Remarks by Secretary Steven Mnuchin as prepared for delivery

April 21, 2017

Friday, April 21, 2017
Washington, D.C.

Mr. President:

It is a great honor to have you here at Treasury. Since day one, I have made clear that our priority in working for you is delivering economic growth for hardworking Americans. To this end, we are focused on achieving comprehensive tax reform and regulatory relief for the American people.

Your Core Principles of financial regulation have been guiding our work here and will continue to do so. I am happy to report that we are busy in our review – not just of Dodd-Frank, but the broader economic framework as well. We have met with stakeholder groups of hundreds of people, representing small banks, big banks, non-financial institutions, consumers, and regulators. This review is thorough and mindful of our goals. We look forward to delivering our findings in June.

Your directives today further highlight the priority this administration places on fair and efficient regulatory relief. They provide further focus and depth to our mission here.

We're going to go back and look to see if the processes regarding the Orderly Liquidation Authority and the Financial Stability Oversight Council make sense. We now have a targeted mandate in place to review both. As instructed, I will report back to you on our findings.

In the interim, you are calling for a much needed time-out from the Financial Stability Oversight Council's process for designating financial institutions as systemically important. Until that review is completed, we have agreed not to designate any new non-bank financial institutions under the FSOC process, except in cases of emergency. Our goal is to make this a smarter, more effective process that reduces the kinds of systemic risk that harmed so many Americans during the financial crisis of 2008.

On the Orderly Liquidation Authority, we are going to look closely to evaluate whether its framework is consistent with your Core Principles. We intend to provide a clear analysis of the extent to which the OLA encourages inappropriate risk-taking and the extent of potential taxpayer liability. We will also note where additions to the bankruptcy code may be a more appropriate avenue of resolving financial distress.

Finally, today's Executive Order launches a reexamination of last year's major tax regulations to make sure they do not unduly strain the American economy. The order calls for revision or repeal of harmful rules that impose unnecessary costs and complexity on taxpayers. I look forward to taking a hard look at the immense regulatory burden of our tax code, which consumes billions of productive hours in compliance costs.

A significant amount of time has passed since the crisis. With the passage of time and with your leadership, we are now well positioned to evaluate what works and what doesn't. We believe in clear and effective regulations, but not regulation for its own sake. Where we can do so, we will lift the burden of excessive regulation to make sure that banks can lend, small businesses can borrow, and American workers can thrive.

So on behalf of the entire staff here at Treasury, who work tirelessly to make this country prosperous and safe, I want to extend our warmest welcome. Ladies and gentlemen, the President of the United States.