

Congressman Joe Baca

Capital Markets Subcommittee: December 9, 2009 – Opening Statement

I want to start off by thanking Chairman Kanjorski and Ranking Member Garrett for holding this hearing today. I also want to thank the witnesses for being here and offering their insight on these issues.

Last fall, one of the greatest frauds in our nation's history was uncovered. Because of it, thousands of Americans' financial future was put in jeopardy. What's worse is that the SEC, the government watchdog that is charged with preventing these kinds of frauds, seemed to be asleep at the switch for some time.

But simply laying blame does nothing to solve the problem or restore Americans' faith in the SEC. Nor does it restore the estimated \$64.8 billion that was stolen from Americans.

Recently this committee has reviewed a number of proposals that will work toward preventing this fraud from happening again. While we cannot guarantee that there will not be any more bad actors like Madoff, we can work to guarantee that a fraud will not slip through the cracks like this one did. Additionally, we can work to ensure that all innocent parties are made whole.

A number of my colleagues have introduced proposals that would work toward fixing the restrictions that preventing the recovery of these stolen funds. I look forward to hearing from the witnesses and my colleagues regarding these proposals and how we can expand the recovery efforts and work to ensure recovery for all victims. I want to thank the Chair and Ranking member for their leadership on this issue and I yield back.