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Waters: Dodd-Frank Rollback Bill Would Result in Disaster

Washington, DC, April 26, 2017

Today, at the only scheduled committee hearing to review Chairman Hensarling's Wrong Choice Act 2.0, a bill that would destroy the most important parts of the Dodd-Frank Wall Street Reform and Consumer Protection Act **Congresswoman Maxine Waters (D-CA)**, Ranking Member of the Committee on Financial Services, gave the following opening statement:

As Prepared for Delivery

Thank you, Mr. Chairman, and thank you to the witnesses for being here today.

There is only one explanation for why we are here discussing yet another dead-on-arrival version of the Wrong Choice Act. It must be that the foreclosure crisis and the Great Recession somehow weren't enough for the Majority, and so they irrationally want to clear the way for round two.

I want to be very clear for anyone who is watching – that is exactly what this bill would result in. The Wrong Choice Act thoroughly dismantles Wall Street reform, guts the Consumer Financial Protection Bureau, and takes us back to the system that allowed risky and predatory Wall Street practices and products to crash our economy.

During the Great Recession, because of the actions of reckless financial institutions, Americans lost \$13 trillion in household wealth, 11 million Americans lost their homes, and the unemployment rate climbed to 10 percent. The impact was widespread and harmful to all. The Wrong Choice Act paves the path back to that kind of economic ruin, by rolling back the critical safeguards we put in place in the Dodd-Frank Wall Street Reform and Consumer Protection Act to protect American consumers, investors, and the economy.

Today, we have sensible Dodd-Frank rules and the Consumer Financial Protection Bureau to prevent financial institutions from peddling toxic products or abusing hardworking American consumers. Since its creation, the Consumer Bureau has returned nearly \$12 billion to more than 29 million consumers who have been ripped off by financial institutions. With this financial cop on the beat, and with important rules of the road in place, Wall Street reform has worked.

Since Dodd-Frank's passage, the economy has created 16 million jobs over 85 consecutive months and business lending has increased 75 percent. Banks large and small are posting all-time record profits, community banks are outperforming larger banks, and credit unions are expanding their membership. But here we are, and even though Wall Street Reform has made them safer, and they are raking in profits, that's not enough for the banks. They want to go back to the bad old days of fewer protections. And they have shamelessly undertaken a full court press to get a long wish list of giveaways, most of which have been compiled in this bill.

Democrats are going to fight against it, and stand up for Main Street. This bill must not become law. There is too much at stake for consumers and for our whole economy.

I now yield to Mr. Kildee, the Vice Ranking Member.

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