

September 25, 2008

Any Federal Financial Industry Rescue Package Must Be Transparent

The Honorable Barney Frank
Chairman
House Financial Services Committee
2129 Rayburn House Office
Building
Washington, DC 20515

The Honorable Spencer Bachus
Ranking Member
House Financial Services Committee
B-371A Rayburn House Office
Building
Washington, DC 20515

Dear Chairman Frank and Ranking Member Bachus:

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,

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American Booksellers Foundation for
Free Expression

Allied Daily Newspapers of Washington

American Civil Liberties Union

American Association of University
Professors

American Library Association

American Policy Center	National Whistleblower Center
Association of Research Libraries	9/11 Research Project
Californians Aware	OMB Watch
Center for Financial Privacy and Human Rights	OpenTheGovernment.org
Citizen Outreach Project	People For the American Way (PFAW)
Citizens for Responsibility and Ethics in Washington	Project on Government Oversight
Common Cause	Public Citizen
Competitive Enterprise Institute	Reporters Committee for Freedom of the Press
Defending Dissent Foundation	Scientific Integrity Program, Union of Concerned Scientists
Downsize DC	Semmelweis Society International
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FreedomWorks	Special Libraries Association
Fund for Constitutional Government	Taxpayers for Common Sense
Government Accountability Project	U.S. Bill of Rights Foundation
International Association of Whistleblowers	Washington Coalition for Open Government
Liberty Coalition	Washington Newspaper Publishers Association
Minnesota Coalition on Open Government	WhyCongressCantRead.com
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National Coalition Against Censorship	Scott T. Edmondson, AICP, President, Sustainability 2030 San Francisco, California
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