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CONTACT: ABBY WINTER

(202) 225-3361

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Shadegg Supports Bailout

Shadegg: "Because of the fear gripping our economy, Congress must act. While I do not like the structure of this bill, doing nothing would be worse. Were we to fail to act to calm the market and ease the fears of an economic collapse, Americans who did not cause this crisis would lose their jobs. That is a fact."

Washington, DC— Congressman John Shadegg (R-AZ) today made the following statements regarding his vote in favor of the Emergency Economic Stabilization Act:

"Make no mistake, the vote today was about Arizonans losing their jobs. I have spoken with small business owners throughout our state, and they are deeply worried. Several have told me that they cannot currently get credit and they do not believe they will be able to pay their employees next week. Automobile sales plummeted by 27% last month and the drop will be double next month—salesmen and mechanics will lose their jobs. Manufacturers cannot get the materials they need unless they pay in cash. One farmer told me that the herbicide applicator he uses to spray his crops cannot get the necessary chemicals unless he pays in cash, in full, in advance.

Under these circumstances, I concluded Congress must act. I do not believe that the government should be in the business of purchasing troubled assets. However, in legislating, you never get what you want. Fortunately for American taxpayers, this bill is dramatically better than the original plan put forth by Secretary Paulson. I am also pleased that it has improved significantly from the bill I voted against on Monday. I personally worked very hard to push for a change in the absurd Mark to Market accounting rule which has made this crisis worse. I believe my efforts made a difference.

Because confidence is also extremely important, the Federal Insurance (FDIC), which stands behind the bank deposits of the American people, has been significantly increased giving them peace of mind that their money is safe even if their bank fails.

There is no guarantee that this bill will solve all the economic problems facing our country. I will continue to press for the other reforms I wanted and could not get in this legislation. I have been outspoken in my criticism of Secretary Paulson and I remain concerned. It is now his job to make this program work. I will be watching.

My choice was between voting for this bill or doing nothing at all. I chose to vote to protect Arizona jobs and America's economy."

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