will be uniquely situated to work with this Committee to achieve its goals of modernizing the United States financial institutions, a task that I know the Chairman and Senator Shelby are undertaking at this moment.

Mr. Barr is highly qualified for this position. He currently is teaching at the University of Michigan. Previously he served as Treasury Secretary Robert Rubin's Special Assistant as well as Special Adviser to President Clinton. Mr. Barr also served as a law clerk to U.S. Supreme Court Justice David H. Souter and then-District Court Judge Pierre N. Leval of the Southern District of New York. Mr. Barr received his J.D. from Yale Law School; a Master of Philosophy in International Relations from Magdalen College, Oxford University; as a Rhodes Scholar; and his B.A. summa curriculum laude with honors in history from Yale University.

Again, let me welcome all the nominees, and you will have an opportunity when you are recognized to also introduce your families.

Now let me turn to the Ranking Member, Senator Shelby, for his statement. Senator Shelby.

STATEMENT OF SENATOR RICHARD C. SHELBY

Senator SHELBY. Thank you, Mr. Chairman.

First of all, I want to welcome all of the nominees. I am sure you have been well vetted and are eminently qualified and ready to go

to work. And I hope that Senator Dodd, our Chairman, will move these nominees as soon as possible.

I want to say a special word here about Peter Rogoff. A lot has been said about him, but I had the opportunity to work with him for a long time on the Appropriations Committee. As we used to say, we worked for Peter.

[Laughter.]

Senator SHELBY. And we did not mind that because he had great work skills, great leadership skills, and, Peter, we are happy that the President has seen fit to nominate you to this very important position at the Department of Transportation.

We look forward to this year working on the Banking Committee. As you well know, we have a piece of the surface transportation, transit, and other things, and you will bring a lot of knowledge to this position, and I believe you will bring a lot of integrity, too. So I look forward to supporting you especially and supporting all of you as soon as we can.

If you will forgive me, Senator Dodd and I are holding—we are trying to move a credit card bill on the floor, and so I will leave it up to you, but I will support your nomination.

Senator REED. Thank you very much.

We have been informed that Senator Martinez would very much like to be here, Mr. Sanchez, and when he arrives, we will recognize him to say a few words. I think also Congressman Becerra would like to say a few words, Ms. Márquez, and when he arrives, we will also recognize him.

But, first, I have an obligation to perform. If you would please stand, and I will administer and oath, and simply respond, "I do," after each phrase. Please raise your right hands. Do you swear or affirm that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ROGOFF. I do.

Mr. SANCHEZ. I do.

Mr. BOSTIC. I do.

Ms. HENRIQUEZ. I do.

Ms. MÁRQUEZ. I do.

Mr. BARR. I do.

Senator REED. Do you agree to appear and testify before any duly constituted Committee of the Senate?

Mr. ROGOFF. I do.

Mr. SANCHEZ. I do.

Mr. BOSTIC. I do.

Ms. HENRIQUEZ. I do.

Ms. MÁRQUEZ. I do.

Mr. BARR. I do.

Senator REED. Thank you very much. Please be seated.

Now let me recognize—do you have any comments? Yes, let me recognize Senator Bennett. Please.

STATEMENT OF SENATOR ROBERT F. BENNETT

Senator BENNETT. Thank you, Mr. Chairman. I do not want to prolong this, and I would love to say something good about all the rest of you, but I do not know any of you yet.

[Laughter.]

Senator BENNETT. That does not usually stop Senators, but I think under these circumstances it will. But I want to again add to the chorus of comment and praise for Peter Rogoff and the work that he has done as a member of the Appropriations Committee.

Peter, I know you have been to Utah. You understand the transit issues in Utah, and we look forward to working with you. But I did not want to let this occasion go by without adding my voice to those that are saying we are sorry to lose you, but good luck and all the best in your new assignment.

Thank you.

Senator REED. Thank you, Senator Bennett.

Senator Akaka, would you like to say something at this time?

STATEMENT OF SENATOR DANIEL K. AKAKA

Senator AKAKA. Mr. Chairman, thank you for having this hearing. As you said, we are trying to move as quickly as we can to confirm people so that we can all get back to work and begin to do some things for our country. And so I look forward to this hearing, Mr. Chairman, and I am glad to participate with you.

Thank you.

Senator REED. Thank you very much, Senator Akaka.

Let me now review Mr. Rogoff. Again, Mr. Rogoff, if you would like to introduce your family or friends that are here, please take this opportunity, and then your statement. Could you please turn on your microphone, Peter?

Mr. ROGOFF. I would like to introduce them, and thank you, Senator Bennett and Senator Reed, for your kind comments.

I would like to introduce my wife, Dena Morris; my son, Niles Rogoff; and my daughter, Lucille Rogoff. And I especially want to recognize the person who really makes everything that the four of us do possible—our outstanding nanny and great friend, Murlene Dowling.

STATEMENT OF PETER M. ROGOFF, OF VIRGINIA, TO BE FEDERAL TRANSIT ADMINISTRATOR, DEPARTMENT OF TRANSPORTATION

Mr. ROGOFF. Senator Reed, Ranking Member Shelby, Senator Bennett, and members of the Committee, I want to thank you for allowing me this opportunity to present myself as President Obama's nominee to head the Federal Transit Administration. Having served on the staff of a Senate Committee for 22 years, I know that the confirmation process is one of the most critically important constitutional responsibilities of the Senate, so I come to this hearing with humility and a great respect for the process.

As I appear before you today, I believe public transportation faces both remarkable opportunities and serious challenges. The opportunities begin with the fact that we have a President who recognizes the central importance of our transit systems to our quality of life and to the quality of our environment. He has spoken of the need to invest adequately and invest efficiently, and he has stressed repeatedly the role that public transportation must play in reducing pollution, including greenhouse gas emissions, and moving toward energy independence by diminishing our reliance on foreign oil.

In addition, the American people are creating opportunities by utilizing transit services in record numbers and by demanding more. Transit ridership rose to a modern record in 2008, more than 10 billion trips. What may be more remarkable is that ridership has remained high even as record gas prices have dropped back down.

Many families have sold their second car, or their only car, either as a matter of convenience or to cope with the economic downturn. Many other Americans, weary of sitting in traffic jams, have just boarded the train or boarded buses using designated bus lanes.

Finally, there are great opportunities because the administration and Congress are about to rewrite all our surface transportation programs, as Senator Shelby pointed out. In fact, the upcoming authorization process presents an opportunity like no other to retool our public transportation programs and refocus them on our most critical national goals.

But as this Committee is well aware, we also face extraordinary challenges. First and foremost is the task of financing our efforts to achieve these goals. The mass transit account of the Federal Highway Trust Fund is on a path to insolvency. While the transit account is in less immediate danger than the larger highway account, the balances in both are falling at a rate that will undermine their ability to support current obligations.

The financing challenge calls for tough choices, so it is all the more important that we fulfill President Obama's commitment to spend every transit dollar efficiently and on the worthiest projects.

Against this backdrop of both challenges and opportunities, I am especially honored that President Obama has nominated me to serve as his Federal Transit Administrator. I very much look forward to working with this Committee, with Secretary LaHood and his outstanding team, to both tackle the pressing challenges and capitalize on the extraordinary opportunities.

As I mentioned, the financing dilemma is difficult, but with more than two decades of experience on the Appropriations Committee staff specializing in transportation finance, I feel confident that I could help the Secretary and this Committee identify a more stable and sustainable funding regime.

Secretary LaHood has made clear his intention to eliminate the stovepipes within DOT. I think that is something that people have been trying to do since Senator Bennett served in the DOT. He will be asking his agency leaders to work toward a seamless system that moves people and freight efficiently between modes of transportation, and I believe I can help.

My experience in infrastructure investment programs goes well beyond mass transit. It includes highway, aviation, inner-city rail, and maritime programs. If we are going to succeed in developing truly seamless networks, then expanded cooperation and joint investments are going to be key.

Secretary LaHood and HUD Secretary Donovan are committed to fostering livable and sustainable communities through the coordinated efforts of their Departments, and let me just point out how apt I think it is that I am testifying with a number of HUD nominees, because there really is quite a lot of overlap in the challenges we are trying to address.

For the last 4 years, I have had the joint responsibility overseeing both the Transportation and HUD budgets for the Appropriations Committee. Knowing the HUD budget as I do, and witnessing Secretary Donovan's impressive efforts to transform HUD, I am particularly enthusiastic about working with him and Secretary LaHood to promote sustainability.

Finally, I want to welcome the opportunity to be this administration's advocate for mass transit. I plan to be a very public advocate in my visits with policymakers in communities across the Nation. But just as importantly, I plan to be a forceful advocate in the less public debates that go on within the administration. We must create new and better transit options in both urban and rural America, but especially during a period of economic uncertainty and recovery, a pro-transit agenda must include protecting and improving transit services for those for whom mass transit is the only option.

If confirmed, this Committee can count on me to be a strong and vocal partner in advancing this agenda. I thank you again for this opportunity and the kind words of the members of the Committee. I look forward to answering any questions you may have.

Senator REED. Thank you, Mr. Rogoff.

Senator Martinez has arrived, with perfect timing, to say a few introductory words about Mr. Sanchez. Senator Martinez.

STATEMENT OF SENATOR MEL MARTINEZ

Senator MARTINEZ. Thank you, Senator Reed. I appreciate that very, very much.

I want to take a moment—and I know Senator Nelson was here earlier—to introduce to the Committee Frank Sanchez, a wonderful Floridian, a man who has exercised a great deal of leadership in the area of trade, not only nationally but also in the State of Florida, and also a proud alumni of Florida State University, for which I am very proud to share that with him.

But in addition to his fine academic record, which I know Senator Nelson probably described, I find Mr. Sanchez to be someone who is going to make an excellent trade person for our country because of his past work not only in the private sector but also in Government. He had a great deal to do with negotiated the Open Skies Agreement, which was approved during the Clinton administration, which is so important to our Nation's airlines and to others around the world. And it is about trading with others. At the end of the day, that can create so much prosperity for our country.

So I have had the opportunity to talk with Frank about his commitment and his understanding of the importance of trade as we go forward in so many of these areas that are today pending—Colombia, Panama, and other issues that you know so well.

So, Mr. Chairman, I just wanted to add my endorsement and my introduction, and I look forward to a swift confirmation of Mr. Sanchez, a great Floridian.

Senator REED. Thank you very much, Senator Martinez—another great Floridian, truly. Thank you.

Mr. Sanchez, if you would like to introduce family and friends, please do so, and then we would be eager to hear your statement.

Mr. SANCHEZ. Thank you, Senator Reed. I wish to introduce my cousin, Kim Sanchez, who has the awesome responsibility of representing the entire Sanchez clan today.

[Laughter.]

STATEMENT OF FRANCISCO J. SANCHEZ, OF FLORIDA, TO BE UNDER SECRETARY FOR INTERNATIONAL TRADE, DEPARTMENT OF COMMERCE

Mr. SANCHEZ. It truly is an honor to be before you today with this distinguished panel, and I should say I hope that some of the good feelings that Mr. Rogoff has engendered with this Committee will be able to rub off on me.

I want to thank Senator Martinez and Senator Nelson both for making a special effort to be here and to introduce me. Thank you very, very much.

I would respectfully ask the Committee that my full statement be submitted for the record.

There is no greater call than that of service to one's country, and I am truly honored by President Obama's nomination of me to serve as Under Secretary of Commerce for International Trade. I am humbled by the trust that President Obama and Secretary Locke are placing in me, and I am cognizant of the serious responsibilities that accompany this confidence.

If confirmed, I look forward to working for them and with you in advancing our Nation's economic well-being and ensuring that all Americans benefit from fair and free trade.

I would like to take just one moment to take someone who is not here—actually, two—my mother and my late father for their support and encouragement. I would not be here if it were not for their consistent and constant love and commitment to my success, so I want to thank them.

As Secretary Locke has said, the role of the Department of Commerce is to be the engine of innovation, of job growth, and of economic renewal. The International Trade Administration supports these efforts by strengthening the competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade in compliance with our trade laws and agreements. This mission is critical to enhancing America's global competitiveness and expanding commercial opportunities for American manufacturers and service workers throughout the world.

When U.S. business seeks to promote their goods and services in overseas markets, it is the International Trade Administration's programs that lead the way. In short, the agency helps America's firms and workers navigate through the often complicated and unpredictable waters of foreign trade.

If confirmed, I look forward to working closely with this Committee to support American innovation and entrepreneurship and open global markets for American-made goods and services. In so doing, we can play a vital role in creating new jobs and economic growth here at home.

I thank you for your consideration.

Senator REED. Thank you very much, Mr. Sanchez.

Mr. Bostic, again, if you have family or friends, feel free to introduce them, and then your statement.

Mr. BOSTIC. Sure. I would like to introduce my parents, my mother and father, Viola and Raphael, who are here; as well as my sister, Ebony, who is making her own sacrifice as she is letting me use one of her rooms as my base as I am here in Washington. So thank you, Ebony.

I would also like to acknowledge two people who were unable to be here: my partner, Jeff Taylor, who is back in California; and my aunt, Patricia Williams, who is in New York.

STATEMENT OF RAPHAEL W. BOSTIC, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. BOSTIC. Chairman Reed and members of the Committee, I am honored and humbled to appear before you today as you consider my nomination to serve as the Assistant Secretary for Policy Development and Research at the U.S. Department of Housing and Urban Development. Before going further, in addition to my family, I would like to acknowledge a few others who have been instrumental in my life, particularly mentors Glenn Canner, John Shoven, Roger Noll, Susan Wachter, and Stuart Gabriel.

The time we find ourselves in is remarkable, both because of its gravity and its origins. By many measures the economy has not performed so poorly since the Great Depression of the 1930s, and for perhaps the first time in the Nation's history, housing has been at the root of this macroeconomic trouble. This reality means that a deep understanding of housing markets is critical, and evidence on what does and does not work in these markets will be essential for creating a new market structure that endures and correct the weaknesses that help to create the current troubles.

Secretary Donovan recognizes this and, in his public and private statements, has already placed a considerable emphasis on the importance of collecting and using data to make informed decisions. If confirmed to my position, I will work hard to see the Secretary's vision is pursued and achieved. In this way, I hope to contribute to a transformation of the Department into an efficient, informed leader of policy on issues associated with housing and urban development.

My background, including significant work in academics, Government, and community development, provides me with assets that will allow me to help the Office of Policy Development and Research increase its efficacy and effectiveness. A key goal is for PD&R efforts to contribute to a deeper and more meaningful understanding of the issues facing our housing and urban markets and communities.

From an academic perspective, my research has given me knowledge and insights about both housing and urban development, and this, coupled with my continued and intensive interaction with other academics scholars will allow me to promote the implementation of evidence-based policy with the Secretary and the Department's program offices. In addition, my training and perspectives gained as an academic researcher have given me skills that will help ensure that research and program evaluations produced or funded by PD&R are relevant, timely, and of the highest quality.

Through my career to date, I have interacted extensively with all the key HUD constituencies, and so I am able to add value and perspective to HUD's research efforts, as well as its policymaking and oversight. I understand housing and housing finance through my research and my work at the Federal Reserve Board. I know the nuts and bolts of affordable housing development as well as the difficulties and opportunities it affords for lower-income and minority households through my teaching them at USC, service as a board member of a local nonprofit housing developer, and my research.

My work with a local community development organization in East Palo Alto and other research I have done have provided insights as to the challenges of broad-based urban and community development. My role as Director of a real estate development program required my engagement of all aspects of the development process and forced me to engage and understand how design, law, economics, finance and construction all interact. Of particular significance, the exposure to construction highlighted the key role that engineering that technology can play in helping to make housing affordable and high quality.

One of Secretary Donovan's top priorities is to improve the culture of the Department as an institution, and I pledge to further this goal for PD&R. This transformation will require significant organizational management, and my experiences at USC over the past several years have prepared me for this challenge. I aim to provide an environment that allows PD&R to perform and produce at high levels as I believe the office has tremendous potential that has lagged in terms of its productivity and prominence.

Finally, I come to you today with a clear understanding of the opportunities and obstacles that this position presents. Through my work at the Federal Reserve Board and HUD, I have seen how policy is created at the Federal level and am familiar with the dynamics associated with operating at PD&R. This knowledge base will facilitate my navigation of the policymaking milieu and should lead to effective decisionmaking and promotion of ideas that will benefit the American people.

In conclusion, I am very excited to serve the country at this pivotal moment in its history. I am eager to support the Secretary's efforts and work with the members of the Committee to help heal the Nation's housing markets and promote the flourishing of its urban areas.

Thank you for giving me the opportunity to speak with you today, and I welcome any questions you might have.

Senator REED. Thank you, Mr. Bostic.

And now Ms. Henriquez.

Ms. HENRIQUEZ. Thank you, Senator Reed. I would like to introduce—with me today are my father, Howard Brooks; my brother, Bruce; my daughter, Sandra Elena; my son, Carlos; and a colleague from the Housing Authority, DaVonne Bolton. My other son remains in Boston, but I am certain that he is watching this proceeding, as are my colleagues at the Housing Authority.

STATEMENT OF SANDRA HENRIQUEZ, OF MASSACHUSETTS, TO BE ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Ms. HENRIQUEZ. Thank you, Mr. Chairman and Senator Shelby and distinguished members of the Committee, for considering my nomination and the opportunity to appear before you this afternoon. I am truly honored and humbled to have had Secretary Donovan recommend that President Obama nominate me as the Assistant Secretary for Public and Indian Housing. I want to thank Congressman Frank for introducing me here today and for Senator Kerry's written statement for the record.

The most significant portion of my more than 30-year career has been in real estate property management of affordable housing, both the private and the public sectors of the industry. I quickly turned to residential real estate because I was more interested in the people who lived there than the commercial side. I believe that housing is a right and that the provision of safe, decent, well-cared-for housing for low and very low income families and individuals lays the foundation to change lives. If a family's shelter is secure, then that household can begin to work on other aspects of their lives that many of us take for granted, such as child care, getting a job, finding a better one, education for themselves or for their children.

For the past 13 years, I have been the Administrator and the Chief Executive Officer of the Boston Housing Authority. As the largest single landlord in the city of Boston and one of the largest public housing authorities in the Nation, the BHA provides 11,500 public housing units and 13,000 rental assistance subsidies together housing 10 percent of the city's population. With an 850-person workforce and program budgets exceeding $280 million annually, I have led an outstanding team to reform the housing authority from mere troubled status to that of high performer in its public housing and in its Section 8 portfolio.

Following real estate industry practices and policies, the BHA moved to asset management models before Congress and HUD required it. We embraced the basics, and vacancy rates dropped from 15 percent to 2 to 3 percent across the portfolio. Non-emergency work order completion times dropped from 120 days to 15, and they continue to fall, and rent collections are up.

At the same time, we moved from being labeled by HUD as "systemically discriminatory" to a national model of fair housing. We partnered with sister city agencies, local community development corporations, and other nonprofit housing providers. To increase the production of affordable rental housing, we created housing strategies and programs to house the homeless, and we introduced green principles into our business practices and into our building maintenance and construction operations.

The Boston Housing Authority has used the HOPE VI program to redevelop three properties, with a fourth just beginning. In addition, we created 62 new first-time homebuyers, none of whom are in default or foreclosure. We have used mixed financing to develop two other properties, and when redevelopment is taken all to-

gether, they total almost $1 billion. For every Federal or State dollar, we leveraged $8 more.

We have used Energy Performance Contracting to retrofit many of our outdated heating plants, making them state-of-the-art, more efficient, less costly to operate, and creating better living environments for our residents. In addition, we have used available HUD programs to use a portion of our ongoing capital allocation to leverage bond financing, to expand ongoing improvements to the physical plant. Coupled with the recent American Recovery and Reinvestment Act funding, this totals more than $110 million.

My housing experience has taught me that, regardless of the price point, maintaining and improving properties is essential to those who live there. Preservation and improvement of the 1.2 million units of public housing stock, the creation of more affordable rental housing, as well as the continued ability to support families and individuals through rental assistance is essential to realizing the dream of millions of our citizens.

Secretary Shaun Donovan's commitment to accountability and transparency and his leadership at HUD provides us with the opportunity to do our best work on behalf of those who benefit from HUD's programs. If I am confirmed, I will be focused on and committed to learning more about Native American housing as well as public housing. I am grateful that President Obama has nominated me, and I want to thank each of you this afternoon for your consideration of my nomination. If confirmed, I look forward to serving the Nation, especially those who live and work in public and Native American housing.

Thank you.

Senator REED. Thank you very much.

Ms. MÁRQUEZ. Good afternoon. There are many friends here today, and I thank them for traveling so very far, including from as far away as Hawaii today. But I also want to take the opportunity to introduce my partner of 21 years, Mirta Ocana.

Senator REED. Hello.

STATEMENT OF MERCEDES MÁRQUEZ, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Ms. MÁRQUEZ. It is my pleasure to be here before you today, Mr. Chairman, members of the Committee. I am honored to have been nominated by President Obama to be the Assistant Secretary for Community Planning and Development. I also want to thank Secretary Donovan for giving me the opportunity to join an excellent team of professionals dedicated to ensure quality housing for every American.

I started my career as a civil rights litigator. I have represented folks in matters involving substandard housing conditions, classic fair housing cases, and Federal class actions relating to community gentrification and discrimination in public housing. Through this work, I learned the value of decent, safe, and affordable housing within the context of a healthy neighborhood.

After a dozen years of litigation, I was appointed by President Clinton to the U.S. Department of Housing and Urban Develop-

ment, first as the Deputy General Counsel for Civil Rights and Fair Housing, and later as Senior Counsel to Secretary Andrew Cuomo.

At HUD, I helped craft what the Secretary referred to as HUD's "justice agenda." This required us to reach across divisions, to assemble and lead cross-departmental teams. For example, to examine the possible discriminatory use of CDBG dollars, we put together a team from Community Planning and Development, Fair Housing, and the Office of General Counsel. Through this work, I learned the intricacies of the funding programs which fall within the purview of Community Planning and Development. While most of my work centered on urban communities, I also was privileged to work in rural areas. My work included the design of HUD's first Rural Housing and Economic Development NOFAs, work in the "colonias," and the launch of the Self-Help Housing Program on the Pine Ridge Reservation in South Dakota.

This work touched me personally. I am the granddaughter of farm workers, and I have spent a considerable amount of my time visiting family in the San Joaquin Valley of California. It was my honor to give something back.

After my experience at HUD, I went back home to Los Angeles to practice housing and community development. As Vice President of McCormack Baron Salazar, one of the country's most successful private affordable housing developers, I spent 3 years taking affordable housing deals from concept to the final securing of financing. I have spent the last 5 years as the general manager of the Los Angeles Housing Development. The agent had a longstanding reputation for antiquated thinking, inadequate infrastructure, and the lack of transparency. Within my first year, we achieved a top-to-bottom assessment and called in all of the stakeholders, always seeking to become public sector entrepreneurs, building momentum while working with the market instead of lagging behind it.

We also initiated Project Clean House, an effort that identified the 50 most underperforming deals and brought the developers in to meet with us. We were able to get the majority of the deals back on track and completed. As for the rest, over a 2-year period we recaptured or de-obligated, either voluntarily or through judicial proceedings, over $50 million and put every penny back into the financing of affordable housing. And we were able through that effort to launch the city's Permanent Supportive Housing Program.

In partnership with lenders, philanthropy, and the Enterprise Community Partners, we successfully implemented the New Generation Fund, a $100 million acquisition capital fund. This fund works to provide acquisition pre-development and get financing to affordable housing developers in a transparent and competitive system.

Now our biggest challenge is the current economic and housing crisis. Los Angeles has experienced over 24,000 foreclosures in the last nine quarters. We addressed the foreclosure crisis in thoughtful and innovative ways. Early on, we invested in data. Los Angeles is 469 square miles in size, and our investment in and development of GIS maps gave us the information we needed to understand the true nature of our problem and where to expend the $32.8 million Los Angeles received from NSP 1. We identified distinct neighbor-

hoods where we could also achieve other goals, like transit-oriented development and the preservation of affordable housing in multifamily units. Restore Neighborhoods LA, a nonprofit we set up to acquire and dispose of vacant properties, is already up and running and making purchases.

As a practitioner, I have learned and worked with HUD's rules, and I know that they do not often take into account that one size does not fit all. If confirmed, I commit to bring a disciplined focus to CPD and will work to ensure accountability, transparency, expertise, and flexibility that support the efforts of local government to achieve meaningful community development.

It would be an honor to serve.

Thank you for your attention, and I look forward to any questions you may have.

Senator REED. Thank you very much.

Mr. Barr, please.

STATEMENT OF MICHAEL S. BARR, OF MICHIGAN, TO BE ASSISTANT SECRETARY FOR FINANCIAL INSTITUTIONS, DEPARTMENT OF THE TREASURY

Mr. BARR. Thank you very much, Senator Reed and distinguished members of the Committee. It is my honor to appear before you today as the nominee for the position of Assistant Secretary of the Treasury for Financial Institutions. With me today are my wife, Hannah Smotrich; behind me, my children Avital, Dani, and Etai; my Mom, Deborah Barr; my sisters, Karen and Lisa; my uncle Gabe and my cousin Jake.

[Laughter.]

Mr. BARR. My wife's parents, David and Bunny Smotrich; and family and friends who have known me my whole life. I am just——

Senator MARTINEZ. Are you Cuban, by any chance?

[Laughter.]

Mr. BARR. They are all representing the rest of the Sanchez family.

Mr. BARR. I am sure my Dad, David Barr, is here with us in spirit as well, and I would not be here today before you without their love and their support. I am enormously indebted to them for the sacrifices they are making on behalf of me, and I hope the country.

My parents taught me the centrality of public service. My Mom is still a high school English teacher here in Washington, DC, gives her all to her students every day. My Dad was a labor lawyer who represented hard-working Americans for his whole life. And I am humbled by their experiences and by the faith that President Obama and Secretary Geithner have placed in me during these extraordinary times.

The President and the Secretary have moved aggressively to stabilize our economy and our financial markets, to provide relief to struggling homeowners and strength to our mortgage finance system. The administration has put in place initiatives to help small business, consumers, and students and to restore the healthy functioning of financial markets.

While we address the current crisis, the President and the Secretary are committed to fundamental reform to reduce the likeli-

hood of crises in the future and to contain such crises if they occur. The current financial crisis has revealed significant weaknesses and glaring inconsistencies in our system of financial regulation.

If confirmed, I look forward to working closely with you to take the necessary steps to reform our financial system and to restore honesty and integrity to our financial system. We need a comprehensive and effective system of prudential supervision and effective measures to reduce systemic risk. We need clear accountability and full transparency. We must ensure that we put in place robust protections for consumers and investors with strong and uniform enforcement. We must ensure that our financial system is inclusive, and fair. And we must have a system that evolves over time to keep up with the pace of financial innovation domestically and globally. With the right changes in place, we can expect our financial system once again to be vibrant and strong.

I come before you having had the privilege of working on financial issues for a long number of years. Currently, as a professor of law at the University of Michigan Law School, where I teach financial institution Republican and international financial regulation, my research involved research on financial policy and financial regulation, and most recently involves extensive empirical research on the needs and behaviors of consumers in our financial services system. My work focuses on ways in which a deeper understanding of how people think and behave based on real-world research can better inform public policy rather than relying solely on abstract models of interaction.

Prior to joining academics, I served in senior positions in the Government—at the Treasury Department for 6 years, at OMB, at the State Department, and as a judicial clerk. And I would say that these positions gave me the opportunity to work with many of you and your staffs, to contribute to the work involving changing our financial system, and to gain the experience to know that an open mind and honest dialog lead to better policy judgments.

I am hopeful that my experiences to date will serve the Department well if I am confirmed, and I am even more hopeful about the future of our Nation. If confirmed, I look forward to working together with you to lay the foundation for a sound recovery and a strong economic future.

Thank you very much.

Senator REED. Well, thank you very much, Mr. Barr.

What I would like to do is take 7-minute rounds and make allowances for a second round if there are additional questions, and I presume there will be.

Let me begin by asking Mr. Rogoff, the New Starts process, there has been criticism about it, the fact that it takes a very long time to get the process off the ground. There are many desirable projects that just do not seem to be able to make it into the mix. That is one dimension. And the other dimension I would like you to comment on is the tension between funding New Starts projects and continued improvement and expansion of existing projects. And if you could just generally comment, I would appreciate it.

Mr. ROGOFF. Well, I would certainly agree with some of the criticism that has been leveled against the extraordinary time delays that have encumbered a number of the new New Start projects. It

is a situation that I do not really know anyone either in industry or who works around this process that is at all content with it.

I have strong views that I think there are ways to streamline it. I think it is one of the first and most important exercises that I would like to go through, if confirmed, and if I do not launch such an initiative myself, I am kind of hoping that Secretary LaHood will order me to do it just to bring it the high-level visibility that I think it needs.

The reality is the longer these approval processes take, the more expensive these projects get. And inevitably that means within a fixed-dollar amount of limited funds that we are going to be able to put into these projects over the next several years, that means we are buying fewer projects. We are buying fewer, more expensive projects, having taken a year, 2 years, 3 years longer than we perhaps should have to approve them. Now, no one wants to bypass any of the laws and regulations that apply to these approvals, but there has got to be a faster way to get them through the process.

As it relates to funding, New Start projects, as compared to—I think what you are asking is sort of keeping up the maintenance on existing infrastructure.

Senator REED. And expanding.

Mr. ROGOFF. Yes. It is difficult in that we have just had, as a result of a report actually that Senator Durbin ordered through the appropriations process, really quite a wake-up call in a report that showed that we are looking at something along the lines of a $50 billion backlog in deferred maintenance, really necessary maintenance on a number of our major rail systems across the country, including the MBTA up in your region of the country. And some of these deferred maintenance issues really quickly become safety issues if you do not attend to them. And I think this Committee as well as the FTA and the administration really need to carefully balance how much they want to commit to building new projects versus seeing to it that the existing systems are actually adequately attaining—you know, adequately attending to their core maintenance needs.

It is hard when you think about the local political situation. It is a lot easier to kind of generation enthusiasm, perhaps generate an incremental tax, generate money out of the legislature when you have got a lot of people excited about a new service. It is a lot harder to cobble together the money to actually do adequate maintenance, so I think that is a careful balance we need to look at.

Senator REED. Thank you, Mr. Rogoff. I have a question of everybody, but let me move to Mr. Bostic.

Mr. Bostic, I note that in your resume you were an independent director for IndyMac MBS, Inc., and IndyMac ABS, Inc. And as we all well know, the failure of an affiliated company, IndyMac Bank, caused severe repercussions; in fact, it was alluded to by Congressman Schiff.

If you could explain exactly what your role was with these entities, whether you were engaged in any of the activities of the bank, with their underwriting or their marketing, *et cetera.* What precisely were you doing as an independent director for these affiliated entities?

Mr. BOSTIC. To answer that question, I should start by just describing the relationship between IndyMac, the Bank, and its affiliates that I was on the board of.

IndyMac Bank was a bank, they took deposits, they made loans. And one of their strategies was to fund those loans by accessing the liquidity from the secondary market. As you may be aware, there are a bunch of processes that you have to go through to get to actually get a pool to the secondary market and the affiliates, MBS and ABS, were charged with working through that process to get those pools to be made available on the secondary market.

My role as an independent contractor was to oversee the activities of those affiliates and make sure that the processes were done appropriately, in conformity with SEC rules and regulations and those sorts of aspects of the infrastructure.

At no time was I charged or did I have the authority or the responsibility to do underwriting, to review the decisions of how to pool these securities, the deal structure. I was largely a board member just overseeing this process. So it was relatively detached from the actual underwriting decisionmaking.

Senator REED. Thank you very much.

Mr. Sanchez, let me ask you a question. Basically, you will be the chief officer in our Government that is policing the anti-dumping and the dumping issues that face us, and I wonder if you could give us sort of a sense of how you might approach that, a very important challenge.

Mr. SANCHEZ. Thank you, Senator Reed.

In my role as Under Secretary of Commerce, I have two important responsibilities, promoting exports and, second, ensuring that we have created a level playing field for American business as it seeks to do business around the world.

I consider it one of the most important tools that we have, to vigorously enforce our trade laws as well as our trade agreements. And it will be my intention to do that, to enforce them to our utmost ability, to work with USTR to make sure that we are doing everything to make sure that American business can remain competitive.

If confirmed, I look forward to working with you and this Committee to make sure we are doing just that.

Senator REED. Well, thank you very much. I will reserve my questions for the second round and recognize Senator Martinez.

Senator MARTINEZ. Thank you, Senator Reed.

I wanted just to make a general comment. All of you are coming to do things for this Nation that you love, and I want to just commend all of you for doing so. And I want to also express a word of families and friends and supporters and partners and others that are behind you and support you in your efforts. I think it is terribly important.

I can just think back 8 years ago when I was sitting at the same table where you sit today, before I had the honor to be Secretary of HUD. So I want to just make that general comment.

I have a couple of questions to each of you and I will try to go quickly about that.

Mr. Rogoff, I wanted to ask you about the transit issue in terms of financing and funding. I come from a State where we have little

to none and are having a very difficult time getting projects off the ground. We just had a tremendous failure in Central Florida you may be aware of.

What do you think are the answers? And how do you feel about private financing of major projects that might use a different model than what we traditionally have used? You know, I have been involved in a project for a light rail program in Orange County, Florida. It failed because we could not really come up with a local match. This one failed because the State of Florida could not do its part.

This model is broken. How do you think we can get it done? Because mass transit is something that has to be part of the future of Florida.

Mr. ROGOFF. Well, that is correct, and especially in growing States like Florida that continue to grow and continue to have a density of elderly. It becomes all the more important with the aging of the population.

As I said in my opening statement, our core mechanism for financing these programs, the Transit Account of the Highway Trust Fund, is on its way toward bankruptcy. There are some measures taken in the President's budget for 2010 to try to forestall that, but the bottom line is we need to develop some new financing mechanisms.

We have had two commissions that have looked at this, both authorized in the SAFETEA–LU bill. I think what is most notable about them is that both commissions, while coming up with different recommendations, all agreed that we need a mix of solutions, that we are not going to have a single silver bullet mechanism, if you will, to revolutionize transportation finance.

And private-public partnerships needs to be part of that. The challenge in doing private financing for certain transit projects is we need to get—what often interests the private sector in being a participant is being able to capture some kind of revenue stream for payback. Transit projects generally need an operating subsidy to continue to operate and therefore there is not sort of a natural mechanism, a natural funding stream to capture.

But there have been some innovative mechanisms used out there. I think the one thing that really all of the committees that are going to participate in the authorization process—this committee, the Public Works Committee, the Commerce Committee—need to focus on is some of the most innovative ideas are coming from the States and localities themselves. That we need to open our ears to some of the things that are being successful out there, and try to give State and local decisionmakers maximum options.

My only concern about the private-public partnership model is when you get into some pure privatizations where transit assets, if you will, are sold. And some of the funding from those assets do not necessarily redound to transportation benefits. And I think that is a point where we need to draw a line.

But clearly, we have had some successful projects out there and we need to foster them.

Senator MARTINEZ. Well, keep an open mind on Florida. We desperately need transit and I hope we can find a way to make it happen.

Mr. ROGOFF. Absolutely. The recent activities in Tallahassee were unfortunate, I agree, and Orlando.

Senator MARTINEZ. It was, very unfortunate.

Mr. Sanchez, I just wanted to make sure that I get on the record I know what your thoughts are on trade. I am very keen on the Colombia Free Trade Agreement. I think it is terribly important for our exports. This is a market where we will gain jobs by trading with Colombia on a free trade basis, and I wanted to know your thoughts on that agreement and the Panamanian one, as well.

Mr. SANCHEZ. Well, I know that President Obama recently said that we have to be very careful that we do not send signals of protectionism, particularly during these economic times.

I know that the U.S. Trade Representative, Ron Kirk, is working with our good partner and ally, Colombia, as well as Panama to work out any concerns or issues that may still exist.

As you know, I am not yet working for the Administration, so I have not been involved in those discussions. But I am confident that the U.S. Trade Representative, with support from the Department of Commerce, will be able to work through issues with Colombia and Panama. And I am hopeful that some time in the future we will be bringing those agreements to Congress.

Senator MARTINEZ. Well, Secretary Gutierrez, who I happen to have seen today and whom I know you know, was a huge advocate for the trade agenda. I hope you will pick up that mantle, along with Representative Kirk, who is I know going to do a great job as USTR. But I hope you will join with him.

I know the Secretary is also a very committed pro-trade person, has a great record in his State when he was Governor, along those lines. I think it is terribly important that we move the agenda forward. I think it is very important for our political relationship with Latin America, as you well know, that we address that issue as soon as possible.

Mr. SANCHEZ. I agree, Senator. As Senator Reed said, one in 10 jobs in the United States come from our exports. And in Secretary Locke's home State, by some estimates, it is one in three. So you are absolutely right, that it is an important engine of job creation in our country.

Senator MARTINEZ. I want to just congratulate all of you HUD people, and welcome you to the HUD family, if I may be so presumptuous. I know, Ms. Henriquez, I think our paths crossed when you were in Boston and I was in HUD, and I know what a great job you are doing there.

I also have to tell you that the whole public housing arena is challenged. Not all of them work as smoothly as yours. There are some terrific examples around the country of well run—Atlanta comes to mind, many others. But then there are also some really, really disastrous situations. And I hope that you will use your firm but gentle hand to make sure that we move that situation to a better place.

As you said, every American ought to have a decent place to live, and not every American in public housing does. So I really hope you will take seriously that challenge.

Ms. HENRIQUEZ. I will, and I do. Thank you.

Senator MARTINEZ. Ms. Márquez, I also commend you for your passion about housing for all and equality. I did a lot in the "colonias." Maybe not enough, because I do not know how much would ever be done to be enough. But I promise you, it was an area that I took a great deal of interest in.

There is so much of the agenda that I could discuss with each of you, but I just—in the interest of time—I hope that you will look at some of the things we did in the "colonias." I hope that they are still there to be followed up on and pursued and advanced.

There is no constituency, I used to say, for the "colonias." You do not get any votes. You do not win any medals. Nobody really knows or cares what you are doing. But you have to only visit it once to realize that no Americans should live in the conditions that some of the people in the "colonias" are living. And so I hope you will continue to see if there is a way, through CPD dollars, that you can address some of those issues.

You know, they do not qualify exactly as such. We were creative in ways of finding ways to help. And I hope you will be equally creative with them.

That is not a question really, but if you have a comment I would love to hear from you.

Ms. MÁRQUEZ. It is difficult when you approach the "colonias" and you find that HUD has one standard for a sewer hookup and USDA's Rural Housing has another, and they are about six feet apart from another.

Senator MARTINEZ. And there is not enough money for either one.

[Laughter.]

Ms. MÁRQUEZ. That is right. I promise you I will do my very best.

Senator MARTINEZ. Thank you. There is so much—CPD, you know, it is the lifeblood of so many cities. And today, in these difficult times that we are facing, municipalities all over the country are looking to you for the leadership that has to come out of HUD for so many community projects that are vital, particularly now that we are trying to put people to work and everything else.

Mr. Bostic, I am not sure I ever understood fully what all of you people do over there in the research area.

[Laughter.]

Senator MARTINEZ. So I will just wish you well and do good things.

[Laughter.]

Senator MARTINEZ. I mean no disrespect there.

Thank you, gentleman. Mr. Barr, also, congratulations to you. I wish you well in your job. You have a huge challenge ahead of you and I look forward to working with you through the work of this Committee.

Thank you.

Senator REED. Thank you, Senator. Now we know and can see why you were such a successful secretary.

[Laughter.]

Senator REED. Your insight and

Senator MARTINEZ. Good people.

Senator REED. ——good people, and inspiring leadership.

Senator MARTINEZ. That is right.

Senator REED. Thank you.

Senator Akaka.

Senator AKAKA. Thank you very much, Mr. Chairman.

Mr. Rogoff, due to your work on the Senate Transportation Appropriations Committee, you are probably aware of many things throughout the country, including Hawaii.

Mr. ROGOFF. Yes, sir.

Senator AKAKA. And in particular, the city and county of Honolulu and its efforts to construct a rail transit system. It was good for us to hear that you will be the man in transit for this Administration. We certainly look to you for improving the system and looking forward to working with you.

The local contributions toward the project in Honolulu will likely be 70 percent of the project costs. But it will still need significant Federal support. This project is coming to a very critical phase of development in Hawaii, in Honolulu, and will require the regular attention of the FTA. Can you offer some assurance that the FTA will devote the appropriate time and attention to the rail transit project in Honolulu?

Mr. ROGOFF. I certainly could, Senator. I have toured the corridor of this project. I have met with Mayor Hannemann on more than two occasions to discuss it. And I agree with you that we are now reaching a make or break point on the Honolulu project.

I, unfortunately, along with a former colleague of mine, Pat McCann, were serving at the Subcommittee when the city council reversed itself and undid the project in the 1990's and we went through the very unfortunately exercise of reallocating funds already appropriated to Honolulu to other cities.

We must not let that happen again. And you have my assurance, both in working with the people in Region 9 as well as within headquarters to make sure that everyone is talking to each other clearly in terms of what needs to be done to move this project forward.

Senator AKAKA. Thank you very much for your response.

Mr. Barr, among those families who make up the bottom 20 percent of earners, one in four does not have a transaction account, according to the Federal Reserve's survey of consumer finances. These families are those who can least afford to pay the high cost of fringe financial services and I know we share an interest in helping to increase access to mainstream financial institutions. I have valued your scholarship on the unbanked and look forward to working with you to help increase access to mainstream financial institutions.

My simple question to you is what must be done to bank the unbanked?

Mr. BARR. Thank you very much, Senator Akaka, for your kind words. As you know, I have been working on issues facing low-income households in the financial system for a long time. It is an area of deep concern for me in my scholarship, in my policy work. And it is an area that I would look forward to continuing to work with you on if confirmed for this position.

I think there are a large number of efforts we can make to help bring more people into the financial services system if we focus on

their actual needs and start with what people need from their banks, what they need from their financial institutions, rather than determining from the top down, the current structure of the financial system.

So I would very much look forward to working with you on this important issue.

Senator AKAKA. I look forward to that, too.

Ms. Henriquez, as you know, in Native American communities, affordable housing development on Trust lands requires unique and innovative approaches. Programs authorized by the Native American Housing Assistance and Self Determination Act, what we call NAHASDA, have been vital to increasing access to affordable housing.

Hawaii's Department of Hawaiian Home Lands is the largest affordable housing developer in our State and has effectively utilized and leveraged Federal resources. Hawaii's housing costs are the highest, as you know, in the country and homelessness is too prevalent.

I encourage you to come to Hawaii and see the work being done by DHHL and meet with DHHL's leadership and homestead residents, who would welcome you.

My question to you is will you work with me in an attempt to meet the specific housing needs of Native Hawaiians?

Ms. HENRIQUEZ. First of all, thank you very much for your kind offer and I would look forward to visiting you in Hawaii.

[Laughter.]

Ms. HENRIQUEZ. Let the record show.

But quite seriously, I would look forward to working with you, Senator. I think that we have got to figure out what is working and what is not working and then how to leverage as much as possible the tools that we have got in front of us.

I understand that there are high costs of living in Hawaii. I just recently met with the Director of the Hawaii Housing Authority and learned a lot from him and understand the disparity between what is seen by the tourists and the actual living conditions for a number of people who live on the Island.

So I look forward to working with you and members of your staff to try and figure out ways to leverage as many dollars as possible.

Senator AKAKA. Thank you very much for your response.

Ms. Márquez, in addition to serving on this Committee, I am Chairman of the Veterans' Affairs Committee and we have been working to improve VA services for homeless veterans. Since veterans are approximately one-third of the homeless population, what must be done to ensure that veterans are provided access to assistance and support services to help them find and retain housing?

Ms. MÁRQUEZ. Thank you for the question, Senator. It is, indeed, a tragedy, the statistics that you cite.

My sense of that, in Los Angeles we have begun to work on that through our permanent supportive housing program. We actually give an incentive for developers to come and build for veterans, for homeless veterans.

I think what we have to do is put together a leverage, a matrix so to speak, between our CDBG dollars, the new dollars from

Homeless Prevention and Rapid Re-Housing, and even layer them on top of NSP dollars. It is very expensive to build permanent supportive housing for anyone that has a great need and ultimately we have to leverage both the capital and the operating dollars.

And so I actually look forward to working with my colleague, Sandy, here because it is going to be together that we work out the final financing to allow permanent supportive housing to go forward. It has always been a problem. The two systems do not speak together well about capital and operating. And that is what I would intend to do.

Senator AKAKA. Thank you very much. My time has expired but I want to wish all of you well and the team that you will be part of will certainly help our country, without question. So I wish you well and welcome to your families and friends, and also your supporters out there.

Thank you.

Senator REED. Thank you very much, Senator Akaka.

Let me direct the same question really to Ms. Henriquez and Ms. Márquez. I am just pleased you have emphasized already teamwork, but you have unique perspectives. You have worked within the Agency and you have worked outside of it. As you go in, what do you think your most significant challenges are, the top three let's say, from your perspective looking at what HUD has done and can do better and having been there, in some cases, and tried your best.

Ms. Henriquez.

Ms. HENRIQUEZ. Thank you, Senator.

From my perspective, I think the top three challenges would be one, to make sure that we are communicating, the issue about accountability, transparency, top down, bottom up, so that we can make sure that our programs are effective, we are communicating effectively both to folks who we regulate, housing authorities and our other partners, but also make sure that we hear from those partners about how to be as effective as possible.

I think getting real-time data and using that data to drive decisions is really important so that we are not always wondering what should be included, what is not in the number, how the number works, and how indeed those resources are applied across the Nation.

I do think, as well, getting our arms around the capital needs study to inform decisions, particularly around the public housing portfolio, is essential. I know that that work is going on now and I look forward to learning more about how we can use tried and true programs that make some sense and that have been productive and helpful and how we can either replicate those or expand upon those to be more efficient and to produce greater affordable housing across the country.

Senator REED. Thank you.

Ms. Márquez.

Ms. MÁRQUEZ. Thank you, sir.

I think going in the top three things to look at within CPD are clearly the distribution of stimulus dollars, how they are being spent, making sure that that is effective, efficient, and creating jobs.

Second, it would be the distribution of NSP 2, the competition, which now will focus on need in a different way. And having the technical assistance competition done so that we have the expertise around the country to ensure that communities of all sizes and of all types of economies are using these dollars and leveraging as much as possible.

I would say, third, those are immediate. But the things that absolutely have to be looked at now are some integration of disaster relief work and funding. I am looking forward to digging in.

In Los Angeles we have disasters. They are called earthquakes. In my city, when we had the Northridge earthquake, it was my agency that was responsible for the long-term financing of over 20,000 houses and bringing them back on line. So I have spent a lot of time thinking about it, worried that the big one is coming, and planning for that.

So those would be the top three things that I would worry about. And then the difficulty always is we are going to have to work across lines. There can be no division. The problems are too deep.

Senator REED. I noticed Dr. Bostic was making lots of notes, which is a good sign because you are already working across divisions.

[Laughter.]

Senator REED. But if you have a comment, Dr. Bostic, about how you can help them.

[Laughter.]

Mr. BOSTIC. It is very unusual to hear program people talk about doing studies and taking data and all that stuff. I get excited so I start writing things down.

[Laughter.]

Mr. BOSTIC. I guess one of my real objectives of PD&R is to improve the data interface and the availability of data from the Department to serve our external constituency. So there are a lot of local community groups who do not really have the capacity to do their own data collection, data analysis. And I am hopeful that, in working with my two colleagues, we can really change and transform their ability to understand what is going on in their own communities so that we collectively can build programs that really do improve people's quality of life.

The Secretary, I should say, has lifted up data as one of his priorities. So this is really a good opportunity. I think we are all very much aligned and it is really an opportunity to get some really good collaboration and hopefully good output.

Senator REED. Thank you very much.

Mr. Barr, you are going to a position of great responsibility at a critical moment. We are working to prepare major reform legislation for financial supervision.

Just to get a sense of what do you feel the key issues are from your perspective?

Mr. BARR. Thank you very much, Senator Reed.

Again, if confirmed, I would look forward to working closely with you and the Committee on this issue.

I think President Obama and Secretary Geithner have made clear the importance of fundamental reform to our system of financial regulation. It is a reform that needs to be based on several key

principles. We need to be sure that the system does not permit the growth of systemic risk, that we have appropriate systems in place to address systemic risk and prudential supervision.

Second, we need a system that is protective of consumers and investors, a strong and uniform protection across our financial sector.

Third, we need to take the steps necessary to reform our regulatory structure so that it is gap-free and comprehensive and so that we do not permit the kind of regulatory competition and arbitrage that has occurred in the past.

And fourth, we need a system that enables us to compete internationally and to level the playing field and regulation for both U.S. and foreign firms.

Senator REED. Thank you. I have had the privilege of working with you and I have been terribly impressed with your scholarship and your commitment to dealing very aggressively and appropriately with some of these very difficult issues.

One area that we have spoken about is the whole issue of foreclosure and foreclosure mitigation. We have attempted several times, going back to the previous administration, on a voluntary basis. We had a first iteration of foreclosure mitigation legislation. Just last week we passed another version. Included in that, by the way, is a reform of McKinney-Vento Homeless Assistance Act, which we look forward to getting passed. I checked with Chairman Frank and he is all for it, too. So we think the signs are looking good.

But one of the issues we dealt with was just the securitization issues, and in particular the tax issues of REMICs, *et cetera.* Any thoughts about whether the time has come to be more forceful in that area? Or any other thoughts you might have on this sort of securitization problem?

Mr. BARR. Thank you, Senator Reed.

As you know, when we have talked before, I have long been an advocate of forceful measures to ensure that we have strong methods for accelerating loan modifications and reducing foreclosures. When President Obama came into office, he made that a top priority, and soon after coming into office in February, announced a loan modification and stabilization plan with three key elements.

First, additional funding to ensure the capital structure of Fannie Mae and Freddie Mac are strong so those institutions could continue to play an important role in stabilizing prices in the market.

Second, a refinance program authorized by the Federal Housing Finance Agency to permit more households to refinance, even though they are under water.

And third, a clear commitment to an aggressive loan modification plan with a commitment of $75 billion in resources and strong Treasury guidelines for servicers. And so those two key elements, real dollars on the table to change behavior and clear legal guidance to perform loan modifications, I believe are starting to show significant promise.

There have been now thousands of trial modifications that have begun. There are 14 servicers who have signed contracts to implement the loan modification protocols that have been specified.

Those contracting firms cover a little bit more than 75 percent of all mortgage loans in the United States.

So I think we are off to a strong start. I think it is early to tell whether it is strong enough. I think we are going to see over time whether the program ramps up in the appropriate way. And the Administration is committed to ensuring that the program is successful.

As part of that initiative, the Department of Treasury released some guidance on the issue that you and I had spoken about before, the Real Estate Mortgage Investment Conduit statute, making clear that participation in the Obama modification plan would not disturb that status for existing trusts, which is one of the measures that you and I have talked about in the past.

Again, we are committed to continuing to make sure the program works and to examining it going forward in the ways that you have indicated.

Senator REED. Well, it is an arrow that is still in the quiver, a much more explicit response to REMICs. But you are going to be—I presume and I am confident you are going to be carefully monitoring the progress of the existing measures. And if they are doing the job, then the arrow stays in the quiver. And if not, we have it.

Mr. BARR. Thank you, Senator.

Senator REED. Thank you.

I want to thank all of you, not only for your testimony today but for your commitment to public service.

I would ask if my colleagues, some who have not been present, may have questions, those questions will be forwarded to you within 7 days from the Committee. There may be some, there may be none. But you might get them and your expeditious answer is in your own self-interest, so I can stop right there.

I wish you all very, very well in serving the people of this country.

The hearing is adjourned.

[Whereupon, at 3:34 p.m., the hearing was adjourned.]

[Prepared statements, biographical sketches of nominees, responses to written questions, and additional material supplied for the record follow:]

PREPARED STATEMENT OF PETER M. ROGOFF

TO BE FEDERAL TRANSIT ADMINISTRATOR,
DEPARTMENT OF TRANSPORTATION

MAY 13, 2009

Mr. Chairman, Ranking Member Shelby, and Members of the Committee, I want to thank you for allowing me this opportunity to present myself as President Obama's nominee to head the Federal Transit Administration.

Before delivering my formal remarks, I want to acknowledge the presence of my many friends that are here and, most especially, my family. My wife, Dena Morris. Our children, Niles and Lucy Rogoff. I also want to recognize the individual that makes it possible for the four of us to do all that we do—our phenomenal nanny and friend, Ms. Murlene Dowling.

Mr. Chairman, having served on the staff of a Senate Committee for 22 years, I know that the confirmation process is one of the most critically important constitutional responsibilities of the Senate. So I come to this hearing with humility and great respect for the process.

As I appear before you today, I believe public transportation faces both remarkable opportunities and serious challenges.

The opportunities begin with the fact that we have a President who recognizes the central importance of our transit systems to our quality of life and the quality of our environment. He has spoken of the need to invest adequately and to invest efficiently. And he has stressed repeatedly the role that public transportation must play in reducing pollution, including greenhouse gas emissions, and moving towards energy independence by diminishing our reliance on foreign oil.

In addition, the American people are creating opportunities by utilizing transit services in record numbers—and by demanding more. Transit ridership rose to a modern record in 2008—10.3 billion trips. What may be more remarkable is that ridership has remained high even as record gas prices have dropped back down. Many families have sold their second car—or their only car—either as a matter of convenience or to cope with the economic downturn. Many other Americans, weary of sitting in traffic jams, have boarded the train or boarded buses utilizing designated bus lanes.

Finally, there are great opportunities because the Administration and Congress are about to rewrite all our surface transportation programs. In fact, the upcoming authorization process presents an opportunity like no other to retool our public transportation programs and refocus them on our most critical national goals.

But as this Committee is well aware, we also face extraordinary challenges. First and foremost, is the task of financing our efforts to achieve these goals. The mass transit account of our Federal Highway Trust Fund is on a path to insolvency. While the transit account is in less immediate danger than the larger highway account, the balances in both are falling at a rate that will undermine their ability to support current obligation levels.

The financing challenge calls for tough choices. So it's all the more important that we fulfill President Obama's commitment to spend every transit dollar efficiently and on the worthiest projects.

Against this backdrop, I am especially honored that President Obama has nominated me to serve as his Federal Transit Administrator. I very much look forward to working with this Committee, with Secretary LaHood and with his outstanding team to both tackle the pressing challenges and capitalize on the extraordinary opportunities.

As I mentioned, the financing dilemma is difficult. But with more than two decades of experience on the Appropriations Committee staff specializing in transportation finance, I feel confident that I can help the Secretary and this Committee identify a more stable and sustainable funding regime.

Secretary LaHood has made clear his intention to eliminate the stovepipes within the DOT. He will be asking his agency leaders to work toward a seamless system that moves people and freight efficiently between modes of transportation. I believe I can help. My experience in infrastructure investment programs goes well beyond mass transit. It includes highway, aviation, intercity rail, and maritime programs. If we are going to succeed in developing truly seamless networks, then expanded cooperation and joint investments are going to be the key.

Secretary LaHood and HUD Secretary Donovan are committed to fostering livable and sustainable communities through the coordinated efforts of their departments. For the last 4 years, I have had the joint responsibility of overseeing both the Transportation and HUD budgets for the Appropriations Committee. Knowing the HUD budget as I do, and witnessing Secretary Donovan's impressive efforts to transform

HUD, I am particularly enthusiastic about working with him and Secretary LaHood to promote sustainability.

Finally, I welcome the opportunity to be this Administration's advocate for mass transit. I plan to be a very public advocate in my visits with policy makers in communities across the Nation. But just as importantly, I plan to be a forceful advocate in the less public debates that go on within the Administration.

We must create new and better transit options in both urban and rural America. But especially during a period of economic uncertainty and recovery, a pro-transit agenda must include protecting and improving transit services for those for whom mass transit is the only option. If confirmed, this Committee can count on me to be a strong and vocal partner in advancing that agenda.

Thank you again for this opportunity. I look forward answering any questions you may have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Rogoff (Last) Peter (First) (Other)

Position to which nominated: Administrator; Federal Transit Administration; Department of Transportation

Date of nomination: April 29, 2009

Date of birth: 9 March 1960 (Day) (Month) (Year) **Place of birth:** New York City, NY

Marital Status: Married **Full name of spouse:** Ms. Dena S. Morris

Name and ages of children:

Niles H. M. Rogoff -- age 11

Lucille H. M. Rogoff -- age 9

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Amherst College	1978-1980, 1981-1983	Bachelor of Arts	May, 1983
Georgetown University	1999-2001	Masters in Business Administration	May, 2001

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.

Beta Gamma Sigma Honors Society in Business Education; May, 2001
National Legislative Award; Recreational Vehicle Industry Association; 2001
U.S. Coast Guard Distinguished Public Service Award; July, 2003
Lester P. Lamm Memorial Award for outstanding leadership for highway transportation; January, 2009

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
Beta Gamma Sigma Honors Society in Business Education		2001-2002
Alpha Theta Xi Fraternity, Amherst College	Treasurer	1979
Sons of the American Legion		2001

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Summer and Fall, 1983 — Research Assistant; Investor Responsibility Research Center (IRRC), Washington D.C. Conducted research on policy issues of concern to institutional investors.

Winter, 1983 to Winter, 1984 — Legislative Director; Coalition of Independent College and University Students (COPUS), Washington, D.C. Advocate on behalf of students in support of federal student aid funding.

Spring 1984 to Winter 1987 — Legislative Assistant/Associate; National Association of Independent Colleges and Universities (NAICU), Washington, D.C. Advocate for student aid and institutional funding for private colleges and universities.

1987to 1990 — Professional Staff Member; Subcommittee on Labor, Health and Human Services, Education, and Related Agencies; Committee on Appropriations; United States Senate.
Served as principal staffperson responsible for Education Department programs and public broadcasting.

Subcommittee on Transportation; Committee on Appropriations; United States Senate
1990 to 1995 — Professional Staff Member
1995 to present — Subcommittee Staff Director; Served as principal advisor to the Subcommittee and Full Committee Chairmen on all areas of Federal transportation policy.

Government Experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

As displayed above, I have served as an employee of the Senate Appropriations Committee in various capacities since January, 1987. In addition, I was appointed by the Arlington County School Board in 2008 to serve as a parent-representative on a planning committee for my children's public elementary school.

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

None

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Served on Transportation Advisory Committee: John Kerry for President, 2004
Served on Transportation Advisory Committee: Obama for America, 2008

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

John Kerry for President	June, 27 2004	$500
Pennsylvania Democratic Party	October 18, 2004	$500
Obama for America	September 15, 2008	$1000
Obama for America	October 16, 2008	$200
Obama Victory Fund/DNC	October 22, 2008	$1300

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

Please see the attached qualifications statement.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Yes

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

None

3. Has anybody made you a commitment to a job after you leave government?

No

4. Do you expect to serve the full term for which you have been appointed?

Yes

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

   None

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

   None

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

   In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

   None

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

   In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

   None

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

   None

Qualifications Statement
Peter M. Rogoff
Nominee for Administrator; Federal Transit Administration; U.S. Department of Transportation

From my position on the Senate Transportation Appropriations Subcommittee for the last 19 years, I have been responsible for the funding and oversight of the Federal Transit Administration. During that time, I have been a regular visitor to transit agencies across the nation for the purpose of better understanding the challenges they face in serving the public and conducting business with the FTA. I have also monitored carefully the FTA's regulatory and funding processes with a particular focus on the agency's efforts to foster new transit services.

As an expert in Federal transportation financing, I will provide needed expertise to help realize the President's vision for improving and expanding mass transit opportunities. Given my knowledge of other transportation modes, I will be a catalyst to bridge the efforts of the FTA with those of other modal administrations to build a more seamless transportation network for all Americans.

I have been centrally involved in the financing debates surrounding each of the last three surface transportation reauthorization bills (ISTEA, TEA-21 and SAFETEA-LU). With the Highway Trust Fund and its mass transit account now heading rapidly toward bankruptcy, I will use my budgeting expertise to inform and influence the upcoming efforts to reestablish a stable funding source for mass transit and advance innovative proposals to enhance infrastructure investment.

Finally, using my experience as the senior Senate staff professional responsible for the financing of both the DOT and HUD, I will help facilitate a coordinated strategy to foster livable communities. In addition, I will seek to fulfill my personal commitment to better address simultaneously the transportation and housing needs of our nation's most vulnerable citizens.

PREPARED STATEMENT OF FRANCISCO J. SANCHEZ

TO BE UNDER SECRETARY FOR INTERNATIONAL TRADE,
DEPARTMENT OF COMMERCE

MAY 13, 2009

Thank you Chairman Dodd, Senator Shelby, and Members of the Committee.

There is no greater call than that of service to one's country and I am truly honored by President Obama's nomination to serve as Under Secretary of Commerce for International Trade. I am humbled by the trust that President Obama and Secretary Locke are placing in me, and I am cognizant of the serious responsibilities that accompany this confidence. If confirmed, I look forward to working for them, and with you, in advancing our Nation's economic well-being and ensuring that all Americans benefit from free and fair trade.

I want to thank my Mother and my late father for their support and encouragement. I would not be here if it weren't for their constant love and commitment to my success.

As Secretary Locke has said, the role of the Department of Commerce is to be an engine of innovation, job growth, and economic renewal. The International Trade Administration supports these efforts by strengthening the competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements. This mission is critical to enhancing America's global competitiveness and expanding commercial opportunities for American manufacturers and service workers throughout the world.

When U.S. businesses seek to promote their goods and services in overseas markets, the International Trade Administration's programs lead the way. In short, the agency helps America's firms and workers navigate through the often complicated and unpredictable waters of foreign trade—so that U.S. firms' sales abroad help to ensure their growth in the United States. In particular, ITA focuses on assisting small and medium-sized businesses to succeed in the international economy. Small and medium-sized businesses are critical to America's long-term prosperity and global competitiveness, and ITA programs are designed to help these companies export to the millions of consumers that live beyond our borders.

Early in my career, I had the honor of serving former Senator Bob Graham, while he was governor of Florida, as the first director of my State's Caribbean Basin Initiative program. I then served in the Clinton administration in the Office of the Special Envoy for the Americas, a role that required carefully balancing foreign policy goals with advancing U.S. economic interests. Subsequently I served as Assistant Secretary of Transportation, where I oversaw the Department's international negotiations.

In my current position with Cambridge Negotiation Strategies, I have had the opportunity to work with American companies, other multinational companies and international organizations in more than 30 countries around the world. I have also consulted with heads of government and community leaders in Latin America to help resolve a range of complex issues. In Medellín, Colombia I lead a team as part of a "Teaching Tolerance" program, an initiative to break the cycle of violence plaguing the country. My work has included projects with the World Bank and the Inter American Development Bank. I also advised the president of Ecuador in negotiations to settle the 56-year-old border dispute with Peru.

If confirmed, I look forward to working closely with this committee to support American innovation and entrepreneurship and open global markets for American-made goods and services, while creating new jobs and economic growth at home.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Sanchez (Last) Francisco "Frank" (First) Juan (Other)

Position to which nominated: Under Secretary of Commerce for International Trade

Date of nomination: April 20, 2009

Date of birth: June 16, 1959 (Day) (Month) (Year) **Place of birth:** Tampa, FL

Marital Status: single **Full name of spouse:** --

Name and ages of children: none

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Florida	1977-78, attended Freshman year		
Florida State University	1979-82	BA in Business & Spanish	'82
Florida State University	1983-86	JD	' 86
Harvard University	1992-93	MPA	'93

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.

2007 Junior Achievement Outstanding Alumnus of the Year
2005 Governor's Point of Light Award for Outstanding Community Service (FL)
2004 Hispanic Businessman of the Year for Tampa, Florida
2003 Outstanding Graduate Hillsborough County Public Schools

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates

- **Tampa Chamber of Commerce - Board Member, 2004-2007**
- **Tampa Bay Reads - Board Member, 2002-2005**
- **Tampa Bay Performing Arts Center- Board Member, 2005-Present**
- **Boys and Girls Clubs of Tampa Bay - Board Member, 2003-Present**
- **Crisis Center of Tampa Bay - Board Member, 2004-2006; Member of Board of Governors, 2007-Present.**
- **ChairScholars Foundation - Board Member, 2004-Present**
- **Patel Foundation - Chairman of the Board, 2005-2007**
- **St. Joseph's Hospital Foundation - Board Member, 2004-2006**
- **St. Joseph's Children's Hospital – Board Member, 2007-Present**
- **Community Development Corp. of Tampa - Board Member, 2003-2007**
- **Bay Area Legal Services - Development Board Member, 2006-Present**
- **Leadership Florida - Member, 1989-Present**
- **The Spring of Tampa Bay - Board Member, 2003-2006**
- **The Tampa Club - Member, 2001-Present**
- **The Business Journal of Hispanic Research - Associate Editor, 2007-Present**
- **Spanish Lyric Theatre - Board Member 2001-2003**
- **Moffit Cancer Center - Hispanic Advisory Council, 2007 – present**
- **Tampa Bay Rays Foundation – Advisory Board, 2007 - present**

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Florida Department of Commerce	Director, Caribbean Basin Initiative	Promotion of trade & investment	Tallahassee, FL	1984-1986
Steel Hector & Davis	Attorney	Corporate Law Firm	Miami, FL	1987-1992
Conflict Management Inc. "CMI"	Consultant	Complex negotiation & conflict resolution consulting	Cambridge, MA	1992-1997
CMI International Group	Managing Director	Complex negotiation & conflict resolution consulting	Cambridge, MA	1997-1999
Office of the Special Envoy to the Americas, The White House	Special Assistant to the President, Chief of Staff for the Envoy's Office	Promotion of trade & Democracy in the Americas	Washington, D.C.	1999-2000
US Department of Transportation	Assistant Secretary For International Affairs	Oversaw trade negotiations in transportation area; oversaw aviation policy	Washington, D.C.	2000-2001
Cambridge Negotiation Strategies	Managing Director	Business Consulting	Tampa, FL	2001-Present
Renaissance Steel	CEO	Steel Fabrication	Tampa, FL	May 2006-November 2007
Akerman Senterfitt	Of Counsel	Law firm	Tampa, FL	April 2008-Present

Government Experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Hillsborough County Administrator Business Advisory Committee
Air Force Academy Selection Committee for Senator Bill Nelson

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

July 1996 **"La Negociacion el Proceso Legislativo" (Cf. "Negotiation and the Legislative Process"), *Negociacion 2000: La Coleccion de Conflict Management,* McGraw-Hill Interamericana, (Colombia 1996).**

January 1998 **"Preparandose para Negociar" (Cf. "Getting Ready to Negotiate"). Danny Ertel and Francisco J. Sanchez with Horatio Falcao. Carta Gerencial 9, January-February Ed., 17 (Uruguay, 1998).**

May 1998 **"A Fase da Preparacao" (Cf. "Getting Ready to Negotiate") Ertel & Sanchez with Horacio Falcao. HSM Management 8, May-June Ed., 62 (Brazil, 1998).**

November 2008 **Sanchez, Frank. "Snapshots from the Campaign Trail." The Tampa Tribune 8 November, 2008: Opinion Section.**

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Member, Hillsborough County Democratic Executive Committee, 2004 –2006
Member, Obama for America National Finance Committee, 2007 - 2008
Co-Chairman, Obama for America National Leadership Council, March 2008 – November 2008

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

$4600 to Obama for America 2008 ($2300 for the primary and $2300 for the general election)
$500 to Hillary Clinton campaign 2008
$500 Raul Martinez for Congress 2008
$500 Joe Garcia For Congress 2008
$500 Doug Belden for Tax Collector
$500 Phyllis Busansky For Congress 2006
$500 Bill Nelson For Senate 2006
$1000 Jim Davis For Governor 2006
$500 Bob Buckhorn for County Commissioner 2004
$2,500 DNC 2004
$2000 to the Al Gore Campaign For President 2000

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

I have served in various roles in both the federal government and the State of Florida promoting trade and investment. I was the Florida Department of Commerce's first Director of the Caribbean Basin Initiative. This was a program that promoted trade and investment in the Caribbean. Later in my career I served as a Special Assistant to the President in the Office of the Special Envoy to the Americas. The primary role of the office was to be the President's personal representative in the Western Hemisphere; and, in particular, to promote trade and democracy within the region. I was later appointed by the President as Assistant Secretary of Transportation for International Affairs. In that role, I oversaw trade negotiations in the transportation sector. Finally, I have served as a business consultant to American companies in various parts of the world.

I managed a staff at the Department of Transportation as Assistant Secretary of Transportation. In that role I oversaw over one hundred personnel and had responsibility for multiple programs. In addition, I have served as an officer and a director of various organizations in the private sector.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Yes; my company Cambridge Negotiation Strategies will cease engaging in business and will remain dormant.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

No.

3. Has anybody made you a commitment to a job after you leave government?

No.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in

accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

I have not been a defendant in any civil or criminal proceeding or the subject of any agency inquiry or investigation. However, in 2006, the Department of Health and Human Services (HHS) Office of Community Services (OCS) awarded a block grant to the Community Development Corp. of Tampa (CDC Tampa). Some of the proceeds of this grant were loaned to Renaissance Steel, LLC when I was the company's CEO. HHS is conducting a review to confirm that CDC Tampa deployed the block grant funds in accordance with OCS requirements. I have been assured by the HHS Office of General Counsel that I am not a subject of this review or of any investigation related to this matter.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

NONE

PREPARED STATEMENT OF RAPHAEL W. BOSTIC

TO BE ASSISTANT SECRETARY FOR POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MAY 13, 2009

Chairman Dodd, Ranking Member Shelby, and Members of the Committee, I am honored and humbled to appear before you today as you consider my nomination to serve as the Assistant Secretary for Policy Development and Research at the U.S. Department of Housing and Urban Development. Before going further, I must acknowledge those who have given unconditional love and support through my life, most significantly my partner Jeffrey Taylor, my parents Viola and Raphael T. Bostic, my sister Ebony, my aunt Patricia Williams, and mentors Glenn Canner, John Shoven, Roger Noll, Susan Wachter, and Stuart Gabriel.

The time we find ourselves in is remarkable, both because of its gravity and its origins. By many measures, the economy has not performed so poorly since the Great Depression of the 1930s. And for perhaps the first time in this Nation's history, housing has been at the root of the macroeconomic troubles. This reality means that a deep understanding of housing markets is critical, and evidence on what does and does not work in these markets will be essential for creating a new market structure that endures and corrects the weaknesses that helped to create the current troubles.

Secretary Donovan recognizes this, and in his public and private statements has already placed a considerable emphasis on the importance of collecting and using data to make informed decisions. If confirmed to my position, I will work hard to see that the Secretary's vision is pursued and achieved. In this way, I hope to contribute to a transformation of the Department into an efficient, informed leader of policy on issues associated with housing and urban development.

My background, including significant work in academics, government and community development, provides me with assets that will allow me to help the Office of Policy Development and Research (PD&R) increase its efficacy and effectiveness. A key goal is for PD&R efforts to contribute to a deeper and more meaningful understanding of the issues facing our housing and urban markets and communities.

From an academic perspective, my research has given me knowledge and insights about both housing and urban development, and this, combined with my continual and intensive interaction with other academic scholars, will allow me to promote the implementation of evidence-based policy with the Secretary and the Department's program offices. In addition, my training and perspectives gained as an academic researcher have given me skills that will help ensure that research and program evaluations produced or funded by PD&R are relevant, timely, and of the highest quality.

Through my career to date, I have interacted extensively with all the key HUD constituencies and so am able to add value and perspective to HUD's research efforts, as well as its policy-making and oversight. I understand housing and housing finance through my research and my work at the Federal Reserve Board. I know the nuts and bolts of affordable housing development, as well as the difficulties and opportunities it affords for lower-income and minority households, through my teaching them at USC, service as a Board member of a local nonprofit housing developer, and research. My work with a local community development organization in East Palo Alto and other research I have done have provided insights as to the challenges of broad-based urban and community development. My role as director of a real estate development program required my engagement of all aspects of the development process, and forced me to engage and understand how design, law, economics, finance, and construction all interact. Of particular significance, the exposure to construction highlighted the key role that engineering and technology can play in helping to make housing affordable and high quality.

One of Secretary Donovan's top priorities is to improve the culture of the Department as an institution, and I pledge to further this goal for PD&R. This transformation will require significant organizational management, and my experiences at USC over the past several years have prepared me for this challenge. I aim to provide an environment that allows PD&R to perform and produce at high levels, as I believe the Office has tremendous potential that has lagged in terms of its productivity, prominence and influence.

Finally, I come to you today with a clear understanding of the opportunities and obstacles that this position presents. Through my work at the Federal Reserve Board and HUD, I have seen how policy is created at the Federal level, and am familiar with the dynamics associated with operating at PD&R. This knowledge base

will facilitate my navigation of the policy-making milieu and should lead to effective decision-making and promotion of ideas that will benefit the American people.

In conclusion, I am very excited to serve the country at this pivotal moment in its history. I am eager to support the Secretary's efforts and work with the members of this committee to help heal the Nation's housing markets and promote the flourishing of its urban areas.

Thank you for giving me the opportunity to speak with you today and I welcome any questions you might have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: **Bostic** (Last) **Raphael** (First) **William** (Other)

Position to which nominated: **Assistant Secretary for Policy Development and Research**
US Department of Housing and Urban Development

Date of nomination: April 20, 2009

Date of birth: 17-05-1966 (Day) (Month) (Year) **Place of birth: New York, NY**

Marital Status: Unmarried **Full name of spouse:**

Name and ages of children: None

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Harvard College	9/1983 to 6/1987	AB (Psychology and Economics)	6/1987
Stanford University	9/1990 to 6/1995	PhD (Economics)	6/1995

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.

Special Achievement Award, Federal Reserve Board of Governors, 2000

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
American Economic Association	None	1993 to present
American Real Estate and Urban Economics Association	Secretary (2005 – present)	1997 to present
Association of Public Policy and Management	Policy Council member (2007 – present)	1997 to present

National Economic Association	Board member (2005 – 2008)	2002 to 2009
Trinity Lutheran Church	Church council member	2002 to present
Luther Place Memorial Church	Church council member (1997 – 2001)	1988 to 1990, 1995 to 2001
Livable Places	Board member (2002 – 2008)	2002 to 2008
California Community Reinvestment Corporation	Board member (2005 – present)	2005 to present

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

(Final) Title or description	Employer	Location of work	Dates of employment
Senior member of the professional staff	Systems Research and Applications (SRA) Corporation	Rosslyn, Arlington, VA	Aug 1983 – July 1987
Intern	East Palo Alto Community and Neighborhood Development Organization (EPA CAN DO)	East Palo Alto, CA	Jan 1992 – June 1994
Senior Economist	Board of Governors of the Federal Reserve System	Washington, DC	Aug 1995 – Oct 2001
Professor	University of Southern California	Los Angeles, CA	Oct 2001 – present
Non-office Independent Director	IndyMac MBS Inc.	Pasadena, CA	Oct 2005 – July 2008
Non-office Independent Director	IndyMac ABS Inc.	Pasadena, CA	Oct 2005 – July 2008
Consultant	Economic Roundtable	Los Angeles, CA	Jan 2006 – present
Researcher, Lecturer	University of Michigan	Los Angeles, CA, Ann Arbor, MI	Jan 2007 – present
Researcher, Consultant	Lincoln Institute of Land Policy	Los Angeles, CA, Cambridge, MA	Sep 2006 – present
Researcher	Federal Reserve Bank of Philadelphia	Los Angeles, CA	Jan 2007 – Nov 2007

Researcher	The Brookings Institution	Los Angeles, CA	Jan 2006 – Oct 2007
Consultant	Reed Smith LLP	Los Angeles, PA	Jul 2006 – Mar 2007
Researcher, referee	Fannie Mae Foundation	Los Angeles, CA	Jan 2004 – Mar 2004, Mar 2005 – Mar 2007
Researcher	Tomas Rivera Policy Institute	Los Angeles, CA	Jan 2005 – Jun 2005
Consultant	Wells Fargo Bank NA	Los Angeles, CA	Oct 2004 – Apr 2005
Researcher	Research Institute for Housing America	Los Angeles, CA	Sep 2003 – Mar 2004
Researcher	Freddie Mac	Los Angeles, CA	Oct 2002 – Dec 2003
Researcher	Harvard University Joint Center for Housing Studies	Los Angeles, CA	Jan 2003 – Nov 2003

Government Experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Government	Experience/Association	Role	Years
Board of Governors of the Federal Reserve System	Senior Economist	Research staff	1995 – 2001
City of Los Angeles	Industrial Development Policy Initiative	Task Force member	2003 – 2005
City of Pasadena	Heritage Square review committee	Member	2007 – 2008
City of Los Angeles	Housing Department	Foreclosure relief advisor	2007 – present
Los Angeles Housing Department	Rent Stabilization Ordinance study	Research team member	2007 – 2008

Published

Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

Bostic, R. W. and K. Lee (forthcoming), "Mortgages, Risk and Homeownership Among Low- and Moderate-Income Families," American Economic Review Papers and Proceedings.

Bostic, R. W., S. Gabriel and G. Painter (2009), "Housing Wealth, Financial Wealth, and Consumption: New Evidence from Micro Data," Regional Science and Urban Economics, 39, 79-89.

Bostic, R. W., K. Engel, P. McCoy, A. Pennington-Cross, and S. Wachter (2008), "State and Local Anti-Predatory Lending Laws: The Effect of Legal Enforcement Mechanisms," Journal of Economics and Business, 60 (1-2), 47-66.

An, X. and R. W. Bostic (2008), "GSE Activity, FHA Feedback, and Implications for the Efficacy of the Affordable Housing Goals," Journal of Real Estate Finance and Economics, 36 (2), 207-231.

Bostic, R. W., S. D. Longhofer, and C. L. Redfearn (2007), "Land Leverage: Decomposing Home Price Dynamics," Real Estate Economics, 35 (2), 183-208.

Bostic, R. W. and A. Prohofsky (2006), "Enterprise Zones and Individual Welfare: A Case Study of California," Journal of Regional Science, 46 (2), 175-203.

Bostic, R. W. and S. A. Gabriel (2006), "Do the GSEs Matter to Low-Income Housing Markets? An Assessment of the Effects of GSE Loan Purchase Activity on California Housing Outcomes," Journal of Urban Economics, 59, 458-475.

Bostic, R. W. and B. Robinson (2005), "What Makes CRA Agreements Work? A Study of Lender Responses to CRA Agreements," Housing Policy Debate. 16 (3-4), 513-545.

Black, H., R. W. Bostic, B. Robinson, and R. Schweitzer (2005), "Do CRA-related Events Affect Shareholder Wealth? The Case of Bank Mergers," The Financial Review, 40, 575-586.

Bostic, R. W., A. L. Paulson, H. Mehran, and M. Saidenberg (2005), "Regulatory Incentives and Consolidation: The Case of Commercial Bank Mergers and the Community Reinvestment Act," *Advances in Economic Analysis & Policy*, 5 (1), available at: http://www.bepress.com/bejeap/advances/vol5/iss1/art2

Avery, R. B., R. W. Bostic, and G. B. Canner (2005), "Assessing the Necessity and Efficiency of the Community Reinvestment Act," Housing Policy Debate, 16 (1), 143-172.

Bostic, R. W. and R. Martin (2005), "Have Anti-Discrimination Housing Laws Worked? Evidence from Trends in Black Homeownership," Journal of Real Estate Finance and Economics, 31 (1), 5-26.

Bostic, R. W. and B. Robinson (2004), "The Impact of CRA Agreements on Community Banks," Journal of Banking and Finance, 28, 3069-3095.

Aaronson, D., R. W. Bostic, P. Huck, and R. Townsend (2004), "Supplier Relationships and Small Business Use of Trade Credit," Journal of Urban Economics, 55 (1), 46-67.

Barakova, I., R. W. Bostic, P. Calem, and S. Wachter (2003), "Does Credit Quality Matter for Homeownership?", Journal of Housing Economics, 12 (4), 318-336.

Bostic, R. W. and R. Martin (2003), "Black Homeowners as a Gentrifying Force? Neighborhood Dynamics in the Context of Minority Homeownership," Urban Studies, 40 (12), 2427-2449.

Bostic, R. W. and B. Robinson (2003), "Do CRA Agreements Increase Lending?" Real Estate Economics, 31 (1), 23-51.

Bostic, R. W. (2003), "A Test of Cultural Affinity in Home Mortgage Lending," Journal of Financial Services Research, 23 (2), 89-112.

Bostic, R. W. and B. J. Surette (2001), "Have the Doors Opened Wider? Trends in Family Homeownership Rates by Race and Income," Journal of Real Estate Finance and Economics 23 (November), 411-434.

Avery, R. B., R. W. Bostic, P. S. Calem, and G. B. Canner (2000), "Credit Scoring: Issues and Evidence from Credit Bureau Files," Real Estate Economics, 28 (Fall), 523-547.

Avery, R. B., R. W. Bostic, P. S. Calem, and G. B. Canner (1999), "Consolidation and Bank Branching Patterns," Journal of Banking and Finance, 23 (February), 497-532.

Avery, R. B., R. W. Bostic and K. Samolyk (1998), "The Role of Personal Wealth in Small Business Finance," Journal of Banking and Finance, 22 (August), 1019-1061.

Bostic, R. W., J. Gans and S. Stern (1997), "Urban Productivity and Factor Growth in the Late Nineteenth Century," Journal of Urban Economics, 41, 38-55.

Bostic, R. W., R. Herrnstein and R. D. Luce (1990), "The Effect on the Preference-Reversal Phenomenon of Using Choice Indifferences," Journal of Economic Behavior and Organization, 13 (2), 193-212.

FEDERAL RESERVE PUBLICATIONS

Avery, R. B., P. S. Calem, G. B. Canner, and R. W. Bostic (2003), "An Overview of Consumer Data and Credit Reporting," Federal Reserve Bulletin, 89 (2 February), 47-73.

Avery, R. B., R. W. Bostic, and G. B. Canner (2000), "CRA Special Lending Programs," Federal Reserve Bulletin, 86 (11 November), 711-731.

"The Performance and Profitability of CRA-Related Lending," Board of Governors report to Congress, July 2000.

Avery, R. B., R. W. Bostic, P. S. Calem, and G. B. Canner (1999), "Trends in Home Purchase Lending: Consolidation and the Community Reinvestment Act," Federal Reserve Bulletin, 85 (2 February), 81-102.

Bostic, R. W. and G. B. Canner (1998), "New Information on Small Business and Small Farm Lending: The 1996 CRA Data," Federal Reserve Bulletin, 84 (1 January), 1-21.

Avery, R. B., R. W. Bostic, P. S. Calem, and G. B. Canner (1997), "Changes in the Distribution of Banking Offices," Federal Reserve Bulletin, 83 (9 September), 707-725.

Avery, R. B., R. W. Bostic, P. S. Calem, and G. B. Canner (1996), "Credit Risk, Credit Scoring, and the Performance of Home Mortgages," Federal Reserve Bulletin, 82 (7 July), 621-648.

OTHER PUBLICATIONS

Bostic, R. W. and K. O. Lee (forthcoming), "Homeownership: America's Dream?", in Assets, Access, and Poverty: The Role of Financial Services among Low- and Moderate-Income Households, R. Blank and M. Barr (Eds.), National Poverty Center, Sage.

Bostic, R. W., L. Lewis and D. Sloane (forthcoming), "The Neighborhood Dynamics of Hospitals as Large Land Owners," in Large Land Holders, R. Bostic (Ed.), Lincoln Institute of Land Policy, Sharpe.

Bostic, R. W. and D. Molaison (forthcoming), "Hurricane Katrina and Housing: Devastation, Possibilities, and Prospects," in Economic and Risk Assessment of Hurricane Katrina, H. Richardson and P. Gordon (Eds.), USC CREATE Homeland Security Center, Elgar.

Bostic, R. W., K. C. Engel, P. A. McCoy, A. Pennington-Cross, and S. M. Wachter (2008), "The Impact of State Antipredatory Lending Laws: Policy Implications and Insights," In Borrowing to Live: Consumer and Mortgage Credit Revisited, in N. P. Retsinas and E. S. Belsky (Eds.), Brookings Press and Harvard Joint Center for Housing Studies: Washington, D.C., 138-169.

An, X., R. W. Bostic, Y. Deng, and S. Gabriel (2007), "GSE Loan Purchases, the FHA, and Housing Outcomes in Targeted, Low-Income Neighborhoods," In The Brookings-Wharton Conference on Urban Affairs Series, G. Burtless and J. Rothenberg Pack (Eds.), Brookings Institution: Washington, D.C., 205-240.

Bostic, R. W., P. S. Calem, and S. M. Wachter (2005), "Hitting the Wall: Credit as an Impediment to Homeownership," in Building Assets, Building Credit: Creating Wealth in Low-Income Communities, N. Retsinas and E. Belsky (Eds.), Brookings Press and Harvard Joint Center for Housing Studies: Washington, D.C., 155-172.

Bostic, R. W. and B. Robinson (2004), "The Impact of CRA Agreements on Community Banks," Proceedings of How Do Banks Compete? Strategy, Regulation, and Technology Conference, Federal Reserve Bank of Chicago, May 2004.

Bostic, R. W. and C. Redfearn (2004), "Review of The Color of Credit: Mortgage Discrimination, Research Methodology and Fair Lending Enforcement by Stephen L. Ross and John Yinger," Journal of Regional Science, 44(1), 162-165.

Bostic, R. W. and B. Robinson (2003), "What Makes CRA Agreements Work? A Study of Lender Responses to CRA Agreements," Proceedings of the Sustainable Community Development: What Works, What Doesn't and Why Conference, Federal Reserve System, July.

Bostic, R. W. and P. S. Calem (2003), "Privacy Restrictions and the Use of Data at Credit Repositories," in Credit Reporting Systems and the International Economy, M. J. Miller (Ed.), MIT Press: Cambridge, 311-334.

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Bostic, R. W. and K. P. Lampani (1999), "Racial Differences in Patterns of Small Business Finance: The Importance of Local Geography," Proceedings of the Conference on Business Access to Capital and Credit, August, 149-179.

Bostic, R. W. and G. B. Canner (1998), "Do Minority-Owned Banks Treat Minorities Better? An Empirical Test of the Cultural Affinity Hypothesis," Proceedings of the 34th Annual Conference on Bank Structure and Competition, May, 113-133.

Avery, R. B., R. W. Bostic, P. S. Calem, and G. B. Canner (1997), "The Distribution of Credit Scores: Finding and Implications for the Provision of Financial Services," Proceedings of the 33rd Annual Conference on Bank Structure and Competition, May, 521-543.

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

None

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

None.

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

See attachment.

Future employment relationships: 1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I will take an unpaid leave of absence from the University of Southern California.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

Yes, I intend to resume teaching at the University of Southern California following my government service.

3. Has anybody made you a commitment to a job after you leave government?

No.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics

official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

   I am a named defendant in IBEW Local 103 v. IndyMac MBS, Inc., et al. filed in the Superior Court of California for the County of Los Angeles. It is in very early stages. This suit arises because the IBEW alleges that IndyMac Bank committed fraud in its underwriting of loans, and claims that IndyMac MBS and IndyMac ABS, both of which package IndyMac loans for securitization, is liable for this because of its role in pooling the mortgages for sale to the secondary market. IBEW Local 103 is one of the parties that purchased some of these pools of mortgages. I am named in the case as a non-employee board member of the two organizations (MBS and ABS). Nothing in the complaint alleges any specific wrongdoing on my part.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

   None.

The undersigned certifies that the information contained herein is true and correct.

Signed: _____ Date: ___05/01/2009_____

Addendum: Qualifications Statement for Raphael W. Bostic

My varied experiences in academics, government and community development give me a background that will allow me to be effective in this position.

First and foremost, my scholarship and training give me essential tools that will allow the Office of Policy Development and Research (PD&R) to thrive in all of its program areas. In terms of policy development, my research has given me knowledge and insights about both housing and urban development, and this, combined with my continual and intensive interaction with other academic scholars, will allow me to promote the implementation of evidence-based policy with the Secretary and the Department's program offices. My training as an academic researcher has given me skills that will help ensure that research produced by P&DR staff or funded by PD&R appropriations are of the highest quality. Aside from this, my perspectives will help make sure that any research conducted under the auspices of the Office are relevant and timely, so that the work contributes to a deeper and more meaningful understanding of the issues facing our housing and urban markets and communities. A third key PD&R function is program evaluation. I have completed important policy evaluations in the past, and can use this experience to ensure high quality evaluations of both large and small HUD programs.

Second, I have interacted extensively with all the key HUD constituencies and so am able to add value and perspective to HUD's research efforts, as well as its policy-making and oversight. I understand housing and housing finance through my research and my work at the Federal Reserve Board. My experiences as a teacher of affordable housing development at USC and as a Board member of a local non-profit housing developer have caused me to thoroughly understand the difficulties and opportunities of affordable housing development and housing policy for lower-income and minority households. My early research on race-based differences in housing outcomes has contributed to this understanding. My work with a local community development organization in East Palo Alto and other research I have done has given me a first-hand understanding of the challenges of broad-based urban and community development. My role as director of a real estate development program required my engagement of all aspects of the development process, and forced me to engage and understand how design, law, economics, finance, and construction all interact. Of particular significance, the exposure to construction highlighted the key role that engineering and technology can play in helping to make housing affordable and high quality.

Third, in the last few years at USC, I have shouldered considerable management responsibilities as Director of an academic degree program and as Associate Director of a major real estate center. These activities have demonstrated my ability to manage organizations and provide an environment that allows it to perform and produce at high levels. I look forward to bringing this approach to PD&R, an office with tremendous potential that has lagged in terms of its productivity, prominence and influence.

Finally, my work in the government both at the Federal Reserve Board and HUD has given me an important understanding of the environment in which I will be working. I have seen how policy is created at the federal level, and am familiar with the dynamics associated with operating at PD&R. This knowledge base will facilitate my navigation of the policy-making milieu and should lead to effective decision-making and promotion of ideas that will benefit HUD constituencies.

PREPARED STATEMENT OF SANDRA HENRIQUEZ

TO BE ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
MAY 13, 2009

Thank you Mr. Chairman, Senator Shelby and distinguished Members of the Committee, for considering my nomination and the opportunity to appear before you this morning. I am truly honored and humbled to have had Secretary Donovan recommend that President Obama nominate me as Assistant Secretary for Public and Indian Housing.

Thank you, Congressman Frank for introducing me today. With me are my father, Howard Brooks, my brother, Bruce Brooks, my son, Carlos and colleague, DaVonne Bolton. My son and daughter remain in Boston, but I am certain they are watching this proceeding.

The most significant portion of my career has been in real estate property management of affordable housing, both the private and public sectors of the industry. I quickly turned to residential real estate because I was more interested in the people who lived there than the commercial side. I believe that housing is a right and that the provision of safe, decent, well-cared for units for low and very low income families and individuals lays the foundation to change lives. If a family's shelter is secure, then that household can begin to work on other aspects of their lives that many of us take for granted, such as child care, getting a job, finding a better one, education for themselves and their children.

For the past 13 years, I have been the Administrator and Chief Executive Officer of the Boston Housing Authority. As the largest single landlord in the City of Boston, and one of the largest public authorities in the Nation, the BHA provides 11,500 public housing units and 13,000 rental assistance subsidies, together housing 10 percent of the city's population. With an 850 person workforce, and program budgets exceeding $280 million annually, I have led an outstanding team to reform the housing authority from near troubled status to that of high performer in its public housing and Section 8 portfolio. Following real estate industry policies and practices, the BHA moved to asset management models before Congress and HUD required it. We embraced the basics and the vacancy rate dropped from 15 percent to 2–3 percent across the portfolio, nonemergency work order completion times dropped from 120 days to 15, and they continue to fall, and rent collections are up.

At the same time, we moved from being labeled by HUD as "systemically discriminatory" to "a national fair housing model," partnered with sister city agencies, local community development corporations and other nonprofit housing providers to increase the production of affordable rental housing, created housing strategies and programs to house the homeless, and introduced "green principles" into our business practices and into our building maintenance and construction.

The Boston Housing Authority has used the HOPE VI program to redevelop three properties, with a fourth just beginning. In addition, we created 62 new first-time homebuyers, none of whom are in default or foreclosure. We have used mixed financing to redevelop two other properties, and when all redevelopment is taken together, they total almost $1 billion over all. For every Federal or State dollar, we leveraged eight.

We have used Energy Performance Contracting to retrofit many of our outdated heating plants, making them state-of-the-art, more efficient, less costly to operate and creating better living environments for residents.

In addition, we have used available HUD programs to use a portion of our ongoing capital allocation to leverage bond financing to expand ongoing improvements to the physical plant. Coupled with recent ARRA funding, this totals more than $110 million.

My housing experience has taught me that regardless of the price point, maintaining and improving properties is essential to those who live there. Preservation and improvement of the 1.2 million units of public housing stock, the creation of more affordable rental housing, as well as the continued ability to support families and individuals through rental assistance, is essential to realizing the dream of millions of our citizens.

Secretary Shaun Donovan's commitment to accountability and transparency and his leadership of HUD provides us with the opportunity to do our best work on behalf of those who benefit from HUD's programs. If I am confirmed, I will be focused on and committed to learning more about Native American housing, as well as public housing. I am grateful that President Obama has nominated me and I want to thank each of you for your consideration of my nomination. If confirmed, I look forward to serving the Nation, especially those who live and work in public and Native American housing. Thank you.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: HENRIQUEZ SANDRA BROOKS

Position to which nominated: Assistant Secretary of Public and Indian Housing
United States Department of Housing and Urban Development

Date of Nomination: April 20, 2009

Date of Birth: November 6, 1949 **Place of Birth:** Rochester, New York

Marital Status: Separated **Full Name of Spouse:** Julio Ricardo Henriquez

Names and ages of children:
Ricardo Bryant (no middle name) 38
Carlos Antonio Henriquez 32
Sandra Elena Henriquez 24

Education:

Institution	Dates Attended	Degrees Received	Dates of Degrees
Boston University	09/67-09/72	Bachelor of Arts	09/1972
National Association of Housing & Redevelopment Officials		Certified Public Housing Manager	1980
Brandeis University, Heller Institute	1982	Certification, Personnel Management	1982

Honors and awards: **List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.**

Executive Director of the Year, 2002, by the Nat'l Organization of African Americans in Housing

Excellence in Public Service, 2000, by the Rental Housing Association of the Greater Boston Real Estate Board

City Cultural Diversity Award, 1999, by the Nat'l Black Caucus of Local Elected Officials

Abigail Adams Award, 1997, by the Massachusetts Women's Political Caucus

Leader Making a Difference recognition, 1997, by Banker & Tradesman publication

Scarlet Key 1971, by Boston University

Ralph Bunche Scholarship Award, 1967

National Honor Society, 1967

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
YWCA Boston	Director Board Chair	7/99-4/09 7/06-12/08
New England Baptist Hospital	Trustee Honorary Trustee	01/00-01/09 01/09-Present
Massachusetts Housing Investment Corp.	Director	2000-2005
Council of Large Public Housing Authorities	Director Board Chair	04/99-04/09 03/03-03/06
Boy Scouts of America Minuteman Council	Director	2004-2005
Nat'l Organization of African Americans in Housing	Director	1998-2002
Citizens Housing & Planning Association	Member Director	1996-Present 10/04-Present
Boston University's President's Hosts	Member	1970-1971

Employment Record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Name	Job Title	Location of Work	Dates of Employment
Newton Public Schools	Pt-time Teacher	Newton North High Newton, MA	09/71-08/72
DiNitto Associates	Pt-time Office Manager/Bookkeeper	Boston, MA	09/71-02/73

Codman Management Company	Admin. Assistant/ Office Manager	Boston, MA	02/73-02/74
Kuras & Co., Inc.	Admin. Assistant	Boston, MA	02/74-12/75
Brighton Gardens Management	Property Manager	Brighton, MA	01/75-12/76
Court-Appointed Master's Office	Consultant	Boston, MA	05/77-02/80
Boston Housing Authority	Special Ass't to Director of Mgmt. Housing Manager District Director of Mgmt. Assistant Director of Mgmt.		02/80-02/83
MA Executive Office Of Communities & Development	Director of Housing Mgmt. and Community Services	Boston, MA	02/83-07/86
Maloney Properties, Inc.	Regional Vice President Vice President/Principal	Needham, MA	08/86-05/92 05/92-03/96
Boston Housing Authority	Administrator/CEO	Boston, MA	04/96-Present

Government Experience: **List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.**

- Serves on Mayor's Cabinet (12/96 to present);
- Serves as Chief Executive Officer of the Boston Housing Authority, a quasi-public independent agency as defined and constituted under Massachusetts General Laws (04/96 to present);
- Serves on Boston Regional Network Leadership Council (homelessness advisory)(01/09 to present);
- Serves of the City of Boston Interagency Council on Housing & Homelessness (10/08 to present);
- Served on Massachusetts Gov. Deval Patrick's Commission to End Homelessness (07/07 to 01/08);
- Served on Community Services Advisory Board of MassHousing (state housing finance agency) (01/02 to 04/06);
- Served on City of Boston's Parcel P-3 Project Review Committee (05/06 to 04/07).

Published Writings: **List the titles, publishers and dates of books, articles, reports or other published materials you have written.**

I have written approximately a dozen columns and letters to the editor of various Boston Newspapers. These are all I have been able to locate through a search of my records and online databases:

- "Letter to the Editor: Column a Cheap Shot at BHA Staff" Boston Globe (Sept. 25, 2007).
- "Letter to the Editor: BHA Cut to the Bone" Boston Herald (Aug. 23, 2007).

- "A Commentary- PHAs Scramble to Soften Impact of Section 8 Funding Crisis and Loss of Public Housing Subsidies on America's Most Vulnerable Households" by Sandra B. Henriquez and Sharon Wilson-Geno; appeared in the Journal of Affordable Housing & Community Development Law, Vol. 14, Number 1, Fall 2004 (published by the American Bar Association Forum on Affordable Housing and Community Development Law in cooperation with the University at Buffalo Law School).
- "Op Ed: The Squeeze on Public Housing Hurts Us All," Boston Globe (July 17, 2004).

Political Affiliations and activities: **List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

I was elected as a member of the Dorchester Ward 13 Democratic Committee in 2005 and served about one year.

Political Contributions: **Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee, or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.**

2006	Committee to Elect Carlos A. Henriquez	$500
2007	Committee to Elect Carlos A. Henriquez	$500
2008	Committee to Elect Carlos A. Henriquez	$500

Qualifications: **State fully your qualifications to serve in the position to which you have been named. (see attached sheet)**

Future Employment relationships:

1. **Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.**

   Yes.

2. **As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.**

   None.

3. **Has anybody made you a commitment to a job after you leave**

government?

No.

4. **Do you expect to serve the full term for which you have been appointed?**

Yes.

Potential conflicts of interest:

1. **Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by the policies which you will influence in the position to which you have been nominated.**

None

2. **List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.**

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved is accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

3. **Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.**

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved is accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. **List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.**

Consistent with my role as the CEO of the Boston Housing Authority, I have worked to educate members of Congress and staff at HUD about the need to adequately fund public housing and Section 8 programs, to consider legislation, legislative changes, regulations, etc. that affect the programs operated by public housing authorities.

5. **Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.**

   In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved is accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. **Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.**

   As the Chief Executive Officer of the Boston Housing Authority (BHA), I have been named in my official capacity as a party in litigation in Boston Housing Court, Superior Court for Suffolk County, Massachusetts Appeals Court, Massachusetts Supreme Judicial Court, and U.S. Federal Court for the District of Massachusetts, and various administrative agencies.

2. **Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.**

   None.

Qualifications: State fully your qualifications to serve in the position to which you have been named.

One of my part-time jobs the first year after college was working for a housing relocation company, primarily learning the various rent subsidy programs in effect at that time. This was my first exposure to the affordable housing industry. Beginning in 1973 and continuing to today, my entire career has been exclusively in residential rental housing. This represents 36 years in both the private and public sectors. I believe that government can play an appropriate role in the lives of its citizens. Further, I believe there's an obligation for government to provide a safety net for those who require it.

The positions I have held show increasing breadth and depth of responsibility from being an on-site property manager for 120 units of affordable housing to being the Chief Executive Officer for the largest public housing authority in New England, with 11,500 public housing units and more than 12,000 Section 8 Housing Choice Vouchers. My employment experience has included leading a department in Massachusetts State Government charged with the regulatory oversight of 50,000 units of state-assisted public housing to working and becoming an owner in a private sector full service real estate property management firm. My work has included every facet of property management from beginning work with Owners and Developers pre-construction, development of operating budgets, marketing, resident selection, and day-to-day property management, including ensuring that residents and owners participate fully in the operation and administration of their properties.

Experience in both private and public sector property management has helped me lead the Boston Housing Authority from being seen (and scored by the U.S. Department of Housing and Urban Development) as barely better than "troubled" to a high performer for two consecutive years. The past 13 years at the Boston Housing Authority have presented both opportunities and challenges – to establish a vision and a strategy to advance the agency, in small and large ways. The BHA required a skill set that includes being a strong leader/manager adept at both public policy and customer service. My tenure has required that I work effectively and persuasively with a wide and diverse set of stakeholders and others, not limited to public housing residents, elected officials at the local, state and federal level, community and business leaders, and the press.

I consider two particular issues as legacy accomplishments that speak to my qualifications for this position. First, I have had the honor of working with excellent staff. Given the work we have done together at the BHA, I have the ability to attract, retain and develop excellent staff, who by choice, come to the BHA to do their best work. We have a shared vision and mission to do public service, are able to set goals, are encouraged to be innovative, to think "out of the box", try to get to "yes", and to always multi-task. In this capacity I have managed a highly unionized workforce, and have produced accountability and productivity standards for service delivery. Second, I consider the culture change around race at the agency and in the City of Boston to be significant. Charged in federal court by public housing residents of color for the BHA's alleged failure to "protect" them, followed by a HUD charge of "systemic discrimination", my team and I led the BHA successfully through policy development, training and implementation of corrective action plans to be deemed "a national public housing model for fair housing".

In leading the BHA, I have to acknowledge personal and professional qualities that translate into the position to which I am nominated. However, for me, they are difficult to articulate because while I have a strong ego, it is not large, and I have difficulty speaking about such characteristics. I can be impatient, but am tenacious and driven to find the right solution. I am process-oriented, but able to make decisions in a timely way.

Having been both a regulator/monitor and having been regulated, I believe I have a unique perspective on what HUD's clients need and how to achieve best the federal role as both regulator and partner.

In any residential rental housing, the landlord, whether public or private, needs to ensure that properties are operated consistent with real estate principles and practices, complying with all applicable federal, state and local statutes, regardless of the financial resources of the residents. If confirmed, I will set goals, align budgets with those goals and lead staff to accomplish those goals.

PREPARED STATEMENT OF MERCEDES MÁRQUEZ

TO BE ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MAY 13, 2009

Mr. Chairman, Ranking Member Shelby, and distinguished Members of the Committee, thank you for the opportunity to appear before you today. I would also like to thank Congressman Becerra for his kind introduction. Over the years, many friends have encouraged and supported me in my work. Some of them are here today. However, no one has been more steadfast or selfless than my partner of 21 years, Mirta Ocana. It is my pleasure to introduce her today.

I am honored to have been nominated by President Obama to be Assistant Secretary for Community Planning & Development. I also want to thank Secretary Donovan for asking me to come and work with him—giving me the opportunity to join an excellent team of professionals dedicated to insuring quality housing for every American.

I have spent my career working on the full spectrum of housing and community development issues. I have grappled with these issues as a civil rights litigator, an affordable housing developer, a Federal Government official and for the last 5 years as the Director of Housing for Los Angeles, the department that crafted the city's response to the foreclosure crisis.

I started my career as a civil rights litigator. I have represented folks in matters involving substandard housing conditions, classic fair housing discrimination cases, and Federal class actions relating to community gentrification and wide spread discrimination in public housing. Through this work I learned the value of decent, safe and affordable housing within the context of a healthy neighborhood.

After a dozen years of litigation, I was appointed by President Clinton to the U.S. Department of Housing and Urban Development (HUD), first as Deputy General Counsel for Civil Rights and Fair Housing and later, as Senior Counsel to Secretary Andrew Cuomo. At HUD, I helped craft what the Secretary referred to as HUD's "Justice Agenda." This required us to reach across departmental divisions to assemble and lead cross-departmental teams. For example, to examine the possible discriminatory use of CDBG dollars we put together a team from Community Planning & Development (CPD), Fair Housing and the Office of General Counsel (OGC). By working in a coordinated fashion meaningful results were achieved. Through this work I learned the intricacies of the funding programs which fall within the purview of the Assistant Secretary for Community Planning and Development.

While most of my work centered on urban communities, I was also privileged to work in rural areas, including Native American reservations and "Colonias" along the U.S./ Mexico border. My work included the design of HUD's first Rural Housing and Economic Development NOFA's, and in partnership with HUD's Office of Native American Programs, the launch the Self Help Housing Program on the Pine Ridge Reservation in South Dakota. This work also brought the opportunity to collaborate with Rural Housing at USDA to make sense of conflicting policies affecting the development of rural housing. This work touched me personally. I am the granddaughter of farm workers—and while I grew up in San Francisco, California, I have spent a considerable amount of time visiting family in California's San Joaquin valley.

After my experience at HUD, I went back home to Los Angeles to practice housing and community development. As Vice-President of McCormack Baron Salazar, one of the country's most successful private affordable housing developers, I spent 3 years working on classic "tax credit" affordable housing development as well as HOPE VI deals. In essence, I took deals from concept to the final securing of financing.

I have spent the last 5 years as General Manager of the Los Angeles Housing Department (LAHD). The agency had a long-standing reputation for antiquated thinking, inadequate infrastructure and a lack of transparency.

Within my first year we achieved a top to bottom assessment and called in all of the stakeholders—lenders, lawyers, developers, landlords, tenant advocates, and government partners—always seeking to become public sector entrepreneurs—building momentum working with the market instead of lagging behind it. We also launched "Project Clean House"—an effort that identified the 50 most underperforming deals and brought the developers—for profit and nonprofit—in to meet with us. We were able to get the majority of the deals back on track and completed. As for the rest—over a 2 year period—we recaptured or de-obligated, either voluntarily or through judicial proceedings—over $50 million and put every penny back into the

financing of affordable housing—and in 2006 launched the city's Permanent Supportive Housing Program.

In partnership with national lenders, the philanthropic community and Enterprise Community Partners we successfully implemented the New Generation Fund—a $100 million Acquisition Capital fund. This fund works with the Affordable Housing Trust Fund to provide acquisition, predevelopment and gap financing to private and nonprofit affordable housing developers in a transparent and competitive system.

Now, our biggest challenge is the current economic and housing crisis. Los Angeles has experienced over 24,000 foreclosures in the last nine quarters. We address the foreclosure crisis in thoughtful and innovative ways. Early on we invested in data. Los Angeles is 469 square miles in size and our investment in and development of GIS maps gave us the information we needed to understand the true nature of our problem and where to expend the $32.8 million Los Angeles received from NSP 1. We identified distinctly impacted neighborhoods of the city, focusing on 10 by 10 block areas where we can also achieve other goals like transit oriented development, preservation of affordable multifamily housing, and green building standards. Restore Neighborhoods LA, the community based nonprofit we created to acquire and dispose of both multifamily and single family properties is up and running. We also designed a mapping function accessible through our Web site where any member of the public can log on and determine whether a foreclosed property they are interested in falls within our "impacted" areas and, as such, is eligible for an acquisition/rehabilitation loan.

As a practitioner, I have experienced the constraints of HUD's regulatory structure, which often creates regulations that often do not take into account that one size does not fit all. If confirmed, I commit to bring a disciplined focus to CPD and will work to insure accountability, transparency, expertise and flexibility that support the efforts of local government to achieve meaningful community development.

It would be an honor to serve as Assistant Secretary for Community Planning and Development. Mr. Chairman, Senator Shelby, I want to thank you and the others Members of the Committee for the opportunity to appear before you today and I am prepared to answer any questions you may have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Márquez (Last) Mercedes (First) Maria (Other)

Position to which nominated: Assistant Secretary of Housing and Urban Development for Community Planning & Development

Date of nomination:

Date of birth: 06 (Day) 08 (Month) 1959 (Year) **Place of birth:** San Francisco, CA

Marital Status: Married **Full name of spouse:** Mirta Eugenia Ocana

Name and ages of children: N/A

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Southern California, Los Angeles, CA	1977-1982	B.A.	1982
Georgetown University Law Center, Washington, DC	1982-1985	JD	1985
Georgetown University Law Center, Washington, DC	1985-1987	LLM	1987

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.

2007 Public Service Award, Gay & Lesbian Center of Los Angeles

2006 Tom McGuiness Community Leadership Award for Exemplary Dedication to Creating Healthy Community that Includes desirable and Affordable Housing Options for All, Housing Works

2005 Innovations in American Government Award in Affordable Housing, Harvard University John F. Kennedy School of Government, Awarded to the Los Angeles Housing Department's Systematic Code Enforcement Program

2005 The William F. McKenna Award, 12th Annual LINC Housing Tribute to Affordable Housing Leaders

2000 Outstanding Service to Farm Workers of the Coachella Valley, El Comite de Justicia Social

1999 Visionary Award, National Latina Alliance

1999	Special Appreciation Award for Support of Residents Rights to Organize, The National Alliance of HUD Tenants
1997	Recognition for Pro Bono Services to WCLC and the Community of Watts, Watts/Century Latino Organization
1994	Award to Litt & Márquez Law Firm for Commitment to Justice, Los Angeles City Council Resolution
1992	Award to Litt, Marquez & Fajardo - Pro Bono Legal Services Law Firm of the Year, NAACP Legal Defense Fund
1992	Recognition of Outstanding Work and Contribution to Fair Housing, Hollywood-Mid L.A Fair Housing Council

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
High-cost City Housing Forum	Chair	March 2009
Institute for Zen Studies of Southern California	Board Member	2006 - March 2009
Center for Urban Redevelopment Excellence (at the University of Pennsylvania)	Advisory Board Member	2003 - Current
The Eleanor Roosevelt Papers & Human Rights Project, Washington, DC	Advisory Board Member	1999 - Current
Affordable Housing Finance Magazine Editorial Advisory Board	Board Member	2008 – March 2009
California Housing Consortium Board Of Governors	Board Member	2007 - 2008
The McAuley Institute	Trustee	2001 - 2004
The Lakota Fund	Advisory Board Member	2001 - 2003
Watts-Century Latino Organization	Legal Consultant	1993 - 1997
YWCA of the USA	National Board Member National Vice President	1985 - 1996

Rent Adjustment Commission of The City of Los Angeles	Vice-Chair	1990 - 1993
Hollywood-Mid L.A. Fair Housing Council	Legal Consultant	1990 - 1994
National LawyersGuild of Los Angeles	Advisory Member	1988
MEChA –University of Souther California Chapter	Member	1978-1981

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

January 2004 – Present
General Manager, City of Los Angeles Housing Department (LAHD), Los Angeles, California
Manages a staff of approximately 600 dedicated employees, and a combined annual administrative and grant budget of $150 million. Primary responsibilities involve developing, recommending, and directing implementation of citywide housing production and preservation policies and programs including: increasing affordable housing production and development, rehabilitation, preservation, rent stabilization and code enforcement; attracting state and federal funds to Los Angeles; formulating management policies, goals, and timetables; and working closely with elected officials and housing commissioners to formulate housing policies and programs. In June 2005, the Department received the Innovations in American Government Award from Harvard University for its Systematic Code Enforcement Program (SCEP).

April 2001 – December 2003
Vice President, McCormack Baron Salazar, Inc., Los Angeles, California
Vice President of a national firm specializing in the development, consultation, and management of urban communities. Responsibilities included overseeing developments throughout California. This involved initiating developments; coordinating the planning process, acting as liaison with joint venture partners; interfacing with government officials and local community groups; and coordinating the final design (architectural, engineering, specialized consultants) process, including the integration of marketing, construction, and property management principles.

May 1997 - January 2001
Senior Counsel to the Secretary; Deputy General Counsel for Civil Rights and Fair Housing
Department of Housing and Urban Development, Washington, D.C.
Principal advisor to former Secretary Andrew Cuomo on civil rights policy including, fair lending and fair housing enforcement. Directed HUD's historic fair lending review of the Government Sponsored Enterprises' Automated Underwriting Systems. Led investigations and negotiations of housing discrimination cases resulting in landmark settlements. Chair of the Secretary's Civil Rights Consent Decree Implementation Task Force. Served as HUD's representative to the President's One America Task Force and coordinated HUD's contribution to the White House Conference on Hate Crimes. Advised the Secretary on rural housing and economic development policy and served as Co-Chair of HUD's Rural Initiative. Supervised Farm worker and Colonias Community Builder specialists assigned to the four US-Mexico border states and Florida. Oversaw the establishment of a Self Help Housing Program on the Pine Ridge Reservation. Conducted conferences in California, Texas, New Mexico, and Arizona addressing housing, infrastructure and economic development issues along the border. Served as a U.S. Delegate to the US-Mexico Bi-National Commission meetings in

Mexico City and Washington, DC. Co-Chaired bilateral exchanges of the Housing & Urban Development Working Group (HUD-SEDESOL).

1991 - April 1997
Partner, Litt & Marquez, Los Angeles, California
Litigation practice in federal and state courts specializing in complex public interest litigation including, slumlord damages actions, fair housing, public housing, sexual harassment, employment discrimination, and constitutional issues. Managed staff attorneys and paralegals. Instituted a fellowship program attracting top ranking candidates from diverse backgrounds. Speaker at various public engagements on behalf of the firm.

1987-1991
Partner, Litt & Stormer, Los Angeles, California
Litigation practice in federal and state courts, specializing in public interest matters including slumlord damages actions, fair housing, lender liability, personal injury cases, and constitutional issues. Headed the slumlord litigation and fair housing units, representing thousands of poor and working class tenants of color against Los Angeles' most reprehensible slumlords.

1985 -1987
Staff Attorney/Clinical Instructor, Institute for Public Representation, Washington, D.C.
Represented individual clients and supervised second and third year law students in clinical education program, with emphasis on teaching legal research and writing skills through work on actual cases. Negotiated with banking institutions, private housing developers, and local officials on preservation of affordable housing in Alexandria, Virginia.

1984 - 1985
Legislative Assistant, Congressman Howard L. Berman, Washington, D.C.
Worked on immigration issues and agricultural labor programs. Analyzed legislation, worked with interest groups, and represented the Congressman in public forums.

Summer, 1982
Law Clerk, Spolter, McDonald & Mannion, San Francisco, California
Provided basic assistance to this small civil practice law firm. Simple research, filing, taking notes at hearings.

Government Experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

See government employment listed above. Additionally I have served in the following government capacities:

1990-1993
Vice Chair, Rent Adjustment Commission
The Rent Adjustment Commission of the City of Los Angeles (RAC) is responsible for adopting policies, rules and regulations to carry out the purposes of the Rent Stabilization Ordinance. Additionally, the Commission conducts studies, investigations, and hearings to gather necessary information to promulgate, administer, and enforce any regulation, rule, or order adopted in accordance with the Rent Stabilization Ordinance. The RAC consists of seven members who are neither landlords nor tenants. Members are appointed by the Mayor, subject to approval by the Los Angeles City Council.

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

None

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

None

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

5/16/2001	Mike Feuer for City Attorney General	$500
1/28/2003	Antonio Villaraigosa for City Council	$500
5/2/2005	Elena Popp	$500
5/2/2005	Elena Popp	$500
2/6 & 2/23/2008	Hilary Clinton	$750
11/7/2008	Honor Pac	$500

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

See Attachment 1

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

   Yes

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

No

3. Has anybody made you a commitment to a job after you leave government?

No

4. Do you expect to serve the full term for which you have been appointed?

Yes

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification

of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the U.S. Department of Housing and Urban Development's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

A. Safe Haven vs. Márquez, et. al.

Date Filed: 10/2008
Los Angeles Superior Court, Central District

Description:
This case is related to the Los Angeles Housing Department's foreclosure of an abandoned homeless shelter. I was personally named in this suit only because I am the General Manager of the Los Angeles Housing Department. I have no specific personal knowledge or involvement in this matter. I was dismissed as an individual defendant with prejudice on January 8, 2009. The plaintiff's request for a preliminary injunction was denied. Settlement discussions are pending.

B. Helen E. Avilez vs. Márquez, et. al.

Date Filed: 04/1997
Los Angeles Superior Court, Central District

Description:
Civil damage action as a result of a car accident where my car was hit by the plaintiff driver and where the City of Los Angeles had failed to replace/repair a missing stop sign. The jury found against the plaintiff.

C. **Steven Sugars vs. Márquez, et. al.**

Date Filed: 04/1996
Los Angeles Superior Court, Central District

Description: The plaintiff – an attorney – sued my law firm and me personally alleging he was owed attorney's fees for a civil case I handled. He had performed virtually no work on the case and was displeased that the fees were distributed on a per hour basis. Case was settled and dismissed with prejudice on June 19, 2006.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

The State Bar of California:

Date Filed: July 1994

Description: A former client filed a complaint regarding my representation at the same time that her case was being settled as a way to negotiate a lower fee arrangement than was listed in the retainer she signed. The complaint was never fully investigated, the matter was resolved between parties, and the disposition is listed as "Dismissed."

Date Filed: December 1997
Description: I am unfamiliar with the complaining witness. The complaint was never fully investigated, and the disposition is listed as "Closed. Not sufficient proof."

MERCEDES MÁRQUEZ - ATTACHMENT 1

Qualifications: State fully your qualifications to serve in the position to which you have been named.

I have spent 24 years working on the full spectrum of housing and community development issues: affordable housing finance and development, preservation, fair housing, tenants' rights, code enforcement, and permanent supportive housing for the chronically homeless among them. I started my career as a private litigator working on behalf of tenants living in some of Los Angeles' (LA) worst privately owned slums, tenants living in dangerous situations in LA's public housing and individuals and families facing racial and ethnic discrimination as they sought to rent apartments. Early in my career Los Angeles Mayor Tom Bradley appointed me to the City's Rent Adjustment Commission where I became Vice-Chairman hearing appeals and reviewing the City's rent stabilization ordinance.

During my nearly four years work with the U.S. Department of Housing and Urban Development (HUD) first as Deputy General Counsel for Civil Rights and Fair Housing and later, as Senior Counsel to Secretary Andrew Cuomo, I had the opportunity not only to learn the workings of the Department but also to understand the intricacies of the funding programs which fall within the purview of HUD's Community, Planning and Development (CPD) division. On several occasions I assembled and led cross-departmental teams to work on particular problems. These included nationally selected HUD staff from CPD, Fair Housing, Public Housing and the General Counsel's office. These associations led to several successful outcomes. For example – a team of HUD staff representing Public Housing, Fair Housing and the General Counsel's office investigated allegations of racial discrimination in Boston's public housing. Ultimately, the City of Boston successfully implemented a settlement agreement which resolved long standing problems and led to a more equitable distribution of public housing. While most of my work centered on urban communities, I was also privileged to work in rural areas, including Native American reservations and "Colonias" along the US/Mexico border. Ultimately, I supervised HUD's Rural and Farm Worker Community Builders, was instrumental in designing HUD's Rural Housing and Economic Development NOFA's, and helped launch the Self Help Housing Program on the Pine Ridge Reservation in South Dakota.

As Vice-President of McCormack Baron Salazar, one of the country's most successful private affordable housing developers, I put my legal experience and knowledge of federal programs and the HUD system to work and began to work on affordable housing deals in California. I worked on classic "tax credit" affordable housing developments as well as HOPE VI deals. I took deals from concept to the final securing of financing. This involved initiating developments; coordinating the planning process, acting as liaison with joint venture partners; interfacing with government officials and local community groups; and coordinating the final design (architectural, engineering, specialized consultants) process, including the integration of marketing, construction, and property management principles.

I have spent the last five years as the General Manager of the Los Angeles Housing Department (LAHD). In this capacity, in January, 2004 I took the helm of a City department with 600 employees and an average annual budget of $150 million that had a long-standing reputation for antiquated thinking, mismanagement and a lack of transparency. In the time that has passed, the LAHD has transformed. We sought to become public sector entrepreneurs; seeking out the best thinking across the country; forming partnerships with intermediaries like Enterprise Community Partners and the Corporation for Supportive Housing; and ultimately, just digging in - using old fashioned common sense and implementing outcomes-based management.

The results are quantifiable. In 2005, LAHD's Systematic Code Enforcement Program received the Innovations in American Government Award from Harvard University. We now have one of the most successful competitive Affordable Housing Trust Funds in the nation. In 2006 we launched the City's first Permanent Supportive Housing Fund, partnering with the City's Redevelopment Agency, Public Housing Agency and Department of Water and Power to commit $50 million a year to the financing of housing for the chronically homeless. In 2008 we launched the New Generation Fund – a $100 million Acquisition Capital fund in partnership with national lenders and Enterprise Community Partners. This is the second fund of its kind in the nation (the first was developed in New York by Secretary Donovan). In March 2009, the MacArthur Foundation announced that Los Angeles had been awarded a $1million grant to take our housing preservation program forward. LAHD was also instrumental in the design of Mayor Antonio Villaraigosa's 5-Year Los Angeles Housing Plan – the first comprehensive housing plan in the City's history. We also worked on the department's infrastructure – we designed and have fully implemented a department redesign – that now provides excellent technological support and has vastly improved the department's collection rate for rent control and code enforcement fees.

Finally, we have met the foreclosure crisis in thoughtful and innovative ways. We invested in data – Los Angeles is 468 square miles in size and without mapping capabilities we would have been unable to understand the true nature of our problems. We worked closely with our city council members to select distinctly impacted areas of the city, have

incorporated a community based non-profit "Restore Neighborhooda LA" to act as our sub-recipient of NSP funds for the acquisition and disposition of both multi-family and single family properties. In fact, we have already purchased our first property. We are launching a special mapping function on our website which will allow members of the public to determine whether a foreclosed property they are interested in falls within our "impacted" areas and therefore, be eligible for an acquisition rehabilitation loan from LAHD.

I have felt privileged to work in the public interest my entire career. I feel that my combination of experience in law, the private sector and both local and federal government has prepared me for the challenges that await me should I be confirmed as Assistant Secretary for Community Planning and Development at the Department of Housing and Urban Development.

PREPARED STATEMENT OF MICHAEL S. BARR

TO BE ASSISTANT SECRETARY FOR FINANCIAL INSTITUTIONS,
DEPARTMENT OF THE TREASURY

MAY 13, 2009

Chairman Dodd, Ranking Member Shelby, and distinguished Members of the Committee, it is my honor to appear before you today as the nominee for the position of Assistant Secretary of the Treasury for Financial Institutions.

With me today are my wife, Hannah Smotrich; my children, Avital, Dani, and Etai; my mom, Deborah Barr; my sisters Karen and Lisa; my uncle Gabe Stern; and my wife's parents, David and Bunny Smotrich. I'm sure my dad, David Barr, is here with us in spirit. I would not be here before you today without their love and support and I am enormously indebted to them.

My parents taught me the centrality of public service. My mom is a high school English teacher here in Washington, DC, and gives her all to her students. My dad was a labor lawyer who represented hard-working Americans. My grandmother, Phyllis Stern, who turned 98 earlier this year, only recently had to give up her volunteer activities, and her son, Gabe Stern, here today, is a local hero in Gales Ferry, Connecticut for his work helping to preserve jobs at the local submarine base.

I am humbled by the faith that President Obama and Secretary Geithner have placed in me during these extraordinary times. The President and the Secretary have moved aggressively to stabilize our economy and our financial markets, and to provide relief to struggling homeowners and strength to our mortgage finance system. The Administration has put in place initiatives to help small businesses, consumers, and students and to restore the healthy functioning of our financial markets.

While we address the current crisis, the President and the Secretary are committed to fundamental reform to reduce the likelihood of crises in the future and to contain such crises if they occur. The current financial crisis has revealed significant weaknesses and glaring inconsistencies in our system of financial regulation.

If confirmed, I look forward to working closely with you to take the necessary steps to reform our financial regulation and to restore honesty and integrity to our financial system. We need a comprehensive and effective system of prudential supervision and effective measures to reduce systemic risk. We need clear accountability and full transparency. We must ensure that we put in place robust protections for consumers and investors with strong and uniform enforcement. We must ensure that our financial system is inclusive, and fair. And we must have a system that evolves over time to keep up with the pace of financial innovation domestically and globally.

Innovation is a hallmark of America's financial system, and with the right changes in place, we can expect our financial system once again to be vibrant and strong.

I come before you having had the privilege of working on financial issues for a number of years. As a professor of law at the University of Michigan Law School, where I have taught for the last 8 years, I teach courses on financial institutions policy and international financial regulation. I have published widely on financial policy and regulation and have conducted extensive empirical research on the needs and behaviors of consumers in the financial services system. My recent work has focused on ways in which a deeper understanding of how people think and behave based on real-world research can better inform public policy, rather than relying solely on abstract models.

While a professor, I have served as the Chair of the Financial Institutions and Consumer Financial Services Section of the Association of American Law Schools; as a Research Affiliate at the National Poverty Center; and as a senior fellow at the Brookings Institution and at the Center for American Progress. In these capacities, I have often spoken out about the need for reform of our financial system, and in particular, about the ways in which our financial system has ill-served many Americans.

Prior to entering academics, I served in senior positions in the U.S. government. From 1995 to 2001, I served in the Treasury Department, as Deputy Assistant Secretary for Community Development Policy (from 1997 to 2001), and prior to that, as Special Assistant to the Secretary (1995 to 1997). I also concurrently served from 1999 to 2001 as Special Adviser to the President and Executive Director of the Federal District of Columbia Task Force at the Office of Management and Budget, where our work was largely focused on putting the District of Columbia's fiscal house in order. These positions gave me the opportunity to work with many of you and your staffs, to contribute to the work of the Administration in a wide range of

areas, and to gain the experience to know that an open mind and honest dialogue lead to better policy judgments.

Before joining Treasury, I served in the State Department, from 1994 to 1995, as Special Adviser and Counselor to the Director of the Policy Planning Staff. Before entering the Executive Branch, I was a law clerk to Justice David Souter of the U.S. Supreme Court and to then District Judge Pierre Leval of the Southern District of New York.

I am hopeful that my experience will serve the Department well if I am confirmed, and I am even more hopeful about the future of our great Nation. Working together, we can help to lay the foundation for a sound recovery and a bright economic future.

Thank you.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: **Barr** **Michael** **Solomon**

(Last) (First) (Other)

Position to which nominated: Assistant Secretary for Financial Institutions
Department of the Treasury

Date of nomination:

Date of birth: 5 October 1965 (Day) (Month) (Year) **Place of birth:** Washington, D.C.

Marital Status: Married **Full name of spouse:** Hannah Smotrich

Name and ages of children:

Avital Smotrich-Barr	12
Dani Smotrich-Barr	10
Etai Smotrich-Barr	6

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Yale College	1983-1987	BA	1987
Magdalen College, Oxford University	1987-1989	M.Phil	1989
Yale Law School	1989-1992	J.D.	1992

Honors and awards: **List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.**

Rhodes Scholarship
Phi Beta Kappa

Memberships: **List below all memberships and offices held in professional, fraternal, business, schol civic, charitable and other organizations.**

Organization	Office held (if any)	Dates
Brookings Institution	Senior Fellow (nonresident)	2001-present

Center for American Progress	Senior Fellow	2008-2009
National Poverty Center	Research Affiliate	2004-present
Assn. of Amer. Law Schools	Financial Institutions Section	past chair and member of Executive Committee 2005- present
American Bar Assn	Comm on Eq. Access	2006 - present

Employment record: **List below all positions held since college, including the title or description of job, nam of employment, location of work, and inclusive dates of employment.**

EXECUTIVE OFFICE OF THE PRESIDENT, THE WHITE HOUSE, Counselor to the Director, National Economic Council, 2009-present.

UNIVERSITY OF MICHIGAN LAW SCHOOL, Professor of Law, 2006-present; Assistant Professor of Law, Fall 2001-Spring 2006.

UNIVERSITY OF PENNSYLVANIA SCHOOL OF LAW, Visiting Assistant Professor of Law, Fall 2005.

BROOKINGS INSTITUTION, Senior Fellow (nonresident), 2001- present; Nonresident Visiting Fellow, Spring 2001.

CENTER FOR AMERICAN PROGRESS, Senior Fellow, Center for American Progress, 2008-2009.

EXECUTIVE OFFICE OF THE PRESIDENT, Special Advisor to President William J. Clinton & Executive Director of the federal District of Columbia Task Force, Office of Management and Budget, 1999 – 2001.

U.S. TREASURY DEPARTMENT, Deputy Assistant Secretary (Community Development Policy), 1997 - 2001.

U.S. TREASURY DEPARTMENT, Special Assistant to Treasury Secretary Robert E. Rubin, 1995 -1997.

U.S. STATE DEPARTMENT, Special Adviser and Counselor, Policy Planning Staff, 1994 - 1995.

U.S. SUPREME COURT, Law Clerk to the Honorable David H. Souter, 1993 - 1994.

U.S. DISTRICT COURT, Law Clerk to the Honorable Pierre N. Leval, Southern District of New York, 1992 - 1993.

SIMPSON, THACHER & BARTLETT, New York, NY, Summer Law Clerk & assistant to Executive Director of the Financial Services Volunteers Corps, July-Aug. 1991.

WILLIAMS & CONNOLLY, Washington, DC, Summer Law Clerk, May-June 1991.

YALE COLLEGE, Visiting Lecturer, Fall 1990.

GINSBURG, FELDMAN & BRESS, Washington, DC, Summer Law Clerk, 1990.

PODESTA ASSOCIATES, Washington, D.C., Summer 1989.

DUKAKIS FOR PRESIDENT, Boston, MA, Summer-November, 1988.

Government experience: **List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.**

EXECUTIVE OFFICE OF THE PRESIDENT, THE WHITE HOUSE, Counselor to the Director, National Economic Council, 2009-present.

EXECUTIVE OFFICE OF THE PRESIDENT, Special Advisor to President William J. Clinton & Executive Director of the federal District of Columbia Task Force, Office of Management and Budget, 1999 – 2001.

U.S. TREASURY DEPARTMENT, Deputy Assistant Secretary (Community Development Policy), 1997 - 2001.

U.S. TREASURY DEPARTMENT, Special Assistant to Treasury Secretary Robert E. Rubin, 1995 -1997.

U.S. STATE DEPARTMENT, Special Adviser and Counselor, Policy Planning Staff, 1994 - 1995.

U.S. SUPREME COURT, Law Clerk to the Honorable David H. Souter, 1993 - 1994.

U.S. DISTRICT COURT, Law Clerk to the Honorable Pierre N. Leval, Southern District of New York, 1992 - 1993.

Published Writings: **List the titles, publishers and dates of books, articles, reports or other published materials you have written.**

Books

INSUFFICIENT FUNDS: SAVINGS, ASSETS, CREDIT AND BANKING AMONG LOW- AND MODERATE-INCOME HOUSEHOLDS, Michael S. Barr & Rebecca Blank, eds., Rusell Sage 2008.

BUILDING INCLUSIVE FINANCIAL SYSTEMS: A FRAMEWORK FOR FINANCIAL ACCESS, Michael S. Barr, Anjali Kumar, and Robert E. Litan, eds. Brookings Institution Press, 2007.

Publications

The Case for Behaviorally Informed Regulation, in Principles of Regulation, Tobin Project, forthcoming 2009, (with Mullainathan and Shafir).

Community Reinvestment Emerging from the Housing Crisis, in REVISING THE CRA: PERSPECTIVES ON THE FUTURE OF THE COMMUNITY REINVESTMENT ACT, Federal Reserve Banks of Boston and San Francisco (2009).

Overview: Meeting the Challenge of the Housing and Credit Crises, in CHANGE FOR AMERICA: A PROGRESSIVE BLUEPRINT FOR THE 44TH PRESIDENT, Mark Green & Michele Jolin, eds., Basic Books (2008).

Poor Homeowners, Good Loans, The New York Times (October 18, 2008) (with G. Sperling).

Behaviorally Informed Financial Services Regulation, New America Foundation (2008) (with Mullainathan and Shafir), available at http://www.newamerica.net/files/naf_behavioral_v5.pdf.

An Opt-Out Home Mortgage System, Hamilton Project, Brookings Institution (2008) (with Mullainathan and Shafir), available at http://www.brookings.edu/~/media/Files/rc/papers/2008/0923_mortgage_system_barr/0923_mortgage_system_barr.pdf.

Third-Party Tax Administration: The Case of Low- and Moderate-Income Households, JOURNAL OF EMPIRICAL LEGAL STUDIES 5(4): 965-983, (Dec. 2008).

Access to Financial Services, Savings, and Assets Among the Poor: Introduction and Overview (with Blank), forthcoming in INSUFFICIENT FUNDS: SAVINGS, ASSETS, CREDIT AND BANKING AMONG LOW- AND MODERATE-INCOME HOUSEHOLDS, Michael S. Barr & Rebecca Blank, eds., Rusell Sage (2009).

Saving America's Family Equity, The Financial Times (ft.com) (March 3, 2008) (with L. Tyson).

An Opt-Out Home Mortgage Plan, The New York Times (Dec. 26, 2007) (with S. Mullainathan & E. Shafir).

Overcoming Legal Barriers to the Bulk Sale of At-Risk Mortgages, Center for American Progress Issue Brief, (April 2008), at http://www.americanprogress.org/issues/2008/04/pdf/reimc_brief.pdf, (with James A. Feldman).

An Inclusive, Progressive National Savings & Financial Services Policy, 1 HARVARD LAW & POLICY REV. 161, (2007) (invited essay for inaugural issue), at http://www.hlpronline.com/Vol1No1/barr.pdf.

Banking the Poor: Overcoming the Financial Services Mismatch, essay in Marion Crain, John Edwards, and Arne Kalleberg, eds., ENDING POVERTY IN AMERICA: HOW TO RESTORE THE AMERICAN DREAM (New Press, 2007).

Banking the Poor: Policies to Bring Low- and Moderate-Income Households in the United States into the Financial Mainstream, in NEW FRONTIERS IN BANKING SERVICES: EMERGING NEEDS AND TAILORED PRODUCTS FOR UNTAPPED MARKETS 323 (L. Anderloni, M. Braga, & E. Carluccio, eds.), Springer Press, 2007, first published as *Banking the Poor: Policies to Bring Low-Income Americans into the Financial Mainstream,* BROOKINGS INSTITUTION METROPOLITAN POLICY PROGRAM POLICY BRIEF (September 2004).

Tax Filing Experiences and Withholding Preferences of Low- and Moderate-Income Households: Preliminary Evidence from a New Survey, PROCEEDINGS OF THE 2006 IRS RESEARCH CONFERENCE, RECENT RESEARCH ON TAX ADMINISTRATION AND COMPLIANCE, IRS RESEARCH BULLETIN 193-210 (2006) (Jane Dokko, co-author), http://www.irs.gov/taxstats/productsandpubs/article/0,,id=151642,00.html.

Payments Innovations in Serving Low- and Moderate-Income Households: Evidence from a New Survey, in INNOVATIONS IN REAL ESTATE MARKETS: RISKS, REWARDS, AND THE ROLE OF REGULATION, PROCEEDINGS, 42ND ANNUAL CONFERENCE ON BANK STRUCTURE AND COMPETITION, 448-460, Federal Reserve Bank of Chicago (May 2006) (Jane Dokko and Ed Bacheldor, co-authors).

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Political Affiliations and activities: **List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

Obama for America, volunteer for policy team.
Democratic Party

Political Contributions: **Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.**

Date	Donee	Amount ($)
11/06/08	Democratic Senatorial Campaign Committee	$250
9/29/08	Obama Victory Fund	$2500
6/11/08	Obama for America	$250
6/14/07	David Nacht for Congress	$376

Qualifications: **State fully your qualifications to serve in the position to which you have been named.**

As a professor of law at the University of Michigan Law School, where I have taught for the last eight years, I specialize in teaching courses on and writing about financial institutions policy. My courses include Financial Institutions, International Finance, Jurisdiction and Choice of Law, Transnational Law, International Transactions Clinic, Finance and Development, and International Financial Architecture. I have published widely on financial regulation and have conducted extensive empirical research on the needs and behaviors of consumers in the financial services system. Recent work includes Behaviorally Informed Financial Services Regulation (with Mullainathan and Shafir), Insufficient Funds (with Blank), and Building Inclusive Financial Systems (with Kumar and Litan). I have served as the Chair of the Financial Institutions and Consumer Financial Services Section of the Association of American Law Schools; a Senior Fellow at the Center for American Progress; a Senior Fellow at the Brookings Institution; and a Research Affiliate of the National Poverty Center.

Prior to entering academics, I served in senior positions in the U.S. government. From 1995 to 2001, I served in the Treasury Department. I served both as Deputy Assistant Secretary of the Treasury for Community Development Policy (1997 to 2001) and, prior to that, as Special Assistant to the Secretary (1995 to 1997). I also concurrently served from 1999 to 2001 as a Special Adviser to President Clinton and Executive Director of the federal District of Columbia Task Force at the Office of Management and Budget. Before joining Treasury, I served in the State Department, from 1994 to 1995, as Special Adviser and Counselor to the Director of the Policy Planning Staff. Before entering the Executive Branch, I was a law clerk to the Honorable David H. Souter of the U.S. Supreme Court and to then-District Court Judge Pierre N. Leval, of the Southern District of New York.

I am a graduate of Yale Law School; was a Rhodes Scholar at Magdalen College, Oxford University, where I earned an M.Phil. in International Relations; and graduated summa cum laude with honors in history from Yale College.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I will be on an unpaid leave of absence, with tenure, from the University of Michigan Law School.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

The University of Michigan provides for leaves of absence of one year, renewable with the permission of the University. I plan on returning to teach at the University of Michigan Law School after my government service.

3. Has anybody made you a commitment to a job after you leave government?

I will retain my tenure at the University of Michigan Law School.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None.

3. Describe any business relationship, dealing or financial transaction (other than taxpaying) which you have had during the last 10 years with the Federal Government,whether for yourself, on behalf of a client, or acting as an agent, that might in anyway constitute or result in a possible conflict of interest with the position to which you have been nominated.

None.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

I am not a registered lobbyist and never have been one. However, I have provided testimony before Congress and briefed congressional staff regarding a range of financial services issues

U.S. House, Committee on Oversight & Government Reform, Subcommittee on Domestic Policy, Hearing on "Treasury's Implementation of the Troubled Asset Relief Program," (November 2008), at http://domesticpolicy.oversight.house.gov/documents/20081114091233.pdf.

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U.S. House Government Reform and Oversight Subcommittee on the District of Columbia, Hearing on President's D.C. Revitalization Plan (May 22, 1997) at http://www.treas.gov/press/releases/rr1703.htm.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of the Treasury's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

A tiler sued me and my wife in small claims court and his case was dismissed in September of 2001.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None.

RESPONSE TO WRITTEN QUESTIONS OF CHAIRMAN DODD FROM PETER M. ROGOFF

Q.1. As you know, I have spoken frequently about the need to better coordinate transportation policies with housing, energy, and environmental policies. If we are going to really reduce traffic congestion and address some of the biggest problems of the 21st Century, we need to end the current policy stove-piping and think through these issues in a more comprehensive fashion. That is why I wrote President Obama earlier this year to urge him to establish a White House Office of Sustainable Development.

Mr. Rogoff, what actions can you take as the leader of the Federal Transit Administration to encourage this kind of integrated approach to policy and to bring various agencies together to ensure that transportation policy is better coordinated with housing, community development, energy, environment, and climate change policies to promote sustainable growth and development?

A.1. For the last 4 years, I have had the joint responsibility of overseeing both the Transportation and HUD budgets for the Appropriations Committee. Knowing the HUD budget as I do, and witnessing Secretary Donovan's impressive efforts to transform HUD, I believe that Federal agencies can play a role in encouraging State, regional, and local agencies to make better decisions that promote sustainable development while supporting a variety of other public interest goals.

To that end, if confirmed, I will support Secretary LaHood and Secretary Donovan's efforts to implement the President's national priorities for transportation, including his focus on transparency and accountability, community needs, and reduced oil consumption and GHG emissions. The Infrastructure Bank in the President's budget signals a new direction in transportation policy that evaluates projects based on national criteria like community development, congestion reduction, and environmental impact. I will work with the Secretaries in pursuing the President's commitment to work closely with Congress, other Federal departments and agencies, the Nation's Governors, and local elected officials to develop an integrated regional planning and development approach for all of our transit investment decision making.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR SHELBY FROM PETER M. ROGOFF

Q.1. *Reforming the New Starts Process*—In the last authorization bill we attempted to streamline the New Starts process and add additional categories for consideration during project evaluation. Nevertheless, the process continues to take an inordinate amount of time and many of the factors Congress added, including economic development, still have not been implemented.

I am interested in your thoughts on the overall process and what changes can be made to ensure that it can move forward more expeditiously while still conducting a thorough evaluation?

A.1. As I mentioned in my testimony, I share your concerns and, if confirmed, I intend to focus on streamlining the project evaluation process as one of my first and highest priorities. Certainly, as stewards of Federal taxpayer dollars, and in a fiscal environment

where resource demands far exceed available funding, it is important that FTA—and local project stakeholders—have good information of project costs and benefits on which to base resource allocation decisions. If confirmed I must also consider that unnecessary delays in the evaluation process can cause increases in project costs. Working as we are within a tight funding environment, costly delays will inevitably cause us to build fewer projects—an unacceptable result in my view given our need to expand transit options.

I am aware that in 2006, FTA hired Deloitte Consulting to analyze the New Starts program to identify opportunities for streamlining. If confirmed, I will plan to review those recommendations and determine which ones should be implemented, if not already implemented by the agency. In addition, I will conduct my own "bottom up" streamlining review of the entire process in consultation with industry experts, project sponsors, and FTA staff.

Q.2. *State of Good Repair*—I remain concerned about continuing to make investments in infrastructure without any requirement for maintaining a state of good repair long-term. The recently released Rail Modernization Study points to a significant backlog in unmet recapitalization needs at the Nation's seven largest rail transit operators. However, these properties have received billions in Federal funding for new projects.

What, in your view, can we do to make certain that we adequately monitor and ensure the long-term maintenance of these assets while ensuring appropriate growth to meet capacity demands?

A.2. As part of the new starts project evaluation process, FTA is currently required to evaluate data to confirm that a project sponsor will have the financial ability to operate the proposed new service as well as sustain current and planned service levels throughout the system. The Rail Modernization Study should serve as a "wake up call" for all concerned with the quality and safety of our major rail transit systems. It provides a stark picture that should inform the resource decisions of transit agencies as well as the resource decisions of policy makers who will craft the upcoming authorization bill. If confirmed, I will review the study to determine whether greater commitments to maintaining existing capital infrastructure should be considered as a condition for assistance under the new start program.

A balance must be found that encourages the expansion of transit options while ensuring that transit agencies are not digging themselves into a "deferred maintenance hole" that could endanger the long-term viability of the transit agency and the safety of it passengers. I look forward to working with the Committee on this important issue.

Q.3. *Highway Trust Fund*—The Administration's budget proposes a greater reliance on the General Fund to finance Highway and Transit projects rather than the Highway Trust Fund. While we all recognize the fiscal difficulties the Highway Trust Fund is encountering, this Committee has heard testimony from various stakeholders, as well as the Secretary, that such a shift would create a significant amount of uncertainty in the program.

Given your experience on the Appropriations Committee, how do you view the shift to general fund monies to finance Highway and Transit projects, how would it impact the goals of the programs and do you believe that it could result in difficulties conducting long-range planning and raising capital? If so, are there other ways, in your view, that Congress could address this uncertainty?

A.3. I am also concerned about the status of the mass transit account. If I am confirmed, I would welcome the opportunity to be the Administration's advocate for public transportation by exploring innovative ways to generate a steady revenue source for transit. As I testified, I believe State and local jurisdictions have had some success in innovative financing and we at the Federal level can learn from that experience. In addition, having participated in budget battles as a Senate staff person for the last 22 years, I still think that it is easier to advocate for necessary resources when you can point to available balances in a designated trust fund—resources that were collected for the purpose of being spent on a designated activity—like highways, transit systems, or the upkeep and modernization of the national aviation system. I hope to play a vital role in crafting these solutions under the leadership of Secretary LaHood.

Q.4. *Innovative Financing*—It is no secret that I am a proponent of pursuing innovative methods of financing to advance our infrastructure projects. However, I am disappointed that we have not made more progress, particularly as it relates to public transportation. The Secretary has stated that we must look to bold new approaches.

I am interested in your views about how we can encourage greater utilization of innovative financing methods to advance public transportation projects.

A.4. I believe there are great opportunities for innovative financing methods for transit projects. Moreover, the financing challenges we face moving forward are going to require us to utilize them to a greater degree while ensuring that program integrity is maintained.

I am aware that FTA has piloted public–private partnerships in transit using the new authority provided in SAFETEA. This new authority allows for up to three public–private partnerships and FTA has been working with three transit agencies to pilot-test how private sector innovation and know-how can advance public transportation. I understand FTA has also conducted five workshops around the country to provide information about the benefits of public–private partnerships in transit. Public–private partnerships have shown promise as long as the interests of taxpayers and users are protected.

Perhaps the greatest promise to expand innovative financing of transit projects is to be found in President Obama's 2010 budget proposal to commit $5 billion to capitalize a National Infrastructure Bank. The bank would commit Federal funds to large capital projects through a wide variety of mechanisms including mechanisms that attract State, local, and private co-investment. If confirmed, I would seek to work within the Administration to ensure that transit projects participate fully in the Bank's investment

plans and that the Bank structures its assistance in a manner that will be workable for major transit projects.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR BAYH FROM PETER M. ROGOFF

Q.1. On April 30, 2008, the Federal Transit Administration (FTA) made final a new Charter Service Rule–604. In the final rule Section 604.11—Petitions to the Administrator—contains a process by which a recipient of Federal funding may petition for an exception from the private charter prohibitions for certain events.

As FTA Administrator will you implement Section 604.11 to restrict the frequency with which a recipient may seek a petition?

A.1. While I am not familiar with this particular provision of the charter service regulation, I believe that fairness and flexibility are important to ensure access to transportation services. If I am confirmed as FTA Administrator, I would review the charter service regulation to determine whether a restriction on a recipient's ability to apply for an exception is helpful or acts as a hindrance in the provision of transportation to widely attended public events.

Q.2. As FTA Administrator will you implement Section 604.11 (b)(4)(i) to require a recipients petition to provide for a plan to integrate registered charter operators into the service where no third party contract exists? If not, please explain how you will balance recipients of Federal-aid with registered providers where no third party contract exists for events of national or regional significance?

A.2. I believe that it is of critical importance to strike the right balance between access to transportation services and for-profit charter services. If I am confirmed as FTA Administrator, I pledge to examine the impact of FTA's charter service regulation on events of regional or national significance where there is no third party contract.

Q.3. As FTA Administrator will you implement Section 604.11 (b)(4)(i) to include consideration of the national or regional events' number of registered service providers' buses engaged in private charter at the event compared to the number of recipient's buses for which the petition is sought?

A.3. As I testified, I plan to be a vocal advocate for public transportation. To that end, if I am confirmed, I would advocate for fairness in the application of the charter service regulation. If impediments exist to providing fair and efficient transportation to widely attended public events, I will analyze those challenges and work with interested parties to resolve them.

Q.4. As FTA Administrator will you establish minimum characteristics for events of regional or national significance under Section 604.11 (a)(1)?

A.4. If there are not minimum characteristics for events of regional or national significance in the charter service regulation, then if I am confirmed as FTA Administrator, I would be willing to consider the establishment of such characteristics if that would better enable FTA to determine whether an exception to the regulation for an event of regional or national significance is appropriate.

Q.5. As FTA Administrator would an event with attendance of more than 200,000 participants qualify as an event of regional or national significance under Section 604.11 (a)(1)? Does an event of that size provoke safety or homeland security issues worthy of inclusion in the 604 analysis?

A.5. If I am confirmed, I will look closely at the exception for events of regional or national significance to determine whether it is working as intended and whether minimum characteristics should be established such as the number of participants attending the event.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR WARNER FROM PETER M. ROGOFF

Q.1. As you are probably aware, the Washington Metropolitan Area Transit Authority was created primarily to serve the Federal Government. However, not only is WMATA the only major U.S. transit agency without a significant source of dedicated funding (such as a sales tax), the local jurisdictions in which it operates do not receive property taxes from much of the property adjacent to Metrorail stations and Metrobus stops because it is owned by the Federal Government. WMATA continues to be essential to the operation of the Federal Government (*e.g.,* Federal employees comprise nearly 40 percent of WMATA's peak period ridership), as well as a component for ensuring continuity of Federal Government operations during an emergency. Do you believe that WMATA has a unique relationship with the Federal Government and that there is a need for the Federal Government to ensure that the system remains in a state of good repair?

A.1. I do believe that WMATA has a unique relationship with the Federal Government. As you note, WMATA provides many Federal workers, safe, reliable transportation to and from their jobs. Also, the general public relies heavily on WMATA to access government services and the Capital Region.

As a recent report commissioned by the Appropriations Committee reveals, maintaining the Nation's bus and rail systems in a State of Good Repair is essential if public transportation systems are to provide safe and reliable service to millions of daily riders. That report studied the conditions and needs of the seven largest rail transit agencies, including WMATA. If I am confirmed as FTA Administrator, I will take an active interest in WMATA's new multiyear capital improvement program, which becomes effective in July 2010, and is designed to address upkeep and maintenance of the system. I also support FTA's decision to tie the Dulles Corridor Metrorail project's funding eligibility to the state of good repair for WMATA. As part of that effort, the Commonwealth of Virginia, the State of Maryland, and the District of Columbia agreed to commit to fund the significant capital rehabilitation necessary for the overall system to enter into and maintain a state of good repair. That arrangement may serve as the model for future Federal funding agreements so that the Federal Government can ensure that transit agencies seeking to expand their infrastructure are also taking adequate care of their existing infrastructure. Since WMATA service to the Capital region is so essential, I believe every effort needs

to be made to keep the system up and running safely and efficiently.

RESPONSE TO WRITTEN QUESTIONS OF CHAIRMAN DODD FROM FRANCISCO J. SANCHEZ

Q.1. What was the extent of your involvement in the business of the Florida-based company Renaissance Steel and its receipt of a grant from the Corporation to Develop Communities of Tampa Incorporated?

A.1. In the summer of 2003 I joined the Board of the Community Development Corporation of Tampa ("CDC of Tampa"). CDC of Tampa is a nonprofit 501(c)3 organization dedicated to alleviating poverty and physical deterioration in the East Tampa area.

In the summer of 2005, CDC of Tampa staff engaged in discussions with Renaissance Steel, a start-up light-gauge steel manufacturing company located in East Tampa, about applying for a Department of Health and Human Services ("HHS") grant to support Renaissance Steel's efforts to create manufacturing jobs in East Tampa. I did not participate in these discussions, and had no relationship with Renaissance Steel at the time. Following these discussions, the CDC of Tampa staff informed the Board of Directors that it had applied for a $700,000 grant from HHS, and planned to loan $500,000 in start-up capital to Renaissance Steel.

In September 2005, HHS informed CDC of Tampa that its grant application was approved for funding.

In April 2006, I was hired by Renaissance Steel as its Chief Executive Officer. At this time, Renaissance Steel was struggling to penetrate the market and make sales. In July 2006, CDC of Tampa loaned Renaissance Steel $500,000 from its HHS grant for job training, hiring workers, equipment and working capital. The CDC of Tampa Board of Directors approved the loan to Renaissance Steel, but I recused myself from this process because of my new relationship with Renaissance Steel.

In May 2007, I resigned from the CDC of Tampa Board of Directors. In July 2007, although Renaissance Steel's sales figures improved, the company experienced cash flow difficulties, and it did not have enough money to meet its payroll. I made an unsecured personal loan of $160,000 to Renaissance Steel, so it could pay its employees.

In November 2007, Renaissance Steel ceased operations, and I resigned my position as CEO. Debts to some creditors, including CDC of Tampa, remained outstanding. I did not recoup $350,000 in personal loans and guarantees that I made to Renaissance Steel during my tenure.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR SHELBY FROM FRANCISCO J. SANCHEZ

Q.1. Please share with the Committee how you would use your office to promote U.S. exports?

A.1. ITA plays an important role in creating and sustaining high-paying jobs by helping U.S. businesses export, working for continued and greater access to foreign markets, and advocating for a fair

trade environment. The Commerce Department, as the chair of the interagency Trade Promotion Coordinating Committee (TPCC), has the lead role in ensuring that all U.S. export promotion programs and resources are deployed in a strategic and effective manner. If confirmed, I will work to ensure that the Department's export promotion programs, and those of the TPCC member agencies, maximize the competitiveness of U.S. businesses in the global marketplace. I will look forward to supporting the Secretary in his consultations with other TPCC agencies to develop a strong set of national priorities for boosting U.S. exports.

Q.2. If confirmed, do you plan to focus on opening markets for any specific industries in any specific countries?

A.2. In spite of the global scope of the economic downturn, willing buyers still exist abroad and many markets continue to grow. Economies in developing countries in Asia, led by China and India, are expected to grow by almost 5 percent this year, and regional economies in the Middle East and Africa are expected to grow more than 2 percent this year. If confirmed, I will work to maintain and improve access to these and other important markets.

Our trade promotion priorities should be closely aligned with the President's economic recovery and reinvestment goals. In the short term, if confirmed, I will look to create jobs by helping U.S. companies that currently export to continue doing so, and by encouraging more U.S. companies to export. Also, if confirmed, I would strive to ensure that, in the long term, new U.S. technologies in sectors like clean energy, smart grids, and healthcare lead to increased export opportunities around the world.

ITA will play an important role in supporting Administration efforts to build on existing trade agreements and in negotiating new ones in consultation with Congress and key stakeholders. If confirmed, I will ensure that ITA's resources are used to their maximum in achieving trade agreements that create opportunities for all Americans.

Q.3. I would like you to discuss how, if confirmed, you would work to ensure that American firms are not victims of unfair trading practices and what you believe can be done to ensure countries live up to their WTO obligations?

A.3. I am committed to vigorous enforcement of our trade laws, and to ensuring that domestic industries obtain effective relief from unfair trade practices. The Department of Commerce offers a wide variety of assistance to U.S. producers in connection with U.S. laws regarding unfair trade and, if confirmed, I will see to the effective administration of those laws.

It is important that the laws, practices and policies of other governments be consistent with their WTO obligations. If confirmed, I will make sure that vigilant monitoring of our trading partners is maintained, and that timely and effective advocacy on behalf of U.S. companies facing foreign market barriers and unfair trade practices continues.

Furthermore, with respect to the Doha negotiations, I will, if confirmed, firmly press for an outcome that maintains the integrity of our trade remedy laws.

Q.4. Please discuss your past role as CEO of Renaissance Steel and the grant awarded to Renaissance Steel by the Corporation to Develop Communities of Tampa, Inc. (CDC).

A.4. In the summer of 2003 I joined the Board of the Community Development Corporation of Tampa ("CDC of Tampa"). CDC of Tampa is a nonprofit 501(c)3 organization dedicated to alleviating poverty and physical deterioration in the East Tampa area.

In the summer of 2005, CDC of Tampa staff engaged in discussions with Renaissance Steel, a start-up light-gauge steel manufacturing company located in East Tampa, about applying for a Department of Health and Human Services ("HHS") grant to support Renaissance Steel's efforts to create manufacturing jobs in East Tampa. I did not participate in these discussions, and had no relationship with Renaissance Steel at the time. Following these discussions, the CDC of Tampa staff informed the Board of Directors that it had applied for a $700,000 grant from HHS, and planned to loan $500,000 in start-up capital to Renaissance Steel.

In September 2005, HHS informed CDC of Tampa that its grant application was approved for funding.

In April 2006, I was hired by Renaissance Steel as its Chief Executive Officer. At this time, Renaissance Steel was struggling to penetrate the market and make sales. In July 2006, CDC of Tampa loaned Renaissance Steel $500,000 from its HHS grant for job training, hiring workers, equipment and working capital. The CDC of Tampa Board of Directors approved the loan to Renaissance Steel, but I recused myself from this process because of my new relationship with Renaissance Steel.

In May 2007, I resigned from the CDC of Tampa Board of Directors. In July 2007, although Renaissance Steel's sales figures improved, the company experienced cash flow difficulties, and it did not have enough money to meet its payroll. I made an unsecured personal loan of $160,000 to Renaissance Steel, so it could pay its employees.

In November 2007, Renaissance Steel ceased operations, and I resigned my position as CEO. Debts to some creditors, including CDC of Tampa, remained outstanding. I did not recoup $350,000 in personal loans and guarantees that I made to Renaissance Steel during my tenure.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR BROWN FROM FRANCISCO J. SANCHEZ

Q.1. We have heard much concern from the district export councils in Ohio that the US Commercial Service is underfunded and has several officer positions overseas that are unfilled. What are your plans for the U.S. Commercial Service moving forward in order to assist American companies in beginning and expanding their export business?

A.1. The U.S. & Foreign Commercial Service (CS) is a critical part of the International Trade Administration. Under my leadership, if confirmed, CS will continue to ensure that U.S. companies, particularly small and medium-sized businesses, benefit from global trade. Through CS's global network of trade professionals in 109 U.S. cities, and in U.S. Embassies and Consulates in 77 countries, CS staff

will continue to work with U.S. companies by providing counseling, advocacy and market research, hosting and participating in trade events, and identifying potential international buyers or partners. CS will maintain its program focus on three priorities: increasing the number of U.S. companies that export; helping smaller companies expand into new export markets; and assisting exporters overcome hurdles in foreign markets. In addition, if confirmed, I will undertake a full review of CS' budget with a view to ensuring that there is adequate funding for this critical activity.

Q.2. What are your thoughts on the Government of China's challenge at the WTO of eight U.S. antidumping and countervailing duty determinations? How would you, if confirmed, ensure adequate defense of these determinations and would you enlist the assistance of other like-minded Nations?

A.2. I am committed to strong enforcement of our trade laws, and to ensuring that domestic industries obtain effective relief from unfair trade practices. Therefore, if confirmed as Under Secretary, I will make sure that Commerce continues to defend our rights to address unfairly traded imports to the fullest extent, including with respect to these eight determinations.

Q.3. I believe it is difficult to address our manufacturing crisis without addressing our trade imbalance. In what ways do you think the International Trade Administration can address our trade deficit? What role do you envision for the position of Assistant Secretary for Manufacturing and Services?

A.3. Manufactured products account for some 80 percent of U.S. goods exports. It is critical that we expand export markets for our manufacturers as a means to enhance economic recovery and restore jobs. ITA brings a critical set of tools to this effort including programs that help U.S. manufacturers become more competitive, contribute to reduction of foreign barriers to U.S. exports, increase the number of export-ready firms and expand U.S. exports in key emerging market and sectors. If confirmed, I will rely on the Assistant Secretary for Manufacturing and Services to be the "eyes and ears" for ITA in identifying key competitiveness challenges facing U.S. manufacturing and to advise me on high impact programs and policies that can enhance competitiveness.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR CRAPO FROM FRANCISCO J. SANCHEZ

Q.1. Please explain your views on the Industry Trade Advisory Committees (ITACs) that currently assist the USTR and Department of Commerce in developing our Nation's Trade policy.

A.1. The ITACs provide the Department of Commerce and Office of the United States Trade Representative (USTR) critical information and perspectives, which are used to develop U.S. trade policy. Having an effective mechanism in place that allows for a candid exchange between the private sector and government is vital to formulating and implementing an effective trade policy. If confirmed, I look forward to working with Ambassador Kirk and the industry representatives who serve as advisors on these committees.

Q.2. I understand that these Committees have proved to be a valuable resource in securing trade agreements and policies that benefit our Nation's industries. With this in mind, do you have concern that opening these committees to additional and varied interest groups might dilute their importance or impede the free exchange of ideas within the committees?

A.2. The issue of where nongovernmental organizations (NGOs) and other nonindustry stakeholders belong in the trade advisory committee system needs to be resolved. However, I do not have any preconceptions on this issue. If confirmed, I will use the upcoming ITAC rechartering process as an opportunity to work closely with USTR in finding the appropriate mechanisms with which to reach out to and consult with NGOs and other nonindustry stakeholders, and to determine if there are opportunities to expand their participation in the trade advisory committee system.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR SHELBY FROM RAPHAEL W. BOSTIC

Q.1. Involvement with IndyMac—Mr. Bostic, you were an independent director of two subsidiaries of IndyMac bank from 2005 to 2008. When IndyMac failed last year, it was at the time the 3rd largest bank failure in U.S. history. You have been named in a lawsuit against IndyMac, which alleges that the bank committed fraud in its underwriting of mortgage loans.

Would you please explain what type of businesses the IndyMac subsidiaries on whose boards you served were engaged in and what role you had in overseeing those subsidiaries as a director?

A.1. I was an independent director of IndyMac ABS and IndyMac MBS, which were limited purpose finance subsidiaries that executed securitizations of loans made by IndyMac Bank FSB. The Bank originated loans based on its established guidelines, determined which loans to aggregate into pools, and designed the content of the specific securitizations. I never saw loan pools or individual loans and did not discuss underwriting standards, practices, or business strategies of the Bank. The MBS and ABS subsidiaries purchased the loan pools and followed SEC regulations to transform them into saleable securities offered for sale to the secondary market through investment banks. The chief responsibility of the ABS/MBS organizations was to ensure that the registration documents and prospectuses (certified by independent auditors) conformed to SEC rules, indentures, statutes, and regulations. ABS and MBS did not originate or underwrite loans, nor were they linked to IndyMac Bank's decisions regarding underwriting standards, practices, or business strategies. As an independent director, my job was focused on seeing that the securitization process as a whole conformed to SEC regulations. I relied on information provided to me by management and employee board members and similarly relied on management to oversee specific securitizations. The ABS/MBS boards met only a few times a year, often virtually, to deal with basic organizational issues.

Q.2. Federal Reserve's Regulation of Mortgage Lending—Mr. Bostic, the Federal Reserve has been widely criticizing for not exer-

cising its authority under the Home Ownership and Equity Act, or HOEPA ("HOPE–AH") to issue rules to address well-known abusive mortgage lending and advertising techniques prevailing in the market place during the past decade. The Fed did not issue rules until last year, well after the housing bubble had burst.

Since you studied housing issues while you were an economist with the Fed, could you give your view on why the Fed was so slow to issue HOEPA rules?

A.2. There was not consensus among Board governors as to the need to update HOEPA rules. As the late Governor Gramlich noted in his book, there were serious discussions on these and related issues, but he did not prevail in most instances. When Gramlich resigned from the Board, no voice with his strength or clarity emerged to carry that torch.

Q.3. Do you think the Fed's failure to issue new HOEPA rules in a timely manner contributed to the ongoing problems in our housing market?

A.3. Additional restrictions and limitations on the mortgage market would have helped mitigate the negative outcomes to some degree. However, the market has proven to be extremely nimble in responding to restrictions. Research that I and co-authors have recently [in the last few weeks] considered has shown that the market adapts to legal strictures and finds alternative products that achieve similar goals in terms of reducing monthly mortgage payments and generating transactions. That said, the research considers the entire market, and does not account for the fact that not every broker or lender would adapt. Thus, for some, there would have been benefits from more proactive Fed issuance of new HOEPA rules.

RESPONSE TO WRITTEN QUESTIONS OF CHAIRMAN DODD FROM SANDRA HENRIQUEZ

Q.1. Replacement of Public Housing—An ongoing policy debate is the question of replacement of public housing units lost through demolition, disposition or other revitalization actions. When deciding how to replace these units, local agencies are often called upon to balance the needs of residents, unassisted eligible families, others in the community, housing market composition, and available funding. As Executive Director of the Boston Housing Authority, you have likely encountered this question in the administration of HOPE VI and other revitalization efforts.

What insights into this important issue have your experiences at the BHA given you?

What principles or objectives do you think should guide Federal and local policy in this arena?

A.1. Your question raises several important but competing policy concerns in affordable and public housing. In Boston, we have used successfully the HOPE VI funding to do mixed finance redevelopment of some of our most distressed public housing properties. Because we have no available additional land upon which to build, the BHA has redeveloped units within the existing footprint of the distressed property. Our policy has been to diversify incomes in the

new property, creating some market rate units, while returning a significant portion of all units as public housing or otherwise deeply affordable. We do this to re-house as many residents of the distressed property as possible (generally 75 percent to 80 percent). With community support services, we work to grow the incomes of returning public housing residents, rebuilding the former community. In recent redevelopment efforts, whether with Federal or State funds, the BHA tries to create as many or more units than in the original development.

In order to balance further the needs of Boston's unassisted eligible families, the BHA has partnered with its sister agencies to increase affordable rental production, we have converted tenant-based vouchers to project-based, to provide deeper affordability for families and individuals. When we do this, we require that for those project-based voucher units, the developer/owner use the housing authority's waiting lists to occupy them.

Based on my experience in Boston, I think that redevelopment of public housing cannot be entirely prescriptive. Housing Authorities should be leading redevelopment efforts in their communities guided by (1) returning to the marketplace, as many public housing units as possible, in order to serve the same number of economically eligible families; (2) providing other affordable housing opportunities for those not returning to the redeveloped property; (3) conducting an intense and ongoing participatory process with residents, beginning with the decision to redevelop, its implications for residents and the surrounding neighborhood, design, relocation, supportive services delivery and management policies and practices; and, (4) ensuring the implementation of healthy homes and green building principles in the construction of the property.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR SHELBY FROM SANDRA HENRIQUEZ

Q.1. *Public Housing Authorities*—Ms. Henriquez, the Boston Housing Authority, where you have been for the past 13 years, is the largest public housing authority in New England. You also served as President of the Council of Large Public Housing Authorities.

How will you ensure that your decisions at HUD take into account the effects on small housing authorities, which may be different than the effects on large housing authorities?

A.1. As a public housing executive director, my specific advocacy focused on HUD decisions as they affected large housing authorities. At the same time, I have participated in many forums that deal with all housing authorities—large, medium, and small, advocating on issues that affected every housing authority, regardless of size. If confirmed as HUD Assistant Secretary I will look forward to engaging in vigorous dialogue about the issues faced by our small housing authorities and the potential solutions. Such communication is essential since small housing authorities comprise a significant number of our PHA clients. I intend to work with them to ensure HUD's decisions take into account the differences among our various-sized housing authorities.

Q.2. Funding of Public Housing Authority Programs—Ms. Henriquez, in 2004 you co-authored an article criticizing HUD's

funding decisions for Section 8 programs and in 2007, in testimony before this Committee's Housing Subcommittee, you criticized HUD's decision to cut Hope VI programs.

Once you join HUD, how will you balance your concerns that public housing authorities get the money that they need with the reality that HUD's funds are limited?

A.2. If confirmed as a member of the Administration, I will advocate for a stable, transparent, and predictable funding environment for the Housing Choice Program. I intend fully to represent the administration in its budget deliberations and am prepared to make critical recommendations recognizing the myriad of priorities managed by HUD and other agencies covered by our Appropriations committee.

With regard to HOPE VI, the President's 2010 budget requests $250 million for a new initiative called Choice Neighborhoods that builds on the successes of the HOPE VI program to transform neighborhoods of concentrated poverty into functioning, sustainable neighborhoods. Housing authorities will be eligible to apply for these grants, in the range of $25–$35 million, to address the same types of developments that were funded under the HOPE VI program. These funds will help supplement the money housing authorities have already received under the Recovery Act and the capital funding housing authorities will receive as part of the FY09 Capital Fund appropriation.

If confirmed, I intend to represent well the Administration, and to work with Congress and HUD's various stakeholders to ensure a full participatory process.

RESPONSE TO WRITTEN QUESTIONS OF CHAIRMAN DODD FROM MERCEDES MARQUEZ

Q.1. Findings: 2007 Audit of the Los Angeles Housing Department's (LAHD) Loan Portfolio Management—A 2007 City of Los Angeles audit of the Department you began managing in 2004 found that the LAHD needed "to significantly improve its management controls to better manage its loan portfolio." Issues cited included concentrated risk among a relatively few borrowers, lack of adequate information systems to track loan performance, and inability to pursue maximum revenues through collection procedures and timely review of certain borrowers' financial statements.

The auditor also noted that LAHD's management concurred with the findings, recognized the need for improvement, had begun addressing some of the concerns, and had committed to addressing the recommendations. A contemporaneous press report quoted you as saying that "The direction that the controller goes in, I would agree with because it's the same direction I've been going in for 3 years."

Please respond to these audit findings for the record, including: your view of these findings; what actions you took, if any, to address these concerns; and whether these actions provide you with experiences that will inform your work at HUD, if confirmed?

A.1. I welcomed the audit as an opportunity to continue to improve the department's performance and generally agreed with the findings. In fact, my own department-wide assessment in 2004 found

many of the same issues, and I initiated measures to address the problems independently and before the audit recommendations that were issued in the fall of 2007.

For example, my assessment showed revenue collection through the timely review of borrower's financial statements could not be completed with the existing staffing levels.

Therefore, in the fall of 2005 for the fiscal year beginning July 2006, I fought for additional staffing for this purpose. This staff has been on board since late 2006, but the benefits of their work did not begin within the timeframe audited. Moreover, one of the only audit recommendations I chose not to implement was to conduct the review of borrower statements biannually. Rather, we conduct them every year, and this has led to a 514 percent increase in revenue generation from this type of loan.

Since the tax credit scoring system requires experience for an award, I addressed the issue of risk concentration from the front end by expanding the pool of developers who applied to the Department for funding. I worked to ensure that for-profit developers, who previously hesitated to partner with the Department, had confidence that an entrepreneurial approach now existed at the Department.

Finally, with the exception of two items related to loan write offs that the City Attorney's Office advised the Department not to implement because that would have had the effect of reducing the revenue collected by the Department, all the audit recommendations have been implemented or in the case of long-term information technology solutions are in the process of being implemented.

I believe strongly that had I not initiated a department-wide assessment immediately upon my arrival, additional and significant findings would have been made. For example, Project Clean House restored over $50 million in Federal funds to the Department's loan accounts that had been sitting idle in inactive or poorly designed projects. Like many of the other issues at the Housing Department, this problem was rooted in an unwillingness to look at programs and processes with fresh eyes, and to then jettison moribund policies when necessary. I hope to bring the same vision to CPD.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR SHELBY FROM MERCEDES MÁRQUEZ

Q.1. A 2007 audit report from the Los Angeles Controller identified a number of problems in the way that the Department of Housing manages its $735 million loan portfolio, such as making new loans to borrowers who are in default on other loans, failing to take action on delinquent loans, failing to monitor compliance with loan covenants, failing to review financial statements from residual receipt borrowers, and failing to maintain an adequate loan tracking system. Although some of these problems began prior to your tenure as General Manager of the Department, the report included a number of recommendations that it deemed to be in urgent need of management attention. How did you address the Controller's recommendations? If there were any recommendations that you did not address, why did you decide not to address them? What steps

do you plan to take to prevent similar problems in the Office of Community Planning and Development?

A.1. I welcomed the audit as an opportunity to continue to improve the department's performance and generally agreed with the findings. In fact, my own department-wide assessment in 2004 found many of the same issues, and I initiated measures to address the problems independently and before the audit recommendations that were issued in the fall of 2007.

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Q.2. In 2007, the Department of Housing allowed employees to volunteer for Habitat for Humanity during work time. You reportedly explained that the volunteer project was "well within [the Department's] mission." Do you consider participation in similar volunteer programs to be within the mission and job descriptions of HUD's Office of Community Planning and Development? If so, what types of volunteer programs are within the Office's mission and consistent with its responsibilities? If you plan to encourage employees to participate in similar volunteer programs at HUD during work hours, will it be your practice to require them to make up those work hours to fulfill the job responsibilities that they were unable to complete while volunteering?

A.2. The Habitat for Humanity project represented a unique opportunity for the department that is unlikely to be duplicated at HUD. First, the Department was the project sponsor and provided funding directly to the project, whereas HUD typically does its work through State and municipal bodies. This difference in mission and operational relationship to projects gives the Housing Department, I believe, a closer nexus to staff participation of this kind. In addi-

tion, approximately one-third of the Housing Department is composed of Code Enforcement staff, most of whom have a background in construction. This uniquely qualified staff expressed a strong interest in participating in the project and their work contributed in a significant way to its success.

Q.3. In May 2007, the Los Angeles Times reported that the Los Angeles Housing Department paid nearly $20,000 to bring in a trainer to help Department managers "center" themselves through breathing exercises and stick play. Did you find these management seminars useful and do you plan to use similar techniques at HUD? If so, please describe the types of seminars that you anticipate using and estimate how much you expect to include in your office's budget for programs of this nature.

A.3. Over a 2-year period LAHD managers participated in training sessions focused on change-management/strategic thinking. These sessions touched on strategic thinking, handling conflict and change, strategic positioning, moving and sustaining change within organizations, identifying opportunities and leveraging strengths, and strategic planning. The training focused in on the mission and actual work of LAHD to teach these concepts. For example, the team produced the first working outline of what would significantly contribute to LAHD's proposal for the Mayor's 5-year Housing Plan.

The training also incorporated physical exercises that have come to typify a significant percentage of Team Development workshops (*i.e.,* Outward Bound concepts) that use outdoor and physical activity to help people work as a team building trust, relationship, and learning to deal calmly with conflict without avoidance.

This training was successful. However, I believe that it was successful because it was tailored to the specific issues faced by the Los Angeles Housing Department. 1 have no current plan for any leadership training at HUD.

Q.4. Enhanced Reliance on Data—Ms. Márquez, in your written statement, you described the initiative that Los Angeles undertook to map the city to identify areas of greatest need.

Have you thought of similar ways in which HUD's Office of Community Planning and Development might use enhanced data analysis to determine where HUD assistance is needed most?

A.4. If confirmed, I will work in partnership with HUD's Office of Policy Development and Research and the Chief Information Officer to improve substantially the quality of HUD's mapping capabilities. I understand that the Department is already moving in this direction. HUD has made information available to grantees on what neighborhoods are most at risk of foreclosures and problems with vacancy in order to help jurisdictions plan the most effective use of their first round of Neighborhood Stabilization Program funds and to serve as a tool for selecting target neighborhoods in the application process for the second Neighborhood Stabilization Program funded under the American Recovery and Reinvestment Act of 2009. That mapping system can be linked from *www.hud.gov/nsp.* In addition, HUD is moving forward with getting special tabulation data from the U.S. Census Bureau showing housing needs with American Community Survey data. HUD's plan

is to begin updating these data annually starting in 2010. If confirmed I will work to make as much data as possible available in easy-to-use formats so that grantees and the general public can quickly identify both problems and opportunities for addressing needs for both housing and community development.

Q.5. Avoiding Undue Interference with the Market—Ms. Márquez, an article in *The Nation* last year noted your concern that communities not be forced to rush into putting Federal aid dollars to work buying up foreclosed properties. You were quoted as saying, "You don't want to get in the way of the market."

At HUD, what steps will you take to ensure that the local governments in the communities with which you are working are not displacing a functioning marketplace?

A.5. For Neighborhood Stabilization Program funds to have a positive impact, they need to be spent in neighborhoods where the housing market is not functioning. In those neighborhoods hardest hit, the market is not able to absorb the number of foreclosures and neighborhood stabilization activities have the potential to stem, halt, and hopefully reverse the downward spiral of foreclosure and abandonment that leads to crime, blight, continued decline in property values, leading to additional foreclosure and abandonment. In these neighborhoods, targeted intervention can make a difference.

The competitive round of the Neighborhood Stabilization Program will target neighborhoods in need of intervention, by geographic targeting using HUD data a threshold requirement. HUD requires applicants to analyze market conditions and demand factors in the targeted neighborhoods that will consider the potential for market absorption of foreclosed and abandoned properties. As such, the competition is designed to ensure that selected recipients will run programs that do not displace a functioning marketplace. If confirmed, I will take steps to make sure that recipients of both the formula and competitive programs have the sufficient data tools, technical assistance, and oversight to ensure that Federal dollars have a positive impact.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR SHELBY FROM MICHAEL S. BARR

Q.1. *Federal Reserve's Regulatory Role*—Mr. Barr, one of the key questions this Committee and the Administration will have to answer as we consider regulatory reform this year is what should be the role of the Federal Reserve. Some have suggested that the Fed become a super-regulator, with broad authority to regulate systemic risk. Others, however, have expressed concerns that the Fed's ability to be an effective regulator is undermined by its already large portfolio of responsibilities.

Do you have any concerns that the Federal Reserve presently has too many responsibilities?

Do you think that it is appropriate to give the Federal Reserve such a key role in our economy without restructuring the Fed? For example, should the presidents of the Fed's regional banks continue to be selected by the same banks the Fed is supposed to regulate?

A.1. As the Secretary of the Treasury has laid out in his outlines for comprehensive regulatory reform, he has made it clear that one of the fundamental lessons of the current financial crisis is that an independent government agency needs to have responsibility to identify and reduce threats to the stability of the financial system and must have all the authority, focus, and discipline necessary and appropriate to fulfill that responsibility. My understanding is the Department of the Treasury will propose that this regulator needs to have authority to regulate and supervise all systemically important financial firms and payment and settlement systems and that this regulator also needs to have authority to collect information to detect emerging threats from systemically important financial markets. As the Treasury weighs competing proposals on how to structure comprehensive regulatory reform, my understanding is that substantial attention will be given to determining the right portfolio of responsibilities to accord the Federal Reserve. Preserving the independence of the Federal Reserve and ensuring the robustness of its supervisory function will be a critical priority.

Problems of regulatory arbitrage, lax supervision, and gaps in the system for prudential supervision have contributed greatly to the current financial crisis. My understanding is that the Treasury is undergoing an examination of the broad regulatory architecture with a view to eliminating gaps and opportunities for arbitrage, to better align the structure so that accountability accompanies responsibility, and to promote better governance.

Q.2. *TARP*—Mr. Barr, in Congressional testimony you gave last year, you reflected on the nature of the Federal Government's recent bailout efforts by noting that "*Ad hoc* intervention is no substitute for a system of financial regulation." The *ad hoc* bailouts Treasury and the Fed have engineered during the past year have not served our economy well.

If we are to avoid *ad hoc* interventions in the future, however, we will need to address our "Too Big To Fail" Problem.

How serious is our "Too Big To Fail" problem and what do you think is the best way to minimize it?

Do you think that banks that are considered "Too Big To Fail" should be broken up?

A.2. As the Treasury Secretary has outlined in his proposals on systemic risk, this crisis has made clear that certain large, interconnected firms and markets need to be under a more consistent, and more conservative regulatory regime. The new regulatory regime cannot simply address the soundness of individual institutions, but must also ensure the stability of the system itself. We need to strengthen our system of prudential supervision across the financial sector. We must improve the quality of capital, ensure that we have better measures of risk, and require that all firms build up more capital during good economic times so that they have a more robust protection against losses in down times, and can continue to lend to America's households and businesses, big and small, throughout the economic cycle.

In addition to imposing a more conservative regulatory regime on the largest, most interconnected firms, it is also important to have in place a resolution regime that permits the government to resolve

in an orderly fashion any financial firm—no matter how large—whose disorderly failure threatens financial stability.

While asset size is one characteristic of firms that could pose a risk to our financial system, other characteristics include the financial system's interdependence with the firm and its relative role in the provision of credit and liquidity to the economy. Strong steps must be taken to limit the risk posed by these firms. For example, requiring a systemically important firm to hold much higher levels of regulatory capital helps to level the playing field and at the same time bolsters the resources of the firm to support those risks.

Q.3. Fannie and Freddie have been held in government conservatorship since September 2008 and billions of taxpayer dollars have been needed to keep them in operation. The details of the President's budget were released this week, including a discussion on the future of GSEs, with options ranging from a gradual wind down of their operations and liquidation of their assets to returning Fannie and Freddie to their previous status as GSEs that are shareholder owned organizations with a public purpose. What are your views as to the future of Fannie and Freddie? How will you advise the Treasury Secretary to proceed as the December 31, 2009, deadline for Treasury's GSE MBS Purchase Program and GSE Lending Facility looms closer?

A.3. The future of Fannie Mae and Freddie Mac will require careful consideration of the appropriate role of the Federal Government in the mortgage market. There are a number of options to consider, and if confirmed I look forward to working with Congress on evaluating those options.

The Treasury's GSE MBS Purchase Program was designed to provide added confidence to the mortgage market, and Treasury's GSE Lending Facility was designed to provide an ultimate liquidity backstop. Since these programs were established, the Federal Reserve has also established programs much larger in size and scope to purchase GSE (and Ginnie Mae), MBS, and GSE debt. As we move closer to the December 31,2009, expiration of the Treasury programs, I look forward to evaluating the continued need for the Treasury's program in light of current market conditions, the program announced by the Federal Reserve, and other ongoing or potential efforts in this area.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR KOHL FROM MICHAEL S. BARR

Q.1. The illegal Freezing and garnishment of federally exempt funds from the bank accounts of recipients of Social Security, SSI, and Veterans Benefits is a serious problem across America—leaving many of our elderly and disabled citizens temporarily destitute for weeks at a time. Treasury has been working with the payor agencies, including the SSA and the VA, Federal banking regulators, and representatives of recipients, to develop a proposed Federal regulation that would resolve the problem. However, despite our repeated requests, this development process has not been completed. Can you commit to getting this process completed in your first month as Assistant Secretary for Financial Institutions?

A.1. I am fully committed to ensuring that Federal antigarnishment statutes are given full force and effect, and as one of my first priorities will work with colleagues in the Fiscal Service at the Treasury, as well as with Federal benefit agencies across the government, to complete the issuance of a joint regulation to solve the problem of account freezes and garnishment of protected funds. In addition, working with both consumer advocates and Federal bank regulators, I am confident that such a regulation will embody strong protections for Federal beneficiaries without imposing burdens or shifting liabilities to financial/institutions, which need better Federal guidance on how to respond to garnishment and attachment orders from State courts. Federal regulations and consumer protections must evolve in response to new debt collection tactics to protect the lifeline benefits of our most vulnerable citizens.

Q.2. In addition to the illegal garnishment of exempt funds, there are numerous other ways that both banks and other financial service providers are depleting the benefits of our workers and our veterans. High cost loans, payday loans, and high bank fees, such as overdraft fees, are all currently permitted to be taken directly from Social Security and other benefit payments, which should be protected by law. We understand that this has been a problem since Treasury first wrote regulations under EFT 99 (the law passed in 1996 requiring Federal funds to be electronically deposited). Although the Treasury initiated an inquiry about these issues in 1998, nothing was done to ensure that these problems were resolved. Can you commit to addressing this serious problem in your first 6 months as Assistant Secretary for Financial Institutions?

A.2. I believe that, as with account freezes and garnishment of protected benefits, this problem can be addressed through the joint efforts of the Treasury, Federal benefit agencies, and Federal bank regulators. The Treasury can enhance its regulations governing the routing of electronic Federal payments to help ensure that benefits are not deposited with third parties that deduct fees or loan repayments prior to allowing beneficiaries access to their funds. The Federal benefit agencies, in turn, must improve their policies and practices designed to prevent the assignment of Federal benefits to third party creditors and debt collectors.

ADDITIONAL MATERIAL SUPPLIED FOR THE RECORD

Congressional Hispanic Caucus
United States Congress
Washington, DC 20515
CHAIRWOMAN
NYDIA M. VELAZQUEZ
12TH DISTRICT, NEW YORK

May 8, 2009

Senator Christopher J. Dodd
Chairman
U.S. Senate Banking, Housing and
Urban Affairs Committee
Washington, DC 20510

Senator Richard C. Shelby
Ranking Member
U.S. Senate Banking, Housing and
Urban Affairs Committee
Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

On behalf of the Congressional Hispanic Caucus (CHC), we write to you today to urge your committee, and the U.S. Senate as a whole, to swiftly confirm Francisco Sanchez for the position of Undersecretary for International Trade at the Department of Commerce.

Many CHC members have long been acquainted with Mr. Sanchez through his service in the Clinton Administration and were aware of his many talents. In particular, the CHC believe that with his knowledge and experience relating to foreign affairs, particularly Latin America, he will excel in this new role.

Mr. Sanchez's vast knowledge of the history, policies and key personnel of many foreign nations will serve our country well as we strive to re-establish healthy international relationships that have been neglected far too long. Mr. Sanchez's service with Buddy MacKay, Special Envoy to the Americas, during the Clinton administration provided valuable experience that he would be able use in this role. Also, he later served as Assistant Secretary of Transportation where his main focus was international negotiations.

We believe he is uniquely qualified for this nomination. That is why we urge your Committee and the Senate to confirm Francisco Sanchez as our next Undersecretary for International Trade.

Sincerely,

Nydia Velázquez
Chair
Congressional Hispanic Caucus

Charles A. Gonzalez
1st Vice Chair
Congressional Hispanic Caucus

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LISC
Helping neighbors build communities

May 11, 2009

Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby:

Local Initiatives Support Corporation strongly supports the nomination of Mercedes Marquez as Assistant Secretary for Community Planning & Development for the U.S. Department of Housing and Urban Development (HUD).

As General Manager of the Los Angeles Housing Department, Ms. Marquez has demonstrated vision, leadership and commitment in creating innovative approaches to addressing a severe local shortage of affordable housing. She has worked collaboratively with many stakeholders, including nonprofit organizations, in these efforts.

Before working for the LAHD, Ms. Marquez had invaluable experience at HUD, where she served as the Senior Counsel to Secretary Andrew Cuomo and Deputy General Counsel for Civil Rights and Fair Housing, and at McCormack Baron Salazar, a unique private housing and neighborhood development firm that specializes in large, complex, inner-city redevelopment projects. She also practiced law for 15 years.

Together, these experiences prepare Ms. Marquez to be an outstanding Assistant Secretary for Community Planning and Development. At CPD, she would be responsible for resources crucial to low-income families and communities, including Community Development Block Grants, the HOME program, McKinney-Vento homeless housing assistance, Neighborhood Stabilization Program, Housing Trust Fund, Section 4 capacity building, Rural Housing and Economic Development, HOPWA, and Section 108 guaranteed loans.

We hope the Committee and the full Senate will favorably consider Ms. Marquez's nomination immediately so that she can begin to address these important priorities.

Sincerely,

Michael Rubinger
President and Chief Executive Officer

LOCAL INITIATIVES SUPPORT CORPORATION
501 Seventh Avenue, New York, NY 10018 212.455.9800
www.lisc.org

WATT COMPANIES

May 11, 2009

Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby,

I am writing to enthusiastically support the selection of Mercedes Marquez as Assistant Secretary, Community Planning for the U.S. Housing and Urban Development Department (HUD).

I am on the board of the Los Angeles Business Council, which is the premier business advocacy organization in Los Angeles focusing on affordable and workforce housing issues. The LABC has partnered with the Los Angeles Housing Department (LAHD) successfully since Ms. Marquez was appointed General Manager in January of 2004.

Ms. Marquez is a champion of affordable housing. She has worked in leadership positions in both the private and public sectors and has a variety of experience that makes her an excellent choice for Assistant Secretary. As the General Manager of the LAHD, Mercedes is responsible for the direction, development and implementation of citywide housing production and preservation programs in Los Angeles. Under her leadership LAHD has developed and maintained increased funding for the Affordable Housing Trust Fund, created the City's first Moderate Income Home Buyer Program, and launched the Permanent Supportive Housing Program to house chronically homeless people.

In June of 2005, LAHD received the Innovations in American Government Award from Harvard University for its Systematic Code Enforcement Program (SCEP). More recently, Ms. Marquez has led the successful effort to establish two land acquisition loan funds for affordable housing in Los Angeles: (1) the $30 million Supportive Housing Fund, and (2) the $100 million New Generation Fund. Together, these funds will facilitate the development of 1500 units of permanent supportive housing and a minimum of 6000 units of affordable rental and for sale housing. Most recently, Ms. Marquez has acted immediately and boldly in crafting a response to the foreclosure crisis and its unique impacts in Los Angeles – ensuring that Los Angeles is in the best position to move forward and continue to receive its fair share of much needed federal dollars and garnering national recognition.

Having an experienced and highly respected leader such as Mercedes Marquez – an innovative thinker who has effectively worked with public, private, nonprofit and community leaders over many years – will be essential to developing the solutions needed to address the very complicated housing issues our nation faces at this critical time. I look forward to having this skilled and dedicated public servant at HUD during these challenging times. Thank you.

Sincerely,

Nadine Watt

Nadine Watt
Vice President
Watt Companies

Watt Companies, Inc. \ 2716 Ocean Park Blvd. \ Suite 3040 \ Santa Monica, CA 90405 \ Ph 310.314.2430 \ Fax 310.450.3802

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May 11, 2009

Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby:

On behalf of Enterprise Community Partners, I am writing to enthusiastically support the confirmation of Mercedes Márquez as assistant secretary for Community Planning and Development for the U.S. Department of Housing and Urban Development (HUD).

Ms. Márquez is a long time champion of affordable housing and community development, with an outstanding background in both the private and public sectors.

In the past several years, Enterprise has the great pleasure to work with Ms. Márquez in her capacity as the general manager of the Los Angeles Housing Department (LAHD). Under Ms. Márquez's leadership, LAHD joined Enterprise to launch the New Generation Fund in July 2008 —the first multimillion dollar financing tool for the creation and preservation of affordable housing in Los Angeles. The $100 million predevelopment and acquisition fund was designed to combat homelessness and reduce the housing burden on poor and working families by offering affordable housing developers early-stage financing for properties intended for low- and moderate- income residents. The New Generation Fund became the bedrock of Mayor Villaraigosa's ambitious $5 billion plan to create and preserve affordable housing for working families in the City of Los Angeles.

Most recently, Enterprise partnered with LAHD, HUD and others to unveil an innovative partnership to implement the Neighborhood Stabilization Program (NSP). Ms. Márquez led the formation of Restore Neighborhoods L.A., a community-based development entity to acquire and rehabilitate bank real-estate owned (REO) properties and turn them around for productive use for low-income housing.

Enterprise looks forward to supporting and partnering with Ms. Márquez in her new role as assistant secretary. We are confident that Ms. Márquez will join with the exciting team of talented and committed leaders at HUD to help our nation solve the challenges of affordable housing during these difficult economic times.

Sincerely,

Doris W. Koo
President and Chief Executive Officer

ENTERPRISE COMMUNITY PARTNERS, INC.
American City Building • 10227 Wincopin Circle • Columbia, MD 21044 • 410.964.1230 • www.enterprisecommunity.org

LABC
Los Angeles Business Council

May 8, 2009

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Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby,

On behalf of the Los Angeles Business Council (LABC), I am writing to enthusiastically support the confirmation of Mercedes Márquez as Assistant Secretary for Community Planning & Development for the U.S. Department of Housing and Urban Development (HUD).

As the premier business advocacy organization in Los Angeles focusing on affordable and workforce housing issues, the LABC has partnered with the Los Angeles Housing Department (LAHD) successfully since Ms. Márquez was appointed General Manager in January of 2004.

Ms. Márquez is a champion of affordable housing. She has worked in leadership positions in both the private and public sectors and has a variety of experience that makes her an excellent choice for Assistant Secretary. As the General Manager of the LAHD, Mercedes is responsible for the direction, development and implementation of citywide housing production and preservation programs in Los Angeles. Under her leadership LAHD has developed and maintained increased funding for the Affordable Housing Trust Fund, created the City's first Moderate Income Home Buyer Program, and launched the Permanent Supportive Housing Program to house chronically homeless people.

In June of 2005, LAHD received the Innovations in American Government Award from Harvard University for its Systematic Code Enforcement Program (SCEP). More recently, Ms. Márquez has led the successful effort to establish two land acquisition loan funds for affordable housing in Los Angeles: (1) the $30 million Supportive Housing Fund, and (2) the $100 million New Generation Fund. Together, these funds will facilitate the development of 1,500 units of permanent supportive housing and approximately 8,000 units of affordable rental and for sale housing. Most recently, Ms. Márquez has acted immediately and boldly in crafting a response to the foreclosure crisis and its unique impacts in Los Angeles – ensuring that Los Angeles is in the best position to move forward and continue to receive its fair share of much needed federal dollars and garnering national recognition.

Prior to joining the Los Angeles Housing Department, Ms. Márquez was Vice President of McCormack Baron Salazar, Inc., a national firm specializing in

the development, consultation and management of urban communities. From 1997-2001, she served in the Clinton Administration as the Senior Counsel to Secretary Andrew Cuomo and Deputy General Counsel for Civil Rights and Fair Housing in the U.S. Housing and Urban Development Department in Washington D.C. Prior to this, Ms. Márquez practiced law for fifteen years and was a partner at Litt and Márquez, where she specialized in complex public interest litigation.

Having an experienced and highly respected leader such as Mercedes Márquez – an innovative thinker who has effectively worked with public, private, nonprofit and community leaders over many years – will be essential to developing the solutions needed to address the very complicated housing issues our nation faces at this critical time. The Los Angeles Business Council looks forward to having this skilled and dedicated public servant at HUD during these challenging times. Thank you.

Sincerely,

Mary Leslie
President
Los Angeles Business Council

MacFarlane Partners

May 11, 2009

Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Re: Mercedes Marquez

Dear Chairman Dodd and Ranking Member Shelby,

On behalf of the Los Angeles Business Council (LABC), I am writing to enthusiastically support the confirmation of Mercedes Márquez as Assistant Secretary for Community Planning & Development for the U.S. Department of Housing and Urban Development (HUD).

As the premier business advocacy organization in Los Angeles focusing on affordable and workforce housing issues, the LABC has partnered with the Los Angeles Housing Department (LAHD) successfully since Ms. Márquez was appointed General Manager in January of 2004.

Ms. Márquez is a champion of affordable housing. She has worked in leadership positions in both the private and public sectors and has a variety of experience that makes her an excellent choice for Assistant Secretary. As the General Manager of the LAHD, Mercedes is responsible for the direction, development and implementation of citywide housing production and preservation programs in Los Angeles. Under her leadership LAHD has developed and maintained increased funding for the Affordable Housing Trust Fund, created the City's first Moderate Income Home Buyer Program, and launched the Permanent Supportive Housing Program to house chronically homeless people.

In June of 2005, LAHD received the Innovations in American Government Award from Harvard University for its Systematic Code Enforcement Program (SCEP). More recently, Ms. Márquez has led the successful effort to establish two land acquisition loan funds for affordable housing in Los Angeles: (1) the $30 million Supportive Housing

201 Spear Street, 14th Floor, San Francisco, CA 94105
415.356.2500 tel 415.356.2599 fax www.macfarlanepartners.com

Fund, and (2) the $100 million New Generation Fund. Together, these funds will facilitate the development of 1,500 units of permanent supportive housing and approximately 8,000 units of affordable rental and for sale housing. Most recently, Ms. Márquez has acted immediately and boldly in crafting a response to the foreclosure crisis and its unique impacts in Los Angeles – ensuring that Los Angeles is in the best position to move forward and continue to receive its fair share of much needed federal dollars and garnering national recognition.

Prior to joining the Los Angeles Housing Department, Ms. Márquez was Vice President of McCormack Baron Salazar, Inc., a national firm specializing in the development, consultation and management of urban communities. From 1997-2001, she served in the Clinton Administration as the Senior Counsel to Secretary Andrew Cuomo and Deputy General Counsel for Civil Rights and Fair Housing in the U.S. Housing and Urban Development Department in Washington D.C. Prior to this, Ms. Márquez practiced law for fifteen years and was a partner at Litt and Márquez, where she specialized in complex public interest litigation.

Having an experienced and highly respected leader such as Mercedes Márquez – an innovative thinker who has effectively worked with public, private, nonprofit and community leaders over many years – will be essential to developing the solutions needed to address the very complicated housing issues our nation faces at this critical time. The Los Angeles Business Council looks forward to having this skilled and dedicated public servant at HUD during these challenging times. Thank you.

Sincerely,

Gregory M. Vilkin
President
MacFarlane Partners

May-12-09 04:19pm From- T-718 P.002/003 F-471

THE UNITED STATES CONFERENCE OF MAYORS

1620 EYE STREET, NORTHWEST
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TOM COCHRAN

May 12, 2009

Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby,

On behalf of the U.S. Conference of Mayors, I am writing to enthusiastically support the confirmation of Mercedes Márquez as Assistant Secretary for Community Planning & Development for the U.S. Department of Housing and Urban Development (HUD).

The U.S. Conference of Mayors (USCM) is the official nonpartisan organization for the chief elected official, the mayor, of cities with populations of 30,000 or more. One of the principal policy issues of our organization is community development and housing. We have witness the outstanding career of Ms. Marquez since she was appointed General Manger of the Los Angeles Housing Department (LAHD) in January 2004.

Ms. Márquez is a champion of affordable housing. She has worked in leadership positions in both the private and public sectors and has a variety of experience that makes her an excellent choice for Assistant Secretary. As the General Manager of the LAHD, Mercedes is responsible for the direction, development and implementation of citywide housing production and preservation programs in Los Angeles. Under her leadership LAHD has developed and maintained increased funding for the Affordable Housing Trust Fund, created the City's first Moderate Income Home Buyer Program, and launched the Permanent Supportive Housing Program to house chronically homeless people.

In June of 2005, LAHD received the Innovations in American Government Award from Harvard University for its Systematic Code Enforcement Program (SCEP). More recently, Ms. Márquez has led the successful effort to establish two land acquisition loan funds for affordable housing in Los Angeles: (1) the $30 million Supportive Housing Fund, and (2) the $100 million New Generation Fund. Together, these funds will facilitate the development of 1,500 units of permanent supportive housing and approximately 8,000 units of affordable rental and for sale housing. Most recently, Ms. Márquez has acted immediately and boldly in crafting a response to the foreclosure crisis and its unique impacts in Los Angeles – ensuring that Los Angeles is in the best position to move forward and continue to receive its fair share of much needed federal dollars and garnering national recognition.

Prior to joining the Los Angeles Housing Department, Ms. Márquez was Vice President of McCormack Baron Salazar, Inc., a national firm specializing in the development, consultation and management of urban communities. From 1997-2001, she served in the Clinton Administration as the Senior Counsel to Secretary Andrew Cuomo and Deputy General Counsel for Civil Rights and Fair Housing in the U.S. Housing and Urban Development Department in Washington D.C. Prior to this, Ms. Márquez practiced law for fifteen years and was a partner at Litt and Márquez, where she specialized in complex public interest litigation.

Having an experienced and highly respected leader such as Mercedes Márquez – an innovative thinker who has effectively worked with public, private, nonprofit and community leaders over many years – will be essential to developing the solutions needed to address the very complicated housing issues our nation faces at this critical time. The U.S. Conference of Mayors looks forward to having this skilled and dedicated public servant at HUD during these challenging times. Thank you.

Sincerely,

Tom Cochran

CEO and Executive Director
The U.S. Conference of Mayors

CALIFORNIA
COMMUNITY
FOUNDATION

BOARD OF DIRECTORS

PRESIDENT

GENERAL COUNSEL

May 8, 2009

Senator Christopher Dodd, Chairman
Senator Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby:

Re: Nomination of Mercedes Márquez
Assistant Secretary for Community Planning and Development
U.S. Department of Housing and Urban Development

I am pleased to have this opportunity to enthusiastically support the confirmation of Mercedes Márquez as Assistant Secretary for Community Planning and Development. Under her leadership since January 2004, the Los Angeles Housing Department has been a creative and energetic partner with the California Community Foundation in serving the most vulnerable of our community.

As her experience shows, Ms. Márquez is a long-time champion of affordable housing and civil rights, and well-prepared for the responsibilities of this position. As the General Manager of the Los Angeles Housing Department for the past five years, Mercedes has been responsible for the direction, development and implementation of housing production and preservation programs in Los Angeles. Under her leadership LAHD has increased funding for the Affordable Housing Trust Fund, and launched a Permanent Supportive Housing Program to house chronically homeless people. Ms. Márquez also led the successful effort to establish a $100 million New Generation Fund to provide acquisition funds for affordable housing. The California Community Foundation was pleased to be able to participate with the City and other local foundations in this effort which will facilitate the development of approximately 8,000 units of affordable rental and for-sale housing.

Most recently, Ms. Márquez acted quickly and boldly to craft a response to the foreclosure crisis in Los Angeles, ensuring that the city receives its fair share of federal dollars and support, and bringing together partners from neighborhood groups, legal services, lenders and regulators to identify solutions for owners, buyers and communities.

Prior to joining the Los Angeles Housing Department Ms. Márquez was part of the highly respected development firm of McCormack Baron Salazar. Ms. Márquez also served at the U.S. Department of Housing and Urban Development

TEL: FAX: EMAIL:

Administration as the Senior Counsel to Secretary Andrew Cuomo and Deputy General Counsel for Civil Rights and Fair Housing. Prior to that Ms. Márquez practiced law for fifteen years, specializing in public interest litigation.

In this new role, Ms. Márquez will bring dedication, energy and innovation to the complicated issues facing our communities at this time. The California Community Foundation looks forward to working with Ms. Márquez in this new and exciting role.

Sincerely,

Antonia Hernández
President

MCCORMACK
BARON
SALAZAR

May 7, 2009

Honorable Christopher Dodd, Chairman
Honorable Richard Shelby, Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby:

On behalf of McCormack Baron Salazar, Inc., it is with great excitement and enthusiasm that I submit this letter of support for the confirmation of Ms. Mercedes Márquez as Assistant Secretary for Community Planning & Development for the U.S. Department of Housing and Urban Development (HUD).

McCormack Baron Salazar, Inc. is a national real estate development and property management firm specializing in rebuilding distressed urban communities. The firm has completed 124 developments in 25 cities totaling nearly 14,000 units, 1.1 million square feet of retail space and over $1.8 Billion in total development costs. The firm has received 90 Low Income Housing Tax Credit Awards and has completed or currently developing 23 HUD HOPE VI projects, including the C.J. Peete public housing site in New Orleans.

As you may know, Ms. Márquez is nationally recognized as a champion of affordable housing with the expertise to work on every aspect of the issue. Her former work with HUD as Senior Counsel to the Secretary and Deputy General Counsel for Civil Rights and Fair Housing along with her recent position as General Manager of the Housing Department with the City of Los Angeles provides her the range of skills necessary to be an excellent Assistant Secretary for Community Planning & Development. In addition, as Vice President with McCormack Baron Salazar, Ms. Márquez gained first hand experience with utilizing and leveraging public and private sector capital. During her tenure with the firm, Ms. Márquez was instrumental in developing projects that focused on persons with special needs that had difficulty finding decent and affordable housing.

As the General Manager of the Los Angeles Housing Department (LAHD), Ms. Márquez' most recent accomplishments, are worth noting. In this current position she is responsible for the direction, development and implementation of citywide housing production and preservation programs in Los Angeles. Under her leadership LAHD has developed and maintained increased funding for the Affordable Housing Trust Fund, created the City's first Moderate Income Home Buyer Program and launched the Permanent Supportive Housing Program to house chronically homeless people. Furthermore, Ms. Márquez led the successful effort to establish two land acquisition loan funds for affordable housing in Los Angeles: (1) the $30 million Supportive Housing Fund, and (2) the $100 million New Generation Fund.

McCormack Baron Salazar
801 S. Grand Avenue, Suite 780 Los Angeles, CA 90017 Phone 213 236.2660 Fax 213 236.0707 www.mccormackbaron.com

MCCORMACK
BARON
SALAZAR

Honorable Christopher Dodd, Chairman
Honorable Richard Shelby, Ranking Member
May 8, 2009
Page 2

Together, these funds will facilitate the development of 1,500 units of permanent supportive housing and approximately 8,000 units of affordable rental and for sale housing. Most recently, Ms. Márquez developed and is implementing a comprehensive plan to restore neighborhoods devastated by the high numbers of foreclosed properties. The plan calls for a public/private partnership to leverage funds from the HUD Neighborhood Stabilization Program. The City's achievement in housing is due in larger part to Ms. Márquez' adherence to a broader vision. By connecting present day intervention to long term outcomes, LAHD has been able to respond with innovative programming while reaching some of the City's most fragile populations.

On a personal note, I have known Ms. Márquez for approximately 25 years. Ms. Márquez' strong work ethic and sound analytical capacity does not come without distinguished personal and moral character. She is firmly grounded in a deep-seated value system that guides her personal and professional life that includes a lifetime commitment to service, equity and social progress. I can confirm that she has dedicated her entire life and career to providing safe, affordable and decent housing to those with the greatest need. She is a person who has used her commitment to such issues and superior intellect to act boldly to create innovative programs that serve America's low income families. I recommend her to you without reservation and I can think of no better person to serve as Assistant Secretary for Community Planning & Development for the U.S. Department of Housing and Urban Development (HUD)— during this time when America is facing its most difficult and complicated housing crisis.

Sincerely,

Tony M. Salazar

Tony M. Salazar
President