

Statement of Michael S. Barr
Nominee to be a Member and Vice Chair for Supervision of the Board of Governors of the
Federal Reserve System
Before the Committee on Banking, Housing, and Urban Affairs of the United States Senate
May 19, 2022

Chairman Brown, Ranking Member Toomey, and other members of the committee, it is my honor to appear before you today for this confirmation hearing. I am grateful to President Biden for nominating me to serve as Vice Chair for Supervision and a Governor of the Federal Reserve Board.

My wife of 28 years, Hannah Smotrich, joins me today in the hearing room. I'm grateful as well to be joined by my three children—Etain is here with us in person, and Avital and Dani are joining us online. I'm thankful for their love and support. My parents, David and Debbie Barr, imbued in me the deepest values of integrity and public service, and they are here with us in spirit today.

For over twenty-five years, I have been working to help make the financial system safer, fairer, and better focused on the needs of businesses and households.

I began my government career at the U.S. Department of State, where I worked on international economic matters. I then spent six years at the U.S. Department of the Treasury, helping to strengthen the Community Reinvestment Act, build community development financial institutions, support fair lending and combat predatory lending abuses, and help bank the unbanked. I also worked at the Office of Management and Budget, where I ran an interagency task force advancing economic development in Washington, D.C.

I joined the faculty of the University of Michigan over 20 years ago, following the advice of my mentor and friend Ned Gramlich, former Director of the University of Michigan's School of Public Policy and longtime Governor of the Federal Reserve Board. At Michigan, I've taught domestic and international financial regulation, conducted research about a wide variety of issues in finance, and co-authored a leading textbook on financial regulation, law, and policy. Along the way, I've also developed programs to help small business owners in our local communities in Michigan.

In the wake of the global financial crisis of 2008, I served as assistant secretary of the Treasury for financial institutions, and I helped to develop and work with Congress to enact the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. That basic framework is still with us today, and it has helped make the financial system stronger and work better for all of us. With the economy battered by the financial crisis, my team and I also worked to support struggling small businesses and households and community development financial institutions.

After my time at Treasury, I stayed engaged in critical issues affecting both national and international financial policy, while also deepening my commitment to our local communities in Michigan, working with community banks in the region, and learning from advising private sector institutions.

For the last five years, I've served as dean of the Gerald R. Ford School of Public Policy at the University of Michigan. I've loved serving our community, and have worked hard to advance bipartisan engagement, listening and talking to one another across our differences in a way that can deepen our democracy and get practical things done.

If confirmed as Vice Chair for Supervision, I would be strongly committed to the Federal Reserve's responsibilities to ensure that the financial system is robust and resilient, that innovation flourishes with clear rules of the road, and that the financial system operates fairly.

Additionally, an important part of the roles for which I have been nominated is to serve on the Federal Open Market Committee. Inflation is running far too high, affecting communities all across our country. I would be strongly committed to bringing down inflation to the Federal Reserve's target, consistent with the Federal Reserve's dual mandate of maximum employment and price stability.

If confirmed, I look forward to working together with all of you on this committee, where I have spent much time learning from you and collaborating with you on critical issues for our country.

I would be honored to be confirmed as Vice Chair for Supervision and Governor. Thank you for your consideration, and I look forward to your questions.