

## Member Brown Opening Statement

### 5.15.2019 – Oversight of Financial Regulators

When you look at all the rules the regulators have torn up over the last year and a half, you have to wonder if they **want** to see another financial crisis.

In 2006, back when President Trump was just the president of a fly-by-night university handing out worthless diplomas, he was asked about the possibility of housing prices collapsing and throwing the economy into chaos. He said: “**I sort of hope that happens, because then people like me would go in and buy.**”

Think about that for a moment, it really sums up the President’s philosophy about this economy. He basically said that he doesn’t care what happens to millions of hardworking families as long as it benefits people like him.

Maybe that’s why the economy seems to be **working so well for people like Trump**, but not so great for everybody else.

Things look pretty great for banks, real estate investors, and the wealthiest Americans. CEO pay is up. Stock buybacks are up. Real estate prices are up. And the Trump tax plan really helped out, too.

But if you punch a clock or swipe a badge - **your wages are flat**. If you’re a stay at home parent or you take care of your older relatives, **you’re struggling to get by**. Millions of families can’t keep up with the cost of living as it is – and they’re crossing their fingers that experts are looking out to **make sure there’s not another crisis** on the horizon that’s going to **wipe out** all of their hard work.

Vice Chair Quarles, I appreciate you coming to Cleveland last week. You heard how 44105--Slavic Village--was devastated by the crisis, and you saw how too many families there continue to struggle. But you also saw how they are hardworking, innovative, and optimistic about the future.

The last thing they need is another crisis. There’s **no bailout** for people like them.

When President Trump was confronted about his comments on the financial crisis, he replied **“it’s just business.”**

That’s not good enough. It’s not fair that people like him get to use bankruptcy for sport, but people struggling with student loan debt can’t use bankruptcy to save their lives.

It’s not fair that workers with stagnant wages and rising prices are left on their own to fend off financial predators, while the new Director of the CFPB is going out of her way to make life easier for financial companies.

Meanwhile, the people in this administration who are supposed to look out for regular people, are instead suggesting that hardworking Americans just need to improve their **“financial literacy.”**

These are the watchdogs who are supposed to be looking out for the American people, to make sure they aren’t steered into a shady loan or unaffordable mortgage that could bankrupt them. And they seem more concerned with making it easier for Wall Street firms to do as they please.

This isn’t going to help Slavic Village.

I’m concerned that this administration isn’t going to prevent the next financial crisis, and may even cause it.

And I’m not the only one. Two former Federal Reserve Chairs and two Treasury Secretaries that saw the last crisis first hand—delivered a 10-page warning this week about just one of this administration’s rollbacks on the safety of our financial system.

Fitch, a credit rating agency, has also suggested that the changes the regulators are making will **make banks riskier**, and their **failures more catastrophic**.

BB&T and SunTrust are on the verge of creating a bank more than **ten times the size of Countrywide**, and this administration is happy to oblige.

The New York Fed reported yesterday that household debt is a **trillion dollars higher today** than its peak before the 2008 crisis.

What that number means is that for people across Ohio and across America, this isn't **just business** – it's personal. It's about the hard choices families make when budgeting for rent and groceries and childcare and savings for a down payment. It's about keeping your promise to your child who wants to go to college. It's about being able to enjoy a retirement you earned over a lifetime.

Your job is to protect **them**.

Whether it's loosening the rules for foreign megabanks, or ignoring risks like leveraged lending, or encouraging banks and fintechs to get into payday lending, it does not seem like you are taking that job seriously.

I know the President appointed all of you to your jobs, but you are **independent** financial regulators. Your job is to make the economy work for everyone – **not just people like him**.