

## **Opening Statement of Senator Jerry Moran (R-Kansas)**

### **Committee on Banking, Housing, and Urban Affairs**

**December 6, 2011**

While today's hearing is intended to review the financial stability of the United States, I believe it is critically important that we also take this opportunity for a basic review of the facts in the collapse of MF Global. Kansans are rightfully frustrated. Many have lost their confidence in the markets and in government as funds that were legally required to be segregated have seemingly been stolen from the firm. I strongly urge this Committee to consider a series of hearings to specifically investigate the failure of MF Global and to identify solutions which can restore confidence.

Additionally, I would hope today's hearing could provide an opportunity to debunk the myth that Senate Republicans are standing in the way of improved consumer protection. The commitment and request made by 45 Senators remains the same today as it did 7-months ago: no confirmed Director, regardless of party affiliation, until basic changes are made to the structure of the CFPB. I have had a legislative proposal pending in the Senate since April which would accomplish our goals for reform. Nothing I have proposed is radical; in fact it is based on returning the CFPB to the President's original design and funding mechanism. Our collective time and energy would be better spent working on a solution which can bring accountability to the Bureau rather than a doomed vote which does nothing to advance our reform efforts or protect consumers.

This rhetoric we will witness this week may grab headlines, but it ignores a basic fact: accountability and transparency at the CFPB is a goal that should be shared by every policymaker interested in protecting consumers from the abuses of the past.

Even if the President decides to change course and constructively engage with the Senate in quickly passing some basic reforms to the structure of the agency, the CFPB will remain an incredibly powerful government bureaucracy. Nothing I have proposed would undue those authorities or responsibilities. My concern, however, is that without additional transparency and accountability, the result of a poorly-drafted rule could lead to less credit and less opportunity for consumers and small businesses alike.

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