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(Original Signature of Member)

111TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To authorize the Secretary of the Treasury to delegate management authority over troubled assets purchased under the Troubled Asset Relief Program, to require the establishment of a trust to manage assets of certain designated TARP recipients, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. BACHUS introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To authorize the Secretary of the Treasury to delegate management authority over troubled assets purchased under the Troubled Asset Relief Program, to require the establishment of a trust to manage assets of certain designated TARP recipients, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “TARP Recipient Own-  
5       ership Trust Act of 2009”.

1 **SEC. 2. AUTHORITY OF THE SECRETARY OF THE TREASURY**  
2 **TO DELEGATE TARP ASSET MANAGEMENT.**

3 Section 106(b) of the Emergency Economic Stabiliza-  
4 tion Act of 2008 (12 U.S.C. 5216(b)) is amended by in-  
5 serting before the period at the end the following: “, and  
6 the Secretary may delegate such management authority  
7 to a private entity, as the Secretary determines appro-  
8 priate, with respect to any entity assisted under this Act”.

9 **SEC. 3. CREATION OF MANAGEMENT AUTHORITY FOR DES-**  
10 **IGNATED TARP RECIPIENTS.**

11 (a) **FEDERAL ASSISTANCE LIMITED.**—Notwith-  
12 standing any provision of the Emergency Economic Sta-  
13 bilization Act of 2008, or any other provision of law, no  
14 funds may be expended under the Troubled Asset Relief  
15 Program, or any other provision of that Act, on or after  
16 the date of enactment of this Act, until the Secretary of  
17 the Treasury transfers all voting, nonvoting, and common  
18 equity in any designated TARP recipient to a limited li-  
19 ability company established by the Secretary for such pur-  
20 pose, to be held and managed in trust on behalf of the  
21 United States taxpayers.

22 (b) **APPOINTMENT OF TRUSTEES.**—

23 (1) **IN GENERAL.**—The President shall appoint  
24 3 independent trustees to manage the equity held in  
25 the trust, separate and apart from the United States  
26 Government.

1           (2) CRITERIA.—Trustees appointed under this  
2 subsection—

3           (A) may not be elected or appointed Gov-  
4 ernment officials;

5           (B) shall serve at the pleasure of the  
6 President, and may be removed for just cause  
7 in violation of their fiduciary responsibilities  
8 only; and

9           (C) shall each be paid at a rate equal to  
10 the rate payable for positions at level III of the  
11 Executive Schedule under section 5311 of title  
12 5, United States Code.

13       (c) DUTIES OF TRUST.—Pursuant to protecting the  
14 interests and investment of the United States taxpayer,  
15 the trust established under this section shall, with the pur-  
16 pose of maximizing the profitability of the designated  
17 TARP recipient—

18           (1) exercise the voting rights of the shares of  
19 the taxpayer on all core governance issues;

20           (2) select the representation on the boards of  
21 directors of any designated TARP recipient; and

22           (3) have a fiduciary duty to the American tax-  
23 payer for the maximization of the return on the in-  
24 vestment of the taxpayer made under the Emergency  
25 Economic Stabilization Act of 2008, in the same

1 manner and to the same extent that any director of  
2 an issuer of securities has with respect to its share-  
3 holders under the securities laws and all applications  
4 of State law.

5 (d) LIQUIDATION.—

6 (1) IN GENERAL.—The trustees shall liquidate  
7 the trust established under this section, including  
8 the assets held by such trust, not later than Decem-  
9 ber 24, 2011, unless—

10 (A) the trustees submit a report to the  
11 Congress that liquidation would not maximize  
12 the profitability of the company and the return  
13 on investment to the taxpayer; and

14 (B) within 15 calendar days after the date  
15 on which the Congress receives such report,  
16 there is enacted into law a joint resolution de-  
17 scribed in paragraph (2).

18 (2) CONTENTS OF JOINT RESOLUTION.—For  
19 purposes of this subsection, the term “joint resolu-  
20 tion” means only a joint resolution—

21 (A) that is introduced not later than 3 cal-  
22 endar days after the date on which the report  
23 referred to in paragraph (1)(A) is received by  
24 the Congress;

25 (B) which does not have a preamble;

1 (C) the title of which is as follows: “Joint  
2 resolution relating to the approval of the con-  
3 tinuation of the TARP management trust”; and

4 (D) the matter after the resolving clause of  
5 which is as follows: “That Congress approves  
6 the continuation of the TARP management  
7 trust established under the TARP Recipient  
8 Ownership Trust Act of 2009.”.

9 (3) FAST TRACK CONSIDERATION IN HOUSE OF  
10 REPRESENTATIVES.—

11 (A) RECONVENING.—Upon receipt of a re-  
12 port under paragraph (1)(A), the Speaker, if  
13 the House would otherwise be adjourned, shall  
14 notify the Members of the House that, pursuant  
15 to this subsection, the House shall convene not  
16 later than the second calendar day after receipt  
17 of such report.

18 (B) REPORTING AND DISCHARGE.—Any  
19 committee of the House of Representatives to  
20 which a joint resolution is referred shall report  
21 it to the House not later than 5 calendar days  
22 after the date of receipt of the report described  
23 in paragraph (1)(A). If a committee fails to re-  
24 port the joint resolution within that period, the  
25 committee shall be discharged from further con-

1           sideration of the joint resolution and the joint  
2           resolution shall be referred to the appropriate  
3           calendar.

4           (C) PROCEEDING TO CONSIDERATION.—  
5           After each committee authorized to consider a  
6           joint resolution reports it to the House or has  
7           been discharged from its consideration, it shall  
8           be in order, not later than the sixth day after  
9           Congress receives the report described in para-  
10          graph (1)(A), to move to proceed to consider  
11          the joint resolution in the House. All points of  
12          order against the motion are waived. Such a  
13          motion shall not be in order after the House  
14          has disposed of a motion to proceed on the joint  
15          resolution. The previous question shall be con-  
16          sidered as ordered on the motion to its adoption  
17          without intervening motion. The motion shall  
18          not be debatable. A motion to reconsider the  
19          vote by which the motion is disposed of shall  
20          not be in order.

21          (D) CONSIDERATION.—The joint resolu-  
22          tion shall be considered as read. All points of  
23          order against the joint resolution and against  
24          its consideration are waived. The previous ques-  
25          tion shall be considered as ordered on the joint

1 resolution to its passage without intervening  
2 motion except two hours of debate equally di-  
3 vided and controlled by the proponent and an  
4 opponent. A motion to reconsider the vote on  
5 passage of the joint resolution shall not be in  
6 order.

7 (4) FAST TRACK CONSIDERATION IN SENATE.—

8 (A) RECONVENING.—Upon receipt of a re-  
9 port under paragraph (1)(A), if the Senate has  
10 adjourned or recessed for more than 2 days, the  
11 majority leader of the Senate, after consultation  
12 with the minority leader of the Senate, shall no-  
13 tify the Members of the Senate that, pursuant  
14 to this subsection, the Senate shall convene not  
15 later than the second calendar day after receipt  
16 of such message.

17 (B) PLACEMENT ON CALENDAR.—Upon in-  
18 troduction in the Senate, the joint resolution  
19 shall be placed immediately on the calendar.

20 (C) FLOOR CONSIDERATION.—

21 (i) IN GENERAL.—Notwithstanding  
22 Rule XXII of the Standing Rules of the  
23 Senate, it is in order at any time during  
24 the period beginning on the 4th day after  
25 the date on which Congress receives a re-

1 port of the plan of the Secretary described  
2 in paragraph (1)(A) and ending on the 6th  
3 day after the date on which Congress re-  
4 ceives a report of the plan of the Secretary  
5 described in paragraph (1)(A) (even  
6 though a previous motion to the same ef-  
7 fect has been disagreed to) to move to pro-  
8 ceed to the consideration of the joint reso-  
9 lution, and all points of order against the  
10 joint resolution (and against consideration  
11 of the joint resolution) are waived. The  
12 motion to proceed is not debatable. The  
13 motion is not subject to a motion to post-  
14 pone. A motion to reconsider the vote by  
15 which the motion is agreed to or disagreed  
16 to shall not be in order. If a motion to pro-  
17 ceed to the consideration of the resolution  
18 is agreed to, the joint resolution shall re-  
19 main the unfinished business until dis-  
20 posed of.

21 (ii) DEBATE.—Debate on the joint  
22 resolution, and on all debatable motions  
23 and appeals in connection therewith, shall  
24 be limited to not more than 10 hours,  
25 which shall be divided equally between the



1 majority and minority leaders or their des-  
2 ignees. A motion further to limit debate is  
3 in order and not debatable. An amendment  
4 to, or a motion to postpone, or a motion to  
5 proceed to the consideration of other busi-  
6 ness, or a motion to recommit the joint  
7 resolution is not in order.

8 (iii) VOTE ON PASSAGE.—The vote on  
9 passage shall occur immediately following  
10 the conclusion of the debate on a joint res-  
11 olution, and a single quorum call at the  
12 conclusion of the debate if requested in ac-  
13 cordance with the rules of the Senate.

14 (iv) RULINGS OF THE CHAIR ON PRO-  
15 CEDURE.—Appeals from the decisions of  
16 the Chair relating to the application of the  
17 rules of the Senate, as the case may be, to  
18 the procedure relating to a joint resolution  
19 shall be decided without debate.

20 (5) RULES RELATING TO SENATE AND HOUSE  
21 OF REPRESENTATIVES.—

22 (A) COORDINATION WITH ACTION BY  
23 OTHER HOUSE.—If, before the passage by one  
24 House of a joint resolution of that House, that  
25 House receives from the other House a joint

1 resolution, then the following procedures shall  
2 apply:

3 (i) The joint resolution of the other  
4 House shall not be referred to a com-  
5 mittee.

6 (ii) With respect to a joint resolution  
7 of the House receiving the resolution—

8 (I) the procedure in that House  
9 shall be the same as if no joint resolu-  
10 tion had been received from the other  
11 House; but

12 (II) the vote on passage shall be  
13 on the joint resolution of the other  
14 House.

15 (B) TREATMENT OF JOINT RESOLUTION  
16 OF OTHER HOUSE.—If one House fails to intro-  
17 duce or consider a joint resolution under this  
18 subsection, the joint resolution of the other  
19 House shall be entitled to expedited floor proce-  
20 dures under this subsection.

21 (C) TREATMENT OF COMPANION MEAS-  
22 URES.—If, following passage of the joint resolu-  
23 tion in the Senate, the Senate then receives the  
24 companion measure from the House of Rep-

1           representatives, the companion measure shall not  
2           be debatable.

3                   (D) CONSIDERATION AFTER PASSAGE.—

4                           (i) IN GENERAL.—If Congress passes  
5                           a joint resolution, the period beginning on  
6                           the date the President is presented with  
7                           the joint resolution and ending on the date  
8                           the President takes action with respect to  
9                           the joint resolution shall be disregarded in  
10                           computing the 15-calendar day period de-  
11                           scribed in paragraph (1)(A).

12                           (ii) VETOES.—If the President vetoes  
13                           the joint resolution—

14                                   (I) the period beginning on the  
15                                   date the President vetoes the joint  
16                                   resolution and ending on the date the  
17                                   Congress receives the veto message  
18                                   with respect to the joint resolution  
19                                   shall be disregarded in computing the  
20                                   15-calendar day period described in  
21                                   paragraph (1)(A); and

22                                   (II) debate on a veto message in  
23                                   the Senate under this subsection shall  
24                                   be 1 hour equally divided between the

1 majority and minority leaders or their  
2 designees.

3 (E) RULES OF HOUSE OF REPRESENTA-  
4 TIVES AND SENATE.—This paragraph, and  
5 paragraphs (2), (3), and (4) are enacted by  
6 Congress—

7 (i) as an exercise of the rulemaking  
8 power of the Senate and House of Rep-  
9 resentatives, respectively, and as such it is  
10 deemed a part of the rules of each House,  
11 respectively, but applicable only with re-  
12 spect to the procedure to be followed in  
13 that House in the case of a joint resolu-  
14 tion, and it supersedes other rules only to  
15 the extent that it is inconsistent with such  
16 rules; and

17 (ii) with full recognition of the con-  
18 stitutional right of either House to change  
19 the rules (so far as relating to the proce-  
20 dure of that House) at any time, in the  
21 same manner, and to the same extent as in  
22 the case of any other rule of that House.

23 **SEC. 4. DEFINITIONS.**

24 As used in this Act—

1           (1) the term “designated TARP recipient”  
2           means any entity that has received, or will receive,  
3           financial assistance under the Troubled Asset Relief  
4           Program or any other provision of the Emergency  
5           Economic Stabilization Act of 2008 (Public Law  
6           110–343), such that the Federal Government holds  
7           or controls, or will hold or control at a future date,  
8           not less than a 15 percent ownership stake in the  
9           company as a result of such assistance;

10           (2) the term “Secretary” means the Secretary  
11           of the Treasury or the designee of the Secretary;  
12           and

13           (3) the terms “director”, “issuer”, “securities”,  
14           and “securities laws” have the same meanings as in  
15           section 3 of the Securities Exchange Act of 1934  
16           (15 U.S.C. 78e).