

**GARY GENSLER**  
**NOMINATION HEARING**  
**SENATE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS**  
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Chairman Brown, Ranking Member Toomey, members of the Committee, it is an honor to appear before you. Two decades ago, I served on this committee's staff under Chairman Paul Sarbanes, who we sadly lost late last year. And today, I am proud to be here as President Biden's nominee to chair the Securities and Exchange Commission.

I have spent my entire professional career in and around the financial markets—in the private sector, in state and federal government, and now in academia. And I believe our markets are the finest in the world.

But they didn't become that way through happenstance. In the shadow of the Great Depression, Congress created the SEC to protect investors; to maintain fair, orderly, and efficient markets; and to facilitate capital formation.

In the decades since, we have seen that when the SEC does its job—when there are clear rules of the road and a cop on the beat to enforce them—our economy grows and our nation prospers.

But when we take our eyes off the ball—when we fail to root out wrongdoing, or to adapt to new technologies, or to really understand novel financial instruments—things can go very wrong. And when that happens, people get hurt.

Twelve years ago, when I became chair of the Commodity Futures Trading Commission, our economy was reeling from the financial crisis. My fellow commissioners and I took decisive action to increase transparency and reduce risk in the \$400 trillion swaps market. I'm proud that 85 percent of our actions passed the commission with bipartisan support.

If confirmed as SEC chair, I will work with my fellow commissioners, the SEC's exceptional staff, and the members of Congress to ensure our markets remain the world's best.

That means strengthening transparency and accountability in our markets, so people can invest with confidence, and be protected from fraud and manipulation.

It means promoting efficiency and competition, so our markets operate with lower costs to companies and higher returns to investors.

It means making sure companies—incumbents and entrepreneurial startups alike—can raise needed capital to innovate, expand their operations, and contribute to economic growth.

And above all, it means making sure our markets serve the needs of working families.

I'm a product of a working family. Neither of my parents went to college. But my father was able to take his mustering-out pay from World War II and start a small business that would eventually send my four siblings and me to college.

That is the kind of economic opportunity that should be available to each and every American—no matter who they are. I believe our markets are essential to providing that opportunity.

That's because capital markets touch every part of our economy. They enable businesses to develop new products, build new facilities, and grow their payrolls. They help working families save for retirement and invest in their children's futures. And although it may not seem intuitive, when someone goes to take out a mortgage or open a credit card, our capital markets are on the other side of those transactions as well.

We cannot take any of this for granted. Markets—and technology—are always changing. Our rules have to change along with them. In my current role as a professor at MIT, I research and teach on the intersection of technology and finance. I believe financial technology can be a powerful force for good—but only if we continue to harness the core values of the SEC in service of investors, issuers, and the public.

Before I close, I want to introduce and thank my three daughters—Isabel, who is here with me in Maryland, and her older sisters Anna and Lee, who are watching remotely. They are the lights of my life, and I wouldn't be here today without their love and support.

Thank you. I look forward to your questions.