Written by Sen. Tom Harkin
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WASHINGTON, D.C. – May 4, 2010 - Senator Tom Harkin (D-IA) today issued the following statement as the United States Senate began debate on a financial services reform bill. Consideration of the measure comes after Senate Republicans obstructed the bill for a full week by voting three times to block the bill from coming up for debate.

"Over the last decade, our economy has fundamentally failed to serve the hard-working families on Main Street, while Wall Street has rewarded itself with multi-million dollar bonuses. For far too long, their mentality has been 'heads we win and tails the whole nation loses.' Well, the nation lost. Those giant institutions and their allies are now claiming they learned their lesson and asking that we trust them. But we must not risk the nation's economic health again.

"Millions of taxpayers have seen their retirement savings washed away, their homes foreclosed and many small businesses have had to close their doors. According to a study by the Pew Charitable Trusts, the financial meltdown and recession have cost the average American family $100,000 in lost wealth and income.

"The financial regulatory reform bill is a strong proposal that will help make our financial system work for all Americans – not just Wall Street. These reforms will help to put our economy back on solid ground by creating a stable financial sector by helping families and business owners, rather than speculating and gambling with taxpayer money. It will also provide protection for consumers and will restore a fair playing field for community banks in Iowa.

"Specifically, the legislation includes a number of provisions that will help make sure we never find ourselves in this situation again. Among others, it includes the creation of a systemic risk overseer to provide comprehensive oversight to our financial sector; much higher capital standards on the largest financial institutions; strong regulation that would restore transparency and integrity to the derivatives market; the creation of a resolution process akin to bankruptcy that will wind-down the largest financial institutions without the use of taxpayer funds; consolidation of banking regulators to prevent institutions from shopping for the weakest regulation; and a consumer protection bureau devoted to protecting consumers from unfair and abusive practices.

"As this debate moves forward, I will work to ensure that this legislation is not watered down with special carve-outs or weakened in ways that will make taxpayer bailouts more likely in the future. I will also work to further strengthen the measure by providing additional consumer protections from excessive bank and credit card charges. Iowans deserve strong reform that protects consumer and holds big banks accountable for their actions, and I will work to make sure that Congress delivers that reform."