

Additional Views on S. 383, Emergency Economic Stabilization Act of 2008

Republicans support giving the special Inspector general for the Troubled Asset Relief Program (SIGTARP) the necessary audit and investigative authority to ensure that taxpayers are protected and that the program is free of waste, fraud and abuse. S. 383 gives the SIGTARP authority to quickly hire auditors by granting him temporary hiring authority, and requires the Treasury Secretary to explain to Congress why any specific SIGTARP recommendation is not implemented. While these are useful provisions, Republican offered amendments during Committee consideration of S. 383 to substantially improve the bill by strengthening accountability in the TARP and enhancing taxpayer protections. These amendments, summarized below, were opposed by every Committee Democrat, largely on the ground that making any changes to the Senate-passed versions of S. 383 would slow down the process. Because Republicans believe that it is more important to get it right than to get it done quickly, we urge the Majority to reconsider its opposition to these common-sense amendments and allow them to be considered in the full House.

Paulsen amendment. An Amendment offered by Mr. Paulsen of Minnesota would have mandated that the SIGTARP include within its required regular reports to Congress information on how the TARP is being used to benefit small financial institutions, such as community banks. (A second degree amendment to the Paulsen amendment was adopted by voice vote that directed the SIGTARP to report to Congress on efforts by recipients of TARP funds to utilize women, minorities, and women and minority owned businesses.)

Hensarling amendment. Mr. Hensarling of Texas offered an amendment that would have explicitly required SIGTARP to review the Treasury Department's efforts to 'minimize any potential long-term negative impact on the taxpayer' in its implementation of TARP.

Lee amendment. Mr. Lee of New York offered an amendment to improve oversight of TARP by requiring the SIGTARP to immediately seek out and hire as subcontractors private auditors who are knowledgeable in the operation of financial institutions.

Spencer Bachus.

Jeb Hensarling.

Judy Biggert.

Christopher Lee.

Erik Paulsen.

