

---

## Ensuring Independent Management, Exit Strategy From TARP Investments

As a result of the government's response to the crisis, taxpayers are now investors in many financial institutions.

On September 17, Congressman Spencer Bachus introduced bipartisan legislation (H.R. 3594, The TARP Recipient Ownership Trust Act) to ensure investment under the Troubled Asset Relief Program (TARP) is temporary and that the government has an exit strategy.

H.R. 3594 seeks to remove politics from having a role in the management of the government's assets, while bringing an end to the government ownership of large stakes in companies. The legislation creates a trust for the management of the government's investments in companies where its ownership interest exceeds 15 percent. The trust will be managed by three independent trustees. The trustees are tasked with operating as fiduciaries for the taxpayers and charged with making all core governance decisions. The trustees are also required to divest the government's interest by December 24, 2011.

The legislation is cosponsored by House Republican Leader John Boehner (R-OH), and Reps. Paul Kanjorski (D-PA), Scott Garrett (R-NJ), Dennis Moore (D-KS), Mike Rogers (R-AL), Stephanie Herseth Sandlin (D-SD), Walter Jones (R-NC), Michele Bachmann (R-MN), Erik Paulsen (R-MN) and Chris Lee (R-NY). A similar bill was introduced in the Senate by Senators Bob Corker (R-TN) and Mark Warner (D-VA).

[Click here to view the legislation.](#)