

## **BROWN STATEMENT ON SPENDING BILL PROVISION THAT WOULD ALLOW FOR FUTURE BAILOUTS**

WASHINGTON, D.C. – Following the inclusion of a provision in the year-end spending bill that would repeal a law prohibiting future bailouts, U.S. Sen. Sherrod Brown (D-OH) issued the following statement:

“This giveaway to Wall Street would open the door to future bailouts funded by American taxpayers,” Brown said. “It’s been just six years since risky financial practices put our economy on the brink of collapse and cost millions of Americans lost jobs, homes, and retirement savings. This provision, originally written by lobbyists, has no place in a must-pass spending bill.”

Following the financial crisis, Congress passed a provision in the *Wall Street Reform Act* that would end government insurance of risky Wall Street derivatives trading. Section 716 – entitled “Prohibition Against Federal Government Bailouts of Swaps Entities,” and also known as the Lincoln Amendment or the “swaps push-out” provision – prohibits Federal assistance to entities that engage in certain swaps and security-based swaps activities. While this provision was scheduled to take effect on July 16, 2013, it has still not been implemented.

The year-end spending bill would repeal Section 716.

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