

# Rep. Maloney Slams Financial CHOICE Act, Warns it Would Take U.S. Back to Pre-Financial Crisis Conditions

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WASHINGTON, DC – Congresswoman Carolyn B. Maloney (NY-12), Ranking Member on the House Financial Services Subcommittee on Capital Markets, Securities, and Investment, during today’s Committee on Financial Services full committee hearing, slammed the Republican-proposed Financial CHOICE Act which would repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act and roll back the important protections put in place after the financial crisis.

“The Republican Financial CHOICE Act is a recipe for disaster that lays the groundwork for another financial crisis by repealing the Dodd-Frank Wall Street Reform and Consumer Protection Act,” **said Rep. Maloney**. “During the financial crisis, 6 million people lost their homes and \$5 trillion dollars of middle class wealth was destroyed as millions of Americans saw their pensions and savings evaporate. Since Congress passed the Dodd-Frank Act in 2010, our financial markets have stabilized and consumers enjoy much stronger protections against abusive practices. The Financial CHOICE Act would reverse this progress and take our country back to a time of shady consumer lending practices and large government bailouts for financial institutions.

“Shockingly, the CHOICE Act even repeals Dodd-Frank’s Orderly Liquidation Authority (OLA), which was one of the most bipartisan ideas in Dodd-Frank. The FDIC has long had the authority to resolve commercial banks outside of the bankruptcy process and all Dodd-Frank did was give the FDIC the authority to do the same thing for large non-bank financial institutions. But now, Republicans have somehow convinced themselves that this long-standing FDIC authority is an evil new taxpayer bailout, which it clearly is not. But, what is true, is that repealing the OLA and living wills would make bankruptcy the only option for a failing bank holding company, while also taking away the only tool that even has a chance to make the normal bankruptcy process work for a large bank.

“I am hopeful this ‘new’ CHOICE Act has the same fate as old one and ends up nowhere near the President’s desk.”

**Issues:**

[Financial Services, Dodd-Frank Act](#)