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Opening Statement
"Implementation of the Economic Growth, Regulatory Relief, and Consumer Protection Act"
U.S. Senate Committee on Banking, Housing, and Urban Affairs
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Thank you, Mr. Chairman.

This hearing was originally scheduled for September 13—the same week ten years ago that Lehman Brothers declared bankruptcy, paving the way for the worst economic crisis since the Great Depression.

We all know what happened next. The Bush Administration put together an alphabet soup of programs to keep the financial sector afloat, but it wasn't enough. Ten years ago this week, taxpayers were forced to spend $700 billion to bail out Wall Street and save our economy from collapse. A *New York Times* headline from October 2nd, 2008 – ten years ago today – described those chaotic early days of the collapse with the headline, "36 hours of Alarm and Action as Crisis Spiraled."

A decade after the most severe financial crisis since the Great Depression – today, we're discussing how the financial watchdogs will roll back rules put in place after that crisis.

These are the same agencies that ignored the buildup to the 2008 collapse, and in the case of the OCC, went to court to fight those who were trying to do something.

In some cases, they are now led by the very people that failed to prevent or profited from the crisis.

S. 2155 was described as an effort to reduce the burden of regulation on the nation’s smallest community banks and credit unions – something many of us agreed we could improve. But in reality, this bill is littered with concessions to the biggest banks and offers virtually nothing for American consumers.

And based on the questions and letters sent to officials by my Republican colleagues since passage of S. 2155, it seems they are most concerned about how the law will help the largest domestic and foreign banks– or “regional banks with an international parent,” to use a new Republican euphemism for firms like Deutsche Bank.

These are the same banks that have been profitable every quarter since the second quarter of 2009. Last quarter profits at U.S. banks reached record levels – more than $60 billion dollars, a 25 percent jump from the year before. The five largest banks in this country recently announced more than $72 billion dollars in stock buybacks, a nearly 30 percent increase from the year before. How many workers got a 30 percent raise last year?

While the banks have recovered, many Americans haven’t.

Nearly ten million Americans lost their jobs during the crisis. The unemployment rate peaked at 11 percent in Ohio. More than a third of workers across the country were unemployed for 27 weeks or more.

Losses in household wealth and income were devastating to families during the crisis, and African Americans and Latino Americans suffered even worse losses.

Some want to argue that household wealth has recovered since the crisis, but these aggregate measures are misleading. Recent data from the Federal Reserve Board of Governors shows that the top 10 percent of households have seen big gains in household wealth, while the bottom 90 percent have experienced no gains.

The poverty rate rose 2.5 percentage points between 2007 and 2012, with 46.5 million people living in poverty by 2012.

More than 8 million children were affected by the foreclosure crisis by 2012. That includes 6 percent of children in Ohio. We all know the lasting impact of childhood displacement.

And some studies suggest a correlation between the Great Recession and the current opioid crisis.

In August, the Federal Reserve Bank of San Francisco released research that said the financial crisis, quote, “cost the average American $70,000 in lifetime income.” The Federal Reserve Bank of Dallas estimated the loss was even higher. And numerous other studies estimate the impact of the crisis on the overall economy at over ten trillion dollars.

But here we are today, talking about how Washington can do more to help the nation’s banks.

We should be talking about how to increase wages, how to make housing more affordable and accessible, how to protect consumers, and how to build up capital at banks, which many academics and Fed researchers suggest is still too low, so that taxpayers and families won't be forced to bail out big banks again when the next crisis hits.

I don't think we'll hear about any of these issues from today's witnesses.

The collective amnesia in the Administration and Congress is astounding.

Thank you, Mr. Chairman.