



Senator Jason Crowell – Serving Bollinger, Cape Girardeau,
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It is Just Wrong!

Mismanagement & Lack of Oversight Leads to Hundreds of Millions in Executive Bonuses on Federal Level



Over the past several weeks I have shared with you my thoughts and plan for getting our state's fiscal house in order. Now I want to share with you my thoughts on recent federal mismanagement that must stop. Throughout the country, we the

people have been making it known that the policies the federal government continues to advance are not the policies we want. As Washington, D.C., goes on writing bigger and bigger checks out of our checkbook, we continue to wonder how these outrageous policies still receive support from those we thought were representing our best interests. Over the past several months I, too,

have been frustrated and outraged. These feelings were amplified recently when it was “discovered” that, after asking for federal emergency relief funds, insurance giant American International Group (AIG) paid out at least \$165 million in taxpayer-funded bonuses to its executives.

Last fall, the American public was presented with a “dire situation.” We were told by the Washington, D.C. brain trust that financial institutions would face ruin if they were not bailed out. Despite the concerns, doubts, and warnings of many, the federal government handed out Troubled Asset Relief Program (TARP) funds to these companies. The TARP funding comes from the U.S. taxpayers and was specifically created as a bailout fund. Since the bill creating TARP funding was signed in October, \$664.8 billion has been given to financial institutions. AIG asked and received **\$170 BILLION** in these bailout funds. AIG then spent approximately \$100 billion in payments to other financial institutions, including \$12.9 billion to Goldman Sachs and more than \$50 billion to banks headquartered outside the U.S. Then, AIG turned around and handed out \$165 million in bonuses to top executives in the company. When news of these bonuses hit the media, Senator Chris Dodd, Chairman of the Senate Banking Committee, denied knowing anything about the provisions. A day later, he admitted that he placed an amendment in the “stimulus” bill that allowed AIG to hand out these bonuses.

This is not the only example of TARP funds being used for stupid reasons. Just like AIG, many TARP recipients have spent funding paying off investments with foreign entities; at a time when the American economy is struggling, foreign investments are not the way to revive the market. Companies that receive these funds are barely required to report how the dollars are used, and even treasury officials have admitted that the funding is hard to track once it is

handed out to the financial institutions. Apparently, the receipt of TARP funding means big checks with no strings attached. This is an embarrassing lack of accountability for taxpayers who deserve to see how their dollars are spent.

Back in January, a study was released showing that 62 percent of Americans wanted more details on specific spending obligations before any more TARP funds were dispersed. Despite these concerns from voters, the funds were



released. Earlier this month, a U.S. House panel agreed with what the public had been saying all along, that taxpayers do not have an accurate picture of how the billions of dollars in TARP funds are being dispersed. Thanks a lot, but this sudden realization from the feds is too little, too late.

I don't know how much more mismanaged spending and fiscally risky policies we can take. While I work hard in the Missouri Senate to make sure that taxpayer dollars are invested wisely and ensure that our actions are accountable and transparent, the feds continue to try to pull the wool over our eyes. I hope that Congress is clear on one important point —here in the Show-Me State, we are not fooled, and we are watching. Please join me in demanding that this foolish spending stop and stop now!

Contact Me

As always, I appreciate hearing your comments, opinions, and concerns. Please feel free to contact me in Jefferson City at (573) 751-2459. You may write to me at Jason Crowell; Missouri Senate; State Capitol; Jefferson City,

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