



United States House of Representatives
One Hundred Nineteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Testimony of Chairman French Hill Before the Committee on House Administration

February 11, 2025

Good afternoon, Chairman Steil and Ranking Member Morelle. Thank you for inviting me to testify before the Committee on House Administration on the budget request for the House Financial Services Committee in the 119th Congress.

I have outlined a broad and comprehensive agenda for the Committee for the next two years. Under my leadership, the Committee will seek to right-size the regulatory system, particularly for community banks, create a regulatory framework for digital assets that will protect consumers and investors while maintaining America as a leader in innovation, and ensure agencies in the Committee's oversight jurisdiction are focused on their core statutory directed missions.

There are also items that are in the Committee's jurisdiction that must get done, including the reform of the National Flood Insurance Program (NFIP) and the Export-Import (Ex-Im) Bank Reauthorization. The Committee also must ensure it is prepared to work with the relevant Appropriations Subcommittees and Trump Administration to ensure any negotiations over capital replenishments are accompanied by significant and much-needed reforms for multilateral development banks and International Financial Institutions, such as the World Bank and International Monetary Fund (IMF).

Additionally, the Committee must be prepared for Black Swan Events, such as the long-tailed impact of Quantitative Easing; severe fiscal spending and resulting inflation; the refinancing risk associated with commercial real estate expense in the United States as a result of declining needs for space and increased interest rates; Treasury refunding challenges of a \$2 trillion unsustainable annual budget deficits; and, other international shocks brought about by collapsing growth in Europe and significant debt and structural weakness elsewhere like China. The Committee must also be prepared to consider reform and restructuring proposals related to the mortgage GSEs, Fannie Mae and Freddie Mac, should this become a priority of the Trump Administration.

In order to accomplish these objectives and necessary tasks, I am requesting a 10% increase in funding to the Committee budget from the previous Congress. This increase would put the Committee in line with the historic average. In the 118th Congress, we were the eighth-

highest funded Committee. This is a decrease compared to the 117th and 116th Congresses, when the Committee was the fifth-highest funded.

This increase would allow the Majority to fully staff the 57 allotted slots. In the previous Congress, the Majority had 42 people on staff. I am seeking to hire more people so we can fulfill and deliver what was promised to the American people. Currently, there are two subcommittees who are only staffed by two individuals. As we look to properly hire for these positions, it is critical that we are not forced to cut staff elsewhere or limit hiring within some of our other Subcommittees.

Additionally, the Committee has created a new Task Force examining both monetary policy and the Treasury debt market decisions of the last few years. I am proposing to hire a Chief Economist to oversee this effort, as well as in policy analysis to assist in this work. This Task Force will be critical in examining the mistakes of the past so the American people are not stuck with stubbornly high inflation as a result of misguided monetary policy decisions.

Finally, I have requested an increased travel budget. As demonstrated by the recent success of the Ways and Means Committee, field hearings will be critical to getting our positive message out to the American people. I am encouraging all our Subcommittees to take advantage of these opportunities to bring the work of Washington outside of the Beltway.

The financial services industry helps drive economic growth, supports small businesses, and is at the forefront of innovation in our country. It is imperative that this Committee can thoroughly examine the policies affecting this critical sector of the economy. Thank you for your consideration of this request, and I look forward to working with you all this Congress.