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## 12-2-09, Bachus Opposes Democrats' Permanent Bailout Authority Bill

December 2, 2009

WASHINGTON - Congressman Spencer Bachus, the top Republican on the Financial Services Committee, made the following statement regarding Committee passage of the Democrats' H.R. 3996, the so-called "Financial Stability Improvement Act."

"The debate was a clear choice between ending the bailouts and creating a permanent bailout regime. I'm disappointed my Democratic colleagues chose to continue the bailouts rather than make those who took the risks bear the consequences of their actions.

"Republicans believe that costs should be borne by the same parties that in many cases reaped the ill-gotten gains from Wall Street's bad bets. The Democrats chose to impose those costs on the shareholders and customers of well-run companies, as well as on the taxpayers.

"The Democrats also chose to expand the regulatory powers of the Federal Reserve despite the Board's proven track record of failing to identify systemic risks before they actually occur. Rather than rewarding the Fed with even greater authority to regulate financial firms and orchestrate bailouts, the Committee should be holding hearings at which central and regional bank officials explain to the American people exactly what went wrong, how they failed to see the coming crisis, and why taxpayers had to bail out the 'too big to fail' banks and institutions they were charged with regulating."

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