

"The Treasury Department has an important role to play in helping to address the concerns of everyday Americans in the areas of tax assistance, small business credit, mortgage relief, and the creation of economic opportunity. I look forward to discussing your important work in all of these areas today."

Opening Statement of Congressman José E. Serrano

Financial Services and General Government

Subcommittee

Hearing on the Treasury Department budget request for fiscal year 2012

March 16, 2011

Thank you, Chairwoman Emerson, and I too would like to welcome the Secretary of the Treasury, Timothy Geithner, to this hearing of the Financial Services and General Government Subcommittee.

For fiscal year 2012, the Treasury Department is requesting authority to spend \$14.038 billion dollars, an increase of \$562 million, or 4.2 percent, above 2010.

As you know, I have been a longtime supporter of robust funding for the Community Development Financial Institutions Fund (CDFI). The CDFI Fund has played an important role in increasing economic opportunity and community development in our most disadvantaged communities. I am also pleased that in your budget request, you are trying to find innovative

ways to help our small businesses and to increase their ability to access credit. Small businesses play a crucial part in job creation and thus our continued economic recovery.

With the passage of the Dodd/Frank Act, you were given many new responsibilities designed to help stabilize our financial system and prevent a repeat of the economic crisis. I am interested to learn more about how you are moving forward in carrying out these new mandates. I also want to make sure that you have included sufficient resources in your proposed budget to allow you to successfully implement these new requirements.

The Treasury Department also has an important role to play in stabilizing our housing market. We need to make sure that affordable housing options continue to remain available and that our consumers are better protected from risky financing packages. I know that you are very involved in trying to find solutions to improve the health of our nation's housing financial system and I am hoping to discuss these important efforts with you today.

I would also note that you are seeking to vigorously fund the IRS in fiscal year 2012. Taxpayer services and enforcement are vital parts of our effort to reduce the tax gap and stop those who seek to cheat the United States government. Unfortunately, H.R. 1, the Republican CR, would cut more than \$600 million from IRS operations. Commissioner Shulman was here just a couple of weeks ago, and told us that this cut would mean that the United States loses more than \$4 billion in revenue from delinquent taxpayers. Cutting IRS funding in this manner makes little sense to me, since the IRS provides the very funding that the rest of our government uses to operate.

The Treasury Department has an important role to play in helping to address the concerns of everyday Americans in the areas of tax assistance, small business credit, mortgage relief, and the creation of economic opportunity. I look forward to discussing your important work in all of these areas today.

So once again, welcome, Secretary Geithner.

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