

Opening Statement of Representative Carolyn Maloney
FI Subcommittee Hearing on Oversight of the CFPB
March 16, 2011

Thank you and welcome to Elizabeth Warren who has been at the forefront of the effort to create a consumer bureau for years now. Thank you for your service and for your commitment to American families. You have been a true champion for the American consumer and fair and balanced in your work.

History has long shown us that our country is at its most secure and most prosperous when the middle class is economically vibrant and growing. Recent history has also shown us that the reverse is true.

Though it is hard to come by an exact figure - in 2008 - the worst year of the Great Recession - Household Wealth in America fell by more than \$11 Trillion. Let me repeat that figure - \$11 Trillion.

And the Middle Class - by any reasonable measure - has bourn the brunt of the economic damage. Millions lost jobs, lost homes, lost the chance to go to college - lost the hope of a better, brighter future.

That hard and inescapable fact was one of the most compelling reasons for the enactment of the Dodd-Frank bill and the creation of the Consumer Financial Protection Bureau.

We took a huge step forward toward creating a more level playing field for the American Consumer and the American Middle Class.

For far too long, in our financial system, regulatory concerns about consumer protection came in a distant second, or third, or not at all.

But now, for the first time, anyone who opens a checking or saving account,

Anyone who takes out a student loan, or a mortgage,

Anyone who opens a credit card, or takes out a payday loan,

Will have someone looking out for them - and a federal agency on their side to protect them.

For the first time, consumer protection authority will be housed in one place - the CFPB

With an independently appointed director

An independent budget

And, autonomous rule writing authority.

For the first time, a truly independent authority will be able to write new rules for non-bank financial firms including payday lenders, debt collectors, mortgage brokers and other financial institutions.

And very importantly, for the first time consumers will truly have a seat at the table at the Financial Stability Oversight Council - and the Council will have the authority to nullify any rule it believes will harm an institution's safety and soundness.

This kind of even handed - common sense - oversight of our financial system - with strong consumer protections - will ensure the safety and soundness of the system as a whole and is clearly in the best interests of the American Consumer- the driving force of the American economy.

Elizabeth Warren has been at the helm since September, 2010 as the agency gets off the ground. So I will be interested to hear how the process is going as well as what the agency's initial priorities are going to be when authority is officially transferred in July.

I thank the chair and welcome Ms. Warren and look forward to her testimony.