

Michaud Reacts to Sec. Geithner's TARP Plan

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Michaud voted against the financial bailout bill last year because it lacked proper accountability measures and safeguards necessary to make sure that the taxpayers were protected and that the money was being spent in the best possible way.

“Since the bailout passed last year, the execution has been awful,” said Michaud. “Banks who received bailout funding are hoarding it or using it to acquire other banks. This has done little to increase lending or help our economy.”

The House of Representatives passed a bill on January 21st called the TARP Reform and Accountability Act (H.R. 384). The legislation would strengthen accountability, close loopholes, increase transparency, and require the Treasury Department to take significant steps on foreclosure mitigation. Michaud voted for the reform package and also voted for a motion that would have stopped the release of the remaining bailout funds and required the Treasury Secretary to develop a plan for taxpayers to get paid back. Despite bipartisan support in the House, the Senate never acted on the bill.

“Now that the bailout is law, it should be improved in any way possible. I am disappointed that the Senate did not act on the House-passed TARP reform package and simply voted to release the remaining bailout funding without any additional safeguards. While I appreciate some of what the Administration is currently doing to correct past wrongs, I am afraid that it might not go far enough,” said Michaud.

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