

**Statement of Chairman Jeb Hensarling
Committee on Financial Services before
the
Committee on House Administration
Hearing on Committee Funding for the 115th Congress
February 16, 2017**

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

I am pleased to appear before you today. 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 many agencies we oversee are the Federal Reserve, the SEC, HUD, the CFPB, and several components of the Treasury Department; banking and credit union regulators such as the OCC, the FDIC, and the NCUA; entities created by the Dodd-Frank Act such as the CFPB, the OFR, and the FSOC; and the FHFA, the PCAOB, the MSRB, SIPC, FASB, and FINRA. Our 34 Republicans, 26 Democrats and 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 in prior Congresses, just like every American

family has had to prioritize their spending, so have we. We have trimmed costs in a number of ways, including delaying important IT investments and staffing hires.

At the same time, we have given taxpayers good value for their money. Last Congress, we marked up 88 bills, the vast majority of which received consideration on the House Floor. Importantly, 36 of our bills were signed into law. These bills increased economic opportunity for everyday Americans and strengthened our financial system.

We want to continue to work with our members – both in the majority and the minority, in the House and the Senate – on additional 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.

Building on our track record of success, the 115th Congress is set to be our busiest yet. The 2008 financial crisis was the worst since the Great Depression, and Congress's response to the crisis – the 2,300 page-long Dodd-Frank Act – is the most dramatic change to our nation's financial regulatory system since the New Deal. 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 span across three committees of jurisdiction, our committee has sole responsibility for overseeing the bulk of Dodd-Frank's implementation.

This year, the Committee will advance several important

pieces of legislation to create economic opportunity for all while protecting the financial system from future shocks and downturns – matters that Dodd-Frank did not adequately address. Thus, we will look to finally end taxpayer-funded bailouts and “too big to fail” financial institutions; streamline regulations on community financial institutions so that consumers have greater access to loans and other financial services; reform the Federal Reserve; and reauthorize and modernize the National Flood Insurance Program.

We will undertake the important work of reforming our nation’s mortgage finance system – something that Dodd-Frank failed to do. Recognizing that the current government-dominated system of mortgage finance cannot be sustained, our Committee will advance proposals based on free markets and competition so that consumers can choose the mortgage product that best suits their needs while also ensuring that the

Government Sponsored Enterprises – Fannie Mae and Freddie Mac – never again threaten the economy and taxpayers with bailouts.

Additionally, following the 50th anniversary of the creation of the Department of Housing and Urban Development, we will tackle 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.

Finally, when we adopted our rules for this Congress, we made permanent our Task Force to Investigate Terrorism Financing. Our new Subcommittee on Terrorism and Illicit Finance will continue the work begun by the Task Force of thoroughly investigating the financial support networks of

national security threats. We hope to be able to provide appropriate staffing resources so that the new Subcommittee can undertake this critical work; our budget submission for this Congress reflects the creation of this Subcommittee.

In closing, the Financial Services Committee is already hard at work on the priorities of the American people. The Committee has already moved three bills through the House and one was signed into law by the President on Tuesday. With additional resources, will be well-positioned to secure economic opportunity and financial independence for the hardworking taxpayers and consumers we serve.

Thank you again for the opportunity to testify today.