

Dear Friend, Thank you for reading another edition of my e-newsletter, the Carson Courier.

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#### RECOVERING AIG BONUSES

Over the last several months, billions of taxpayer dollars have been allocated to prop up struggling companies that have been considered critical to the future stability of our economy. These funds were allocated with deep reservations but with the understanding that they would be used responsibly in an effort to bring us out of recession.

Unfortunately, after receiving nearly \$170 billion in taxpayer assistance, insurance giant American International Group (AIG) has repeatedly chosen to frivolously spend in a manner that has degraded the confidence of Congress and the American public. In the most recent outrage, reports surfaced that AIG intended to pay \$165 million in "retention bonuses" to many of the executives whose mismanagement and greed led AIG to the brink of bankruptcy and our economy to the edge of collapse.

As millions of Americans are cutting their salaries and foregoing bonuses just to keep their jobs, these bonuses are clearly an outrageous misuse of taxpayer funds. At a hearing of the Financial Services Committee on Wednesday, my colleagues and I had an opportunity to question AIG Chairman and CEO Edward Liddy about the justification for these bonuses and how he plans to repay American taxpayers.

Mr. Liddy's testimony illustrated the need for Congress to act immediately to recoup taxpayer money. On Thursday, I joined my House colleagues in voting to pass legislation that will tax AIG bonuses by up to 90%, which when combined with state and local taxes will ensure that all of the money awarded to undeserving executives will be returned to American taxpayers. This is an important step towards full accountability at AIG, yet I still believe that it is critical for Congress to continue working towards stricter oversight and more comprehensive transparency procedures for all companies that have received taxpayer assistance.

#### SUPPORTING SMALL BUSINESSES IN INDIANAPOLIS

In Indianapolis as in most cities across the United States, small businesses serve as the primary engine of economic growth. While assistance to large financial firms was necessary to maintain systemic stability, it is our small businesses that will be responsible for much of the economic recovery that will occur in the coming months. Unfortunately, their difficulties have been largely overlooked throughout much of our current financial crisis.

On Monday, I was pleased to see President Obama announce an initiative that will allocate \$730 million from the American Recovery and Reinvestment Act to begin reducing small-business lending fees and increasing the government guarantee on some Small Business Administration loans. This increased access to capital will help millions of small businesses, including thousands in the Seventh District, to hire employees, expand the services they

provide, and better secure their finances.

I applaud President Obama for his proactive efforts to protect small business and promote entrepreneurship across the United States. As this initiative begins to take effect, I look forward to working with local small businesses to pursue the loans that will put them on the path towards long-term success and prosperity.

If you are interested in pursuing a Small Business Administration loan or wish to better understand President Obama's small business initiative, visit <http://www.sba.gov/> for more information.

#### WARNING AGAINST FRAUDULENT FORECLOSURE ASSISTANCE

Since our economy began its steady decline over a year ago, numerous misleading businesses have been launched which claim affiliation with the federal government and its effort to help homeowners avoid foreclosure. In reality, these are in no way affiliated with the federal government. Rather, they are private, for-profit companies that are looking to charge exorbitant fees for their services and possibly even steal credit information from homeowners.

Since President Obama's recent announcement of the Making Home Affordable program, instances of fraud have skyrocketed. Currently, many of these fraudulent schemes seek out vulnerable homeowners and solicit them over websites, by phone or even in person by going door-to-door. By misrepresenting themselves and providing false information, they convince homeowners to pay for services that are free and readily available under the President's new plan.

In an effort to protect thousands of struggling homeowners across Indianapolis, I recently chose to sign on as a cosponsor of the Foreclosure Rescue Fraud Act. This important legislation will combat financial scams aimed at victimizing these individuals as they fight to prevent foreclosure. I strongly believe that no one should have to incur modification or counseling fees to successfully lower their mortgage payment through President Obama's Making Home Affordable program.

#### Resources for homeowners

For homeowners seeking information about program eligibility and the mortgage modification process outlined in the President's plan, I recommend the following resources and steps:

- Calling the mortgage lender or servicer directly – Mortgage lenders should be well-briefed on the federal program and can provide information about eligibility for the home loan modification process. Also, they will be able to tell homeowners if their loan is owned by Fannie Mae or Freddie Mac.
- Visiting [www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov) – Launched this week by the U.S. Treasury Department, this site is specifically aimed at helping homeowners understand the new foreclosure prevention plan. The hotline number is (888) 955-4674.
- Contacting the Indiana Foreclosure Prevention Network – This program was created by a partnership between Indiana state government and private sector leaders to provide free assistance to homeowners. The Web site is [www.877gethope.org](http://www.877gethope.org) and the phone number is

(877) GET-HOPE.

- Contacting my office – Constituents can seek assistance by calling (317) 283-6516.

How to tell a scam

I also encourage the public to become familiar with the techniques and strategies used by perpetrators of fraudulent foreclosure rescue schemes. The Federal Trade Commission, which works to prevent deceptive and unfair business practices, has posted helpful information to spot and avoid these scams. For more details, visit [www.ftc.gov/bcp/menus/consumer/credit/mortgage.shtm](http://www.ftc.gov/bcp/menus/consumer/credit/mortgage.shtm) or call (877) FTC-HELP.

Thank you for reading the Carson Courier. Please do not hesitate to contact me with your thoughts and concerns. I value your views and your input which help me to better represent the people of Indiana's Seventh District in Congress.