

Congress of the United States
Washington, DC 20515

October 1, 2008

The Honorable Nancy Pelosi
Speaker of the House
H-232, The Capitol
Washington, DC 20515

The Honorable John Boehner
Republican Leader
H-204, The Capitol
Washington, DC 20515

Dear Speaker Pelosi and Leader Boehner:

As Members of Congress, both Democrat and Republican, we voted in opposition to the bailout proposal considered by the House on Monday, September 29, 2008.

While we opposed the taxpayer-funded and oversight-light government authority to purchase Wall Street's junk assets, we stand ready to work together, across party lines, to find real solutions to stabilize our economy, infuse confidence back into our financial markets, and create jobs.

We represent a unique cross-section of Congress, a bipartisan group of women who are concerned about the strength of our economy and how it affects American families. Putting our differences aside, we have found common ground and respectfully request that you include us in negotiations as Congress moves forward to consider a revised plan.

We understand that Congress needs to act; however, we need the right deal, not a fast deal. The Administration and Secretary Paulson tried to ram an ill-conceived bailout of Wall Street through Congress that left Main Street to pick up the tab. Congress rejected it. Instead, Congress must consider, in a deliberative and collaborative way, a comprehensive solution that will address the causes of this problem, not just the symptoms.

Members from both parties have offered a number of possible solutions we think merit serious consideration. We think the following policy proposals should be among those discussed:

Oversight and investigation must be increased. The FBI should be given the tools they need to investigate those responsible for getting Wall Street into this situation in the first place and adopt a mission similar to what the Financial Crimes Enforcement Network is intended to do at the Department of Treasury. Those who acted illegally should be prosecuted to the full extent of the law and held criminally and financially responsible for those crimes. Any asset recovery as a result of prosecutions should be used to fund continuing investigations. Also, executives and other decision makers at Fannie Mae and Freddie Mac, specifically, should be investigated for illegal accounting behavior.

The Securities and Exchange Commission should be required to immediately **suspend Mark-to-Market accounting standards**. These unrealistic rules add unnecessary volatility to the current situation and significantly constrain the ability of banks to lend to families and businesses.

Reform of Government Sponsored Enterprises (GSEs) should be central to any plan. The current structure that socializes risk while privatizing profits is untenable and must end. GSEs should be radically restructured and refocused on activities that support affordable housing.

Net Worth Certificates modeled after those issued in the 1980's could be a cost effective way to help troubled banks weather the storm and return to profitability. Banks that participate in this program should be required to develop a goal-oriented business plan and agree to stringent government oversight of executive compensation.

Instead of forcing Main Street to pick up the tab for Wall Street, we think Wall Street should pay the tab. One promising proposal would be to require Wall Street to purchase **insurance on Mortgage Backed Securities (MBS)** to stabilize the MBS market.

We want American companies to **invest in American jobs**. We should encourage these American companies, through the tax code, to invest their foreign profits here at home.

To be fair to the taxpayer, **executive compensation should be limited** for any company participating in a government sponsored assistance program. We must also prohibit these executives from leaving their embattled corporations with the security of a "golden parachute."

The American people are relying on us for bipartisan statesmanship, not partisan gamesmanship. We look forward to working with you to craft a thoughtful, holistic response that will ensure the strong and stable economy the American people deserve.

Sincerely,


Marilyn Musgrave


Virginia Foxx


Marcy Kaptur


Michele Bachmann