

09/29/2008 Moran Votes Against \$700 Billion Financial Bailout Plan

MORAN VOTES AGAINST \$700 BILLION FINANCIAL BAILOUT PLAN

WASHINGTON, D.C. - Congressman Jerry Moran today released the following statement after his vote against the Emergency Economic Stabilization Act of 2008. The legislation failed to pass the House of Representatives in a final vote 205 to 228.

"Just a few moments ago, the U.S. House rejected a \$700 billion financial industry bailout plan designed to resolve the credit crisis in our financial markets. Congress remained in session over the weekend to finalize the bill. Though improvements were made to add some taxpayer protections and additional Wall Street accountability, the Administration's original proposal remained largely intact. The final legislation would have authorized the Secretary of Treasury to purchase up to \$700 billion in troubled assets - mostly mortgage-related securities - from financial institutions, to be sold at a later time. The Treasury Department would also establish a federally-backed insurance program for holders of troubled assets to be financed by assessing premiums on participants.

"I voted against this bill, but I expect some version of this legislation to be considered in a few days. Clearly, our country is facing very difficult economic times. We have known there was a day coming when there would be consequences to the amount of debt on the books of individuals, corporations and our nation. While I want to take every step to avoid everyday Kansans from suffering the consequences of problems on Wall Street, I am opposed to legislation which brazenly shifts the burden of risk from Wall Street to taxpayers. This legislation authorizes an increase in our national debt to \$11.3 trillion dollars. There is no moral high ground in requiring another generation of Americans to pay for our failures, with interest. Moreover, the plan does not provide the fundamental reforms to our economy needed to avoid additional problems from occurring.

"In a rush to action, I am disappointed the Administration and Congress did not adequately consider alternatives to unprecedented government intervention that will affect the nature of our economic system and the lives of generations for years to come.

"No elected official likes to be in a situation where there are no good options. I do not discount that the Kansans I care about and represent in Congress are going to face more difficult times. I think this is true with or without this legislation. There are consequences to years of a growing burden of debt. This legislation might have postponed the consequences but would not have eliminated them. I fully expect more financial problems to occur during the next few months. In Kansas, interest rates will rise and retirement balances will fall. Many lives will be impacted - but today's bill provided false hope.

"During this past week, I appreciate the hundreds of comments from Kansans who have contacted me on this issue," Moran said.

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