

## **Welch statement on Wall Street executive compensation**

WASHINGTON, DC – Rep. Peter Welch (D-Vt.) released the following statement Friday ahead of the House Committee on Financial Services' hearing on compensation in the financial industry:

"I want to commend Chairman Frank for holding this much-needed hearing on compensation within the financial industry.

"The American people this week witnessed a parade of excess down Wall Street as the nation's biggest banks announced bonus figures far out of the realm of reasonable compensation. Just fifteen months after driving our economy to the brink of collapse, the biggest banks demonstrated fully and clearly that they are back to their old ways.

"As many Americans struggle to find jobs and as many small businesses struggle to obtain credit, Wall Street bankers are focused on turning quick profits on commodities, currencies and complex derivatives. Rather than working to restore the real world economy, the 22 banks that relied the most on government assistance have cut small business lending by \$12.5 billion since April.

"Since Wall Street has shown an unwillingness to invest in our economy and practice restraint in awarding compensation, I believe Congress must take action. My Wall Street Bonus Tax Act (H.R. 4426) would address both of these failures by taxing excessive bonuses at TARP-supported institutions and channeling the revenues to a temporary direct-lending program at the Small Business Administration.

"I look forward to working with Chairman Frank and members of the Financial Services Committee to pass meaningful legislation to crack down on egregious compensation on Wall Street."

# # #