

March 18, 2009

WASHINGTON, DC – Rep. Peter DeFazio (D-OR) today stood up for hard working Oregonians when he voted to reclaim taxpayer money and deny greedy AIG executives the outrageous bonuses the company doled out to them. The legislation, H.R. 1586, the Bonus Recoupment Tax Act, will tax bonuses for those earning more than \$250,000 at 90% at all companies that have, or will, receive more than \$5 billion from the Targeted Asset Relief Program (TARP). The legislation passed the House of Representatives by a vote of 328 to 93.

"Finally today, my colleagues joined me and those who opposed the initial bailout plan in protecting the American taxpayer by taking back these absurd bonuses from the greedy executives on Wall Street who are responsible for ruining our economy. More has to be done to rebuild our economy but at least this was a start." DeFazio said

After receiving more than \$170 billion in taxpayer funds, AIG paid \$165 million in retention payments to executives. These were the same executives who mismanaged the company's hedge fund and nearly bankrupted the company and the country. AIG only exists today thanks to the largess of the American taxpayers. The top recipient received more than \$6.4 million and more than 73 executives were paid over \$1 million in retention bonuses. After receiving their retention bonuses, at least eleven recipients left the company. No taxpayer funds should be used to pay bonuses or other unjustified compensation to AIG executives whose irresponsible risk-taking brought our financial system to the brink of collapse.

"Though the legislation we passed today sends a clear message to AIG executives and others that this type of greed will not be tolerated, we need to ensure that we are never faced with this situation again. We need financial regulatory reform," DeFazio said. "I have also asked President Obama to increase funding for the FBI's White Collar Crimes Program to investigate the institutions and individuals involved in the fraud and financial irregularities that contributed to

this economic mess."