

**Washington D.C.** - Congressman Kevin McCarthy offered an amendment that would limit funds in the 2010 Financial Services and General Government Appropriations Act (H.R. 3170) from being used to fund more Washington spending under the bank-bailout Troubled Asset Relief Program (TARP), with repaid TARP funds.

Congressman McCarthy issued the following statement:

*“Especially in light of yesterday’s announcement that our annual government deficit is already over \$1 trillion, Washington does not need a larger credit line for spending and borrowing on the backs of our children and grandchildren’s generation. Right now, Congress has a chance to act to ensure that borrowed funds are properly repaid to pay down the debt, and refocus on growing small businesses to create the jobs we need.”*

Congressman McCarthy’s amendment is his most recent effort to strengthen public trust and government accountability to ensure repaid TARP funds go directly to pay down the national debt, rather than having the Treasury use these TARP funds as a revolving fund for more spending.

In June, Congressman McCarthy and other members of Congress sent a letter to President Obama asking for clarification on what will be done with those repayments. Additionally, the letter also urged the President to consider using those repaid TARP funds to directly pay down the national debt, rather than having Treasury use these TARP funds as a revolving fund for more spending.

In April, McCarthy introduced H.R. 2119 to ensure that repaid Troubled Asset Relief Program (TARP) funds pay off the taxpayer first and go directly towards paying down our national debt. If enacted, the bill would also ensure that each time a financial institution makes a repayment of assistance, the amount of purchase authority provided under TARP is reduced by a corresponding amount.

The U.S. Treasury Department on Monday said the government's annual deficit reached almost \$1.1 trillion by the end of June.