

Washington D.C. – Today, Congressman Kevin McCarthy, the House Chief Deputy Republican Whip, issued the following statement in response to reports of a House Democratic proposal to use unused TARP money for a second stimulus.

“This Congress needs to be honest about TARP bailout monies – it is borrowed money that was authorized for specific and intended purposes during the financial market meltdown. Over the past year, TARP has transformed into many different spending programs, and now some are proposing that unused TARP funds be used as a slush fund for Washington to spend more taxpayer money on more Washington programs. All the while, our deficit has ballooned to a record-high of \$1.4 trillion and our national debt will soon hit the \$12.1 trillion debt ceiling. Now is not the time for another blank check. Instead, we need a reality check.”

“If House Democratic leaders are now conceding that billions of unused TARP funds do not need to be used for TARP purposes, then we should immediately agree to return those funds to help pay back what was borrowed in October 2008 – by applying those funds to pay down our record national debt that even the President fears could lead to a ‘double-dip recession.’”

Related:

- September 28, 2008: Congressman McCarthy voted against funding the Trouble Asset Relief Program.
- April 27, 2009: Congressman 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 the national debt.
- June 8: Congressmen McCarthy and other members of Congress sent a letter to Treasury Secretary Geithner urging repaid TARP funds go directly towards paying down the national debt, and for Treasury to forgo the use of TARP funds as a revolving fund for more spending.
- June 12: Congressmen McCarthy and other members of Congress sent a letter to President Obama asking for clarification on what will be done with TARP repayments.
- July 14: Congressman 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.
- November 17: Congressman McCarthy voted to support an amendment that would prevent the Treasury Department from extending (TARP) beyond its December 31, 2009

expiration date.