

I. Findings

1. Since the start of the recession in December 2007, the number of unemployed persons has grown by 3.6 million;
2. US job losses in December 2008 alone totaled 524,000, totaled 1.9 million for the fourth quarter of 2008, and totaled 2.6 million for the year;
3. The unemployment rate has surged to its highest point since January 1993;
4. More than one-fifth (23.2 percent) of the 11.1 million unemployed have not been able to find a job despite looking for 27 weeks or more;
5. Losses among financial firms from the credit crisis have surpassed \$1 trillion and US financial firms led the way with nearly \$700 billion in losses; and
6. Despite these crippling losses, US financial firms paid an excess of \$18 billion in annual bonuses.

II. Sense of Congress

1. It is the Sense of Congress that funds provided under the Troubled Assets Relief Program created under Public Law 110-343 are to be used
 - a. To immediately provide authority and facilities that the Secretary of the Treasury can use to restore liquidity and stability to the financial system of the United States; and
 - b. To ensure that such authority and such facilities are used in a manner that--
 - i. Protects home values, college funds, retirement accounts, and life savings;
 - ii. Preserves homeownership and promotes jobs and economic growth;
 - iii. Maximizes overall returns to the taxpayers of the United States; and
 - iv. Provides public accountability for the exercise of such authority.
2. It is the continuing Sense of Congress that funds provided under the Troubled Assets Relief Program created under Public Law 110-343 are not to be used for any bonuses above base pay, except for normal stock dividends.

III. Tax on Taxpayer-subsidized Bonuses

1. Definitions –
 - a. HIGHLY RANKED EMPLOYEE- The term 'highly ranked employee' shall mean any officer, director, or similar managerially-ranked employee, or any employee earning in excess of \$400,000 in base salary.
 - b. SUBSIDIZED FINANCIAL INSTITUTION- The term 'subsidized financial institution' means any institution, including, but not limited to, any bank, savings association, credit union, security broker or dealer, or insurance company, established and regulated under the laws of the United States or any State, territory, or possession of the United States, the District of Columbia, Commonwealth of Puerto Rico, Commonwealth of Northern Mariana Islands, Guam, American Samoa, or the United States Virgin Islands, and having significant operations in the United States, that receives financial assistance from the Troubled Assets Relief Program created under Public Law 110-343.
2. Imposition of Tax—

Any highly ranked employee of a subsidized financial institution who receives a bonus, including any amount of deferred compensation or other compensation, after the institution received funds authorized under the TARP program shall face a tax of 100% on the amount of that bonus.

3. Effective Date –

The tax authorized under paragraph 2 shall be effective as of December 1, 2008.