

'I have the gavel': Waters touts agenda but leadership challenges loom

By Neil Haggerty

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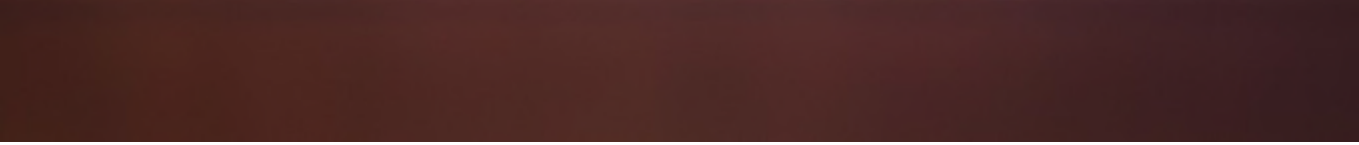
More in Election 2018, Regulatory reform, Affordable housing, Diversity and equality, Maxine Waters, House Financial Services Committee, CFPB

WASHINGTON — Rep. Maxine Waters said Wednesday she is interested in finding common ground with Republicans on banking policy, but made clear she will assert her leadership as the new head of the Financial Services Committee.

"I will work with those on the opposite side of the aisle who want to work on issues that we are alluding to," Waters said in remarks to the Center for American Progress, her first formal policy speech since taking the committee's reins. "But of course, if they don't, I have the gavel."

Waters discussed her legislative priorities as Democratic leadership continues to finalize which members will sit on the committee, where a push to add newly elected progressives could set up a conflict with more moderate Democrats on the panel.





"We will be holding committee hearings on homelessness and important housing issues that have gone ignored over the last Congress," said Rep. Maxine Waters, D-Calif., the new chairwoman of the House Financial Services Committee.

Bloomberg News

The committee, she said, will increase its focus on affordable housing, financial inclusion and strong oversight of Trump administration regulators.

Waters criticized the former Republican leadership of the committee for ignoring the homelessness crisis in America, and said she expect to hold hearings to address the issue.

"We will be holding committee hearings on homelessness and important housing issues that have gone ignored over the last Congress," Waters said.

Specifically, she said she will be reintroducing the Ending Homelessness Act that would provide more than \$13 billion in new funding over 12 years for federal programs to help end homelessness.

She also plans to reintroduce the Restoring Fair Housing Protections Eliminated by HUD Act, which would restore language in the department's mission statement referring to building "inclusive and sustainable communities free from discrimination" and require HUD to report to Congress on risks related to discrimination in connection with online platforms.

"Congress needs to provide a surge of funding and resources," Waters said. "Just as Congress puts billions of dollars into defense spending, we must provide the funding necessary to ensure that all Americans have access to safe, decent, and affordable housing."

She added that the committee will put forth a "comprehensive strategy" for reforming the housing finance system that is focused on access to affordable mortgage credit and rental housing.

Waters also touted a new House Financial Services subcommittee on diversity and inclusion that will be added in the new Congress to focus on improving diversity in the financial services industry.

"There is a growing body of research showing a connection between the level of diversity at a company and the strength of its financial performance," Waters said.

But how successful the committee is in advancing legislative initiatives could depend in part on the level of unity in the Democratic caucus.

Democratic leadership has recommended new House members to the committee who [have drawn attention for their progressive views](#) and could force the committee's agenda further to the left.

Those poised to join the committee include Rep. Alexandria Ocasio-Cortez of New York, a self-described democratic socialist; Rep. Rashida Tlaib, D-Mich., who gained attention after using an expletive at a speech saying she wants to impeach President Trump; Rep. Ayanna Pressley, D-Mass., who won a primary challenge against former committee member Mike Capuano; and Rep. Katie Porter, D-Calif., a consumer protection advocate who studied under Sen. Elizabeth Warren, D-Mass.

Ocasio-Cortez "may be pushing for a very aggressive agenda not having responsibility for running a committee, whereas the Chairman has to balance the needs of the entire caucus and the entire membership of the committee on the Democratic side," said Brian Gardner, a policy analyst at KBW. "It's not a monolithic group. ... Waters is also a political pragmatist and politically savvy. Having outspoken progressives on the committee can complicate things for her."

Waters will have the power to schedule hearings and bill markups, as well as control who testifies before the committee. But analysts said she may need to try to appease multiple parties within her caucus in order to keep Democrats on the committee unified.

The committee will likely try to strike a balance between the progressive Democrats on the committee and more centrist, business-friendly members, including the New Democrat

Coalition.

"There are aspects that she might not push because they might be divisive for her party," said Brandon Barford, a policy analyst at Beacon Policy Advisors. "Any chair inevitably doesn't want to have a divided party especially when they are going to do actual legislation."

In her speech, Waters said she plans to work with Rep. Patrick McHenry, R-N.C., the committee's ranking Republican, on legislation to improve access to capital for startup firms, including fintech companies, and promote transparent standards for corporate insiders.

"I am very pleased to announce that Ranking Member McHenry and I are reintroducing the Promoting Transparent Standards for Corporate Insiders Act together," she said.

A former senior Democratic congressional staffer said the party's new 34-26 majority on the committee means Waters can't afford to lose many Democratic votes on proposed bills.

"Maxine will have a majority of eight," the former staffer said. "That means on any vote, Maxine can only lose three. If she loses four, it's a 30-30 tie and you can't pass legislation on a tie."

Travis Norton, who worked for former House Financial Services Committee Chairman Jeb Hensarling, R-Texas, said Waters "will obviously want to protect her side from difficult votes."

"I think she will pick and choose times when she blesses some of her members to vote against a fellow Democrat's amendment or a fellow Democrat's piece of legislation," said Norton, who is now an attorney at Brownstein Hyatt Farber Schreck.

While new members of Congress in the past have not been as influential as the more senior lawmakers, the incoming class may use other outlets to voice their opinions.

"This is not your father's freshman class," the former Democratic staffer said. "When you look at the freshman class, it's pretty clear given their use of social media and high-profile

sort of presence. How does [Waters] not make sure that they get an opportunity to participate? They are going to find a way to be heard."

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