



UNITED STATES SENATOR • TENNESSEE

BOB CORKER



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Laura Lefler, 202-224-3467

Floor Remarks of U.S. Senator Bob Corker June 17, 2009

WASHINGTON – U.S. Senator Bob Corker (R-TN) delivered the following floor remarks today.

“I rise today to speak briefly about a bill that Senator Warner from Virginia and I will be offering later today. The title will be the TARP Recipient Ownership Trust Act of 2009. This bill intends to deal with the issue that our government finds itself in a position of large ownership in companies, something that I think none of us ever imagined would be the case some time ago. This piece of legislation only deals with TARP recipients. But what it does is solve the unease and the problem that many of us have here in the Senate and in Congress with the fact that we have such large government ownerships in companies.

“This bill would set up a trust for all TARP company ownership to be put into when stakes are larger than 20 percent of the company.

“What it would do is give the administration the ability to appoint three trustees to have a fiduciary obligation to the taxpayers of this country. It would be my hope that these trustees would be people like Warren Buffett or Jack Welch or people like that that we consider, all of us in our country, with respect and certainly to be knowledgeable participants. These trustees would be paid no money. They would do this as a duty to our country. And while their objective would be to look at these companies with fiduciary responsibility to the taxpayers, they also would be given the direction to unload these ownerships by December 24 of 2011.

“I think this would go a long way towards giving all of us more comfort that there wasn't a political agenda with any of these companies, and that these companies were being dealt with a way that is fair and appropriate to the taxpayers. And I think this is something that, while not perfect, would do those things necessary to make us all feel a lot more comfortable about where we are.

“Number one, we'd have three neutral, well-respected business people looking after our taxpayer interest. Hopefully that would shield as much as possible any kind of political involvement in these companies.

“And secondly, obviously they would be given the directive to unload this ownership by December 24 of 2011, as I have mentioned. Mr. President, they can come back at that time, if they feel for some reason that this is not in the taxpayer interest. They can come back to us at that time and seek additional time should they think that's in our interest as taxpayers to extend that period of time.

“Mr. President, this is a bipartisan piece of legislation. This is not done with any kind of axe to grind. This legislation is being offered truly just to solve this rub we find ourselves in where we have large ownership stakes.

“Specifically today, because of the ownership stakes that exist, the three companies that would be affected by this would be AIG, Citigroup, and of course, the automobile company General Motors. There could be additional companies that, through conversions to common equity, might be affected by this.

“Mr. President, I think this is a very commonsense piece of legislation that I hope will have broad bipartisan support. I thank you for the time.

“I'd like to mention one other thing in closing. A large number of senators signed a letter to the majority leader asking that we do our business in a very thoughtful way as it relates to appropriations. Each year we find ourselves in a position where we end up with an omnibus bill that most of us feel very uncomfortable signing into law. We've asked that the appropriations bill be passed in such a manner that we have eight of them passed individually by the August recess. Mr. President, I know today here we are speaking on a bill -- and I realize there's some stalling that's taking place. I have to question why we are focused on a tourism bill today when we still have not begun our appropriations process. I would just say to the leader, I hope that he will move on with doing the appropriations in an appropriate order so that we will have at least eight of those passed by recess so we can do our citizens' work in the most appropriate manner.”

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