

111TH CONGRESS
1ST SESSION

H. R. 1652

To require institutions receiving certain assistance from the Troubled Asset Relief Program or the Federal Reserve to have employee bonus payment plans approved in advance of the payments being made.

IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2009

Mr. MURPHY of Connecticut introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require institutions receiving certain assistance from the Troubled Asset Relief Program or the Federal Reserve to have employee bonus payment plans approved in advance of the payments being made.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EMPLOYEE BONUS PAYMENT LIMITATIONS.**

4 (a) TARP LIMITATIONS.—The Secretary of the
5 Treasury shall require that any institution that receives,
6 directly or indirectly, financial assistance under title I of
7 the Emergency Economic Stabilization Act of 2008 (12
8 U.S.C. 5211 et seq.) after the date of the enactment of

1 this Act shall only make employee bonus payments if such
2 payments are included in an employee bonus payment plan
3 that has been approved by the Secretary of the Treasury.

4 (b) LIMITATIONS ON CERTAIN ASSISTANCE FROM
5 THE FEDERAL RESERVE.—The Chairman of the Board
6 of Governors of the Federal Reserve System shall require
7 that any institution that receives, directly or indirectly, fi-
8 nancial assistance authorized by the Board of Governors
9 of the Federal Reserve System under the third undesig-
10 nated paragraph of section 13 of the Federal Reserve Act
11 (12 U.S.C. 343) after the date of the enactment of this
12 Act shall only make employee bonus payments if such pay-
13 ments are included in an employee bonus payment plan
14 that has been approved by the Secretary of the Treasury.

15 (c) EMPLOYEE BONUS PAYMENT DEFINED.—The
16 Secretary of the Treasury shall define the term “employee
17 bonus payment” for the purposes of this Act, except such
18 term shall include, at a minimum, retention compensation
19 and incentive compensation.

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