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Ben Carson's HUD Clocks Disappointing First Year

Vanessa Brown Calder

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Reaction was mixed when President Trump selected Ben Carson as secretary of the Department of Housing and Urban Development (HUD) a year ago. The D.C. establishment scoffed at the former Republican presidential candidate's lack of housing-policy experience. But some conservatives remained optimistic that Carson had the right intuition and would be able to advance a small-government agenda against the odds.

Doing so was important: HUD has long represented many of the aspects of government that fiscal conservatives and libertarians find objectionable, particularly its propensity for meddling in state and local affairs, usurpation of state responsibilities, and dysfunctional programs.

But Secretary Carson seems to have lost his interest in bold reform. Just consider what he has been up to: Soon after his appointment, the new secretary went on a multi-month national listening tour. After his public listening tour, he came home and listened some more. He spent time assuaging HUD staff concerns, letting them know he is on their side. In fact, when one HUD professional was asked what staff thought of the new secretary, she reportedly said "he doesn't bother us."

After all that listening, Carson and his team put together a list of <u>goals</u> for HUD that included: 1) reimagining HUD, 2) restoring the American dream, and 3) rethinking American communities.

What does this shell of an action plan mean? The plan details do include such lackluster suggestions as "improve the way we work," "organize and deliver services more effectively," and "enhance rental assistance." Did your eyes glaze over?

There are also downright counterproductive goals, such as "increase homeownership," along with "improve financial viability." Hard experience has taught Americans that for government, these two objectives don't go together. For evidence, see the financial crisis. That Republicans are still pushing homeownership is troubling.

Other actions have been similarly uninspired. Last summer Carson backtracked on his fiercest criticism of HUD policy when he decided to keep the rule he called a "social-engineering scheme" and "reinterpret it." The rule in question (Affirmatively Furthering Fair Housing) makes HUD an overseer of local demographic information, with a special eye toward eliminating demographic segregation.

Unfortunately, the rule seems to be only <u>loosely based</u> on the 50-year-old legislation (the Fair Housing Act) it purports to interpret, and is probably another example of a federal agency getting

creative regarding ways to expand its mission. Congress should pass new legislation if it likes the rule. Either way, Carson's updated plan to "reinterpret" the rule has meant nothing more than delaying a deadline for cities' submitting information.

Otherwise, Carson's most significant 2017 action was probably his attempt to delay implementation of an Obama-era HUD rule called Small Area Fair Market Rents. That rule allows people who want to live in more expensive areas to receive greater housing subsidies. The rule is controversial, since 75 percent of qualifying low-income people don't receive housing subsidies, and the rule increases subsidies to the 25 percent who have already won the housing-voucher lottery. In any case, Carson's initiative ended in December, when a federal judge ordered HUD to implement the rule.

Carson may just be unlucky when it comes to implementing reform, but he could still use his position to steer the public debate. For example, Carson should raise awareness that restrictive zoning regulations, including rules that limit housing density and design, <u>drive up housing prices</u>. He should promote this deregulatory message whenever he visits with officials in unaffordable areas.

But Carson seems to have stayed mostly silent on this critical housing issue. He has also been pretty quiet on the proposed cuts to his department in President Trump's budget while vocally arguing for expansions or new programs such as <u>EnVision Centers</u>, designed to aggregate government services for HUD tenants.

Worse, Carson has championed expanding the Low-Income Housing Tax Credit, one of the <u>least</u> <u>effective housing subsidies</u> the federal government runs. In November, Carson called it "<u>one of</u> the most effective tools we have."

This doesn't leave a casual observer with much to hang his or her hat on, and it makes one wonder: Where is the fearless leader of yester-(campaign)-year? Where is the courageous conservative who said "a government that takes care of all your needs" is "the opposite of compassion" and compared one Obama HUD initiative to "experimenting with failed socialism"? Carson's conservative firebrand seems to have quickly been extinguished in the dank Washington swamp.

Truthfully, not all of Carson's HUD failures are his own. There are advisers and there is Congress, and some of his political appointees' confirmations are still languishing. Also, Congress has been unsuccessful in passing a budget that could guide agency reforms.

Either way, the new year provides a new opportunity. Carson can find his footing and lead HUD with a brave new vision rather than sustain the status quo. Perhaps he can disprove the D.C. adage that "the only thing conservatives are good at conserving is liberalism from four years ago." One can hope.

Vanessa Brown Calder is a policy analyst at the Cato Institute.