



For Immediate Release
March 17, 2009

Contact: Dan Virkstis
(202) 224-4515

BAUCUS BLASTS BONUSES AT AMERICAN INTERNATIONAL GROUP

Finance Chairman working to introduce legislation to recoup taxpayer dollars

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today challenged a move by American International Group (AIG) to use hundreds of millions of taxpayer dollars to pay executive bonuses. In a Finance Committee hearing, Baucus pressed a panel of tax experts on ways to prevent or limit AIG’s apparent abuse of taxpayer money. Baucus posed the question of how large an excise tax could be imposed on AIG for paying these retention bonuses while still being lawful.

“I’m outraged by this. At one point the Treasury was in a position to stop these bonuses – those were the terms of TARP, terms that I helped draft. The argument in defense from AIG is that this is retention pay, not executive bonuses. Well, I’m not buying it,” said Baucus. **“We need to stop this nonsense. There are enough bright people in this country that would do the job for an honest salary, and enough honest taxpayers demanding that we put an end to this stuff. You can bet I’ll make sure justice is served.”**

Baucus is working on a proposal today to address the issue of excessive executive compensation paid by recipients of Troubled Assets Relief Program (TARP) funds including a possible excise tax on institutions paying retention and other bonuses.

Baucus was primary architect of provisions limiting executive pay and “golden parachutes” to TARP recipients in the original bill.

###