

WASHINGTON, DC - Rep. Peter Welch applauded President Obama's decision Wednesday to cap executive compensation at firms receiving government bailout funds.

At a White House press conference this morning, Obama and Treasury Secretary Geithner said they would limit at \$500,000 the salaries and bonuses of executives whose firms received money from the Troubled Asset Relief Program. The new rules would also ban golden parachutes and require more transparency for corporate expenses, such as planes, parties, office renovations and conferences.

"Hardworking Vermonters are outraged that their tax dollars are being used to pay exorbitant salaries and bonuses to corporate executives. Despite our repeated calls for them to act responsibly with public funds, these executives continue to act cavalierly and without regard for the American taxpayer," Welch said.

"Today President Obama took this bull by the horns and sent a clear message to executives that if they are to accept assistance from the American people, they will not abuse the public trust."

Welch has been leading the call for capping TARP executive compensation since December, when he wrote a letter signed by 22 other Members of Congress calling for eight top banking executives to renounce year-end bonuses. In January, Welch and another group of lawmakers called on House Financial Services Chairman Barney Frank to formally ban bonuses at companies receiving TARP funds. Later that month, the House passed the TARP Reform and Accountability Act (H.R. 384), which would prohibit bonuses for the 25 highest-paid employees of institutions receiving bailout funds.