

Statement of Jaime E. Lizárraga
Nominee to be a Commissioner of the United States Securities and Exchange Commission
Before the Committee on Banking, Housing, and Urban Affairs
United States Senate

May 19, 2022

Chairman Brown, Ranking Member Toomey, distinguished Members of the Committee:

Thank you for the opportunity to appear before you today. It is an honor to be nominated by President Joe Biden to serve as a Commissioner of the Securities and Exchange Commission.

I would also like to thank House Speaker Nancy Pelosi for introducing me. I am proud to have been part of her team for nearly 15 years.

Witnessing her extraordinary leadership up close, and her dedication to building a more prosperous future for America's working families, has been the privilege of a lifetime. It has also prepared me well for the role of SEC Commissioner.

At its core, the SEC's mission is about the aspirations of all working families to secure a prosperous financial future, with the confidence that their interests will always be protected.

To me, the SEC's mission is also deeply personal – dating back to my days growing up in a southern California working-class community.

Neither of my parents graduated from high school. They immigrated from Mexico and began their life in the United States as farm workers in California's Central Valley.

Like millions of families in our country, they sought opportunity wherever they could.

In the absence of stable job prospects, my parents decided to run a Mexican food business out of our home. On nights and weekends, my sister and I helped them prepare the food, mostly Mexican-style sandwiches called *tortas*. My father then sold the food from his car at soccer games and at community shopping centers.

Growing up, my father always encouraged me to study the newspaper's financial pages. He taught me the importance of saving and investing for long-term financial security.

In those years, and unlike now, access to safe and mainstream investment opportunities was virtually non-existent. This limited my parents' wealth-building potential and their ability to grow their small business into a more established enterprise.

My parents were also unable to save for retirement and faced constant financial strains. Their goal was for my sister and me to get an education. What little they had, they invested in us. I often asked how our financial system could have served their needs better.

This life experience inspired me to pursue a career in public service. I focused on financial services policy, where issues of investor protection, financial stability, and economic security all come together.

In more than three decades of public service, both as a House leadership and committee staffer, I played key roles in all financial regulatory legislation moving through Congress – from the Sarbanes-Oxley Act to the Dodd-Frank Act, and more. I also served as a presidential appointee at the U.S. Treasury and at the SEC, working to ensure congressional mandates were effectively implemented.

A key lesson from my long experience is that fair and transparent markets benefit everyone – whether a pension plan participant, a retail investor, or parents investing in their children’s future education.

The most enduring lesson is from the 2008 financial crisis: poorly regulated markets can have devastating consequences for working families and for the broader economy.

If confirmed, I look forward to bringing my experience and unique perspective to the SEC.

It would be an honor to work with the agency’s talented staff and with my fellow commissioners to uphold and strengthen the SEC’s mission of protecting investors, promoting fair, orderly, and efficient markets, and facilitating capital formation.

I would approach the SEC’s vital mission through the eyes of working families like my own and work with my fellow commissioners to make sure congressional mandates are robustly implemented. I would focus on making sure our regulations keep pace with rapid technological changes in our markets. And I would focus on facilitating capital formation for our job-creating small businesses, particularly in underserved areas.

Our country’s future prosperity depends on robust oversight of our capital markets. To me, this means safe and transparent markets that foster a level playing field for all market participants, meaningful protections for investors, and broad-based access to capital.

While my parents, Esther and Enrique Lizárraga, and my sister, Maria Esther, were unable to be here in person today, they’re with me in spirit and are watching at home in California.

I am proud to be joined today by my wife of 22 years, Kelly Lizárraga, and our five children – Victoria, Diego, Elena, Samuel, and Alexandra. Also joining us is my mother-in-law, retired Rev. Paula Werner.

Thank you again for the opportunity to speak today, and I look forward to answering your questions.