have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 1586.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1315

SENSE OF CONGRESS REGARDING BONUSES PAID BY AIG AND OTHER COMPANIES RECEIVING FEDERAL ASSISTANCE

Mr. FRANK of Massachusetts. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 76) expressing the sense of the Congress regarding executive and employee bonuses paid by AIG and other companies assisted with taxpayer funds provided under the Troubled Assets Relief Program of the Secretary of the Treasury.

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 76

Whereas the Chairman of the Federal Reserve, Ben Bernanke, said in testimony to Congress on March 3, 2008: ''If there is a single episode in this entire 18 months that has made me more angry, I can't think of one, than AIG. AIG exploited a huge gap in the regulatory system; there was no oversight of the financial products division. This was a hedge fund basically that was attached to a large and stable insurance company, made huge numbers of irresponsible bets, took huge losses. We had no choice.'';

Whereas, on March 15, 2009, Chairman Bernanke said on the news program ''60 Minutes'' that ''we must address the problem of financial institutions that are deemed too big—or perhaps too interconnected—to fail. Given the highly fragile state of financial markets and the global economy, government assistance to avoid the failures of major financial institutions has been necessary to avoid a further serious destabilization of the financial system, and our commitment to avoiding such a failure remains firm.'';

Whereas the Treasury and the Federal Reserve have committed almost $200 billion in various forms of taxpayer assistance to AIG for the company's liquidity shortages, the purchase of certain assets, and to dispose of other assets for an orderly wind-down of the company;

Whereas the commitment of almost $200 billion in taxpayer assistance represents one of the largest Federal government rescues of a single private corporation in United States history;

Whereas the Federal Reserve has committed tens of billions of taxpayer dollars in a combination of facilities to purchase AIG's mortgage-backed securities and liabilities tied to collateralized debt obligations;

Whereas the Federal government has taken a 79.9 percent stake in AIG in exchange for providing financial assistance extending credit;

Whereas, under the Emergency Economic Stabilization Act of 2008, the Bush Administration and the Obama Administration have provided AIG with access to $70 billion in direct capital infusions, which in turn have been used, in part, to cover AIG's collateral for positions taken by the company in unregulated and risky credit default swaps;

Whereas AIG's Financial Products division's irresponsible practice of not setting aside sufficient capital to cover its exposure on more than $1 trillion of complex financial products, including credit default swaps, have threatened the stability of the financial system and resulted in substantial losses to the company, to pensioners, to investors, and ultimately to the taxpayer;

Whereas, despite the irresponsible actions of AIG executives that threatened the company as a going concern, and exposed taxpayers to almost $200 billion to cover losses from excessive risks, these executives will receive hundreds of millions of taxpayer money in retention payments and bonuses for performance in 2008 and 2009;

Whereas, in a letter to Treasury Secretary Geithner, AIG CEO Edward Liddy said that ''AIG also is committed to seeking other ways to repay the American taxpayers for AIG Financial Products retention payments.'';

Whereas, in the same letter, Liddy said that ''AIG's hands are tied. Outside counsel has advised that these [retention payments] are legal, binding obligations of AIG, and there are serious legal, as well as business, consequences for not paying. Given the trillion-dollar portfolio at AIG Financial Products, retaining key traders and risk managers is critical to our goal of repayment [to the taxpayer].'';

Whereas the appropriate committees in the House of Representatives and the Senate have already convened hearings to examine the sizable government assistance provided to AIG, and the House Financial Services Committee has focused its oversight on the excessive compensation provided AIG's executives and employees, among other matters;

Whereas common sense dictates that a company such as AIG that was so mismanaged as to threaten the stability of the financial system of the Nation and that requires billions of dollars of taxpayer money for its survival should not reward that mismanagement through lavish bonuses; and

Whereas, on March 15, 2009, President Obama stated: ''In the last six months, AIG has received substantial sums from the U.S. Treasury. I've asked Secretary Geithner to use that leverage and pursue every legal avenue to block these bonuses and make the American taxpayers whole'': Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the President is appropriately exercising all of the authorities granted by Congress under the Emergency Economic Stabilization Act of 2008, and any other Federal law, by taking all necessary actions to ensure that—

(1) in the absence of a voluntary decision by AIG employees and executives to forego their contractual retention bonuses, AIG will repay taxpayers for the hundreds of millions of dollars the company provided to executives and employees in retention bonuses;

(2) going forward, companies that receive a capital infusion under title I of the Emergency Economic Stabilization Act of 2008 that the Secretary of the Treasury deems necessary to restore liquidity and stability to the financial system of the United States are prohibited from providing to executives and employees unreasonable and excessive compensation payments that are not directly tied to performance measures, such as repayment of the companies' obligations to the taxpayers, profitability of the company, adherence to appropriate risk management, and transparency and accountability to shareholders, investors, and taxpayers; and

(3) companies that receive a capital infusion under title I of the Emergency Economic Stabilization Act of 2008 that the Secretary of the Treasury deems necessary to restore liquidity and stability to the financial system of the United States are complying with the letter of the provisions included in the American Recovery and Reinvestment Act that strengthen executive compensation restrictions for recipients of capital infusions, such as limiting base salaries for executives to no more than $500,000 per year, banning golden parachutes, limiting bonuses for executives, requiring shareholders to approve pay packages, requiring executives to certify they are meeting the law's restrictions, requiring a company-wide policy on luxury expenditures, and prohibiting compensation on the basis of excessive risks that threaten the viability of such companies, and adhering to all executive compensation guidelines the Secretary of the Treasury may establish.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts (Mr. FRANK) and the gentleman from New Jersey (Mr. GARRETT) each will control 20 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is a great deal of anger in the Nation, and it is reflected in this House, which is representative of the Nation, about retention bonuses given to people who worked at AIG. Retention bonuses in this situation, Mr. Speaker, strike me as a form of legalized extortion. These are not performance bonuses. I was unclear about that and misspoke about it to some extent. These are bonuses paid solely so that people who had been employed at AIG would not leave AIG as it became clear the company was in trouble.

Specifically, we were told that these retention bonuses go to employees who were engaged in complex financial transactions. Now it is, in sum, these complex financial transactions that caused the company the problem. The insurance entities, regulated by State insurance regulators, caused no problem. In fact, they generated the resources and the revenues that allowed these other people to get themselves in trouble.

According to Mr. Liddy, who was appointed to head AIG after the failure, a decision was initiated by the Federal Reserve last September to lend them money and then make a change in the company's management. Mr. Liddy said he was afraid—and he is genuinely sincere about this—he was afraid that some of these people who had been working at the company and who had intimate knowledge of these complex transactions would leave the company and might, in fact, even use their knowledge in ways that would be adverse to the company.

That is a very sad commentary on them. These are people who were engaged in these transactions, the effect of which was to put the company in trouble. And we are told that they have to be bribed not to abandon the company in their time of trouble.

Now, I am skeptical that the best way to get out of the hole that those people dug was to let them get extra pay for wielding the shovel. I believe there could have been other people hired. My colleague, Mr. CAPUANO, did some good questioning in this. We were told AIG felt, no, they had to pay the bonus. I think that is a very grave error.

My own preference is, and I have urged this on the administration, my preference is that they bring a lawsuit on behalf of the U.S. as the major shareholder so that we can recover here; that is, it is not a case of us as a regulator intruding on a contract by others. This is a case where we are the major owners of this company. And I believe that it is a grave error to enrich people who have apparently threatened to leave the company, abandon it and not help them get out of the problems they created unless they are given these bribes called ''retention bonuses.'' We have a resolution here which talks about several things.

First, it does express our determination to prevent these from happening in the future. We have already done some of that. We should note, this provision here, this decision was made unilaterally by the Federal Reserve system under a 1932 statute. There was no congressional input whatsoever into the decision last September to do this. The Secretary of the Treasury, Mr. Paulson, accompanied me, the chairman of the Federal Reserve, Mr. Bernanke, and they came to Congress, and they said that Mr. Bernanke had decided to give a loan of $85 billion to this company. No restrictions were put on the company. Two days later, the same two gentlemen asked us to enact legislation providing for $700 billion in authority.

At that point, we said, among other things, there has to be some restrictions on the compensation paid. Now we didn't get all the restrictions we wanted because we were in the negotiation process. But it was instructive that when the Fed did it on its own with the Secretary of the Treasury's support, there were no restrictions on compensation. Two days later, we immediately raised that, had a debate and got some of them. Now, we have gone further.

I would make this contrast. We have AIG without any restrictions. Under the TARP program, which Congress voted and which is now being administered by the current administration, we have not only imposed restrictions, we are now being criticized in the press and by some of the recipients for being too tough on them. In the New York Times last week, there was a front page article that said the banks are going to have to give the money back because we are too tough on compensation, lavish entertaining and too much pressure to make loans. There was an article in the Washington Post business section 3 days ago making the same point. I welcome that kind of criticism. I welcome the recognition that we have now become very tough. The problem is that these bonuses were granted under an authority that the Federal Reserve gave before Congress got into the situation and were able to put on the restrictions. This resolution is a beginning of what we will be doing.

There is also, I hope, going to be a lawsuit. I have been pressing the administration for a shareholders' lawsuit to recover the bonuses that have already been paid. And there will be other legislative vehicles. I hope that the Committee on Financial Services will mark up a bill next week which will embody much of what is in this resolution. We will have a markup in committee. I hope we will be able to bring a bill to the floor that will deal with this both prospectively and retroactively. At this point, this is a statement of intention which I think is appropriate because people in this country want to know what we are doing. It will be followed up by a markup in committee.

We have had several hearings on the subject of compensation and a big one on AIG, obviously, yesterday. And we will have another AIG hearing next week with the Secretary of the Treasury and the Chairman of the Federal Reserve. But we will be marking up legislation next week in committee and voting on it the final week before the recess so that what we state here as our intention I hope will become law.

I reserve the balance of my time.

Mr. GARRETT of New Jersey. I thank the Chair. At this time, I yield 4 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, I rise in strong opposition to this resolution. Like the American people, I'm extremely disappointed by the recent news that AIG paid millions of dollars in money bonuses after it received a massive government bailout. We all agree that the decisions that led to the collapse of AIG and the payment of large bonuses to some of the same executives who caused the collapse are indefensible.

However, the legislation we vote on today arrives at conclusions based not on facts, but rather, is focused on delivering political cover to my Democratic friends and colleagues. The bill reads, ''It is the sense of the Congress that the President is appropriately exercising all of the authorities granted by Congress.''

How can we come here today after all we and the American people have learned this week and say that everything the President has done is appropriate? The American people recognize the absurdity of such a statement, and so should we. In reality, there is not a single Member of Congress who can say with certainty that the President has done everything in his power in connection with these bonuses.

For instance, just today, Bloomberg quotes the Senate Banking Committee Chairman CHRIS DODD as saying that the Obama administration asked him to insert a provision in last month's $787 billion economic stimulus legislation that had the effect of authorizing AIG's bonuses. If that is correct, do you really want to vote to say that what the President did in enabling these bonuses was appropriate? I think not.

We are here today because the majority is trying to paper over its mistake. And now, they are asking us to compound that mistake by endorsing everything the President had done in connection with these million-dollar bonuses. It was a mistake not to read the stimulus package before you voted on it. You didn't read it. You didn't understand it. It had this provision in it. How could we, in good conscience, support legislation lauding the President's actions in allowing these bonus payments if it was that same administration that worked to enact legislation that now prevents us from recouping this $160 million dollars?

Such a vote would be a vote of confidence for an administration whose actions in handling the AIG matter have not earned the confidence of the American people.

Make no mistake, today's vote is not an effort to ensure oversight nor an effort to hold people responsible for their actions. Today's vote, instead, I conclude by saying, is a thinly veiled political ploy by the Democratic majority to deflect responsibility. That is wrong. The American people know it. Working families deserve better. They deserve an exit strategy from this continued cycle of government bailouts. And they deserve to be repaid 100 percent. They don't deserve a cover-up.

Mr. FRANK of Massachusetts. I yield myself such time as I may consume to say I learn a lot in this job. Now, I have learned about a theory called creationism which in some cases holds that the world was created 4,000 years ago or 7,000 years ago by calculating what the Bible said. But I now am astounded to see a new and more compressed theory of when the world was created. It apparently was created at noon on January 20, 2009.

You just heard someone say, ''it is Obama's fault.'' In September of 2008—and I regret that we are getting into this kind of political discussion—but the gentleman from Alabama raised it. In September of 2008, two appointees of George Bush came to the Congress and said, Mr. Bernanke, the Chairman of the Federal Reserve, who had previously been on the Bush economic advisory staff, and Mr. Paulson, the Secretary of the Treasury, and they said, ''we are going to lend $85 billion through the Federal Reserve to AIG.'' They didn't ask us.

Mr. BACHUS. Will the gentleman yield?

Mr. FRANK of Massachusetts. Yes.

Mr. BACHUS. The economic stimulus package——

Mr. FRANK of Massachusetts. No, I'm sorry. I will yield to talk about what I am talking about. I take back my time.

Mr. BACHUS. The language was inserted in that bill last night.

Mr. FRANK of Massachusetts. Mr. Speaker, please instruct someone who should know better about the rules. I took back my time. The point is this: He had the chance to make his argument. He wanted to make it political. Yeah, there was something in the stimulus package. Before the stimulus package, there was September of 2008. It does exist. Your revisionism doesn't work.

I would say to my friends on the other side, Mr. Speaker, in September—I note, Mr. Speaker, how sensitive the subject is that I raised. I got one sentence into describing the role of the Bush administration, and up comes my colleague from Alabama, because they don't want this to be discussed.

In September of 2008, George Bush's two top economic appointees came, and Mr. Bernanke informed us that he was going to lend $85 billion to AIG. I said, at the time, because he said "we have obligations all over the world here, and we have to make our foreign partners know that this is not going to be a default on them." I said, "well, are they contributing?" I asked them at the time, "will there be any contribution from foreign banks to make up what AIG owes?" The answer was "no." So from September of 2008 until January 20, 2009, the Bush administration was in charge of this.

Mr. GARRETT of New Jersey. Would the gentleman yield on that one point?

Mr. FRANK of Massachusetts. I will yield again to your sensitivity.

□ 1330

Mr. GARRETT of New Jersey. It is not to my sensitivity, just that since you are throwing out the dates, you said from September until January.

Mr. FRANK of Massachusetts. January 20, yes.

Mr. GARRETT of New Jersey. Is it not true that somewhere in between there, approximately on November 10, there was a restructuring that was done from the $85 billion initially, and the gentleman is correct when you said it initially came from the Fed, but restructuring was done perhaps at the request because of the credit ratings and what have you, and they needed to change the terms, and that the funds then came in part from TARP; is that correct?

Mr. FRANK of Massachusetts. Yes. I will reclaim my time to say that the gentleman has just reaffirmed what I said. I said it was the during the Bush administration.

I just reclaimed my time. Do Members not understand the rules on the other side? I yielded twice. I reclaimed my time, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Massachusetts has the time.

Mr. FRANK of Massachusetts. I got briefly into my response. Two of my colleagues have now jumped up because they don't want the story to be told. I said that it was under the Bush administration.

The gentleman from New Jersey got up, and, frankly, I thought he was going to say, "Oh, no, that was the Federal Reserve, they are not technically the Bush administration."

Instead, what he wanted to do was to drive home my point and say it wasn't just the Federal Reserve, it was the Department of Treasury in November 2008. Who was running the Department of Treasury? Bush appointees. So I accept the gentleman's correction. I should have been more clear that it wasn't just the Federal Reserve, it was also the Secretary of the Treasury and there was a restructuring.

The Bush administration was in control from September of 2008 until January. The decision to lend the money with no restrictions on compensation was a Bush administration decision.

Now, when we had to vote on the rescue plan, we did insist on some compensation restrictions. They were grudgingly applied. Under the current administration, we have greatly expanded these. If, in fact, we had covered the restrictions—well, the restrictions, let's just put it this way, that are now in place on the rescue plan are so tough that people want to give us the money back. The recovery plan, we said they could give the money back.

But the point is that yes, in November of 2008 it became even more of a Bush administration situation because Treasury had a larger role.

I would yield again to the gentleman.

Mr. GARRETT of New Jersey. I appreciate the gentleman yielding.

The point that I was about to make on completion of that was that yes, it was the Bush administration, his Secretary in November, November 10, 2008, who did the restructuring to help the situation move along. But they were not able to do that unilaterally, were they? In other words the TARP money that they spent, they didn't just pull that out of thin air like the Fed when they created money, they had to do that by requesting the House and the Senate to pass TARP legislation. My question to you was: Did that go through the House and who was it that sponsored the TARP legislation that provided the money?

Mr. FRANK of Massachusetts. The answer is the gentleman appears to have forgotten. How did it go through? Yes, the TARP legislation, requested by the Bush administration, did pass the House with the support of a majority of Democrats and a minority of Republicans, but supported by the Republican leadership.

Excuse me.

Mr. Speaker, let me explain to the gentleman, when you are recognized, you can speak. If you are not the one who is recognized, you ask someone to yield. If he yields, as I have done to you twice, you can speak. If he doesn't yield, you wait until someone does. It is an orderly process.

Now, again, I understand that this is an unusual degree to which I am being asked to yield because the Members on the other side want to make a partisan attack and not have the facts. The facts are—no, I will not yield to a continued kind of pattern of interruption because Members don't want the story told. I listened to the gentleman. He asked about how the TARP bill was passed. The Bush administration lobbied for it strongly. The Republican leadership of the House supported it, although a slight majority of the Members voted against it. A heavy majority of Republicans in the Senate passed it. So the TARP bill did pass with a majority of Republicans in the Senate, the Republican leadership in the House, and Democratic majorities in both Houses, and the Bush administration. It was genuinely bipartisan.

It included some restrictions on compensation, less than I would have liked because Republicans in the Senate, working with the Bush administration, resisted them.

We have since increased both the types of restrictions and the levels. So the answer to the gentleman's question: yes, the TARP bill did pass at the request of the Bush administration with support from the House Republican leadership, which I notice is conspicuously off the floor now to avoid embarrassment, and the majority of Republicans in the Senate. But that's the point, Mr. Speaker, this was initiated by the Bush administration, and the decision to give the TARP money without any restrictions came from the Bush administration.

I reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Speaker, the level of hypocrisy is astounding here. The resolution before us asks us to agree by our vote that the President is properly exercising all of the authorities granted to him by the Emergency Economic Stabilization Act, which did ban bonuses and golden parachutes.

What we do know is, the conference report, which was on a complete partisan basis adopted and signed by the President, had protection of bonuses to AIG written into it.

Now what we don't know is how the language that was previously in the stimulus was taken out in conference secretively and this language put in. We do know that Senator DODD was part of it because he has come out publicly and said I accept responsibility for putting this language in.

Now, we don't know who came——

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GARRETT of New Jersey. I yield the gentleman an additional 15 seconds.

Mr. TERRY. So we know that Senator DODD put this language in, but we don't know at whose request. But he has said at the President's request, probably through Geithner. So I can't in good conscience vote for this saying what the President has done through Secretary Geithner is appropriate.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 2 minutes to a member of the Financial Services Committee, the gentlewoman from Ohio (Ms. KILROY).

Ms. KILROY. Mr. Speaker, the great Winston Churchill said, ''The price of greatness is responsibility.'' AIG has shown that for them the price of greatness is greed, putting greed above greatest, putting self-interest above responsibility.

Today I rise in support of this resolution and to express the will of the American people to stop rewarding this behavior.

Let me be clear: We should focus on the behavior of AIG and those traders that were nothing more than gamblers, gambling in credit default swaps not in cards. But in the end, they gambled away the financial security of our markets. And when they failed and put the financial system at risk, the risk was pushed back onto the backs of the American people. America has had enough.

Instead of taking responsibility for the massive damage they have caused, AIG has continued this culture of greed. Today, in this resolution, we can tell these traders that business as usual is over. We don't care about their excuses and contracts. Contracts are, frankly, renegotiated every day. We care about cleaning up this mess and changing the culture that caused this debacle.

This resolution states our intent that without a voluntary decision by AIG employees to give the bonus money back, we will act to make them do so.

Today we hear that some employees have been shamed into giving back this money. Some is not good enough. All is the only option.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Utah (Mr. CHAFFETZ).

Mr. CHAFFETZ. Mr. Speaker, the resolution before us is offered by the gentlewoman from Ohio (Ms. KILROY). I am hopeful she will answer a question or two about the actual bill she has sponsored.

Ms. KILROY, would you mind answering a question about the bill that you are sponsoring? I would like to enter into a colloquy with Ms. KILROY.

Ms. KILROY, you are the sponsor of this bill having enabled this language and voting in favor of the stimulus bill.

The SPEAKER pro tempore. The gentleman from Utah should direct his remarks to the Chair.

Mr. CHAFFETZ. Mr. Speaker, I would just like to ask a question of the woman who just spoke.

The SPEAKER pro tempore. The gentleman from Utah should direct his remarks to the Chair.

Mr. CHAFFETZ. Mr. Speaker, do we know why she walked away? I just wanted the ability to ask a question about the bill that she sponsored.

The SPEAKER pro tempore. The gentleman from Utah has the time.

Mr. CHAFFETZ. Mr. Speaker, I have a question about why she walked away.

The SPEAKER pro tempore. Does the gentleman have a parliamentary inquiry?

Mr. CHAFFETZ. I was trying to ask the Speaker why the gentlewoman would walk away from the microphone when I simply wanted to ask a question.

The SPEAKER pro tempore. The gentleman from Utah has the time. Does the gentleman from Utah have a parliamentary inquiry?

Mr. CHAFFETZ. The question that I had, Mr. Speaker, is had the gentlewoman actually read the stimulus bill before she voted on it?

I wanted to ask the gentlewoman if it was her opinion that the administration is doing everything it should to prevent these bonuses from going through?

I also wanted to ask the gentlewoman did these bonuses happen under their watch?

Finally, I wanted to ask her, Didn't the White House ask Senator DODD?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. I reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1½ minutes to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Speaker, I have followed all of the discussion, and I understand the first vote is an instrumental vote and it actually does something.

This particular resolution I don't understand at all. Essentially, as I see it, it is a cover-up vote for the administration saying they did everything right. I don't disagree that there were problems in the previous administration. There are problems in this administration with all of this. There are a lot of problems in Congress, and perhaps with AIG. But to suggest that this administration has done everything correctly is just not accurate. It was Mr. Geithner, after all, when he was the head of the New York Federal Reserve and made the first payment to AIG in which they received most of the stock of AIG who was involved from that point on. It was his people who were involved from that point on.

There were discussions recently in the stimulus package about who actually took out the language with respect to allowing these bonuses to take place because there was language apparently put in by the Senate that would have prohibited that. And again, the White House was apparently involved in that.

Then there were discussions as to when everybody knew about this. And Mr. Geithner apparently indicated that he was informed I guess late last week and then informed the President. And yet we heard from Mr. Liddy at AIG that the Federal Reserve was involved with this from the beginning and knew about it from the beginning, and he assumed probably shared that information with Treasury.

Either way, you are talking about the administration. Individuals either did know or should have known, and to absolve the administration of fault is just wrong. And whether we vote ''yes'' or ''no'' on the previous bill, in my judgment everybody should vote ''no'' on this legislation. It is just not proper. I am not even sure why we are trying to consider it today, but it is not proper. It is not accurate. The bottom line is it should have a ''no'' vote.

Mr. FRANK of Massachusetts. I will continue to reserve.

Mr. GARRETT of New Jersey. I thank the gentleman from Delaware for his comments, and pointing out the fact that members of this administration, specifically Secretary Geithner was actually considered the architect of the AIG bailout bill.

With that, I yield 1 minute to the gentleman from Louisiana (Mr. SCALISE).

Mr. SCALISE. Mr. Speaker, I am angered. The American people are angered. But they are not just angered by what is going on with these bonuses at AIG, they are also angered at what is going on right here in Washington, DC, and in this Capitol by people who helped create this mess.

For those of us who voted against the bailout and who voted against the stimulus bill, we are equally angered not just at the bonuses, but also at the fact that this language was inserted into the stimulus bill.

Senator CHRIS DODD, the chairman of the Senate Banking Committee himself said this language, protecting AIG bonuses, was put in the bill because of a request from the White House.

We deserve to know who at the White House knew about that, who at the White House asked for this language to be put in protecting AIG bonuses. And now that people are rightly angered across the country, they are trying to cover themselves with this language in this resolution which is part of this coverup.

If Secretary Geithner knew that this language was going to be inserted and he helped direct it in there, he needs to resign. But the President needs to answer these questions to the American people who are rightfully angered about what is happening.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is interesting to listen to my colleagues not try to be problem solvers. The work of this body is to in fact solve problems, fix the capital markets, ensure that we restore the confidence in the capitalistic system. And yes, to overcome mishaps and issues that raise concern with all of us.

Today we create the opportunity and the vehicle to solve these problems. The taxation on retention bonuses speaks loudly on behalf of the American people. The expression of opposition to actions that occurred speaks loudly on behalf of the American people.

□ 1345

This body has many committees that will engage in oversight. My colleagues don't think that the work will be done—and it will continue—on how these issues came about, but maybe they should look at the past and understand the reason we are here is the $1.1 trillion debt that was created by the past administration. We are fixing the problem. Let's join those of us who want to work it out on behalf of the American people.

Mr. Speaker, I rise today in support of this resolution that I believe only begins to express the outrage that the American people and many Members of Congress are feeling right now. Our constituents feel like they have been handed a raw deal from the executives at AIG. They have given out large bonuses that would make most people blush with shame.

The understanding that most Members of Congress had when we passed the TARP legislation was that these measures were necessary to keep our financial system from collapse. However, the reality of a few months has proven quite different.

Last month, we voted for another economic recovery package of over $700 billion which contained language that limited executive compensation for companies that received certain TARP funds.

It appears that the AIG executives may not have broken the law but certainly the spirit of the law. This is unconscionable. It is an outrage that these businessman have bucked the system and chosen to dole out federally appropriated dollars to their own bank accounts. Where is the fairness? Where is the equity? $165 million is no small change.

In other words, if AIG has received over $190 billion in funds from the federal fiscal coffers in the last year, the company is acting in broad contravention of the essence of the law to use $165 million of that for bonuses. The country is now $12 trillion dollars in debt after passage of last month's American Recovery and Reinvestment Act of 2009. We literally cannot afford irresponsible uses of taxpayer dollars.

The unemployment rate is on the rise across the country. In fact, in my state of Texas, the unemployment rate has hit 6.4 percent. And that rate is even higher for minorities. Many of the people of Texas, like many Americans, are suffering through this economic downturn.

By voting for this resolution we are not just voting to take the money back, we are voting to get our country back on the right track. The U.S. dollar has traditionally been one of the strongest in the world. But just last week, an official from China appeared to question the holding of U.S. paper.

The losses that led to AIG's essential failure came largely from two sources: The state-regulated AIG insurance subsidiaries' securities lending program, and the AIG Financial Products (AIGFP) subsidiary, a largely unregulated subsidiary that specialized in financial derivatives. And is it not ironic, Mr. Speaker, that most of the bonuses in question went to AIG executives in those two divisions. Bad actors should not benefit from poor performance. The American people should not be required to pay for the missteps of the AIG top brass, particularly during a time when the unemployment rate is creeping up.

Financial derivatives are products that came into the public consciousness during the Orange County default of 1994. Typically derivatives are used to diversify investment portfolios for institutional and retail investors. If we thought that the derivatives beast had been tamed—apparently we were wrong—it has roared back to bite us.

The securities lending losses were largely due to investments in mortgage-backed securities, and are relatively well-defined at this point. At the end of 2008, the outstanding obligations from the AIG securities lending program were approximately $3 billion, down from over $82 billion at the start of 2008.

The credit derivative losses from AIGFP, however, are potentially ongoing despite actions taken to limit them. AIG reported approximately $300 billion in continued notional net exposure to credit derivatives at the end of 2008, down from approximately $370 billion at the start of 2008.

The government assistance to AIG began with an $85 billion loan from the Federal Reserve in September 2008. This loan was on relatively onerous terms with a high interest rate and required a handover of 79.9 percent of the equity in AIG to the government.

As AIG's financial position weakened after September, several rounds of additional funding were provided to AIG and the terms were loosened to some degree. The lessening of restrictions was necessary because of the overall deterioration of the economy and certain financial services companies.

The second major restructuring of the assistance to AIG was announced in March 2009 and has yet to be completed. Once it is completed, the assistance to AIG will comprise: (1) Up to $70 billion in capital injections through preferred share purchases by the Treasury; (2) up to $40.3 billion in outstanding loans from the Fed; (3) up to $34.5 billion in Federal Reserve loans retired by securities and equity interests provided to the government by AIG; and (4) up to $52.5 billion in loans for troubled asset purchases—assets which are now owned by the government.

In addition to possible continuing losses on AIG's derivative portfolio, the ongoing weakness in the economy may weigh heavily on AIG's future results. It is not clear whether the ongoing government involvement in AIG might strengthen or weaken AIG's core insurance business, as consumers could conclude that their policy with AIG is safe due to the government involvement or they could conclude that their policy with AIG is more risky since the government could change the terms of its involvement at any time.

That is why we must, as a Congress, send a strong message to the American people. They need to know that when we write a bill that is circumvented—Congress will act quickly to address it.

PARLIAMENTARY INQUIRY

Mr. GARRETT of New Jersey. Mr. Speaker, parliamentary inquiry, please.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GARRETT of New Jersey. Is it under the rules of the House that the sponsor of the resolution has to be on the floor during the presentation of the discussions and debate on the resolution?

The SPEAKER pro tempore. It is not required under the rules of the House.

Mr. GARRETT of New Jersey. Thank you.

Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. PAUL).

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. I thank the gentleman for yielding.

Today, there is a lot of expression of outrage—and indeed, there should be.

I don't believe that this resolution really addresses the real problem that we have. It looks like it's giving the administration an excuse by saying that he is only doing what we have asked him to do, and the administration. And in many ways this is true. The real fault, I think, falls within the Congress ever giving this money and allowing this to happen. But to excuse the administration and then complain about these bonuses and think that that can solve our problems, it just won't do that.

The real outrage, I think, is the lack of monitoring of what we do; we give out money, we have no strings attached, we give out hundreds of billions of dollars, and we totally ignore what the Federal Reserve does by issuing literally trillions of dollars. And yet, this is the emergency legislation.

This is politically driven, I happen to believe. I think people would like to express their outrage, and they do. And it's an easy target, picking on AIG, but we create these problems; we create them by doing things that are unconstitutional. We come up with these schemes and these expressions and excuses, and at the same time, we don't address the subject of why do we spend money, and why do we allow a monetary system to operate without any supervision by the Congress? That's where our real problem is. And someday we will address that and deal with this rather than doing it in the political way of saying, well, it's not our fault, it's their fault.

Mr. GARRETT of New Jersey. I thank the gentleman from Texas for pointing out that these problems were, in fact, created through legislation, and that legislation came under the leadership of the Democrat House.

At this time, I yield 1½ minutes to the gentlelady from Kansas (Ms. JENKINS).

Ms. JENKINS. Mr. Speaker, I rise today to express the frustration that my constituents and I have at the abuse of taxpayer dollars.

The American taxpayer, over the past year, has been forced to foot the bill with hundreds of billions to bail out bad decisions made by institutions that were deemed too big to fail, including AIG.

After receiving almost $200 billion in taxpayer bailout dollars, we now know AIG used some $165 million to pay bonuses to many of the same executives who got them into this mess in the first place. These bonuses are outrageous; but even more outrageous is that this whole situation could have been avoided. During the closed-door conference committee meetings for the

Democrat so-called stimulus bill, a provision was slipped in that permitted the AIG bonuses to be paid.

The $165 million in bonuses AIG recently made must be recaptured. As the primary—unwilling—investors, the American taxpayers deserve to know how and when they will be repaid and given assurance that their dollars will not be squandered any further.

The legislation voted on today will not recapture 100 percent of taxpayers' money, and it sets a dangerous precedent for punishing individuals by taxing past behavior deemed inappropriate.

It is disappointing how this body continues to let the American people down.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 30 seconds to correct the gentleman from New Jersey.

I have long thought that I pay closer attention to our colleague from Texas (Mr. PAUL) than his Republican colleagues. He talked about legislation, but he was talking about, in part, the legislation that gives the Federal Reserve the ability to do this.

The gentleman from New Jersey is incorrect. This was not created by the TARP legislation which the Congress passed at the request of President Bush, it was under legislation passed in 1932 which gave the Federal Reserve the authority. Mr. Bernanke was acting under that authority. So it is true that the actual loan was made under the administration of George Bush, but he was acting under authority signed by another great Republican President, Herbert Hoover.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Speaker, I have not seen this much gnashing of teeth and beating of breasts since Homer penned ''The Rape of the Sabine Women''.

This is truly amazing. We are being asked to vote on a resolution today that says that the President is doing everything in his power to properly execute a program. Now, I wish I could vote ''yes'' because I happen to think that the President of the United States, Mr. Obama, is doing the best job that he can, but I can't answer that question. I can't answer that question. And I am going to yield to the distinguished chairman of the Financial Services Committee if he will answer the question. This is the paragraph—hold on, let me get the citation—title VII, section 111, subparagraph (iii).

Somehow, when the bill left the Senate, it had the Wyden-Snowe language that said ''no executive compensation,'' and it taxed it. When the bill comes out of the conference committee, it has this paragraph in it that makes possible the bonuses that people are so shocked about today.

Now, I wasn't in the conference committee, I've been transferred to the Appropriations Committee, and so I would yield to the distinguished chairman of the Financial Services Committee if he would tell me—I assume he was a conferee—how did this get in the bill? I'll yield to anybody on the Democratic side. How did this paragraph get in the bill?

This paragraph said that the government could not stop the $170 billion worth of bonuses, and today we're taxing these bonuses at 90 percent and we're calling these people traitors. Come on. How did this stuff get in the bill? And if you can't answer the question, we can't vote on your resolution.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are here as a guest of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

Mr. FRANK of Massachusetts. Mr. Speaker, I reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, before I yield to our leader, I will yield such time to the chairman if he wishes to answer the question that the gentleman from Iowa asked, which was, how did this language get into the legislation which allowed for these bonuses to go through? He did not answer the question before, but I will yield.

Mr. FRANK of Massachusetts. I will confess, Mr. Speaker, I was not paying as close attention to the gentleman from New Jersey.

Mr. GARRETT of New Jersey. Then I take back my time.

Mr. FRANK of Massachusetts. Would he rephrase the question?

Mr. GARRETT of New Jersey. I take back my time. Apparently, the gentleman doesn't know the same rules that he was asking for one of his peers.

The SPEAKER pro tempore. The gentleman from New Jersey has the time.

The Chair would ask Members to be more orderly in yielding and reclaiming time. Specifically, Members should not interrupt after the Member under recognition has expressed an intent not to yield.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1 minute to our leader, the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Let me thank my colleague from New Jersey for yielding.

I can see that the political circus continues here with the second piece of legislation today.

I just want all the Members to know what the first paragraph of the ''Resolved'' clause is in this resolution. It says, ''Resolved by the House of Representatives, the Senate concurring, that it is the sense of Congress that the President is appropriately exercising all of the authorities granted by Congress under the Emergency Economic Stabilization Act of 2008, and any other Federal law.'' Are you kidding me?

The Secretary of the Treasury has the ability to do this. Before he gave the last $30 billion—you know, that was the day after they reported a $61 billion loss, the Secretary of the Treasury decided they needed another $30 billion. And before he gave them the $30 billion, he couldn't have made clearer that no bonuses were going to be paid.

So I don't know how we can put this ''resolved'' clause in this phony resolution here so all Members can cover their rear-ends that they have come to the floor and they have voted to stop all of these bonuses going to these AIG executives.

This is a joke, and we ought to treat it as such. Vote ''no.''

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 15 seconds to say that if the gentleman wants to ask me a question—I had said I hadn't heard it—if he would rephrase it, I will try to answer it.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this resolution, for I think it's a sham and an attempt to rewrite history.

When I and many of my colleagues voted against the first TARP bailout, I did so because I thought there weren't enough taxpayer protections. Well, you know what? I was right. But now we find out, to make matters worse, the other side of the aisle made it even worse writing in—in secrecy in the dead of night—a provision that actually took away a provision that would protect the taxpayers from these obscene bonuses. Well, they got caught, and now they have no one to blame but themselves.

When they say to 178 Members on this side of the aisle, ''it's my way or the highway,'' this is what they get. But my taxpayers shouldn't have to pay for their mistakes or their arrogance. So maybe I will call their bluff and maybe I will vote for their flawed legislation, which is too little, too late, because I want our taxpayer's money back.

I urge my colleagues to oppose this resolution, and I worry about how we're going to solve this problem.

Mr. FRANK of Massachusetts. I will continue to reserve.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding.

The outrage is continued. What we have today here is nothing short of a legislative coverup. That's what we're looking at here, Mr. Speaker. And when you look at these two different proposals that have come to the floor, one of which would trample on the Constitution in order to perpetrate this legislative coverup. And now we have the spectacle of Senator DODD pointing the finger at Secretary Geithner, and Secretary Geithner pointing the finger at Senator DODD. But what we do know is that our friends on the other side of the aisle, the Democrats, could have prevented this. But this language got in the bill, and all of a sudden it has no parents. Nobody will claim where this came from, this magical language that somehow allows these outrageous AIG bonuses to be paid.

Here's a news flash: Why don't we tell them, ''No more Federal money, AIG, until these bonuses are repaid?'' Don't come up with this political cover-your-backside language, trying to excuse all the people who are responsible for this in the first place. Don't trample on our Constitution in order to do this legislative coverup.

What happened to supposedly the most open and honest Congress in the history of America? This is transparency? This is honesty? And instead, we have cover up. Vote it down.

Mr. FRANK of Massachusetts. Mr. Speaker, I guess I will never get to answer that question, so I will yield, instead, 1 minute to the Speaker of the House.

Ms. PELOSI. I thank the gentleman for yielding, and I thank him for his leadership in bringing this legislation to the floor and his ongoing leadership in protecting the national interest of the American people as chairman of the Financial Services Committee.

I also want to acknowledge the leadership of Chairman RANGEL of the Ways and Means Committee for the legislation that was debated earlier about how the American people can get their money back, money paid in bonuses for failure, money paid that belongs to the taxpayers.

Mr. Speaker, today we are gathered on the floor to address a symptom, the bonuses, a symptom of the challenge that we face in our economy and in our financial situation in our country. I believe the President is on the right path and did an excellent job in his leadership when we passed the Recovery Act here. This Congress is moving forward with regulatory reform to address the lack of regulation, supervision, and discipline in the financial markets that brought us to this place. The President's initiatives on housing will help people stay in their homes. Addressing the housing crisis is essential to addressing the financial crisis in our country. And then we have to deal with the stability of our financial institutions.

In the course of doing that, with a massive infusion of cash from the Fed on September 16—long before some in this body were even elected to the Congress—the Federal Reserve transferred these funds and the many funds since then without any requirements or conditions.

We come to a point where it is very clear that there are many in our country who believe that the way a free market system works for them, and not in the national interest, is to nationalize the risk and privatize the gain.

□ 1400

They are entrepreneurial, take risk, enjoy the benefits when success is there. But when it is not, these undue risks have to be paid for by the taxpayer, or so they think. That's just not right.

We all believe in a free market system. We all see that capitalism produces jobs and creates capital, and that is important. It creates wealth and that's important to the success of our economy, creating jobs especially. But it isn't right, it just simply isn't right, when there is a reward, a spelled-out-in-advance reward, for those who will take undue risk and when they fail, they get a bonus; the taxpayer gets the bill. This must end.

And today with these two resolutions, I think that we are making two important statements. One is that the administration should continue in its efforts to recover the money and prevent these bonuses from going forward. And the other is that we want our money back and we want our money back now for the taxpayers. This isn't that complicated. It isn't that complicated.

There are other steps that we can take, and in working in a bipartisan way on the committees of jurisdiction, the Financial Services Committee for one, we will have other pieces of legislation which will ensure that this can never happen again. We're working with the Judiciary Committee to say when is the national interest so offended that it is okay, then, to revisit a contract?

You hear all this talk about, oh, we can't revisit contracts. It's the Constitution. And we respect that, and we would not do so unless we would do so very carefully. But nobody seems to have a problem saying to auto workers in Michigan that their contracts must be revisited, that they have to take a deep cut in order to sustain an industry because that industry is important to our national security; we must have a manufacturing base and we cannot have it be undermined. So if the workers contracts are so subject to review and revision, why is it that when somebody gives a contract for a bonus to somebody for failure which is known not to be in the national interest that you can't even bring up the subject?

Well, that isn't the subject for today in terms of legislation, but the subject of fairness and justice is. And I would hope that going forth from today, we could work strongly in a bipartisan way to address the real challenges to our economy and the challenge that the fragility of our financial institutions poses. We have to really say is it worth it to us to transfer hundreds of billions of taxpayer money, as Secretary Paulson asked us to do on September 18 when he and Chairman Bernanke visited the Congress? What are the results? Where is the credit circulating on Main Street?

Just getting back to the bonuses for a minute, because of the failure of AIG and the downturn for so many other financial institutions in our country, our people do not have job security. They're afraid of losing their jobs, their homes, their pensions, the college education of their children. It's just not right. There is a direct connection between this nationalizing the risk and privatizing the gain and the economic security of America's families and the strength of Main Street.

So let's take a step and say we want our money back. Here's one way to get it. And then let's work together to do more in that regard to bring justice to the system but, more importantly, to work together to bring stability to our economy.

With that, I urge our colleagues to support the resolutions before us.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 30 seconds to a gentleman now who also wants to get the money back but also wants to find out how we got to this place in the first place, the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Speaker, I have to apologize to the distinguished chairman of the Financial Services Committee because apparently I wasn't riveting enough when I was chatting before. And I'm happy to restate my question, and if the distinguished Speaker hasn't left the floor, she as well, I assume, had a representative in the conference committee.

My question was simple. These bonuses were not blocked as a result of this paragraph in the stimulus bill. Now, 2 days before we voted on it, every Democrat in the House voted to give us 48 hours to do it. You didn't do it. You gave us 90 minutes. You said 90 minutes is plenty of time. So I assume the Democrats read it. I assume the conferees who were in the room when this paragraph was inserted read it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GARRETT of New Jersey. I yield the gentleman an additional 10 seconds.

Mr. LATOURETTE. My question, Mr. Chairman: How did this get in the bill?

I have the same answer, but I'm glad at least we have now heard the question.

Mr. FRANK of Massachusetts. Well, Mr. Speaker, I would say to my friend from Ohio that last remark was kind of bewildering. It wasn't my time. He was out of time. He seemed to be annoyed that I hadn't answered his question, but how I don't know how I could have done that except by sign language, in which I am not proficient. In my time I will address the question. For him to ask me a question as his time expires and then express indignation at my failure to answer it puzzles me.

Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I ask unanimous consent to give the chairman 15 seconds to answer the gentleman's question.

Mr. FRANK of Massachusetts. Reserving the right to object, I'm not going to be told I have only 15 seconds to answer a question.

Mr. BACHUS. Mr. Speaker, then I ask unanimous consent to give the chairman 1 minute to answer the gentleman from Ohio's question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts has an additional 1 minute added to his time.

Mr. FRANK of Massachusetts. I thank the gentleman. I will use it and then reserve the balance of my time.

I was not a member of the conference committee. The Financial Services Committee was not directly involved in this. We were more constrained by what we thought was the germaneness to the recovery bill. So the answer is I am not familiar with whatever the reasons were as to why this was put in.

I will say this: If there had been no language whatsoever, we still wouldn't have had the authority. In other words, what did survive was additional authority. Now, if there had been no bill whatsoever, we wouldn't have come even this close. But as to the specific question, the answer is I was not involved.

I would also just say, as chairman of the Financial Services Committee, I monitor pretty closely what goes on. I am not aware of any Republican member of the Financial Services Committee who has approached us and asked us to toughen up compensation restrictions. This interest in compensation restrictions is a fairly new interest. I commend people. I think later in life, it's good to take up new things so you don't get stale. But I do want to note that it is a fairly newfound hobby of my colleagues on the other side. In fact, in September when the Bush administration said they were going to make the loan with no restrictions and we pushed for it——

Mr. BACHUS. Will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. BACHUS. We're talking about this February. This resolution deals with your resolution that the President in February acted appropriately.

Mr. FRANK of Massachusetts. Reclaiming my time, we now have the nub of it. How dare I mention September of 2008. We're talking about February. I thought the world began on January 20. Apparently it started on February 1.

The fact is that you cannot look at this out of context. It was under the Bush administration that they initiated this loan to AIG. It was under the Bush administration that they asked for TARP and for our efforts to try to restrict compensation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GARRETT of New Jersey. Mr. Speaker, can I ask how much time remains on both sides, and was that time that just used then in excess of the 1 minute that was yielded to the gentleman by unanimous consent?

The SPEAKER pro tempore. It was.

The gentleman from New Jersey has 2½ minutes remaining, and the gentleman from Massachusetts has 2¼ minutes remaining.

Mr. GARRETT of New Jersey. With that, Mr. Speaker, I will yield 1 minute to the gentleman from Texas who knows as well as RON PAUL does that the Federal Reserve was created during a Democrat administration.

Mr. GOHMERT. Mr. Speaker, I heard the chairman a moment ago saying Bush was in charge in September. And that's correct. I was glad to hear that.

But some of us back in September were begging the majority and people on this side of the aisle don't give $700 billion in this fashion to anybody, not Paulson, not Geithner, not anybody. But it passed with the majority of the majority voting for it.

So it's a little difficult to come in here and say the President has done everything he can when President Obama's defense apparently is, well, Bush was bad, he used maybe $300 billion of the $700 billion; so we've got Obama $1.5 trillion, $1.6 trillion.

Look, if we want to fix this so the President can do all he can, somebody needs to put in the teleprompter that he's directing Geithner to put this outfit in receivership and then go get 100 percent of the bonuses. Then we can talk about doing all he can.

Mr. FRANK of Massachusetts. Mr. Speaker, I reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. ROSKAM).

Mr. ROSKAM. Mr. Speaker, I thank the gentleman for yielding.

A couple of minutes ago we heard from the gentlewoman from California, the Speaker of the House. She said this isn't complicated. And you know what? It's really not complicated.

It was just a few short weeks ago that the House Republican leader, JOHN BOEHNER, came out here with, I don't know, was it a thousand pages? It was a whole lot of pages in the stimulus package. And he gave a poignant observation, and he made a challenge and he said nobody on that side of the aisle has read this bill. He dropped it, and like a thug those pages hit. And there was silence on the other side because you know what? The other side, Mr. Speaker, could hardly give you eye contact because they hadn't read the bill. And now, lo and behold, we come up with one shuffling answer after another as to how it is that this policy gives AIG the ability to walk away with taxpayer money. The list of excuses knows no end.

So the Speaker is right. This isn't complicated. This is what happens when we abrogate responsibility, when the Congress doesn't read bills, and when we create what my predecessor calls the ''greased chute of government.''

Mr. FRANK of Massachusetts. Mr. Speaker, I continue to reserve the balance of my time.

Mr. GARRETT of New Jersey. Mr. Speaker, we are essentially here today on a resolution that does nothing much more than to say congratulations to this administration.

When you think about all the outrage across the country, and Americans should be outraged. We all want to get our money back and we will do everything in our power to get our money back. But the Americans are not only outraged at these bonuses, they are not only outraged at AIG and that they paid them out, but they are also outraged that we got here in the first place. And they know the fact that it was Secretary Geithner who was the architect of this. They know that TARP 1, 2, and 3 passed under the leadership of this Democrat House without absolute any strings attached whatsoever. And they know that it was under the leadership of this House that a bill passed that pulled out the restrictions. And so there is no reason why we should be commending this administration on this matter.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FRANK of Massachusetts. Mr. Speaker, we have passed from creationism to fantasy. It's interesting.

The gentleman from Texas (Mr. GOHMERT) was very critical, in fact, of the actions of the Republican leader. He said we begged people not to vote for the TARP. The Republican leader in the House last fall worked very hard to get it passed. So did the other members of his leadership.

□ 1415

So did the other Members of his leadership, and now he is being denounced for that. So I guess he broke even on his side, which these days, if you are in the minority, may be a pretty good day.

But the fact is this, the gentleman from New Jersey says, well, the Democrats were in the majority—though he said Democrat majority. Pardon me, for not getting his inflection absolute. Yes, the President of the United States, George Bush, came and asked us to do this, and his two top economic advisers said if you don't do it, there will be a crisis.

But, in fact, that's not directly relevant to the AIG issue. AIG was granted money.

And, by the way, the gentleman from New Jersey again misstates the relevant statute. The statute that we are referring to, that the gentleman from Texas referred to, is not the original one creating the Federal Reserve, it's the 1932 statute that gave them the power to lend money as they wish, signed by another great Republican President, Herbert Hoover.

But the point is that it was the Republican administration that said we had to do this. Yes, there was cooperation, the Republican leadership in the

House, the majority in the Senate, believing that there would have been a terrible problem if it wasn't there.

I do want to reiterate that I am now pleased, as Chairman of the Financial Services Committee, that there is this interest on the Republican side in restricting compensation. It has not previously been a strong part of their argument.

However, we will return to the subject of this resolution. The resolution isn't binding, but it is a forerunner of what will be binding.

The Committee on Financial Services will vote next week on binding legislation, and it will bring it to the floor the week after, which will embody much of this, and it will include an effort to deal with this retroactively. There will be legal questions raised, but the fact is that we will have binding legislation to embody this.

This is an important statement. I would say this in closing, Mr. Speaker. We have people now at AIG deciding whether or not they are going to give their money back. The more they give back to us, the better we will be. It won't be totally conclusive.

But to defeat this resolution because it says nice things about President Obama would be a grave error.

Mr. MARSHALL. Mr. Speaker, I voted in favor of this resolution because no company should pay large bonuses to employees after receiving taxpayer funds under the Troubled Assets Relief Program. I agreed to the stated "sense of Congress" that the President is appropriately exercising all powers available to him because I have no reason to conclude otherwise. But I acknowledge the possibility that the President may not be doing all he can to recover the AIG bonuses. No Representative can know everything an Administration is doing so it is therefore possible that more can be done. If more can be done, it should be done.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. FRANK) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 76.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. GARRETT of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 1586, by the yeas and nays;

H. Con. Res. 76, by the yeas and nays;

H.R. 1216, de novo.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

TAXING EXECUTIVE BONUSES PAID BY COMPANIES RECEIVING TARP ASSISTANCE

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill, H.R. 1586 on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. RANGEL) that the House suspend the rules and pass the bill, H.R. 1586.

The vote was taken by electronic device, and there were—yeas 328, nays 93, not voting 10, as follows:

[Roll No. 143]

YEAS—328

Abercrombie
Ackerman
Aderholt
Adler (NJ)
Alexander
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Barton (TX)
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Boccieri
Bono Mack
Boozman
Boren
Boswell
Boucher
Boyd
Brady (PA)
Braley (IA)
Bright
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Calvert
Camp
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Cassidy
Castle
Castor (FL)
Chandler
Childers
Clarke
Clay
Cleaver
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
DeFazio
DeGette
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Fleming
Forbes
Fortenberry
Foster
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Gerlach
Giffords
Gonzalez
Goodlatte
Gordon (TN)
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Halvorson
Hare
Harman
Hastings (FL)
Heinrich
Heller
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinojosa
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Kirk
Kirkpatrick (AZ)
Klein (FL)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maffei
Maloney
Manzullo
Markey (CO)
Markey (MA)
Marshall
Massa
Matheson
Matsui
McCarthy (NY)
McCaul
McClintock
McCollum
McDermott
McGovern
McHugh
McIntyre
McMorris Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler (NY)
Neal (MA)
Nye
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor (AZ)
Payne
Perlmutter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Platts
Polis (CO)
Pomeroy
Price (NC)
Putnam
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shimkus
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Space
Speier
Spratt
Stark
Stearns
Stupak
Sutton
Tanner
Tauscher
Taylor
Teague
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wexler
Whitfield
Wilson (OH)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NAYS—93

Akin
Austria
Bachmann
Bachus
Barrett (SC)
Bartlett
Bean
Bishop (UT)
Blackburn
Boehner
Bonner
Brady (TX)
Broun (GA)
Burgess
Burton (IN)
Buyer
Campbell
Carter
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Deal (GA)
Dreier
Fallin
Flake
Foxx
Franks (AZ)
Garrett (NJ)
Gingrey (GA)
Gohmert
Granger
Graves
Hall (TX)
Harper
Hastings (WA)
Hensarling
Hunter
Inglis
Issa
Jenkins
Johnson, Sam
Jordan (OH)
King (IA)
King (NY)
Kingston
Kissell
Kline (MN)
Lamborn
LaTourette
Latta
Linder
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCotter
McHenry
McKeon
McMahon
Miller (FL)
Minnick
Mitchell
Murphy, Tim
Myrick
Neugebauer
Nunes
Paul
Paulsen
Pence
Pitts
Poe (TX)
Posey
Price (GA)
Scalise
Sensenbrenner
Sessions
Shadegg
Shuster
Simpson
Smith (NE)
Snyder
Sullivan
Terry
Thompson (PA)
Thornberry
Tiahrt
Westmoreland
Wilson (SC)

NOT VOTING—10

Boustany
Culberson
Davis (TN)
Delahunt
Hinchey
Miller, Gary
Napolitano
Olson
Radanovich
Souder

□ 1444

Messrs. MINNICK and McKEON changed their vote from ''yea'' to ''nay.''

Messrs. THOMPSON of California, YOUNG of Alaska, REHBERG, ALEXANDER, LEWIS of California, WHITFIELD, YOUNG of Florida, BROWN of South Carolina, FLEMING,