The uncertainty of it is hurting the overall economy.

We have to do those before we take the Memorial Day break. We can't let the troops go unfunded and we can't let those provisions expire.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

FINANCIAL REGULATORY REFORM

Mr. MCCONNELL. Mr. President, as I stand here this morning, the U.S. Government is in dire fiscal condition, with the Federal debt now about to break $13 trillion for the first time in history, a level that was unthinkable a few years ago. Meanwhile, Democrats in Washington seem to think there is some law out there that will somehow prevent us from experiencing the same kind of crisis that is currently engulfing Europe.

The fact is, Washington can't even pay its bills. Yet over the last 16 months it has taken over banks, insurance companies, car companies, the student loan business, and health care. Now it has its sights set on anyone in America who engages in a financial transaction. The arrogance of this approach to governing is truly astounding.

Everyone recognizes the need to rein in Wall Street to prevent another crisis, but the bill the majority wants to end debate on today does not do that. Instead, it uses this crisis as yet another opportunity to expand the cost and size and reach of government. It punishes Main Street for the sins of Wall Street. Worst of all, it ignores the root of the crisis by doing nothing whatsoever to reform the GSEs.

But all this should sound very familiar to anyone who followed the health care debate. Remember that the problem with health care was that it cost too much and the administration's solution was to spend even more money on it. This time, the Fed, the SEC, and Treasury all missed the housing bubble and the irresponsible risk-taking that led to the financial crisis, and the administration's solution to this is to hire more of these people to give them even more authority than they had before. So we have been down this road before.

The administration used the cost crisis in health care as an excuse to force a government takeover on a public that didn't want it. Now it is using the financial crisis as a way to intrude into the lives of people and businesses that had absolutely nothing whatsoever to do with the problem, and to hire thousands of government employees and spend billions of dollars in taxpayer money to pay for it all. At the outset of this debate, Republicans argued that getting on to the bill would be a mistake since Democrats had no intention of improving it. As it turns out, we were right. Not only does the bill still contain a massive new government agency with broad new powers over consumer spending and Main Street businesses, it does nothing—nothing—as I indicated, to rein in Fannie Mae and Freddie Mac, the main protagonists in the financial meltdown. This is absolutely worse than irresponsible. It is the legislative equivalent of wrongful conviction.

What is more, Democrats even opposed putting these two government-sponsored companies that were behind the housing crisis on the Federal budget and accounting for the billions they got from taxpayers in bailout funds.

Republicans tried to address the concerns we have been hearing from Main Street, many of them targeted at this new Federal agency that would regulate all aspects—all aspects—of a consumer's life, but Democrats rejected them. We offered an amendment that would sunset this agency if it led to unwanted government intrusion. They rejected it. We offered an amendment that said banks that fail should go bankrupt rather than giving their Wall Street creditors a bailout. They rejected it. We offered an amendment that would have strengthened lending standards. They rejected it. We offered three amendments to rein in Fannie Mae and Freddie Mac. They rejected them.

They can call this bill whatever they want, but there is no way—no way—it can be viewed as a serious effort to rein in Wall Street or to address the problems that caused the crisis. How do you explain to the average American—the average American—that a bill that was meant to rein in Wall Street can be supported—supported—by Goldman Sachs and Citigroup but opposed by car dealers, dentists, florists, furniture salesmen, plumbers, credit unions, and community banks?

Let me say that one more time. How do you explain to the people of this country a bill designed to rein in Wall Street that is supported by Goldman Sachs and Citigroup but opposed by car dealers, dentists, florists, furniture salesmen, plumbers, credit unions, and community banks? How do you explain how a bill that was supposed to target Wall Street now threatens to subject manufacturers to a broad new financial regulation and new layers of government bureaucracy? How do you justify new costs and regulations on small businesses struggling to dig themselves out of a recession, while the biggest banks—the ones that caused it—don't seem to mind it? How do you explain how a bill that was supposed to end bailouts will be used to collect financial data on Americans?

Look, the only thing we need to know about this bill is that a bill that was meant to rein in Wall Street is now being endorsed—now being endorsed—by Goldman Sachs and is opposed by America's small business owners, community banks, credit unions, and auto dealers. A bill that was supposed to rein in Wall Street is opposed by the Chamber of Commerce but supported by Citigroup.

Small businesses don't like it, but the biggest beneficiaries of the bailouts support it, because regulations never hurt them as much as they hurt the little guys. Our friends on the other side are happy as long as they pass something called reform, and the administration is happy because it is bent—absolutely bent—on expanding government at any cost.

But the American people are watching, and they are not happy. They are astonished at the arrogance of elected leaders who seem to do more to create problems up here than to solve them: Health care costs too much, so let's spend more on it. Regulators missed the housing crisis and the financial panic; hire more of them.

The Federal Government has doubled in size over the past decade, and yet every day this administration devises some new way to make it bigger, costlier, and more intrusive. In my view, the administration has lost all perspective about the limits of government and, frankly, it is losing the confidence and the trust of the American people.

Americans look at what is happening in Europe. They feel as though they are seeing the same movie playing out right here. They feel as though the one way to avoid this crisis from spreading across the Atlantic is to stop the spending and the government expansion that led to it; and they feel as though the administration doesn't see any of this and is so bent on its government-knows-best solution to everything that it can't even see when the government itself is the problem.

The goal of legislating is not to say we have solved the problem when we haven't. It is to prevent or alleviate real hardships and expand opportunities for the people who sent us here.

But until the administration actually delivers on that promise, Americans cannot and should not be expected to endorse its plans for even more government because, for most Americans, what all these crises reveal is not a need for more government but a need for less government. I will vote against this so-called reform bill, and I urge my colleagues to do the same.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans

controlling the first half and the majority controlling the final half.

The Senator from New Hampshire is recognized.

REGULATORY REFORM

Mr. GREGG. Mr. President, first, I congratulate the Republican leader for a superb statement on where we stand relative to the bill on regulatory reform. It is truly a bill that is misnamed. This bill should be called ''The Expansion of Government for the Purposes of Making Us More Like Europe Act.''

As a very practical matter, the bill does almost nothing about the core issues that have created the issue of financial stability in this country. It does nothing in the area of Fannie Mae and Freddie Mac, which is the real estate issue. It does virtually nothing in the area of making sure we have a workable systemic risk situation and structure so we can address the issue of systemic risk. Instead of addressing it in a constructive way, which would actually put some vitality and usefulness in to regulate the derivatives market, it actually steps back and creates a derivatives regulation that all the major regulators, whom we respect, have said simply will not work.

I wish to talk about that. I didn't think there was anything you could do that would make this regulatory proposal on derivatives worse. But now we see an amendment from the chairman of the committee, which I am sure is well intentioned, but it makes it worse. The way the derivatives language of the bill has evolved is it gets worse and worse, in an almost incomprehensible and irrational way, which is rather surreal. It is almost as if we were at the Mad Hatter's tea party the way this derivatives language is evolving.

We now have in the bill itself proposed language which the chairman of the FDIC, the Federal Reserve staff, Chairman Volcker, and the OCC have all said will not work. In fact, not only did they say it will not work, they have said it will have a negative impact on the stability of the derivatives market. It will cause the market to move overseas and make America less competitive. It will cause a contraction in credit in this country, and it will hurt consumers and users of derivatives across this Nation.

Those are the words—paraphrased to some degree but essentially accurate—of the major players who actually discipline and look at this market, in defining the bill as it is presently before us. Now, in some sort of bizarre attempt—as if the Mad Hatter had arrived—to correct this issue, we see an amendment from the chairman of the committee suggesting that we should put into place an even more convoluted system, tied to uncertainty of no decision occurring for 2 years. The proposal says we will have the stability council, which is made up of, I think, nine different regulators, take a look at what is in the language of the bill now, relative to taking swap desks out of financial institutions and determine whether that language makes sense. Well, it doesn't. We know that already because a group of regulators has already said it doesn't make sense. So we are going to wait for 2 years to determine it doesn't make sense, when we already know it doesn't. Then they are going to make that recommendation to the Congress, so the Congress gets to legislate to correct what we already know is an error in the bill.

Then, to make this an even more Byzantine exercise in regulatory absurdity, the Secretary of the Treasury has the right to overrule the Congress or maybe act independently of the Congress and take action pursuant to whatever the stability council decided.

On top of this convoluted exercise in chaos, the proposal actually undermines the Lincoln proposal, which is in the bill, and makes it even less workable, by saying the swap desk cannot even be retained by affiliates but must be totally separated, which inevitably leads to swap desks that do not have capital adequacy or stability or the necessary strength to defend the derivatives action which they are making markets in. So you weaken and significantly reduce the stability of the market, making it more risky and, at the same time, the estimate is, you would contract credit in this country by close to $¾ trillion less credit.

What that means is John and Mary Jones, who are working on Main Street America producing something they are selling to a company that is maybe a little larger, and then they are selling that product overseas, are probably not going to be able to get the credit they need to produce the product, so they will have to contract the size of their business, and we will reduce the number of jobs in this country or certainly the rate of job creation.

This country's great and unique advantage is that we are the best place in the world for an entrepreneur and risk-taker—somebody who is willing to go out there and do something to create jobs—to get capital and credit at a reasonable price and in a reasonably efficient way. This bill fundamentally undermines that unique advantage that we have in this language, and this language compounds that event, undermining that unique situation. It is, as I said, similar to participating in the Mad Hatter's tea party to watch the way this bill has evolved on the issue of derivatives regulation. The product—I guess the Queen of Hearts would be proud of it, but I can tell you the effect on the American people, on commerce, and on Main Street will be extraordinarily negative should we pass it.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Kansas is recognized.

Mr. ROBERTS. Mr. President, I ask unanimous consent that I may be recognized for 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BERWICK NOMINATION

Mr. ROBERTS. Mr. President, recently, Leader MCCONNELL and Dr. JOHN BARRASSO, the distinguished Senator from Wyoming, and I engaged in a colloquy regarding President Obama's nominee for the head of CMS, the Centers for Medicare Services, Dr. Donald Berwick.

Simply put, Dr. Berwick has a long history of interesting statements—pertinent statements—that support government rationing of health care, an issue I have vigorously fought against throughout the entire health care debate.

The White House response to our colloquy, it seems to me, was most unfortunate, if not rather incredible. Here is what the Obama administration had to say:

> No one is surprised that Republicans plan to use this confirmation process to trot out the same arguments and scare tactics they hoped would block health insurance reform.
>
> The fact is, rationing is rampant in the system today, as insurers make arbitrary decisions about who can get the care that they need. Dr. Don Berwick wants to see a system in which those decisions are transparent—and that the people who make them are held accountable.

This is a fascinating response. Instead of flatout denials of government rationing, we have excuses. If you read between the lines, you will notice that for the first time ever in this debate, the Obama White House is admitting their health care plan will ration health care. It just doesn't make it transparent.

Remember, when Republicans, such as myself and JON KYL and Dr. COBURN, the Senator from Oklahoma, tried to warn that health care reform would result in government-rationed care, we were dismissed as crazy reactionaries or even worse. President Obama accused us of trying to scare people, and no less than the American Association of Retired Persons, AARP—that organization that purports to represent Medicare patients and seniors all across our great Nation—said our rationing concerns were a mere ''myth''—that ''none of the health care reforms . . . would stand between individuals and their doctors or prevent any American from choosing the best possible care.''

How interesting that now, after the health care bill has become law, the President is admitting we were right all along. Here is the quote:

> Don Berwick wants to see a system in which those [rationing] decisions are transparent—and that the people who make them are held accountable.

That is a complete and utter about-face.

Although cloaked in the typical straw man arguments that have come to characterize this administration,