process by the Senate Banking Committee. We need that process because the House bill is full of problems for investors. It will create a marketplace where investors can be deeply damaged.

It is our responsibility in this body to make sure that as we produce a streamlined system for small companies and startup companies to access capital that we don’t create, basically, a scheme- and dump-crap for cyber-criminals seeking to defraud American citizens. That is why we need due consideration in committee.

I can’t speak to the challenges with all the portions of the House bill, but I can speak to a specific section of the House bill called crowdfunding because I have been working with others, including the occupant of the chair, Senator Bennet from Colorado, and Scott Brown from Massachusetts, to say let’s utilize funds, you or I tomorrow, could start up a Web site and say: Compnies, sign up; investors, sign up—with no sort of protocol for the registering of information and no system required for the protection of investors. That is a major mistake in this legislation.

Second, companies do not have to go through a registered intermediary. In other words, you or I, tomorrow, could start up a Web site and say: Companies, sign up; investors, sign up—with no sort of protocol for the registering of information and no system required for the protection of investors. That is not an investment market; that is a scam.

But what is wrong with the way the House drafted this bill? I will give short examples. It enables companies to raise $1 million by providing the no financial information—no financial information. That is not an investment market; that is a scam.

Third, under the House bill, a person could say: Here are 10 stocks, 10 potential companies to put your money into. Through that action they could take 100 percent of your annual income in one fell swoop. So as we create this new, this particularly interesting marketplace, full of potential, we don’t want it to be a place where no financial information occurs, no rules for the internet people or the cyber-criminals are taken for their whole annual income in one fell swoop. That is no way to build this wonderful potential marketplace.

To continue, the House bill lacks any advance public notice. So a company can post on the Internet the same day they offer the stock, and upon getting 60 percent of the amount they are seeking, the target amount, they can walk away with the investors’ cash just like that. In other words, offer it, no chance for the SEC to look at it, collect their $1 million, walk away, and they didn’t provide one ounce of financial information.

If you haven’t seen the movie “The Boiler Room,” I encourage you to do so because you will see how scams actually not permitted by law were used to defraud honest American families. In this case, we are just paving the path to promote investing schemes. So that is a problem.

The House bill allows anonymous stock promoters so that it encourages the opportunity for pump and dump. This is a reference to promoters saying they will make something is and not identifying themselves to having a connection to the company offering the stock. It doesn’t address the issue of delusion.

If you had a chance to get in on the start of Starbucks, when they said they wanted to start up a coffee company, wouldn’t that have been great to be in on the ground floor? You say: You bet—and you got 1 percent of Starbucks stock as a result. You would be very rich today.

But what about a company that proceeds to use a strategy of deluding the original investors so that your initial investment is worth nothing when the company seeks a connection as a successful entity? That certainly is an issue. These issues have all been wrestled with and addressed by the bill, Senator Bennet, Senator Brown, and I have put together.

The other sections of the House bill have similar problems. I will not speak to those problems because there are other folks who are much more knowledgeable about it. I will stick to my section and use it as an analogy of why this entire bill should go through the Banking Committee.

Let me read to you a letter from Motaavi. Their slogan is “Investment for Everyone.” Isn’t that the perfect slogan for crowdfunding, “Investment for Everyone.”

They address their letter:
Dear Senators Reid and McConnell:

We are a crowdfunding intermediary based in Durbuy. My company, and I am sure other companies, will not take up the House bill shortly. We are very concerned about language in title III. While we appreciate the broad exemption written by the language does not protect investors and puts the crowdfunding industry at risk of significant fraud. However, more responsible language does exist.

Then it refers to the bill the Senate has been working on. Then they proceed to list many of the flaws I have just listed.

So here are folks out in the private sector who want to see a successful process, and they want to be an intermediary. They don’t want to see this potential industry brought to a halt with a terrible reputation because it becomes a predatory industry.

I have another letter from Lauchht:

This latest bill, the Crowdfund Act [the Senate version is] I am saying because unlike previous bills, for the first time we have a Senate bill with bipartisan sponsorship, a balance of oversight and Federal uniformity, industry protection, investor protection, workable funding caps.

It lays out what this work should be in this bill.

Finally, I want to note the perspective in the New York Times editorial, entitled, “They Have Very Short Memories.” It is scathing in its critique of this process we are engaged in: House Republicans, Senate Democrats, and President Obama have found they support a terrible package of bills that would undo essential investor protections, reduce market transparency and distort the efficient allocation of capital.

They go on:

Of course, the supporters don’t describe it that way. They say the JOBS Act—for Jumpstart our Business Startups—would remove burdensome regulations. They claim have made it too difficult for companies to raise money from investors.

Never mind that reams of Congressional testimony, market analysis, and academic research have shown that regulation has not been an impediment to raising capital. In fact, too little regulation has been the root of all recent bubbles and bursts—the dot-com crash, Enron, the mortgage meltdown. Those free-for-all created jobs and then implode, causing mass joblessness.

Wouldn’t it have been great if, when those deregulatory efforts that didn’t deregulate in a positive way, cutting out unnecessary red tape but in negative ways, which created a Wild West marketplace with all kinds of predatory practices, would it not be nice if the Senate stood in and said we are the cooling saucer—I have heard that term ever since I came here, that we are the “cooling saucer.”

We cooled our heels for 3 weeks with the Transportation bill on the floor, and we weren’t able to consider one single amendment during that 3-week period. That is a deep freeze, not a cooling saucer. Now we have gone from deep freeze to bullet train. We need to slow this train down. We need to have due deliberations to recreate the sort of deregulation that is so important for the future growth of the United States and the future success of American families.

I am going to withdraw my objection, Mr. President, because I wanted to make a point now that, hopefully, will help guide our deliberations over the next couple of days. It is not that we should not be getting to this topic; we certainly should. But we need to do so in a manner that works for American businesses, small businesses, startups, and families, and the House bill doesn’t do it.

I withdraw my objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I appreciate the work done by the Presiding Officer and the junior Senator from Oregon on this most important piece of legislation, and especially the problems the two Senators I mentioned believe is evident with this legislation. I appreciate the opportunity I have had to work with the two of them today. We will continue to do that.

TRIBUTE TO MR. JIM BOOTH

Mr. McCONNELL. Mr. President, I rise today to pay tribute to someone
who has given so much back to the great Commonwealth of Kentucky—someone who has taken it upon himself to make an investment in the betterment of his community, county, and State for generations to come. I am speaking of Mr. Jim Booth of Morehead, KY.

Mr. Booth is the founder and CEO of the Town of Inez, Inc., located in Martin County, close to his heart his entire life. In this town he graduated from high school, met his wife, Linda, and paid his way through Morehead State University by working part-time in the region’s coal mines. So many milestones in Jim Booth’s life have taken place in this eastern Kentucky town, it is no surprise that he is so devoted to giving something back to the place that’s given him and his family so much.

Jim Booth combined a business administration degree, love for his community and its residents, and hard work to stimulate the local economy across the board. It has been said that there is no one in the region who has made more growth projects in Martin County that doesn’t have Jim and Linda Booth’s fingerprints all over it. The couple manages a coal company, a Ford dealership, real-estate agencies, convenience stores, hotels, insurance agencies, and a building supply store.

With so many successful projects in so many industries, it may seem that Jim Booth has a lot to brag about. But Jim is a man of modesty and humility. He might not say too much about his own accomplishments, but the accomplishments others have made from the little push that he gave them. Jim has helped to bring over 2,000 jobs to Kentucky from across the state annually.

Along with all of these major improvements to his local community, Jim has also sponsored a local basketball tournament, provided the chance for anyone who is interested to become a certified coal miner, and headed up a campaign that helps combat youth obesity called “Martin County on the Move” with United States Representative Hal Rogers. While it may seem like Jim has a lot to celeberate, Jim stays focused on what all of his hard work is really about.

“This is home, Linda and I decided to stay here; build here and improve our community for the next generation,” Jim says. “I am determined to provide as much inspiration and as many opportunities as he can to those individuals who share with him the same “home” of Martin County, KY.”

Mr. President, at this time I would like to thank my Senate colleagues for joining me in commemorating the accomplishments of this treasured citizen of the Commonwealth of Kentucky. In 2011, an article was included in a publication released by the Southeast Kentucky Chamber of Commerce that featured the many accomplishments that Jim Booth has been able to generate throughout his life thus far. Mr. President, I ask unanimous consent to have printed in the RECORD that article.

There being no objection, the article was ordered to appear in the RECORD as follows:

[From the Southeast Kentucky Chamber of Commerce, 2011]

JIM BOOTH

COMMITED TO ECONOMIC DEVELOPMENT

There’s an old adage that says “Bloom where you are planted.” It’s apparent that Jim and Linda Booth have taken that saying to heart. Not only have their family and friends been responsible for the growth of Martin County, but they have worked to make the entire county “bloom.” You can hardly enter a building, walk a trail, or have a bite to eat in which the Booths haven’t been involved. Many businesses in the region operate include coal mining, a Ford dealership, convenience stores, real estate, building supply stores, hotels, and insurance, but the underlying theme is their dedication to cultural and economic development in their hometown.

“There’s no question, we could have gone other places, but being here has been easier and maybe more profitable as far as the retail side goes,” Jim explains, “but I really know that someone had to be involved here because we are very blessed with many people willing to do that, but I can tell you, the team we’ve put together has been able to make our enterprises profitable.

Mostly, it has allowed us to employ a lot of people. We employ about 800 in retail and we have around 1,400 coal miners. One way we have built our enterprise is that we are one of the best customers of about every business we’ve started. That’s given us a base for some sustainability.”

Some milestones in the town of Inez when we started was a building supply, and the next one was a mine supply business, so we were, of course, the best customer. Mr. Booth made the most important purchase from the building supply to furnish the materials. Then we put a team together to build the hotel. I entered into a partnership with Kevin Davis, who operates Fast Change Lube & Oil, a chain of Pennzoil Lube Centers. Kevin has done an excellent job in growing our stores. We have over six car washes and six car washes. We’re a good customer of our insurance companies and, of course, our convenience stores. Even the Ford dealership, we’re probably one of the best customers of the dealership. It’s not necessarily all been calculated in advance—sometimes opportunities just arise. We entered into the car dealership business to do one thing here, then we lost the Chevrolet store when the government took over GM. But we still have Ford.”

Jim and Linda Booth both graduated from Morehead High School; Linda a year after Jim. Jim started college at Morehead State University and Linda at the University of Kentucky. In order to pay their way through school, Jim became a part-time coal miner. “We drove here (in) on weekends,” Jim remembers, “and I worked in a service station for my brother. Then, during the day, I worked underground in the mine. Linda and I would drive back to Morehead in time for school. I got to really know the mining. When you work a little while at the mine, ‘’ Jim reflects.

Over the next few years, the business experienced tremendous growth and success. Mr. Booth started with a coal mine when he was just 25 years old. At the time, the tax rate was 70 percent, and he remembers having to borrow against his own income for the next year just to pay the business’s taxes. “Then, when Reagan became President and taxes went down—BOOM. We’re the best story you’ll find for how success comes from tax relief,” says Jim.

The Booths have a vision of renovating and remodeling virtually the entire city of Inez’s local infrastructure at some time in another. It is high on the half way through this process, as he has already made headway providing new facilities for the Martin County Board of Education and the Martin County Economic Development Board, of which he is the chairman.

The most prized accomplishment of Mr. Booth is the Roy F. Collier Community Center, named in honor of Jim’s late friend and business partner who passed away in 2005. The facility houses a movie theater, indoor track, fitness center, arcade, and large meeting rooms available for reservation. The versatile community center provides entertainment to over 200,000 residents from Martin County from across the state annually.

Mr. President, if there is a pattern to Jim’s life, it is this: Jim has a lot to celebrate, but the underlying theme is his dedication to creating jobs for the next generation. It is apparent that Jim Booth has been responsible for bringing over 2,000 jobs to Kentucky for generations to come. In 2011, an article was included in a publication released by the Southeast Kentucky Chamber of Commerce that featured the many accomplishments that Jim Booth has been able to generate throughout his life thus far. Mr. President, I ask unanimous consent to have printed in the RECORD that article.

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[From the Southeast Kentucky Chamber of Commerce, 2011]
group together that started using our supplies—we buy from ourselves when we build houses, apartments, hotels, and any other real-estate developments.

Jim Booth has many things to be proud of—building an economic conglomerate from scratch, for one—but he is very modest when speaking of his business accomplishments. What he prides himself on is the progress that he and his team have made and opportunities he’s been able to bring to the local people.

“We started the convenience stores in ‘84. The first Fast Lane was in Lovely, KY. We have a really good team—James Mills manages Fast Lane, Fast Lane Tobacco Stores, and Martin County and does a really good job. Fast Lane has been a great success—not just for Martin County but for the region. Locally, we do tremendous things for the area. Fast Lane is second to none—I doubt there is a better pre-season basketball tournament in the state of Kentucky. It’s held at Sheldon Clark High School on the Saturday of Thanksgiving weekend, and some of the best teams in the tri-state participate. UK Wildcat Patrick Patterson participated in our tournament when he was a student at Martin High School.

“Through our businesses, we’re able to help a lot of these kids get into the workforce,” Jim continues. They’ll tell me, ‘I got to buy my own Paco Berto’ because that’s where they work. There wouldn’t be those kinds of opportunities here for kids if we didn’t have the retail jobs.

To our sector, we’ve allowed anybody from the area who wants to be a miner and is qualified to train and become a certified coal miner. To be honest with you, we need coal miners right now. We have several vacancies in our mining operations. We could hire qualified people right now.”

After hearing the area needed a hotel, Jim and his team built the Inez Super 8 Hotel. He chose the location because the site had the necessary infrastructure. From there, they moved out of Martin County and began what he refers to as the Interstate Hotels—located in Mt. Sterling, Catlettsburg, and two in Huntington—all on I-81. They’re all doing well.

When asked to describe his business plan, Jim explains it very simply: “We have mostly grown from within based on common synergy that we have in the area. We really have a family here, to do business. We have a lot of families that every family has worked for us. We try to provide all the opportunities this area can support.”

The companies have ventured out of Martin County, Jim’s son-in-law, Jeff Fraley, operates the United States Achievement Academy in Lexington, which is similar to Who’s Who. They do all the printing for the book and have its employees. Two other businesses in Lexington are Southeast Mail, the largest bulk mailer in Lexington, and a Bluestove Imports.

Booth Enterprises has gone into Louisi with the new Yatesville Crossing shopping center, containing retail businesses such as Wal-Mart, Appalachian Wireless, and Radio Shack. Plans are to build a medical center on the lower level. As an offshoot of the building supply in Lovely, a Surplus Home Center has been opened. The company buys oversupply items from different places and ships them to the Center. The buyer is Martin County native Carolea Mills who is the (acting) chairman of the Roy F. Collier Community Center.

Jim Booth really lights up when describing the Collier Community Center and its programs. “The Collier Community Center is a specialized facility Martin County has ever established, and it is highly utilized by the community,” he says. “Roy Collier was one of my business partners when I started out, and he passed in 2005. I donated the property, so I was allowed to name the building in honor of my brother.” Roy Collier has four digital 3-D cinemas with surround sound, an indoor walking track, a gift store, a Fun Zone Arcade, a fitness center, video conferencing center, and large rooms for receptions or meetings. Over 125,000 people per year make use of it. It’s a real dream come true for surrounding counties—especially for the cinema.”

Jim was also instrumental in working with Morehead State University, where he has served as chairman of the Board of Regents, to bring the “Martin County on the Move” program to founded the Collier Community Center. He and President Wayne Andrews of Morehead State University met with U.S. Representative Hal Rogers to discuss the problem of obesity in young people. The Congressman secured a year’s grant to encourage Martin County kids to be more active and to select healthy food. Although the program is based at the Collier Community Center, the health directors work through the local school system. One year, Jim bought pedometers for all the kids in 6th grade. The program will progress into other counties, with Lawrence County the next possible choice. “Martin County on the Move” has been hugely successful in creating physical activity and wellness initiatives in the community.

Jim’s personal involvement throughout Inez is evident by his leadership as chairman of the Martin County Economic Development Board, which has oversight of the new Business Center. The Martin County Board of Education and the Kentucky Health & Human Services were both in buildings that were falling apart around them. Now an open, light-filled, modern building with all the Vanishing the very best in technology stands as a beacon of progress in the community. It is home to both organizations and has additional leaseable space as well. Built with coal severance tax money and the support of Judge Kelly Callaham, the county is allowed to keep the revenue to maintain the facility. Christi Brown, executive director of the Martin County Economic Development Authority, spearheaded development of the Business Center and presently manages the center.

The Martin County Historical Society was also built on property Jim and Linda Booth donated. The Historical Society has a small privatized downtown located on the first floor of an adjoining building, and the rent helps with operating expenses of the Society. Mike Duncan, president of Inez Development Bank, allows students from the summer intern program to volunteer at the Society. The students work at the bank, participate in cultural programs, and give business speakers (including Jim Booth), and work on their own family trees at the Historical Society.

Jim transitions seamlessly from recalling the past to looking toward the future. “County Judge/Executive Kelly Callaham wants to build a new courthouse and continue to utilize the existing facility as a re-designed cultural center. We’re also looking at doing some redevelopment on the east side of Inez’s Main Street. We want to rebuild or replace the buildings, and we hope to make retail space downstairs and office or living quarters upstairs. We’re working with the Appalachian Regional Commission to develop a plan.”

It’s safe to say that whatever Jim puts his efforts into will exceed expectations, will benefit not only Martin County but also Martin County and southeastern Kentucky, and will be a source of pride and inspiration.

It’s plain to see that Jim Booth is dedicated to making things happen in Martin County, buy why does he put such effort and heart into every project? It’s simple, he says. “Linda and I decided to stay here; build here and improve our community for the next generation.” That have done, and they are to be commended for their efforts.

JUDICIAL NOMINATIONS

Mr. LEAHY. Mr. President, yesterday I came to the floor to express my hope that Republicans would join together with Democrats to end the damaging filibusters of judicial nominations. With a judicial vacancies crisis that has lasted years, and nearly 1 in 10 judgeships across the Nation vacant, this is something the Senate needs to do. I hoped that we could work together to ensure that the Federal courts have the judges they need to provide justice for all Americans without undue delay.

Today there are 22 circuit and district court nominations ready for Senate consideration and a final confirmation vote. They were all reported favorably by the Judiciary Committee after Senate review. A majority of these are supported by any measure consensus nominations. There was never any good reason for the Senate not to proceed to votes on these nominations. It should not have taken cloture motions to get agreement to schedule them for a full and fair Senate vote.

These are qualified judicial nominees. They are nominees whose judicial philosophy is well within the mainstream. These are all nominees supported by their home State Senators, both Republican and Democratic. The consequence of these months of delays is that an astounding 816,000 Americans who live in districts and circuits with vacancies that could be filled as soon as Senate Republicans agree to up-or-down votes on the 22 judicial nominations currently before the Senate awaiting a confirmation vote.

In light of the agreement reached between the leaders, the Senate will finally be allowed to consider the nomination of Judge Gina Groh of West Virginia. Her nomination has been stalled for nearly 5 months, and I hope fully be able to consider other long-stalled nominations like that of Michael Fitzgerald to fill a judicial emergency vacancy on the Central District of California, which has been ready for a vote for well over 4 months. The delays on these nominations are a discredit to our judicial system.

I went back and checked my recollection of how we considered consensus Federal trial court nominees in President Bush’s first term. Nearly all of those nominees were reported by the Senate Judiciary Committee. By contrast, there have only been two judicial nominees voted on so