

Dear Friend,

I want to share an update on the topic of yesterday's e-newsletter, and the topic on everyone's mind-- the AIG bonuses. Today, Congress passed my legislation, by a vote of 328-93, to recover those bonuses for the taxpayer.

On Monday, I proposed the Bailout Bonus Tax Bracket Act of 2009 (H.R. 1518), which was used as a blueprint for the Rangel-Israel bill (H.R. 1586) passed by the House today. This version of the legislation will apply a separate income tax rate of 90 percent to bonuses received by individuals from companies in which the Federal Government has a substantial TARP fund investment. You can view a video of the speech I gave about this bill on the House floor on my website, <http://israel.house.gov>.

The middle class and working families of this country will no longer subsidize bonuses for failure.

There is plenty of well-deserved blame to go around for the bonus fiasco. Governing means enjoying credit when things go right... and accepting responsibility when things go wrong. But it also demands solutions! My bill solves the problem of giant companies that took your tax money for a bailout, then spent it on bonuses for some executives who helped ruin the companies.

By passing my bill, the House took a step to get your money back. Now the Senate must act.

Sincerely,

Steve Israel
Member of Congress