

111TH CONGRESS
1ST SESSION

H. R. 1577

To require the Secretary of the Treasury to pursue every legal means to stay or recoup certain incentive bonus payments and retention payments made by American International Group, Inc. to its executives and employees, and to require the Secretary's approval of such payments by any financial institution who receives funds under title I of the Emergency Economic Stabilization Act of 2008.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2009

Mr. PAULSEN (for himself, Mr. LANCE, Mr. LEE of New York, Mr. ROE of Tennessee, Mr. POSEY, Mr. GUTHRIE, Mr. SCHOCK, Mr. MCCLINTOCK, Mr. OLSON, Ms. JENKINS, Mr. LUETKEMEYER, Mr. ROONEY, Mr. THOMPSON of Pennsylvania, Mr. CAO, Mrs. LUMMIS, Mr. CHAFFETZ, Mr. AUSTRIA, Mr. HARPER, Mr. HUNTER, Mr. COFFMAN of Colorado, Mr. CASSIDY, Mr. FLEMING, and Mr. CONNOLLY of Virginia) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the Secretary of the Treasury to pursue every legal means to stay or recoup certain incentive bonus payments and retention payments made by American International Group, Inc. to its executives and employees, and to require the Secretary's approval of such payments by any financial institution who receives funds under title I of the Emergency Economic Stabilization Act of 2008.

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. PLAN TO PURSUE CERTAIN PAYMENTS TO EX-**
4 **ECUTIVES.**

5 Notwithstanding any other provision of law, not later
6 than 2 weeks after the date of enactment of this Act, the
7 Secretary of the Treasury shall establish a plan to pursue
8 every legal means to stay or recoup incentive bonus pay-
9 ments and retention payments made after September 16,
10 2008, by American International Group, Inc. to its execu-
11 tives and employees.

12 **SEC. 2. CONDITION ON FURTHER ASSISTANCE.**

13 The Secretary of the Treasury shall not authorize any
14 payment or other provision of Federal assistance to Amer-
15 ican International Group, Inc., unless the executives and
16 employees then employed by American International
17 Group, Inc. surrender to the Treasury any incentive bonus
18 payments and retention payments received by such execu-
19 tives and employees after September 16, 2008.

20 **SEC. 3. PROHIBITION ON CERTAIN PAYMENTS WITHOUT**
21 **TREASURY APPROVAL.**

22 Notwithstanding any other provision of law, the Sec-
23 retary of the Treasury shall require any financial institu-
24 tion that has received any assistance under title I of the
25 Emergency Economic Stabilization Act of 2008, and that

1 has not repaid in full such assistance not later than two
2 weeks after the date of enactment of this Act, to submit
3 a incentive bonus and retention payment plan for approval
4 by the Secretary before making any incentive bonus pay-
5 ment or retention payment to any executive or employee.

6 **SEC. 4. PROHIBITION ON CERTAIN CONTRACTS WITHOUT**
7 **TREASURY APPROVAL.**

8 Notwithstanding any other provision of law, the Sec-
9 retary of the Treasury shall require any financial institu-
10 tion that has received any assistance under title I of the
11 Emergency Economic Stabilization Act of 2008, and that
12 has not repaid in full such assistance not later than two
13 weeks after the date of enactment of this Act, to submit
14 for approval by the Secretary any contract which provides
15 for the payment of incentive compensation or bonus or re-
16 tention payments to any executive or employee of such fi-
17 nancial institution before such institution enters into such
18 contract.

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