



## Congressman José E. Serrano

Chairman, House Appropriations Subcommittee on Financial Services and General Government

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### **Statement of Chairman José E. Serrano FY2011 Financial Services and General Government Appropriations Bill**

Washington, DC — Congressman José E. Serrano, Chairman of the House Appropriations Subcommittee on Financial Services and General Government, delivered the following statement at the Subcommittee markup of the Fiscal Year 2011 bill today:

I am pleased to present the Chairman's mark for the Subcommittee's consideration. This Financial Services and General Government bill funds programs that touch the lives of nearly every American, as consumers, as investors, and as taxpayers. We fund the agencies that ensure that Americans can go about their daily lives with the peace of mind and confidence that the products they use are safe and their investments are sound. This is a key government function that Americans expect. In addition to funding critical parts of the Executive branch, we fund the entire Judicial branch of government.

This bill was developed in a cooperative manner with our Ranking Member, Jo Ann Emerson. I want to thank her for the work that she has put into this bill. We also had helpful input from our Subcommittee Members.

It is with a sense of sadness that I acknowledge the fact that this will be our last Subcommittee markup with Chairman Obey. Chairman Obey has been a tireless advocate for so many of the issues that we care deeply about and I want to take this moment to thank him for his service to this Committee and to the Congress. I want to wish him the very best on behalf of all of us as he pursues his new path of service.

I would also like to take a moment to mention that this will also be our last Subcommittee markup with Congressman Kirk. He has served on this Subcommittee with passion and commitment and I want to thank him and wish him well.

Putting together this bill has not been an easy task. Our allocation was barely one percent above fiscal year 2010 and three percent below the President's request. We had to work with the agencies to accomplish priorities while avoiding reductions in staff and services. Our friends across the aisle may propose even lower numbers, but they simply cannot go much lower without forcing agencies to decrease performance below the minimum levels that the American public has a right to expect.

I would like to briefly highlight the five important themes that were addressed throughout this bill.

The first of these is strengthening the regulatory agencies designed to protect consumers and investors. The Consumer Product Safety Commission, which plays an important role in our product safety decisions, will receive funding of \$7 million above the fiscal year 2010 level. Among other things, the agency will double its presence at our nation's ports where most dangerous products enter our nation's markets. In addition, the Federal Trade Commission, which protects consumers from deceptive practices, will receive \$27 million more than in fiscal year 2010. Both consumer protection-oriented agencies will improve their websites and telephone services for all consumers, including Spanish speaking consumers.

The bill also recognizes that the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act has imposed new responsibilities on the Securities and Exchange Commission to regulate derivatives, credit rating agencies, hedge funds, and investment advisers. We boost SEC funding by \$205 million, the full extent authorized by the new Reform Act.

A second major theme of the bill is to make sure capital and other assistance gets to small businesses and low-income communities – not just to large businesses and the wealthy. Funding increases are directed to the two key agencies which play important roles in this area. The Small Business Administration receives \$225 million more than fiscal year 2010. The bill also fully funds two new initiatives at the Community Development Financial Institutions Fund with \$50 million for the Bank on USA Initiative and \$25 million for the Healthy Food Financing Initiative.

Our third priority is supporting equitable and efficient administration of justice in the Federal courts. The Judiciary initially came in with a request for a large increase over this year, more than the entire increase in our allocation for fiscal year 2011. We worked closely with the Judiciary to pare down that request while maintaining current services and avoiding reductions in force.

The fourth theme is to provide for fair and effective collection of taxes. The bill provides funding for the President's request for the IRS initiative to curb offshore tax avoidance. We need to close the \$300 billion gap between taxes owed and taxes paid. Many experts believe that offshore tax shelters account for a large share of that huge tax gap that honest taxpayers must fill. We also help our taxpayers meet their responsibilities by including resources for the IRS to provide assistance in person and on the IRS website. In addition, the bill goes beyond the President's request for shorter wait times for assistance over the phone and for special programs that assist elderly and low income taxpayers.

Our final priority is to meet our obligations to the District of Columbia by including payments to address high priority needs. The bill provides \$759 million in Federal funds to the District, most of which goes to the DC courts and related probation and defender services. The bill maintains support for education in the District, including a new \$10 million investment in the Community College of the District of Columbia. The bill also includes \$5 million to help the District combat an HIV/AIDS epidemic unparalleled in the United States.

Last year was the first year in many years that this bill did not interfere in local affairs by imposing social policy restrictions on how the District could spend its own funds. This bill not only repeats that for a second year, but it also adds a new dimension. We allow the District, effective with the next fiscal year (FY2012), to implement its budget for the use of locally collected funds immediately, rather than waiting six months or more for Congressional approval. This finally puts the District in the same position as the 50 States when it comes to the use of their own local funds.

Beyond these five priority areas, our bill touches the lives of Americans in other ways as well. For example, we again assist America's farmers by including language clarifying the requirement for payment of "cash in advance" for agricultural goods sold to Cuba. We also provide increased funding for Drug-Free Communities coalitions, who work to reduce problems of youth drug abuse in their neighborhoods and communities.

So let me end by saying that I believe this is a good bill that merits your support. It directs funding to improve the services that our government agencies provide to our constituents as they purchase products, start small businesses, invest their savings, and pay taxes. It addresses the needs of our courts and our nation's capital city. We have done a lot with limited funding and we can all be proud of this bill's support for key government functions that directly benefit our constituents.

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*Congressman José E. Serrano has represented the Bronx in Congress since 1990.*