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# GOP Targets Law Enacted After 2008 Financial Meltdown

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WASHINGTON — Republicans who eagerly awaited a GOP president so they could take a heavy knife to many of the regulatory requirements for banks, insurers and other financial institutions finally get their chance.

The House Financial Services Committee, led by Texas Rep. Jeb Hensarling, is slated to begin work Tuesday on legislation to largely undo the Dodd-Frank law, which Congress passed and Democratic President Barack Obama signed after the financial meltdown in 2008.

The GOP argues that the law hurts the economy by making it harder for consumers to get credit to buy a new house or a car, or for entrepreneurs to start or expand a small business. Hensarling has complained that banks are offering fewer credit cards and free checking accounts, while community banks report that compliance with Dodd-Frank's regulatory burdens make it harder to provide more mortgages.

With Donald Trump in the White House, Republicans are counting on an ally for their effort.

Democrats fear that the changes would allow the kind of risky practices that crashed the economy.

Sen. Elizabeth Warren, D-Mass., called the bill "a 589-page insult to working families." She told the committee that banks of all sizes are posting record profits and access to consumer credit and small business lending is at historically high levels.

"This bill doesn't solve a single real problem with the economy or with our financial system, but it does make some big-time lobbyists happy," Warren said.

Hensarling's bill would repeal about 40 provisions of Dodd-Frank, targeting the heart of the law's restrictions on banks by offering a trade-off: Banks could qualify for most of the regulatory relief in the bill so long as they meet a strict basic requirement for building capital to cover unexpected big losses. He says the capital requirements will work as an insurance policy against a financial institution going out of business.

Republicans are likely to pass the measure in the House, but face significant obstacles in the Senate where leaders have emphasized their desire to find areas of agreement to enhance economic growth.

Hensarling also goes after the consumer protection agency that Congress established after the financial crisis, the Consumer Financial Protection Bureau, reducing its powers and making it easier for the president to remove its director.

Hensarling disputed Democratic Rep. Maxine Waters' assessment that the bill is "dead-on-arrival."

"I do not consider this to be an exercise in futility," he told reporters. "I think it is important to move this bill forward, and I think at the end of the day, end of the Congress, we will see major portions of the Choice Act enacted into law."