

OPENING STATEMENT OF
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“Protecting Consumers: What can Congress so to help financial regulators
coordinate efforts to fight fraud?”
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Good afternoon Chairwoman Kelly, Ranking Member Waters, Chairman Bachus. I am pleased to be here today.

Addressing the importance of sharing information between regulators of the different financial services sectors is long overdue.

The problem of financial fraud has tremendously affected not only the financial services industries but also the consumers. Consumers and taxpayers in states around the country ultimately pay the consequences of lacking a centralized network to help prevent fraud in our country.

Clearly, the problem of financial fraud cannot be solved unilaterally by legislators, no more than it could be solved unilaterally by the private sector. If we are to identify and respond to this problem, we've got to unite the efforts of industry and legislators, but on a national level.

On a national level because I don't think that any state can do this alone. This really requires the cooperation and coordination of states along with the federal legislators.

I recognize the importance of providing all federal and state financial service regulators with a single network where they could obtain necessary disciplinary information regarding a financial services company or individual.

However, it is imperative that we maintain and respect the confidentiality and privacy of unrelated personal information.

Regulators across America must be able to stop, investigate and halt actions such as Martin Frankel's. Congress must help by providing the necessary legal framework to help achieve this goal.

I hope that with the information and expertise gathered here today, Congress will be able to take a firm step towards fighting financial fraud in this country. In doing so, we will not only be helping the industry and the public coffers but also the consumers.

I look forward to hearing all the testimonies.