

**Statement Of Senator Patrick Leahy (D-Vt.),  
Ranking Member, Senate Judiciary Committee  
Subcommittee Hearing On “The Administrative State v. The Constitution: Dodd-Frank at  
Five Years”  
July 23, 2015**

Today the Judiciary Committee’s Subcommittee on the Constitution meets to discuss the Dodd-Frank Wall Street Reform and Consumer Protection Act, five years after its enactment. This bipartisan legislation was passed in the wake of one of the Nation’s worst financial crises. The law that came to be referred as “Dodd-Frank” was a major victory for hardworking Americans, many of whom lost their homes and life savings as a result of the 2008 financial meltdown.

Instead of convening to commemorate the five-year anniversary of Dodd-Frank and the impact it has had to improve our banking system and protect consumers, or to discuss how the law can be improved and strengthened, this hearing is merely a platform to promote partisan and meritless constitutional challenges aimed at dismantling the law and returning us to the old policies and weak regulations that led to the financial crisis in the first place. We cannot let this happen.

For too many years Wall Street banks and insurance companies hid their shaky finances from stockholders, government regulators, and the American public. Financial institutions made risky bets in the dark, corporate executives saw their salaries rise to extreme heights, and the Federal agencies tasked with overseeing these institutions failed to rein in their reckless actions. Then, when their bets went sour, Wall Street turned to the American taxpayer to bail them out. Our economy was brought to its knees and Main Street, not Wall Street, paid the price. The need for reform was clear and the response from Congress and President Obama included passage of Dodd-Frank.

To curtail future Wall Street abuses, Dodd-Frank strengthened oversight of our financial institutions, increased transparency and accountability of big banks, and for the first time created a consumer watchdog dedicated to protecting Americans from fraudulent and predatory business practices. As a Senate conferee on Dodd-Frank, I worked hard to ensure that the legislation was not watered down and had the enforcement and oversight mechanisms necessary to affect real reform. The law was not perfect, but no one can doubt that today our financial system is more stable and better regulated, and the American consumer is better protected, because of this law. We now have a government entity dedicated solely to ensuring that no bank is too-big-to-fail, and since its inception the Consumer Financial Protection Bureau has secured over \$10 billion in relief for consumers harmed by illegal practices in the financial marketplace. This is what reform should look like.

Despite this proven track record, the attacks on Dodd-Frank have been persistent. Constitutional challenges to Dodd-Frank are part of a series of attacks levied against the law since its enactment five years ago. Yet the constitutional challenges have been rejected repeatedly in several courts. I welcome the courts’ findings, but do not doubt that the baseless attempts to undermine this important law will continue. I believe it is time we focus on how Dodd-Frank and its reforms have helped the American people and what more needs to be done, rather than devoting endless time and energy on partisan attacks trying to undo this impactful law.

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