

Testimony of the Honorable Maxine Waters
Ranking Member
Committee on Financial Services
Before the House Committee on Administration
March 1, 2023 9:40 AM

Good morning, Chairman Steil and Ranking Member Morelle. I'm pleased to be testifying alongside Chairman McHenry this morning to discuss the funding needs of the Committee on Financial Services. This is my second tour as Ranking Member of the Committee, having previously served from 2013 through 2018. Given this previous experience as Ranking Member and my more recent experience as the Committee's first Chairwoman, I believe that I have a unique perspective on the Committee and the funding level it needs in order to be effective.

Our Committee splits its funding without restriction with one-third for the minority and two-thirds for the majority. This split has been very helpful in budgeting and meeting our needs and I see no reason for it to change.

The Committee on Financial Services has jurisdiction over our nation's financial institutions, capital markets, housing programs, monetary policy, and certain aspects of our nation's national security. These issues are highly complex yet critical for the effective functioning of our nation's economy. As a result, the Committee must and has, under Democratic and Republican leadership, undertaken strong oversight of our nation's financial and housing systems. We are also on the front lines of any economic crises. During the 2008 subprime meltdown, our Committee was at the forefront of passing legislation to save our financial system from imploding and several years later we enacted legislation to prevent any future financial market meltdowns.

Under my leadership as Chairwoman, our Committee once again was called upon to draft and pass legislation to protect the economy at the onset of the pandemic, and later to improve its implementation, including by strengthening the PPP program so that more community

development financial institutions and minority depository institutions could fairly participate. Later, I worked with Chairman McHenry to secure historic capital and emergency investments into these institutions. And when a wave of evictions threatened to create millions of new homeless Americans, our Committee quickly drafted legislation to fund emergency rental assistance programs, which was signed into law by President Trump and again by President Biden. Today, as the cryptocurrency markets meltdown, the Financial Services Committee will once again be the leader in drafting legislation to protect consumers and investors while encouraging responsible innovation and safeguarding our financial system from the threats of unscrupulous actors in the crypto market.

All of this work requires staff. I'm honored to have a staff that consists of the smartest, brightest, and most informed public policy professionals in Washington. They are true public servants and have strong values in advocating and legislating for policies that lift up the most vulnerable. They worked tirelessly during the pandemic and transitioned seamlessly to a hybrid working environment, never once dropping a step. This is why I am pleased that during our transition to the minority, the vast majority of staff were retained and due to sound management of our Committee funds, at current funding levels, we do not foresee any pay cuts or furloughs. However, maintaining the status quo is simply not sufficient given the scale of the work in front of us.

My chairman has laid out an ambitious agenda that will require us to increase our staffing and expenditures to ensure that we are able to properly engage with him on the important issues he means to take on. And while I don't foresee pay cuts or furloughs, at our current staffing levels, we also don't have funding available for pay raises or bonuses either. In addition, as the Chairman has indicated that he would like to hold field hearings, we would require additional funds to pay for the travel of staff and Members to these events to ensure that Democratic Members can participate. I am also aware that he is planning a robust legislative and oversight agenda, which will require my staff to also work hard to keep up. In short, without additional funds we will not be able to expand our operations or reward staff for their solid work through bonuses at the end of the year.

Therefore, I support the Chairman's request for a 5 percent budget increase for our Committee. This is a reasonable amount and will allow the entire Committee to function at its full potential. While there are many things that the Chairman and I will disagree on over the next two years, it should say a lot to this Committee that funding and staffing is the one thing that we will always agree on. I strongly encourage the Committee to appreciate and give additional weight to our unity on this important issue and to fund the Committee accordingly.

Thank you and I look forward to your questions.