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SPECIAL INSPECTOR GENERAL FOR THE TROUBLED ASSET RELIEF PROGRAM ACT OF 2009

MARCH 19, 2009.—Committed to the Whole House on the State of the Union and ordered to be printed

Mr. FRANK of Massachusetts, from the Committee on Financial Services, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany S. 383]

[Including cost estimate of the Congressional Budget Office]

The Committee on Financial Services, to whom was referred the bill (S. 383) to amend the Emergency Economic Stabilization Act of 2008 (division A of Public Law 110–343) to provide the Special Inspector General with additional authorities and responsibilities, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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PURPOSE AND SUMMARY

S. 383, the "Special Inspector General for the Troubled Asset Relief Program Act of 2009," would clarify the law enforcement authority of the Special Inspector General and provide additional hiring flexibility for the Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP).

Specifically, S. 383 would amend the TARP provisions of the Emergency Economic Stabilization Act of 2008 (EESA, P.L. 110–343), by providing the SIG with more authority to examine actions taken under TARP; clarifying the law enforcement authority of the SIG; providing the SIG with temporary hiring authority for six months; permitting the SIG the ability to hire federal annuitants without the need for such hires to offset their pension, and requiring the Treasury Department to notify Congress of the reason for failing to follow any written recommendations made by SIGTARP; requiring cooperation amongst the Inspectors General that have oversight responsibility over TARP; adding the SIGTARP to the council of Inspectors General; and changing the timing of reporting requirements and the time limit for release of funds to SIGTARP.

BACKGROUND AND NEED FOR LEGISLATION

Nearly five months ago, Congress enacted EESA, which authorized the establishment of the Troubled Asset Relief Program (TARP) within the Treasury Department, and created the Office of Financial Stability within Treasury to implement TARP. The Act also established the Office of the Special Inspector General for the Troubled Asset Relief Program and authorized $50 million for the office.

President Bush nominated Neil M. Barofsky on November 14, 2008, to serve as the Special Inspector General for TARP. Subsequently, Mr. Barofsky was confirmed by the Senate on December 8, 2008, and was sworn into office on December 15, 2008.

Senator Claire McCaskill introduced S. 383, the Special Inspector General for the Troubled Asset Relief Program of 2009, on February 4, 2009. The Senate passed the bill by unanimous consent on February 4, and the bill was subsequently referred to the House Committees on Financial Services and Oversight and Government Reform for consideration.

On February 24, 2009, the Subcommittee on Oversight and Investigations held a hearing on TARP Oversight. At this hearing, Mr. Barofsky testified that the additional hiring flexibility provided by S. 383 is urgently needed to enable his office to quickly hire experienced investigators to help effectively and expeditiously carry out the congressional mandate to "conduct, supervise, and coordinate audits and investigations of the purchase, management, and sale of assets by the Secretary of the Treasury under any program established by the Secretary" under TARP.

On March 5, 2009, Subcommittee on Oversight and Investigations Chairman Dennis Moore and Subcommittee Ranking Member Judy Biggert introduced H.R. 1341, an identical version of the Sen-

ate legislation. In introducing the companion legislation, Chairman Moore and Ranking Member Biggert noted that SIGTARP is the sole TARP oversight body charged with criminal law enforcement authority, and given the scale of government funds being quickly disbursed, the SIGTARP should have every tool available to vigilantly monitor for any crimes and waste, fraud or abuse related to the TARP program. Other Members joining as co-sponsor include Representatives Bean, Driehaus, Hinchey, Kilroy, Paulsen and Sherman.

The Committee is concerned about the inclusion and utilization to the maximum extent possible of minority- and women-owned businesses in all business and activities of the Secretary and each assisted institution under TARP at all levels, including in procurement, insurance, and all types of contracts. As such, the Committee encourages the Special Inspector General to closely monitor and provide ongoing reports to the Congress on the ability of these groups to participate under TARP, and any remedial actions that might increase such participation. Furthermore, the Committee encourages the Special Inspector General to consider examining how TARP funding has been used to benefit smaller banks that may be well-positioned to provide needed credit to families and small businesses in their communities.

HEARINGS

The Subcommittee on Oversight and Investigations held a hearing on February 24, 2009, on "A Review of TARP Oversight, Accountability and Transparency for U.S. Taxpayers." The following witnesses testified:

- Mr. Neil M. Barofsky, Special Inspector General, Office of the Special Inspector General, Troubled Asset Relief Program
- Mr. Gene L. Dodaro, Acting Comptroller General of the United States, Government Accountability Office
- Ms. Elizabeth Warren, Chair, Congressional Oversight Panel & Leo Gottlieb Professor of Law, Harvard University

COMMITTEE CONSIDERATION

The Committee on Financial Services met in open session on March 11, 2009, and on March 12, 2009, ordered S. 383, the "Special Inspector General for the Troubled Asset Relief Program Act of 2009," favorably reported to the House by a voice vote.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. A motion by Mr. Frank to report the bill to the House with a favorable recommendation was agreed to by a voice vote.

During the consideration of the bill, the following amendments were disposed of by record votes. The names of Members voting for and against follow:

An amendment by Mr. Paulsen, No. 1, regarding a report on assistance for smaller financial institutions, as amended, was not agreed to by a record vote of 25 yeas, 35 nays and 1 present (FC–2):

RECORD VOTE NO. FC–2

Representative	Aye	Nay	Present	Representative	Aye	Nay	Present
Mr. Frank		X		Mr. Bachus	X		
Mr. Kanjorski		X		Mr. Castle	X		
Ms. Waters		X		Mr. King (NY)	X		
Mrs. Maloney		X		Mr. Royce	X		
Mr. Gutierrez		X		Mr. Lucas	X		
Ms. Velázquez		X		Mr. Paul	X		
Mr. Watt		X		Mr. Manzullo	X		
Mr. Ackerman				Mr. Jones	X		
Mr. Sherman		X		Mrs. Biggert	X		
Mr. Meeks				Mr. Miller (CA)			
Mr. Moore (KS)		X		Mrs. Capito	X		
Mr. Capuano		X		Mr. Hensarling	X		
Mr. Hinojosa				Mr. Garrett (NJ)			
Mr. Clay		X		Mr. Barrett (SC)	X		
Mrs. McCarthy		X		Mr. Gerlach	X		
Mr. Baca		X		Mr. Neugebauer	X		
Mr. Lynch		X		Mr. Price (GA)			
Mr. Miller (NC)		X		Mr. McHenry	X		
Mr. Scott		X		Mr. Campbell		X	
Mr. Green		X		Mr. Putnam	X		
Mr. Cleaver		X		Mrs. Bachmann	X		
Ms. Bean		X		Mr. Marchant	X		
Ms. Moore (WI)		X		Mr. McCotter	X		
Mr. Hodes		X		Mr. McCarthy	X		
Mr. Ellison			X	Mr. Posey	X		
Mr. Klein		X		Ms. Jenkins	X		
Mr. Wilson		X		Mr. Lee	X		
Mr. Perlmutter		X		Mr. Paulsen	X		
Mr. Donnelly		X		Mr. Lance	X		
Mr. Foster							
Mr. Carson		X					
Mr. Speier							
Mr. Childers		X					
Mr. Minnick							
Mr. Adler		X					
Ms. Kilroy		X					
Mr. Driehaus		X					
Ms. Kosmas							
Mr. Grayson		X					
Mr. Himes		X					
Mr. Peters		X					
Mr. Maffei							

An amendment by Mr. Hensarling, No. 3, regarding minimizing potential long-term negative impact on the taxpayer, was not agreed to by a record vote of 26 yeas and 37 nays (FC–3):

RECORD VOTE NO. FC–3

Representative	Aye	Nay	Present	Representative	Aye	Nay	Present
Mr. Frank		X		Mr. Bachus	X		
Mr. Kanjorski		X		Mr. Castle	X		
Ms. Waters		X		Mr. King (NY)	X		
Mrs. Maloney		X		Mr. Royce	X		
Mr. Gutierrez		X		Mr. Lucas	X		
Ms. Velázquez		X		Mr. Paul	X		
Mr. Watt		X		Mr. Manzullo	X		
Mr. Ackerman				Mr. Jones	X		
Mr. Sherman		X		Mrs. Biggert	X		
Mr. Meeks				Mr. Miller (CA)			
Mr. Moore (KS)		X		Mrs. Capito	X		
Mr. Capuano		X		Mr. Hensarling	X		
Mr. Hinojosa				Mr. Garrett (NJ)	X		

RECORD VOTE NO. FC–3—Continued

Representative	Aye	Nay	Present	Representative	Aye	Nay	Present
Mr. Clay		X		Mr. Barrett (SC)	X		
Mrs. McCarthy		X		Mr. Gerlach	X		
Mr. Baca		X		Mr. Neugebauer	X		
Mr. Lynch		X		Mr. Price (GA)			
Mr. Miller (NC)		X		Mr. McHenry	X		
Mr. Scott		X		Mr. Campbell		X	
Mr. Green		X		Mr. Putnam	X		
Mr. Cleaver		X		Mrs. Bachmann	X		
Ms. Bean		X		Mr. Marchant	X		
Ms. Moore (WI)		X		Mr. McCotter	X		
Mr. Hodes		X		Mr. McCarthy	X		
Mr. Ellison		X		Mr. Posey	X		
Mr. Klein		X		Ms. Jenkins	X		
Mr. Wilson		X		Mr. Lee	X		
Mr. Perlmutter		X		Mr. Paulsen	X		
Mr. Donnelly		X		Mr. Lance	X		
Mr. Foster							
Mr. Carson		X					
Mr. Speier							
Mr. Childers		X					
Mr. Minnick		X					
Mr. Adler		X					
Ms. Kilroy		X					
Mr. Driehaus		X					
Ms. Kosmas							
Mr. Grayson		X					
Mr. Himes		X					
Mr. Peters		X					
Mr. Maffei		X					

An amendment by Mr. Lee, No. 5, regarding obtaining auditors' services through private persons to the greatest extent practicable, was not agreed to by a record vote of 27 yeas and 36 nays (FC–4):

RECORD VOTE NO. FC–4

Representative	Aye	Nay	Present	Representative	Aye	Nay	Present
Mr. Frank		X		Mr. Bachus	X		
Mr. Kanjorski		X		Mr. Castle	X		
Ms. Waters		X		Mr. King (NY)	X		
Mrs. Maloney		X		Mr. Royce	X		
Mr. Gutierrez		X		Mr. Lucas	X		
Ms. Velázquez		X		Mr. Paul	X		
Mr. Watt		X		Mr. Manzullo	X		
Mr. Ackerman				Mr. Jones	X		
Mr. Sherman		X		Mrs. Biggert	X		
Mr. Meeks				Mr. Miller (CA)			
Mr. Moore (KS)		X		Mrs. Capito	X		
Mr. Capuano		X		Mr. Hensarling	X		
Mr. Hinojosa				Mr. Garrett (NJ)	X		
Mr. Clay		X		Mr. Barrett (SC)	X		
Mrs. McCarthy		X		Mr. Gerlach	X		
Mr. Baca		X		Mr. Neugebauer	X		
Mr. Lynch		X		Mr. Price (GA)			
Mr. Miller (NC)		X		Mr. McHenry	X		
Mr. Scott		X		Mr. Campbell	X		
Mr. Green		X		Mr. Putnam	X		
Mr. Cleaver		X		Mrs. Bachmann	X		
Ms. Bean		X		Mr. Marchant	X		
Ms. Moore (WI)		X		Mr. McCotter	X		
Mr. Hodes		X		Mr. McCarthy	X		
Mr. Ellison		X		Mr. Posey	X		

RECORD VOTE NO. FC–4—Continued

Representative	Aye	Nay	Present	Representative	Aye	Nay	Present
Mr. Klein		X		Ms. Jenkins	X		
Mr. Wilson		X		Mr. Lee	X		
Mr. Perlmutter		X		Mr. Paulsen	X		
Mr. Donnelly		X		Mr. Lance	X		
Mr. Foster							
Mr. Carson		X					
Mr. Speier							
Mr. Childers		X					
Mr. Minnick		X					
Mr. Adler		X					
Ms. Kilroy		X					
Mr. Driehaus		X					
Ms. Kosmas							
Mr. Grayson		X					
Mr. Himes		X					
Mr. Peters		X					
Mr. Maffei		X					

The following amendments were also considered:

An amendment by Mr. Watt (and Ms. Waters and Mr. Meeks), No. 1a, to the amendment offered by Mr. Paulsen, regarding reporting on inclusion and utilization of women and minorities, was agreed to by a voice vote.

An amendment by Mr. Castle, No. 2, regarding authority to follow the money, was offered and withdrawn.

An amendment by Mr. Barrett, No. 4, regarding the nonapplicability of certain provisions, was ruled out of order on a point of order.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee held a hearing and made findings that are reflected in this report.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee establishes the following performance related goals and objectives for this legislation:

S. 383 would clarify the law enforcement authority of the Special Inspector General and provide additional hiring flexibility for the Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) in order to give the SIGTARP every tool available to vigilantly monitor for any crimes and waste, fraud or abuse related to the TARP program.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 17, 2009.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 383, the Special Inspector General for the Troubled Asset Relief Program Act of 2009.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

DOUGLAS W. ELMENDORF,
Director.

Enclosure.

S. 383—Special Inspector General for the Troubled Asset Relief Program Act of 2009

S. 383 would amend the Emergency Economic Stabilization Act of 2008 to expand the authorities of the Special Inspector General (SIG) for the troubled Asset Relief Program. The legislation would broaden the SIG's authority to carry out audits and investigations, and would require the Department of the Treasury to transfer to the SIG, within seven days of enactment, whatever remains of the $50 million already appropriated for the SIG's activities.

Under the act, about $40 million of amounts previously appropriated would be transferred to the SIG. Based on information provided by the SIG, CBO expects that this provision would not affect the timing of the agency's expenditures. We estimate that the other provisions of the legislation also would have no significant effect on the federal budget.

S. 383 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contacts for this estimate are Matthew Pickford and Deborah Reis. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional Authority of Congress to enact this legislation is provided by Article 1, section 8, clause 1 (relating to the general welfare of the United States) and clause 3 (relating to the power to regulate interstate commerce).

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

EARMARK IDENTIFICATION

S. 383 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section establishes the short title of the bill, the "Special Inspector General for the Troubled Asset Relief Program Act of 2009."

Section 2. Audit and investigations

Clarifies existing SIGTARP authority to conduct, supervise, and coordinate audits or investigations of any action taken under Title I of EESA (TARP Authorization).

Requires the SIGTARP to be treated the same as an office under Section 6(e)(3) of the Inspector General Act of 1978, as amended. This language is similar to that included in H.R. 384, which passed the House earlier this year. Section 6(e)(3) enumerates IGs that are exempt from an initial determination by the AG regarding whether an IG, Assistant IG or agent supervised by an assistant IG may (1) carry a firearm; (2) make an arrest without a warrant while engaged in official duties as authorized under this Act or other statute; or (3) seek and execute warrants for arrest, search of a premises, or seizure of evidence issued under the authority of the United States upon probable cause to believe that a violation has been committed.

Provides that in the event that the Office of the Special Inspector General is terminated, the Inspector General of the Department of the Treasury shall assume the responsibilities of the Special Inspector General under this subsection.

Section 3. Personnel authorities

Provides SIGTARP the authority to exercise temporary hiring authorities for a limited time (six months from the date of enactment of the bill).

Also provides SIGTARP the authority to hire federal annuitants without requiring that they offset their pension. This authority would be limited to 25 employees at any one time. SIGTARP estimates that 25 staff would be equivalent to between 28 to 40 percent of SIGTARP's investigative and audit staff.

Section 4. Response to audits and cooperation and coordination with other entities

Requires Treasury to notify Congress of the reason for failing to follow any written recommendations made by SIGTARP. It also requires cooperation among the various Inspectors General touched by the Relief Program to avoid duplication of effort and to ensure comprehensive oversight of TARP.

Adds SIGTARP to the Council of the Inspectors General on Integrity and Efficiency.

Section 5. Reporting requirements

Requires a report to Congress by September 1, 2009, on the use of funds received by financial institutions. The general quarterly reporting requirements for SIGTARP are changed so that reports will be due 30 days after the end of each fiscal quarter.

Section 6. Funding of the Office of the Special Inspector General

Adds a time limit of seven days after enactment of this bill to the existing requirement of release of funds to SIGTARP set forth in EESA.

Section 7. Council of the Inspectors General on Integrity and Efficiency

Adds the Special Inspector General for Iraq Reconstruction and the Special Inspector General for Afghanistan Reconstruction as members of the Council of the Inspectors General on Integrity and Efficiency established pursuant to the Inspectors General Act of 1978, as amended.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

EMERGENCY ECONOMIC STABILIZATION ACT OF 2008

DIVISION A—EMERGENCY ECONOMIC STABILIZATION

* * * * * * *

TITLE I—TROUBLED ASSETS RELIEF PROGRAM

* * * * * * *

SEC. 121. SPECIAL INSPECTOR GENERAL FOR THE TROUBLED ASSET RELIEF PROGRAM.

(a) * * *

* * * * * * *

(c) DUTIES.—(1) * * *

* * * * * * *

(4)(A) Except as provided under subparagraph (B) and in addition to the duties specified in paragraphs (1), (2), and (3), the Special Inspector General shall have the authority to conduct, supervise, and coordinate an audit or investigation of any action taken under this title as the Special Inspector General determines appropriate.

(B) Subparagraph (A) shall not apply to any action taken under section 115, 116, 117, or 125.

(d) POWERS AND AUTHORITIES.—(1) * * *

(2) The Special Inspector General shall carry out the duties specified in [subsection (c)(1)] *subsection (c)(1) and (4)* in accordance with section 4(b)(1) of the Inspector General Act of 1978.

(3) The Office of the Special Inspector General for the Troubled Asset Relief Program shall be treated as an office included under section 6(e)(3) of the Inspector General Act of 1978 (5 U.S.C. App.) relating to the exemption from the initial determination of eligibility by the Attorney General.

(e) PERSONNEL, FACILITIES, AND OTHER RESOURCES.—(1)*(A)* The Special Inspector General may select, appoint, and employ such officers and employees as may be necessary for carrying out the duties of the Special Inspector General, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(B)(i) Subject to clause (ii), the Special Inspector General may exercise the authorities of subsections (b) through (i) of section 3161 of title 5, United States Code (without regard to subsection (a) of that section).

(ii) In exercising the employment authorities under subsection (b) of section 3161 of title 5, United States Code, as provided under clause (i) of this subparagraph—

(I) the Special Inspector General may not make any appointment on and after the date occurring 6 months after the date of enactment of the Special Inspector General for the Troubled Asset Relief Program Act of 2009;

(II) paragraph (2) of that subsection (relating to periods of appointments) shall not apply; and

(III) no period of appointment may exceed the date on which the Office of the Special Inspector General terminates under subsection (k).

* * * * * * *

(5)(A) Except as provided under subparagraph (B), if an annuitant receiving an annuity from the Civil Service Retirement and Disability Fund becomes employed in a position within the Office of the Special Inspector General for the Troubled Asset Relief Program, his annuity shall continue. An annuitant so reemployed shall not be considered an employee for purposes of chapter 83 or 84.

(B) Subparagraph (A) shall apply to—

(i) not more than 25 employees at any time as designated by the Special Inspector General; and

(ii) pay periods beginning after the date of enactment of the Special Inspector General for the Troubled Asset Relief Program Act of 2009.

(f) CORRECTIVE RESPONSES TO AUDIT PROBLEMS.—The Secretary shall—

(1) take action to address deficiencies identified by a report or investigation of the Special Inspector General or other auditor engaged by the TARP; or

(2) certify to appropriate committees of Congress that no action is necessary or appropriate.

(g) COOPERATION AND COORDINATION WITH OTHER ENTITIES.—In carrying out the duties, responsibilities, and authorities of the Special Inspector General under this section, the Special Inspector General shall work with each of the following entities, with a view toward avoiding duplication of effort and ensuring comprehensive oversight of the Troubled Asset Relief Program through effective cooperation and coordination:

(1) The Inspector General of the Department of Treasury.

(2) The Inspector General of the Federal Deposit Insurance Corporation.

(3) The Inspector General of the Securities and Exchange Commission.

(4) The Inspector General of the Federal Reserve Board.

(5) The Inspector General of the Federal Housing Finance Board.

(6) The Inspector General of any other entity as appropriate.

(h) COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.—The Special Inspector General shall be a member of the Council of the Inspectors General on Integrity and Efficiency established under section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) until the date of termination of the Office of the Special Inspector General for the Troubled Asset Relief Program.

[(f)**]** *(i)* REPORTS.—(1) **[**Not later than 60 days after the confirmation of the Special Inspector General, and every calendar quarter thereafter, the Special Inspector General shall submit to the appropriate committees of Congress a report summarizing the activities of the Special Inspector General during the 120-day period ending on the date of such report.**]** *Not later than 60 days after the confirmation of the Special Inspector General, and not later than 30 days following the end of each fiscal quarter, the Special Inspector General shall submit to the appropriate committees of Congress a report summarizing the activities of the Special Inspector General during that fiscal quarter.* Each report shall include, for the period covered by such report, a detailed statement of all purchases, obligations, expenditures, and revenues associated with any program established by the Secretary of the Treasury under sec-

tions 101 and 102, as well as the information collected under subsection (c)(1).

(2) Not later than September 1, 2009, the Special Inspector General shall submit a report to Congress assessing use of any funds, to the extent practical, received by a financial institution under the TARP and make the report available to the public, including posting the report on the home page of the website of the Special Inspector General within 24 hours after the submission of the report.

[(2)**]** *(3)* Nothing in this subsection shall be construed to authorize the public disclosure of information that is—

(A) * * *

* * * * * * *

[(3)**]** *(4)* Any reports required under this section shall also be submitted to the Congressional Oversight Panel established under section 125.

(5) Except as provided under paragraph (3), all reports submitted under this subsection shall be available to the public.

[(g)**]** *(j)* FUNDING.—(1) Of the amounts made available to the Secretary of the Treasury under section 118, $50,000,000 shall be available to the Special Inspector General to carry out this section*, not later than 7 days after the date of enactment of the Special Inspector General for the Troubled Asset Relief Program Act of 2009*.

* * * * * * *

[(h)**]** *(k)* TERMINATION.—The Office of the Special Inspector General shall terminate on the later of—

(1) * * *

* * * * * * *

ADDITIONAL VIEWS

Republicans support giving the special Inspector general for the Troubled Asset Relief Program (SIGTARP) the necessary audit and investigative authority to ensure that taxpayers are protected and that the program is free of waste, fraud and abuse. S. 383 gives the SIGTARP authority to quickly hire auditors by granting him temporary hiring authority, and requires the Treasury Secretary to explain to Congress why any specific SIGTARP recommendation is not implemented. While these are useful provisions, Republican offered amendments during Committee consideration of S. 383 to substantially improve the bill by strengthening accountability in the TARP and enhancing taxpayer protections. These amendments, summarized below, were opposed by every Committee Democrat, largely on the ground that making any changes to the Senate-passed versions of S. 383 would slow down the process. Because Republicans believe that it is more important to get it right than to get it done quickly, we urge the Majority to reconsider its opposition to these common-sense amendments and allow them to be considered in the full House.

Paulsen amendment. An Amendment offered by Mr. Paulsen of Minnesota would have mandated that the SIGTARP include within its required regular reports to Congress information on how the TARP is being used to benefit small financial institutions, such as community banks. (A second degree amendment to the Paulsen amendment was adopted by voice vote that directed the SIGTARP to report to Congress on efforts by recipients of TARP funds to utilize women, minorities, and women and minority owned businesses.)

Hensarling amendment. Mr. Hensarling of Texas offered an amendment that would have explicitly required SIGTARP to review the Treasury Department's efforts to "minimize any potential long-term negative impact on the taxpayer" in its implementation of TARP.

Lee amendment. Mr. Lee of New York offered an amendment to improve oversight of TARP by requiring the SIGTARP to immediately seek out and hire as subcontractors private auditors who are knowledgeable in the operation of financial institutions.

SPENCER BACHUS.
JEB HENSARLING.
JUDY BIGGERT.
CHRISTOPHER LEE.
ERIK PAULSEN.

○