

Washington, DC - This afternoon the House passed H.R. 384, the TARP Reform and Accountability Act, which imposes strict accountability and transparency provisions on the remaining \$350 billion in the Troubled Assets Relief Program of the Emergency Economic Stabilization Act of 2008. The bill was passed by a vote of 260-166.

“There was a dire need to act when we passed the Emergency Economic Stabilization Act last fall. But at the same time, we knew that our work was not finished back in October. Any program of this magnitude requires close supervision so that it can be adjusted and upgraded along the way,” said Congressman Charlie Gonzalez (TX-20).

“This legislation implements strict accountability and transparency measures that will ensure that the Treasury manages these billions of taxpayer dollars appropriately,” he added.

H.R. 384 mandates that banks report to Congress exactly how federal funds are being used on a quarterly basis. FDIC-insured depository institutions must also report on any change lending levels and activity related to TARP funding. Similarly, the Treasury, TARP participants, and regulators are tasked with agreeing upon how the funds are used and developing benchmarks to make sure credit is made more readily available to consumers.

Stricter executive compensation restrictions are also placed on TARP funds with this legislation. The measures would prohibit multi-million dollar golden parachutes, applicable to all institutions rather than those only with over \$300 million in assets. In addition, it prohibits bonuses for the 25 most highly paid employees at each company.

The bill also calls on the Treasury to immediately commit up to \$100 billion of the TARP funding to a foreclosure mitigation plan that will help Americans stay in their homes.

“We must assist homeowners who are facing foreclosure,” said Gonzalez. “The provisions in this bill aimed at keeping Americans in their homes will serve as a good foundation for future legislative action necessary to address the national housing crisis,” he added.

For a full summary of the legislation, click here:

<http://www.speaker.gov/newsroom/legislation?id=0272>

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