

Congressman Rothman Votes Against Second Bailout Bill

Statement of Congressman Rothman on His Vote Against Second Bailout Bill

"I won't be steamrolled into spending hundreds of billions of dollars of taxpayer money on an approach that will not solve the economic problems we face. A vote against this bill is not a vote for inaction. I am prepared to stay in Washington as long as it takes, knowing that infinitely better solutions are right at hand and can be implemented immediately to properly address liquidity, home mortgage failures and the urgent need for a sizable economic stimulus package.

"Without this bill, the Federal Deposit Insurance Corporation (FDIC) and the Treasury Secretary already have the power to immediately provide liquidity and additional capital to our nation's banks by simply guaranteeing to protect all general creditors of FDIC banks. Then, Congress should allocate a multi-billion expenditure to recreate a new Home Owners' Loan Corporation, which allowed the restructuring of mortgages for a quarter of American homeowners in the 1930's, to address the true, foundational problem of Wall Street's holding of illiquid, "toxic" mostly residential mortgages. Finally, Congress should pass this week a robust economic stimulus package to rebuild our nation's roads, rails, bridges and tunnels. This would create millions of good paying new jobs, improve our country's vital but crumbling infrastructure and still avoid the additional deficit spending of several hundred billion dollars of taxpayer money that is wasted in the present bailout bill.

"For the record, my constituents are split on this vote. However, I cannot in good conscience choose a plan that will waste hundreds of billions of dollars of taxpayer money on a deeply flawed proposal that does not address the real economic problems in the banking and homeowners sectors. The Senate bill added little to improve the House bill I voted against on Monday, except attaching a package of "sweeteners." I have already voted in favor of all of these provisions in the past, including a one-year fix for the Alternative Minimum Tax, clean renewable American energy tax incentives, disaster relief, and mental health parity to end coverage discrimination. While I will continue to fight for these initiatives, their attachment to the bailout bill does not allay my objection to giving Wall Street a \$700 billion blank check."

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