The House of Representatives Has the Wrong Priorities: Voting to Deregulate Wall Street Again Rather than Protecting Americans' Jobs and Savings is Wrong

Jan 13 2015 - 12:00pm

Washington, D.C., January 13, 2015 – Dennis Kelleher, President and CEO of Better Markets, issued the following statement today in advance of more votes this week in the House of Representatives that put Wall Street's bonuses and deregulation above all other issues:

"Just one week after being sworn into office, the House of Representatives is already showing the American people that its priorities are all wrong. With all the problems and issues facing the country, the House last week prioritized Wall Street deregulation bills above all else and is doing the same this week, demonstrating it is more interested in taking care of Wall Street than protecting America's working families.

"The economic wreckage caused by the 2008 financial crash destroyed jobs, savings and homes. Financial reform was passed to prevent that from happening again by reducing Wall Street's high risk gambling. The votes last week and this week will unleash Wall Street's biggest banks to go back to their big bets and derivatives trading, putting that progress at risk. It will also make future taxpayer funded bailouts more likely. That is good news for Wall Street bonuses, but bad news for hard-working Americans and their families still suffering from an economy that was devastated by those same big Wall Street banks."

This week, the House of Representatives will vote on two Wall Street deregulations bills. One, **H.R. 37,** is a compilation of big bank handouts under the misleading title of "Promoting Job Creation and Reducing Small Business Burdens Act." Of particular note is a provision that would provide an additional two-year delay in the Volcker Rule so that the big banks can continue their proprietary trading in Collateralized Loan Obligations (CLOs) that are not backed by loans to small business or individuals, but rather are typically comprised of the debt that companies incur after being taken over by a private equity firm. Better Markets recently updated its fact sheet on this issue. The other deregulation bill, **H.R. 185**, entitled the "Regulatory Accountability Act," would gut the ability of our financial regulators to protect the public by destroying their independence and requiring needless, costly, time-consuming and one-sided, pro-Wall Street "industry cost only analysis" for all rules. Better Markets issued a letter detailing the objections to H.R. 185 here.

###

Better Markets is an independent, nonprofit, nonpartisan organization that promotes the public interest in financial reform in the domestic and global capital and commodity markets. Better Markets advocates for transparency, oversight and accountability with the goal of a stronger, safer financial system that is less prone to crisis and failure thereby eliminating or minimizing the need for more taxpayer funded bailouts. To learn more, visit www.bettermarkets.com.