

**Senate Banking Committee Mark-Up of Restoring American Financial
Stability
Statement of Senator Kohl
November 19, 2009**

Thank you, Chairman Dodd and Ranking Member Shelby, for holding this mark-up and tackling the flaws in our financial system that put our economy on the brink last fall.

Chairman Dodd has written an aggressive bill to close the regulatory gaps that left our financial system so vulnerable. At the same time the bill also strengthens consumer rights and increases consumer protections.

Last fall, the Treasury and the Federal Reserve asked lawmakers to support the nation's banking system with taxpayer dollars or watch it fall apart. Some big Wall Street firms were dying, and the two housing giants-Fannie Mae and Freddie Mac—had been taken over by the federal government. The economic crisis on Wall Street quickly hit Main Street as foreclosure rates and unemployment steadily rose.

Over the past year, it became clear that the current financial regulations had failed to protect the economy and financial regulators had been hesitant to confront the dangerous practices that led to the crisis.

This legislation is focused and targeted so we can prevent another tax payer funded bailout of Wall Street, protect consumers from the predatory financial practices and support the financial institutions that have always focused on the financial well-being of their customers and communities. Wisconsin's community banks and credit unions have continually made efforts to help families across the state weather this economic crisis. Our efforts to improve the financial regulatory structure should complement, not impede, their efforts. Additionally, we need to consider new ways to help consumers better navigate the complicated financial system. Improving access to credit, increasing protections and expanding financial education programs will enable consumers to make smart financial decisions and reduce wide-spread predatory practices.

Thank you, and I look forward working together with you, Chairman Dodd, on this vital legislation.