

September 23, 2008

Any Federal Financial Industry Rescue Package Must Be Transparent

The Honorable Christopher J. Dodd
Chairman
Senate Committee on Banking,
Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Richard Shelby
Ranking Member
Senate Committee on Banking,
Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

We the undersigned, as advocates for open and transparent government, strongly oppose section 2(b)(2) and section 8 of the Legislative Proposal for Treasury Authority to Purchase Mortgage-Related Assets. While we hold many different views on the causes of and remedies for the current turmoil in financial markets, we are united in the belief that the legislation confers unacceptably broad powers upon the Treasury to conduct activities without transparency and accountability to the public. As written, the proposal would make any decisions by the Secretary non-reviewable by courts or administrative agencies – a certain prescription for the very kind of opacity that has contributed to the financial policy woes we face today. Equally troubling, public contracts associated with the proposal could be created outside of existing laws normally governing such actions.

Few proposals in the 110th Congress can match this one for its impact on the American people. For the sake of democratic discourse, citizens deserve vigorous, timely, and accessible disclosure of all details surrounding any government decisions in response to financial market problems. Congress should respect this vital civil right by rejecting section 2(b)(2) and section 8 of the proposal now before you.

At a minimum, any credible solution must address one of the current crisis' fundamental causes – corruption and other abuses of power sustained by secrecy. Otherwise, the taxpayers could end up giving \$700 billion more to repeat the same disasters. Congress must prove it has learned this lesson. Any genuine solution must be grounded in transparency, with all relevant records publicly available and best practice whistleblower protection for all employees connected with the new law. Secrecy worsened this crisis, and taxpayers will not accept a law for secret solutions. What happens to our money is our business.

Thank you for your attention to this important matter. If you have any questions, please contact Patrice McDermott, OpenTheGovernment.org, at 202 332 6736, or Pete Sepp, National Taxpayers Union, at 703-683-5700.

Sincerely,

Access Info Europe

American Association of University
Professors

Allied Daily Newspapers of Washington

American Booksellers Foundation for Free Expression

American Civil Liberties Union

American Library Association

American Policy Center

Association of Research Libraries

Californians Aware

Center for Financial Privacy and Human Rights

Citizen Outreach Project

Citizens for Responsibility and Ethics in Washington

Common Cause

Defending Dissent Foundation

Downsize DC

Essential Information

FreedomWorks

Fund for Constitutional Government

Government Accountability Project

International Association of Whistleblowers

Liberty Coalition

Minnesota Coalition on Open Government

The Multiracial Activist

National Coalition Against Censorship

National Freedom of Information Coalition

National Taxpayers Union

National Whistleblower Center

9/11 Research Project

OMB Watch

OpenTheGovernment.org

Project on Government Oversight

Public Citizen

Reporters Committee for Freedom of the Press

Scientific Integrity Program, Union of Concerned Scientists

Semmelweis Society International

Society of Professional Journalists

Special Libraries Association

Taxpayers for Common Sense

U.S. Bill of Rights Foundation

Washington Coalition for Open Government

Washington Newspaper Publishers Association

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