
OPENING STATEMENT OF REP. BILL HUIZENGA

House Financial Services Subcommittee on Financial Institutions and Consumer Credit

Hearing on the Effect of Dodd-Frank on Small Financial Institutions and Small Businesses

March 2, 2011

Good morning, and thank you Chairman Capito and Ranking Member Maloney for holding this important hearing today.

Last year, we saw enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which was the largest overhaul of the financial services sector since the Great Depression. According to the Congressional Research Service, with its enactment also came more than 300 rulemakings by 10 different federal agencies. As you know, the devil is always in the details and many large and small businesses across the country are anxiously awaiting those details. Not to mention that this regulatory implementation and uncertainty has had a detrimental effect on small businesses across the country.

Both sides of the aisle agree that small businesses are the backbone and engine of the U.S. economy and provide more than two-thirds of American jobs. As a small business owner, I know firsthand how federal regulations can choke small businesses. The average small business with less than 20 employees faces an annual cost of \$10,585 to comply with myriad federal regulations per worker they employ. For my small gravel company that employs two full time workers, that equates to more than \$21,000 that I have to spend toward compliance - money I could be using to invest in much-needed new equipment.

Today, I look forward to hearing testimony from all the witnesses regarding the effects of the Dodd-Frank Act on smaller financial institutions. More importantly, I am pleased and honored to welcome one of the witnesses, who is an important constituent of Michigan's Second District, John Buckley. Mr. Buckley is the President and CEO of Gerber Federal Credit Union located in Fremont, Michigan, and has a long and impressive resume with both the community banks and now credit unions. Like most community leaders, he is very active in the area.

As a small business owner, I know there are some universal principles of successful businesses that Congress could work towards to grow our economy again. For government, that means creating an atmosphere for success for small businesses that does not include a burdensome regulatory environment. Last year, the executive branch issued more than 3,000 new rules and regulations which their own Small Business Administration reports cost small businesses more than \$1 trillion. This is unacceptable and as a newly-elected member of the 112th Congress, and member of this important committee, I look forward to addressing this.

Ms. Chairwoman, thank you for holding this important hearing and I look forward to hearing from the witnesses today.