

**Statement of Michael S. Piwowar
Commissioner-Designate
U.S. Securities and Exchange Commission**

Before the U.S. Senate Committee on Banking, Housing, and Urban Affairs

June 27, 2013

Chairman Johnson, Ranking Member Crapo, Senator Shelby, and Members of the Committee, I am honored to appear before you today. I am humbled by the confidence the President has shown in me by nominating me to serve as a Commissioner on the United States Securities and Exchange Commission.

I would like to thank Senator Crapo for that very kind introduction. I would also like to express my sincere gratitude to Senator Crapo and Senator Shelby for allowing me to work on a wide range of Dodd-Frank Act, JOBS Act, and other SEC-related issues during my time on the Senate Banking Committee.

With your permission, Mr. Chairman, I would like to introduce the members of my family who are here with me today. First, I would like to introduce you my wife, Eileen. I am incredibly fortunate to have the encouragement and support of such a wonderful wife. I would also like to introduce you to my daughter, Brigid, who is here with Eileen. My son, Sean, could not be here today. He is at Boy Scout summer camp in Pennsylvania. Eileen and I are extremely proud of both Sean and Brigid. I would also like to introduce to my mom, Linda Dulan, and my step-father, Jim Dulan. I'm glad they could be here with me today.

Sitting here today, I recall the first time I attended a hearing in this room. It was almost exactly nine years ago at a June 2004 hearing on "An Overview of the Regulation of the Bond Markets." I was a visiting academic scholar at the SEC at the time. I was extremely proud that empirical evidence from two SEC research projects I had collaborated on – one on the municipal bond market and one on the corporate bond market – were included in the testimony of the SEC's Director of the Division of Market Regulation and the subject of a question by then-Chairman of the Committee, Senator Shelby.

It was through work like those research projects that I learned how valuable economic analysis could be to advance the mission of the SEC. As a visiting academic scholar and later as a financial economist, I provided economic analyses and other technical support to the SEC Commissioners and other SEC divisions and offices on a wide range of rulemaking, compliance, and enforcement matters. While at the SEC, I had the privilege of working with a number of outstanding economists, accountants, lawyers, and other professionals. Some of them are still at the Commission, and if I am confirmed, I look forward to working with them again.

Over the past almost four years, I have had the privilege of working on many important issues under the jurisdiction of this Committee with a number of talented and professional Banking Committee staff on both sides of the aisle. These include a number of SEC-related issues, such as securities, over-the-counter derivatives, investor protection, market structure, and capital formation issues. For many of the SEC-related oversight and informational hearings, briefings, and meetings, I have had the privilege of working directly with my fellow nominee, Kara Stein. If we are confirmed, I look forward to continuing our collegial, bipartisan working relationship to advance the important mission of the SEC – to protect investors, maintain fair, orderly, and efficient markets, and promote capital formation.

As Senator Crapo likes to point out, the US capital markets must remain the preferred destination for investors throughout the world. For that to happen, the SEC must remain the preeminent securities regulator in the world. If confirmed, I will faithfully work with my fellow Commissioners to achieve that goal.

On a final note, the President has nominated me to fill the seat being vacated by Commissioner Troy Paredes. Commissioner Paredes has been an outstanding Commissioner, who has earned widespread praise for being a thoughtful regulator, a friendly colleague, and a dedicated public servant. If I am confirmed, I hope to serve as ably as he has.

Thank you again for the opportunity to appear before you today. I am happy to answer any questions you may have.