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## House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Ms. EDWARDS of Maryland).

### DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
February 9, 2010.

I hereby appoint the Honorable DONNA F. EDWARDS to act as Speaker pro tempore on this day.

NANCY PELOSI,  
*Speaker of the House of Representatives.*

### MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 6, 2009, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 30 minutes and each Member, other than the majority and minority leaders and the minority whip, limited to 5 minutes.

### COMMUNITY BANKS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Washington (Mr. LARSEN) for 5 minutes.

Mr. LARSEN of Washington. Madam Speaker, small businesses are the number one source of new job growth in our country, and their success will be critical to our Nation moving out of economic recession and toward recovery. One of the key drivers of small business success is access to capital. Unfortunately, the credit crunch has prevented them from accessing the capital they need to grow and to create jobs.

The Recovery Act and Small Business Administration lending programs

such as 504 loans, 7(a) loans, and America's Recovery Capital, or ARC loans, are helping to stem the tide of job loss and getting our economy moving again, but more needs to be done. In order to expand the availability of credit to small businesses, we must strengthen our community banks to allow them to lend to deserving small businesses.

Our Nation's community banks play a vital role in small business lending, but the financial crisis has hamstrung their ability to make these loans. I look forward to seeing how the administration's Small Business Lending Fund proposal will help our local community banks provide loans to give small businesses access to the tools they need to build their own businesses and to start hiring again.

I have heard from many community banks in my district that Federal regulatory policies are also inhibiting their ability to lend. These banks are struggling because Federal regulators are requiring them to increase capital above already well-capitalized levels and shrink their balance sheets. As a result, they are forced to restrict their lending activity in order to meet these standards. So I have urged the Treasury Department and the FDIC to review the effect that the current regulatory environment has on community bank lending in order to ensure an appropriate balance between prudent and necessary regulation and a robust lending market.

In northwest Washington, the state of commercial real estate is also threatening their economic recovery. Community banks in my district have been devastated by these troubled real estate loans. This problem must be addressed so that we can free up much-needed capital for our banks to jumpstart their small business lending.

While I appreciate the FDIC's October guidance on prudent commercial real estate loan workouts, I am con-

cerned that this guidance is not yet working to stabilize the CRE market. The Treasury Department and FDIC must take further measures to address this problem and ensure the guidance is fully implemented. I urge my colleagues to address this problem head-on so we can help our community banks lend to small businesses, which will in turn create jobs and launch us on a path towards long-term economic growth.

### THE 2011 BUDGET IS A SPENDING AND DEBT TSUNAMI

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from North Carolina (Ms. FOXX) for 5 minutes.

Ms. FOXX. Madam Speaker, last week President Obama unveiled his new budget for fiscal year 2011. I am afraid this budget will result in more of the same runaway spending that led to a record \$1.4 trillion deficit last year. Just like the budget the President introduced a year ago, this budget spends too much, taxes too much, and borrows too much. It includes \$3.8 trillion in Federal spending for 2011, a record high. It projects a \$1.6 trillion deficit, a record high. It assumes \$2 trillion in tax hikes over the next 10 years, a record high. And it estimates \$14 trillion in government debt that will be inherited by our children and grandchildren. In fact, the President's budget will more than double the Federal Government's public debt.

One of the most touted parts of this budget is its call for a spending freeze, which is a good idea. Just like the millions of Americans who have adjusted their budgets, the Federal Government should respond to record deficits by halting its spending expansion. But unfortunately, this budget freeze is merely papering over our record Federal deficits. Instead of a meaningful freeze, the proposed freeze in the budget covers only one-eighth of the Federal

This symbol represents the time of day during the House proceedings, e.g.,  1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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