

## RESERVATION OF LEADER TIME

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

The majority leader.

Mr. REID. Mr. President, I wish to make my statement before morning business starts.

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

TREASURY DEPARTMENT  
LEGISLATION

Mr. REID. Mr. President, this weekend the Bush administration sent to Congress its plan to address our country's growing economic crisis. All my Democratic colleagues in the Senate understand the need to take action to steady our economy, and we are prepared to act swiftly and responsibly to pass legislation that puts interest in the security of the American people first. We know, for example, that last year 2½ million Americans secured mortgages, and nearly half of all college students secured loans so they could go to school. The consequences of a broken banking system, devoid of loans for homes, college tuition, automobiles, and business investment would be devastating. We are prepared to do what is necessary to avoid these unacceptable consequences, but we will not let haste abandon good judgment in the process.

The Bush administration has called on Congress to rubberstamp its bill without serious debate or efforts to improve it. We can't let that happen. The legislation sent to the Congress by the Treasury Department recognizes the scope of the crisis the Bush administration created, a view that we share with Secretary Paulson. The Bush administration's bill is a starting point but by no means the final product.

Democrats believe there should be protection for the taxpayers who are footing the bill for this legislation. That begins with more oversight, more transparency, more accountability, and more controls to prevent conflicts of interest. Democrats believe there should be limits on compensation for company executives who benefit from this legislation so the American people don't see their tax dollars spent on exorbitant corporate pay and even golden parachutes. The American people earn their pay through honest hard work and so should CEOs.

What is a golden parachute? It is a method of compensating executives when they leave their companies. It would be wrong for these employees—these managers who are leaving their companies—to get huge amounts of money for simply leaving. This legislation should prevent that.

We believe that in exchange for shouldering the enormous burden of the Bush plan, taxpayers should reap any future economic rewards. That is what happened when we bailed out the

savings and loans. It should happen here. That means this plan should not permit taxpayer money to purchase an asset at an inflated price exclusively for the benefit of private shareholders.

Democrats believe this legislation affects not just the American economy but the global economy, and we will call upon other nations to do their part. But one of the provisions suggested in this bill is that we would spend money to bail out foreign banks. I think we have to be very careful with that.

We believe this legislation should provide aid for Americans at risk of losing their homes to foreclosure. As the law currently stands, the wealthiest Americans can seek mortgage assistance from a bankruptcy judge to help keep their second, their third, their fourth, their fifth, their sixth, even their seventh home, but working families can't seek mortgage relief from a bankruptcy judge for their first and only home—their primary residence. That makes no sense, and we should change it. Bankruptcy court should have the authority to reach mutually beneficial arrangements to allow families to keep their homes and prevent more foreclosures.

We believe it is not enough to fund a Wall Street bailout. We need an economic recovery plan to create jobs, provide better unemployment insurance, and invest in our country's infrastructure. Now, such a plan has to be voted upon before we adjourn, either as part of this legislation or separately. These steps will help catalyze long-term economic growth once the dust on Wall Street settles.

Democrats in Congress fully understand the severity of the situation and the need to pass legislation, but we are not willing to give President Bush a blank check. We are now seeing 8 years of reckless Bush economic policies come crashing down with unimaginable speed and severity. This crisis puts our economy and the well-being of the American people in serious jeopardy.

President Bush said on Friday we should assign blame later. What else is he going to say? Of course, he would say exactly that because he is the culprit of the crisis. What else would the culprit say?

The American people have a right to know what brought us to this grave economic danger. The answer is the President and a Republican Congress determined to repeal all reasonable oversight and accountability and ignore what they couldn't repeal and allow corporate greed and recklessness to saturate our economy. Democratic and Republican Presidents who served before President Bush all understood that demanding accountability from the financial sector is not somehow anticapitalist but the opposite: It maintains balance, protects taxpayers, and keeps our economy running smoothly.

The greed-fueled Bush-Cheney economy thought they knew better. They

put cronies and ideologues in charge of our most critical regulatory agencies, people who disdain Government oversight of any kind and systematically put Wall Street ahead of Main Street. One example of this irresponsibility: The Bush administration refused to provide oversight of the mortgage industry to ensure the rules were followed. The result was massive fraud, predatory lending, and a practice of preying on American families with deceptive, dishonest loans.

Now, we all know the banking industry has been deregulated, and the few regulations left were not in force. But now we find an article written by Senator McCain in one of the health journals saying he thinks the health care industry should be deregulated just like the bank industry. How about that. It is in writing. President "Wannabe" McCain has written an article saying we should treat the health industry just like the banking industry. Now, that is enough said about how Senator McCain is going the take care of the problems of this country economically.

This hands-off, business-first, Bush-Cheney economic philosophy infiltrated nearly all aspects of the economy—from mortgages to consumer safety to the airline industry—and the people of America are now left to suffer the consequences. This morning, Monday, the first day of autumn, President Bush released a statement preemptively criticizing Democrats for working to improve his plan. If the President is serious about reaching an effective, bipartisan solution to the economic crisis he and his people created, he should join us in solving the crisis he created.

We Democrats in the Senate are not going to drag our feet. We will respond with the urgency of action this situation demands. But after 8 years of a fiscal dereliction of duty, it is time for accountability. It has taken 8 years of this dereliction of duty. Should we resolve the issue in 1 day? I think not.

Democrats understand the two primary responsibilities of Government are to protect the physical and fiscal well-being of the people. Whatever the ultimate cost of this legislation, we always remember these funds don't come from some nameless Government account. Every dollar comes directly out of the pocket of every American taxpayer; every dollar that should have been saved for someone's secure retirement, every dollar that could have been invested in health care for the uninsured or education for students or to fund a small business startup. We Democrats understand the value of each and every dollar spent on this plan because we know each and every dollar comes from the American people. We will work unending hours in a bipartisan manner to ensure this legislation doesn't just get done but that we get it done right. s