

July 2009

The Economy Needs a **REBOUND**

“The long-term deficit and debt that we have accumulated is unsustainable.”
– *President Barack Obama*, May 14, 2009

In light of the dire economy, clearly made worse by massive federal spending increases and big-government power-grabs, Republican Study Committee Chairman Tom Price (R-GA), along with RSC Budget and Spending Taskforce Chairman Jim Jordan (R-OH) and RSC Financial Services Working Group Chairman Scott Garrett (R-NJ), introduced [H.R. 3140](#)—the **Reducing Barack Obama’s Unsustainable Deficit (“REBOUND”) Act**.

SECTION-BY-SECTION SUMMARY

Section 1: Short Title. “Reducing Barack Obama’s Unsustainable Deficit Act.”

Section 2: Repeal of “Stimulus.” Rescinds or repeals all of the spending in the “stimulus” (Public Law 111-5), excepting only the tax provisions and the unemployment benefits. Specifically, H.R. 3140 rescinds all unobligated appropriations made by the so-called “stimulus” and repeals all of the mandatory spending provisions, except for unemployment benefits. H.R. 3140 would, for example, undo the gutting of the landmark 1996 welfare reform law.

Section 3: Elimination of TARP Authority. The bill prohibits the Treasury Secretary from committing any further money under the Troubled Assets Relief Program (“TARP”; 12 U.S.C. 5201 et seq.) and also requires that all repayments of TARP money go exclusively to debt reduction—preempting the use of these funds either for any proposed housing slush fund, or a recycling of funds by the Treasury Secretary back into a TARP bailout.

For more information, or to co-sponsor, please contact RSC Policy Director Brad Watson at brad.watson@mail.house.gov.