

KEY VOTE "NO" ON H.R. 4173: DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT

July 14, 2010

Dear Senator:

On behalf of hundreds of thousands of FreedomWorks members nationwide, I urge you to VOTE NO on the Dodd-Frank Wall Street Reform and Consumer Protection Act. Unfortunately, the bill fails to address the problems that led to the current fiscal crisis and continues to use taxpayer dollars to bailout Wall Street. Even worse, the financial overhaul bill sets the stage for future financial meltdowns.

Instead of allowing free-market mechanisms to set the right incentives for banks to make prudent lending decisions—where those who may profit are also the ones who will pay the cost of their own failure—the bill sends the wrong message. It gives banks an incentive to partake in risky and high-reward lending choices by making others responsible for their failure. Due to the bill's permanent bailout authority, the American taxpayers will be on the hook for poor decisions made by Wall Street. Despite rhetoric that this bill is "hard on Wall Street", banks will not be held sufficiently responsible for their unwise investments.

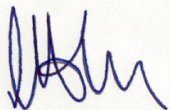
It is embarrassing for Congressional leadership and unfortunate for the American people that this bill does absolutely nothing to rein in key instigators of the current economic fiasco: Fannie Mac and Freddie May. Instead of fixing Fannie and Freddie, the federal government will continue to allow them to function without consequences.

Adding insult to injury, this power-grabbing legislation will also add to our soaring national debt. During this fiscal crisis, our focus should be on cutting wasteful spending. However, the financial regulation bill will tack on more needless spending that future generations will be forced to pay for. According to the non-partisan Congressional Budget Office (CBO), the financial regulation bill will cost an estimated \$20.3 billion over the next ten years.

This bill calls for much of that money to come out of the "TARP" funds from the initial Wall Street bailout we advised voting against. Taxpayers were promised we would get our TARP dollars back. Instead, in a budgetary sleight of hand that only this congress could think is reasonable, TARP dollars will be used to "pay for" this scheme. The Senators planning to vote for this bill seem to forget that those aren't free dollars in a slush fund for them to spend without consequence—those are our hard earned tax dollars. Taxpayers deserve better.

We will count your vote on cloture and final passage for S. 1776 as a KEY VOTE when calculating the FreedomWorks Economic Freedom Scorecard for 2010. The Economic Freedom Scorecard is used to determine eligibility for the Jefferson Award, which recognizes members of Congress with voting records that support economic freedom.

Sincerely,



Matt Kibbe
President and CEO
FreedomWorks



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