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COMMITTEE ON EDUCATION
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COMMITTEE ON AGRICULTURE

COMMITTEE ON OVERSIGHT
AND GOVERNMENT REFORM

Congress of the United States

House of Representatives

Washington, DC 20515-3305

November 18, 2008

Help Protect Accountability and Responsibility of Bailout Money

Cosponsor Resolution of Disapproval for Additional \$350 billion Authorization

Dear Colleague:

Since the recent enactment of the bailout legislation authorizing the Administration to spend \$700 billion on an undefined economic rescue plan, Congress and the public have begun to see the effort take shape. For example, while Secretary Paulson had initially proposed purchasing toxic assets from financial institutions, we have since seen Treasury spend \$250 billion purchasing stock from nine of the nation's largest financial institutions – a proposal the Secretary had earlier dismissed as an admission of failure. On top of the trillion-plus spent pursuing the unprecedented bailout of various entities ranging from Fannie Mae/Freddie Mac, AIG, and Bear Stearns, in the brief period since passage of the TARP bailout, demands on the federal pie have poured in from everyone ranging from life insurers to the states and credit card companies. Congressional leaders have even requested using the authorization to bailout the domestic auto industry, with President-elect Obama echoing similar demands.

The bailout package allowed Treasury to spend \$250 billion upfront and draw down \$100 billion in additional funding with authorization from the President. With the Presidential request already having been submitted, \$350 billion remains available, barring Congressional passage of a joint resolution of disapproval. Now that the immediate pressure for Congress to pass legislation indiscriminately to cure our nation's economic ills, it is time to take a patient, balanced examination of the federal bailout program and direct an appropriate federal response.

Regardless of who occupies the White House, it's time for Congress to end the bailout madness that continues to whittle away at the critical free market functions so necessary to efficient global capitalism. That is why I urge you to cosponsor my joint resolution of disapproval to save \$350 billion for another day. Rest assured, this measure would not prevent the federal government from enacting policies to help restore confidence in our economy. Rather, it would allow Congress more time to ensure that the efforts are well-targeted and spent wisely.

Please contact Brandon Renz (brandon.renz@mail.house.gov; 5-2071) with any questions or to cosponsor this important, nonpartisan measure.

Sincerely,



Virginia Foxx
Member of Congress