Congressman Bachus delivered the following floor statement on the Dodd-Frank financial regulatory bill on June 30.

Today I'd like to address the good, the bad, and the ugly in this bill.

The good – there is consumer protection. There is more disclosure and transparency. There are some bipartisan provisions in this bill that add a whistle blower office to the SEC. But the bad and the ugly far outweigh those.

In total, this bill is a massive intrusion of federal government into the lives of every American. It is the financial services equivalent of Obama-care – the government takeover of our health care system. If finally enacted, it will move us further toward a managed economy, with the federal government making decisions that have been, and should stay, in the hands of individuals and private businesses.

For instance, it will make the compensation of every employee of a financial firm subject to rules set by a government overseer. Can you imagine anything as basic as what an employer pays an employee controlled by a federal bureaucrat in Washington? It even applies to clerical employees.

Government regulators would be empowered to seize and break up even healthy firms they decide are systemic risks, and even appoint new management to run these private companies.

As I said on the floor earlier today, this bill will institutionalize AIG type bailouts of creditors and counterparties, and saddle taxpayers with the losses resulting from out-of-control risk taking by Wall Street institutions.

My colleagues on the other side of the aisle will tell you this bill does not include a bailout fund. They're wrong. As I explained earlier, here it is, laid out. You can lend money to a failing company…now how do you get money back from a failing company? You can purchase their assets, you can guarantee their obligations, you can sell or transfer their assets. It’s there.

And what does this cost? As I explained earlier, the FDIC can borrow up to 90% of a firm’s assets, that’s $2 trillion in the case of Bank of America alone. That’s a bailout fund, period.

Not only will it make bailouts permanent, it will empower government employees to ignore settled bankruptcy law with so-called “resolutions” done behind closed doors with unequal treatment of creditors at the whim of politically influenced government officials. That has already happened.

A financial firm’s ability to survive a crisis like the one we went through two years ago will depend on whether its CEO can get the president of the New York Fed on the phone on a Saturday night, as one firm did. Friendships and being well-connected should not determine the success or failure of private enterprises.

Finally, it will impose an $11 billion bank tax disguised as an FDIC assessment, to fund this new government spending required under this legislation. At the same time we are trying to encourage banks to lend to Main Street businesses to get the economy moving and create jobs, the Majority wants to rip billions of dollars out of banks’ capital that supports lending.

Mr. Speaker, if you voted against this bill on the floor, if you voted against it in committee, you need to vote against it again, because it’s even worse than when it came out of the House.

We have seen the anger and frustration generated by the injustice of "too big to fail" bailouts. We have seen the folly of implied guarantees as with Fannie and Freddie. We have seen time after time the failure of government-run schemes to create jobs and grow the real economy.

Nevertheless, here the Majority party is again, doing the same thing over and over, blindly hoping that suddenly this time they’ll get a different result. Well, you're right.

The American people are demanding a different result and in a series of recent elections they’ve told Democrats to go home and spend their own money, not theirs…not the taxpayers.

If you choose to bail out the creditors and counterparties of the big Wall Street firms or loan them money when they get in trouble, don’t expect the voters to bail you out come November.

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