

Opening Statement of Nellie Liang before the Senate Committee on Finance
May 25, 2021

Chairman Wyden, Ranking Member Crapo, and Members of the Committee, thank you for the opportunity to appear before you today.

I am honored to have been nominated by President Biden to be Under Secretary for Domestic Finance at the Department of the Treasury, and by the trust of Secretary Yellen.

I am grateful to the Committee for considering my nomination.

I am also grateful for the support of my husband of 37 years, Ken Howard, who is here with me today, and my children, Greg and Kim. I would also like to recognize my parents, who immigrated to this country many decades ago, with very little beyond their values. But they believed that in this country, if their children went to school, worked hard, and committed to family and community, they would have many opportunities to contribute to this country's potential and share in its prosperity.

I am an economist by training and have spent many years in public service. I have studied and have seen up close how financial institutions and financial markets affect economic and financial stability. I am committed to applying the insights from this experience, as well as from data, research, and broad outreach, to policy making.

The pandemic revealed fragilities in the economy, especially in some communities that were least able to bear the burden. It also revealed fragilities in parts of our financial system. If confirmed, I will work to support the President's and the Treasury Secretary's priorities to promote a financial system that will lead to more sustainable and equitable economic growth.

In doing so, I will build on the strengths of the U.S. financial system, which is the world's strongest, providing trillions of dollars of credit to households, businesses, and governments each year to support their spending and investments. The system has demonstrated time and again its ability to adapt to changes in the demand for services and in technology, bringing about significant changes in how financial services are delivered. Recent developments in digital assets have the potential to be even more transformative for financial services.

If confirmed, I look forward to working with members of this committee and others to ensure that the evolving financial system continues to meet the needs of the American people. I will work to improve credit access to underserved communities, including through the implementation of various programs at Treasury that provide both capital and technical assistance to small businesses and low-income communities. In addition, while our dynamic financial system spurs growth, it can also lead to significant regulatory gaps over time. I will work to ensure that we are adopting policies that recognize these changes, to ensure consumers and investors are informed and protected, and risks to financial stability are mitigated.

In addition, a critical responsibility for Treasury is to manage the costs of government financing. The Treasury securities market is the deepest, most liquid market in the world. The country

benefits from the special attributes of Treasury securities, and I believe it is critical that we ensure that the Treasury market operates well in periods of stress. If confirmed, I will endeavor to provide an assessment of changes in this market that have arisen from technological advances and shifts in market participants' behavior, and recommend policies, as needed, to ensure a resilient Treasury securities market.

In short, if I were to have the honor of serving in this role, it will be my priority to promote an efficient and stable financial system that can meet the needs of a dynamic economy. I recognize that this effort will take constant communication with the members and staff of this committee. I very much look forward to working closely with all of you and your colleagues to accomplish these goals.

Thank you again for the privilege of appearing before you today, and I look forward to answering your questions.