

U.S. DEPARTMENT OF THE TREASURY

Press Center

Setting the Record Straight

11/13/2008

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Today's story in the Washington Post ("Bailout Lacks Oversight Despite Billions Pledged" - 11/13/2008) leaves out critical steps taken by Treasury to ensure that there is strong oversight in place as the Emergency Economic Stabilization Act is implemented.

- Treasury worked with Congress to put strong oversight and transparency provisions in the bill and every reporting requirement in the statute has been fully met on time. All reports have been published on the Treasury's website.
- The law created a new Special Inspector General for the program, and that position has to be confirmed by the Senate. The Administration has been working to identify a qualified candidate and will work closely with the Senate when a nominee is chosen.
- GAO has been on site from the beginning as Treasury has implemented the Emergency Economic Stabilization Act. Within days of the bill being signed, the Acting Comptroller General spoke with Secretary Paulson and with Interim Assistant Secretary Kashkari. GAO has had a team of over a dozen specialists and senior executives working on all aspects of the program. GAO staff typically meets with Treasury staff several times a week. They have access to contract files as soon as each contract is completed, and they often begin their review of those files within 24 hours of a contract signing. Every contract is posted on the Treasury website.
- The Financial Stability Oversight Board was organized and met within days of the bill's enactment, well before the statutory deadline. EESA required the board to meet within 14 days of enactment, and monthly thereafter. In fact, the board met within 4 days of enactment, and has met 4 times in the 5 weeks since EESA was enacted. Meetings have been held both to review overall implementation of EESA as well as to consider establishment of the Capital Purchase Program and TARP's investment in American International Group. It has published bylaws and meeting minutes, elected a chair, and appointed a secretary, counsel, and staff-level executive director.
- Treasury has provided regular briefings to staff from the Congressional oversight committees and leadership offices on its implementation of the legislation.
- Treasury is prepared to work closely with the Congressional Oversight Panel once it is established.

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