

Daniel M. Gallagher, Jr.

Opening Statement

Chairman Johnson, Senator Shelby, Distinguished Members of this Committee, it is a very great honor for me to appear before you today. I am grateful and humbled by the President's nomination to serve on the Securities and Exchange Commission.

I would like to introduce you to members of my family that are here with me today. My wife, Stephanie Gallagher, who was recently named to be a Federal Magistrate Judge in Maryland – her investiture is this Friday – is an incredible wife and mother, and she has always been a tremendous source of support for me, as she has been throughout the process that brings me here today. With her are my two sons, Danny and Charlie, and I am incredibly proud of both of them. My parents, Barbara and Daniel Gallagher, who have come down from Philadelphia for this hearing, have been small business owners for most of my life. Their work ethic, integrity, and devotion to family have been a continuous inspiration to me.

Since its creation, the SEC has been one of the most important agencies in the federal government. Investor protection and oversight of the capital markets are essential to American investors as well as our overall economy. The SEC must accomplish its mission in the context of complex, dynamic, globally connected markets.

This is a time of great importance for the SEC. It is rebuilding after some setbacks, dealing with a loss of faith in the financial markets, and facing broad new oversight and regulatory responsibilities over complex financial instruments and markets. The SEC staff, which is the engine of the agency, is cognizant of the critical role they play, and I know from personal experience that the staff is intensely dedicated to the protection of investors and the health of the capital markets.

Despite the financial crisis, the U.S. capital markets are the strongest in the world. To maintain that status, the markets need the SEC to be a strong and respected regulator. Investors will only commit capital if they have faith in the fairness of our markets, and the SEC is charged with instilling and maintaining this confidence. By requiring transparency and rigorously and fairly enforcing the law as directed by Congress, the SEC plays a major role in maintaining the preeminence of the US capital markets. If confirmed, I will strive every day to ensure that the agency satisfies this mission.

On a personal note, I want to point out that I have been nominated to fill the seat being vacated by Commissioner Kathleen Casey, who is someone very well known to this Committee. Commissioner Casey has been an outstanding Commissioner and has served the country and investors with integrity and dedication through an incredibly difficult time. Should I be confirmed, I hope to serve as ably as she has.

Thank you, Mr. Chairman, Senator Shelby, and Members of the Committee, for this opportunity to appear before you today. I would be pleased to take any questions you may have.