

U.S. DEPARTMENT OF THE TREASURY

Press Center



Opening Statement of Timothy G. Massad Before the United States Senate Committee on Banking, Housing and Urban Affairs

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Nominee for Assistant Secretary of the Treasury for Financial Stability

As Prepared for Delivery

Chairman Johnson, Ranking Member Shelby, and Members of the Committee, thank you for the opportunity to appear before you today. I am honored that President Obama has nominated me for this position, and I am deeply grateful to Secretary Geithner for his confidence in me.

I would like to introduce my wife Charlotte. Her love and support have always been critical to me. And I want to thank her in particular for all she has done to support me in my work for the Department of the Treasury.

Over the last two years, it has been my privilege to be a part of the Treasury team. I joined in May 2009 as Chief Counsel for the Troubled Asset Relief Program, and I had the honor of working closely with former Assistant Secretary Herb Allison, who set an outstanding example for us all. When Mr. Allison decided to return to retirement in September of 2010, Secretary Geithner asked me to serve as Acting Assistant Secretary.

I was born in Louisiana, and lived in Texas, Oklahoma, and Connecticut as a child. All of my grandparents were immigrants who came to this country as teenagers, barely able to speak English and with nothing more than a suitcase. My parents grew up during the Great Depression. Their families struggled to make ends meet. My parents worked hard and provided my siblings and me with many opportunities, and I have been very fortunate as a result.

I often think of the stories my parents told about life during the Great Depression, because this financial crisis has caused many American families to suffer on a scale not seen since that time. As a result of this crisis, millions of people have lost their jobs. Many have lost or are still in danger of losing their homes. Many small businesses have collapsed. Many families have lost their retirement savings, and many young people have had to postpone college plans. We must never forget that this human suffering is the true cost of the financial crisis.

Congress passed the Troubled Asset Relief Program, or TARP, in the midst of this terrible crisis in order to stabilize our financial system. Of course, TARP could not avert or repair all the damage caused by this crisis. However, I strongly believe that without TARP, the suffering would have been much, much worse. While no one liked using taxpayer funds to rescue financial institutions, I believe that TARP—along with the other actions our government took—helped prevent a catastrophic collapse of our financial system.

Today, our financial system and our economy are much stronger. And important work remains for TARP. First, we must exit our remaining investments in banks and other companies. We have already recovered 2/3 of what was invested, and our economy and our financial system will be stronger if the government gets out of the business of owning interests in private companies. Second, we must continue to implement and improve our programs to help American families stay in their homes and avoid foreclosure. And third, we must do both of these tasks in a manner that protects taxpayer interests and ensures accountability.

In particular, I want to emphasize the importance of accountability and transparency. This program must meet the highest standards. Before joining Treasury, I helped the Congressional Oversight Panel get started. I served as their first special legal advisor on a voluntary basis, and helped write one of their first reports. If confirmed, I will continue to work closely with the Special Inspector General for TARP, the Government Accountability Office, the Financial Stability Oversight Board, as well as this Committee and other Committees of Congress to ensure that the TARP program meets those high standards.

It has been the greatest professional honor of my life to serve my country during this difficult time. I have been fortunate to lead an extremely talented and dedicated team at the Office of Financial Stability. I look forward to continuing this work should the Senate choose to confirm me.

Thank you, Chairman Johnson and Ranking Member Shelby for this opportunity. I look forward to your questions.

