

...Congressman Mike Pence appeared on *CNBC's "Power Lunch"* program to discuss economic issues, including cap-and-tax:

HOST: LET'S TALK TO ONE OF THOSE PEOPLE WHO HELP SET THE POLITICAL REALITY. LET'S BRING IN OUR NEXT GUEST TO FURTHER ADDRESS THIS TOPIC. WE'RE PLEASED TO WELCOME THE THIRD HIGHEST REPUBLICAN IN THE HOUSE, CONGRESSMAN MIKE PENCE OF INDIANA. GOOD TO SEE YOU CONGRESSMAN.

MR. PENCE: GOOD TO SEE YOU GUYS, GREAT TO BE ON POWER LUNCH.

HOST: YOU WEIGH IN ON EVERYTHING THAT WE ARE SEEING WITHIN THE BANKING SYSTEM TODAY. THERE IS TALK THAT THEY ARE GOING TO CONVERT THESE PREFERRED TO COMMON. IT LOOKS LIKE IT WILL BE DILUTION THERE FOR SURE AND RESTRICTIONS WHEN IT COMES TO GIVING BACK THE MONEY. WHAT ARE YOUR THOUGHTS?

MR. PENCE: WELL MY THOUGHTS ARE THAT THOSE OF US THAT OPPOSED THE WALL STREET BAILOUT FROM THE BEGINNING ARE PUTTING ONE MORE ARROW IN OUR QUIVER. THE TRUTH IS THAT THERE WERE BETTER ALTERNATIVES ON CAPITOL HILL THAT WE COULD HAVE PROVIDED FOR THE LIQUIDITY CRISIS IN THE MARKETS BY SUSPENDING THE REPATRIATION TAX AND WE COULD HAVE PROVIDED FOR THIS CRISIS IN TOXIC ASSET BY CREATING AN FDIC-STYLE PROGRAM WHERE THESE FIRMS WOULD BUY GOVERNMENT INSURANCE. YOU ASK ME WHAT I MAKE OF ALL THIS AND THIS IS THE NATURAL CONSEQUENCE OF THE FEDERAL GOVERNMENT GETTING DEEPER AND DEEPER AND DEEPER INTO THE FINANCIAL SERVICES SECTOR. WHAT WE NEED, AS REPUBLICAN LEADER JOHN BOEHNER SAID RECENTLY, WE NEED AN EXIT STRATEGY FROM THESE BAILOUTS. REPUBLICANS ON CAPITOL HILL ARE GOING TO CONTINUE TO BE BRINGING FORWARD IDEAS TO STAND FOR THOSE MILLIONS OF AMERICANS WHO WERE INSPIRED ON THIS AIR, JUST A FEW SHORT MONTHS AGO, TO GATHER LAST WEDNESDAY AND ACROSS THE COUNTRY. THEY KNOW WE CAN'T BORROW AND SPEND AND BAIL OUR WAY BACK TO A

GROWING ECONOMY.

HOST: WHAT DO YOU SAY TO A JAMIE DIMON OF J.P. MORGAN, CHASE, OR ANY OTHER LARGE BANKER WHO TOOK THAT MONEY TO BE PATRIOTIC, TO HELP OUT THE COUNTRY, BECAUSE THEY WERE ASKED TO DO THAT, EVEN THOUGH THEY DIDN'T NEED THE T.A.R.P. MONEY. NOW THEY ARE HEALTHY, THEY SAY, AND THEY WANT TO GIVE THAT MONEY BACK AND THE GOVERNMENT IS COMING BACK IN AND SAYING WE MIGHT PUT REQUIREMENTS ON THAT. IS THAT FAIR? IS THAT THE APPROPRIATE WAY FOR THE GOVERNMENT TO GO ABOUT REPAYING THE T.A.R.P., WHICH JPMORGAN CHASE IS VIEWING IT AS AN EXIT STRATEGY FOR ITSELF TO GET OUT OF THE T.A.R.P. SITUATION?

MR. PENCE: NOT ONLY IS IT NOT FAIR, BUT IT IS ACTUALLY OUTRAGEOUS. THE REALITY IS THAT MANY OF THESE BANKS, AS YOUR REPORT, WERE CALLED INTO THE WEST WING OF THE PRIOR ADMINISTRATION AND TOLD THAT IT'S YOUR DUTY, WHETHER YOU NEED THE T.A.R.P. MONEY OR NOT, TO TAKE THESE FUND. NOW THERE ARE BEING ADDED NEW LAYERS, NEW OBLIGATIONS. THERE'S AN OLD ADAGE THAT SAYS WHEN YOU DO A DEAL WITH THE DEVIL, YOU'RE ALWAYS A JUNIOR PARTNER. THE TRUTH IS THAT THIS WHOLE THING IS BECOMING ESSENTIALLY A WATCH-WORD FOR ANY FUTURE PARTNERSHIP BETWEEN PUBLIC AND PRIVATE SECTOR. PEOPLE UNDERSTAND YOU GET IN A DEAL WITH THE FEDERAL GOVERNMENT THEY CONTINUE TO CHANGE THE DEAL. WE'VE GOT TO GET AWAY FROM THESE BAILOUTS; THE AMERICAN PEOPLE WANT US TO GET AWAY FROM THEM.

HOST: ALL RIGHT. LET'S TALK CAP AND TRADE. I'M REALLY ALARMED AND WORRIED ABOUT THIS EPA ACTION WHERE JUST OVERNIGHT THEY DECIDED THAT POLLUTIONS AND CARBON DIOXIDES, THAT I BREATHE A LOT OUT OF MY MOUTH A LOT OF HOT AIR, ARE NOW HAZARDOUS TO YOUR HEALTH. WHAT DO YOU THINK?

MR. PENCE: WELL, WE'RE VERY CONCERNED ABOUT IT, AND WE COMMENTED ON THIS ABRUPT DECISION LAST FRIDAY, WHICH SEEMS TO MANY OF US ON CAPITOL HILL TO BE A PRECUSSEUR TO A MASSIVE NATIONAL ENERGY TAX. NOW YOU'VE GOT THE EPA ESSENTIALLY SAYING THAT CARBON DIOXIDE REPRESENTS A THREAT TO THE ENVIRONMENT AND THAT WILL SET IN MOTION DEMOCRATS ON CAPITOL HILL, AND THIS ADMINISTRATION, BRINGLING FORWARD A CAP AND TRADE BILL WHICH LITERALLY COULD SEE THE UTILITY RATES OF EVERY AMERICAN HOUSEHOLD GO UP BY MORE THAN \$3,100 PER YEAR. I'VE BEEN ASKED TO LEAD A WORKING GROUP

AMONG REPUBLICANS TO COME UP WITH ALTERNATIVES TO THE CAP AND TRADE DEAL.

HOST: CAN YOU GIVE US A FOR INSTANCE?

MR. PENCE: WELL, I DON'T WANT TO GET AHEAD OF OUR TEAM, BUT I'LL TELL YOU, WE'RE FOR CLEARER AIR, WE THINK YOU CAN PURSUE POLICIES THAT WILL PROMOTE CLEAN AIR TECHNOLOGIES WITHOUT PASSING ESSENTIALLY A NATIONAL ENERGY TAX. LET ME TELL YOU, BEING FROM INDIANA, GUYS, WHEN YOU LOOK AT THE DETAILS OF THIS CAP AND TRADE PROPOSAL, AND YOU REALIZE THAT THE MAJORITY OF THE FINANCIAL IMPACT IS GOING TO BE BORNE IN THE MIDWEST, WHERE I'M FROM, THIS AMOUNTS LITERALLY TO AN ECONOMIC DECLARATION OF WAR BY THE WEST COAST AND EAST COAST ON THE MIDWEST. REPUBLICANS ARE DETERMINED TO OFFER POSITIVE ALTERNATIVES TO THIS CAP AND TRADE BILL, BUT THE FIRST THING WE ARE GOING TO DO IS NOT ALLOW LIBERALS ON CAPITOL HILL AND THIS ADMINISTRATION TO RAISE A NATIONAL ENERGY TAX THAT FALLS PRINCIPALLY ON THE INDUSTRIAL MIDWEST THAT RELIES SO MUCH ON COAL.

HOST: CONGRESSMAN, THANK YOU FOR JOINING US TODAY.

MR. PENCE: THANK YOU GUYS.

Congressman Pence also appeared on *FOX News'* program "Your World with Neil Cavuto" to discuss the Tax Day TEA Parties and what they represent: