

**Statement of Chairman Jeb Hensarling
Committee on Financial Services
before the
Committee on House Administration
Hearing on Committee Funding for the 114th Congress
February 11, 2015**

Chairman Miller, Ranking Member Brady and Members of the Committee:

Ranking Member Waters and I are pleased to appear before you on behalf of the Financial Services Committee.

I certainly believe Congress must always lead by example in matters of budgeting, especially at this time of historically high deficits and debt. You have tough decisions to make about budgeting limits and priorities, as do we. To help you in this effort, I am here to explain our Committee's priorities and discuss how we plan to use these valuable resources to better serve taxpayers, consumers, and our members.

As you may know, the Financial Services Committee has jurisdiction over the entire U.S. financial system. This includes the banking system, our capital markets, housing, insurance, monetary policy, and international finance. From Main Street to Wall Street, there are few financial transactions that aren't impacted by the policies considered in this committee.

Among the agencies we oversee are the Federal Reserve Board, the Securities and Exchange Commission, the Department of Housing and Urban Development, the Bureau of Consumer Financial Protection, and several components of the Department of the Treasury. Our 34 Republicans, 26 Democrats and few dozen committed staffers, whose salaries comprise the vast majority of our committee's budget, work to make sure the agencies under our jurisdiction treat the taxpayers' dollars with respect because, after all, it is not Washington's money; it is the taxpayers' money.

As I testified last Congress, just like every American family has to prioritize their spending, so do we. In the last Congress, we readjusted our spending to accommodate the sequestration cuts by combining two subcommittees to streamline the workload; delaying many equipment purchases and IT investments; and putting off important long-term staff hires. In addition to those actions, we were forced to reprioritize our spending mid-Congress to accommodate essential hearing room renovations after numerous audio and visual failures. While we are very pleased to have these necessary renovations – and I thank the Chair and committee members for the assistance and excellent service that you have provided – it is important that you are aware how it factored into our budgeting and spending decisions. The urgent need for the hearing room renovation, combined with the uncertainty surrounding the potential need for the committee to cover an unknown portion of the costs, made it difficult to budget for staff hires, which is a top priority in this Congress.

The 2008 financial crisis was the worst since the Great Depression, and it exponentially increased the workload of our committee. Most believe the underlying cause of the crisis falls

within our committee's jurisdiction. Whether it's examining the role of Washington housing policies and the government sponsored enterprises in the lead up to the crisis, or the Federal Reserve's monetary policy, these are important issues that our Committee is committed to addressing so we do everything within our power to avoid another crisis.

The 114th Congress is set to be our busiest since Congress passed the Dodd-Frank Act in 2010. Dodd-Frank is the most dramatic change to our nation's financial regulatory system since the New Deal, and the fact that nearly five years later regulators are still writing many of its mandated rules and regulations testifies to its complexity. Dodd-Frank's 2,300 pages include more than 400 separate rulemakings. Every sector of our economy, every town and every pocketbook and wallet in America is somehow impacted by it. From manufacturers of the latest smartphones to families trying to buy or sell a home, to single moms purchasing groceries with their credit cards, virtually no one in America is left untouched by Dodd-Frank. But while major laws like the Affordable Care Act spans across three committees of jurisdiction; our committee has sole responsibility for overseeing the bulk of Dodd-Frank's implementation. Therefore, to make sure the law is properly implemented, we will and must continue to focus much of our energy and resources on monitoring its implementation, making legislative changes, and exercising robust and effective oversight of financial regulators.

As millions of our fellow Americans struggle in this economy, our committee will also continue working to send to the House floor dozens of bipartisan job creation bills. In fact, our committee's capital formation package – sometimes called JOBS Act 2.0 – was one of the first agenda items to be considered this year. We want to work with our members – both in the majority and the minority, in the House and the Senate – on further bipartisan approaches that will promote economic growth, opportunity, and job creation. Regulatory relief that helps small businesses, entrepreneurs and emerging growth companies gain access to capital will help build a healthier economy and create good-paying jobs on Main Street.

Additionally, our Committee will be marking the 50th anniversary of the creation of the Department of Housing and Urban Development by tackling what some have aptly called “the unfinished work of welfare reform”. The committee will work with housing advocates to identify reforms that will bring hope and opportunity to the neighborhoods that need it most, and we will examine how to bring welfare-to-work principles to our nation's housing problems. Additionally, the committee will be conducting a historic level of oversight of this large agency in an effort to weed out ineffective programs and inefficient spending.

In closing, our Committee is already hard at work on the priorities of the American people, and with further resources, will be able to provide the manpower to propose even more policies that will secure economic opportunity and financial independence to the hardworking taxpayers and consumers we serve.

Thank you again for the opportunity to testify today.