

Rep. Eshoo Statement on AIG Bonuses

Thursday, March 19, 2009

Washington, D.C. - Rep. Anna G. Eshoo released the following statement today after the House passed H.R. 1586, a bill that will hold companies that receive funds from the Troubled Asset Relief Program (TARP) accountable for bonuses paid to their executives. The legislation applies a separate income tax rate of 90 percent to bonuses received by individuals from companies who have received at least \$5 billion from TARP. It would also apply to bonuses paid by Fannie Mae and Freddie Mac.

“Every company that receives TARP funds should consider themselves a public fiduciary. The monies they received are not investor dollars, they are taxpayer dollars. Use of these funds for excessive bonuses to executives is outrageous and a slap in the face to the very taxpayers who are propping them up. This bill will force executives to pay back their bonus money to the Treasury before the end of the year. I’m committed to ensuring that the taxpayer dollars used to fund financial rescues are spent wisely and effectively, and I will continue to do everything I can to prevent any further abuses of the public trust.”

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