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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, Heavenly Father, give our lawmakers strength and courage to serve You with gladness and singleness of heart. May they delight in Your will and walk in Your ways. Protect them from that preoccupation with trivial things which saps the ability of the mind to deal with the things that really matter. Lord, prepare them for the role committed to their fallible hands in these challenging days, as You bring their desires and powers into conformity to Your will. May their individual lives be lighted windows amid the encircling gloom. We pray in Your righteous Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U. S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 28, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM UDALL, a Senator

from the State of New Mexico, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, following leader remarks, there will be a period of morning business for 90 minutes, with Senators permitted to speak for up to 10 minutes each. The first 30 minutes will be under the control of the Republicans, the majority will control the next 30 minutes, and the remaining time will be equally divided.

Following morning business, the Senate will resume consideration of the motion to proceed to the Wall Street reform legislation, with the time until 12:20 equally divided. At 12:20 p.m., the Senate will proceed to vote on the motion to invoke cloture on the motion to proceed to Wall Street reform. That will be the third such vote we will have taken in the last few days.

SENATOR ARLEN SPECTER

Mr. REID. Mr. President, I wish to say a few words about one of the Senate's most senior Members but one of the newest on this side of the aisle. I have known Senator ARLEN SPECTER for many years. I have worked with him, learned from him, and admired him. He is truly a legal scholar.

Anyone who has read his books—and I have—knows Senator SPECTER's life has been a struggle. From his days as the son of immigrants in Depression-era Kansas to the treatment for Hodg-

kin's lymphoma, he has endured, while working as a full-time Senator. He has not had it easy, but he has fought hard.

I consider it a privilege to work with ARLEN SPECTER. He is a strong contributor to our caucus, a valuable Member of this body and, most importantly, a fine public servant for the people of Pennsylvania.

It would not surprise anyone to learn that over 25 years Senator SPECTER and I have not always agreed on every issue. But I have never seen another Senator with a greater willingness to work in a bipartisan manner, put people over party, and to encourage others to search their hearts and to do what is right.

Senator SPECTER has fought to end the partisanship in Washington as hard as he has fought for his constituents in Pennsylvania. He has often reminded us, in key times, including right here on the Senate floor, that we had to go in a direction he thought was important. He would tell us about that, that we were sent here to govern, not to demagogue.

He has warned his former colleagues on the other side of the aisle not to let a strategy of obstructing obscure their responsibility to govern. That is a message with particular relevance with the issue before us this week. Without Senator SPECTER's courage to reach across the aisle, we would not have passed the economic recovery plan that is pulling our Nation out of recession and putting people back to work. ARLEN SPECTER did not vote for it for political reasons; he supported it because he saw what the Great Depression did to his family. It forced the Specters to move from their home in Wichita to his aunt's home in Philadelphia. He did not want to see it slip up again and fall into a depression.

Senator SPECTER then came over to our side of the aisle and helped us pass the historic health care reform law that will help so many Americans afford to live healthier lives. When the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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anger of the townhall meetings consumed the country last summer, Senator SPECTER found himself on the frontline. He did not back up a step. He did not give in to the myths and misinformation and never lost his cool. As a senior member and former chairman of the Judiciary Committee, Senator SPECTER played a critical role in the historic confirmation of Justice Sotomayor. I know he will do an equally commendable job this summer when we work to replace Justice Stevens.

I wish to thank my friend for his good counsel, his service to the good people of Pennsylvania, and all he does, both publicly and privately, for the Senate.

The State of Pennsylvania, of course, is home to some of our Nation's most significant political history: the Declaration of Independence, the Constitution was drafted in Senator SPECTER's hometown of Philadelphia. He has recorded some history of his own. No Pennsylvanian has served that State in the Senate of the United States longer than he has.

His moderate voice has been an asset to our diverse caucus, and I look forward to working with him for many years to come.

FINANCIAL REGULATORY REFORM

Mr. REID. Mr. President, I can remember as a boy we moved from Searchlight, and my dad got a job in Henderson, where I was going to high school, and we rented a home there. We had a TV set, the first TV set. I can remember way back then my mother watching a program called "As The World Turns." It was a soap opera. I had never watched it on purpose but passing by, I guess. She watched that anytime she could, anytime she had a TV set.

My wife as a young woman, a young mother, to get away from the chores of taking care of those children of ours, would watch "As The World Turns." This soap opera went from my mother, to my wife. That show is still going on, "As The World Turns." This soap opera is never going to end, I guess. I want everyone in the Senate to know that the negotiations we hear so much about are never going to end.

We have to get on this bill. My friends on the other side of the aisle should understand, we have negotiated in good faith and we have tried and we have to get to this bill. Negotiations are similar to "As The World Turns." Similar to a soap opera, they are never going to end, until we get on this bill.

I would say to my friends, let's get on this bill because we are going to continue having rollcall votes on this matter as long as it takes. I am happy when we get on the bill. I have told everybody, on numerous occasions, publicly and privately, on 90 percent of issues brought to this floor we have had open debate.

We have had the most open debate in many Congresses. I am happy about

that. This issue that is now before us is going to be one where we can amend, offer amendments and have debate and move forward. My friends on both sides of the aisle want to offer amendments. They have told me that. That is what we will do, but we cannot do that until we get on the bill.

I say to my friends on the other side of the aisle, again, let's stop talking about this negotiation. It is going nowhere. We started off months of negotiations with the chairman and ranking member, Senator SHELBY, until they broke it off, and then a Senator from Tennessee thought he would have his try at it. He tried. That failed. We went before the committee. There were a lot of amendments filed by the Republicans. They did not offer a single amendment before the committee. That is why it was reported to the floor.

We need to move on. Republicans and Democrats have held months of bipartisan meetings, negotiations, and consensus. But the time has come to move this conversation from the sidelines to the playing field. It is time this debate happened on the Senate floor where it belongs.

They think all the negotiations, I guess, should happen behind closed doors. They want all the disagreements to end before the discussion begins. I was so disappointed in one of my friends. I heard her on the radio this morning saying: Well, this is a complicated bill, and we have to get it worked out before we are going to let this bill go to the floor. Now that, I say with all due respect, does not make much sense.

They want everything worked out before we get to the floor. Is that the new standard, they want all the disagreements to end before the discussion begins? I wonder what they think the purpose of debate is or why we have an amendment process. Negotiations are not moving forward. It is "As The World Turns." This soap opera never ends.

Well, this is going to end. We have to continue on this legislation. The Republican leadership's insistence we work this out in the backrooms is a stalling tactic. Every day they stall it a day, they say to Wall Street: Keep up the good work.

I have learned a little bit about this debate as we have moved on. I have learned, having been in the past chairman of the Nevada Gaming Commission, which is the gambling commission, we tried to make those games fair so people who came to gamble—and they gamble with their own money—if they lost that money, they lost it fair and square. But one thing they lost was their own money.

The deal on Wall Street is an interesting gamble. They use our money, and then they keep all the profits, and if there are losses, they come to us for help. It has been more than 2 years since the financial collapse and months since these negotiations started. It is

time to move forward on this legislation.

What are my friends afraid of? This is the Senate. We are supposed to legislate. Negotiate? There comes a time when we have to legislate. That time has arrived.

RECOGNITION OF THE MINORITY LEADER

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

FINANCIAL REGULATORY REFORM

Mr. MCCONNELL. Mr. President, yesterday, I came to the floor and noted that an increasing number of businesses large and small have been weighing in on the financial regulatory bill. And what we have seen from these groups is a growing concern about the adverse effect this bill could have on their businesses. Everyone from candy bar companies to motorcycle makers, it seems, is now worried about the impact of this bill.

So this has been a very useful exercise: by giving people time to actually look at this bill and study the details for themselves, we have enabled them to assess not only potential impact of the actual text of the bill itself but also some of the unintended consequences it could have.

As we know, this is something Americans were denied in the lead-up to the vote on the stimulus bill. Democrats insisted we vote on that bill about 18 hours after we got the text. And we have seen how that turned out. This is something Americans were denied again on the health spending bill, which was basically written by a few guys in a room, then jammed through the Senate during a blizzard on Christmas Eve. And we have seen how that turned out: a bill that was sold on the promise of lower costs and lower premiums is now expected to lead to higher costs and higher premiums.

So this time people have actually had a chance to look at one of these massive Democrat bills for a change, and what is perfectly clear to most of them is that this bill needs some work, which is precisely what Republicans have been saying for the last 2 weeks.

Let's just start with the basics. The first thing we had to ensure with this bill is that it did not leave taxpayers on the hook for any more Wall Street bailouts. And that is the first thing some of us on this side of the aisle noticed: the loopholes. So I raised the alarm on that issue, and the two parties have been looking into it.

But there are other problems. In particular there is growing concern that in an effort to hold Wall Street accountable, this bill could catch the little guys up in the same net as the big banks. And this is now a major concern for a lot of people, a concern we need to address head on.

For instance, whether the authors of this bill intended it or not, there is real

concern that this bill could penalize anyone in this country who buys or sells something on an installment plan, as a result of some language in section 1027.

As the New York Times put it this morning, and here I am quoting the Times, "this bill gives broad powers to a consumer protection agency to regulate almost any business that extends credit, meaning that companies like car dealers and professionals like orthodontists who allow customers to pay over time could be subject to a new regulatory and supervisory regime."

Does this mean that some graduate student in Louisville looking to buy an engagement ring would now be required to pay a higher interest rate, or that the jeweler wouldn't do the deal because this bill would create new oversight over any nonfinancial institutions that lend money to consumers? What about the parent trying to spread out payments for their child's braces? Will they now have to pay for it all upfront? Will the orthodontist be willing to expose his or her practice to Federal supervision because they allow patients to pay the bill in more than four installments?

I don't know the answer to these questions. But I do like to have a good answer if one of my constituents asks me about it. Right now I don't. No one can deny that the language of the bill is ambiguous, that it lends itself to broad interpretation. So let's tighten it up. And why shouldn't we? Why shouldn't we tighten up the language to make it crystal clear exactly what this bill means and what it doesn't mean?

The last thing we want is for the little guy to get hurt by a piece of legislation that is intended to rein in bankers on Wall Street. But that is precisely why we have gotten so many letters of opposition to this bill over the last few days from groups like the National Federation of Independent Business, the U.S. Chamber of Commerce, Americans for Tax Reform, and the National Taxpayers Union.

That is also why we have gotten so many letters expressing serious concerns from groups like the United States Automobile Association, the Military Officers Association of America, the National Council of Farmer Cooperatives, the Farm Credit Council, the American Council of Life Insurers, the Housing Policy Council, the National Association of Home Builders, the National Association of Manufacturers, and the Fertilizer Institute. The list goes on.

In fact, the only people who seem willing to come out in support of this bill are the executives at Goldman Sachs, the biggest bankers at the biggest Wall Street firm of all. The CEO of Goldman Sachs was here on the Hill yesterday discussing his firm's role in the financial crisis, and the point he made about this bill is that he agrees with the President, who said last week that the biggest beneficiaries of this bill are on Wall Street.

So the supporters of this bill may have locked up the support of the folks at Goldman Sachs. But Republicans aren't about to rush this bill just to make Lloyd Blankfein happy, and not before there's an ironclad protection against any taxpayer funding of Wall Street firms like his. Americans want to know that this bill will protect them too. And right now, they have got more questions than answers.

I already mentioned concerns about section 1027. How about section 1022? It relates to government collection of information through a new Bureau of Consumer Protection. Here's what that section of the bill says: "In conducting research on the offering and provision of consumer financial products or services." It continues: "The Bureau shall have the authority to gather information from time to time regarding the organization, business conduct, markets, and activities of persons operating in consumer financial services markets."

It continues:

In order to gather such information, the Bureau may make public such information obtained by the Bureau under this section, as is in the public interest in reports or otherwise in the manner best suited for public information and use.

I have a question: Does having a credit card make you a person operating in consumer financial service markets? What if you sell something on eBay and someone pays you with their credit card through Paypal? Does that make you someone operating in consumer financial service market? I am sure it is not the intent of the chairman to give the government the authority to collect personal financial information on Kentuckians who use Paypal. But why not make it clear?

These are just some of the questions people are asking once they have had a chance to look at this bill. And I am just talking now about the unintended consequences. Plenty of other groups have pointed out some of the real, practical adverse consequences of this bill on people who had absolutely nothing to do with the financial crisis.

For instance: I have heard from a number of utilities in Kentucky that use traditional derivatives as a way of keeping prices low for themselves and, by extension, for homeowners and small business owners across my state. General Electric employs more than 5,000 people in Kentucky, so I want to hear what they have to say about this bill. And what they are telling me is that this bill could really hurt them. They have got a lot of concerns. They are concerned this bill will increase the cost of managing foreign exchange risk associated with their vast global supply chain.

They are concerned about the potential cost increases related to the hedging of commodities they use in the manufacturing process. And they are concerned about increased hedging costs related to the financing they provide to suppliers and retail customers

who buy GE appliances like washers and dryers and water heaters that are made in Louisville.

Homeowners and small business owners in Kentucky didn't have anything to do with the financial crisis. I am sure none of the Kentuckians who work at GE in Louisville had anything to do with it either. But because this bill doesn't distinguish between utilities that use derivatives for a legitimate use and those who abused them, ratepayers and others in my State will almost certainly get hit by this bill.

These are some of the concerns people are raising about this bill. And the fact is, those concerns are only magnified by the recent performance of the Democrat majority. I am afraid those who claim that this bill wouldn't do any of the things people are afraid of now have a higher hurdle to cross after the assurances they gave the American people on the stimulus, the debt, and health care. A lot of people took Democrats at their word in those debates, and they got burned. Now they want more than a verbal assurance that this bill doesn't allow bailouts. They want proof.

I don't think anybody really thinks the Fertilizer Institute is responsible for the financial crisis. And I don't think the authors of this bill think Kentucky farmers are to blame for the collapse of Lehman Brothers. But whether they intended to or not, this bill would punish them. And that is not right.

So Americans want a number of things in this bill fixed. And they want more than verbal assurances. At this point, Americans want the supporters of this bill to put a highlighter through the relevant passages and then tab the pages. Americans expect us to prove we are doing what we say we are doing. And after the past few debates, I don't blame them one bit. None of this should be viewed as a burden. After all, isn't that how the legislative process is supposed to work: major legislation is proposed, the American people get to take a look at it, they let us know how it would affect them, and then we weigh those concerns against the various problems at hand? The authors of this bill may believe some of these concerns are misplaced. But they are going to have to prove it.

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 90 minutes, with Senators permitted to speak for up to 10 minutes each, and with the time equally divided and controlled between the two leaders or their designees, with the Republicans

controlling the first 30 minutes and the majority controlling the next 30 minutes.

The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank the distinguished majority leader for his generous and complimentary comments. As today completes 1 year since my return to the Democratic Party, I have a few observations on what we should do as Senators, not as Democrats or Republicans, to tend to the Nation's business in these difficult days.

Partisanship ran high in 2005, with Republican threats to invoke the nuclear or constitutional option, which would, in effect, change the rule to allow 51 votes to cut off filibusters. The so-called "Gang of 14," a group of centrists from both parties, structured a compromise which confirmed some judicial nominees, rejected others, and established a standard that filibusters should not be employed except in "exceptional circumstances." That spirit of compromise, I suggest, should be revisited today.

In the threat of a great depression in February 2009, I refused to join the Republican obstructionism and played a key role in the passage of the American Recovery and Reinvestment Act. I am fully aware that my vote put my job on the line.

Achieving civility and cooperation for the common good in 2010, as it occurred in 2005 with respect to judicial nominations, will require independence and risk-taking by Senators. Senators must be willing to cross the aisle and work with their colleagues even at the peril of the disfavor of their own political party. The problems of the country today are too severe, too many Americans are out of work, too many Americans are fighting and dying in foreign lands, for members of this body to be unwilling to risk their seats for the public good. The stakes for America require we all do our level best and permit the public to judge us accordingly.

At the moment, there is a pressing need for Republicans to join with us in reforming Wall Street to prevent the kind of financial crisis that cost this country 8 million jobs. Both sides agree that legislation is necessary. On a motion to proceed, which is now pending on this legislation, there is no realistic contention that "extraordinary circumstances" justify a filibuster. Once the bill is being debated, there will be opportunity for amendments. Forty-one Republican Senators will then have the opportunity to filibuster whatever proposed legislation evolves before final passage occurs. "Extraordinary circumstances" now call for Republicans to join Democrats in passing legislation to prevent another economic crisis.

FINANCIAL REFORM

Mr. ALEXANDER. Mr. President, I congratulate the Republican leader on

his remarks. Listening to him, I was wondering how Kentuckians would respond to the thought that—as we seem to be hearing now about this so-called consumer protection bureau—"We are from Washington and we are here to protect you."

Mr. MCCONNELL. I would say to the Senator from Tennessee, now that we are getting a chance to take a look at this bill, it is pretty clear that it has a broad reach that would touch a whole lot of people in Tennessee and Kentucky and has nothing to do with what happened on Wall Street. It is noteworthy that the most conspicuous supporter of this bill is the chairman of Goldman Sachs.

Mr. ALEXANDER. I wonder if the Republican leader would agree with me, if I may say through the Chair, that it is noteworthy that the legislation we are talking about focuses on shop owners, auto dealers, real estate agents, farmers, community bankers, doctors, and dentists who had virtually nothing to do with this recession we are in, but this legislation completely leaves out the two giant Federal housing agencies, Fannie Mae and Freddie Mac, that had almost everything to do with the recession we are in.

Mr. MCCONNELL. Many, if not most experts, believed the crisis began through Fannie and Freddie. As far as I can tell, they are not addressed in this measure at all.

Mr. ALEXANDER. I thank the Republican leader.

Mr. President, "We are from Washington and we are here to protect you" is a promise or an offer that is creating a lot of suspicion around my State of Tennessee, and I suspect around the country. I am hearing from a lot of people who don't like the sound of that—shop owners, auto dealers, real estate agents, community bankers, retailers, doctors, dentists, traders on eBay—they're afraid the so-called consumer protection legislation we are hearing about will make it harder to borrow money. It will take more time to borrow money. It will be more expensive to borrow money. They will have to fill out more forms to borrow money. They will have fewer choices to borrow money.

If the shop owner, the auto dealer, the real estate agent, the community banker, the doctor or the dentist, and the traders on eBay can't borrow money, then they can't invest, we can't create jobs, and we can't put an end to this recession.

We wouldn't want to pass a piece of legislation, I would not think, that says "We are from Washington and we are here to protect you," and the effect of it, to people up and down Main Street, is to make it harder to borrow money, take more time to borrow money, and make it more expensive to borrow money.

Someone said yesterday, I believe the Senator from North Carolina—if the number of forms one has to fill out to buy a house is what it takes to stop a

recession or to make sure we don't have one, then we should not be in this one. Anyone who has filled out a mortgage application lately knows one has to fill out a stack that high of consumer protection forms.

So just adding another layer of consumer protection forms to buying a house or borrowing money or buying something on credit, what does that have to do with Wall Street? What does that have to do with this great recession?

We need to make it possible for community banks to make a loan to a small business who can then hire a person, who can make an investment to help get the economy moving again.

Most of us thought this Wall Street bill was about Wall Street, but it is turning out to be more about Main Street. The auto dealer and the community banker and the retailer and the dentist say: Main Street is us. It is about whether we can borrow money, get credit, expand the store, or create a job. "We are from Washington and we are here to protect you" sounds hollow to a lot of Americans, and it sounds like another Washington takeover to me.

We have already made Washington the new American automotive capital. We have already made Washington the new American health care capital. We have already made Washington the new American student loan capital. Now we are going to move Main Street to Washington, DC, for every little credit transaction up and down Main Street? We need to be careful about that. I don't think Chicago and New York City want to move the great financial centers of this country to Washington. With some of the kind of restrictions we are talking about passing, we may move those financial centers and those jobs to Singapore, to Shanghai, to London, or to other places. But moving Main Street to Washington, what is this all about? Why is this even in the bill?

If the bill is about reining in Wall Street, that is a good idea. But why are we going up and down Main Street reining in Main Street when Main Street is having a very hard time these days?

The President is in Iowa today talking about Main Street. I hope he is explaining why we have a piece of consumer protection legislation that says "We are from Washington and we are here to protect you," when most realtors, most auto dealers, most community banks, most dentists, most traders on eBay say: Wait a minute. We are not sure we need or want that kind of protection, if what it means is to make it harder to borrow money, take more time to borrow money, make it more expensive to borrow money, to fill out more forms to borrow money, or to have fewer choices to borrow money. If it means all that, we might not be able to create more jobs.

Of course, what we are saying on the Republican side is, we want to exercise

the prerogative the Democrats offered when they were in the minority, which is to provide some checks and balances to the proposals made here. The majority leader, rather than encouraging that, is already the world recordholder in offering “no” motions. A “no” motion says no to more amendments, no to more debate, no to more checks and balances.

So we will vote on that again today. We want more debate. We want more amendments. We want more checks and balances. We want to exercise the prerogative we have to make sure the people up and down Main Street have a right to see what is in the bill, and so we are well informed about the bill before we pass it.

We are writing the rules for the economy of the United States of America. We produce 25 percent of all the money in the world. What we do here affects not just Nashville and Maryville and Main Street American towns, but it affects the entire world economy. We need to be careful.

I suppose our friends on the other side think: Well, maybe it is politically smart to offer all these “no” motions. We would like to be known as the party—they may be thinking—that wants to cut off, for a record number of times, the opportunity to debate, the opportunity to offer amendments, the opportunity to have checks and balances. I do not think it is so politically wise. I think it is politically tone deaf.

The people in my State do not want to see another big bill run through Congress as fast as a freight train without checks and balances. We saw that with the health care bill. And do you know what we got? We got a health care law that over the weekend the Obama administration’s Chief Actuary said does just what Republicans said it would do: it increases spending, increases premiums, and will have Medicare cuts.

Republicans said all that. We argued strongly that it would be better—instead of expanding a health care delivery system that already is too expensive—to, instead, focus our attention on reducing the cost of health care so more Americans could buy insurance. That was our effort at checks and balances. I think we won the argument. But we lost the vote on the floor of the Senate by one vote. We would like to win the argument here on financial regulation as well, to say: let’s rein in Wall Street, but why are we making it harder to borrow money on Main Street, for heaven’s sake?

We should be making it easier to create jobs and to make investments on Main Street. Why are we reining in Main Street and ignoring the two great housing agencies that were at the root cause of this great recession we are in? Main Street was not the cause of the recession. So we are reining in Main Street lending and we are ignoring Fannie Mae and Freddie Mac—the two great housing agencies.

We have some questions that we want to make sure are answered prop-

erly. Does this legislation give big banks an advantage over community banks? Does it make big banks permanently too big to fail? The Republican leader said: Well, Goldman Sachs supports the bill. Well, they may. But yesterday, in my office, the dentists did not, the auto dealer did not, the community bankers did not, the people up and down Main Street did not. So what are we to take from that difference of opinion?

So we are here today to say, let’s work together. Let’s take advantage of this great system of checks and balances that our Founders wrote into the Constitution that says in the Senate we come to consensus. Let’s look carefully at this Bureau of Consumer Financial Protection, which will have so much independence, which will have a partisan appointment, which can choose what financial products can and cannot be offered, and could regulate hundreds of thousands of nonbank businesses. Let’s look at a consumer bureau that could place new burdens on Main Street businesses that had nothing to do with the economic crisis and have very little to do with the financial world. These mandates and time-consuming requirements and these new forms to fill out are not the way to help create new jobs and get the American economy moving again.

What we are saying on the Republican side of the aisle is, we think we have a great opportunity. We think, as the President said in his campaign, we can come together, write rules that help to fix the problems that helped create the great recession. We cannot guarantee there will never be another recession, but we can avoid some of the abuses. This all started out in a good way with Senator DODD, the chairman of the committee, appointing Republicans and then Democrats, dividing them into teams to work on bipartisan legislation, and suddenly, in the middle of the discussions, somebody said: Wait a minute, we won the election, we will write the bill and pass it. We have the votes. We do not need the Republicans.

But should we not have learned with the health care law that it is not just a matter of passing a bill, it is gaining confidence in the bill? Do we not want the country to look up at Washington and say: “I am relieved to see Republican and Democratic Senators are working together on these great issues, and 70 or 80 of them voted yes. We have written the rules for the future for the financial system of the United States, which is in some trouble, and it is not going to be changed whether we have a Republican Congress or a Democratic Congress after November. This is something you can rely on”?

Then small businesspeople up and down Main Street, big businesspeople on Wall Street, the commodities market in Chicago—they can say: We see some certainty because of this stability in Washington, and we are ready to make investment decisions. We are ready to create new jobs.

I believe this could be a tipping point in the economic recovery. So why would we play politics in the Senate on this? Why would the other side keep offering “no” motions that cut off our right to debate, our right to offer amendments, our constitutional prerogative to offer checks and balances on a runaway Washington government?

We think most Americans want those checks and balances. And should we have them, and should we demonstrate a bipartisan bill here, we will not only get a good bill, we will not only help create good rules for the future, we can avoid putting handcuffs on Main Street. We can send a signal to our country there is certainty in the marketplace. Go ahead and make your investment. Go ahead and create your job. The world will respond favorably to that, and we can get out of this great recession we are in.

I am here to say today there are a lot of people suspicious about this phrase: We are from Washington, and we are here to protect you. They think it is a better idea to say: We would like to see some checks and balances applied to the majority’s push for this new consumer regulation legislation. And if we do apply those checks and balances, and come to a bipartisan agreement on the bill, the country will be pleased with the work we are doing here, and the economic recovery, hopefully, will have a chance to move along a little more rapidly.

Mr. President, I thank the Chair and yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARDIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CARDIN. Mr. President, I understand that although the Republicans still have time left under the division, with their consent, it is permissible to proceed with the time for the majority.

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

RENEWABLE ENERGY SOLUTIONS

Mr. CARDIN. Mr. President, I take this time to emphasize the need of our Nation to move forward with a comprehensive energy policy. I know the Presiding Officer shares that commitment and is working very hard on the Environment and Public Works Committee to produce legislation that will solve the three major issues we have in this Nation with regard to energy. No. 1 is to create jobs. We need to create good, clean energy jobs here in America and not lose them to overseas competitors. We understand that. We also understand we need an energy policy that boosts our national security. We

don't want to continue to support the efforts of countries that disagree with our way of life. We have to become energy secure here in America. Also, we need such a policy for the sake of our environment. We know greenhouse gas emissions and carbon emissions are polluting our air.

We know we can answer all three of these issues—creating jobs, enhancing national security, and protecting the environment—by using alternative and renewable energy sources, by using less energy, and by moving forward with nuclear energy. We need to do all of that.

With regard to obtaining sufficient and secure energy supplies, we cannot drill our way out of this problem. I say that because America has somewhere around 3 percent of the global oil reserves. We use about 25 percent. We can't drill our way out of that disequilibrium. Secondly, we have to use less carbon-emitting fuel sources for the sake of our environment.

President Obama recently announced the opening of eight frontier Outer Continental Shelf (OCS) areas in the United States for oil and gas exploration and development. I oppose that policy. I wish to explain to my colleagues why I oppose that policy.

Interior Secretary Salazar said we need to protect our most environmentally sensitive areas from drilling. I agree. The President's plan protects the west coast and the North Atlantic. I can tell my colleagues, just talk to people in this part of the country, and they will tell you that the Chesapeake Bay and our coastlines here in the mid-Atlantic region are just as precious and just as vulnerable as the west coast of the United States or the North Atlantic.

I oppose the President's policy because there are other OCS areas which are currently available. Sixty-eight million acres that have not yet been explored are already available in this country for oil and gas exploration. Many of those areas are along the Outer Continental Shelf, so there is no need at this time to expand that network. I must tell my colleagues, the risk-reward ratio is what I am mostly concerned about—the risk of doing environmental damage versus the little oil that may be recovered in these areas. It just doesn't pay.

I have heard the advocates of offshore drilling say: Well, modern technology has substantially reduced the risk. We now know how to deal with this issue and avoid any type of catastrophic environmental risk.

Let me share this photo with my colleagues. What we are looking at is the Deepwater Horizon offshore drilling rig in the Gulf of Mexico. This photograph was taken shortly after an accident that occurred just 8 days ago. There was a tragic explosion and fire and in which 11 people lost their lives, which is the greatest tragedy—the loss of a life—but it also created an environmental disaster.

Let me tell my colleagues something. Deepwater Horizon is considered to be the most technologically advanced offshore oil rig in the world, and \$600 million was spent in constructing this rig so it would be safe. My point is, it exploded, capsized, and sank, and it cost people their lives and it has created an environmental disaster.

This oil rig is located 50 miles southeast of Venice, LA. There was 700,000 gallons of No. 2 fuel onboard that either burned or was spilled into the gulf. It is currently leaking about 1,000 barrels a day into the Gulf of Mexico. The oil spill is spreading.

If I could just show my colleagues this image. This is hard to see, but this is a picture taken from space, taking a look at this region of the United States of America. We start to see the coastline of Louisiana and Mississippi, and we can also see where the spill is located. The spill is right here. So in a picture taken from space, one can actually see the spill area. The spill has spread 1,800 miles, an area larger than the State of Rhode Island.

This is another, close-up view of the spill area. What this is showing is the oil we saw on the surface of the water. This is all oil that is currently in the Gulf of Mexico, and it is spreading.

The next image shows the color-coded trajectory of the spill over the past several days. What we saw in the previous image includes just this area. It doesn't include the green area; it doesn't include this light-orange area. That is where the spill was projected to go yesterday. So you can see how rapidly the spill is spreading.

Let me tell my colleagues, the good news of this—to the extent there is good news—is that the winds have been blowing from the north and northwest. If they hadn't been blowing from that direction, it is very likely this oil spill would be much closer to the Louisiana coastline.

There are many areas that are vulnerable as a result of this spill, many coastal areas in Louisiana, Mississippi, Alabama, and Florida. The spill is approaching the Delta and Breton National Wildlife Refuges and the Chandeleur Barrier Islands. It threatens our coasts, bird-nesting habitats, oyster production areas, wildlife, wetlands, and the list goes on and on and on.

I know the Presiding Officer knows the importance of bird-nesting habitats for the protection of species. He understands that oyster spawning and production areas can be destroyed for generations as a result of pollution; that when we lose wildlife, we can lose it permanently, and when we lose wetlands, we lose the filtration system that protects us from pollutants coming into estuaries and we lose the "speed bumps" that can slow and absorb storms and hurricanes, causing more havoc when they hit our coasts. This is all happening as a result of a fire and a spill from the most technologically advanced rig in the world.

An article in the New York Times today says we might have to have a controlled burn of the oil floating on the surface of the water because capping the well is such a challenge. First, we are told we have technology to deal with this type of incident; now, we are being told we are going to have burn the oil instead.

The first thing to do when we have an event such as this one is that we try to plug the hole so it doesn't spew more oil into the gulf. Guess what. We are told that because of the depth of this well—5,000 feet—it could take up to several months to plug the leak by drilling what are known as relief wells. So what can we do? Oil is pouring out. They said: Well, we are going to try to funnel the oil for collection underwater, before it reaches the surface. This procedure has never been done before at this depth. They are trying to design and fabricate the equipment right now to deal with that approach. Will it work? I don't know. But these are the risks inherent in offshore drilling. It underscores my concern and opposition to the offshore drilling plan as proposed by the President.

So let me talk about why this is not just a hypothetical to the people of Maryland but this is a real problem. There is a site known as lease sale 220. Lease sale 220 is located off the shore of Virginia. It is a 2.9 million-acre site. The site where they want to drill is the green triangle we see on this chart. The purple shows the current flows of the Gulf Stream, and here you see the coasts of New Jersey, Delaware, Maryland, Virginia, North Carolina, and South Carolina. This chart is instructive because we see how the currents go.

Let me also tell my colleagues that the National Atmospheric and Oceanic Administration (NOAA) tells us that 72 percent of the time, the prevailing winds in this region blow toward or along the coast—72 percent of the time. If there is a catastrophe, if there is an oil spill related to this site, the likelihood of oil washing up on the shores of New Jersey, Delaware, Maryland, Virginia, and the Outer Banks is quite high.

Here is the mouth of the Chesapeake Bay, 50 miles away from this site. As the Presiding Officer knows, we are struggling to deal with the clean-up of the Chesapeake Bay. It is hard enough just dealing with the known pollutants that come in from farming and from development and from storm runoff. Put into that a potential oil spill and it would set us back decades in trying to restart our oyster crops and help our watermen with the blue crabs and to help the rock fish return and thrive. It is too great of a risk.

As Secretary Salazar said, there are certain parts of this country that are so environmentally sensitive, they are not worth the risk—the west coast of the United States, the North Atlantic, parts of Alaska. And I tell my colleagues that the coast around the

Chesapeake Bay falls into that category. We should not permit that type of drilling.

We can do something about this. We are going to have a chance. I am a strong proponent of what Senator KERRY is attempting to do in bringing forward a bill that will solve all three of our problems: creating jobs, enhancing our national security, and responsibly dealing with pollutants in our environment while being an international leader in the effort to reduce carbon emissions. We can achieve all of those objectives without this drilling.

We will have a chance to say something about it. I urge my colleagues to take a look at what happened in the Gulf of Mexico last week, what continues to happen there, and work with those of us who want to make sure we have a sensible and sustainable energy policy in this country and help me and help our Nation protect the Chesapeake Bay and protect those lands that are just too valuable and too sensitive to risk oil drilling.

With that, Mr. President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. UDALL of New Mexico. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARDIN). Without objection, it is so ordered.

The Senator from New Mexico is recognized.

(The remarks of Mr. UDALL of New Mexico pertaining to the introduction of S. 3217 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

FINANCIAL REGULATORY REFORM

Mr. JOHANNIS. Mr. President, I rise for a few minutes to talk about S. 3217, the financial regulatory reform bill. I focus, if I could, my comments today on why the cloture vote on financial reform is such an important key vote.

My colleagues from the other side have talked about this vote, and it is often referred to as a procedural vote to begin debate. Almost in the same sentence, I think both sides of the aisle recognize that notwithstanding the good work that has been done by Chairman DODD and Ranking Member SHELBY, there is still much to be done on this bill, and there are still some significant flaws within the bill.

The argument goes on to say: Don't worry, these problems can be worked out on the Senate floor. We will have a robust debate, and we will have floor amendments. So get the bill to the floor—the argument goes—and the promises made to fix it will then happen.

But that is where the logic goes into the ditch. Once this bill does get to the floor of the Senate, we all recognize it is going to be very difficult to change it. Look at the health care bill to see how difficult it was to make changes. Let me make that comparison because I think it is a fair comparison.

During the health care debate, let me remind my colleagues, there were 488 amendments that were filed. Of those 488 amendments, only 28 received a vote—28 out of 488. Of those 28 amendments, only 11 amendments passed. This being said, only 2 percent of all the health care amendments filed actually got passed.

If we look at the partisan nature of this bill, it even becomes more blatant. If we look at the Republican amendments, we come to the conclusion that there was a serious problem. Only one Republican amendment passed. So the death knell of the amendment depended upon whether it had an "R" or a "D" behind the name.

The notion that we will be able to fix a bill—and again, everybody is acknowledging it is a flawed bill—on the Senate floor is pure folly. History is our greatest teacher. Instead, I respectfully suggest that what we need to do is get serious about reaching a bipartisan compromise.

I have said publicly, and I will say on the Senate floor every opportunity I get, that with a sufficient amount of work, this bill can get 70 or 80 votes. We have worked on this issue on the Banking Committee for months and months, trying to understand what went wrong and how best to fix it. The American people want Members of the Senate to work together on the bill. They wonder what on Earth has come of Congress when they see us holding the exact same cloture vote on the exact same legislation day after day.

They ask a simple question: Why can't you just sit down and work through these differences of opinion?

I am mindful of the fact that this is probably clever messaging—a clever messaging ploy by Washington's standards. But by Nebraskan standards, we are tired of Washington cleverness and the partisan rhetoric that goes with it. I can tell you that people want a bill that will end too big to fail and protect our economy from financial meltdown. What they don't want is a bill written so broadly that it impacts businesses in segments of our economy that play no part in the economic collapse. I want these same things.

I still believe we can accomplish this. My hope is that we can quit making this an issue of political gamesmanship and talking points and start working toward a solution.

I have consistently stated that the issue of regulatory reform isn't a partisan exercise. The issue just doesn't cut on "R" or "D" lines. We can get a broad, bipartisan bill if we stop the attacks and focus on trying to solve the differences that still exist on this bill—important policy differences.

Stop the daily cloture votes. I understand the political theater of that, but it doesn't lend itself to solving problems. What we need is a bipartisan effort, where people sit down and work through these differences of opinion.

With that, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. LEVIN. Mr. President, yesterday, the Senate Permanent Subcommittee on Investigations, which I chair, held the fourth in our series of hearings to explore some of the causes and consequences of the financial crisis. These hearings are the culmination of nearly a year and a half of investigation.

The freezing of financial markets and the collapse of financial institutions that sparked our investigation are not just a matter of numbers on a balance sheet. These are numbers reflecting millions of Americans who lost their jobs, their homes, and their businesses in a recession that the housing crisis sparked, the worst economic decline since the Great Depression. Behind these numbers are American families who are still suffering the effects of a manmade economic catastrophe.

Our goal has been to construct a record of the facts in order to try to deepen public understanding of what went wrong, to inform a legislative debate about the need for financial reform, and to provide a foundation for building better defenses to protect Main Street from Wall Street.

Our first hearing, 3 or 4 weeks ago, dealt with the impact of high-risk mortgage lending. It focused on a case study, as our committee does, of Washington Mutual Bank, known as WaMu, a thrift whose leaders embarked on a reckless strategy to pursue higher profits by emphasizing high-risk loans. WaMu didn't just make loans that were likely to fail; these loans also created real hardships for the borrowers, as well as risk for the bank itself. What happened was there was basically a conveyor belt that fed those toxic loans into the financial system like a polluter dumping poison pollution into a river. That poison came packaged in mortgage-backed securities that WaMu sold to get the enormous risk of these mortgages off its own books and shifted to somebody else's.

Our second hearing examined how Federal regulators at the Office of Thrift Supervision watched and observed WaMu—saw the problems year after year—and did nothing to stop them. Regulation by the Office of Thrift Supervision that should have been conducted at arm's length was instead done arm-in-arm with WaMu.

The third hearing dealt with credit rating agencies. These are specific case

studies of Standard & Poor's and Moody's, the Nation's two largest credit raters. And while WaMu and other lenders—and WaMu wasn't alone by a long shot—dumped these bad loans, regulators failed to stop the behavior. Credit rating agencies were assuring everybody that the poisoned water was safe to drink. Triple A ratings were slapped on bottles of high-risk financial products. So that was the third hearing. We have to do something about the inherent conflict of interest that is involved when the credit rating agencies are paid by the people whose actual documents and whose transactions they are rating, putting labels of triple A, double A, what have you, on them. There is a built-in conflict of interest.

Yesterday's hearing explored the role of investment banks in the development of this crisis, and we focused on the period of 2007, when that housing bubble burst, of Goldman Sachs, one of the oldest firms on Wall Street. Goldman's documents made it very clear that it was betting against the housing market while it was aggressively selling investments in the housing market to its own clients. It was selling the clients high-risk, mortgage-backed securities and what they call CDOs, and synthetic CDOs, that it wanted to get off its books. They wanted to get securities off the books. They were reaching out with one hand to prospective buyers and saying: Here. But with the other hand they were betting against those same securities.

The bottom line is that what we have discovered in this investigation, and heard yesterday at our hearing, is that there is a conflict of interest too often between what was in Goldman's interest—what was good for their bottom line—and what was in their clients' best interest.

These are deeply troubling findings. There not only was a collapse of a housing market, there was a collapse of values. Extreme greed is the thread that connects these events, starting with those mortgages that were sold out there in the State of Washington by Washington Mutual Bank; extreme greed that indeed involved the people who were supposed to be doing the credit rating, being paid and doing a lousy job of rating the financial instruments that pension funds and others they were buying, and the greed, of course, that was involved in Wall Street selling securitizing financial instruments which they believed were not good and that they were betting against at the same time they were selling them to their clients and customers.

What we have to do is build defenses against these kinds of excesses. I think most of us at the hearing—Democratic and Republican Senators on the Permanent Subcommittee on Investigations—saw the problems right from the beginning, upstream where the mortgages were created and downstream where they landed in Wall Street secu-

rities. We see the problems and Americans see the problems. We cannot understand, and Americans cannot understand, how a company can design and build a product and sell that product to its clients while at the same time they are betting that product will fail. It runs contrary to common sense—a kind of common ethics.

If you are going to sell somebody a pair of shoes, and you know or believe that pair of shoes is defective and you bet against that pair of shoes so that your profit is not just the profit you would make on the immediate sale of that pair of shoes, but when the pair of shoes fails there is, in some way, a profit that comes to you as well. When you are betting on the failure of the product and will make money from that bet when that product fails, most Americans, and I think most members of the committee—hopefully, maybe all of us—would say to ourselves: That kind of conflict of interest has got to be stopped.

That is not what the Wall Street folks were telling us yesterday is “making a market,” where you have someone who comes in and wants to sell something and somebody who wants to buy something and they are put together. That is “making a market”—bringing a buyer and a seller together.

This is where the firm—the entity that is going to be benefitting is on one side of the deal—and that entity was Goldman Sachs. They actually, in some of these deals, were taking securities from their own inventory that they wanted to get rid of, packaging them into a financial instrument and selling that instrument to their customers. So far, so good, providing they disclose it is their own product they are selling. That is okay. But then they take what they call a short position. They take a bet. They make a bet against the very instrument they put together to sell to their customers.

That, to me, is incredible. They also are engaged—and a lot of people are engaged—in what we call these credit default swaps, which are nothing more than casino bets as to whether something will happen; where, for instance, people are betting that a particular stock will go up or down. Neither party owns the stock, if it is a so-called synthetic default swap. I bet that stock will go up, you bet it will go down. That is okay; if people want to bet on that, let them bet. But when the government ends up paying the winning bettor, now you have a problem. Where the company that is making those bets, or insuring those bets, as it was called in the case of AIG—supposed to be insuring those bets—is too big to fail—they have insured so many bets for so many companies and so many pension funds that if that private company fails, the economy is going to be terribly damaged as a result and we end up, as taxpayers, paying off those bets—that has got to be stopped as well. These are casino bets and we shouldn't be paying them.

I yield myself 5 additional minutes.

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

Mr. LEVIN. Now, throughout these hearings we see a lack of accountability. Executives of Washington Mutual make the reckless mortgage loans—not held accountable. Executives at Goldman Sachs and their company packaged many of these same loans that were toxic securities and then took a conflict-of-interest position on it—no accountability. Regulators, credit rating agencies that were supposed to check these excesses—no accountability. In each case, the senior leaders managed to avoid responsibility for their contribution to a crisis which has caused millions of Americans to lose their jobs or their homes or their businesses.

Others may fail to take responsibility for their actions, but we must exercise our accountability. We must act. I do not understand our Republican colleagues, knowing what they know about the crisis, knowing there is no real regulator on the beat on Wall Street, can vote against beginning a debate. We don't have a cop on the beat on Wall Street. We need a regulator there. We need credit rating agencies not involved in conflicts of interest which are inherent to the way they are now being paid. We need a banking regulator which acts; one that doesn't just observe and watch things going off track but acts, and has a responsibility to act as well.

The Dodd bill takes very significant steps relative to each of these areas. Whether it is the banking area, the regulator area, the credit rating area, there are some critical steps that are taken in the Dodd bill. There are some people who say they do not like portions of the Dodd bill. Okay, bring the bill to the floor and let's debate it. Let's legislate.

The legislative process is supposed to involve, sooner or later, a bill which comes to the floor and then is open to amendment and then debate. There are a lot of areas in this bill that can be strengthened. There are some areas in the bill that some people don't like and wish to strike. We have been on this bill now in committees of jurisdiction for months. There have been hearings in those committees. I think we know what the issues are.

There is no agreement on the resolution of this. There is no unanimous consent, obviously, as to exactly what reform should be put in place and how that should be written. But we can't always operate in the middle of a crisis by unanimous consent. At some point, where there are differences, we have to bring those difference to the floor and debate them and offer amendments on them and vote them up or down. That is our responsibility. It is not responsible—it is irresponsible—to block that process from taking place.

I think almost all of us say that we want reforms. But there are enough of

us who say we are not going to allow this to be debated unless we get our way that this has been stymied. The reform process has been thwarted by a filibuster here. It is wrong. And the remedies that are offered and can be debated and can be amended are essential to avoid a repeat of this disaster. These are complex issues. We all know that. But there has been a huge amount of debate, attention, and analysis on these issues. There are going to be differences on these issues, but the place to resolve differences finally is here on the floor.

Often we can resolve them before we get to the floor. Fine. But to stop a legislative process from taking place, it seems to me, is an irresponsible act when we are in the middle of a crisis and where the people of the United States want confidence that their legislators are addressing this crisis. So I would hope our Republican colleagues will allow this bill to come to the floor and to offer amendments.

There are many amendments that are going to be offered. Senator MERKLEY and I have an amendment which we believe will strengthen the bill, to give one example. That amendment has not yet been “worked out” with the sponsors of the bill. Hopefully, we can get them to agree to language which will allow for a stronger step to be taken in an area which we think involves a serious conflict of interest. But if we can’t “work it out in advance,” okay. There is such a thing called an amendment. It is part of our rule book. You can offer amendments if you want to. You can’t always work out things in a back room somewhere. I don’t want to denigrate working out problems. I try to do it all the time, as chairman of the Armed Services Committee. I don’t denigrate that process of working things out in advance. Lord knows, we work out most things in advance. But with a threat of this size, which requires us to act, and where there has been a good-faith effort to come to some kind of agreement in advance that proves not to be possible, for heaven’s sake we have to legislate. We have to have an ability to move to the floor with a bill and to go through the legislative process with it. That is what has been thwarted. That is what has been denied us because we don’t have 60 votes.

I hope our Republican colleagues will see the importance of this issue, the essential need for reform, and allow this bill to come to the floor and be legislated upon.

I yield the floor.

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

Mr. DURBIN. Would the Senator from Louisiana yield for a question, very briefly?

Mr. VITTER. Yes, I will.

Mr. DURBIN. If I could ask the Senator how long he expects to hold the floor.

Mr. VITTER. I would expect to hold the floor for 14 minutes, at the least.

Mr. DURBIN. Mr. President, I ask unanimous consent that following the Senator from the Louisiana I be recognized for 15 minutes in morning business.

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

Mr. VITTER. Mr. President, I rise to strongly agree with Chairman LEVIN that what we have heard in many of these hearings regarding Goldman Sachs’ activity and others is extremely disturbing—outrageous—and I don’t support that activity in any way, shape, or form. I think I have a lot of credibility saying that, because back in the fall of 2008, I didn’t support huge taxpayer bailouts to Goldman Sachs and the other megafirms. I opposed those taxpayer bailouts. I thought it was wrong and counterproductive and moving us in the wrong direction.

But I have to disagree with the distinguished chairman that the present version of the Dodd bill fixes these key issues. I don’t think it does. So I encourage us to have a true bipartisan bill that can come to the floor to address the problems that exist.

I have three major sets of concerns about the Dodd bill in its present form. The first is very fundamental. It goes exactly to what I was talking about, having opposed all the bailouts. The Dodd bill expands too big to fail. It doesn’t end it. The Dodd bill ensures future bailouts; it does not stop bailouts. That is a big problem to me and I believe to American taxpayers.

It is not just me saying this. It is many educated folks. Take Time magazine, not exactly an arch-conservative publication. They have reported:

Policy experts and economists from both ends of the political spectrum say the bill does little to end the problem of banks becoming so big that the Government is forced to bail them out when they stumble. Some say the proposed financial reform may even make the problem worse.

Also, Jeffrey Lacker—he is the President of the Richmond Federal Reserve Board—agrees with that. In a CNBC interview, CNBC asked him: “Doesn’t the Dodd bill allow for winding down failed institutions?” And Lacker said: “It allows those things but it does not require them.”

Let me repeat that because that goes to the heart of the problem:

It allows those things but it does not require them. Moreover, it provides tremendous discretion for the Treasury and FDIC to use that fund to buy assets from the failed firm, to guarantee liabilities of the failed firm, to buy liabilities of the failed firm. They can support creditors in the failed firm. They have a tremendous amount of discretion.

Again, they have the ability for more bailouts, for continued pumping of taxpayer dollars into failed firms.

William Isaac is a respected former Chairman of the FDIC. He agrees.

Nearly all of our political leaders agree that we must banish the “too big to fail” doctrine in banking, but neither the financial reform bill approved in the House nor

the bill promoted by the Senate Banking Committee Chairman Chris Dodd will eliminate it.

Simon Johnson, distinguished MIT professor, put it succinctly:

Too big to fail is opposed by the right and the left, though not, apparently, by the people drafting legislation.

These are specific ways the Dodd bill actually expands too big to fail, specific authorities, specific sections that clearly do that. A lot of the attention has been paid recently to the \$50 billion prepaid fund, and that is problematic in my mind. But that is not the only, not even the most problematic section of the bill that expands too big to fail. All these sections go directly to that issue.

My second main objection to the bill is, the bill also creates an all-powerful superbureaucracy that goes well beyond the need for targeted regulation to prevent what has happened in the last 5 years. Again, these are specific sections that create this huge, new, all-powerful superbureaucracy. One of the most worrisome is section 1081. That subjects anybody, any business that accepts four installment payments to the CFPB, the new superbureaucracy.

That is not just Goldman Sachs. That is not just Citigroup, Bank of America. That is my family’s orthodontist. That is my neighborhood store that sells electronic equipment. That is a huge coverage affecting millions of small businesses throughout America.

Imagine, anybody who accepts four installment payments—is that the problem actor we are going after? This is a huge overreach, in terms of Federal regulation, and this is a fundamental problem with the bill.

Finally, the third major problem with the bill is, the present version of the Dodd bill does nothing to fix certain key causes of the crisis. What do I mean by that? It does nothing on Fannie Mae and Freddie Mac; a 1,100-page bill, supposedly comprehensive financial regulatory reform. Yet the four words “Fannie Mae, Freddie Mac” are nowhere in those 1,100 pages. This was not the only cause of the crisis, but this clearly, admittedly, was a key cause of the crisis—disastrous policy and administration at Fannie Mae and Freddie Mac. As Lawrence White, distinguished economics professor, has said:

The silence on Fannie and Freddie is deafening. How can they look at themselves in the mirror every morning thinking that they have a regulatory reform bill and they are totally silent on Fannie and Freddie? It just boggles my mind.

It boggles my mind as well.

Also, there is nothing on lending standards. Clearly, one of the fundamental problems that caused the financial crisis is institutions which lent money, subprime loans, with no meaningful standards. What are the new standards we are enacting, putting into this bill? Absolutely nothing—silence on lending standards, underwriting standards. Clearly, that was a huge part of the last crisis.

Where is the change? These are the top firms that got bailout funds, including Goldman Sachs. I voted against all these bailouts. But these are the firms that got them.

These are the billions of taxpayer dollars that they received. This is their old regulator, the Federal Reserve, and this is the brave new world this Dodd bill will be introducing—exactly, precisely the same regulator. Where is the change?

We need meaningful financial reform, but we need it targeted on the problem. We need it to include all the causes of the problem.

These are key principles that would mean permanently ending bailouts and too big to fail. I fought against the bailouts a few years ago. We cannot continue that policy. We need to end it.

Ending all bailout authorities for the Federal Reserve and FDIC. It is not good enough to say we have a new resolution mechanism. If those bailout authorities continue as they do in the Dodd bill, they will be used again.

Enhanced consumer protection without overreach, without creating this new all-powerful superbureaucracy.

Greater transparency for derivatives, while allowing businesses to properly, legitimately manage risk.

Begin addressing Fannie Mae and Freddie Mac. Again, the current Dodd bill does not include four words, "Fannie Mae, Freddie Mac."

Establish minimum lending standards for mortgages. We had subprimes with no underwriting standards, no lending standards. This present Dodd bill does not change that. We must change that.

Increase competition for credit rating agencies. They were clearly part of the last crisis.

Improve coordination and communication among all financial Federal regulators.

These are the principles of strong regulatory reform. I hope these are the principles around which we can come together in a bipartisan way. I certainly support that effort by RICHARD SHELBY and Chairman DODD. I encourage that effort. But those negotiations will not be meaningful unless we demand on the Senate floor that they be meaningful and demand that a bill moving to the Senate floor is true reform and a bipartisan approach. I urge that approach. I enthusiastically support that approach.

I yield the floor.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, in about 1 hour, the Senate will convene for a vote. It is one of the few times this week that the Senate comes together. Those who are following our proceedings will see Senators from all over the United States gather on the floor of the Senate. That gathering will be for a crucial vote as to whether the Republican filibuster on Wall Street reform will continue or end. This will

be the third time this week we have given the Republicans an opportunity to join us in a bipartisan effort to bring real reform to Wall Street and the big banks on Wall Street.

Twice now we have failed to get a single Republican who will stand and vote with us for Wall Street reform. I don't understand it. Certainly, they understand what we have been through as a nation with this recession. They realize that some \$16 trillion of value has been yanked out of our economy, yanked out of savings accounts and 401(k)s and out of business ledgers. They know what has happened when businesses have failed and millions of Americans are out of work and they realize the root cause of this was on Wall Street, with some of their dealings that, frankly, were outrageous, and now we are trying to change them. Yet we have failed to come up with one Republican Senator who will vote to begin the debate on Wall Street reform—not one.

A colleague of mine analyzed what Wall Street is doing to lobby against this bill. He took the amount of money that Wall Street banks and financial institutions are paying their lobbyists on Capitol Hill and divided it and came up with a number. They are spending \$120,000 a day to stop Wall Street reform—\$120,000 a day, 2 to 2½ times the average income of an American, the Wall Street banks are spending each day to stop this bill.

So far they have been successful. They have convinced every Republican Senator to vote against beginning the debate on this bill. They have convinced every Republican Senator to vote to continue the filibuster because the Wall Street lobbyists know that if this bill doesn't come to the floor, they are not going to have to change their ways. They can keep doing what they have done for so long and they do not have to face any new laws, any new oversight, any new regulation.

Of course, the American people know what has happened too. They saw the hearings yesterday. Senator CARL LEVIN of Michigan, who was just on the floor, presided over the Permanent Subcommittee of Investigations of the Committee on Homeland Security. CARL LEVIN told me he had worked for 16 months in preparation for that hearing, trying to understand the complexity of Wall Street and how it works. He brought in the highest executives from Goldman Sachs and asked them point blank to explain what they had been doing. We saw it on television, last night and this morning.

When the men who were called before him, who have literally made millions of dollars out of this investment scheme, were asked to explain it—something as basic as this—how could they sell a product to a consumer at Goldman Sachs without disclosing that Goldman Sachs was betting that consumer would lose money, that is what happened. They were so-called shorting the market, meaning they were betting

huge sums of money that the investment they were selling to their customers was going to fail. These men sat before that committee and said that is business. That is how we do business.

That is the sort of thing that has to come to an end in this country. There is a man by the name of Paul Krugman, who writes for the New York Times. He wrote an article about what happened at Goldman Sachs, which led to their investigation as well as charges that have been lodged against them. I would like to read from this article, from April 19 of this year, where Mr. Krugman says:

We've known for some time that Goldman Sachs and other firms marketed mortgage-backed securities even as they sought to make profits by betting that such securities would plunge in value. This practice, however, while arguably reprehensible, wasn't illegal. But now the S.E.C. is charging that Goldman created and marketed securities that were deliberately designed to fail, so that an important client could make money off that failure.

Krugman writes, "That's what I would call looting."

He goes on to say, this legislation we are considering contains consumer financial protection, the strongest law in the history of the United States. Here is what Krugman writes:

For one thing, an independent consumer protection bureau could have helped limit predatory lending. Another provision in the proposed Senate bill,—

Which is before us, being filibustered by the Republicans—

requiring that lenders retain 5 percent of the value of loans they make, would have limited the practice of making bad loans and quickly selling them off to unwary investors.

He goes on to write:

The main moral you should draw from the charges against Goldman, though, doesn't involve the fine print of reform; it involves the urgent need to change Wall Street.

Listening to financial industrial lobbyists and the Republican politicians who have been huddling with them, you would think that everything will be fine as long as the Federal Government promises not to do any more bailouts. But that is totally wrong, not just because no such promise would be credible, but the fact is that much of the financial industry has become a racket, a game in which a handful of people are lavishly paid to mislead and exploit consumers and investors. If we do not lower the boom on those practices, the racket will just go on.

Every day that the Republican filibuster of Wall Street reform continues is another day that we will fail to take into consideration this bill, this Financial Stability Act, which is pending before the Senate. Each day that the Republican filibuster continues is a victory for the Wall Street lobbyists. That is just wrong. Have we learned nothing from the recession we are in? Have we learned nothing from the hearing yesterday where these men, these multimillionaires who pay themselves lavishly sat and said they thought it was

perfectly acceptable to sell a product to one of their customers that they were betting would fail with their own money? They think that is just fine. It is part of the casino they run on Wall Street.

Well, JOHN ENSIGN of Nevada took exception to that and said: That gives Las Vegas casinos a bad name because we deal with things honestly, and people know the odds are against them. It is not like the situation on Wall Street where people are misled into believing they are making a good bet when the house is betting against them. And that is what happened at Goldman Sachs. That is the sort of thing that will come to an end.

What this bill does is it holds Wall Street accountable. We are fighting to hold them accountable for the reckless gambling that led to our recession and the loss of 8 million jobs in America—8 million. There are 8 million families affected by these activities on Wall Street, and the Republican filibuster would stop us from even considering changes to the regulation and oversight of Wall Street activities.

We want to end taxpayer bailouts for good. I listened to the criticism of this bill. I try to draw an analogy which I heard Senator MENENDEZ of New Jersey use. What we try to do in this bill is to create, for lack of a better term, under Senator MENENDEZ's analysis, a prepaid burial plan. What it basically means is that if your company—financial institution—is going to go out of business, we want to make sure we have put enough money in the bank to pay for funeral expenses—literally the winding down and liquidation of the company—because we don't want the American taxpayer to do it. So this bill creates a so-called prepaid corporate funeral fund and says, let the banks themselves fund it so the taxpayers do not have to. I think that is reasonable.

The Republican approach, though, is to say: Well, let's just bet there is enough money left in the estate to pay for the funeral. Maybe there will be and maybe there will not be. In that case, the taxpayers are on the hook again. That is not a good outcome. So trying to create some assurance that there is money to liquidate and wind down these financial institutions protects taxpayers from another bailout. The Republicans object to that, but they have not come up with a better solution.

The third thing we want to do is to put commerce and consumers in control in America. I do not have to remind most people, if you open a bank account, if you enter into a mortgage, if you decide to sign up for a credit card, go off to buy an automobile, sign up for a student loan, sign up for a retirement plan, they usually send you some legal documents along the way.

At a real estate closing—I have been to many as a consumer and a lawyer—they give you a stack of papers and you sit there at the bank, with your spouse nearby, signing these papers, one after

the other after the other, until after 20 or 30 minutes it is all over, they hand you the keys, and you head on out to see your new house. Well, most people do not know what is in those papers. Even if a lawyer is sitting at the table with them, it is unlikely that they have parsed every single word. As a result, a lot of people end up signing up for things they did not understand. We want to change that. I do not think it is too much to ask that these financial obligations and instruments be in plain English so the average person knows what they are getting into.

What we want to do in this bill is to empower consumers so that you can make the right choice for yourself, your family, your business, and your future. We do not want you to fall victim to the tricks and traps of the latest little turn of a phrase that can turn your world upside down. That is why the consumer financial protection law is included in this bill. It is the strongest consumer financial protection law in the history of the United States.

There are lobbyists lined up outside this Chamber trying to carve out exceptions. They are trying to argue: Wait a minute, we do not want this to apply to pawn brokers; let's give them a pass. We do not want this to apply to casinos; let's give them a pass. We do not want this to apply to automobile companies, auto agencies; let's give them a pass. They want to have loopholes and carve-outs for the favorite industries they represent.

I was at the airport coming out here this week, and one of these folks, a good, local businessman in the suburbs of Chicago, came up and said: I am an honest businessman. I did not cause the recession. I have never had a problem in my life. People do not complain about me. The Better Business Bureau gives me the highest of marks. Why should I be regulated? Why should the government look at what I am doing?

And I said to him: If you are doing everything you said, you should not worry about it. What you ought to worry about is your competitor down the street who is fleecing people and giving folks in your industry a bad name.

These carve-outs and these changes—and they have been arguing for them all morning on the Republican side of the aisle—are the reason they are holding up the bill. They have promised the lobbyists that they will cut out loopholes in this bill for the special interest groups that are represented by them. They would exempt the automobile dealers, some of them would exempt the home loan industry, and some of them would exempt pawn brokers. The exemptions could be as long as your arm, exemptions as long as the list of lobbyists who are trying to push these loopholes.

I don't think that is a good outcome. I don't believe we should be creating lobbyist loopholes in this law. Let's hold everyone to the same legal standard, a good-faith standard of real dis-

closure and honest dealings with consumers; clear English language whether you are taking out a credit card, buying a car, buying a home, a student loan, or a retirement benefit for the rest of your life. Shouldn't the language be clear? We have to make that clear as part of this.

At some point, I hope the Republicans who are filibustering this Wall Street reform will decide, if they have a good cause and they want to bring it to the floor, that they can open the debate, provide their side of the story, and urge the Members of the Senate to go along with them. If a majority agrees, it will be in the bill. If not, it will be outside the bill.

If that sounds vaguely familiar, like the Senate you read about when you were going to school, it is. It is what we are supposed to be doing. This is not supposed to be an empty Chamber of desks here waiting as we launch day to day another filibuster vote. Ninety-nine Senators are supposed to be out here with me in heated debate over the biggest financial issue of our generation. Instead, the Republicans continue to filibuster, stop the debate, refuse to go to amendments, refuse to take their special pleadings on what they want to achieve in this bill to the court of public opinion. That is not fair, and it is not right.

It is also interesting, when we were in the middle of the health care debate, how many times those on the other side of the aisle stood up and said: Do you know what the problem is here? The Democrats are trying to write this bill behind closed doors. They will not bring it out to the floor of the Senate.

Now fast forward to the current debate. What are the Republicans saying? You know what the problem is here—the Democrats refuse to change this bill behind closed doors. They want to amend it right here on the Senate floor.

It seems to me they are in an inconsistent position.

If they believe these amendments are good amendments, they should not be afraid to offer them in front of the American people. But if they want to cook a deal behind closed doors, I do have some problems with that. If they have a good cause, they should bring it to the floor and deal with it. Shady institutions are not good for this country and sunlight is good, transparency is good. I believe it is time we stand up for the American people and say that reckless gambling on Wall Street with the future of the American economy is absolutely unacceptable.

Some of them argue: Well, let's go after the biggest financial institutions. Let's not blame the little people who are involved in the credit business.

There was an article in the New York Times on Sunday, April 18, by Jim Dwyer. He was talking about credit card companies turning \$2.50 slices of pizza into a \$37.50 slice. They did it, of course, when they bought a slice of pizza with a debit card that was over

the limit and the penalty was \$35. The question on that fee was, Were the people notified ahead of time what they were going to face? I don't think it is unfair to notify people what they have to pay. I believe this kind of disclosure is important to confidence in our economy.

I am urging my colleagues to stand and join us in making sure we have a chance to bring this bill to the floor. In less than 1 hour, this empty floor will be filled with Senators, Democrats and Republicans. We need 60 Senators to step up and say: This recession has taught us a lesson. We are not going to let America go through this again because of the greed and malpractice of those in Wall Street and financial institutions. We are going to change the system. We are going to require them to be more transparent, more accountable, to put their own money on the table, and to be honest with their customers. We are going to require financial institutions to make full disclosure to the people they deal with so that those customers can be empowered to make the right decisions for themselves and their families. We are not going to exclude certain businesses in America and say they can do whatever they like when what is at stake is the financial security of a family.

Everybody is going to be held to the same basic standard of honesty, a standard which good businesses live up to every single day. I urge the good businesses across America not to stand in defense of the bottom feeders. I urge them to stand up for good business practices which are part of the free market system and have made our Nation so strong as the entrepreneurial spirit has blossomed into more jobs and economic growth. That spirit needs to be regained, the confidence needs to be regained.

The embarrassing chapter yesterday in the Committee on Homeland Security, when these Wall Street titans came in and said they saw nothing wrong with misleading their customers into millions of dollars of losses, has to come to an end. It will only end when the Republican filibuster ends on the floor of the Senate.

I will hope at 12:20 when this vote begins that at least a handful of Republicans will stand up and say: Enough is enough. Let's move forward with reform. Let's move forward with putting the American economy back on track.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3217, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 3217, a bill to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end "too big to fail," to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the time until 12:20 p.m. will be equally divided and controlled between the two leaders or their designees.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, yesterday, in the Permanent Subcommittee on Investigations, chaired by the distinguished Senator from Michigan, Mr. LEVIN, we learned more about the reckless actions of traders and executives at Goldman Sachs. Goldman Sachs was hardly the only bad actor in bringing our financial system to the brink of collapse in 2008. Traders and executives at many other financial institutions got fabulously wealthy by gaming the unregulated casinos on Wall Street. They walked away with fortunes, even as millions of Americans lost their jobs, their savings, and their homes.

Yet as we witnessed in yesterday's hearing, Wall Street remains quite arrogant and quite unrepentant and quite unwilling to change its ways. It has the gall to believe it should remain free to do business as usual. To that end, I am told it has mobilized a legion of lobbyists—an estimated 1,500 of them; 15 lobbyists for every Senator—to try to kill or water down, stop this financial regulation reform from coming to the floor.

It is deeply unfortunate that every one of our colleagues on the other side of the aisle—every single Republican—has joined with Wall Street in obstructing this legislation—every single Republican not just filibustering the bill but preventing it from even coming to the floor for debate and amendment.

They keep saying they want to improve the bill. Well, is that not what the debate and amendment process is about? If someone has a better idea, offer it as an amendment. Let's debate it. Maybe it is a better idea. Maybe we will adopt it; maybe we will not. But it seems that is the way we ought to be conducting the Nation's business on the Senate floor.

So I say to my Republican colleagues, Senator DODD and Senator LINCOLN have bent over backwards to consult with them and invite bipartisan cooperation. Their good-faith efforts have produced solid, common-sense legislation. But if people on the other side of the aisle want some

changes, that is what the amendment process is for. We are not cutting off anyone. It will be open for amendment. Why are the Republicans so afraid of offering amendments on the Senate floor if they have a better idea on how we should do this?

It is a bitter irony that, even as we spent a fortune in taxpayer dollars to rescue the global financial system, the self-appointed masters of the universe on Wall Street rewarded themselves with billions in bonuses and have geared up to fight the efforts to prevent—to prevent—this from happening again.

Well, it seems Wall Street is all too used to living a different life, playing by different rules than the rest of the country. Nowhere is this disconnect between Wall Street and Main Street more stark than in the area of compensation. Over the last decades, compensation in the financial sector has skyrocketed, with some executives walking away with annual compensation of hundreds of millions of dollars, even as the inflation-adjusted incomes of ordinary working Americans have remained stagnant.

This chart I have in the Chamber traces the financial industry profits as a share of domestic profits since 1948.

From 1948 to about 1980, as you can see, it remained fairly stable, between 8 percent and 18 percent. Think about everything in this country, all the profits made. About 8 percent to 18 percent was taken by the financial sector on Wall Street. But starting in 1984, financial profits began to rise dramatically. We can see it on the chart, going way up.

In 2001, financial industry profits were almost 45 percent of all domestic profits in America—almost half; 45 percent—up from about 8 percent to 18 percent. Today, despite the 2008 meltdown, they are back above 35 percent. So 35 percent of all the profits made in America are going to Wall Street, going to the financial sector. This is a concentration of wealth unprecedented in our history.

This second chart I have in the Chamber contrasts this explosion of wealth on Wall Street to what happened to ordinary Americans on Main Street. From 1990 to 2008, real median household income stagnated at about \$50,000 per year. It just stagnated. Since 2000, real median household income has actually fallen.

From 2000 to today, real median household income has stagnated and has actually fallen from where it was. We had a steady increase over the years. Then, since 1990, it stagnated. Since 2000, it has fallen. That is what is happening to the average household in America, the median household in America.

Well, let's see what was happening to our friends on Wall Street then.

Just as median household income was stagnating from about 1990 on, look what happened to the average Wall Street bonus—huge. Wall Street

compensation skyrocketed nearly 300 percent during this period of time. Since 1990, the average Wall Street bonus—I am not even talking about salaries; I am just talking about bonuses—soared from just under \$50,000 in the early 1990s to more than \$200,000 in 2006.

Now, go out and talk to our constituents, go out and talk to the Main Street businesspeople who run our shops, and talk to anybody out in America today. Did their income increase 300 percent during that period of time? No; it stayed level. But look at the bonuses—and that is just the bonuses. I am not even talking about their salaries. These are bonuses.

Well, I dwell on this and point this out because I think it points to a larger issue. In my view, a big reason for the financial collapse of 2008 is that things got out of balance and they got out of whack. As Glass-Steagall was repealed—and I might say this forthrightly—there were eight Senators on this floor who voted against the repeal of Glass-Steagall. I am proud to say I was one of them. I remember at that time saying: Wait a minute, there is a reason in the 1930s, under President Roosevelt, we did not want to have this happening again.

So we said to commercial banks: If you want to be a bank and take bank deposits, fine; you can be a bank. But you cannot do insurance and you cannot do investments. You cannot do swaps and derivatives and all that kind of stuff. You are a commercial bank, and for that we give you FDIC protection. We also give you Federal Reserve protection.

We said to insurance companies: If you want to be insurance companies, fine; but you cannot be a bank. We said to investment houses: If you want to take money in to invest, fine; that is your deal. But you cannot take deposits. You are not a depository bank, and you do not get the protections of the FDIC and the Federal Reserve.

Well, in 1999, this Congress repealed that, and allowed them all to come together. I said at the time—and the record will show I said it—I hope it does not happen. I hope all these smart people know what they are doing, but I do not trust them. I do not trust them because we are going to start having a lot of funny games playing. In the last 10 years, we saw the games they played.

Well, after Glass-Steagall was repealed, the special interests attacked the very idea of government regulation. The SEC and other watchdog agencies failed to regulate and Wall Street stepped into the void. And they just drove our economy off a cliff, and ordinary, hard-working Americans had to pick up the tab. That is why we need this serious financial reform.

As others have noted—and I say again—financial crises in this country should not be looked upon as floods that just come every 10 years or some kind of natural disaster that we sort of

accept; that every so often we are going to have a flood or have a hurricane hit the coast or we are going to have a drought someplace. Financial collapses that happened in the past were not preordained kinds of happenings to our system. They happen because we let people run amok with large sums of money and gamble it.

So, again, to protect ourselves against floods, what do we do? Well, we do a lot of upland treatment. We build dams. We build levees. We do all kinds of things to protect ourselves from these things. Well, there are some things we can do to protect ourselves from a financial collapse too. It is putting into place the kinds of oversight and transparency and regulations that allow our capitalist system to operate, but to operate within some bounds. I don't think anyone wants to return to the boom and bust cycle of unbridled capitalism that we had in the 19th century and the early part of the 20th century. I don't think anybody wants to go back to those days. Yes, we believe in a capitalist system where people can take their savings and invest it, make their money work for them, loan it out to other people so they can start businesses. That is the capitalist model. But should we let people take our money we have saved up for pensions, for example, or other kinds of investments, and go to Las Vegas? I don't think so. We want some rules and regulations so they can make true investments, so those investments can be used to start businesses, to invest in economic growth on a broad basis, but not to be used for gross speculation on Wall Street.

That is why we need this financial reform bill we are trying to get to the floor. It will guard against future massive meltdowns that always cost us, not only money, but also in ruined lives.

Strong financial reform must include regulations of the derivatives market. This is something I have been involved in for a long time on the Agriculture Committee, for all the years I have served, working with the Commodities Futures Trading Commission. I am pleased to say the legislation we are trying to bring to the floor includes the provisions that passed out of the Agriculture Committee under the leadership of our chairman, Senator LINCOLN. Derivatives contracts have been at the heart of Wall Street's financial manipulation. From December of 2000 to June of 2008, the height of the Wall Street boom, the notional value of over-the-counter derivatives grew from \$95 billion in 2000 to \$683 trillion in 2008.

I wish to make it clear. People say, Are you against all derivatives? I say, No. There are basic derivatives that can be helpful for our economy and for individuals, from businesses to farmers. Farmers use derivatives. Businesses use them to protect against currency fluctuations. That is fine. These are basic derivatives.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HARKIN. Mr. President, since I see no one else on the floor, I ask unanimous consent for another 7 minutes.

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

Mr. HARKIN. Thank you.

As I said, I have no objection to basic derivatives. It is when these derivatives get out of hand; it is when you have a derivative on a derivative on a derivative and on and on and on. That is what is happening in the derivatives markets.

So, despite the usefulness of derivatives in certain cases, it got out of hand. The bill we reported out of the Agriculture Committee will bring all of these transactions into the light of day. No more behind the scenes; derivatives would be reported to regulators in real time. It would bring the vast majority of these into clearinghouses and exchanges. It would help to reduce the concentration of risk and bolster public transparency. The legislation we are trying to bring to the floor that the Republicans keep blocking gets to the heart of the too-big-to-fail problem by prohibiting swaps entities from also being commercial banks. A commercial bank backed by the government or the FDIC should not be able to use that government backing to support high-stakes gambling. That only magnifies the level of risk in the banking system. It is unfair to taxpayers, bank customers, and community banks.

I met in my office yesterday with some of the community banks in Iowa. They don't deal in swaps and derivatives. They take deposits, they loan them out for business starts, people who need a loan for different things. They are not dealing in swaps and derivatives, so why should we allow these big banks on Wall Street to do it?

We also need a strong, independent financial consumer protection agency to guard against rip-offs and abuses in mortgages, credit cards, payday loans, and other financial profits to protect consumers. It is sorely needed.

We also need to slam the door on too-big-to-fail financial institutions. No more AIGs or Citigroups. When companies make bets and lose, there ought to be a process for liquidating those companies, period.

To further improve the bill, I have cosponsored legislation introduced by Senator CANTWELL that would recreate the Great Depression-era regulation that prohibited the mixing of commercial banks, investment banks, and insurance companies. We ought to return to the Glass-Steagall law that worked well for so many years. Senator CANTWELL has been a strong leader for this, and I thank her.

I am also a cosponsor of the SAFE Banking Act offered by Senators BROWN and KAUFMAN that would limit the size of the largest institutions. No more too big to fail.

In addition, I support legislation by Senators MERKLEY and LEVIN that

blocks institutions that are insured by the FDIC from proprietary trading with their own funds. We can't have high-risk gambling with money that is backed by the taxpayers of this country.

Mr. President, America has been through financial collapses and deep economic downturns before. In charting the way forward, we can learn important lessons from the financial crash of 1929 that led to the Great Depression. FDR answered that crisis by implementing tough new regulations to stabilize the financial system, rein in risk taking and recklessness on Wall Street, and made the economy work for ordinary Americans. Because of those reforms made in the 1930s, we had decades of shared economic prosperity unprecedented in our Nation's history. Well, what we did in the 1930s needs to be our model. Not exactly the same—we have a different system—but it needs to be our model as we shape today's financial reform legislation. Financial reform legislation ought to separate these big entities out. We can't have too big to fail. We need to have transparency. We need to stop banks from engaging in swaps and derivatives if they are backed by the FDIC.

These amendments—the Cantwell amendment, the Merkley-Levin amendment, the Brown-Kaufman amendment, and others I happen to be supporting—again, we can't offer them unless we get the bill to the floor. I don't know if they will win, but we ought to have the right to offer those amendments.

I wish to thank Senator DODD. He has been at the forefront of this fight for a long time, trying to bring this bill to the floor, to crack down on abusive speculation, to put in strong regulation, to have a consumer protection agency to protect our consumers. Senator DODD has led this effort. I know where his heart is. I know how he is trying to make certain this system works for everybody, not just Wall Street. I don't want to be on a roll of bashing Wall Street all the time. I know that is a popular sport. Wall Street has a role to play in our society. They surely do.

But, let's get Wall Street back to what Wall Street does best: accumulating capital and investing that capital in the economic growth of America. That is what the Dodd bill does. It gets us back to that system. It straightens things out and helps to protect us from these kinds of collapses in the future.

I do not understand why the Republicans will not let this bill come to the floor. I don't mind if they want to vote against it. If they want to be on the side of keeping Wall Street speculating with taxpayers' dollars and letting these banks get too big to fail, that is their right, but why not let the bill come to the floor so we can debate it and amend it. If they want to change it, let them offer amendments, but we can't do that unless we bring the bill to the floor.

I hope the American people understand this. I hope they understand that the Republican side of the aisle will not let this bill even come to the floor for debate.

The PRESIDING OFFICER. The Senator has used his 7 minutes.

Mr. HARKIN. I ask unanimous consent for 1 more minute.

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

Mr. HARKIN. I thank the Senator from Connecticut for all the hard work he has put into this, he and his staff and the committee. It is a good bill. Again, we may not agree on every detail. There are some things I would like to see in it; maybe they will, maybe they won't. It is a good bill, a solid bill, and it will help us get control back again over Wall Street and all the wild speculations and it will help our country grow as it should, not in one small area, but broadly-based economic growth in our country.

I thank Senator DODD for his great leadership on this. I hope my Republican friends will understand that we have to get this bill up on the floor so we can protect the American people from these financial collapses that have happened over the last couple of years.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, it is my understanding that the time of the Democratic side has expired, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DODD. I don't have a Republican colleague to ask unanimous consent to speak for a couple of minutes. I ask unanimous consent to be allowed to speak for 5 minutes.

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

Mr. DODD. I thank the Chair.

Let me first thank my friend from Iowa for his tremendous work on so many issues but also his deep interest in this subject matter. Obviously, the subject of exotic instruments—derivatives and the like—is a critical issue for all of the country but particularly in the farm State of Iowa where he has played a considerable role. All of us have a higher degree of interest in one subject matter or the other, but I am grateful to him for his longstanding interest. His is not an interest that emerged with the problems that spiked 18 months ago, but go back 8 years. In fact, he has written legislation and held hearings in his former capacity as chairman of the Agriculture Committee, so he knows the subject well. I appreciate his kind comments about the effort of the Banking Committee and the effort of BLANCHE LINCOLN, our colleague from Arkansas, and the Agriculture Committee she now chairs and where she has been working on a very important piece of our efforts here.

There are only a few minutes left before this vote will occur again. As are

most people, I am somewhat mystified. I have heard my colleagues over the last day or so raise issues, concerns they have with the bill. It is no great shock that would be the case. That is normally what happens with a bill of this size and obviously this complexity, covering as much of an area as we do across the economic spectrum of our country. I am somewhat mystified. I understand having objections to parts of the bill and wanting to be heard and wanting to have an opportunity to change the bill, either add to it or subtract from it; that is how we normally engage in the legislative process, but I can't very well help on that front if I am not allowed to get to the bill.

This morning, the major newspapers of the country of course reported about the hearings yesterday here in Washington. I don't need to say much more about it. Again, the headlines: Looking into mortgage deals and the like have reached a certain crescendo. Most people are probably aware of those things.

There was another headline, however, that wasn't at the top of the newspaper but underneath it. In this case, the local paper here in Washington had the headline "Greek debt downgraded to junk." It says, "European crisis deepens. Dow falls 2 percent on global sell-off."

The reason I mention that here is that obviously the Goldman Sachs story was the one that got the attention, but there are problems emerging around the world that affect us as well. Our legislation doesn't write international rules, but the United States has led, historically, in financial services. If we are unable to get a bill passed to change the rules, give us a greater sense of fairness and transparency and protection, then we are missing an opportunity to correct what over the last number of years helped create some of the problems we are now facing and then to lead globally so that other nations will harmonize their rules with ours so that the problems that exist in a Shanghai or a Greece can't affect us here.

We have a lot of work to do. I expect that if we get on this bill, we are going to be working for weeks engaging in several amendments and ideas to try to strengthen this bill—make it better, if you will.

I am one of the authors of the bill. I don't claim this is a perfect piece of legislation. I have never seen one of those in my 30 years here. Normally, you bring out a bill and do the best you can. Obviously, others have different points of view. It would be presumptuous of Senator SHELBY and me to suggest that we can come to some great agreement here and tell everybody else that, whether you like it or not, this is the deal. That is not what we get elected to do here.

I have colleagues on my side who are sympathetic to what I have tried to do, but they want to change this bill. There is one amendment by my colleague from Vermont, and I think it

has 33 cosponsors, two-thirds of whom are on that side of the aisle and a third are over on this side. They ought to have the right to offer an amendment to change this bill, which is what they want to do.

I am fully prepared as a manager of this product to allow that amendment process to go forward, engage in that debate. But I cannot get there if you won't even allow me to bring up the bill. So the incongruity of complaining about the product and simultaneously saying: I am not going to let you vote on it, I don't know how you explain that to people in this country.

At the end of the day, if you want to vote against the bill, do so. If you want to vote for or against amendments, do it. I am not suggesting that anything I am offering at this juncture would preclude you from that conclusion, but you cannot get to that conclusion unless we have the product in front of us.

All we have had is a series of speeches over 3 days, denying us the necessary votes in order to move effectively. In effect, a filibuster is ongoing here. The only way to break that is by getting 60 votes that will allow us to move to the product. Fifty-seven of us have said: Let's get there.

I have said this before, and I will say it again. At this juncture, this ought not to be a partisan issue. It may get partisan over some of the ideas. I am fully aware that there are a number of my colleagues here who believe we ought to get to this debate. We ought to get there sooner rather than later. That is not to suggest they agree with the product by taking that position. In fact, I suspect they don't agree with at least some parts of this product. I think they understand the importance of getting to a point where we can try to change this in some way.

I will conclude. I make that appeal once more. We have been through this twice already. I hate coming and getting into a partisan debate about this. We should not do this. It doesn't reflect well on this institution on a matter of this import not to allow this to go forward.

I yield the floor, and I yield back all time.

The PRESIDING OFFICER. All time is yielded back. The clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 349, S. 3217, the Restoring American Financial Stability Act of 2010.

Christopher J. Dodd, Blanche L. Lincoln, Jeff Bingaman, Mark Begich, Charles E. Schumer, Arlen Specter, Robert Menendez, Benjamin L. Cardin, Daniel K. Inouye, Jack Reed, Edward E. Kaufman, Byron L. Dorgan, Richard J. Durbin, Tom Udall, John F. Kerry, Sheldon Whitehouse, Robert P. Casey, Jr.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 3217, the Restoring American Financial Stability Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD), is necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Utah (Mr. BENNETT).

The PRESIDING OFFICER (Mrs. HAGAN). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 56, nays 42, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—56

Akaka	Franken	Mikulski
Baucus	Gillibrand	Murray
Bayh	Hagan	Nelson (FL)
Begich	Harkin	Pryor
Bennet	Inouye	Reed
Bingaman	Johnson	Rockefeller
Boxer	Kaufman	Sanders
Brown (OH)	Kerry	Schumer
Burr	Klobuchar	Shaheen
Cantwell	Kohl	Specter
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Conrad	Levin	Udall (NM)
Dodd	Lieberman	Warner
Dorgan	Lincoln	Webb
Durbin	McCaskill	Whitehouse
Feingold	Menendez	Wyden
Feinstein	Merkley	

NAYS—42

Alexander	DeMint	McCain
Barrasso	Ensign	McConnell
Bond	Enzi	Murkowski
Brown (MA)	Graham	Nelson (NE)
Brownback	Grassley	Reid
Bunning	Gregg	Risch
Burr	Hatch	Roberts
Chambliss	Hutchison	Sessions
Coburn	Inhofe	Shelby
Cochran	Isakson	Snowe
Collins	Johanns	Thune
Corker	Kyl	Vitter
Cornyn	LeMieux	Voinovich
Crapo	Lugar	Wicker

NOT VOTING—2

Bennett	Byrd
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The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader.

Mr. REID. Madam President, I enter a motion to reconsider the vote by which cloture was not invoked on the motion to proceed.

The PRESIDING OFFICER. The motion is entered.

The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, I think it has been said before, but here we go again. What we have just seen tells us what the American people ought to know. There are fundamental questions being asked of Senators this week, principal of those: Whose side are you on? Whom do you work for?

On Monday, Tuesday, and yet again today we got an answer. On the other side of the aisle they made it clear.

They stand with the big banks. They do not stand with the infrastructure of everyday people who make this country the great place we have become. They do not stand for opportunities such as the ones that allowed Americans to come together after World War II to get an education, get jobs, become the greatest generation that built our Nation into the greatest on Earth.

Instead, our friends across the aisle stand with Wall Street lobbyists who demand that we do not take up this bill. What an outrage. They stand for maintaining a banking system that denies people and businesses the funds they need and sells people mortgages they cannot afford, while lining executives' pockets with billions in compensation. The picture is quite clear. It is very obvious as to what has taken place here. After hearing the demands of the Wall Street lobbyists, the other side of the aisle systematically marches down here and votes no in lockstep, not once, not twice but three times. There is no one bold enough to say: Yes, we ought to do something about this situation that hurt our economy so; that destroyed jobs, lives, and homes.

What the Republicans voted against three times this week was simply to start debating the Wall Street reform bill, to make it an even fairer system. The banking lobbyists may not want us to take up this bill, but everyday people do want reform. They do want change. They do want to see capital flowing into small businesses so they can get on with work and planning their families' and their children's future.

On behalf of the everyday people, whose side we are on, we will keep voting to take up this bill until the other side understands that is what the American people want and gives them a break.

Some say they voted no because they wanted more time to make a deal. The reality is, the American people are fed up with backroom deals that leave them out in the cold. We have carefully listened to testimony that has been developed these days. We are shocked to find out how they think hiding the deals was OK, but they didn't want it to be known to the public. They want us to roll up our sleeves, talk aloud about this bill, tell the public the truth, vote on amendments, and pass a strong Wall Street reform bill. That is what the average person in this country wants.

Why don't the banking lobbyists like our bill? There are several reasons: Because it puts an end to giant, taxpayer-funded bailouts by creating a safe, responsible way to liquidate failing firms. They don't like it because it will end the era of too big to fail and stop protecting irresponsible executives who mismanaged their companies and because it will help prevent reckless gambling with investors' money by starting a new consumer protection watchdog. They don't want those

things to happen. They don't like it because it moves the derivatives markets from the shadows to the sunlight so these transactions are transparent, so people understand what is going on.

Right now across our country, ordinary Americans are facing real tough problems. Many struggle to find a job, meet their monthly bills. Many are struggling to pay for a college education. Far too many of our people are unable to keep their homes from falling into foreclosure. That is why we have been working so hard to reform our financial system, to make big banks accountable, and shine the light on Wall Street—but not on the other side of the aisle.

They literally have taken their marching orders directly from Wall Street. We know key Republicans met with Wall Street executives and political consultants about how to attack this bill, about not permitting us to exercise the responsibility we have. But it is not working because we are on the side of everyday people, the people who sent us here. They sent us here with a plea: Help us, help us with our lives, help us take care of our families, help us educate our kids, help us protect ourselves when health care is required.

The American people have made it clear they are not fooled by the delaying tactics and secret deals. They want Wall Street reformed.

In the last decade, we saw how much power the financial sector has over our entire economy. Irresponsible actions by big banks led to the subprime bubble that led homes to appreciate far beyond their worth and led millions of Americans to take on loans for which they should never have qualified.

The results were catastrophic and the collateral damage immense. Many of these people were seduced into taking loans they were advised they could handle. They didn't use good judgment, but they paid a heck of a price for it. Eight million jobs were lost, retirement accounts shriveled, and small businesses shut their doors.

The ethical failures of Wall Street almost brought our economy to the brink of a second Great Depression. As a former CEO of a major company, I understand the need for a strong financial sector. But I also come to work every day reminded of the millions of people who have lost their jobs through no fault of their own.

Make no mistake, Wall Street reform, Wall Street change is absolutely necessary, and that is why we are going to keep moving forward on this critical bill. We have to continue to take our message to the American people and let the other people, on the other side of the aisle, say: No, no, no. Those on the other side of the aisle may try to disrupt. They may try to distort. They may try to destruct. But we are going to continue the fight for ordinary Americans, for people who wake every morning and play by the rules and work hard.

I repeat something I said a moment ago; that is, how can we ignore sup-

porting the infrastructure in our country, the people who make the things happen every day, who are there to do whatever the jobs are that are necessary, and reserve the best and the most for those few at the top? We can't do it that way. We have an infrastructure that is even far more precious than our fiscal infrastructure; that is, our human infrastructure. We are going to continue to tell the American people what is happening so we can make changes necessary to avoid the catastrophe we have had over this last couple years.

Thank goodness that through the leadership of President Obama and the administration and the work of colleagues we are making progress, but the progress is not rapid enough nor broad enough. We are going to insist on moving down the road of progress. We are going to insist on doing what is right for our country and for our families and for our future. I hope somebody, someone on the other side of the political aisle, will say: Listen, we are not getting anywhere by just walking down the steps together and saying no and not permitting change to take place that is critical for our society and our world.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, first, I wish to make a couple comments about what has just transpired on the floor of the Senate. For the third time, we had a vote, not on anything relating to the ingredients of a bill dealing with financial reform or Wall Street reform, just on the question of the motion to proceed to debate the bill. Just the motion to proceed, yes or no, shall we proceed to bring the bill to the floor and debate it? For the third day in a row, all the members of the minority voted, no, we will not even allow the Senate to proceed to debate Wall Street reform.

It is unbelievable to me. In the shadow of yesterday's hearings, with one of the major investment banks of this country and the disclosure of e-mails deep from the bowels of that bank that clearly suggested they were peddling securities to clients and customers that they knew to be bad securities and also betting against the position of their clients, betting against a recovery for our country—in the shadow of all that, how on Earth can the minority decide we should not even move to debate Wall Street reform?

I find it interesting we have people saying government cannot solve this. There is too much government, too much this, too much that. When we had suffered a Great Depression in this country, it was the Federal Government that took action to put in place some things to try to protect our country's economy and did so for about 60 or 70 years. They said: We are not going to allow banks and FDIC-insured banks and investment banks and securities dealers and others to commingle

under one corporation. We are not going to take banks and put risky enterprises fused to those banks. It doesn't make any sense. So legislation was passed to protect this country.

About 10 years ago, there were a bunch of smart people who decided that stuff is old-fashioned. We have to compete with the Europeans, let's allow holding companies to be created, and we will bring banks and investment banks and real estate and all these things together into one big holding company, under one roof. It will be fine.

It turns out it was not fine. At the same time this was happening, big holding companies now being created in which you brought risky things in the middle of banking enterprises whose very perception of safety and soundness is critical to their future—at the very same time that was happening, we had a bunch of people come to town who were supposed to be regulators, the referees, who said: You know what. We are going to be willfully blind. We are not going to regulate. We don't even like government. So do what you want. We will not watch, we will not look.

At the same time that was going on, Alan Greenspan, at the Federal Reserve Board, decided we will let all these institutions behave in their own self-interest, and their self-interest will be what governs what will be the right thing.

He now says that was a huge mistake. Yes, I guess so, probably a \$15 trillion mistake. But the fact is, those who were supposed to be regulating and decided not to regulate, those who were supposed to be the referees to call the fouls, wear the striped shirts, blow the whistle, call the fouls when the free market system was being abused, were not around. They were out to lunch someplace for years and years and years.

My colleagues who say, well, we do not want government to do this—look, I do not know who else is going to set the rules here to decide we are not going to let this happen again. Does it take any amount of intelligence to understand a mortgage company advertising to people in the following way: Do you have no credit? Slow credit? No pay? Bankrupt? Come to us. We would like to give you a loan.

On the floor of the Senate, I have shown solicitation after solicitation by companies that said: If you have got bad credit, slow pay, no pay, come to us. We would like to give you a home loan. It does not take a lot of intelligence to understand that does not work.

And by the way, they also said: If you have got bad credit, come to us. In fact, we will not even ask you what your income is. We will give you a no-document loan. You do not have to document your income. It is called a no doc. By the way, we will give you a liar's loan. They do not call it that, but a no-doc is a liar's loan.

It does not take a genius to understand that is not working very well. But why was everyone anxious to do all of that? Because you could wrap it into a big fat security. Then you could sell it to an investment bank. They could sell it to a hedge fund. They could sell it back again. And, meanwhile, whoever made the original loan got rid of the liability once they sold it upstream.

They got the rating agencies to rate these things as triple A. Incidentally, conveniently, the rating agencies are paid by the very companies whose securities they rate. Sounds like trouble to me. So all of these things were happening, and everybody understands that is not going to hold up. Ultimately all of this is going to collapse. It is a house of cards that is being built. So how do you put this back together?

Well, Senator DODD and the Banking Committee put a bill together. That is the bill we are trying to get to the floor of the Senate. I think it is a pretty good bill. It tightens things up. It gives authorities to regulators they are going to need and will try to prevent this from ever happening again.

This was not some Hurricane Katrina that came ashore and flattened a bunch of buildings. This was not a volcano erupting. This was not a tornado that came sweeping through and destroyed the town. This was an economic catastrophe that took away \$15 trillion from this country. It devastated a lot of families, put a lot of people out of work, a lot of people out of their homes, and in the meantime we see what has happened. And while there are substantial amounts of misery around this country for families and people who have still not recovered from the devastation of this financial near collapse, the folks at the top are now making record profits.

Yes, the investment bank that testified yesterday, record profits, big bonuses. I described earlier bonuses of \$142 billion were projected on Wall Street. I talked about in the year 2008, at a point when this all began to collapse, we had something like \$36 billion in losses just on Wall Street. And those firms that had \$36 billion of losses paid \$17 billion in bonuses to their employees.

I have an MBA and went to business school. There is not any book that teaches that in business school: Lose a ton of money and get big bonuses. Yet that is what has been happening. It is a carnival of greed at the top.

By the way, the instruments they created with these mortgage securities and others, securitizing almost anything they could get their hands on, with exotic titles such as credit default swaps—credit default swaps. We have always known about derivatives. I wrote an article which was the cover story for the "Washington Monthly" magazine in 1994. That is almost 16 years ago. My cover story for that magazine was titled "Very Risky Busi-

ness." It was about the danger that derivatives posed to the banking system. That is almost 16 years ago now.

I made the same point in the year 1999 when Glass-Steagall was repealed, and I opposed it. Very risky business. So they create synthetic credit default swaps. Synthetic would be the same as calling it naked credit default swaps. That means, instead of having something at either end of a contract, there is nothing. It is two people making a wager or a bet that something else will happen.

I happen to think there ought not be what is called a naked credit default swap. I think they ought to be outlawed. That is gambling. That is not investing. That is betting. If you want to bet, there are plenty of places to bet in this country, starting with Las Vegas and Atlantic City. They have a business doing that. No one ought to show up on an airplane in Las Vegas or Atlantic City, however, with their depositors' money or with their clients' money and decide that is what they are going to wager on a craps table or a keno table.

Yet that is exactly what has been happening with what are called naked credit default swaps. One study I have seen suggests that of the credit default swaps in England, and I suspect it would hold true here, 80 percent of them had no insurable value on the other side.

I would not be allowed today, this afternoon, to decide I am going to buy an insurance policy on the house of the Presiding Officer in North Carolina. It would be illegal for me to say my interest today is to invest in fire insurance on the Presiding Officer's home, because I have no insurable interest in that home. And it might be that I would buy fire insurance, if I could, and walk around with a box of matches. That is a problem. Right? So I have no insurable interest. It would be against the law for me to buy fire insurance on the home of the Presiding Officer.

That is not the case with respect to naked credit default swaps. You do not have to have an insurable interest in anything. You, with someone else, say let's make a wager here on what is going to happen to this bond. There is an investment bank. Perhaps the investment bank will take part of that wager. They will certainly want to arrange it because they get great big fat fees. That is not investing in America. That is not making loans to small and medium-sized businesses. That is not investing in America's future and strength; that is gambling. And that is what we have come to.

You cannot, in a country such as ours, expand our economy without two things: production and finance. There have been, over 200 years, times when production has the upper hand and when finance has the upper hand. We have been through a period here in the last couple of decades where the financing system of our country has the upper hand.

We need a banking system, we need a financing system, with all of the levels of finance. Yes, FDIC-insured banks. Yes, investment banks, venture capital. We need all of those things. But we need to get back to the basics of the old-fashioned standard of what banking should and used to be; that is, taking deposits and then making loans.

When you make a loan, you do what is called underwriting; that is, you sit across the desk from someone who needs a loan, and you look them in the eye and you evaluate: What is their income? What is their idea; their need; their property; and you decide, yes or no. There has been no underwriting on many of those loans that helped create this foundation of sand in this economy.

There was no underwriting. Because if you could say to someone: You know what, we will give you a new home mortgage and you do not have to pay any interest, and you do not have to pay any principal, even, and you do not have to tell us what your income is—that is a no-doc liar's loan—we will do that for you. Why would someone do that? Because they are not going to have any risk. The minute they do it, they get it wrapped into a fat security and sell it to someone else.

And because the rating agencies think all of these things are triple A, whoever else bought it thought it was a safe security, and then they sold it again and again and again. You passed the risk forward. This was a cesspool of greed with a lot of people making a lot of money and creating a structure that was destined to fall.

The question is: Are we going to do something about that? Is somebody going to take some action to say that you cannot do that any more? That is what the Senator from Connecticut asks with a bill coming from the Banking Committee.

The fact is, he brought that bill out of the Banking Committee, and not one Republican offered an amendment. Not one. They said, we are not going to participate. After they had had hearings for a year, and the Senator from Connecticut had negotiated with them for 5, 6 months, following all of that, they had a markup on a bill to write the bill, and the Republicans said, we are not going to participate. We will not offer any suggestions, no amendments.

Then when the bill is now brought to the floor of the Senate, the Republicans say: Well, we were not part of it. Well, sure, they decided they did not want to be part of it, and that is why they were not part of it. That was an action they took. They say: Well, we believe this is a bailout bill. It is not a bailout bill. I will tell them what a bailout bill is. I voted against it. A bailout bill was when George W. Bush and his Treasury Secretary came to the Congress and said: I want you to pass a three-page bill in the next 3 days, putting up \$700 billion to bail out America's biggest financial firms. Yes, that was a bailout bill. And most of

those who called this a bailout bill voted for that. They know what a bailout is because they voted for it. I did not.

But, nonetheless, this is not a bailout bill. This is a bill that finally begins to shut the door on activities that should never have been taking place. Is the bill perfect? No. Should it be changed? There are a number of areas where I think it will be changed once it gets to the floor. But you cannot even address those unless you get past the motion to proceed.

What the minority is doing is saying, we do not intend to let you proceed at all. Well, how about deciding that we are going to do this together and we will get the best of what both political parties have to offer, get the best amendments that can be offered. I have suggested one; that is, naked credit default swaps. If you have no insurable interest, ban them.

Mr. Pearlstein, who writes a column for the Washington Post, made a suggestion that makes a lot of sense to me. Why would you allow more securities in the form of credit default swaps to insure bonds? Why would you allow more of them than there are bonds to insure?

Well, the answer is obvious, because that is gambling above that level. It is very much like about a year and a half ago when the price of oil, or almost 2 years ago, the price of oil went to \$147 a barrel in day trading, and I made the point on the floor: There was 20 times more oil bought and sold each day than there was produced each day—an unbelievable orgy of speculation in the oil market. Nearly broke that market. Well, it finally came back down and the people who made the money on the upside also made money on the downside. But, you know, that is what has been happening in this country now for too long.

The bill that should come to the floor of the Senate—and my hope is that perhaps the next vote will have a couple of folks on the other side who agree with us, let us bring a bill to the Senate, let us address these issues that caused this unbelievable avalanche of greed on Wall Street and elsewhere, and let us tighten the reins so this cannot happen again.

Do we want to continue the practice? I showed yesterday on the floor of the Senate I think four examples of companies that are still advertising: Do you have bad credit? Come to us. We will give you a loan. Do you have no credit? Slow pay? Come to us, we will give you a loan. Okay. Are you bankrupt? Come to us, we will give you a loan.

It is still going on. All of this is about securitizing everything and everybody making big fees and being paid big bonuses. There is a smarter way to do financing and banking in this country. We have watched it work for decades, and it has gotten far afield in the past decade or two. We need to pull it back in and say, that is not what our country is about. The free market sys-

tem is the best allocator of goods and services that I am aware of, but it is not perfect. Sometimes there are fouls in the free market system. Sometimes people try to manipulate it and do so successfully. That is why you need a referee and that is why you need effective regulations that work.

That is what the bill is about. Put together those effective regulations that work. Prevent this kind of economic collapse from happening again. This is not just some academic exercise. There are somewhere around 16 to 17 million people today in this country who woke up this morning and they are jobless and do not have any work. Some of them not only feel jobless, but they feel helpless and hopeless because they cannot find work. Some of them, by the way, have not only lost their jobs, they have lost their homes. This is a very deep recession we have been in, and it has caused unbelievable pain across this country. But not for everybody. Because once again, some of the largest financial institutions in this country are now showing record profits and paying record bonuses.

The question is, are they doing that because they are making loans out there to businesses that are ready to recover and to expand? No. The answer is, unfortunately, no. Once again they are trading securities back and forth, exchanging fees, securitizing virtually everything. There is a much better way to do financing and banking in this country that will strengthen the future of this country. I want to get at the business of getting this bill to the floor, having the minority stop blocking us, and begin offering amendments so we can get the best of what both parties have to offer.

It has been a long time since we have had that sort of thing happen on the floor of the Senate. I was hoping that if there is one thing that might galvanize some bipartisanship in this body, it might be an understanding of the unbelievably excruciating pain the American people have felt as a result of the deepest recession since the Great Depression and perhaps an understanding that the American people demand that this Congress stand up and do something about it, to try to do the things that plug the holes and shut the gates and prevent this sort of thing from ever happening again. I guess that was too much to hope for, at least until now, on Wednesday. We will have an opportunity on Thursday and Friday, perhaps, and I hope perhaps we can get one or two people who agree with us to say: Yes, let's bring this to the floor, have it wide open for amendments, offer amendments, debate amendments, and do what is necessary for the people.

I know the biggest financial institutions have some big disagreements with this bill, but I have some big disagreements with them. I think what has gone on is pretty unbelievable. They have a role to play in this country's future going ahead, but it is not a

role I consider betting; it is a role I consider to be investing. If they want to continue to simply make wagers about America and about securities, that is not the financing system we have known and grown to believe is important for this country's future.

I know there is a lot of disappointment after this last vote. My hope is there will be some who continue to think and rethink. Is this what my constituents want? Do they want me to decide to block even the opportunity to address these unbelievable gaping holes in our financing structure that allowed this country to be steered right into the ditch, the biggest economic wreck in 70 years? I think they would understand that is not what citizens and their constituents want for the future.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARDIN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CARDIN. Madam President, let me express to my colleagues how disappointed I am that we were unable to move forward with debate on Wall Street reform. People should know that what we recently voted on was a motion to proceed so a bill could be brought to the floor for debate. It did not speak to how that bill would be considered. It is open to amendment. Each Member of the Senate would have the opportunity to submit amendments for consideration.

The bill Senator DODD has brought out of his committee is a bill that establishes the types of reforms of Wall Street that are necessary, strict new regulations to stop Wall Street gambling so that we have a clear responsibility in the regulatory framework, so each of the financial institutions understands the clear roles which they must operate under and how those regulations will take place. The framework is based upon the size of the institution and the jurisdiction.

The bill provides for adequate capital to prevent too big to fail. Our first goal is to avoid an institution from becoming so large, so vulnerable that its failure jeopardizes the economy. If we have a clear regulatory structure and the right capital rules and the right regulatory oversight, we have a much better chance of protecting the public's interest. That is why the strict new guidelines to stop Wall Street gambling are critically important, so that we don't run into that situation from the past.

No more taxpayer bailouts. I hear that over and over again from my constituents. I agree. If an institution can't make it, it should fail. It should not be getting a government bailout.

This bill makes it clear: no more government bailouts. It gives the regulators the authority they need to intervene a lot earlier and, if necessary, to restructure the institution or to break it apart or to have it merge or to close it down. It does not involve public funds. We will have a regulatory structure.

Today, we see institutions that call themselves banks that are not regulated under banking statutes. We find insurance companies that claim they are insurance companies but they do things other than insurance and get themselves into trouble, and there is no regulatory consistency. That will change with the bill Senator DODD has brought to the floor.

This bill puts consumers in control of information in plain English, by a strong consumer provision within the bill. This is absolutely necessary. We know today that consumers and small businesses are being victimized under the current financial structure. Consumers have been victimized by predatory lending. Small businesses have been victimized by banks that won't make loans to small businesses. We need a strong consumer presence. Senator DODD, in his bill, has brought out an independent consumer agency.

What this bill provides is tough regulation, the framework in which we can intervene earlier in order to protect the economy, no government bailout, and a way in which consumer issues can be handled independently to protect consumers.

Why not move forward? I am puzzled. I listened to my colleagues who oppose bringing this bill forward speak on the floor. I still don't understand their argument. If we move forward, amendments are in order. Amendments that are germane will have to be considered, will have to be voted on. Those are the rules of the Senate. For us to move the bill off the floor, we will need at least 60 votes. We know that. It should not take it. It should be an up-or-down vote. But we know from the prior record that the minority will insist upon 60 votes. We should be willing, on an important issue such as this, to vote up or down on amendments and final passage, but they will still have that right. So they are not jeopardizing the ability of the minority to block final consideration of the bill.

What they are doing is blocking debate on the bill. The only thing I can think of is that they would prefer to work out their issues behind closed doors rather than on the floor of the Senate. The reason is kind of self-evident: If you are trying to weaken the regulatory framework and you don't want your fingerprints on it, it would be easier to do that outside of the spotlight of the Chamber. If you are trying to diminish the consumer protections in the bill, you certainly would rather have that in a bill brought to the floor than having to offer an amendment to change it. I can only presume from the delay that the opposition is not to ne-

gotiate in good faith; the opposition is to avoid the public knowing the changes they are seeking in the bill or to weaken this bill or, even worse, in the hopes that major sections of this bill will be deleted or struck. That is not what the process should be about.

We need to move forward with Wall Street reform. We all know how our economy was brought to near the brink of destruction. We know how many millions of Americans have been adversely affected by what happened on Wall Street. People of Maryland, the people of the Nation are saying: Let's reform Wall Street. Let's make sure the reckless gambling doesn't take place in the future. Let's make sure too big to fail ends. Let's make sure those who are responsible are held accountable. The Dodd bill is a very good start to the process.

Debating the issue is what we should be doing in the Senate. The delay is aimed at preventing the public from knowing what is going on or, even worse, weakening this bill or making sure it doesn't pass.

I urge my colleagues to reconsider. Let's move forward and debate the Wall Street reform bill. Let's get on with the people's business first, our Nation's security first, our Nation's economic growth first. Let's bring this bill to the floor for immediate debate.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANDERS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SANDERS. Madam President, since the beginning of the financial crisis, the Federal Reserve, the Fed, has provided over \$2 trillion in taxpayer-backed loans and other financial assistance to some of the largest financial institutions and corporations in the world. Let me repeat that: over \$2 trillion—with a "t"—\$2 trillion.

Over a year ago, as a member of the Budget Committee, I asked Ben Bernanke, the Chairman of the Fed, a very simple question—very simple question; it could not be simpler—and the question, in so many words, was: Mr. Bernanke, you lent out \$2 trillion. Who got that money? Who received the money? What were the terms of those loans?

Mr. Bernanke's answer was: No; I am not going to tell you, Senator SANDERS. I am not going to tell the Budget Committee, and I am not going to tell the American people.

I think that is outrageous. I think when \$2 trillion of taxpayers' money is placed at risk, the American people have a right to know. How many debates have we had on the floor of the Senate about legislation dealing with \$5 million, \$30 million, with feverish

debate—whether it is a good idea or a bad idea—and now you are looking at trillions of dollars of taxpayer money being placed at risk, and we do not know who received that. That, to me, is an outrage and that, to me, is unacceptable.

On that very day, after Ben Bernanke denied the American people the right to know who received those loans, I introduced legislation requiring the Fed to put that information on their Web site.

The Presiding Officer knows as well as I do, millions of lives have been ruined by the greed, the recklessness, and the illegal behavior of Wall Street. While the Fed was providing secret loans, at virtually no interest, to some of the largest financial institutions in this country, millions of Americans were losing their jobs, their homes, their life savings, their ability to send their kids to college—as a direct result of the same Wall Street firms the Fed was propping up.

So you have a situation where all over this country families are suffering, small- and medium-sized businesses are in desperate need of affordable loans. Yet you have the Fed providing trillions of dollars to the people who caused the recession and to some of the wealthiest and most powerful CEOs in the country.

The very least we can do for the American people is to tell them, to give them the information as to who got bailed out by the Fed. I do not think that is too much to ask. We have to explore whether there were conflicts of interest. How does it work when financial institutions get huge amounts of zero or near zero interest loans? Who sits on the committee? Are there conflicts of interest?

We have to know, for example, what I believe to be the case: that some of those financial institutions that received billions in zero or near zero interest loans may have invested that money in T-bills, in Treasury bonds, earning 3 or 4 percent interest. What kind of scam is that? You get zero interest loans from the Fed, and you invest in government-backed T bonds at 3 or 4 percent interest. That is an incredible scam. Did some of those financial institutions do that? I suspect they did. But we do not know what they did with that money and we have a right to find out.

Let us be very clear: The money put at risk does not belong to the Fed. It belongs to the American people. The American people have a right to know where their taxpayer dollars are going. Therefore, during the debate on financial reform, I will be offering an amendment to audit the Federal Reserve and to require that the Fed release all the details regarding the more than \$2 trillion in virtually zero interest loans the Fed has provided to large financial institutions since the beginning of the economic crisis.

We talk a lot around here about the need for bipartisanship or tripartisanship. I am an Independent.

Well, this amendment does that. I do not know that there is any amendment out there that has more bipartisan support. This amendment is being cosponsored by Senators FEINGOLD, LEAHY, WYDEN, DORGAN, and BOXER; Democrats. It is being cosponsored by Senators DEMINT, MCCAIN, GRASSLEY, VITTER, BROWNBACK, GRAHAM, RISCH, and WICKER; Republicans. But, quite significantly, on the base bill I introduced, from which this amendment comes, this legislation is being supported by 32 cosponsors; that is, 22 Republicans and 10 Democrats, and they run the gamut from some of the most conservative Members of the Senate to some of the most progressive.

The Senators who are supporting the base bill are Senators BARRASSO, BENNETT, BOXER, BROWNBACK, BURR, CARDIN, CHAMBLISS, COBURN, COCHRAN, CORNYN, CRAPO, DEMINT, DORGAN, FEINGOLD, GRAHAM, GRASSLEY, HARKIN, HATCH, HUTCHISON, INHOFE, ISAKSON, LANDRIEU, LEAHY, LINCOLN, MCCAIN, MURKOWSKI, RISCH, THUNE, VITTER, WEBB, WICKER, and WYDEN.

That is a very broad cross-section of the Senate, from some of the most conservative to some of the most progressive Members on the base bill, who say it is absurd that the Fed could lend out trillions of dollars without the American people knowing who has received that money.

Let me tell you what our amendment would do, and it is pretty simple. No. 1, it would require the nonpartisan Government Accountability Office, the GAO, to conduct an independent and comprehensive audit of the Fed within 1 year. Secondly, it would require the Fed to disclose the names of the financial institutions that received over \$2 trillion in virtually zero interest loans since the start of the recession. That is it. That is the whole amendment. Pretty simple. I would hope and expect we would have widespread bipartisan support for this amendment when it gets to the floor.

This amendment also has widespread community support from organizations all over this country. It has the support of Americans for Financial Reform—a coalition of over 250 consumer, employee, investor, community, and civil rights groups, including the AFL-CIO and the AARP.

I should also mention that increasing transparency at the Fed is obviously something the American people want to see, and poll after poll suggests that.

This amendment is similar to the Federal Reserve Transparency Act that was introduced in the House by Congressman RON PAUL and now has 320 bipartisan cosponsors. That is a lot. There are 435 Members of the House, and 320 are on the House bill. A version of that bill passed the House Financial Services Committee by a vote of 43 to 28 and was incorporated into the financial reform bill that passed the House last December. So not only do we have widespread bipartisan support in the Senate, that same type of support exists in the House.

Last year, the Speaker of the House, NANCY PELOSI, said Congress should ask the Fed to put this information “on the Internet like they’ve done with the recovery package and the budget.” That is exactly what this amendment would do. Interestingly enough, not only do we have widespread bipartisan support in the Congress, not only has the House moved vigorously on this issue already, but, importantly, the courts have ruled in support of what we are trying to do.

Bloomberg News has been very aggressive on this issue, and they have won court decisions requiring the Fed to release this information to the public. But despite widespread congressional support, despite two court decisions, the Fed continues to resist the transparency which our country desperately needs.

As long as the Fed is allowed to keep the information on their loans secret, we may never know the true financial condition of the banking system. This has resulted in a whole myriad of problems, and I think it is time we brought some sunshine to the goings on of the Fed.

Let me conclude by saying this: The American people are outraged, regardless of their political views, by the behavior of Wall Street. They have seen the greed of Wall Street lead us into a recession in which millions of jobs have been lost, homes have been lost, savings have been lost, families have been destroyed, and they want to make sure we do everything we can to make sure what caused this terrible recession never happens again.

I think one of the most important things we can do in terms of Wall Street reform is to bring transparency to the Fed. So this is an incredibly simple amendment. This is an amendment that has grassroots support. This is an amendment that has support from the most progressive and conservative Members of the Congress.

When I bring up this amendment, I certainly hope we can get a great deal of support from Members of the Senate.

Mr. DURBIN. Madam President, will the Senator from Vermont yield for a question?

Mr. SANDERS. I am very pleased to yield to my friend from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I would like to ask the Senator from Vermont, through the Chair, about another issue in this bill relative to the interest rates that are being charged across America. I would like to ask the Senator from Vermont if he would tell me his take or evaluation of the provision in this bill which exempts usury laws and interest rates from the consideration of the Consumer Financial Protection Agency.

I know the Presiding Officer has an interest in some exploitation that is occurring in her State of North Carolina—frankly, in my State of Illinois, and probably across this Nation—by the so-called payday loan and title loan

operations, where average people who are struggling economically go in for high-interest loans that are then rolled over, time and time and time again, until they lose whatever security has been offered for the loan and, frankly, find themselves even deeper in debt.

I would like to ask the Senator from Vermont, whom I have discussed this with on many occasions, his thoughts about consumer financial protections and the interest rates being charged across this Nation.

Mr. SANDERS. I thank my friend from Illinois for raising that question. I wish to congratulate him because our colleagues should know he has been a leader on this issue for many years and has already achieved some significant success.

My memory is, we had payday lenders that, if you can believe this, were charging men and women in the U.S. Armed Forces—who, in many cases, do not have a lot of money, who are trying to take care of their families—outrageously high interest rates on check cashing and payday loans. The Senator from Illinois led the effort successfully to put a cap on that, and I thank him very much for doing that. That is a start.

But, clearly, as the Senator from Illinois indicates, we have to go further. Here is the story. Just a couple weeks ago, there was a rally, right here on Capitol Hill, led by religious groups—religious groups—who said it is immoral and unacceptable that in the United States of America we are now seeing usury and loan sharking taking place by some of the largest financial institutions in this country. So we are not just talking. I would say to my friend from Illinois, about an economic issue; we are talking about a basically moral issue. If one reads the Bible, the Old Testament, the New Testament, the Koran, every major religion on this planet has said that usury is immoral; that if you are desperate and you need money, I cannot charge you outrageously high interest rates. That is immoral and the wrong thing to do. Yet in this country today, as a result of a Supreme Court decision some years ago, we have millions of Americans who are paying 25, 30, 35, 40 percent interest rates. This is not from loan shark gangsters on a street corner in Chicago; this is from some of the largest, most distinguished financial institutions in the world. We have to put an end to that.

I would tell my friend from Illinois that the legislation we have offered would put a cap of 15 percent, except under extraordinary circumstances, on the interest rates banks can charge the American people. We came up with this idea because this is what credit unions in this country have been doing for several decades, and they have been doing it successfully.

Mr. DURBIN. Madam President, I wish to ask through the Chair again—first, I wish to give credit where it is due. The original amendment we

talked about that protects military families was offered by Senator Jim Talent of Missouri, and I supported it and everyone supported it because we found men and women in the military trained to defend our country who signed up for these payday loans and quick loans, and they became so deeply mired in debt they were forced to leave military service. So we said as a matter of national security, we can't sacrifice well-trained men and women who can keep us safe as a nation to loan sharks who have these storefront operations in my hometown of Springfield and in your hometown in Vermont and all across the Nation.

I would say to the Senator from Vermont—and he and I have joked about this a little bit—I tried to come up with a number to say this will be the maximum interest rate that can be charged. I went to a mutual friend whom I respect and said: What is a number that no one can argue with? She said 36 percent. When I mentioned that number to people back in Illinois and other places, they were aghast. They said: We don't want to pay 36 percent for anything. I said: I don't either. But this is like a ceiling.

Well, it turned out it is a little more confusing than illuminating. I happen to think the Senator from Vermont is certainly right with the cap he is suggesting.

Now, is it not true, I ask the Senator from Vermont, as this rollcall vote reflects, if the Republican Senators in this Chamber continue this filibuster against this financial reform bill, this Wall Street reform bill, this consumer financial protection bill, we can't even engage in this debate, let alone this amendment, to try to protect families across America from being preyed upon by these outrageous reptilian credit operations?

Mr. SANDERS. The Senator from Illinois is, of course, absolutely right. The point the Senator from Illinois is making, which makes eminent sense, is if our friends disagree, if our friends want to offer an amendment, if the Republicans want to alter the bill, that is their right. That is what the Senate is about. But we can't proceed or go forward in putting a cap on the outrageous interest rates financial institutions are charging the American people—the loan sharking—unless we get this bill going. We can't talk about Fed transparency unless we get this bill going.

So I certainly agree with my friend from Illinois. People have a right to disagree, but the American people are disgusted and frustrated with what is going on on Wall Street. They want action. So to simply have our Republican friends saying: No, no, no, we are not going forward, doesn't make any sense to me.

Mr. DURBIN. Madam President, I would ask the Senator from Vermont through the Chair, as informative and as entertaining as our presentations are on the floor, the fact is, 98 chairs

are empty on the Senate floor, chairs that could be filled with Members of the Senate from both political parties debating the issues we are talking about; actually voting on amendments, proposing changes in the law to ultimately work with the House and send it to the President to solve some of the problems of our Nation. But as long as we are facing—and we have had three filibuster votes so far this week with more to follow—as long as we are facing this Republican filibuster where not one single Republican Senator will break with the Republican caucus or the Wall Street position that opposes any reform, we can't even bring this bill to the floor for debate so we can address the biggest economic and financial challenge America has faced in decades.

Mr. SANDERS. Madam President, my friend from Illinois is exactly right. Let me just add to it. We have the House of Representatives that voted to go forward. We have the President of the United States who wants to go forward. We have 57, or whatever the number is, Senators who wish to go forward. Now is the time to go forward.

I would add to what my friend from Illinois has just said. Let's be very clear about this. Last year, in 2009, as I understand it, our friends on Wall Street who are doing everything they can to make sure Congress does nothing to reform the way they do business—that is what they want; let's be clear about it—do you know what they spent last year? I would tell my friend from Illinois that my understanding is they spent \$300 million on lobbying and campaign contributions.

I know my friend from Illinois knows that we can't walk around the Capitol without bumping in to one or another lobbyist representing Wall Street. Why are they here? Why are they representing hedge fund managers who make billions of dollars in a year? They want to be able to continue to do the exact same things they have done in the past which has led to this terrible recession.

So let's not be naive. There are huge amounts of money flooding Capitol Hill right now, and the goal is, no matter what anybody may say: Let's do no Wall Street reform.

Mr. DURBIN. I thank the Senator from Vermont for yielding for questions. I yield the floor and unless someone—

Mr. SANDERS. Madam President, I wish to thank the Senator from Illinois for his continued efforts on Wall Street reform and the excellent work he has done.

Mr. DURBIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BURRIS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BURRIS. Madam President, we just witnessed a few moments ago the third attempt to try to do something about financial reform legislation in this body, and for the third time, it went down. I am an old baseball player. I played a lot of baseball in my young days, and there is a rule in baseball that says three strikes and you are out. Well, we have had three tries at this financial reform, and I will tell my distinguished colleagues on the other side of the aisle: We are not out. We are just beginning to fight under the circumstances we are confronted with because we are fighting on behalf of the American people.

Earlier this week, our distinguished majority leader called for a vote to open the debate on major financial reform. We have seen well-designed proposals from the Senator from Connecticut, Chairman DODD. This bill reflects the priorities articulated by President Obama and supported by an overwhelming majority of the American people. It will end the so-called "too big to fail" and prevent massive banks from making risky decisions that threaten the entire American economy. It will eliminate the need for government bailouts, and it will institute commonsense regulations so companies cannot create investments that are designed to fail and then bet against them.

In short, this legislation is a good starting point. As a matter of fact, we have heard Chairman DODD say time and time again we have to get it on the Senate floor so we can improve this legislation. I know I am supportive of a couple of amendments that would be beneficial to improve the legislation. It may not be the complete Wall Street reform package in its final form, but it contains a number of good provisions, and it is worth debating. So I am asking my colleagues, let's stop debating to debate.

The majority leader scheduled a vote to bring this bill to the floor so Members of both parties could offer amendments and make improvements. This was not a vote on the legislation itself. Leader REID was not asking the Senate to pass the bill without debate or without amendment. He simply wanted to start the process. He wanted to begin deliberations on the floor of this Chamber in front of C-SPAN cameras and in front of the American people. But when the roll was called and my colleagues and I came to the Chamber, every single one of my Republican friends voted to block the debate, plus one of ours.

So we will try again, I hope, this afternoon, if not tomorrow, but we are not playing baseball on the floor of the Senate. This is not the all-American game, but it is the all-American future.

There was a second vote to start debate—to move ahead this process and take up the consideration of financial reform. But for a third time, my Republican friends stood in the way. They know they will have plenty of opportunity to try and defeat the bill once it

is on the Senate floor, but they decided to drag their feet anyway.

We have seen this kind of thing before. This is the same Republican playbook we saw with health care reform, the same obstructionism, the same tired politics. In the past, they have been able to use this strategy to score political points. This time, I would respectfully suggest that my Republican friends have miscalculated. The issue of health care reform was complicated, so when it came time for debate, it was easy to distract and delay and to spread misinformation.

It was easy to muddy the waters so they could gain traction and delay President Obama's agenda. When the health care debate was over, good policy won out over good politics, and we passed the bill—but not before my friends on the other side had scored some political points.

This time it is different. Financial reform itself is very complex. That is why it is so easy for big banks to take advantage of consumers. That is why it is difficult to apply the kind of oversight we should have seen in the years leading up to the recent collapse.

The issue itself is hard. This time around, the tactics of distraction and delay will not work. That is because Americans are smarter than that. They know who the bad guys are.

About 2 years ago, Lehman brothers was one of the first dominoes to fall. Next came Bernie Madoff. Then a handful of other Ponzi schemes came crashing down. Most recently—just yesterday—we witnessed Goldman Sachs, one of the largest and most respected firms on Wall Street, was charged with fraud.

When it comes to financial reform, we know where the problem lies. My Republican friends can try to distract and obstruct all they want, but they will not succeed in confusing the American people. Ordinary folks have had their pocketbooks bled dry by this financial crisis. They have seen their hard-earned savings disappear and their future become dramatically less secure, and they know exactly who to blame.

For far too long, Wall Street banks have been subject to relaxed oversight. As a result, the focus of their business has changed. It stopped being about lending money to businesses, making smart investments, and encouraging free enterprise. When I was in the banking business, that is what we did. I was at the biggest bank in Illinois, the seventh largest bank in America, where we worked with companies, made loans, collected interest, and took the people's deposits in and paid them interest. And we kept the economy going.

Instead, Wall Street has basically turned into a casino. Look at the derivatives market. Here you essentially have an object that is being traded that has no value of its own. It has no ties to the actual economy. There is no product, no business idea, and no actual investment. It is just a high-stakes bet.

Without intelligent risk management, capital standards, and basic rules of the road, these bets have the potential to undermine the strength of our entire economy. Wall Street is a casino gone wild, and they are gambling with our money not theirs. They are making money off of our money.

The American people know this. They can see through the distractions and political posturing. They recognize the need to reform Wall Street so we can end bailouts, put commonsense rules in place, and make sure we never experience this kind of economic crisis ever again.

I am not sure what my Republican friends hope to gain by blocking our debate on this bill. They say they want to improve it, but that is exactly what we would be able to do once it is on the floor. Maybe they believe they can water down our reform package by dragging out this process. Maybe they would like the chance to hold some more Wall Street fundraisers before they have to take a vote on the legislation itself. Maybe they simply don't have an alternative plan, and they know they cannot win this argument on the floor of the Senate, with the eyes of the Nation on them.

I am not sure what they hope to gain by stalling financial reform. I urge my distinguished colleagues on the other side to please let us move ahead with this process. I urge them to set aside these political tactics and bring their ideas to the table so we can strengthen this bill and make sure our economic future is safe.

I call upon them to join us in debating, amending, and improving this important legislation rather than dragging their feet on a bill that has so much public support.

When we pass this into law, after extensive discussion, it will be a victory for the American people. If my Republican friends join us in this effort, it can be a victory for both political parties, as well. We will all benefit. The American people will benefit.

This legislation deserves to be debated in open session. I ask my Republican friends to let us move ahead. But if they will not, and they continue to delay and obstruct, then I challenge them to come to the floor and explain. I challenge any one of my distinguished colleagues on the other side of the aisle to walk into the Senate Chamber today and seek recognition from the Chair. I challenge them to stand before the American people and tell them why American families should be asked to fund Wall Street's recklessness and greed.

I want them to explain that, Mr. President. I believe we need to end these practices. I believe we need to take up the issue of financial reform without delay. If my friends on the other side disagree, it is their privilege to do so. But I believe they owe the American people an explanation. I am pretty sure it will be very difficult to explain to them why they are holding up this important piece of legislation.

Mr. President, I yield the floor.

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

Mr. BOND. Mr. President, I am delighted to join in this debate, and I invite my friends on the other side to listen to what the people in communities in our home States are saying, who don't spend time soliciting funds on Wall Street.

Let's be very clear: We all agree we need to hold Wall Street accountable for the havoc wreaked on Main Street. We all agree we need to enact reform to prevent another financial crisis. Where we disagree on is what the responsible reform looks like. I have real concerns that, in its current form, the Democrats' bill, written with the White House, is a massive government overreach that will punish Main Street, hurt families, and cost jobs by stifling small businesses and entrepreneurs.

To sum it up, Democrats want to treat Main Street, our community banks, our farm lenders, and our auto dealers like they were Goldman Sachs or others on Wall Street. We Republicans want to ensure we fix Wall Street, without crippling Main Street. The only way to do that is to force the Democrats to listen to the concerns of Main Street, to open this up and make it a bipartisan process. It has not been, and it isn't going to be until we get some discussion and real substantive changes in what I view as a very dangerous bill to the economic climate and health of our country, our States, our communities, and the creation of jobs.

Today, let me share with you some of the concerns I have heard from Main Street. Like families in every community and every State, small businesses were the victims. They weren't the perpetrators of the financial crisis caused, among other places, on Wall Street.

Small businesses were not responsible for the financial crisis and should not be treated as if they were. But that is exactly what this bill does. This 1,400-page bill reaches far beyond Wall Street and will impose new costs and onerous new regulations on small businesses to fix a problem they were not responsible for causing. In short, this bill would change the way every American does business.

We are not just talking about changing the way Wall Street banks do business, but also how every community banker, local dentist, farm lender, and auto dealer does business. I urge my colleagues to take time away from the floor and listen to the people at home. They have a very different message than that which we are hearing from our friends on the other side of the aisle.

These concerns are not just Republican concerns. I hope my colleagues on the other side of the aisle are also hearing from their constituents back home about disturbing provisions in the Democrats' proposal and have begun to agree with Senate Republicans that there is a lot of work to be

done before we bring this 1,400-page monstrosity to the floor.

Don't misunderstand me. Like the nearly two-thirds of all Americans who favor some sort of reform of Wall Street, so do I and my Republican colleagues. But we need responsible and bipartisan reform that all Americans and businesses can be proud of. I want to work with my friends on the other side to ensure that the concerns I have heard from Missourians—1,000 miles away from Wall Street—are addressed as the process moves forward.

First, I continue to be stumped that any real form of our financial system could ignore Fannie Mae and Freddie Mac, which were significant—if not the majority—contributors to the financial crisis. But that is what this bill does. That is a mistake, and so is leaving out the rating agencies who gave triple-A ratings to bad paper that was foisted on the system.

Fannie Mae and Freddie Mac—these government-sponsored GSEs—contributed to the financial meltdown by buying high-risk loans made to people who could not afford them. In addition to the cost to taxpayers, these irresponsible actions turned the American dream into the American nightmare for too many families who faced foreclosure, lost their homes, which devastated entire neighborhoods and communities as the property values diminished, as well as the credit rating of the families displaced.

Responsible reform must address the GSEs. Responsible reform would put an end to the taxpayer-funded bailout of Fannie and Freddie and refocus them on promoting affordable housing.

Next, it is critical that in reforming Wall Street, we are not punishing Main Street. Instead, we should be protecting small business startups that are so critical to job creation.

Unfortunately, this bill will kill small business startups. While title IX of the Dodd bill has been little noticed, it would have devastating consequences. Specifically, this provision would kill small business startups by delaying and limiting the availability of private investor seed capital, which is essential for the survival and growth of these startups.

Through new, burdensome regulation by the SEC, innovators and entrepreneurs would be subject to registering with the Commission for a 4-month review before they could get out and start soliciting money. This tying up of vital venture capital dollars needed for immediate use by small businesses would cripple their startup efforts. This is not a measure that will protect people from Wall Street. This is not a measure needed because venture capitalists and small startup entrepreneurs and innovators were causing the crisis. No, they are part of the solution of the jobless problems we have now.

This provision is an overreach by the Federal Government, which would shut down the job creation that Main Street

provides, which this country desperately needs. Raising the net worth threshold for those who can invest in these venture capital firms to \$2.3 million from the existing \$1 million, and raising the annual household income threshold to \$450,000, as the Dodd bill proposes to do, would disqualify two-thirds of the current accredited investors, according to the Wall Street Journal, who otherwise would help fund small startups in our communities. These are the people whom these innovators and entrepreneurs have to go to, and this will make it impossible for them to get the money they need. Therefore, some woman, some man with a great idea is much less likely in your hometown to be able to get the funds she or he needs to start a business.

I believe strongly—and I have always said and will continue to say—that small businesses and the startup companies are the backbone of our country. I understand the critical role these so-called angel investors can play in the creation and development of new companies, small or large. Let me tell you about my position. Right now, in Missouri, I have been working to help build an agri-biotech corridor across the State. In Missouri, we have the potential to foster a whole new industry in advanced agricultural research and biotechnology. This agriculture research and biotech industry is our best opportunity to stimulate and create high-paying skilled jobs in rural Missouri, rural America, and in the cities as well.

The stimulus these biotech companies are spurring in Missouri is also happening in other States across the Nation. According to the Kauffman Foundation, located in Kansas City, between 1980 and 2005, companies less than 5 years old accounted for all—net job growth in the United States. As a matter of fact, the same study showed that in 2008, angel investors provided roughly \$19 billion in more than 55,000 companies. You are going to put an end to that with this bill?

Let us go back and think about it before we bring this monstrosity to the floor. The new bill, if enacted, would deny immediate access to capital. If enacted, it would say to innovators and entrepreneurs: You are too small to succeed, too small to survive. That is far different from what this bill was promised and promoted as doing—stopping too big to fail. Yes, I am going to see in my communities and you are going to see in your communities too small to survive. That is not where we should be going.

Killing small business startups and jobs on Main Street is not the only unintended consequence of the Democrats' current proposal that has come to light. Caught up in the Democrats' fervor to pass a bill—any bill—without careful consideration, are members of the U.S. military and their families. Last week, I heard from active-duty

and retired military members who fear this bill would hurt their financial security. You see, under the Democrats' bill, United Services Automobile Association—USAA, a financial and insurance provider for members of the U.S. military and their families—would, after an 87-year track record, no longer be able to manage their own portfolio.

Also as a result of the Dodd bill, this company that serves our military and veterans would have their ability to offer certain competitive products to servicemembers and their families jeopardized and their ability to return money to servicemembers and their families limited by this massive expansion of government authority. This must be fixed. I would urge my colleagues to listen to the military and veterans and their families in your States. See what they think.

Unfortunately, the unintended consequences of this bill keep piling up. The next major concern I have heard from Missouri community banks that provide critical lending to families and small businesses is the creation of the so-called Consumer Financial Protection Bureau—CFPB. This massive new government bureaucracy has unprecedented authority and enforcement powers to impose mandates on any entities that extend credit. We are not just talking about big Wall Street banks here but also your community banker, your local dentist. Dentists are telling me that if they offer credit, they would be regulated. Farm lenders would find it very difficult for them to be able to operate to make their farm loans and to be able to hedge the risk that they normally do. Auto dealers can sell cars only through the benefit of private sector financing. As a result, there will be no choice but to pass the costs on for this financing, if they can get it, to the consumers—the very people this bill is supposed to protect. And it may cut some of them out of getting credit altogether.

The National Federation of Independent Businesses, a strong voice for small businesses, voiced their serious concern over the creation of this new bureaucracy. I am sure you all have received it, but if you have not, I would urge you to check your mail, because the letter from the NFIB to Congress says:

These small businesses had nothing to do with the Wall Street meltdown and should not be faced with onerous new and duplicative regulations because of a problem they did not cause. Further, as the most recent NFIB Small Business Economic Trends survey shows, small businesses continue to struggle with lost sales, and such regulations could make these problems worse—stifling any small business recovery.

In other words, they are saying: We do this and small businesses are going to be even less likely to be able to create jobs. We have already put too much debt on the Federal books. We are threatening to increase their taxes by a tremendous amount, and now we see regulations that are going to interfere with their normal credit operations. That is a cause for concern.

This very high unemployment the stimulus bill didn't touch, other than getting more people working for the Federal Government. It was supposed to bring our unemployment rate down to 8 percent, but it is going to continue to fail and fail miserably if we stifle the ability of small businesses to create jobs.

The only way to ensure that the CFPB does not unintentionally hurt Main Street but still protects consumers is to narrow the scope and authority with clear language outlining exactly who this new regulator will regulate and what it will do. Instead of unlimited authority, this new regulator should focus on the shadow banking entities operating outside of the regulatory framework and preying on vulnerable people. The banks and the savings and loans that issue loans are regulated by government regulators. Are the people who are making these large loans, such as home loans, regulated? In a lot of areas they are not. CFPB could look at those.

I proposed 2 years ago a mortgage origination commission to make sure everybody originating mortgages was regulated by some appropriate State agency. Well, we haven't done it. We also need to ensure that we are not empowering, through this new government agency regulator, the same organizations which pushed home ownership at any cost onto families who could not afford to repay their loans. This is one of the key problems we had. People who couldn't afford homes were told that they could get them with no downpayment, even if they had bad credit. If they didn't have the money to have a home, they were told they could have a home anyhow. These are the people who saw their American dream turn into the American nightmare. These are the people whose houses were foreclosed, their families thrown out, their communities devastated, and ultimately the entire network of not only America's financial system but the world's financial system brought down by this bad paper.

Surely, my colleagues would not want to vote for a bill that creates a new government bureaucracy without knowing exactly what the bureaucracy is empowered to do and if it will take on the real bad actors who got us into this mess. This CFPB is a perfect example of how the "one size fits all" of this hurried legislation will have unintended consequences for those who did not contribute to the financial meltdown. Treating community banks like Goldman Sachs is a mistake, and one we cannot afford to make.

If we are aware of these unintended consequences now, why won't we correct them now? Why do my colleagues want to bring these unintended consequences in the bill closer to being codified into law on the Senate floor? If you want to have some real consumer protection, I purchased several homes, as we have moved around recently, and I can tell you that the best thing we

can do for consumer protection is to repeal all the laws that require a stack of paper that high that you are supposed to sign saying you have read it. Have consumer protection with a very simple one- or two-page form. I have talked about that before. That is simple consumer protection. Let people know, for people who are not adequately informed on financial situations.

The one thing we found out when I joined with the chairman of the Banking Committee, Senator DODD, in pushing home foreclosure counseling, as we worked with agencies that were counseling people who were losing their homes through foreclosure, is these agencies were crying out and saying: We need financial counseling for these people before they get into homes. That is the best way to avoid foreclosure. Let us go back to that. It sounds simple, but it happens to be the thing that would work.

I doubt my Democratic colleagues intend to pass a bill that will hurt families every time they turn on the light switch or try to heat their home, but that is what this bill in its current form will do, once again, trying to go for the easy one-size-fits-all approach to entities that it does not fit in any way. The \$592 trillion over-the-counter derivatives market needs stronger rules of transparency on the things that are run through Wall Street. Some of these derivatives traded in this market played a significant role in the recent crisis, through products such as credit default swaps.

I have called these derivatives computer game derivatives. They were so complex. They were something somebody thought up and ran through a computer. You know what. Our regulators fell down on the job. They didn't look at these derivatives. They were not transparent. They were not regulated. Some of that is the fault of the regulators, who are now scrambling to come in and file suits. They are supposed to regulate and make sure that these products that are complicated are fully transparent and related to reality and go to those who are at least sophisticated. You can't guarantee that they win or lose, but at least know what they are; make sure they are clearly understood by everybody; get the rating agencies to judge them independently, not as captured entities for the people who issue them and will pay the rating agency if they get the rating they want.

But there is an important distinction between the computer game derivatives or the very sophisticated derivatives that are traded on Wall Street. You can make good financial arguments for them, so long as they are traded on an exchange—the Wall Street derivatives, so long as somebody is looking at them to make sure there is some integrity in them. But not all derivative contracts pose systemic risk. As a matter of fact, commercial contracts initiated by energy companies,

and the agricultural industry are used to manage risks associated with their daily commercial operation, from cost fluctuations in materials and commodities to foreign currencies used in international business. These end users, these commodity hedgers, make up less than 3 percent of the market.

I don't know of any farmer or any farm agency or any utility who caused the crisis on Wall Street by entering into a long-term supply-and-purchase contract. There is no reason to make this be traded on an exchange when you have an ongoing partner; no reason to acquire collateral to be posted. The end users, as they are called, do so in order to plan for future pricing so they can provide the least expensive goods or services to the consumer as possible. Costly margin requirements for the end users will be directly passed on to their families. Guess who pays for that? That is us. That is us. Because all Americans will see their costs go up whenever they turn on their lights, put food on their table, and use any form of transportation—whether it be cars, trucks, buses, or airplanes. This is a problem that must be fixed.

For the purpose of my time on the floor, I won't go into each and every problem I have heard about in the bill. I have only been given minutes to speak rather than hours. But the current concerns I have outlined are critical. The unintended consequences on which I have shined a light must be stopped. Americans do not want another massive flawed bill that will kill more jobs, make it harder to get a home or car loan, or make it more expensive to heat their homes.

Yes, Americans are rightfully angry and frustrated about the bad actors on Wall Street who caused the financial crisis, costing many Americans their jobs and even their homes. Americans are rightfully angry and frustrated about the trillions of dollars the government has committed to rescuing the financial industry when so many of them are still struggling to pay their bills. These are the people from whom I am hearing. I agree with the majority of Americans who believe it is unfair for bad actors who caused this financial crisis to get bailed out with their tax dollars—with our tax dollars—when there is no bailout for families who lost their savings or jobs. I agree with the majority of Americans who are rightly skeptical of the Democrats' bill and the rush the majority wants to pass it in. It is no surprise that my constituents are skeptical. After all, it is the few bad actors on Wall Street who caused the financial crisis who are now cheerleading this so-called reform bill.

I was stunned when I read that the head of the investment bank Goldman Sachs, Mr. Blankfein, said, "The biggest beneficiary of reform is Wall Street itself." The head of Goldman Sachs said that the biggest beneficiary of this reform bill is Wall Street. Did you hear that, everybody who has been looking at Goldman Sachs? I also understand that Citigroup now supports

this measure. They are huge Wall Street players who have had access to the White House and the majority leaders of both Houses to push for all the good things this bill does for them. They are the ones who have been in there. They are the major contributors. Look where the money goes. If you want to say: OK, who is looking for contributions, look at that and see what is in the bill.

This bill clobbers Main Street and it glances off of Wall Street. Instead of helping Wall Street, I want to ensure a bill is passed that will protect Main Street. While Wall Street may be cheering this bill, I am here to ensure this bill represents Main Street concerns. What I am hearing from Main Street, they are concerned, and it doesn't address their concerns, it puts more burdens on them. I urge you, I ask you to listen to the folks at home.

We need to hold Wall Street accountable for the havoc wreaked on Main Street and enact reform to prevent another financial crisis. This bill is too large, too costly for consumers, and will kill job creation at a time when working Americans need to be left to do what they do best; that is, succeed.

My friends on the other side of the aisle can hold vote after vote, but until this bill fixes the problems and I can be sure it is not just Goldman Sachs, Citigroup, and the rest of Wall Street that will benefit, I will continue to force Democrats to listen to the concerns of Main Street America.

I urge my colleagues to turn up the hearing and turn down the volume and listen to what the people in your States are saying.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. REED. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MERKLEY). Without objection, it is so ordered.

Mr. REED. Mr. President, yesterday we and the nation heard from Goldman Sachs executives indicating they had no regrets about the financial crisis, a crisis that has left 8.5 million people without jobs and stripped billions of dollars of retirement savings from working Americans. In fact, the Pew Institute released a study that indicates the financial crisis and recession have already cost U.S. households \$100,000, on average, in lost wealth and income. That is a huge blow to the families who are struggling to pay for their retirement, to pay for their children's education, and provide a better life for themselves and their children.

We have seen, in the last five quarters, because of this financial crisis associated with and connected with the recession, \$648 billion less in gross domestic product than was projected initially—\$648 billion of productive enter-

prises. The cost of this crisis is something we all should not only recognize but commit to preventing in the future. We also should calculate the cost not just in terms of gross domestic product and how well executives on Wall Street are doing, who are doing pretty well, but how well the average family in this country is doing, and how well they will do in the future. We must consider how much in terms of their wealth has been diminished, if not lost, in rebuilding our economy.

One of the major functions of any financial sector in any part of the world is to efficiently allocate capital to grow domestic product—not to reduce it—to invest in productive enterprise and employ people. The financial sector shouldn't undercut companies or force them to lay off workers. All of this, in the last few months, I think has represented a failure in that basic function of making sure capital is accumulated and then efficiently allocated to productive means.

So Wall Street, I think, has a lot to regret about their role, and we have a lot to do to improve the situation, to ensure the regulatory structure is in place, and to set clear rules for the conduct of financial business that will protect families, protect consumers, and protect the taxpayers.

This is the third time our colleagues on the other side have blocked such efforts to begin the discussion. We recognize this is a complex topic, with many different parts: credit rating agencies, capital requirements, financial institutions, derivatives. You can go on and on and on. So anyone who implies they have all the wisdom, I think, will find themselves sadly mistaken. But we have to get on with this bill because unless we bring the bill to the floor, we cannot begin to, in the open, talk about those policy issues that people can disagree on—people have different approaches—and ultimately resolve this and create a better regulatory structure and a stronger foundation for our economy.

But in the last several days, this has been, again, "say no and the problem might go away." Well, if they continue to say no, the problem will get worse. We are looking across the globe today at a crisis in Europe because of Greek sovereign debt. It is spiraling. Already, Spanish debt has been downgraded. If we think we are immune from these global currents, both good and bad, we are mistaken. If we do not put in a stronger structure of regulation, the next crisis might not be starting on Wall Street, but the impact on Main Street could be the same, and it could be just as devastating.

We have to look forward. We have to move on. The notion that we have all the time in the world and we can sort of nonchalantly go about our business—or in some cases, if it is a political judgment that it is better to resist—is not serving the people of this Nation well.

We recognize there are principle differences. Let's resolve them, as we do

on the floor through debate, through discussion, and through a vote, and let's move on. We have a lot of work to do. The underlying bill Senator DODD has brought to the floor already incorporates so many of these disparate views, and I think in a very sensible way.

Let me, for the record, recall that legislation like this has been pending for months and months and months. The Presiding Officer will recall—because he participated with me in the first markup last November—Senator DODD brought a bill to the committee, opened it up to amendment, and it was quite clear there was going to be no serious discussion. In fact, our colleagues on the other side said: We need more time. We want to participate with you. I think it was done with great sincerity. Senator DODD entertained those proposals for months. From November until a few weeks ago, we were working collaboratively and creatively to try to bridge our gaps and bring a bill to the floor.

Well, finally—and somewhat in exacerbation—Senator DODD concluded this was leading nowhere, except to more delay, if not denial of the great problem we face. So we had a committee markup. Again, it was an opportunity for our colleagues on the other side to bring forth their proposals, their ideas, in a markup in which we would be able to consider their views, vote on them, and then move that bill to the floor. But it was a perfunctory session. They had concluded that, no, they were not quite yet ready to offer their proposals, their ideas, and to engage in the business of legislation.

So now the bill is before us, months after we started this process, months after we have entertained and incorporated proposals that have been made by our colleagues because they are very good proposals. It was Senator CORKER and Senator WARNER—who have done an outstanding job—who structured the whole issue of resolution, that there would be an upfront fund so that financial institutions—not taxpayers—would pay for the failure of a financial institution.

Yet when that bill was brought to the floor—or we attempted to do it—that provision, that bipartisan provision was singled out for, shall we say, criticism, if not ridicule, as a perpetual bailout bill. That was a misrepresentation of the bill and it, frankly, contradicted the whole effort, the whole bipartisan effort to come up with something that both sides could support.

But this bill incorporates so many different ideas and aspects that have been shared. In fact, it was interesting, in the lead up to this floor consideration, so many times on both sides of the aisle, people would say, routinely: well, we agree on 80 percent of the bill. I think if you have 80 percent of the bill agreed to, at least conceptually, you are probably ready to bring the bill up for debate and to vote. Yet again, the Republican side refuses to do that.

They are, I think, assuming, I guess, they have a lot of time. But as you look around the globe, at the crises in Europe, at the stock market falling dramatically yesterday because of Europe, I think we have to move aggressively to protect American families, and that means getting the bill on the floor and voting for it.

This bill will make changes that are urgently necessary. Again, the issue of too big to fail—through the extraordinary effort, painstaking effort, the hours of discussions by Senator WARNER and Senator CORKER, there was a proposal for resolution that effectively ends too big to fail. In fact, Sheila Bair, who is the Chairwoman of the FDIC and was appointed by President Bush, says it virtually eliminates the possibility of a taxpayer bailout. So that is part of it. Strengthening consumer protection. There has been, I think, an unfortunate generalization that consumer protections are bad for business. Frankly, we should have discovered in the last several months that good consumer protections are very good for business. Many of those consumer laws—which would have protected people seeking mortgages—which were ignored or exempted would have, I think, improved dramatically the mortgage situation. It would have improved business. It would have made that overriding issue of efficient allocation of capital much easier.

But when you have very little protections for consumers, they are at the mercy of people who will exploit them for a quick buck. And that is what happened. Mortgages were given to people who were not qualified. Why? Because no one was watching out for them. But not only that, the individual issuing the mortgage did not have, as they say, any skin in the game because they simply sent it in to the big securitization process. Someone got a fee for securitizing it. Someone wrapped it up into a big mortgage-backed security. Someone else wrapped it up into a collateralized debt obligation, which is a collection of securities. Then someone else wrapped that up into a synthetic collateralized debt obligation and sold it off. Not a lot of efficient allocation of capital for productive means, but a lot of fees for investment bankers, securitizers, and mortgage brokers. At the very beginning, good consumer protections would have been an effective way to mitigate some of that damage. They are in this bill.

We are attempting to eliminate huge gaps and loopholes in financial regulation. Our regulatory scheme has grown up over many years, in fact, through the life of this country. So we have a national bank authority that was created in the 1860s. We have an Office of Thrift Supervision that was created many years later because of thrift institutions. We have the FDIC, which was created in the 1930s by Franklin Roosevelt as a result of the Depression and the need to insure deposits. We have the Federal Reserve System that

monitors local banks and large banks that was created in the Wilson administration.

All of them have a little different piece of the action, and all of them have been routinely used in what is termed regulatory arbitrage, to move to the most favorable position for your business, which may not be favorable to the overall economy. Some of the big mortgage lenders that ultimately collapsed started off being regulated by the Office of the Comptroller of the Currency, and then they decided they would have a better deal at OTS. Frankly, if they had an opportunity—if they were still with us—they would be looking elsewhere. Hit and run, I think, was probably the business plan. We have to stop that.

This bill takes a strong step forward, consolidating that supervision, by consolidating the Office of the Comptroller of the Currency and the Office of Thrift Supervision, by limiting the supervision of the Federal Reserve over a countless number of small banks, and concentrating their efforts at the big institutions, where their expertise and their focus should make a difference.

This is a huge improvement over what the present system is. Yet our colleagues are not recognizing the need to improve and the need to move forward. We have been engaged, through Senator LINCOLN and Senator DODD, with derivatives legislation, which, for the first time, recognizes and regulates those derivatives. There was a great debate here in the 1990s, and through that debate derivatives were left unregulated. Today we have to recognize we have to put them back under regulatory supervision.

The legislation creates the steps, the architecture, which will go a long way to prevent some of the problems we have seen. It requires reporting all derivative transactions to a data repository which the regulators will have access to so they can see firsthand in real time what is happening out there. Is there a big buildup in Greek debt? Are there huge positions in credit default swaps on Greek bonds? They can quickly get a macro sense of what is happening.

Then, with limited exceptions, all derivatives have to be cleared on a clearing platform. That takes away the bilateral nature of transactions. Someone says: I will sell you insurance on this interest rate for a fee. You give me the fee, et cetera. That is bilateral. If one of these parties is unable to carry out its obligations, the transaction fails. In a clearing platform, there is a central party that assumes the risk of one of the parties failing. It is a mutualization, really, of risk, and it is a step forward.

But we have to step even farther than that. We have to push as many of these trades onto a trading platform, not just clearing it and holding collateral, but actually pricing it. Because of the complexity of some of these products, unless there is a market, no one knows

the real value. On a trading platform, there is a market value and people can value it because basically if someone will buy it, that is the value. So we have to do that. This legislation goes a long way to doing that.

With respect to credit rating agencies, one of the great failures is the credit rating agencies. As to all of these exotic mortgage products that collapsed in value, most of them were rated investment grade—AA, AAA, according to whatever the rating is—and yet they failed. Part of it was because of the way credit rating agencies operate.

Senator LEVIN conducted recently some very good hearings on this issue. The familiarity between the investment bank that is bringing the product to the street and the raters, the interconnectedness, the failure to have the appropriate checks on the models that raters were using, an independent risk analysis within the rating agency that is going to look at these models not for the benefit of who is paying for it but for the propriety and correctness of the model. That is in the legislation.

We have done something else too: We have inserted language that would allow someone who has invested their savings through a pension plan or other method to go to court and make the case that they should find out what happened within the rating agency with respect to the poorly rated investment that caused them to lose their savings. Today, these cases are routinely dismissed before anyone can question the rating agency. Our legislation would allow them to get beyond the pleadings stage. But it would also give the rating agencies an affirmative defense. They would have to factually check their models. They would have to actually look at some of these mortgages. Frankly, this might be 20/20 hindsight, but if someone drove out to one of those counties in Florida where there were all of these exotic mortgages but no one seemed to be living there and the communities were deteriorating, I think they would pretty quickly check their rating. That appears not to have been done.

For the first time, hedge funds are regulated. They would have to register with the SEC and be subject to registration, notifying the SEC of the size of their pool and other basic information.

Well, we have had months of opportunities to share additional thoughts and work together to amend the bill in committee, which was not done, but, more importantly, to begin today—in fact, we should have begun last week—this issue of finally passing a Senate bill that responds to the crisis we saw; that builds a stronger foundation of financial expansion; that protects consumers and taxpayers as well as leads to the increase in the wealth of families, not to the dramatic decrease and decline we have witnessed because of some of these forces at work today in the marketplace on Wall Street, which still have to be addressed.

There will be parts of the proposals that come up that will be an attempt to weaken some of these provisions, particularly with respect to consumer protection. Again, I think it flows from the false logic that if it is good for consumers, it is bad for business. Actually, I always thought, in smalltown business, the customer is always right. You believed the customer, made sure you provided value for your product, and made sure he or she would come back because they were happy and satisfied. Apparently, that old-fashioned rule has been tossed out, but I think that old-fashioned rule has to be reestablished.

We have seen, as a way to deflect attention from the need to reform and the need to move this legislation, misrepresentations about the bill. I mentioned one: It is a bailout bill. Well, I think that has been dropped because it was transparently misleading. Indeed, this bailout mechanism was a bipartisan product of two of our distinguished colleagues, Senator WARNER and Senator CORKER. Now we are at the old standby: It is going to hurt business. I will tell my colleagues what has hurt business, and that is the behavior on Wall Street.

I can recall that several years ago there was a study by the McKinsey Company that said that if we did not loosen further the already, I think, lax rules, we would lose all the securities business; all of Wall Street would go to England or other places; we would lose thousands of jobs. Guess what. They have lost, unfortunately, thousands of jobs there. And it wasn't because regulation was too stringent; it was because it was too lax.

Again, if there is any case to be made for what hurts business, it is irrational allocation of capital; lax rules with respect to consumers; a market driven not by value but by compensation, not by long-term growth but by short-term profit. That is what has cost every family in America \$100,000.

So if we move purposely and with the input of our colleagues, which we have already accepted, we can establish a framework where business will begin to grow again. So I reject the argument that what we are doing will hurt business. In fact, I think this uncertainty of whether we will have this reform or that reform continues to, at least to a degree, impede capital formation and to impede investments in the country. When there are clear rules of the road, then the economy will again begin to pick up, as it is beginning to pick up for other reasons.

If we don't take up this bill, work on it, and pass good legislation, who wins? Well, I will tell my colleagues who wins. It is the big banks that have survived this crisis today, that are reporting record profits. What are they making their money on? Giving loans to small business men and women across America? Investing in municipalities? No. They are making huge profits in trading—betting, in some respects, on how the economy is going to do. Well,

we need a situation in which capital is dedicated to growth and to investment and productivity.

The speculators will continue to reap billions of dollars of profits. I am sure there are several clever people who are doing quite well over the demise of sovereign wealth in Greece, who have taken short positions on Greek bonds and are making a lot of money. That is not helping us, it is not helping the country, and indeed it is not helping our trading partners across the globe. That, unchecked, will continue.

The opaque and unregulated market that I just referred to in derivatives, a \$600 trillion notional market. When you talk to people about clearing of derivatives, it is not billions, no; it is trillions of dollars. That market is unregulated, and if it goes the wrong way quickly, the consequences can be devastating. We have seen that with the mortgage crisis.

So we have to move. We have to move at every level, not just the big banks, but we have to provide appropriate regulation for people in terms of the mortgage industry so those abuses in mortgages will be corrected. We have to go ahead and look at payday lenders who are charging 900 percent interest, who are stripping people of their hard-won resources. We have to look at the credit card companies. We have passed legislation, but we have to look at what they are doing. If those people—the payday lenders and the mortgage brokers—can continue to operate with impunity, the bankers win. Who loses? Well, consumers lose—paying the excessive rates, seeing their homes devalued, all of that.

I think we have to stand up and start the work of legislating. The status quo is no longer affordable, and I think the notion that we will never see another crisis is undercut by looking around. If there are not today some steady hands at the tiller in Europe in terms of the European community and their financial arrangements, the cascading effect of Greece to Spain to Ireland, et cetera, could be another problem we have to deal with.

We have lots of work to do, and the longer we delay, the more we are neglecting the real needs of our constituents. I urge that on the next vote we get down to business.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRANKEN). Without objection, it is so ordered.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent to speak on the motion to proceed for up to 30 minutes.

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

Mr. NELSON of Florida. Mr. President, we have now voted three times—once on Monday, the second time on Tuesday, and a third time today—merely trying to get to the Wall Street financial reform bill. Each time we have been blocked from being able to proceed because we can't muster 60 votes to cut off the debate to get to the bill.

The Republican leadership remains united in opposition to bringing up the bill, at a time in which we have just seen a display of extraordinarily intense, shall we say, arrogance on the part of executives at a major Wall Street firm in the way they conducted themselves in front of Senator CARL LEVIN's investigation subcommittee yesterday in a hearing. It is rather extraordinary that the Republican leadership is not letting us come up with the bill so we can get it out here, debate it, and amend it.

This Senator has a number of amendments that I would like to offer in order to, as we say, perfect the Banking Committee's bill. But we can't even get to that.

I don't know what the thinking of the Republican leadership is that they would do this, especially in light of the fact that the American people want some changes with the way investments are handled on Wall Street. They want to see some movement. They want to see some action. So when we attempt to bring up a comprehensive bill to reform Wall Street and the reckless practices that nearly brought down the global economy, we are prevented from having a free and open debate on the bill and we are prevented from perfecting that bill by adopting amendments.

I guess the Republican leadership's alternative to this, since we can't do it out here in the normal legislative process, is to do this in the backroom, behind closed doors, outside of the sunshine. They want to have a deal cut before it comes to the floor in order to avoid an open and free debate to reform the financial system.

Why do they want to do this? Well, it seems to me common sense would tell us it is because they want to water down the bill. They want to water it down to the point where Wall Street—where we are trying to tighten the screws in order to better regulate them and prevent another near financial meltdown such as we had—will sign off on a final compromise, and that is why they are blocking the motion to proceed to get to the bill.

Does this tactic sound familiar? It is the exact kind of backroom wheeling and dealing the American people have come to resent. The only difference between now and decades ago is that in the old days those deals were cut in smoke-filled backrooms. At least now there is not a lot of tobacco that is being consumed in those backrooms. But what is similar is that the special interests are still calling the shots.

So my plea is that we break this filibuster. Let's get a bill in front of the

Senate so it can be in the full light and the glare of the headlights and the cameras. Let's get it in front of the American people and then let's let the legislative process work its will as we amend the bill.

Listen to some of the arguments the Republican leadership, over and over and over, has used. They have said the Banking Committee bill guarantees future bailouts. Well, that is not true. It might be a good sound bite, but it is simply untrue. The Banking Committee bill puts an end to the promise of future bailouts.

The Republican leadership attacks the \$50 billion resolution fund created in the bill. This Senator is not convinced we need that fund, and I am certainly not convinced it is going to survive the debate on the floor, but we ought to have some honest debate about that particular provision. The fund is paid for in the Banking Committee bill directly from the coffers of the largest banks. The fund acts, in the way it is devised by the Banking Committee, as a buffer to protect taxpayers so that if there is another breakup, another potential meltdown, the fund is there—already funded by the banks—so the taxpayers don't have to go in and do the rescue operation such as we have done in the past.

Under the Banking Committee bill, the fund can only be used to liquidate a financial institution, to break it up. In short, it is a funeral tax. It is a funeral tax on the largest banks, not the taxpayers. The \$50 billion fund in that Banking Committee bill only gets tapped to pay for their funeral expenses.

So here we are. The American people hear the Republican leadership talking about all this, and it is a red herring. The American people want action, and here we are stuck in procedural gridlock. Guess who the only real winners are. As we sit here, trying to break a filibuster on Monday, again Tuesday, and again today, shortly after noon, the only winners are the Wall Street bankers who have mastered the art of using the broken financial regulatory system to almost bring down the country's finances by deceiving investors and, ultimately, in order to save our system, milking the American taxpayer.

One of the major beneficiaries of the current system is the credit rating agencies. This is a subject matter the Senator from Minnesota—who now sits in the Presiding Officer's chair—has some familiarity with and on which he will be offering an amendment. This Senator is going to join him in that amendment. Credit rating agencies—something that normally is down in the weeds because it is so complicated—are private companies that assess the creditworthiness of various types of debt instruments, such as bonds and mortgage-backed securities, as well as the issuers—rating the issuers of those instruments.

They typically assign a letter grade that is designed to convey the risk of

default, and there are three major credit rating agencies on Wall Street: There is Moody's, there is Standard & Poor's, and there is Fitch Ratings. For most of the last century, the rating agencies were paid by investors who subscribed to their services. Why did they do that? Because it made sense. Investors were the ones who were investing their money and they were the consumers of the ratings. They wanted the best information regarding the risk that they would have in that investment.

Well, unfortunately, in the 1970s, all this changed and the business model flipped. The rating agencies began charging the issuers of the bonds, not the people who were seeking to know if it was a good credit risk in order to invest their money. It was reversed. It was the very issuers of the credit, rather than the investors, who were charging for their services. So beginning in the 1970s, rating agencies began to be paid by the very same people who had a vested interest in receiving a high investment grade.

Think about that. The very issuers of the bonds who wanted people to invest their money in these bonds needed a high credit rating on that bond in order to get people to invest. If they could be rated at AAA, as opposed to B, people were much more willing to put their money into this instrument.

Well, talk about a conflict of interest. Now the issuers of the bonds, who have an interest in a high AAA rating, go out and hire the services of the credit rating agencies.

Did you ever hear the old adage, "He who pays the piper calls the tune"? Well, those who were going to pay the piper were going to call what that tune was. Do you think if you are paying the bill to the credit rating agency that you have a better chance of getting a AAA rating than a lower rating? Of course you do. That is a walking conflict of interest.

How could we allow this unavoidable conflict of interest to exist and allow it to exist since the 1970s is unfathomable and unbelievable. Yet that is the way it is. Credit rating agencies failed miserably in the runup to the financial crisis, and it sure looks like—looking backward—they put profits ahead of professionalism. They failed to detect the severe deterioration in lending standards that began in the late 1990s. They failed to review all available information about the loans on which the securities they were rating were based. The conflict of interest in their business model gave the rating agencies an enormous incentive to overlook problems in mortgage-backed security markets.

In 2006, Congress passed the Credit Rating Agency Reform Act. I put that in quotes, the Credit Rating Agency "Reform" Act. The bill was written in the Senate by the Republican leadership, and it had the full sign-off of the credit rating industry. Here is what the bill did—2006. It standardized the proc-

ess for registering rating agencies, and it gave the SEC some new oversight powers over rating agencies. At the same time, however, this so-called reform act prohibited the SEC from regulating "the substance of credit ratings or the procedures and methodologies by which any rating agency determines credit ratings." It gutted the ability to double-check credit rating agencies.

Furthermore, to add insult to injury, the act also clarified that it creates no private right of action. So if a party invested in a particular financial instrument because that credit rating was high, and it turned out to be a dog and they lost lots of money, they had no private right of action through the courts.

No wonder the industry supported that legislation back in 2006. The bill, written by the Republican leadership, took away any power of Federal regulators that they might have had to crack down on the baseless credit ratings that were fueling the boom in subprime lending. To make matters worse, the bill made it clear it was not empowering the private sector to hold the credit rating agencies liable for their ratings.

The bill we hope one day, at some hour, to get to the floor so we can start working on it does some important things to improve credit rating agencies. It requires these agencies to disclose their methodologies and their ratings track record. Wouldn't you think you would want to know their track record if you are going to invest a lot of money based on their triple-A rating? It requires agencies to consider information in their ratings that comes from outside sources. But when it comes to addressing the fundamental conflict of interest in the credit rating agency business model, this bill coming out on the Senate floor falls short.

It would require the rating agencies to separate ratings activities from their sales and marketing activities, and that is like saying my left arm has no idea what my right arm is doing. In reality, it is the brain in your head that controls both the right arm and the left arm, and no one is proposing to chop off the head. So we have to deal with this conflict of interest, and we are going to. Here is what we are going to do.

We are going to do this with the help of the Presiding Officer of the Senate. We are going to offer an amendment that would establish a clearinghouse to randomly assign rating assignments with rating issuers. As simple as that, we can end the conflict of interest in the credit rating industry if, randomly, it is going to be assigned among companies that rate issuers of financial instruments.

Second, this Senator is going to offer an amendment to require the rating agencies to monitor, to review, and to update their credit ratings after the initial issuance of their credit rating so it does not become stale. They are going to have to continue to look at it,

to review it, to update it, and to publish it. The rating agency should not be able to walk away from a rating after it has been issued. It is going to be fresh. The rating agencies ought to conduct continued surveillance of these securities and update them along the line.

The credit rating agency reform is just one of the many areas the Senate needs to debate. But as long as the Republican leadership continues to prevent the bill from coming to the floor, this broken system remains in place. The Wall Street bankers win and the American public loses.

Let me give some other examples. Remember the name "AIG"? It was this Goliath organization that started out as an insurance company. It became this huge financial institution. The core product of this company was its insurance. It was deemed too big to fail at the time of the near meltdown of our financial system. This was back in the fall of 2008.

It was deemed that when we passed the Troubled Assets Relief Program, TARP, that money had to go into this big, Goliath organization, all the way to the tune of about \$80 billion of taxpayer money, as I last recall. It may be a lot more than that.

Guess what this did. They had already issued, in effect, an insurance policy that had a fancy name. It was called a credit default swap. It was an insurance policy against some of the companies if their investments went bad. That is not bad. But what happened was, when the American taxpayer dollars went in to save AIG, AIG took those taxpayer dollars and turned around and paid off those insurance policies, 100 cents on the dollar. Is that fair, when folks like some of these folks who have been in the news recently, such as Goldman Sachs, got paid off to the tune of \$13 billion instead of going in and negotiating a lower payoff since it was taxpayer money? We ought to change that, and I think we will if we can ever get to the bill, if the Republican leadership will ever allow us to get to the bill.

Let's take another example. What about the same insurance policies called credit default swaps? Let's say the same set of circumstances with AIG occurred, but AIG had not been bailed out by the American taxpayer and instead had gone into bankruptcy. AIG, in this hypothetical example, had a lot of creditors that would get in line under the bankruptcy law to get whatever they could. But, oh, no; these insurance policies called credit default swaps would be exempt from the bankruptcy laws. They would get paid off in full first instead of having to get in line with all the other creditors under the bankruptcy law.

That is not right. This Senator is going to have an amendment to the Banking Committee's bill to correct that. There is no reason those insurance policies should be at the head of the line of everybody else in the case of bankruptcy.

Are we pleased about the executive compensation of some of these folks who have nearly caused the financial collapse of our country? When taxpayer money, through the TARP system, was bailing out these institutions—whether it was directly, such as into AIG, or directly into a place such as Bank of America, or whether it was indirectly coming through these credit default swaps that were getting paid off 100 cents on the dollar that I just described, through the conduit of AIG—what was happening to the compensation of those executives? Were they still getting bonuses? Were they still getting high salaries? Were they having to tighten up their belts when, in fact, their financial institutions were kept alive by the American taxpayer bailing them out?

No, we didn't see that tightening of the belt. We did not see any evidence of humility. We didn't see any evidence of appreciation. But, instead, we saw arrogance displayed through huge bonuses that were being given with a total disregard for the American people's sacrifice, of putting their hard-earned taxpayer dollars in to save those financial institutions.

Mr. President, I think you will see once we get out here on the floor that we are, in fact, going to get a number of amendments, including the amendment of this Senator, on a limitation—not on executive compensation but a limitation on the ability to deduct from their tax liability excessive executive compensation, and a tie of that excessive executive compensation to, in fact, performance for that company that pays their salary. We are going to see that. Sooner or later, we, in fact, are going to get to the bill, even though the Republican leadership continues to try to obstruct and delay because sooner or later the American people are going to have their way. They clearly want Wall Street financial reform.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise today to speak on the financial regulatory reform, and particularly the effect of the Dodd proposal that came out of the Banking Committee on which I sit, that we have been voting on cloture on for this whole week.

I heard Senators from the other side talk about delay; the Republicans are delaying this bill. I have heard them for the last week say it is because we are siding with Wall Street, Republicans are siding with Wall Street.

That is odd to me because it is the Wall Street big banks that are for this bill. It is Citigroup, it is Goldman Sachs that are in support of this bill. They are publicly supporting the bill.

It is the community banks that are flooding my office and the offices of my colleagues. It is the community banks that had nothing to do with the financial meltdown that are hugely concerned with this bill.

That is the issue. The groups that are opposing Dodd's bill are the National Federation of Independent Businesses, the small businesses of our country; the U.S. Chamber of Commerce; Americans for Tax Reform; the Americans for Limited Government; Freedom Works; the National Taxpayer Union; the United States Automobile Association.

We have had auto dealers in our offices all week who are very concerned about not being able to get credit from the little banks and the ability to finance the buying of automobiles. It is the Military Officers Association that has concerns with this bill; the National Council of Farmer Cooperatives; the Farm Credit Council; the National Association of Home Builders; the Fertilizer Institute.

This is a bill that is going to affect our economy. So many of the groups I have named are the groups that are providing jobs in our country that we want to encourage to create more jobs, not discourage in a time such as this. So, yes, Republicans have been trying to have input on this bill. There has not been any Republican input at all. If we have learned one thing as Republicans, it is that we know what it is like to be completely shut out. We were completely shut out of the health care debate. We had amendments offered day after day after day. Oh, the process worked. Not one Republican amendment was passed. Not one. Neither was there one Republican vote in the House or Senate on the health care bill. So we have had that experience. So this time, because we see the dangers in the Dodd bill to our economy and the small businesses and the small banks, we are saying we are not going to let this bill go to the floor if we have the power to stop it until there is Republican input.

The biggest failure in the bill is that it still allows taxpayer bailouts. That is wrong. That is why Republicans are voting not to bring it up yet, because we are trying to change the language in the bill before it comes to the floor to assure that the taxpayers will not have the responsibility to bail out big financial institutions that took gambles with other peoples' money. That is the holdup.

This bill is not a bill that is favored by community and little banks. It is favored by the big banks. It is favored by Goldman Sachs and Citigroup. So let's be clear about that. As we consider the bill before us, the Dodd bill, it should focus on the gaps and holes in regulations that led to our nation's financial crisis from which we have not yet recovered, because there are still millions of people who are unemployed because of the financial crisis.

We must end too big to fail. We must end taxpayer bailouts. That is not done in this bill, and that is why Republicans are saying: Stop this bill from coming to the floor until it does at least that one major thing; that is, to be clear, that we stop too big to fail in this country.

Putting the big banks in one level of operation and scrutiny and one level of access to the Fed, which this bill does, the Fed keeps its scrutiny of every bank company holding company of \$50 billion or more in assets. That is it. All of the other banks in our system throughout our country are not allowed access to the Federal Reserve. They cannot be members of the Federal Reserve under the Dodd bill. That is the major reason I am not supporting this bill.

In fact, I have an amendment, if this bill comes to the floor, I am going to offer that says the law today will prevail, that is, that community banks may join the Fed, the State-chartered banks may join the Fed, because if you do not do that, you are going to give the impression that the \$50-billion-and-above banks are in one category, that they are going to be taxpayer protected. That means they are going to be able to give lower rates in competition with the community banks because it will be perceived that the risk is less.

That is not what we ought to be doing. So I am going to offer an amendment to the Dodd bill which would eliminate that part of the Dodd bill that takes away Fed access to the community banks. The other reason it is important is that we have regional Fed banks. The reason it was set up that way is so that throughout the country the Federal Reserve would be able to make monetary policy with input, with input from Kansas City, and Dallas, and Houston, and San Antonio, and Los Angeles, and San Francisco, and San Diego, and Minnesota, and Wisconsin.

That was the concept of the regional Fed bank. Let me give you an example. The Federal Reserve Bank of Dallas is headed by Richard Fisher, who came to see me last week. He said: I would go from regulating about \$70 billion in bank assets, with all the community bank members that we have in the Dallas Regional Fed, to 3.

If the Fed is going to listen in Washington, when they are making the monetary policy, to the Kansas City Fed chief who completely agrees that we need to keep access for State and community banks to the Fed, for their information, as well as the level playing field. So that will be my amendment.

Community banks did not cause the financial meltdown. In fact, they provided lending and depository services to families and small businesses across Texas and across our country. Even in the hard times they were mostly the ones that helped small business get their inventory loans and the help they needed for liquidity.

A lot of people I talked to in my home State, when I visit the small businesses and the community, felt as though nobody was lending. The big banks certainly were not. So the community banks are continuing to make credit available, much more than the big banks, so businesses and consumers

can invest and create jobs that will lift our Nation into a recovery.

Do not talk to me about recovery when it is still a jobless—that is an oxymoron—a jobless recovery. There are millions of people out there unemployed. Is that a recovery? No. “Jobless recovery” should be out of our lexicon. That is wrong. If we are going to build jobs in this country, it is going to be through small businesses. The big businesses are not hiring. Do you know why the stock market is up right now? It is because the big businesses are not hiring. They have lowered their costs. Yes, they are more profitable because they are working with fewer people. I do not consider that a success. I think we have to save our community banks. This bill before us is going to hurt them. That is why we are holding it up.

I wish I could say that is the only part of the bill that hurts community banks, but there is another part. It is the Consumer Financial Protection Bureau that is created in the Dodd bill that will add a new layer of regulations and a new agency issuing new regulations that will affect those same community banks that are already fully regulated.

We have seen the effect of poor and predatory lending standards in this financial meltdown. We need reform in that area. Americans should understand all the terms of a transaction, and they need to be creditworthy. Subprime loans to people who are not creditworthy are not healthy for our economy. We have learned that for sure. We do not need a new bureaucracy housed in the Fed but without Fed oversight, which is sort of a non sequitur. But that is the way it is in this bill, which I hope we can change. Community banks are already regulated. They have all of the regulations, either State bank regulation or by the FDIC insuring them, requiring reserves. They are doing their job.

The new agency would remove safety and soundness from consumer protection and have unlimited and unchecked rule-writing authority. The legislation does include an exemption which would allow a community bank with less than \$10 billion in assets to retain examination from its prudential regulators, or the regulators they have now.

But the exemption is false because community banks will still be subject to the new agency’s new rules, pricing, and prohibitions, all of which will only serve to curtail consumer credit options.

Enhancing consumer protections should instead focus on leveraging the experience of agencies that are already in place, such as the Federal Trade Commission. I am the ranking Republican on the Commerce Committee. I see the work the FTC is doing on a daily basis to stop unfair and deceptive practices that prey on consumers of financial products and services offered by nonbank entities such as mortgage loan services.

As an example, in 2009 alone, the FTC and the States, working together closely, brought more than 200 cases against firms that peddled phony mortgage modification and foreclosure rescue scams. Rather than focusing on too big to fail or the practices of large banks, the Dodd bill overreaches and threatens the authority of the FTC to protect consumers of nonbank financial products, as it has for many years.

The FTC wrote a letter to me as ranking member of Commerce, and our chairman, Jay Rockefeller, and asked for assistance with preserving their consumer protection and enforcement authority. I am working now with Chairman ROCKEFELLER. He is very focused on this. I can tell you he is very focused, because I talked to him on the telephone yesterday several times, including at 8 o’clock last night, because he is so concerned that we are not going to fix this bill to make sure the FTC is not shut off from what it already does, what it already has in place, with a new overlay of a new agency that does not have the experience, that does not now exist, and would need startup time and more taxpayer dollars.

Instead, Senator ROCKEFELLER will have an amendment, and I will cosponsor it, that will keep the FTC exactly where it is now with the enforcement actions against companies that offer nonbank financial products. I hope Senator DODD will work with us on that amendment. In fact, I am going to expand it even beyond that and say: We should put all of the nonbank regulation into the FTC instead of this new agency that will be another bureaucracy that will be confusing in many instances to the banks which are already regulated.

I hope we can do something in this bill that is right in the regulatory area, and particularly the area that contributed to the financial meltdown, such as the nonbank financial institutions, not the banks. The community banks did not have a part in this financial meltdown. I hope we can fix this bill when it comes to the floor.

It appears that the chairman of the Banking Committee and the ranking Republican, Senator DODD and Senator SHELBY, have come to an agreement on the language that will tighten and close the loophole in too big to fail. We are going to hear exactly what that language is in a few minutes in our Republican caucus. That will be very good for us to be able to then come to the floor, if the Democrats will allow Republicans to have some input into this bill on the other issues, such as Federal Trade Commission jurisdiction, the new consumer agency that I think is overreach and overkill, and most certainly to keep community banks without a competitive disadvantage against the big banks. I want a level playing field because I don’t want the community banks to suffer in this country. They are the lifeblood of the heartland, and they are in peril with this bill.

I am somewhat frustrated at hearing some of the speeches in the last week that have railed against Republicans for holding up this bill. Sometimes “no” is the right answer because if we bring a bill to the floor with no ability to amend it and we don’t fix too big to fail, then once again, like the health care reform bill that was jammed through the Senate and the House with no Republican support and no input, we will be doing it to our economy and our financial institutions. I hope we will not do that again.

I hope that we will have a bill we can all agree closes the loopholes on too big to fail so that taxpayers will not be on the hook again for big financial institutions that bet with other people’s money on fancy derivatives and all of the hedges that don’t make sense; that we protect the hedges that do make sense, that are used by the end user to keep a budget in place rather than passing big price hikes on to consumers in oil and commodities. That is what derivatives are supposed to be for, and we don’t need to stop that. We just need to know what is in those big derivatives so that people will have the information and so will the regulators.

We can do this job right. This should not be political. Democrats and Republicans aren’t going to get an advantage for passing a financial regulation bill because most people are not going to know how it will affect them until it is passed and in place. Why don’t we do it right? Let’s bring the bill to the floor with some key parts that are agreed to, and then let’s start having amendments. I am not saying every Republican amendment should pass, but I think it should have a fair hearing. And I think some of them should pass if this bill is going to pass the test of a true bipartisan bill that will have more than just a partisan vote out of the Senate.

I thank the Chair for listening—not that it was his choice, but I appreciate it anyway.

I hope we will do the right thing on this bill. It will affect our financial communities, every community in Texas, and especially small businesses and community banks that are going to be the reason we recover, if we do this right.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mr. GRASSLEY. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. GRASSLEY. I ask unanimous consent to speak for 12 minutes as in morning business.

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

GENERAL MOTORS AND TARP

Mr. GRASSLEY. Mr. President, I ask unanimous consent to have printed in

the RECORD at the end of my remarks some letters to which I will refer.

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

(See exhibit 1.)

Mr. GRASSLEY. Mr. President, last Thursday, I wrote Secretary Geithner asking why the Treasury Department allowed General Motors to use TARP money from a Treasury escrow account to repay its multibillion-dollar TARP taxpayer loan. This afternoon, I received a response from Treasury. I would like to say a few words about the reply and the questions that remain unanswered.

Last week, Treasury and GM announced with press releases and nationwide TV commercials that GM had repaid its TARP loans “in full, with interest, ahead of schedule, because more customers are buying [GM vehicles].”

However, the hype does not match the reality. Taxpayers have not been repaid in full—far from it. Many billions of TARP dollars remain invested by Treasury in GM, and much of it will never be repaid. The Congressional Budget Office estimates that taxpayers will lose around \$30 billion on GM.

In addition, the payment that occurred last week did not come from revenue GM earned by selling cars, despite what was claimed. Instead, Treasury allowed GM to use funds in a separate escrow account to pay its TARP debt. The Treasury Department’s response to me today makes a point of saying that GM “owns” the money in the escrow account, as if that somehow justifies all the hoopla about GM’s so-called “repayment.”

Well, let’s look at how GM came to “own” those escrow funds in the first place. The escrow funds were part of the TARP money Treasury paid for GM stock coming out of the bankruptcy. The money was supposed to be used by GM for expenses, as Treasury concedes. Treasury had the power to approve or disapprove GM’s use of the money to repay the TARP taxpayer loan. Treasury approved, and GM pretended it was paying the loan back from revenue because business had improved.

Business may have improved, but that is not how they paid the loan. Taking TARP money out of one account to pay back TARP loans in another account is not at all the same as paying off a loan with earnings, as GM’s TV commercials imply they have done. That is why I called it “an elaborate TARP money shuffle” and nothing in Treasury’s reply today changes that.

The public would know nothing about the TARP escrow money being the source of the supposed repayment from simply watching GM’s TV commercials or reading Treasury’s press release. Treasury’s letter today says all these details are public knowledge and nothing new. Well, that may be technically correct, but it wasn’t clearly communicated that way to the average citizen. Most Americans don’t pore

through SEC filings and special inspectors general reports.

The GM commercial also did not mention that GM could have used the TARP escrow funds to repay a \$2.5 billion 9 percent loan it received from its union health plan as part of the bankruptcy process. The union loan runs until 2017. The TARP loan was at 7 percent and ran until 2015. What sort of money manager would advise you to pay off a lower interest loan before a higher interest loan? GM and Treasury have still not explained that, and I have asked the TARP watchdog, Special Inspector Neil Barofsky, to get to the bottom of it. And to make matters worse, Treasury has admitted that it let GM take an additional 6.6 billion of TARP dollars out of the escrow fund last week with no strings attached. That money, too, could have been used to repay the high interest union loan.

There are reports that GM also applied to the Department of Energy for a \$10 billion 5 percent loan to retool its plants to meet fuel economy standards. GM seems to be using government money to pay back government money, and then asking for more government money at a lower interest rate. It sounds like a plan to refinance GM’s government debt with more taxpayer money—not pay it back.

GM had to ask permission from Treasury to use the taxpayers’ stock investment to pay off the taxpayers’ loan. Treasury’s response to my letter says that “Treasury retained approval rights over GM’s use of funds from the escrow account in order to protect the taxpayer.” Well, why didn’t they protect the taxpayer then?

Why would Treasury allow GM to use its equity investment to pay off the loan when it means giving up the legal right to 7 percent rate of return for the taxpayers in exchange for essentially nothing? Since the taxpayer has an equity stake in the company, it’s true that future growth of GM could theoretically make taxpayers whole, but taxpayers already had that equity interest before this latest transaction and didn’t get any more equity as a result of the transaction.

Another key question is: Why would GM orchestrate a major media campaign to make the public think this all represents some big accomplishment by GM when the truth is that the taxpayers are still on the hook for billions that we may never recover?

Using the taxpayers’ stock investment in GM to reduce its debt to the taxpayers is not the same as repaying that debt from money actually earned by selling cars. Treasury’s reply today does not explain why it approved this transaction. Maybe it is a step in the right direction, maybe not. But instead of misleading the American people, we should be clear and up front about what happened here.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, April 22, 2010.

Hon. TIMOTHY F. GEITHNER,
Secretary, U.S. Department of the Treasury,
Washington, DC.

DEAR SECRETARY GEITHNER: General Motors (GM) yesterday announced that it repaid its TARP loans. I am concerned, however, that this announcement is not what it seems. In fact, it appears to be nothing more than an elaborate TARP money shuffle.

On Tuesday of this week, Mr. Neil Barofsky, the Special Inspector General for TARP, testified before the Senate Finance Committee. During his testimony Mr. Barofsky addressed GM's recent debt repayment activity, and stated that the funds GM is using to repay its TARP debt are not coming from GM earnings. Instead, GM seems to be using TARP funds from an escrow account at Treasury to make the debt repayments. The most recent quarterly report from the Office of the Special Inspector General for TARP says "The source of funds for these quarterly [debt] payments will be other TARP funds currently held in an escrow account." See, Office of the Special Inspector General for TARP, Quarterly Report to Congress dated April 20, 2010, page 115.

Furthermore, Exhibit 99.1 of the Form 8K filed by GM with the SEC on November 16, 2009, seems to confirm that the source of funds for GM's debt repayments was a multi-billion dollar escrow account at Treasury—not from earnings. In the 8K filing GM acknowledged:

Of the \$42.6 billion in cash and marketable securities available to GM as of September, 30, 2009, \$17.4 billion came from an escrow account with Treasury,

\$6.7 billion of the escrow account available to GM was allocable to the repayment of loans to Treasury,

\$5.6 billion in cash would remain in the Treasury escrow account following the repayment by GM of their loans, and

Upon repaying Treasury, any balance of escrow funds would be released to GM.

Therefore, it is unclear how GM and the Administration could have accurately announced yesterday that GM repaid its TARP loans in any meaningful way. In reality, it looks like GM merely used one source of TARP funds to repay another. The taxpayers are still on the hook, and whether TARP funds are ultimately recovered depends entirely on the government's ability to sell GM stock in the future. Treasury has merely exchanged a legal right to repayment for an uncertain hope of sharing in the future growth of GM. A debt-for-equity swap is not a repayment.

I am also troubled by the timing of this latest maneuver. According to Mr. Barofsky, Treasury had supervisory authority over GM's use of these TARP escrow funds. Since GM's exit from bankruptcy court, Treasury had approved the use of the escrow funds for costs such as GM's obligations to its parts supplier Delphi. See, Office of the Special Inspector General for TARP, Additional Insight on Use of Troubled Asset Relief Program Fund (SIGTARP-10-004), dated December 10, 2009, at page 6. According to the GM 8K, GM had planned to use the TARP funds in escrow to pay back the TARP loans on a quarterly basis beginning in the fourth quarter of 2009. But following the April 20, 2010, hearing of the Senate Finance Committee, where Treasury's decision to exempt GM from the bank TARP excise tax was questioned and GM's refusal to testify was noted, it is odd that GM suddenly drew down on the TARP escrow and accelerated the repayment of the remaining balance of GM's outstanding TARP loans.

The bottom line seems to be that the TARP loans were "repaid" with other TARP funds in a Treasury escrow account. The TARP loans were not repaid from money GM is earning selling cars, as GM and the Administration have claimed in their speeches, press releases and television commercials. When these criticisms were put to GM's Vice Chairman Stephen Girsky in a television interview yesterday, he admitted that the criticisms were valid:

Question: Are you just paying the government back with government money?

Mr. Girsky: Well listen, that is in effect true, but a year ago nobody thought we'd be able to pay this back.

Mr. Girsky then said that GM originally planned to pay the loan over the next five years. So the question is why—other than a desire to justify excluding GM from the administration's TARP tax proposal—would Treasury and GM reduce GM's TARP debt with TARP equity and then mischaracterize it as a repayment from earnings? Accordingly, please explain:

Your department's justification for allowing GM to use funds from the TARP escrow account to repay TARP loans,

The amount of funds remaining in the TARP escrow account at Treasury that may be released to GM, and

The date that you anticipate that the remaining funds in escrow will be released to GM.

Thank you in advance for your cooperation. Please provide the requested information by April 30, 2010. Should you have any questions regarding the contents of this letter please do not hesitate to contact Jason Foster. All formal correspondence should be sent electronically in PDF format to Brian_Downey@finance-rep.senate.gov.

Sincerely,

CHARLES E. GRASSLEY,
Ranking Member.

DEPARTMENT OF THE TREASURY,
Washington, DC, April 27, 2010.

Hon. CHARLES E. GRASSLEY,
U.S. Senate, Washington, DC.

Dear SENATOR GRASSLEY: Thank you for your letter dated April 22, 2010 to the Secretary regarding General Motors' (GM) repayment of its loan from the Department of the Treasury. He asked me to respond on his behalf.

Your letter states that the repayment of the loan was made with funds from "an escrow account at Treasury" and that it constituted a "debt-for-equity" swap. These statements are not accurate.

On April 20, GM repaid the Treasury loan with cash in an escrow account that it owns. The escrow account was created last summer in connection with the restructuring of GM. The money used to fund the escrow account came from a portion of the proceeds of a loan made by both the Treasury and the Canadian government. The escrowed funds were expected to be used for extraordinary expenses, and a portion of the funds were so used. Treasury retained approval rights over GM's use of funds from the escrow account in order to protect the taxpayer, but the cash was still the property of GM.

In making its April 20 loan repayment, GM determined that it did not need to retain the escrowed funds for expenses. The fact that GM made that determination and repaid the remaining \$4.7 billion to the U.S. government now is good news for the company, our investment, and the American people. Consistent with Treasury's goal of recovering funds for the taxpayer and exiting TARP investments as soon as practicable, we approved GM's loan repayment.

It has long been public knowledge that GM would use these specific funds to repay the

Treasury and Canadian loans, if it did not otherwise need them for expenses. Under GM's loan agreement with Treasury, any funds in the escrow account on June 30, 2010 had to be used to repay the Treasury and Canadian loans. We have highlighted the repayment requirement in our monthly Section 105(a) reports to Congress. During a meeting last fall, we also informed the staff of the Special Inspector General of TARP (SIGTARP), Neil Barofsky, that we expected GM to use these funds to repay these loans. In fact, according to the SIGTARP Report on the Use of Funds (released on December 10, 2009), "GM officials stated that it intends to seek release of additional escrow funds to repay its outstanding \$6.7 billion loan to Treasury and \$1.3 billion loan to the Canadian Government."

After the full repayment of the Treasury loan, approximately \$6.6 billion remained in GM's escrow account. These funds became unrestricted on April 20 and available for GM's general use.

In addition, it is not correct that the timing of the repayment was motivated by concurrent Senate hearings. In fact, GM's Board of Directors approved the loan repayment at its monthly meeting on April 13, 2010.

As is widely known, Treasury continues to hold \$2.1 billion in preferred stock and 60.8% of the GM's common equity that it received in the restructuring in July 2009. Treasury will begin selling equity once GM makes an initial public offering.

Thank you again for your attention to this important matter.

Sincerely,
HERBERT M. ALLISON, Jr.,
Assistant Secretary for Financial Stability.

RESERVE NOTICE

U.S. DEPARTMENT OF THE TREASURY,
1500 Pennsylvania Avenue, NW.,
Washington, DC.

Attention: [XXXXXX]
Telecopy: [XXXXXX]
Email: [XXXXXX]

with a copy to:

The U.S. Department of the Treasury,
1500 Pennsylvania Avenue, NW.,
Washington, DC.

Attention: Cash Management Officer
Telephone (for borrowing requests):
[XXXXXX]
Email: [XXXXXX]

Reference is made to that certain \$7,072,488,605 Second Amended and Restated Secured Credit Agreement dated as of August 12, 2009, as amended, supplemented or modified from time to time (the "Credit Agreement"), among General Motors Holdings LLC, a Delaware limited liability company (the "Borrower"), the Guarantors named therein and The United States Department of the Treasury (the "Lender"). Terms defined in the Credit Agreement and not otherwise defined herein are used herein with the meanings so defined.

In connection with the repayment in full of the outstanding Loans and other Obligations on April 20, 2010 (the "Repayment Date"), the Borrower hereby requests that a Reserve Disbursement in an amount equal to the entire amount of the Reserve Funds (the "Disbursement") be made as described below.

\$4,684,964,350.73 of the proceeds of the Disbursement shall be used to pay the entire outstanding amount of the Loans and other Obligations, including all accrued and unpaid interest on the Loans, on the Repayment Date.

In accordance with Section 4.2(e) of the Credit Agreement, the balance of the proceeds of the Disbursement shall be retained by the Borrower.

The Borrower hereby requests that the proceeds of the Disbursement be made available to it as follows:

A. On the Repayment Date, \$4,684,964,350.73 to be wired to:

Bank: [XXXXXX]
ABA No: [XXXXXX]
Beneficiary: [XXXXXX]
Account No.: [XXXXXX]

B. On the Repayment Date or on any date thereafter, as shall be determined by the Borrower in its sole discretion, all remaining amount of the Disbursement or a portion thereof, as shall be directed by the Borrower in its sole discretion, are to be wired to:

Bank: [XXXXXX]
ABA No: [XXXXXX]
Beneficiary: [XXXXXX]
Account No.: [XXXXXX]
General Motors Holdings LLC
By: [XXXXXX]
Dated: April 19, 2010.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. KLOBUCHAR. Mr. President, I rise to discuss the very important bill we are very hopeful we can move on today to start the debate on Wall Street reform. I understand there may be an agreement to move forward with this bill. We don't know that yet. If it is true that we have an agreement to start the debate on this bill, then it is very fitting that I go through why this bill is so important. If we don't have an agreement, then it is even more fitting because we know the American people got severely hurt by the crisis on Wall Street, by the fall of many of our financial institutions, and they were not the ones who were supposed to be hurt. So we need to fix this so it doesn't happen again.

Nearly 3 years after the financial system began to melt down, America continues to suffer the effects of the worst economic crisis since the Great Depression. Millions of Americans have lost their jobs, homes, and their retirement savings. Although some key indicators are beginning to move in the right direction, many families, such as those we know in Minnesota, are still struggling, and the economic damage is very slow to heal in their towns.

On Wall Street, however, it seems to be back to business as usual.

Last year, Wall Street's largest firms handed out record bonuses totaling nearly \$146 billion, an 18-percent increase from 2008. Meanwhile, overall U.S. per capita income declined 2.6 percent. So it is little surprise that Wall Street financiers are not enthusiastic about reforms that could change the way they do business. In fact, some of them claim Wall Street just has a few potholes that need fixing. Well, I think they need more than that. What Wall Street needs is more stop signs and key intersections and some good traffic cops.

This bill we have is the product of months of bipartisan negotiations. For the first time ever, this bill would create a nine-member financial oversight council chaired by the Treasury Secretary and made up of Federal financial regulators. This council would serve as an early warning system for systemic risk, something that was clearly lacking 3 years ago when these institutions that people were advertising as gold and their investments as gold went tumbling down onto the people of this country.

The domino effect of deeply interconnected financial companies, such as insurance giant AIG, didn't just create economic ripples, they sent a tsunami surging through the entire economy. This financial oversight council will be charged with scanning the system for systemic risks and putting speed bumps in place to ensure we never see a crisis such as this one again. This council will, for the first time, bring the regulators together to form a picture of the entire system, so one regulator will not be dealing with one problem while another is dealing with another with no information being shared. This way there will be one place where they can look at the entire financial system and look for those warning signs of problems.

This bill will also stand at the intersection and make firms slow down by increasing the costs of being large and complex. The most interconnected firms will be required to hold larger levels of capital to minimize their risk to the system if the investments go bad. All we are asking for, so taxpayers don't have to bail out these firms, is that they have significant resources and enough resources on hand in case they face troubled times again. If firms are going to create risk to the system, they need to take some responsibility. We clearly saw in this crisis what a lack of capital can do, how it can bring a firm to the brink, and the downward spiral it can cause when they are unable to attract new investors.

As much as we would like, we simply can't predict how a future crisis might unfold. I believe one of the most important lessons we can take from this crisis is that the American taxpayer should never again be left on the hook for the unconscionable bets of Wall Street. The American taxpayers' money is not meant to be used to play games within a casino, where you can throw their money around and then maybe some of it will come back and some of it will not. We have to make sure this doesn't happen again. Preventing American taxpayers from being forced to bail out financial firms starts with strengthening big financial firms to better withstand stress, looking out for systemic risk, and putting a price on activities that pose a risk to the financial system.

In the event that a firm was to fail, this bill creates a safe way to liquidate failed financial firms that will not leave the taxpayer on the hook. First

of all, it updates the Federal Reserve's authority to allow systemwide support but no longer allows it to prop up an individual firm. Second, it requires large, complex financial companies to submit plans for their rapid and orderly shutdown should they start to go under. These plans will help regulators understand the structure of the companies they oversee and serve as a roadmap for shutting them down if the company fails.

Under this plan, most large financial companies are expected to be resolved through the bankruptcy process. Bankruptcy allows those who invest in a firm to better access their risks, and it allows the possibility that a company will emerge again in some way intact. If we have a situation where a firm would not go into bankruptcy and its failure could bring down the whole system, we make the process of resolution as hard as we can on that firm. We start by shutting down the business and throwing out those who caused the mess. This is a very different route than we took in this crisis where we propped up firms and kept them alive because of the risk it was going to pose for the entire financial system. We don't want to be in that position again. The taxpayers don't want to be in that position again.

If a firm chooses our resolution, the Treasury, the FDIC, and the Federal Reserve must first all agree to put a company into the orderly liquidation process. A panel of three bankruptcy judges must then convene and agree within 24 hours that a company is insolvent. At that point, the FDIC would step in and resolve the firm through this orderly process and in a way that doesn't harm the overall system. The cost of resolution would be paid for not by the taxpayer but by a \$50 billion fund built up over time—and this is key—paid for by the industry, paid for by the industry, not by the taxpayers.

Finally, I wish to talk about a key portion of the bill that came out of the Agriculture Committee, a committee on which I serve, led by Chairman LINCOLN. The portion of that bill I wish to talk about is the focus on transparency and accountability to the over-the-counter derivatives market.

Bringing transparency and accountability to the over-the-counter derivatives market is essential to our economic system and the American taxpayer and is as important as any other piece of reform we are going to be debating. Reckless trading of unregulated over-the-counter derivatives played a significant role in triggering the financial crisis in the fall of 2008. AIG, using a type of derivative known as a credit default swap, took enormous risks in guaranteeing at least \$400 billion worth of other companies' loans, including those of Lehman Brothers. When the financial crisis hit and AIG was unable to make good on its commitments, Treasury and the Federal Reserve were forced to step in to accept untold, unknown risk to the financial system. In

the end, the government put up \$180 billion of taxpayer money to save AIG from collapse.

I bring up AIG to point out the dangers of an unregulated, over-the-counter derivatives market. Derivatives, when used properly and backed by sufficient collateral, play a crucial role in our financial and economic systems. We think about airlines that want to hedge their risk with the price of oil. You think about agribusinesses. All over this country that goes on. But this is a whole different issue we are talking about. When irresponsible financial institutions are allowed to make unconscionable bets, hidden from the view of the markets and its regulators, the stability of our entire financial system is threatened.

Right now, the over-the-counter market counts its transactions in the hundreds of trillions of dollars, but under the current system, there are almost no requirements that the most basic terms of these contracts or even their existence be disclosed to regulators or the public. Think about it: Trillions of dollars changing hands and no one even knows what is happening.

The goal of the bill we have today is to finally bring transparency and accountability to these unregulated markets. For the first time, under this bill, all trades will be required to be reported to the regulators and to the public. With this information, regulators will be able to effectively monitor risks to the system and prevent market manipulation and abuse. Transparency will also benefit those who use derivatives to hedge risks, as they will be better equipped to evaluate the market, as price information will finally be made public. By requiring mandatory clearing and trading for standardized derivatives, this bill will greatly reduce the ability of risk to build up to a point that could, once again, burst and threaten the financial stability of our financial system.

I have often said that when Wall Street gets a cold, Main Street gets pneumonia. We can't let this happen again. In this bill, careful consideration has been made to ensure that commercial entities—this was the work done in our Agriculture Committee—to make sure that commercial entities that hedge solely to mitigate their own commercial risk are not brought under requirements meant to address the failures of a market they had no hand in. We think about all the people who didn't have a hand in this problem that got affected. We think even about our small banks in the State of Minnesota. They didn't engage in this kind of risky behavior. I think about them sometimes standing there with their briefcases in the heartland, with those credit default risks swirling around their head that they never used or engaged in, saying: Toto, we are not in Kansas anymore. Because, as we know, some banks in this country had a brain. Some banks didn't go to Oz and think they could go back with the

American taxpayers' money. So we have to remember that as we go forward.

But the most important thing is to make sure we put a traffic cop at those intersections, that we put some stop signs at those intersections, that Wall Street isn't allowed to drive down in their Ferraris while the government is following behind in a Model T Ford.

Enacting these reforms is not just important for our financial markets, it is important for ordinary Americans. While very few people outside of those involved in these markets understand or see the impact of derivatives on their daily lives, their misuse contributed to a recession that left millions without jobs, businesses shuttered, and trillions in household savings lost. The legislation we passed out of the Agriculture Committee and that Chairman DODD has worked to incorporate into this bill will bring these dark markets into the light of day and ensure they will never again threaten the stability of this financial system.

It is very important that we bring this before the Senate, that we begin debate on this bill. That is why, as we look at the rumors swirling around that, in fact, there is a deal and that we are going to be able to at least begin the debate on whether to proceed—not debate on the bill—we are still working out the details. We think this is a good bill. We look forward to working with our colleagues on it, but we can't even get to "go," we can't even get to "start" if we can't get this bill on the floor to debate.

So we are looking forward to discussing this bill, debating for the American public and getting it done. The Americans who lost their jobs, their homes and their savings and are scared every day that it is going to happen again because of the recklessness of Wall Street deserve no less.

Thank you. I yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BEGICH). Without objection, it is so ordered.

Mr. REID. Mr. President, I now ask unanimous consent the motion to proceed to S. 3217 be agreed to; and that once the bill is reported tonight, the Senate then proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each, and on Thursday, April 29, following the recognition of the leaders or their designees, the Senate then resume consideration of S. 3217; that after the reporting of the bill and recognition of Senators DODD and SHELBY to make opening statements on the bill, Senator LINCOLN then be recognized to speak for up to 20 minutes; that on Thursday, no amendments or

motions be in order prior to the offering of the Dodd-Lincoln substitute amendment; and that once the substitute amendment is offered, it be considered read.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Republican leader.

Mr. McCONNELL. Mr. President, I want to take a few moments here to thank the distinguished Senator from Alabama who has been our leader on the Banking Committee and an expert on this very complex subject of financial regulation, for his steadfast effort in bringing us to where we are today. As Senate Republicans plus Senator BEN NELSON of Nebraska have demonstrated over the last few days, we believed the bill we started with was not insignificant but that it needed to be improved. Senator SHELBY was given the opportunity, as a result of us staying together, to be empowered to improve the bill that had previously come out of the Banking Committee on a straight party-line vote. So I want to take the opportunity to thank all of my Republican colleagues, plus Senator NELSON of Nebraska, in giving us the opportunity to improve the underlying bill.

I want to thank the Senator from Alabama for his efforts in that regard. I think we have a better starting place than we would have had earlier and we look forward to, as the majority leader indicated, an open amendment process and plenty of opportunities to treat this like the serious comprehensive bill it is. We have many amendments we intend to offer. Our members will be prepared to accept reasonable and short time agreements so we can get these amendments up and voted on, and hopefully have an opportunity to make further improvements in the bill.

I know Senator SHELBY may want to make a few observations.

The PRESIDING OFFICER. The majority leader.

Mr. REID. I will be happy to yield to my friend from Alabama and my friend from Connecticut, but I want to say a few words first. I too have great respect for my friend Senator SHELBY. He and I were neighbors in the Longworth Building many years ago and we have maintained that friendship since. There are times when we disagree on issues but our relationship is one of friendship.

CHRIS DODD has had an extremely difficult year. He has had to legislate on some of the most difficult issues to come before this body, and he has been the one who has been the chairman of that committee and had to do it. In addition to that, his dear friend, his best friend, Senator Kennedy, was ill. He had to take over that committee and do his Banking Committee. It has been a tremendously difficult year for him. He has done it with mastery of the Senate rules and with the ability to articulate his position as well as anyone who has ever served in the Senate. I admire and appreciate him so very much.

We also have a new chairman, Senator LINCOLN, on the Ag Committee. She has done a very good job. She took it over a couple of months ago but stepped into that committee and has done a remarkably good job on an extremely difficult issue dealing with derivatives and things such as that. I admire her work and I appreciate so much the ability of Senator DODD and her to work together. Their staffs worked all weekend, trying to put together this substitute amendment we will offer tomorrow. I am very grateful for their leadership in the conference, the Democratic conference. They do good work all the time.

We have so much to do in the weeks ahead in this work period. But this is the issue we are going to go on. The American people waited long enough for their leaders to get to work cleaning up Wall Street—first on Monday, then on Tuesday, and twice more today. We didn't have to vote today. That is a decision that Senator MCCONNELL and I made—that there was no need to have a vote. There was an agreement to move to the bill and that is what we have been trying to do all week.

Senate Democrats have asked one thing, that we be allowed to debate, we simply be allowed to do our job as legislators and legislate. We believe in this bill to crack down on Wall Street, to protect families' savings and seniors' pensions. We never asked the Senate to unanimously or blindly approve a single policy. We never sought to send this bill directly from the committee room to the President's desk. The only thing we fought for is the opportunity to have that conversation.

After months of bipartisan meetings and negotiations, it is time to move this debate from the sidelines to the playing field, to the Senate floor, which is where it belongs. Senate Republicans have finally agreed to let us begin this debate. I appreciate that and I hope it foreshadows more cooperation to come. I know Republicans have their own suggestions and amendments for improving this bill. So do Democrats. Now that we will be able to begin that process, the American people will finally have the opportunity to watch and weigh those ideas. Nothing has changed from our end since Monday. The only thing that is different is the date. We have always wanted to start the debate on Wall Street reform with an open, bipartisan amendment process.

I will offer the first amendment combining the best parts of the Banking Committee and Agriculture Committee's bills. That will be what we will work from. Obstruction has wasted enough of the American people's time. Now let's do our work and do our utmost to make the American people proud of our efforts. Let's work for them, the American people. Let them know Wall Street needs reforming. Democrats and Republicans all over America believe it, so let's show the

American people we will listen to what they say.

There will be no more votes tonight. The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, let me say again before turning to Senator SHELBY how much we appreciate his leadership on this and how much we appreciate all of our Republican colleagues, plus Senator NELSON, giving him the ability to improve the bill that came out of committee. Much has indeed changed since Monday. I thank Senator SHELBY for his leadership. I also commend Senator DODD for the spirit in which those discussions were commenced.

I see the Senator from Alabama on the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. I will be brief.

First, I thank the Republican leader Senator MCCONNELL for his kind words. Also I thank my friend, the majority leader, Senator REID, for helping bring us where we are today.

But more than that, I commend Senator DODD, the chairman of the Banking Committee, with whom I have worked for years and years. We have worked exceedingly closely on many issues dealing with the Banking Committee. What we are bringing to the floor now is something very complex, very far reaching. The idea that something should be too big to fail is very important to me. Nothing should be too big to fail, in my judgment, in this country.

I commend Senator DODD. In our negotiations, they haven't been all loss—we have reached some assurances in that. He and his staff have made some recommendations that we like. We made some they liked. I think we have made real progress. I know we have to seal it all, but I think Senator DODD is working in good faith on that.

But we have the derivatives title and we have the consumer products deal. We have not been able to resolve those yet. I hope we will on the floor of the Senate. We have moved to a new forum and it is going to be a very important debate in the weeks ahead here because this is very important to the American people.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Let me begin by thanking the majority leader for his work. I thank the minority leader as well. This has been a bit acrimonious over the last 10 days or so as we tried to get to the floor with this bill.

Of course I thank RICHARD SHELBY. He and I, as he points out, have been working together over the last about 37 months during my stewardship of the Banking Committee that I inherited in January of 2007.

I noted the other day there are some 42 measures we brought out of our committee and 37 of them have become the law of the land. This is a good result.

We will now be on this bill, which the American people want us to be on. This is an important issue. As I pointed out this morning, we had the headlines, the hearings here yesterday involving mortgage deals and the other headlines about Greece and its debt. Its bonds were sinking, causing economic problems in Europe and potentially here.

These problems are huge. As Senator SHELBY has said and I have said over and over, this is a complex area of law we are talking about and it has to be gotten right. We have had very good conversations on a number of issues, but on this over many weeks, going back, obviously, and clearly we both share, as everyone does in this Chamber, our determination that we never again have institutions that become too big to fail where there is that implicit guarantee that the Federal Government will bail them out.

I am satisfied that our bill does that already, but I appreciate that there are others who would like to see it tighter, who think we can do more to make it better and more workable. I am anxious to hear them.

I know our colleague from California, BARBARA BOXER, has some ideas on this as well that she has raised and I mentioned those with my friend from Alabama. He has raised issues with me that I like as well, and he can help us get there. As he rightly points out, we have not sealed anything but we have had great conversations, as two people of good will can have, that I think will allow us to get there.

We are going to have a very busy couple of weeks coming up now. There are a lot of Members who have very strong feelings about this bill. My job—our job—will be to see to it people have a chance to offer their amendments, to debate them, to go through that process.

I may sound pretty old-fashioned in this regard. I pointed out last night, I first got involved in this Chamber as a young person sitting here in the same outfits as these young people in their blue suits, as a page, watching Lyndon Johnson sitting in that chair where you are, Mr. President, and watching Mike Mansfield in that chair over here and Everett Dirksen in that chair.

I remember sitting there and listening to the debates on civil rights in the early 1960s, when this Chamber, in difficult moments, worked together to achieve great results for our country. I have great reverence for this institution and I want to see it work as our Founders intended, where you have a great, important debate—and this is one—that we work together as American citizens chosen by our respective States to represent them in this great hall. That is what I intend to do as the manager of this bill, to make sure that each and every one of my colleagues—whether they sit on this side of the aisle or that side of the aisle—are all in this Chamber together to try to improve the quality of life for the people who have been so badly hurt, homes

lost, jobs that have evaporated, retirement accounts that disappeared for people. They want to see us work together to get a job done to make a difference for our country and I firmly believe we can do that. I will do my very best, I say to my friend from Alabama, I say to the minority leader, as I said to the majority leader, to act with fairness, to work together to try to resolve matters so we can have a good outcome on this bill.

Obviously we cannot predict that. I know there are some who want to make this a great fight—that this is a great, great issue, maybe, for the day or the week you do it—who wins, who loses. That is a great story. But this is not an athletic contest we are involved in. It is a decision to try to put our country on a far more sound and secure footing than it is today. I look forward to the opportunity to work, as I have, with Senator SHELBY. We are good friends. I admire him immensely. He was chairman of this committee before I was. He understands the job of being a chairman.

I am determined to get this job right. I encourage our colleagues who have ideas and amendments to come forward and share them with us. We are going to set up shop over the weekend to make sure we are there. So we have ideas to consider, accept, maybe modify, make it work right. If that spirit comes forward we can do a good job here and we can leave this Chamber at the end of this Congress, knowing we confronted a serious problem and stepped up to the best of our ability to try to solve it for the people we seek to represent.

Again, I thank the majority leader and the staff and others for their work. I thank Senator SHELBY in his work. This conversation will continue. We have a lot of work to do. It has been very worthwhile and very productive over these last number of weeks and we intend to keep it in that form. I thank the minority leader as well and the Republican Conference. I know it must have been probably a healthy, good, vibrant conversation for the last hour and a half in there. But for those who question whether we can do this, I want this institution to get back again to the idea of listening to each other, debating the issues, taking our votes and putting together the best product we can.

I yield the floor.

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010

The PRESIDING OFFICER. Under the previous order, the motion to proceed to S. 3217 is agreed to.

The clerk will report the bill.

The bill clerk read as follows:

A bill (S. 3217) to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail,” to protect the American taxpayer by ending bailouts, to protect consumers from abusive

financial services practices, and for other purposes.

MORNING BUSINESS

The PRESIDING OFFICER. The Senate will proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes.

The Senator from Washington.

WALL STREET REFORM

Mrs. MURRAY. Mr. President, I thank the Senators from Connecticut and Alabama for all their hard work on this issue. I am delighted that after three votes and 3 full days of pressuring those on the other side of the aisle to allow us to at least begin debating this critical bill, it appears they have relented. Finally, it appears they are willing to listen to not only what Democrats have been saying about the importance of a strong new reform bill for Wall Street but what the American people have been saying.

What we have been saying is it is time to hold Wall Street accountable. It is time to pass strong reforms that cannot be ignored or sidestepped. It is time to end bailouts and give Wall Street the responsibility of cleaning up their own mess. It is time credit card statements are in plain English, in loan terms that are spelled out. It is time for Wall Street to come out of the shadows and into the light of day. It is time for negotiations to come out of the back room and on to the Senate floor. It is time to put an end to obstruction and begin working for American families.

I am glad we are finally now on this bill. For most American families, this debate is not complex; it is simple. It is not about derivatives or credit default swaps. It is about fundamental fairness. It is a debate about when they walk into a bank to sign a mortgage or apply for a credit card or start a retirement plan, are the rules on their side? Are they with the big banks or Wall Street?

For far too long, the financial rules of the road have not favored the American people. Instead, they favored big banks and credit card companies and Wall Street. For too long they have abused those rules. Whether it was gambling with the money in our pension funds or making bets they could never cover or peddling mortgages to people they knew could never pay them, Wall Street made expensive choices that came at the expense of working families. That is exactly the reason we have all fought so hard to move forward now with a strong bill.

It is why we have refused to back down or sit by while it was watered down, and it is why we were ready to stay up all night or vote to move forward with this bill all week long. It is why we have insisted on a bill that includes the strongest protection for consumers ever enacted, an end to taxpayer bailouts, and tools to give indi-

viduals the resources they need to make smart financial decisions because each of us knows what the “anything goes” rules on Wall Street have meant for our States and our constituents.

Each one of us has talked to people who have been hurt through no fault of their own. We have all seen the tremendous cost of Wall Street’s excesses. In my home State of Washington, it has cost us over 150,000 jobs. It has cost small businesses access to credit they need to grow and hire. It has cost workers their retirement accounts they were counting on to carry them through their golden years. It has cost students their college savings that would help launch their careers. It has cost homeowners the value of their most important asset, as neighborhoods have been decimated by foreclosures. It has cost our schoolteachers, our police officers, and our communities.

It has cost young people such as David Corrado of Seattle, whose mother, since he was very young, would take \$400 out of her paycheck and put it toward David’s education fund. It was a long-term, smart investment she knew would pay off for David’s future. When the financial crisis occurred, he lost one-third of his college fund, \$10,000.

It has also cost older people such as Edward Diaz, who is also from Washington State. He was not only laid off from his job of 21 years due to the recession, he also lost \$100,000 from his 401(k) account. On the verge of retirement, Edward tells me he now scours the classifieds every day searching for any way to get back to work.

In the days ahead, as we debate this bill, those are the people we have to remember constantly. We have to keep them in mind as we work to protect against this happening ever again; the people who, through no fault of their own, paid the price for the risks and irresponsible behavior of Wall Street. There are people in my State and across the country who scrimped and saved and made right decisions and were left holding the bag.

Now is not the time for half measures. The American people are looking to us now for real reform and to put progress before politics. We have to put people before Wall Street.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. BOXER. Mr. President, what is the order?

The PRESIDING OFFICER. The Senate is in morning business, and Senators are able to speak for up to 10 minutes each.

Mrs. BOXER. Mr. President, I ask unanimous consent that I be allowed to

speak for as much time as I may consume.

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

Mrs. BOXER. Mr. President, thank you very much.

FINANCIAL REGULATORY REFORM

Mrs. BOXER. Mr. President, this is good news we just received that our Republican colleagues have decided to allow us to proceed to the debate on the Wall Street reform bill. I was, frankly, confused as to why they were objecting. But in any event, without going through that, I am very pleased they have backed down in terms of their objection because we want to get to this bill.

Many of us have ways we feel it can be made stronger. I bet there will be some amendments to make it weaker. And that is what the process is all about. The most important thing for the American people to know tonight is that an issue of critical importance is moving forward in the Senate.

I think it is important for us to remember the real reasons as to why we are taking up this bill. Even though it is painful to review the dark times of 2008, when our economy and the world economy were really on the brink, I believe it is important for us to do that review.

I asked my staff to put together some of the headlines from those days. We are going to go through a couple of charts and I will read a few of them, because we need to remember what it was like in those dark moments in our history.

Here is a picture of a Wall Street trader and he is under a headline that says "Black Monday." It was at a moment when the first bailout happened. It says, "Bailout Fails, Stock Drop Most In History." Then we look at this one: "Where Do We Go From Here?" "NASDAQ: The Biggest Fall Since Dot.com Crash." "Dow Down 778." "Time" magazine, "Wall Street's Latest Downfall: Madoff Charged With Fraud." "Feds' Rescue Plan: The Bailout To End All Bailouts." "Jobs, Wages, Nowhere Near Rock Bottom Yet." "Credit Crunch Continues As Lending Rates Climb." "U.S. Consumer Sentiment Decreases To A 28-Year Low." "U.S. Loses 533,000 Jobs In The Biggest Drop Since 1974."

That is one chart, and I have one other, just to remind us where we were. San Jose Mercury News: "Foreclosure Wave: San Jose Fights To Protect Neighborhoods." "Carnage Continues: 524,000 Jobs Lost." "Wall Street Employees Set To Get \$145 billion." That is in bonuses during all of this. "Economy In Crisis." "Foreclosure," "Lehman Files For Bankruptcy," "Merrill Sold," "AIG Seeks Cash." We know all about that. "What now?" "The Dow Falls 777." "Economy On The Brink." "U.S. Pension Insurer Lost Billions In The Market." "Housing Prices Take Biggest Dive Since 1991." "U.S. Drafts

Sweeping Plan To Fight Crisis As Turmoil Worsens In Credit Markets." And here is one: "Full Of Doubts, U.S. Shoppers Cut Spending."

I read these headlines to my colleagues to bring back those dark, dark, dark days and why we are here today trying to make sure it never happens again. If we don't learn from history, we are doomed to repeat it, and we have learned and we are ready to make sure this never happens again.

Those dark times came because we allowed Wall Street to engage in unregulated and unsupervised gambling. I have to say I am an economics major. That goes back quite a bit of time. Many years ago, before any of these kinds of exotic instruments were created, I worked on Wall Street as a stockbroker. I can tell my colleagues that every time the President of the United States would sneeze and the market went down a few points, I worried. I can just imagine how I would have felt if I would have had clients in this kind of situation where there was no control.

A shadow banking system grew up that fueled an unsustainable housing bubble. From 2001 to 2007, the issuance of toxic private mortgage-backed securities increased by over 400 percent. These securities were rated by credit rating agencies—the credit rating agencies that were supposed to be tellers of the truth. They are supposed to say to the consumer, uh-oh—I sound like my grandchild who says uh-oh—that is what they are supposed to say: Don't buy those securities because they are not good. But these credit agencies, rating agencies such as Moody's and Standard & Poor's, frankly, acted as though they were in the pockets of the issuers who paid them. In other words, they gave a good answer. If you wanted to issue securities—I don't care whether it is Goldman or anybody else—you go to these fellows, you pay them, and they tell you something good. What went wrong? That is a disaster. Where is the fiduciary responsibility in any of these relationships?

The unregulated over-the-counter derivatives market also grew by over 400 percent to a value greater than the entire U.S. economy. The unregulated over-the-counter derivatives market grew by over 400 percent to a value greater than the entire United States economy. Wall Street institutions critical to our economy purposely created complex paper instruments that had no real value. In these hearings Senator LEVIN is holding, we see what happened when one company—Goldman—knew—and I can't use the words they used because it would be improper on the floor—they knew a product they were selling was just plain junk and they sold it to their customers, to their clients. One of the people said in an e-mail: Wow, think of all the orphans and the widows we are hurting. That sounds to me like the Enron scandal where we had traders doing the same

thing when energy prices went through the roof.

In 2007 and in the first part of 2008, the house of cards began to collapse, because backing up these new complex instruments Wall Street created were these exotic loans that consumers could never repay unless housing prices continued to soar to unrealistic levels. So they created these instruments that were backed by these mortgages that were doomed to fail unless the economy continued to shoot like a star straight up and the housing market went up. The housing bubble began to deflate, and think about all of these derivatives and all of these exotic securities that were based on housing. Mortgage lenders and financial institutions began to fail; first Countrywide, then Bear Stearns. The Federal Reserve had to intervene behind the scenes to try and keep credit flowing. Remember, in a capitalist society, in our economy, we have to have credit flowing. Credit, that is what the small businesses need. That is what governments need, overnight credit. The State of California couldn't even get overnight credit. The worst crisis hit in September 2008—the worst since the 1929 Great Depression.

Listen to this: Over just 3 days, September 13, 14, and 15, three major financial institutions failed—Lehman, AIG, and Merrill Lynch. Oh, my God, the shock in the country. Regulators were unprepared. They had no warning. Panic spread from this Wall Street debacle as banks lost confidence in the solvency of the financial system and they refused to lend. Credit was frozen. Consumers started to withdraw their money from failing money market funds, and some of them found out that they weren't insured, the money markets. We had to actually create insurance.

The stock market dropped 25 percent in September alone, part of a larger 50-percent drop from 2008 to 2009. Trillions of dollars in pensions and savings wealth were lost. Without the tools to handle the crisis, the Bush administration was forced to approach us for direct taxpayer assistance. I will never forget the day when the Republican Treasury Secretary Hank Paulson looked me in the eye, along with all of my colleagues, and said capitalism was on the brink of collapse. I will tell my colleagues, I asked him a number of questions that day about the role that credit default swaps played in this, and derivatives, and to be totally candid, he didn't have an answer. He was so concerned about staving off this collapse.

It was too late. It was too late to stop Wall Street's crisis from impacting the rest of our economy. Business lending plummeted. I know the Presiding Officer knows that small businesses have created 64 percent of all of the new jobs in the last 15 years. When those good, strong businesses couldn't get credit, some of them couldn't keep the doors open. I can tell my colleagues that none of them expanded. They

couldn't. They didn't have the capital. Retail spending fell by 14 percent, driven by historic declines in consumer confidence, and because consumer spending accounts for 70 percent of our economy, this was another disaster on another disaster on another disaster.

As the recession fueled by the financial crisis spread, job losses exploded to 750,000 a month, the highest ever recorded. Some 8.4 million jobs were lost in 2008 and 2009. In my own home State of California, almost 1 out of every 10 jobs was lost—1 out of every 10 jobs. To put a human face on that and think about those families in that situation where not only did they lose a lot of their net worth in the stock market which was going down, down, down, they were losing the value of their home, and then they lost their job, and it exacerbated the problem. Unemployment rose above 10 percent for the first time in 28 years. In my State it is over 12 percent today. Even though we are now creating jobs in California and in the country, they are not at a fast enough pace as more people come into the jobs market. We had a situation where almost one out of every five Americans who wanted to work was underemployed.

I don't see how anyone who knows this history—and all you had to do was wake up and read the paper or, if you didn't do that, put on the TV or, if you didn't do that, look at your Internet or, if you didn't do that, listen to the radio. And if you were without all that, you could have listened to what we were debating here, and there were probably not too many people doing that. So how could we ever for one second deny the need for the Dodd bill, which reflects the President's Wall Street reform bill, even for a minute? I can't imagine anyone living through this crisis could ever doubt the need to do the bill that we, thank goodness, are on right now.

The bill directly addresses the problems that led to the crisis. It gives regulators the tools they need to prevent a crisis in the future without ever turning to taxpayers.

I am going to quickly go through the provisions of the Dodd bill. I am going to go through six provisions.

First, the bill ends taxpayer bailouts. The bill guarantees taxpayers will never again be forced to bail out Wall Street firms. Failing companies will be liquidated. Any losses will be absorbed by companies and the financial sector, not taxpayers.

That is a jobs bill.

By the way, when I heard my colleagues on the other side say they didn't think this is true, I went up to Senator DODD and I talked to the administration. I said I am going to offer an amendment that says this in plain English; will you accept it? They did. So we will have that amendment accepted.

If anybody ever says to you this bill is about giving more taxpayer funds to bail out Wall Street, you can say: Ex-

cuse me, you are looking at the wrong bill.

Second, it puts a cop on the beat for consumers. The bill creates the consumer financial protection bureau, which will have the sole job of protecting the American consumers from the kind of deceptive and abusive financial practices that fueled the crisis. It will also look out for credit cards and other things.

We will finally have disclosure in these dark markets. Remember, I talked about these toxic assets—assets made up of slices of mortgages, many of which had no value. They were in the dark. Now these dark markets are over, derivatives markets will be open, and the shadow banking system will be over—over. No more darkness but transparency, openness, and the rest that goes with it.

Here is what the Dodd bill does. It curbs risky behavior on Wall Street. It says, essentially, no more gambling. There will be strict new capital and borrowing requirements, so you cannot go out and superleverage. You have to be able to have some balance in your bank. There will be an early warning system to prevent a future crisis. There will be a financial stability oversight council to focus on problems before they lead to a crisis.

As a last resort, the regulators can break up a company that is too big to fail. Too big to fail is over. If anyone tells you it is not over, they have not read the bill, because this bill completely and clearly says if a company is too big to fail, the regulators can break it up. We will see protection against securities market scams.

The bill mandates management improvements and increased funding for the SEC. A new office in SEC will be created to look at credit rating agencies. Remember, I mentioned that, the credit rating agencies were just giving AAA ratings to junk. No more. They will have someone looking over their shoulders. That is very important.

I want to put the headlines back up. Clearly, this bill does what we need to do. The bill stops taxpayer bailouts, and if ever there was a time to agree on one thing, it would be that.

Again, to eliminate all doubt, I proposed an amendment to Senator DODD, which he is in agreement with and the President's people are in agreement with, to make it clear that failing firms cannot be bailed out. It is very clear because it says it in this amendment. It cannot keep a company alive, on life support, and it cannot stop it from failing. When it is liquidated, the cost of that liquidation will be paid for by Wall Street firms.

I am excited about the fact that we are finally moving to this bill. By the way, the last sentence in the Boxer amendment is very short on this page:

Taxpayers shall bear no losses from the exercise of any authority under the title.

So if anyone says to you this bill isn't clear, I have to say they are making it up because it is very clear. Sen-

ator DODD would never have accepted this amendment if it wasn't in concert with the bill.

Again, I know that many colleagues have ideas for changing the bill. That is why we are here. My Republican friends decided not to make any amendments in committee, so this is their opportunity to do so. I look forward to seeing their ideas. I say that with sincerity. A lot of Republican amendments were included in the health care bill, and that is good. We want to see some of their ideas to strengthen this bill because, as Senator DODD has said many times, no Senator has a corner on wisdom. We have to work together, and we can get our best ideas by working together.

I am going to work with anyone on either side of the aisle who has the goal of protecting the American taxpayers and has the goal of protecting the American economy from future crises. I will vote for a couple of colleagues' amendments to strengthen this bill. I am looking forward to that.

Let's not oppose this bill on the grounds that to do nothing is better, because, clearly, to do nothing will lead us back to this road of getting up in the morning and shaking in our boots about what is happening with unemployment and with the loss of our pension funds. It is extraordinary to go back, just to 2007, not that long ago, when this all started. We have to commit ourselves to never having it happen again.

Now is the time for Wall Street reform. I am very pleased at this change of heart on the other side. I was ready to spend the evening here, and I am happy that I can actually go home to my family tonight. As much as I enjoy my colleagues' company, I would prefer to be with my family, my grandkids, my husband, and not have to spend the night here. But I was prepared to spend the weekend here or whatever it took because once in a while an opportunity for reform comes along. It did with health care. We are in an era of reform, and we have to keep doing it. It is all expressed right here on this chart. We know what will happen if we keep this going. Deregulation on steroids didn't work. We need sensible regulations, sensible rules of the road.

We want everyone to prosper, but we don't want to see gambling lead to the pain and suffering that is still going on throughout this country. Thank you very much.

I yield the floor.

UNANIMOUS CONSENT AGREEMENT

Mrs. BOXER. Mr. President, I ask unanimous consent that tomorrow, following the recognition of Senator LINCOLN, Senator CHAMBLISS be recognized for up to 20 minutes.

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

TRIBUTE TO ARTHUR M.
CUMMINGS II

Mr. REID. Mr. President, I rise today to acknowledge the extraordinary work of Arthur M. Cummings II, who has served with distinction for more than 20 years with the Federal Bureau of Investigation.

Mr. Cummings was appointed on January 9, 2008 as executive assistant director of the FBI's National Security branch. In that position, Mr. Cummings worked diligently to oversee the FBI's counterterrorism, counterintelligence, weapons of mass destruction and intelligence programs, as well as the Terrorist Screening Center. His outstanding work leading the FBI in the coordination and liaison with the U.S. Director of National Intelligence and the rest of the Intelligence community contributed greatly to the FBI and the entire intelligence field. Mr. Cummings brought to the job a wealth of investigative and managerial experience.

Since becoming an FBI special agent in 1987, Mr. Cummings was assigned to five field offices and to the Counterterrorism Division at FBI headquarters. He managed counterterrorism, counterintelligence, violent crimes and drug programs in several field offices, and had deployed overseas to support several major counterterrorism investigations.

Following the terrorist attacks on September 11, 2001, Mr. Cummings played an instrumental role in the reorganization of the FBI's counterterrorism program and later served as chief of the Counterterrorism Operational Response Section, responsible for the development and oversight of FBI operations in foreign theaters such as Afghanistan. In 2003, Mr. Cummings became Chief of the International Terrorism Operations Section, responsible for developing and managing FBI strategy and operations directed against al-Qaida and its affiliated organizations and networks. Mr. Cummings also served in 2004-05 as deputy director of the National Counterterrorism Center, NCTC, a multiagency organization dedicated to eliminating the terrorist threat to U.S. interest domestically and abroad.

After his tenure at NCTC, Mr. Cummings was named special agent-in-charge of the Counterterrorism Division and Intelligence branch of the FBI's Washington field office.

In recognition of his accomplishments, Mr. Cummings was awarded the 2004 Attorney General's Award for Exceptional Service and the 2006 Presidential Rank Award for Meritorious Executive. Mr. Cummings is a former Navy SEAL and speaks Mandarin Chinese. He is a graduate of the University of California in San Diego.

I, along with all of my Senate colleagues, congratulate Arthur on his well-deserved retirement after such a distinguished career.

TRIBUTE TO THOMAS MORRIS
GRIFFIN

Mr. REID. Mr. President, I rise today to recognize the extraordinary work of Thomas Morris Griffin, Jr., during his 12 years with the U.S. Secret Service.

In his prior positions, Special Agent Griffin was assigned to train agents, handle daily operations of the First Lady Whip and protect the President of the United States. Special Agent Griffin began his law enforcement career in 1985 at the Richland County Sheriff's Office in Columbia, SC. This department of more than 300 sworn officers served a county of more than 300,000 citizens. At that agency, he served as a detective and sergeant in the Major Crimes Unit and as a team leader in the narcotic division. Special Agent Griffin also served as a Sheriff's Deputy with the uniform division, greatly enhancing the safety and security of Columbia, SC.

Special Agent Griffin received his bachelor of science in criminal justice from the University of South Carolina, received hundreds of hours of training as a special agent, and was duly recognized in 1994 with the Medal of Valor for hunting down and exchanging fire with a murderer who had shot three people, killing two of them.

Special Agent Griffin's work at the Capitol since 2007 has greatly enhanced the safety and security of United States Secret Service protectees and, ultimately, those working in and visiting the Capitol complex. He has cultivated and maintained partnerships with the United States Capitol Police, and the offices of the Senate Sergeant and Arms and House Sergeant at Arms. Through these relationships, the needs of the United States Secret Service protective missions are communicated and security plans coordinated. As he is promoted to special agent-in-charge, Special Agent Griffin leaves the United States Capitol where he has forged great partnerships as the assistant to the special agent-in-charge of the United States Secret Service Liaison Division.

I wish Special Agent Griffin all the best in his promotion and new assignment.

HIGHER EDUCATION

Mr. SPECTER. Mr. President, as I have expressed to Senator HARKIN and to Secretary Duncan, I am concerned that the Student Aid and Fiscal Responsibility Act, SAFRA, may not adequately provide for the replacement of the early college awareness, default prevention, financial literacy, and school support services that are provided by State guaranty agencies in some States. The citizens of my State rely upon the Pennsylvania Higher Education Assistance Agency, PHEAA, to provide these services. Over the years, PHEAA has funded these services with the earnings they have retained from their role as a State guar-

anty agency, lender, and servicer. It is my understanding that some of these earnings will no longer be available to PHEAA or to other similar agencies across the country.

Would Senator HARKIN agree that some of the services provided by these agencies are vital and should, to the extent possible, be continued?

Mr. HARKIN. I am pleased that this bill provides significant support to continue outreach and default aversion activities through the College Access Challenge Grant Program funded at \$750 million, more than double the amount we have provided for these grants in years past. However, I agree that these activities are very important and we could do more to assist students.

Mr. SCHUMER. Mr. President, as Senator GILLIBRAND and I have expressed to Senator HARKIN, we share Senator SPECTER's concerns. The citizens of our State rely upon the New York State Higher Education Services Corporation, HESC, to provide similar services, which have also been funded with the earnings HESC has retained from their role as a State guaranty agency.

Mrs. GILLIBRAND. Mr. President, I ask does Senator HARKIN agree that the Secretary of Education has the authority to contract for these types of services?

Mr. HARKIN. I do.

Mrs. GILLIBRAND. And, Mr. President, I ask if Senator SCHUMER would also agree that in our State and many other States these agencies provide valuable services to students and families?

Mr. SCHUMER. Yes, I do. That is why Senator GILLIBRAND, Senator SPECTER, and I believe it would be beneficial for the Secretary of Education to use this authority for State guaranty agencies that provide valuable services.

FIRE GRANTS REAUTHORIZATION
ACT OF 2010

Mr. LIEBERMAN. Mr. President, yesterday Senators DODD, COLLINS, CARPER, MCCAIN, and I introduced the Fire Grants Reauthorization Act of 2010.

The bill we presented to the Senate is a bipartisan piece of legislation that provides support to our Nation's firefighters and emergency medical service responders. It reauthorizes the Assistance to Firefighters, AFG, program and the Staffing for Adequate Fire and Emergency Response program, SAFER—two highly successful programs I worked to establish in 2000 and 2003, respectively.

I think we are all aware of the great sacrifices first responders make for us. Since September 11 and the Hurricane Katrina catastrophe, firefighters in communities large and small have assumed a greater role in overall national emergency preparedness. They are now the frontline of defense in most communities for disasters of all

types. More than ever, firefighters need the training and equipment to deal not only with fires but also with hazardous materials, nuclear, radioactive and explosive devices, and other potential threats.

The demands on firefighters have increased in other ways as well. As the *New York Times* reported last year, firefighters are responding more and more to medical emergencies—15.8 million in 2008, a 213 percent increase from 1980. Right here in Washington, DC, at Fire Engine Company 10—known as the “House of Pain” for its grueling schedule—80 percent of the calls are for medical emergencies. Our Nation’s firefighters—like other first responders are the first to arrive and the last to leave whenever trouble hits. They deserve all the support we can give them.

Regrettably, they do not always get it. Firefighters often lack the equipment and vehicles they need to do their jobs safely and effectively. The U.S. Fire Administration reported in 2006 that 60 percent of fire departments did not have enough breathing apparatuses to equip all firefighters on a shift, 65 percent did not have enough portable radios, and 49 percent of all fire engines were at least 15 years old.

We can and should do more so that these brave men and women have what they need to protect their communities and themselves as they perform a very dangerous job. Our bill takes much-needed steps to ensure that they do.

To start with, because career, volunteer, and combination fire departments all suffer from shortages in equipment, vehicles, and training, our bill requires that each type receives at least 25 percent of the available AFG grant funding. The remaining funds will be allocated based on factors such as risk and the needs of individual communities and the country as a whole. This creates an appropriate balance, ensuring that funds are directed at departments facing the most significant risks while guaranteeing that no department is left out.

We have also taken a number of steps in our bill to help fire departments recover from the recession. Faced with economic difficulties, local governments have reduced spending on vital services, including fire departments. Among other things, these cuts have prevented many departments from replacing old equipment and forced them to lay off needed firefighters. To help departments rebuild, we have lowered the matching requirements for AFG and SAFER. Departments are still required to match some of their grant awards with funds of their own—ensuring they have some skin in the game—but the reduced amount will make it easier for them to accept awards.

We have also created an economic hardship waiver for both grant programs that will allow FEMA to waive certain requirements, such as requiring that grantees provide matching funds, for departments in communities that have been especially hard hit by tough economic times.

Our bill contains a number of other important provisions. It raises the maximum grant amounts available under AFG. As common sense would suggest, large communities often require a substantial amount of equipment, and they will now be able to apply for funding in amounts more in line with what they need.

We also would provide funding for national fire safety organizations and institutions of higher education that wish to create joint programs establishing fire safety research centers. There is a great need for research devoted to fire safety and prevention and improved technology. The work these centers do will help us reduce fire casualties among firefighters and civilians and make communities safer.

As important as it is to help our firefighters, we must also demand accountability when we spend taxpayer dollars. For this reason, we require that FEMA create performance management systems for these programs, complete with quantifiable metrics that will allow us to see how well they perform. Going forward, this will allow us to see what works in these programs and what does not so that we can make needed improvements when required.

We have also included provisions to prevent earmarks from being attached to these programs. AFG and SAFER have never been earmarked—an impressive accomplishment—and we want to keep it that way. The funding for these programs needs to go to firefighters, not pet projects.

Finally, this legislation authorizes \$950 million each for these vital programs. This is actually less than what was authorized in the past. We believe that supporting our nation’s firefighters and emergency medical service responders ought to be a priority, but we recognize that these tough fiscal times require some belt-tightening. Authorizing funding for AFG and SAFER at these amounts sends the message that Congress can direct funding where it is needed while also showing discipline.

These programs address a vital national need. Our legislation ensures that fire departments get the support they need to protect their communities while also protecting taxpayer dollars. I urge my colleagues to join me in supporting the reauthorization of these important programs.

IMPORTANCE OF FUNDING NICS

Mr. LEVIN. Mr. President, April 16 marked the 3-year anniversary of the deadliest shooting rampage in our Nation’s history, a tragedy that took the lives of 32 Virginia Tech students and faculty members and wounded 17 more. In the aftermath of the shooting, investigations uncovered that the gunman, Seung-Hui Cho, was able to purchase two guns in violation of Federal law. Due to his history of mental illness, Mr. Cho was legally prohibited from purchasing these firearms. However,

the transaction was not blocked because the State of Virginia had not provided his mental health records to the National Instant Criminal Background Check System, NICS. The Virginia Tech tragedy serves as a somber illustration of the importance of the NICS database containing accurate criminal history and mental health records of prohibited individuals.

The Virginia Tech shooting prompted the passage of the NICS Improvement Amendments Act of 2007, Public Law 110-180, which authorized funds to assist States and State courts in the automation of mental health and criminal records and in the transmittal of these records to the Federal NICS database. Unfortunately, due to budget constraints, some States still have not fully digitized their criminal history records, nor do they have the funds necessary to process the transfer of State records into NICS. According to the group Mayors Against Illegal Guns, the NICS database contains less than 20 percent of the mental health records it should. In addition, according to the Brady Campaign, NICS is missing 25 percent of the necessary felony conviction data from States. These gaps in needed records weaken the ability of current Federal law to stop firearms from getting into the hands of dangerous or potentially dangerous individuals.

It is essential that States and State courts have the resources needed to ensure that the Federal background check system contains comprehensive and up-to-date records. To that end, I recently joined seven of my colleagues in urging the Senate Appropriations Committee to include \$325 million in the fiscal year 2011 Commerce, Justice, Science, and Related Agencies appropriations bill to fully implement the NICS Improvement Amendments Act. NICS is a powerful tool in the prevention of gun violence that deserves full congressional support.

WORKER’S MEMORIAL DAY 2010

Mr. HARKIN. Mr. President, each year, we set aside April 28 as Workers Memorial Day, a time to remember and honor those who have been killed or injured or have contracted a serious illness in the workplace. Since the passage of the Coal Mine Health and Safety Act and Occupational Safety and Health Act four decades ago, countless lives have been saved and the number of workplace accidents has been dramatically reduced.

Yet too many workers still remain in harm’s way. In 2008, over 5,200 people were killed at work in the United States and roughly 50,000 workers died from occupational diseases. Millions more were injured on the job. This means that, on an average day, 151 workers lose their lives, 14 from injuries and 137 from job-related diseases. These are workers from all walks of life—firefighters, police officers, coal miners and farmers, men and women

who are working to put food on the table to support their families and loved ones. These deaths are tragedies that can and should be prevented.

Our entire Nation mourned when we learned of the terrible tragedy that killed 29 miners in Montcoal, WV. But it is important to remember that mines aren't our only dangerous workplaces. Our Nation suffered another great loss when we learned of the 11 missing oil rig workers off the coast of Louisiana, and we still mourn the lives of those workers who died in explosions in Washington State and Connecticut earlier this year. All of these incidents could have been prevented. These terrible tragedies illustrate the dangers hardworking Americans face on the job every day, and why we need to redouble our efforts to make every workplace a safe workplace.

Every April 28, for the past 9 years, Mary Davis and her family have observed Workers Memorial Day in honor of her husband Jeff Davis, a boiler-maker who was killed in a sulfuric acid tank farm explosion at a refinery in Delaware. His body was never recovered, most likely because it was dissolved in acid. The disaster also injured eight other workers and caused major environmental impact in the surrounding area. Motiva, the company that owned the refinery, pleaded guilty to discharging pollutants into the Delaware River and negligently releasing sulfuric acid into the air, both in violation of the Clean Air Act, resulting in a \$10 million fine. For the same accident, OSHA initially cited three serious and two willful violations against Motiva for Jeff Davis' death. The Agency proposed a penalty of \$175,000 that Motiva later was able to reduce through settlement for a total of only \$132,000.

I recently spoke with Holly Shaw, a school teacher living in Pennsylvania. Her husband Scott drowned after falling into the Schuylkill River while working on two barges, helping to dredge the river. The barges had no life jackets for workers to wear, and no life preservers in the event of an accident. The two barges were connected by a series of old tires that workers had to navigate to move from barge to barge. OSHA found Armco, the company that employed Scott, had committed four serious violations and was fined \$4,950. Holly later found out that Armco was given the opportunity to plead down the fine and ended up only paying \$4,000 for Scott's death. It is truly shocking that the company faced such minor consequences for its appallingly inadequate safety practices.

Unfortunately, stories like Jeff Davis's and Scott Shaw's are all too common. Although a willful or repeat violation of OSHA carries a maximum penalty of \$70,000 and willful violations a minimum of \$5,000, most penalties are far smaller. In both cases, current penalties weren't sufficient to force recalcitrant employers to take workplace safety more seriously even when

a worker is killed. To date, OSHA has cited Motiva for nearly two dozen other violations since Jeff Davis' death. In 2009, workers went on strike against the same company that leased its barge to Armco, protesting unsafe workplace practices, after a deckhand was crushed to death between two barges. As Holly said to me, "another family suffers because of the same negligence."

This has to change. We need to increase penalties for irresponsible employers who ignore the law, and give our federal agencies the enforcement tools they need to keep workers away from imminent danger. This week we held a hearing in the HELP Committee to explore these challenging issues. And, in the weeks ahead, I intend to work with my colleagues on both sides of the aisle on legislation to make our mines and all our dangerous workplaces safer.

Workplace safety is an issue that is very personal to me. My father was a coal miner, and I saw firsthand the devastating effects of the lung problems created by his work in the mines. We still have a long way to go to ensure that our sons and daughters, moms and dads, brothers and sisters all come home safe from a hard day's work, and we should not rest until workplace tragedies are a chapter in the history books, and we no longer have any need to observe a day of mourning for American workers killed on the job.

TRIBUTE TO FATHER RAY DOHERTY

Mr. LEAHY. Mr. President, on May 4, the Saint Michael's College community will celebrate the 80th birthday of a fellow Michaelman and longtime friend of many, Reverend Raymond Doherty. Father Ray, as he is known to many, graduated from Saint Michael's College in 1951, and began what has become a lifetime of service to the Saint Michael's community. A devoted member of the Society of Saint Edmund, whose members founded Saint Michael's over 100 years ago, Father Ray embodies the deep commitment to social justice that has become the hallmark of a Saint Michael's College education. It is among the many reasons I am proud to join Saint Michael's alumni everywhere in celebrating this milestone.

For the past seven decades, Father Ray has advised, counseled, and supported countless Saint Michael's students, faculty, alumni, and Vermonters. His contributions have not gone unnoticed. In 2005, a fellow classmate established the Reverend Raymond Doherty SSE '51 Scholarship to honor Father Ray's significant contributions as a college administrator, friend, and religious leader. Saint Michael's students continue to learn and grow from Father Ray's contributions to the Saint Michael's community. Countless students, and in many cases generations of families, are lucky to know him.

As a student at Saint Michael's in the late 1940s and early 1950s, Father Ray graced the George "Doc" Jacobs baseball program as a starting and relief pitcher for the college. Later in his career, Father Ray would serve as a key member of the college's 1987 and 1996 athletic tasks forces. Last year, the Saint Michael's community honored that legacy by inducting him in to the Saint Michael's College Athletic Hall of Fame.

Saint Michael's widely recognized reputation for encouraging its students and alumni to foster peace and justice has been bolstered by Father Ray's commitment to community service and helping those in need. His frequent involvement in Saint Michael's signature service organization, the Mobilization of Volunteer efforts, MOVE, has been an example to all.

Two years ago, in 2008, Father Ray and the Edmundite community celebrated the 50th anniversary of his ordination. As Father Ray marks another milestone this year, I join with countless of fellow Michaelmen in wishing him the happiest of birthdays. We all look forward to his continued support of the Saint Michael's mission.

ADDITIONAL STATEMENTS

REMEMBERING ERNEST BRAUN

• Mrs. BOXER. Mr. President, it is with a heavy heart that I ask my colleagues to join me today in honoring the memory of a remarkable man, Ernest Braun of Marin County, CA. Ernest was a passionate photographer and avid environmentalist who loved sharing the gifts of photography and nature with his family and community. He passed away on March 23, 2010.

Ernest Braun was born on September 13, 1921, in St. Louis, MO, to Maurice and Hazel Braun. At their home in San Diego, the Braun family celebrated the out of doors during Ernest's early years. Maurice Braun, an impressionist painter inspired by California's landscape, shared his deep appreciation of nature with his children. While still very young, Ernest was given his first camera as a Christmas gift, and his world would never be the same. The camera became Ernest's tool for sharing his perspective of the world with those around him.

During World War II, Ernest served in the U.S. Army as a combat photographer, capturing images of the atrocities of war in Europe. Ernest's photos of concentration camps and numerous battles brought the conflict home to American shores. He served his country greatly with his portrayals of the human cost of war. Following the end of the war, he lived briefly in New York before he and his new wife, Sally Long, settled in San Anselmo, CA. Inspired by the beautiful vistas of Marin County, in the 1960s Ernest discovered his true love: nature photography. He believed strongly in the importance of

humanity's relationship to the natural world, and he created images to help people see and maintain that connection.

Ernest became an award-winning photographer serving architectural, industrial, and commercial clients while nurturing his dedication to showcasing the beauty of Mother Nature. Ernest was deeply committed to his craft and worked to ensure others had the opportunity to explore photography. Ernest taught photography at several schools including the University of California, Berkeley, and the University of California, San Diego. In addition, he traveled around the world teaching environmental photography workshops in Peru, Kenya, New Zealand, Alaska, Ecuador, China, New Zealand, the Galapagos Islands, and elsewhere. Ernest was a revered and sought-after photographer whose gift for the art form was admired by many.

Ernest's photography has been exhibited in prestigious institutions all over the country, including the San Francisco Museum of Modern Art and the Time-Life Gallery in New York City. In 1968, Ernest was voted the Nation's top architectural photographer by the American Institute of Architects, and in 1970 he won first prize in the landscape division of Life magazine's photo contest. Many of his images have also been published in books celebrating our environment.

Ernest was a kind and decent man with whom I had the great pleasure of being personally acquainted. He will certainly be remembered for his skillful photographic representations of the world around him and for his love and dedication to nature. Although he will be dearly missed, we take comfort in knowing that future generations will continue to benefit from the timeless gifts of the photographs he left behind.

Ernest is survived by his daughter Jennifer; his sons Jeff, Christopher, and Jonathan; and his four grandchildren. Our hearts go out to Ernest's family and friends during this difficult time.●

REMEMBERING KEELER CONDON

● Mr. JOHNSON. Mr. President, today I wish to recognize Keeler Bud Condon, former councilman of the Cheyenne River Sioux Tribe in South Dakota. Keeler passed away on March 30, 2010. The community of Cherry Creek, SD, and all of the Cheyenne River Indian Reservation lost a great leader and friend.

Keeler's Lakota name, Iktomi Kuwapi, is translated as "Cannot Be Fooled." He was born on May 5, 1941, in Porcupine, SD, on the Pine Ridge Reservation, and he spent his childhood years there. Keeler attended a number of tribal schools before graduating from Cheyenne-Eagle Butte High School in 1961.

One of Keeler's greatest joys was sports. He was an avid sports fan and athlete; in 1959, his basketball team

won the South Dakota State "B" Championship. After high school, he played with the All American Indian Semi-Pro team. Illustrating his enduring commitment to community, he maintained contact throughout his life with his high school basketball coach, Gus Kolb. Keeler worked for many years as a certified building and trades professional and also served as a bus driver for the Takini School before he was elected to the Cheyenne River Tribal Council in 2002. He served a 4-year term.

In 2003, I met Keeler when he hosted me and former Indian Health Service Director Dr. Charles Grim in Cherry Creek. We joined him for a tour and pow-wow. I remember well his constant advocacy for better health care and an improved quality of life for tribal communities. After Keeler retired from the Tribal Council, he continued to be a consistent presence at Tribal Headquarters in Eagle Butte. He would take the time to visit with many tribal members and provide guidance to the elected leaders.

I am sure that Keeler's entire family, including his wife Frieda, four children, and two stepchildren are very proud of his accomplishments, as they ought to be. Strong leaders are central to the well-being of tribal communities, and the Cheyenne River Sioux Tribe certainly benefited from Keeler's contributions.●

TRIBUTE TO PAULETTE MONTILEAUX

● Mr. JOHNSON. Mr. President, I wish today to pay tribute to Ms. Paulette Montileaux of Rapid City, SD, on an outstanding 42 years of service to the Federal Government as an employee of the U.S. Department of Interior's Indian Arts and Crafts Board. An enrolled member of the Rosebud Sioux Tribe, Ms. Montileaux began her service in Rapid City as a clerk and typist for the Indian Arts and Crafts Board in 1967. In 1978, she was promoted to Museum Assistant, and in 1983 she was named Curator for the Sioux Indian Museum.

The Sioux Indian Museum in Rapid City was founded in 1939 and is home to the historic Anderson Collection from the Rosebud Reservation, which was gathered in the 1880s and 1890s. This museum is one of three such unique and important Museums nationwide under the care of the Indian Arts and Crafts Board. Over the years, this Museum's collections have grown into one of the most extensive collections of Lakota/Dakota/Nakota artifacts. Ms. Montileaux and her staff have worked tirelessly to preserve these possessions. Housed within the Journey Museum for the past 13 years, items from the Sioux Indian Museum are viewed by the public in a realistic travel through time.

For 42 years, Ms. Montileaux worked to preserve the history of the Lakota/Dakota/Nakota people by maintaining existing collections, as well acquiring

new pieces of art. According to Authur Amiotte, during her long career she assisted in and witnessed the beginning careers of many traditional tribal artisan and contemporary painters, sculptors, and jewelers. Among her varied responsibilities, she coordinated a number of special exhibits each year to highlight the work of emerging artists. The integrity of the collections within the museum and their existence for future generations is in no small part thanks to Ms. Montileaux.

Ms. Montileaux went about her important work each day quietly and without any self interest; all of her attention was always focused on the collections and their importance to the tribes and all residents of South Dakota. Again, I congratulate her on her retirement and wish her and her husband Don Montileaux all the best on their future endeavors.●

REMEMBERING CHRISTOPHER W. WHITE

● Mr. KAUFMAN. Mr. President, in the past couple of years, the economy took a turn for the worse, and the Community Legal Aid Society, Inc.—CLASI, for short—in my home State of Delaware, was hit with a triple whammy. More people needed help while there were fewer private and government contributions to go around.

CLASI's executive director, Christopher W. White, faced these new, increasing, and difficult challenges bravely and with an amazing sense of determination. Some would say Chris did his best work when the going got particularly tough.

Today, the Legal Aid Society is a wonderful and esteemed nonprofit law firm dedicated to providing advice to people with low incomes or disabilities as well as those who are elderly. The success of CLASI is in large part due to Chris's almost two decades of hard work, direction, and excellent fundraising abilities. His devotion to CLASI was clear during the recent recession, when he lowered his own salary so that others could keep their jobs.

However, the Delaware and legal communities faced a tragic blow last week when Chris's life was tragically cut short on Wednesday, April 21. He was 48.

You can't go far in Wilmington without hearing that Chris was a brilliant advocate and overall great person. When you talked with Chris, his passion and drive would rub off on you. He had the effect of making everyone who knew him want to become a better person.

Much of this was owed to Chris's charisma. He was one-of-a-kind, and his intelligence never came off as pretentious. Everything that Chris did was driven by his heart—not politics or career-climbing—and a strong desire to make things better in his community.

Chris was a preacher's son and a graduate of Boston College and Suffolk University Law School. During law

school, Chris had a summer internship at Harvard Legal Aid, which changed his life. He could have been a private attorney with a high salary and a fraction of the workload of a public interest attorney. However, Chris devoted his entire professional career to Delaware's Community Legal Aid Society. Some of the highlights of his very bright career were when he argued before the Delaware Supreme Court.

One of his passions was the issue of safe, affordable, and adequate housing. The original Legal Aid Society dates back to 1946, but just recently CLASI added the Fair Housing Program to enforce fair housing rights for all people regardless of race, color, religion, sex, national origin, age, disability, and familial status. This is in large part due to Chris's commitment to this issue. He was involved with many community development and housing organizations and took up the cause before the State general assembly. He wrote a new State law to settle conflicts between manufactured-home owners and landlords. He also reworked New Castle County's landlord-tenant code so tenants could better understand their rights.

Chris's hard work was widely recognized by his peers. He received the New Lawyers Distinguished Service Award from the Delaware State Bar Association in 1999 and the Kind Policy Award from the Delaware Housing Coalition in 1997.

Only days after his passing, one of his many projects was opened in downtown Wilmington. He had led the renovation of an abandoned commercial space into "Shipley Lofts," a 23-unit artist community. The 1,500-square-foot gallery has been named the Christopher W. White Gallery in his memory, and the nonprofit organization that oversees the project has been renamed the Christopher W. White Community Development Corporation.

Chris gave everything he had—mind, body, time, resources—to those without a voice. Tragically, he was hit by a car in front of the building he worked so hard to develop as a place of vitality and creativity.

The loss of Christopher W. White is a great loss to Delaware. He will be truly missed. My sympathies go out to his family, friends, and colleagues, especially his wife Leandria and their children, Josh and Kayla, and his mother, Donna. ●

REMEMBERING CHRISTOPHER C. BOLKCOM

● Mr. McCAIN. Mr. President, I wish to speak in order to honor the life and achievements of Christopher C. Bolkcom, Congressional Research Service Specialist, on the occasion of the first anniversary of his passing away, on May 1, 2009.

Christopher Bolkcom served Congress with distinction for 9 years at the Library of Congress as a specialist in military aviation for the Congressional

Research Service. He held a bachelor's degree in international relations from the University of Minnesota, a master's degree in international affairs from American University in Washington, DC, and a master's degree in national security strategy from the National War College in Washington, DC.

Christopher was born on June 13, 1962, in Minneapolis, MN, raised there and then spent his adult life and career in the National Capitol Region until his untimely death on May 1, 2009.

Christopher was recognized throughout Congress, the military Services, the defense community, and the aeronautical industry as an expert on the management, operational use and procurement of military aircraft. In that capacity, he assisted Congress in its legislative and oversight activities, including testifying before the Senate Armed Services Committee; the House Armed Services Committee; the Senate Commerce, Science and Transportation Committee; and the Senate Governmental Affairs Committee. Christopher published many influential CRS reports on such subjects as Air Force aerial refueling; the role of airpower in counterinsurgency operations; tactical aviation and bomber force modernization; military aviation safety; suppression of enemy air defenses; and protecting commercial aircraft from shoulder-fired missiles. He provided objective, expert analysis on a number of issues, including the Joint Strike Fighter and the KC-X Tanker, to Congress, the Senate Armed Services Committee, and to me and my staff personally—analysis for which I am very grateful.

Christopher displayed generous enthusiasm for meeting the professional needs of colleagues and clients, enlivened by persistent humor and wit in his interpersonal relations. He worked hard at his public duties. He also played hard with friends, whether skiing or kick-boxing, and found time to serve others, at for example the Falls Church Presbyterian Church in Falls Church, VA.

On this occasion—the first anniversary of Christopher's passing away—I want to honor the life and achievements of Congressional Research Service Specialist Christopher Bolkcom, who is survived by his loving family, including his children Jessica and Maxwell Bolkcom; their mother Mary Anne Alexander; his parents Gene and Ann Bolkcom; his sister Elizabeth Matteson; his brother Bill Bolkcom; and his nephew Tristin Matteson. ●

TRIBUTE TO VICE ADMIRAL MIKE LOOSE

● Mr. McCAIN. Mr. President, I would like to take a moment today to recognize the extraordinary contributions of VADM Mike Loose, Civil Engineer Corps, U.S. Navy to our Nation. Vice Admiral Loose has served with exceptional distinction as the Deputy Chief

of Naval Operations, CNO, for Fleet Readiness and Logistics, a position of great responsibility, from January 2007 to April 2010.

Vice Admiral Loose brought a unique and remarkable perspective to the CNO's leadership team, resulting in profound innovations to Navy policy, programs, and resourcing. His professional reach extended to the Joint Staff, the other Services, our international defense partners, and the industry to achieve alignment and collaboration resulting in great benefits to everyone involved. He was the visionary leader and driving force behind the Navy's transition from a level-of-effort based budget to a model-based approach that links Afloat Readiness to output metrics and resources. This transformational leap provided senior Navy leadership the intellectual basis and the tools to enhance core Warfighting capabilities in a restrained fiscal environment and to clearly define the relationship between baseline and overseas contingency operations funding.

Vice Admiral Loose was also the vanguard who recognized the strategic imperative of energy to the employment of Navy combat forces and spearheaded the establishment of Task Force Energy and the Navy Energy Coordination Office 2 years ago. He fully established the mindset that energy is a tactical advantage and strategic enabler for military forces. In short order, his Energy organization was recognized as the premier model for the other Services and as the foundation for the DON's Energy program. In addition, he profoundly reshaped and expertly guided the Navy's Environmental Program at a time when the importance of the program was paramount. His foresight and energetic leadership ensured the Navy achieved regulatory milestones and uninterrupted, critical operational training in support of national command authority objectives.

In recognition of the enormous challenges inherently facing the funding of future ownership costs of existing and new systems Vice Admiral Loose directed the development of a "2030 and Beyond" assessment that demonstrated that the growth in future ownership costs of existing and new systems would far exceed the expected growth in the Navy's topline budget over the next 20 years. His efforts led to an increased focus on total ownership costs across the Navy, specific direction in the 2010 Chief of Naval Operations Guidance and his assignment as the Navy's Executive Agent for Total Ownership Costs.

Today, I honor Vice Admiral Loose for his service to our country, his inspirational and visionary leadership, his extraordinary strength of character and moral courage, and his irrepressible drive and leadership. He and his wife Carol and their son Chris have made many sacrifices during his career in the Navy. I call upon my colleagues

to join his family, friends, and association to wish them "fair winds and following seas."•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 9:52 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3808. An act to require any Federal or State court to recognize any notarization made by a notary public licensed by a State other than the State where the court is located when such notarization occurs in or affects interstate commerce.

H.R. 5017. An act to ensure the availability of loan guarantees for rural homeowners.

H.R. 5146. An act to provide that Members of Congress shall not receive a cost of living adjustment in pay during fiscal year 2011.

At 1:23 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5147. An act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3808. An act to require any Federal or State court to recognize any notarization made by a notary public licensed by a State other than the State where the court is located when such notarization occurs in or affects interstate commerce; to the Committee on the Judiciary.

H.R. 5017. An act to ensure the availability of loan guarantees for rural homeowners; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5146. An act to provide that Members of Congress shall not receive a cost of living adjustment in pay during fiscal year 2011.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. KERRY for the Committee on Foreign Relations.

*Mari Carmen Aponte, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of El Salvador.

Nominee: Mari Carmen Aponte
Post: El Salvador

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Contributions, amount, date, donee:

1. Self: \$500, 4-22-05, Cong. Nydia Velázquez; -\$540, 6-29-05, Latina RoundTable PAC (\$540 Refund from Contribution prior to 2005.); \$4000, 6-30-06, DCCC; \$250, 2-23-07, Cong. Jose Serrano; \$400, 4-30-0, Dorgan for Senate; \$2000, 12-28, Salazar 2008; \$1000, 2-19-0, H Clinton Committee; \$150, 3-05-0, Tadeo for Congress; \$200, 6-10-0, McMahon for Congress; \$800, 6-10-0, Salazar 2008; \$5000, 9-19-0, Poder PAC; \$5000, 10-30-08, Obama Victory Fund; \$1000, 12-05-08, Poder PAC; \$1000, 03-03-09, Becerra for Congress; \$500, 03-18-09, Pleitez for Congress; \$500, 04-22-09, Cong. Nydia Velázquez; \$500, 05-11-09, DSCC; \$100, 6-29-09, Amigos de Salazar; \$250, 9-11-09, DSCC; \$1000, 10-16-09; Menendez for Senate; \$1000, 10-28-09, Ctee to Re-elect N Velázquez; \$1000, 11-11-09, Ctee to Re-elect N Velázquez; -\$1000, 02-02-10, Refund Poder PAC (\$1000 Refund from Contribution made in error in 2008).

2. Grandparents: All four Grandparents deceased before 2005.

3. Father: Rene Aponte—deceased on June 17, 1989.

4. Mother: Maria Cristina Rodriguez, since 2005—DCCC, 6-24-06, \$2000; DNC, 9-15-08, \$35.

5. Sister: Maria Teresita Aponte Aloma, since 2005—DCCC, 6-30-06, \$2000; Salazar 2008, 12-28-07, \$1000.

6. Step Sister: Kate Wood, since 2005—Ctee to Re-elect N Velázquez, 4-25-05, \$1000; Ctee to Re-elect N Velázquez, 10-20-05, \$1000; Obama for America, 9-17-08, \$300; Obama for America, 9-30-08, \$250.

7. Step Brother: Bill Wood, since 2005—Ctee to Re-elect N Velázquez, 9-29-05, \$500.

By Mr. LIEBERMAN for the Committee on Homeland Security and Governmental Affairs.

*Dana Katherine Bilyeu, of Nevada, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring October 11, 2011.

*Michael D. Kennedy, of Georgia, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring September 25, 2010.

*Michael D. Kennedy, of Georgia, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring September 25, 2014.

*Dennis P. Walsh, of Maryland, to be Chairman of the Special Panel on Appeals for a term of six years.

*Milton C. Lee, Jr., of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

*Todd E. Edelman, of the District of Columbia, to be an Associate Judge of the Su-

perior Court of the District of Columbia for the term of fifteen years.

*Judith Anne Smith, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. BOXER:

S. 3268. A bill to amend title 49, United States Code, to prohibit individuals who have worked on motor vehicle safety issues at NHTSA from assisting motor vehicle manufacturers with NHTSA compliance matters for a period of 3 years after terminating employment at NHTSA, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mrs. GILLIBRAND (for herself, Mr. DODD, and Ms. KLOBUCHAR):

S. 3269. A bill to provide driver safety grants to States with graduated driver licensing laws that meet certain minimum requirements; to the Committee on Environment and Public Works.

By Mr. MCCAIN:

S. 3270. A bill to include the county of Mohave, in the State of Arizona, as an affected area for purposes of making claims under the Radiation Exposure Compensation Act based on exposure to atmospheric nuclear testing; to the Committee on the Judiciary.

By Mr. UDALL of New Mexico:

S. 3271. A bill to amend section 30166 of title 49, United States Code, to require the installation of event data recorders in all motor vehicles manufactured for sale in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BENNET:

S. 3272. A bill to provide greater controls and restrictions on revolving door lobbying; to the Committee on Homeland Security and Governmental Affairs.

By Mr. CORNYN (for himself and Mrs. HUTCHISON):

S. 3273. A bill to establish a program to provide southern border security assistance grants, to authorize the appointment of additional Federal judges in states along the southern border, and for other purposes; to the Committee on the Judiciary.

By Mr. CORNYN (for himself and Mr. BROWN of Ohio):

S. 3274. A bill to amend the Controlled Substances Act to address the use of intrathecal pumps; to the Committee on the Judiciary.

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. 3275. A bill to extend the Caribbean Basin Economic Recovery Act, to provide customs support services to Haiti, and for other purposes; to the Committee on Finance.

By Mr. WYDEN (for himself and Ms. MURKOWSKI):

S. 3276. A bill to provide an election to terminate certain capital construction funds without penalties; to the Committee on Finance.

By Mr. UDALL of New Mexico:

S. 3277. A bill to amend the American Recovery and Reinvestment Act of 2009 to reserve funds under the programs for payments

to the Bureau of Indian Education of the Department of the Interior for Indian children; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WHITEHOUSE (for himself, Ms. COLLINS, Mr. CARDIN, Mr. WYDEN, Mrs. FEINSTEIN, Mr. SANDERS, Ms. CANTWELL, Mr. LEVIN, Mr. KERRY, and Mr. LAUTENBERG):

S. Res. 503. A resolution designating May 21, 2010, as "Endangered Species Day"; to the Committee on the Judiciary.

By Mr. WICKER (for himself and Mr. COCHRAN):

S. Res. 504. A resolution expressing the condolences of the Senate to those affected by the tragic events following the tornado that hit central Mississippi on April 24, 2010; considered and agreed to.

ADDITIONAL COSPONSORS

S. 384

At the request of Mr. LUGAR, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 384, a bill to authorize appropriations for fiscal years 2010 through 2014 to provide assistance to foreign countries to promote food security, to stimulate rural economies, and to improve emergency response to food crises, to amend the Foreign Assistance Act of 1961, and for other purposes.

S. 777

At the request of Mr. BROWN of Ohio, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. 777, a bill to promote industry growth and competitiveness and to improve worker training, retention, and advancement, and for other purposes.

S. 781

At the request of Mr. ROBERTS, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 781, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 1055

At the request of Mrs. BOXER, the names of the Senator from Vermont (Mr. SANDERS), the Senator from Arkansas (Mr. PRYOR) and the Senator from Minnesota (Mr. FRANKEN) were added as cosponsors of S. 1055, a bill to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II.

S. 1611

At the request of Mr. GREGG, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1611, a bill to provide collective bargaining rights for public

safety officers employed by States or their political subdivisions.

S. 1681

At the request of Mr. LEAHY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1681, a bill to ensure that health insurance issuers and medical malpractice insurance issuers cannot engage in price fixing, bid rigging, or market allocations to the detriment of competition and consumers.

S. 1695

At the request of Mr. BURRIS, the names of the Senator from North Carolina (Mr. BURR) and the Senator from North Carolina (Mrs. HAGAN) were added as cosponsors of S. 1695, a bill to authorize the award of a Congressional gold medal to the Montford Point Marines of World War II.

S. 2862

At the request of Ms. SNOWE, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2862, a bill to amend the Small Business Act to improve the Office of International Trade, and for other purposes.

S. 2962

At the request of Mr. DODD, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2962, a bill to amend title II of the Social Security Act to apply an earnings test in determining the amount of monthly insurance benefits for individuals entitled to disability insurance benefits based on blindness.

S. 2986

At the request of Ms. LANDRIEU, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 2986, a bill to authorize the Administrator of the Small Business Administration to waive interest for certain loans relating to damage caused by Hurricane Katrina, Hurricane Rita, Hurricane Gustav, or Hurricane Ike.

S. 3039

At the request of Mr. UDALL of New Mexico, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 3039, a bill to prevent drunk driving injuries and fatalities, and for other purposes.

S. 3065

At the request of Mr. LIEBERMAN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 3065, a bill to amend title 10, United States Code, to enhance the readiness of the Armed Forces by replacing the current policy concerning homosexuality in the Armed Forces, referred to as "Don't Ask, Don't Tell", with a policy of nondiscrimination on the basis of sexual orientation.

S. 3181

At the request of Mrs. BOXER, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 3181, a bill to protect the rights of consumers to diagnose, service, maintain, and repair their motor vehicles, and for other purposes.

S. 3196

At the request of Mr. KAUFMAN, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 3196, a bill to amend the Presidential Transition Act of 1963 to provide that certain transition services shall be available to eligible candidates before the general election.

S. 3201

At the request of Mr. UDALL of Colorado, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 3201, a bill to amend title 10, United States Code, to extend TRICARE coverage to certain dependents under the age of 26.

S. 3254

At the request of Mr. BROWN of Ohio, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 3254, a bill to amend the Fair Labor Standards Act of 1938 to require persons to keep records of non-employees who perform labor or services for remuneration and to provide a special penalty for persons who misclassify employees as non-employees, and for other purposes.

S. 3262

At the request of Mr. MENENDEZ, the name of the Senator from Idaho (Mr. RISCH) was added as a cosponsor of S. 3262, a bill to amend the Internal Revenue Code of 1986 to provide that the volume cap for private activity bonds shall not apply to bonds for facilities for the furnishing of water and sewage facilities.

S. 3265

At the request of Mr. MCCAIN, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 3265, a bill to restore Second Amendment rights in the District of Columbia.

S.J. RES. 28

At the request of Mr. DODD, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S.J. Res. 28, a joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

S. CON. RES. 61

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. Con. Res. 61, a concurrent resolution expressing the sense of the Congress that general aviation pilots and industry should be recognized for the contributions made in response to Haiti earthquake relief efforts.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 3268. A bill to amend title 49, United States Code, to prohibit individuals who have worked on motor vehicle safety issues at NHTSA from assisting motor vehicles manufacturers with

NHTSA compliance matters for a period of 3 years after terminating employment at NHTSA, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. BOXER. Mr. President, last August, California Highway Patrol Officer Mark Saylor, his wife, 13 year old daughter, and brother-in-law were killed in a tragic car accident that shocked the community of San Diego and the nation.

Their vehicle, a rental Lexus ES350, reached speeds of 120 mph as the family desperately called 911 in vain for help. This tragedy should not have occurred, and sadly, it is just one of many examples across California and the country of accidents involving Toyota and Lexus vehicles.

These accidents raise serious questions about the effectiveness of the recalls and whether Toyota and federal regulators at the National Highway Traffic Safety Administration, NHTSA, took appropriate and timely action to protect the public.

At the Senate Commerce Committee hearing on the Toyota recalls this past March, I called attention to reports that former NHTSA employees now employed by Toyota worked to limit Toyota's recall. In fact, Toyota's own internal documents stated that the company had achieved a "win" by "negotiating an equipment recall" on the Camry and Lexus ES vehicles that saved Toyota \$100 million. It is a shocking example of a company counting profit wins at the expense of the public's health and safety.

The revolving door that exists between government regulators at NHTSA and the auto industry is unacceptable, and it puts consumers at risk. In fact, the Washington Post reported that as many as 33 former NHTSA and Department of Transportation, DOT, employees continue to work on vehicle recalls and safety compliance, capacities that deal directly with NHTSA's oversight authority over the industry.

That is why I am introducing the Motor Vehicle Safety Integrity Employment Act, to end the revolving door that exists between our vehicle safety regulatory agency—NHTSA—and the auto industry.

My bill prohibits NHTSA employees from working for auto manufacturers for three years in any job that involves written or oral communication with NHTSA, representing or advising a manufacturer with respect to motor vehicle safety, or assisting a manufacturer with responding to a request for information from NHTSA.

This restriction applies to high ranking NHTSA officials, as well as any individual whose responsibilities during the last 12 months at NHTSA included administrative, managerial, legal, supervisory, or senior technical responsibility for any motor vehicle safety-related program.

My legislation provides penalties for individuals and manufacturers who violate the law. Manufacturers are subject

to fines not less than \$100,000 and the amount equal to 90 percent annual compensation paid to that employee.

Finally, our bill requires the Inspector General to conduct a comprehensive study of DOT's policies related to post-employment restrictions for employees who handle motor vehicle safety related work beyond NHTSA at DOT, and DOT employees who handle all safety related work across all transportation modes. My legislation gives DOT the authority to take appropriate action as warranted.

We need to ensure that consumer safety is not compromised by cozy relationships between government regulators and industry. I am proud to introduce this bill to protect the public and look forward to working with my colleagues to enact this legislation as quickly as possible.

Mr. President, I ask unanimous consent that a letter of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 27, 2010.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: We are writing to strongly endorse the Motor Vehicle Safety Integrity Employment Act you are sponsoring that will close a legal loophole concerning post-government employment in the auto industry by former government personnel of the National Highway Traffic Safety Administration (NHTSA). Congressional hearings and media investigations into high speed crashes and deaths caused by unintended acceleration, the premature closure of agency defect investigations and the subsequent recall of ten million vehicles by Toyota Motor Corporation exposed a revolving door of former NHTSA regulators representing the automaker in safety matters before the agency.

Activities by former NHTSA employees who are subsequently hired by automakers have the potential to jeopardize the agency's investigations, rulemakings, and oversight functions. These ethics issues need to be corrected and addressed in legislation. It is essential and expected that NHTSA conducts impartial analyses of all vehicle safety issues. It is critical to protect the integrity of the agency's investigatory and enforcement role, as well as to ensure public safety when the agency sets safety standards. Your legislation is needed in order to restore the trust of the American public in our government regulators and ensure the safety of millions of vehicles that families depend on to travel to work, transport children to school and to bring us home safely.

Your legislation, when enacted, will prevent undue industry influence in the agency's enforcement and regulatory decision-making and address an unacceptable defect in current ethics restrictions for former NHTSA employees. Thank you for your leadership.

Sincerely,

Joan Claybrook, President Emeritus, Public Citizen; Clarence Ditlow, Executive Director, Center for Auto Safety; Janette Fennell, Founder & President, KIDS AND CARS; Rosemary Shahan, President, Consumers for Auto Reliability and Safety; Ami Gadhia, Policy Counsel, Consumers Union; Jacqueline S. Gillan, Vice President, Advocates

for Highway and Auto Safety; Jack Gillis, Director of Public Affairs, Consumer Federation of America; Andrew McGuire, Executive Director, Trauma Foundation; Ellen Bloom, Director, Federal Policy and Washington Office, Consumers Union.

By Mr. MCCAIN:

S. 3270. A bill to include the county of Mohave, in the State of Arizona, as an affected area for purposes of making claims under the Radiation Exposure Compensation Act based on exposure to atmospheric nuclear testing; to the Committee on the Judiciary.

Mr. MCCAIN. Mr. President, I am pleased to introduce legislation that would amend the Radiation Exposure Compensation Act, RECA, by adding Mohave County, AZ, to the list of counties eligible for downwinder compensation. A similar proposal was introduced in the House of Representatives by Congressman TRENT FRANKS. I'm hopeful this bill will help close a painful chapter for those Arizonans who were arguably the most affected by nuclear weapons testing during the Cold War.

In 1990, Congress enacted the Radiation Exposure Compensation Act to compensate victims or their survivors who suffered certain illnesses caused by fallout exposure "down wind" of atmospheric nuclear weapons testing in the 1940's and lasting into the 1960's. Among various requirements, compensation eligibility is limited to certain affected counties which are specifically listed in the law. Astonishingly, despite its close proximity to the Nevada Test Site, the original RECA law and its subsequent amendments never listed Mohave County proper as an affected area. I believe the people of Mohave County deserve to see righted this unjust policy which has obstructed their ability to qualify for compensation.

I understand that several of my colleagues have proposed similar RECA amendments based on data suggesting that their home states were also "down wind" of nuclear weapons testing. In addition, my colleague, Senator TOM UDALL, has introduced a far reaching legislative proposal to vastly expand the RECA program. I would hope that as these various RECA proposals advance through the legislative process, Congress gives thorough consideration to an April 2005 report by the National Academy of Sciences, NAS, that assessed, among other things, whether additional geographic areas should be added to the RECA program. The NAS study revealed a much wider area of radioactive fallout than originally identified when the RECA law was first written. The report also recommended replacing the geographic area criteria with a new science-based process for determining compensation eligibility, a method similar to what's used in the Radiation Exposed-Veterans Compensation Act and the Energy Employees Occupational Illness Compensation Program Act. I believe it is worthwhile

for policy makers to consider the recommendations of the NAS report.

In the meantime and until a comprehensive overhaul of RECA is developed, I will work within the parameters of the existing RECA law in my efforts to ensure that the people of Mohave County are treated fairly in this matter. I encourage my colleagues to support this bill.

By Mr. UDALL of New Mexico:

S. 3271. A bill to amend section 30166 of title 49, United States Code, to require the installation of event data recorders in all motor vehicles manufactured for sale in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. UDALL of New Mexico. Mr. President, I rise today to introduce legislation that I believe will help improve the safety of automobile drivers and passengers. The legislation, the Vehicle Safety Improvements Act, would, among other things, require all automobiles sold in the United States be equipped with an event data recorder, an EDR.

Event data recorders provide a report of a vehicle's operating statistics—things like the throttle position and speed of the vehicle—during the last seconds before and immediately after a crash.

They serve a similar function as the black boxes that are in each airplane by documenting critical information leading up to an incident. Unlike black boxes, an EDR doesn't record the voices of the vehicle occupants. It simply preserves the vehicle's internal operating data.

The information stored by an EDR can be crucial in determining what happened in the last few seconds prior to a crash and the moments immediately after. If a vehicle doesn't have a recorder, or if the data is not easily accessible, this information can be lost. That leaves local and Federal investigators little to work with as they try to determine whether a vehicle malfunction was to blame. Unfortunately, while the majority of vehicles in the United States are currently equipped with these recorders, many still do not have them.

In 2006, the National Highway Traffic Safety Administration, NHTSA, created a framework for the type of information to be recorded by event data recorders in light-duty vehicles, but it stopped short of requiring the recorders. If the vehicle manufacturer installs an event data recorder in a car, it must comply with the rule. But there is no requirement that the manufacturer install the recorder in the first place.

NHTSA's 2006 rule further requires the manufacturers to ensure that a tool to read the recorder is commercially available. Today, while there are tools commercially available, there is no one universal tool—creating a challenge for investigators who must carry

a suitcase of readers with them on investigations. This is an unnecessary burden that can be easily addressed.

This particular burden came to light recently in the context of the tragic Toyota crashes. During hearings held by Chairman ROCKEFELLER in the Commerce Committee, we learned that although Toyotas were equipped with EDRs, until recently they were only able to be read by one computer in the entire United States. That is why, in addition to requiring recorders in all vehicles for sale in the United States, the Vehicle Safety Improvements Act will also require that recorders be easily read by a universal tool regardless of make or model of the vehicle.

In addition, NHTSA's rule also fails to address medium- and heavy-duty vehicles. My legislation would require NHTSA to issue a rule addressing those vehicles as well. While they comprise a small percentage of the vehicle miles traveled on an annual basis, medium- and heavy-duty vehicles are overrepresented in crashes resulting in fatalities. In these crashes, an event data recorder would be a useful tool during the crash investigation in determining the cause of the crash.

Finally, my bill protects privacy by ensuring that the data can only be accessed with the vehicle owner's permission when authorized by a court or a legal proceeding or by a government motor vehicle safety agency.

Adding these recorders would not cost much. In their rulemaking, NHTSA estimated the cost for the manufacturer to install an event data recorder at just over \$2 per vehicle. That is a small price to pay for the critical information that can ultimately be used to save lives in the future.

Vehicle crashes are horrible and oftentimes tragic. They result in damage, injuries, and too often fatalities. They create congestion and cost our economy billions of dollars each year. Event data recorders will not prevent crashes, but they will help to determine what caused the crash and, in the case of a vehicle malfunction, help to identify solutions to improve vehicle performance. In the end, the data they provide will serve to ensure a safer travel environment for all.

I urge my Senate colleagues to join me in this important effort to improve vehicle safety. I look forward to working with them and my chairman, Chairman ROCKEFELLER, who has been a champion on issues of transportation safety, to pass the Vehicle Safety Improvements Act this year.

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. 3275. A bill to extend the Caribbean Basin Economic Recovery Act, to provide customs support services to Haiti, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Mr. President, one of Aesop's Fables teaches us, "In union there is strength."

In 2009, Haiti's future was beginning to strengthen. A U.S. trade preference program, known as the Haitian Hemispheric Opportunity through Partnership Encouragement Act, or HOPE II, created incentives to increase textile and apparel production in Haiti. As a result, Haiti's textile and apparel sector was growing, creating new jobs and a viable economic future.

But on January 12, 2010, Haiti was struck by a 7.0 magnitude earthquake that took hundreds of thousands of lives, left a million people homeless, and shattered Haiti's burgeoning economy. As Haiti recovers from this devastation, we must unite with our neighbor to help provide the strength that it needs to recover and rebuild.

Today, Senator GRASSLEY and I introduce the Haiti Economic Lift Program Act of 2010—the HELP Act—to strengthen Haiti's path to economic recovery. Congressmen LEVIN, CAMP, and RANGEL are also introducing a companion bill in the House.

The HELP Act would build on the success of the HOPE Act by expanding access to the U.S. market for textile and apparel products from Haiti. As a result, it would create incentives for immediate and long-term private investment in Haiti, which would in turn create sustainable jobs and a stable economy. The HELP Act would also extend all of our trade preference programs for Haiti to 2020, ensuring that Haiti could rely on these tariff benefits as it plans its own economic future.

As we considered the needs of Haiti, we were also watchful of the needs of our domestic textile industry. We worked closely with the domestic industry for months to craft a bill that would not hurt our own workers, even as we help others.

The HELP Act represents a landmark union among the Senate, the House, Democrats, Republicans, and the domestic textile industry to help Haiti recover from its devastation. This union resulted in an unprecedented bill that will help Haiti emerge from the earthquake stronger than ever.

I urge my colleagues to join this union and quickly approve this legislation.

Mr. GRASSLEY. Mr. President, I have come to the floor to speak about a bill that Senator BAUCUS and I have introduced today. It's called the Haiti Economic Lift Program Act of 2010.

The purpose of our bill is to help Haiti recover from the devastation it suffered in the massive earthquake that struck the country in January.

How we respond to natural disasters says a lot about ourselves, whether it's flooding in Iowa or an earthquake in Haiti.

The idea behind the bill is simple. First, we extend current trade preferences for Haiti through fiscal year 2020, to provide more certainty for companies doing business either in Haiti or with Haitian partners.

Second, we grant additional duty-free access to the U.S. market for targeted

categories of textile and apparel products. That will help to draw more investment into Haiti's economy and thereby promote long-term job creation, economic development, and political stability.

Our bill is a bipartisan, bicameral compromise. It is the product of 3 months of collaborative negotiations among the chairmen and ranking members of the Senate Finance and House Ways and Means committees and with representatives of the U.S. textile industry and the Haitians themselves.

We also reached out to members of Congress who have constituent textile and apparel interests, to ensure that their concerns were addressed.

Our ability to reach agreement on the bill is a testament to the good will and good faith of all those involved in our negotiations.

The result reflects a careful balancing of interests, including Haiti's interest in spurring more investment in its economy, the interests of our trading partners in Central America in maintaining existing trade relationships, and our own domestic textile interests.

We took special care to address the sensitivities of our domestic producers.

In fact, I have a letter here from the two leading U.S. textile industry organizations. Their letter expresses support for our bill and encourages the Senate to pass the bill in an expeditious manner by unanimous consent.

Finally, I want to make special mention of my colleagues from states with textile interests, and to thank them for their constructive input in developing this legislation.

Without their engagement and support, we would not have arrived at the compromise bill that is being introduced today in both the Senate and the House of Representatives.

This is a balanced bill that addresses an urgent priority in the Western Hemisphere.

I ask my colleagues to give the bill their unanimous support when it comes before the Senate.

Mr. President, I ask unanimous consent that a letter of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APRIL 26, 2010.

Hon. MAX BAUCUS,
*Chairman, Committee on Finance, U.S. Senate,
Dirksen Senate Office Building, Wash-
ington, DC.*

Hon. CHARLES GRASSLEY,
*Ranking Member, Committee on Finance, U.S.
Senate, Dirksen Senate Office Building,
Washington, DC.*

DEAR CHAIRMAN BAUCUS and RANKING MEMBER GRASSLEY: As representatives of the United States textile industry, we are writing in regard to the Haiti Economic Lift Program Act of 2010, a bill to provide enhanced market access for apparel products manufactured in Haiti.

After lengthy negotiations with your staffs, we are pleased that we were able to reach an acceptable compromise on this important legislation. While the bill provides

Haiti with a path forward for long-term economic recovery in the wake of its devastating earthquake, it also takes into account various sensitivities from the perspective of the U.S. textile industry.

For example, the bill grants significant increases in duty free treatment through a system of Tariff Preference Levels (TPLs) but also institutes sub-limits on highly sensitive products that can be exported under the TPLs. The sub-limits were a key priority for the domestic industry and will prevent over concentration of exports in one or two key areas that could be particularly damaging to U.S. producers. In addition, the bill extends the current Caribbean Basin Trade Partnership Act (CBTPA) through 2020. This extension will help to provide long-term certainty for a program that is of significant value for U.S. and Western Hemispheric trading partners.

Obviously, we take very seriously the impact that additional duty free imports may have on U.S. producers and workers as well as our Western Hemispheric customers. Noting those concerns, we also recognize that the devastating circumstances in Haiti produced an exceptional case that motivated Congress to develop a quick response and have worked with the Committee to develop a package that strikes an acceptable balance. We must stress, however, that this package does not set a precedent for any future trade preference legislation.

For all these reasons, we are encouraging our Congressional members that represent the nearly 500,000 U.S. textile and apparel workers to approve this legislation in an expeditious manner under suspension of the rules in the House and by unanimous consent in the Senate.

Sincerely,

AUGUSTINE D. TANTILLO,
*Executive Director,
American Manufacturing Trade Action
Coalition (AMTAC).*

CASS M. JOHNSON,
*President, National
Council of Textile
Organizations
(NCTO).*

Mr. WYDEN (for himself and Ms. MURKOWSKI):

S. 3276. A bill to provide an election to terminate certain capital construction funds without penalties; to the Committee on Finance.

Mr. WYDEN. Mr. President, today I am introducing a bill to reform the Capital Construction Fund to address major changes in the Nation's fisheries and to allow the Nation's fishers to have access to needed funds, to prevent over-fishing and to help create jobs.

The Capital Construction Fund, CCF, program was originally developed at a time when American fishes were having a hard time competing with highly efficient foreign fishing vessels—modern boats that often harvested US fishery resources within sight of our own shores. The initial idea behind the CCF Program was to enable US fishers to accumulate the funds necessary to develop a modern fishing fleet by allowing them to deposit a portion of their fishing-related earnings into a CCF savings account on a tax-deferred basis. Under the CCF program, monies subsequently withdrawn from the CCF accounts would remain tax free as long as they were invested in new or rebuilt

fishing vessels. At the same time, any unauthorized withdrawals from CCF accounts were subject to severe interest and other penalties.

The program was a success—the CCF program helped the U.S. industry build a modern state-of-the-art fishing fleet. Unfortunately, that fleet has now become overcapitalized—a problem that has been exacerbated as managers have become more and more concerned about potential overfishing and have begun to reduce the amount of fish that they allow fishers to catch each year. As a result, the U.S. commercial fishing fleet now has more harvesting capacity than the U.S. fishery resource can sustainably support. The problem now is that the monies that remain on deposit in CCF accounts represent a potential for further overcapitalization at a time when less capitalization is needed. Yet the CCF regulations currently penalize withdrawals made for anything other than a bigger or better boat.

The issue now is what to do about the money that remains “stranded” in existing CCF accounts. Ironically, just as the current generation of fishers is getting ready to retire, the program puts heavy penalties on them if they take money out of their CCF accounts without using it for anything other than to further capitalize an already overcapitalized fleet.

The resulting situation is problematic for the fishers, the industry and the resource. That's why I am introducing legislation today along with my colleague Senator MURKOWSKI—to address the problem of stranded capital still on deposit in various CCF accounts and to relieve the pressure to increase further capitalization of the fishing fleet. My legislation will enable CCF fund-holders to make a one-time withdrawal from their CCF accounts without requiring them to re-invest it in the fishing industry. Instead, they will be required to pay the taxes due on the monies withdrawn, but without having to pay interest or other penalties on such withdrawals. Those funds would be freed up for other purposes, including starting a new business and finding other ways to support and create jobs. An income-averaging formula would be applied to the withdrawals so as to avoid an excessive tax rate on the one-time withdrawal. The fishers taking advantage of such an opportunity to take money out of their CCF accounts penalty free would then be required to close their CCF accounts and would be prohibited from further participation in the program. This is a win-win-win situation. The fisher gets to take the money out of his CCF without having to pay penalties and interest, but still pays the taxes when due; the Government gets taxes on the withdrawals; and the resource and the fishers who remain in the fishery avoid further capitalization of an already over-capitalized industry.

I look forward to working with Senator MURKOWSKI, the fishing community and the bill's other supporters to

advance this legislation to the President's desk.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELECTION TO TERMINATE CERTAIN CAPITAL CONSTRUCTION FUNDS.

(a) AMENDMENTS TO CHAPTER 535 OF TITLE 46, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 535 of title 46, United States Code, is amended by adding at the end the following new section:

“§ 53518. Election to terminate

“(a) IN GENERAL.—

“(1) ELECTION.—Any person who has entered into an agreement under this chapter with respect to a vessel operated in the fisheries of the United States may make an election under this paragraph to terminate the capital construction fund established under such agreement.

“(2) EFFECT OF ELECTION ON INDIVIDUALS.—In the case of an individual who makes an election under paragraph (1) with respect to a capital construction fund—

“(A) any amount remaining in such capital construction fund on the applicable date shall be distributed to such individual as a nonqualified withdrawal, except that—

“(i) in computing the tax on such withdrawal, except as provided in paragraph (4), subsections (c)(3)(B) and (f) of section 53511 shall not apply; and

“(ii) the taxpayer may elect to average the income from such withdrawal as provided in subsection (b); and

“(B) such individual shall not be eligible to enter into, directly or indirectly, any future agreement to establish a capital construction fund under this chapter with respect to a vessel operated in the fisheries of the United States.

“(3) EFFECT OF ELECTION FOR ENTITIES.—

“(A) IN GENERAL.—In the case of a person (other than an individual) who makes an election under paragraph (1)—

“(i) the total amount in the capital construction fund on the applicable date shall be distributed to the shareholders, partners, or members of such person in accordance with the terms of the instruments setting forth the ownership interests of such shareholders, partners, or members;

“(ii) each shareholder, partner, or member shall be treated as having established a special temporary capital construction fund and having deposited amounts received in the distribution into such special temporary capital construction fund;

“(iii) no gain or loss shall be recognized with respect to such distribution;

“(iv) the basis of any shareholder, partner, or member in the person shall not be reduced as a result of such distribution;

“(v) any amounts not distributed pursuant to clause (i) shall be distributed in a nonqualified withdrawal; and

“(vi) such person shall not be eligible to enter into, directly or indirectly, any future agreement to establish a capital construction fund under this chapter with respect to a vessel operated in the fisheries of the United States.

“(B) SPECIAL TEMPORARY CAPITAL CONSTRUCTION FUNDS.—For purposes of this chapter, a special temporary capital construction fund shall be treated in the same manner as a capital construction fund established under section 53503, except that the following rules shall apply:

“(i) A special temporary capital construction fund shall be established without regard to any agreement under section 53503 and without regard to any eligible or qualified vessel.

“(ii) Section 53505 shall not apply and no amounts may be deposited into a special temporary capital construction fund other than amounts received pursuant to a distribution described in subparagraph (A)(i).

“(iii) In the case of any amounts distributed from a special temporary capital construction fund directly to a capital construction fund of the taxpayer established under section 53505—

“(I) no gain or loss shall be recognized;

“(II) the limitation under section 53505 shall not apply with respect to any amount so transferred;

“(III) such amounts shall not reduce taxable income under section 53507(a)(1); and

“(IV) for purposes of section 53511(e), such amounts shall be treated as deposited in the capital construction fund on the date that such funds were deposited in the capital construction fund with respect to which the election under paragraph (1) was made.

“(iv) In the case of any amounts distributed from a special temporary capital construction fund pursuant to an election under paragraph (1), clauses (i) and (ii) of paragraph (2)(A) shall not apply to so much of such amounts as are attributable to earnings accrued after the date of the establishment of such special temporary capital construction fund.

“(v) Any amount not distributed from a special temporary capital construction fund before the due date of the tax return (including extension) for the last taxable year of the individual ending before January 1, 2012, shall be treated as distributed to the taxpayer on the day before such due date as if an election under paragraph (1) were made by the taxpayer on such day.

“(C) REGULATIONS.—The joint regulations shall provide rules for—

“(i) assigning the amounts received by the shareholders, partners, or members in a distribution described in subparagraph (A)(i) to the accounts described in section 53508(a) in special temporary capital construction funds; and

“(ii) preventing the abuse of the purposes of this section.

“(4) TAX BENEFIT RULE.—Rules similar to the rules under section 53511(f)(3) shall apply for purposes of determining tax liability on any nonqualified withdrawal under paragraph (2)(A), (3)(A)(v), or (3)(B)(v).

“(5) APPLICABLE DATE.—For purposes of this subsection, the term ‘applicable date’ means—

“(A) with respect to any capital construction fund which has a balance of less than \$1,000,000 on the date that an election under paragraph (1) was made, the date of such election; and

“(B) with respect to any other capital construction fund, the last day of the taxable year which includes the date of the enactment of this section.

“(6) ELECTION.—Any election under paragraph (1)—

“(A) may only be made—

“(i) by a person who maintains a capital construction fund with respect to a vessel operated in the fisheries of the United States on the date of the enactment of this section; or

“(ii) by a person who maintains a capital construction fund which was established pursuant to paragraph (3)(A)(ii) as a result of an election made by an entity in which such person was a shareholder, partner, or member;

“(B) shall be made not later than the due date of the tax return (including extensions)

for the person's last taxable year ending on or before December 31, 2012; and

“(C) shall apply to all amounts in the capital construction fund with respect to which the election is made.

“(b) ELECTION TO AVERAGE INCOME.—At the election of an individual who has received a distribution described in subsection (a), for purposes of section 1301 of the Internal Revenue Code of 1986—

“(1) such individual shall be treated as engaged in a fishing business, and

“(A) such distribution shall be treated as income attributable to a fishing business for such taxable year.”

(2) CONFORMING AMENDMENTS.—

(A) Section 53511 of title 46, United States Code, is amended by striking “section 53513” and inserting “sections 53513 and 53518”.

(B) The table of sections for chapter 535 of title 46, United States Code, is amended by inserting after the item relating to section 53517 the following new item:

“53518. Election to terminate.”

(b) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Section 7518 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(j) ELECTION TO TERMINATE CAPITAL CONSTRUCTION FUNDS.—

“(1) IN GENERAL.—Any person who has entered into an agreement under chapter 535 of title 46 of the United States Code, with respect to a vessel operated in the fisheries of the United States may make an election under this paragraph to terminate the capital construction fund established under such agreement.

“(2) EFFECT OF ELECTION ON INDIVIDUALS.—

In the case of an individual who makes an election under paragraph (1) with respect to a capital construction fund, any amount remaining in such capital construction fund on the applicable date shall be distributed to such individual as a nonqualified withdrawal, except that—

“(A) in computing the tax on such withdrawal, except as provided in paragraph (4), paragraphs (3)(C)(ii) and (6) of subsection (g) shall not apply, and

“(B) the taxpayer may elect to average the income from such withdrawal as provided in paragraph (7).

“(3) EFFECT OF ELECTION FOR ENTITIES.—

“(A) IN GENERAL.—In the case of a person (other than an individual) who makes an election under paragraph (1)—

“(i) the total amount in the capital construction fund on the applicable date shall be distributed to the shareholders, partners, or members of such person in accordance with the terms of the instruments setting forth the ownership interests of such shareholders, partners, or members,

“(ii) each shareholder, partner, or member shall be treated as having established a special temporary capital construction fund and having deposited amounts received in the distribution into such special temporary capital construction fund,

“(iii) no gain or loss shall be recognized with respect to such distribution,

“(iv) the basis of any shareholder, partner, or member in the person shall not be reduced as a result of such distribution, and

“(v) any amounts not distributed pursuant to clause (i) shall be distributed as a nonqualified withdrawal.

“(B) SPECIAL TEMPORARY CAPITAL CONSTRUCTION FUNDS.—For purposes of this section, a special temporary capital construction fund shall be treated in the same manner as a capital construction fund established under section 53503 of title 46, United States Code, except that the following rules shall apply:

“(i) Subsection (a) shall not apply and no amounts may be deposited into a special temporary capital construction fund other than amounts received pursuant to a distribution described in subparagraph (A)(i).”

“(ii) In the case of any amounts distributed from a special temporary capital construction fund directly to a capital construction fund of the taxpayer established under section 53505 of title 46, United States Code—

“(I) no gain or loss shall be recognized;”

“(II) the limitation under subsection (a) shall not apply with respect to any amount so transferred;

“(III) such amounts shall not reduce taxable income under subsection (c)(1)(A); and

“(IV) for purposes of subsection (g)(5), such amounts shall be treated as deposited in the capital construction fund on the date that such funds were deposited in the capital construction fund with respect to which the election under paragraph (1) was made.

“(iii) In the case of any amounts distributed from a special temporary capital construction fund pursuant to an election under paragraph (1), subparagraphs (A) and (B) of paragraph (2) shall not apply to so much of such amounts as are attributable to earnings accrued after the date of the establishment of such special temporary capital construction fund.

“(iv) Any amount not distributed from a special temporary capital construction fund before the due date of the tax return (including extension) for the last taxable year of the individual ending before January 1, 2012, shall be treated as distributed to the taxpayer on the day before such due date as if an election under paragraph (1) were made by the taxpayer on such day the date.

“(C) REGULATIONS.—The joint regulations shall provide rules for—

“(i) assigning the amounts received by the shareholders, partners, or members in a distribution described in subparagraph (A)(i) to the accounts described in subsection (d)(1) in special temporary capital construction funds; and

“(ii) preventing the abuse of the purposes of this section.

“(4) TAX BENEFIT RULE.—Rules similar to the rules under subsection (g)(6)(B) shall apply for purposes of determining tax liability on any nonqualified withdrawal under paragraph (2), (3)(A)(v), or (3)(B)(iv).

“(5) APPLICABLE DATE.—For purposes of this subsection, the term ‘applicable date’ means—

“(A) with respect to any capital construction fund which has a balance of less than \$1,000,000 on the date that an election under paragraph (1) was made, the date of such election; and

“(B) with respect to any other capital construction fund, the last day of the taxable year which includes the date of the enactment of this subsection.

“(6) ELECTION.—Any election under paragraph (1)—

“(A) may only be made—

“(i) by a person who maintains a capital construction fund with respect to a vessel operated in the fisheries of the United States on the date of the enactment of this subsection, or

“(ii) by a person who maintains a capital construction fund which was established pursuant to subparagraph (3)(A)(ii) as a result of an election made by an entity in which such person was a shareholder, partner, or member,

“(B) shall be made not later than the due date of the tax return (including extensions) for the person’s last taxable year ending on or before December 31, 2012, and

“(C) shall apply to all amounts in the capital construction fund with respect to which the election is made.

“(7) ELECTION TO AVERAGE INCOME.—At the election of an individual who has received a distribution described in paragraph (2), for purposes of section 1301—

“(A) such individual shall be treated as engaged in a fishing business, and

“(B) such distribution shall be treated as income attributable to a fishing business for such taxable year.”.

(2) CONFORMING AMENDMENT.—Section 7518(g)(1) of such Code is amended by striking “subsection (h)” and inserting “subsections (h) and (j)”.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 503—DESIGNATING MAY 21, 2010, AS “ENDANGERED SPECIES DAY”

Mr. WHITEHOUSE (for himself, Ms. COLLINS, Mr. CARDIN, Mr. WYDEN, Mrs. FEINSTEIN, Mr. SANDERS, Ms. CANTWELL, Mr. LEVIN, Mr. KERRY, and Mr. LAUTENBERG) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 503

Whereas, in the United States and around the world, more than 1,000 species are officially designated as at risk of extinction and thousands more also face a heightened risk of extinction;

Whereas the actual and potential benefits that may be derived from many species have not yet been fully discovered and would be permanently lost if not for conservation efforts;

Whereas recovery efforts for species such as the whooping crane, Kirtland’s warbler, the peregrine falcon, the gray wolf, the gray whale, the grizzly bear, and others have resulted in great improvements in the viability of such species;

Whereas saving a species requires a combination of sound research, careful coordination, and intensive management of conservation efforts, along with increased public awareness and education;

Whereas ⅔ of endangered or threatened species reside on private lands;

Whereas voluntary cooperative conservation programs have proven to be critical to habitat restoration and species recovery; and

Whereas education and increasing public awareness are the first steps in effectively informing the public about endangered species and species restoration efforts: Now, therefore, be it

Resolved, That the Senate—

(1) designates May 21, 2010, as “Endangered Species Day”;

(2) encourages schools to spend at least 30 minutes on Endangered Species Day teaching and informing students about—

(A) threats to endangered species around the world; and

(B) efforts to restore endangered species, including the essential role of private landowners and private stewardship in the protection and recovery of species;

(3) encourages organizations, businesses, private landowners, and agencies with a shared interest in conserving endangered species to collaborate in developing educational information for use in schools; and

(4) encourages the people of the United States—

(A) to become educated about, and aware of, threats to species, success stories in species recovery, and opportunities to promote species conservation worldwide; and

(B) to observe the day with appropriate ceremonies and activities.

SENATE RESOLUTION 504—EXPRESSING THE CONDOLENCES OF THE SENATE TO THOSE AFFECTED BY THE TRAGIC EVENTS FOLLOWING THE TORNADO THAT HIT CENTRAL MISSISSIPPI ON APRIL 24, 2010

Mr. WICKER (for himself and Mr. COCHRAN) submitted the following resolution; which was considered and agreed to:

S. RES. 504

Whereas, on the afternoon of April 24, 2010, a tornado passed across the State of Mississippi, leaving a path of destruction 1½ miles wide;

Whereas 10 lives were tragically lost, and many other people were injured;

Whereas this tornado was classified as an EF-4 by the National Weather Service, with winds estimated at 170 miles per hour;

Whereas the tornado is the largest to strike Mississippi since 2001;

Whereas almost 1,000 homes were damaged or destroyed;

Whereas thousands of residents across 18 counties have been displaced from their homes; and

Whereas, in response to the declaration by the President of a major disaster, the Administrator of the Federal Emergency Management Agency has made Federal disaster assistance available for the State of Mississippi to assist in local recovery efforts: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its heartfelt condolences to the families and friends of those who lost their lives in the terrible events of April 24, 2010;

(2) extends its wishes for a full recovery for all those who were injured;

(3) extends its thanks to the first responders, firefighters, law enforcement, and medical personnel who took quick action to provide aid and comfort to the victims; and

(4) stands with the people of Mississippi as they begin the healing process following this terrible event.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3731. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 3217, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes; which was ordered to lie on the table.

SA 3732. Mr. CARDIN (for himself, Mr. LUGAR, Mr. DURBIN, Mr. SCHUMER, Mr. FEINGOLD, Mr. MERKLEY, and Mr. JOHNSON) submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3733. Mr. BROWN of Ohio (for himself, Mr. KAUFMAN, Mr. CASEY, Mr. WHITEHOUSE, Mr. MERKLEY, Mr. HARKIN, Mr. SANDERS, and Mr. BURRIS) submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3734. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3735. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3731. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill S. 3217, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title I, add the following:

SEC. 122. DISCLOSURE OF FINANCIAL INTERESTS IN THE DECLINE IN VALUE OF FINANCIAL PRODUCTS.

(a) **RECOMMENDATIONS BY COUNCIL.**—Not later than 180 days after the date of enactment of this Act, the Council shall make recommendations to the primary financial regulatory agencies to require any seller of a financial product or instrument to disclose to the purchaser or prospective purchaser of that product, whether the seller has any direct financial interest in the decline in value of the product.

(b) **PROCEDURES AND IMPLEMENTATION.**—The procedural and implementation provisions of subsections (b) and (c) of section 120 shall apply to recommendations of the Council under this section.

SA 3732. Mr. CARDIN (for himself, Mr. LUGAR, Mr. DURBIN, Mr. SCHUMER, Mr. FEINGOLD, Mr. MERKLEY, and Mr. JOHNSON) submitted an amendment intended to be proposed by him to the bill S. 3217, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayers by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes; which was ordered to lie on the table; as follows:

On page 1030, between lines 9 and 10, insert the following:

Subtitle K—Resource Extraction Issuers
SEC. 995. DISCLOSURE OF PAYMENTS BY RESOURCE EXTRACTION ISSUERS.

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m), as amended by this Act, is amended by adding at the end the following:

“(O) **DISCLOSURE OF PAYMENTS BY RESOURCE EXTRACTION ISSUERS.**—

“(1) **DEFINITIONS.**—In this subsection—

“(A) the term ‘commercial development of oil, natural gas, or minerals’ includes the acquisition of a license, exploration, extraction, processing, export, and other significant actions relating to oil, natural gas, or minerals, as determined by the Commission;

“(B) the term ‘foreign government’ means a foreign government, an officer or employee of a foreign government, an agent of a foreign government, a company owned by a foreign government, or a person who will provide a personal benefit to an officer of a government if that person receives a payment, as determined by the Commission;

“(C) the term ‘payment’—

“(i) means a payment that is—

“(I) made to further the commercial development of oil, natural gas, or minerals; and

“(II) not de minimis; and

“(ii) includes taxes, royalties, fees, licenses, production entitlements, bonuses, and other material benefits, as determined by the Commission;

“(D) the term ‘resource extraction issuer’ means an issuer that—

“(i) is required to file an annual report with the Commission; and

“(ii) engages in the commercial development of oil, natural gas, or minerals;

“(E) the term ‘interactive data format’ means an electronic data format in which pieces of information are identified using an interactive data standard; and

“(F) the term ‘interactive data standard’ means standardized list of electronic tags that mark information included in the annual report of a resource extraction issuer.

“(2) **DISCLOSURE.**—

“(A) **INFORMATION REQUIRED.**—Not later than 270 days after the date of enactment of the Restoring American Financial Stability Act of 2010, the Commission shall issue final rules that require each resource extraction issuer to include in the annual report of the resource extraction issuer information relating to any payment made by the resource extraction issuer, a subsidiary of the resource extraction issuer, or an entity under the control of the resource extraction issuer to a foreign government or the Federal Government for the purpose of the commercial development of oil, natural gas, or minerals, including—

“(i) the type and total amount of such payments made for each project of the resource extraction issuer relating to the commercial development of oil, natural gas, or minerals; and

“(ii) the type and total amount of such payments made to each government.

“(B) **INTERACTIVE DATA FORMAT.**—The rules issued under subparagraph (A) shall require that the information included in the annual report of a resource extraction issuer be submitted in an interactive data format.

“(C) **INTERACTIVE DATA STANDARD.**—

“(i) **IN GENERAL.**—The rules issued under subparagraph (A) shall establish an interactive data standard for the information included in the annual report of a resource extraction issuer.

“(ii) **ELECTRONIC TAGS.**—The interactive data standard shall include electronic tags that identify, for each payment made by a resource extraction issuer to a foreign government or the Federal Government—

“(I) the amount of the payment;

“(II) the currency used to make the payment;

“(III) the financial period in which the payment was made;

“(IV) the business segment of the resource extraction issuer that made the payment;

“(V) the government that received the payment, and the country in which the government is located;

“(VI) the project of the resource extraction issuer to which the payment relates; and

“(VII) such other information as the Commission may determine is necessary or appropriate in the public interest or for the protection of investors.

“(D) **INTERNATIONAL TRANSPARENCY EFFORTS.**—To the extent practicable, the rules issued under subparagraph (A) shall support the commitment of the Federal Government to international transparency promotion efforts relating to the commercial development of oil, natural gas, or minerals.

“(E) **EFFECTIVE DATE.**—With respect to each resource extraction issuer, the final rules issued under subparagraph (A) shall take effect on the date on which the resource extraction issuer is required to submit an annual report relating to the fiscal year of the resource extraction issuer that ends not earlier than 1 year after the date on which the Commission issues final rules under subparagraph (A).

“(3) **PUBLIC AVAILABILITY OF INFORMATION.**—

“(A) **IN GENERAL.**—To the extent practicable, the Commission shall make available online, to the public, a compilation of the information required to be submitted under the rules issued under paragraph (2)(A).

“(B) **OTHER INFORMATION.**—Nothing in this paragraph shall require the Commission to make available online information other than the information required to be submitted under the rules issued under paragraph (2)(A).

“(4) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this subsection.”.

SEC. 996. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the President should work with foreign governments, including members of the Group of 8 and the Group of 20, to establish domestic requirements that companies under the jurisdiction of each government publicly disclose any payments made to a government relating to the commercial development of oil, natural gas, and minerals; and

(2) the President should commit the United States to become a Candidate Country of the Extractive Industries Transparency Initiative.

SA 3733. Mr. BROWN of Ohio (for himself, Mr. KAUFMAN, Mr. CASEY, Mr. WHITEHOUSE, Mr. MERKLEY, Mr. HARKIN, Mr. SANDERS, and Mr. BURRIS) submitted an amendment intended to be proposed by him to the bill S. 3217, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes; which was ordered to lie on the table; as follows:

On page 92, strike lines 8 through 12 and insert the following:

(i) liquidity requirements;

(ii) resolution plan and credit exposure report requirements; and

(iv) concentration limits.

On page 105, between lines 1 and 2, insert the following:

(i) **LEVERAGE RATIO FOR BANK HOLDING COMPANIES AND FINANCIAL COMPANIES.**—

(1) **AMENDMENT.**—The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by adding at the end the following:

“**SEC. 13. LIMITS ON LEVERAGE.**

“(a) **DEFINITIONS.**—In this section, the following definitions shall apply:

“(1) **FINANCIAL COMPANY.**—The term ‘financial company’ means any nonbank financial company, as that term is defined in section 102 of the Restoring American Financial Stability Act of 2010, that is supervised by the Board.

“(2) **INCORPORATED TERMS.**—The terms ‘average total consolidated assets’ and ‘tier 1 capital’ have the meanings given those terms in part 225 of title 12, Code of Federal Regulations, or any successor thereto.

“(b) **LEVERAGE RATIO REQUIREMENTS FOR BANK HOLDING COMPANIES AND FINANCIAL COMPANIES.**—

“(1) **LEVERAGE RATIO.**—A bank holding company or financial company may not maintain tier 1 capital in an amount that is less than 6 percent of the average total consolidated assets of the bank holding company or financial holding company.

“(2) **BALANCE SHEET LEVERAGE RATIO.**—A bank holding company or financial company

may not maintain less than 6 percent of tier 1 capital for all outstanding balance sheet liabilities, as required to be recorded under section 13(p) of the Securities Exchange Act of 1934.

“(c) EXEMPTIONS.—

“(1) IN GENERAL.—The Board may adjust the leverage ratio requirements under subsection (b) for any class of institutions, based upon the size or activity of such class of institutions. No adjustment made under this paragraph may allow an institution to carry less capital than is required under subsection (b).

“(2) INTERNATIONAL AGREEMENTS.—Consistent with this subsection, the Board may adjust the leverage ratio requirements under subsection (b), as necessary to harmonize such ratios with official international agreements regarding capital standards, if the Board determines that the capital standards under such international agreements are commensurate with the credit, market, operational, or other risks posed by the bank holding companies or financial companies to which such international agreements apply.

“(3) TEMPORARY EMERGENCY EXEMPTION.—

“(A) IN GENERAL.—The appropriate Federal banking agency may, in a manner consistent with this subsection, grant any bank holding company a temporary emergency exemption from the leverage ratio requirements under subsection (b), if the appropriate Federal banking agency determines such an exemption is necessary to prevent an imminent threat to the financial stability of the United States.

“(B) PUBLICATION.—

“(i) PUBLICATION REQUIRED.—The appropriate Federal banking agency shall publish a notice of any exemption granted under this paragraph in the Federal Register within a reasonable period after granting the exemption, and in no case later than 90 days after the date on which the exemption is granted.

“(ii) CONTENTS.—The notice under clause (i) shall include—

“(I) the name of the bank holding company or financial company that is granted an exemption;

“(II) the reason for the exemption; and

“(III) a plan detailing the manner by which the bank holding company will be brought into compliance with subsection (b).

“(d) LEVERAGE RATIO REQUIREMENTS FOR OPERATING SUBSIDIARIES OF BANK HOLDING COMPANIES AND FINANCIAL COMPANIES.—Notwithstanding any other provision of law applicable to insured depository institutions, not later than 1 year after the date of enactment of the Restoring American Financial Stability Act of 2010, the Board shall promulgate regulations establishing leverage ratio requirements under subsection (b) for the operating subsidiaries of bank holding companies and financial companies.

“(e) PROMPT CORRECTIVE ACTION.—

“(1) AUTHORITIES.—The Board shall require a bank holding company or financial company that violates subsection (b) to comply with the leverage ratio requirements under subsection (b) by—

“(A) selling or otherwise transferring assets or off-balance sheet items to unaffiliated firms;

“(B) terminating 1 or more activities of the bank holding company or financial company; or

“(C) imposing conditions on the manner in which the bank holding company or financial company conducts an activity of the bank holding company or financial company.

“(2) CORRECTIVE ACTION PLAN.—Not later than 60 days after the Board determines that a bank holding company or financial holding company has violated subsection (b), the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the

Senate and the Committee on Financial Services of the House of Representatives a plan detailing the manner by which the bank holding company or financial company will be brought into compliance with subsection (b).

“(3) REPORTS TO CONGRESS.—

“(A) WRITTEN REPORTS.—At the end of each 60-day period following the date on which the Board submits a plan under paragraph (2) during which a bank holding company or financial company remains in violation of subsection (b), the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the compliance of the bank holding company or financial holding company with the plan.

“(B) TESTIMONY.—At the end of each 120-day period following the date on which the Board submits a plan under paragraph (2) during which a bank holding company or financial company remains in violation of subsection (b), the Board shall testify before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives with respect to the compliance of the bank holding company or financial holding company with the plan.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect 1 year after the date of enactment of this Act.

On page 497, strike line 9 and all that follows through page 501, line 15, and insert the following:

SEC. 620. CONCENTRATION LIMITS FOR BANK HOLDING COMPANIES AND FINANCIAL COMPANIES.

(a) DEPOSIT CONCENTRATION LIMIT.—

(1) AMENDMENT.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by striking subsection (f) and inserting the following:

“(f) NATIONWIDE CONCENTRATION LIMITS.—

“(1) CONCENTRATION LIMIT ESTABLISHED.—No single bank holding company may control more than 10 percent of the total amount of deposits of all insured depository institutions in the United States.

“(2) SALE OR TRANSFER REQUIRED.—The Board shall require any bank holding company that the Board determines is in violation of paragraph (1) to sell or otherwise transfer assets to an unaffiliated company, to the extent that the Board determines is necessary to bring the company into compliance with paragraph (1).”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect 1 year after the date of enactment of this Act.

(b) SIZE REQUIREMENTS FOR BANK HOLDING COMPANIES AND FINANCIAL COMPANIES.—

(1) AMENDMENT.—The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), as amended by this Act, is amended by adding at the end the following:

“SEC. 14. LIMITS ON NON-DEPOSIT LIABILITIES FOR BANK HOLDING COMPANIES AND FINANCIAL COMPANIES.

“(a) DEFINITIONS.—In this section, the following definitions shall apply:

“(1) FDIC-ASSESSED DEPOSITS.—The term ‘FDIC-assessed deposits’ means the assessment base of a bank holding company, as calculated under part 327 of title 12 Code of Federal Regulations, or any successor thereto.

“(2) FINANCIAL COMPANY.—The term ‘financial company’ means any nonbank financial company supervised by the Board.

“(3) NONBANK FINANCIAL COMPANY.—The term ‘nonbank financial company’ has the same meaning as in section 102 of the Restoring American Financial Stability Act of 2010.

“(4) NON-DEPOSIT LIABILITIES.—The term ‘non-deposit liabilities’ means—

“(A) with respect to a bank holding company—

“(i) the total assets of the banking holding company; minus

“(ii) the sum of—

“(I) the tier 1 capital of the bank holding company, taking into account any off-balance-sheet liabilities; and

“(II) the FDIC-assessed deposits of the bank holding company; and

“(B) with respect to a financial company—

“(i) the total assets of the financial company; minus

“(ii) the tier 1 capital of the financial company, taking into account any off-balance-sheet liabilities.

“(5) TIER 1 CAPITAL.—The term ‘tier 1 capital’ has the meaning given that term in part 225 of title 12, Code of Federal Regulations, or any successor thereto.

(b) LIMIT ON NON-DEPOSIT LIABILITIES FOR BANK HOLDING COMPANIES.—

“(1) LIMITS FOR BANK HOLDING COMPANIES.—No bank holding company may control non-deposit liabilities that exceed 2 percent of the annual gross domestic product of the United States.

“(2) LIMITS FOR FINANCIAL COMPANIES.—No financial company may control non-deposit liabilities that exceed 3 percent of the annual gross domestic product of the United States.

“(3) DETERMINATION OF GROSS DOMESTIC PRODUCT.—For purposes of this subsection, the annual gross domestic product of the United States shall be determined using the average of the annual gross domestic product of the United States, as calculated by the Bureau of Economic Analysis of the Department of Commerce, during the 16 calendar quarters most recently completed at the time of the determination under paragraph (1) or (2).

“(4) TREATMENT OF INSURANCE COMPANIES.—

“(A) IN GENERAL.—Notwithstanding the limits under paragraphs (1) and (2), the Board may establish a separate liability limit for a bank holding company or financial company that the Board determines is primarily engaged in the business of insurance, if the Board determines that such a limit is necessary in order to provide for consistent and equitable treatment of the bank holding company or financial company.

“(B) CONSULTATION.—In establishing a liability limit under subparagraph (A), the Board shall consult with the State insurance regulator for any bank holding company or financial company described in subparagraph (A) having a subsidiary that is regulated by a State insurance regulator.

“(5) TREATMENT OF FOREIGN DEPOSITS.—The Board may exclude from the calculation of non-deposit liabilities under this subsection any foreign or other deposits that are not FDIC-assessed deposits, if the Board determines that such action is necessary to ensure the consistent and equitable treatment of institutions with international operations.

(c) PROMPT CORRECTIVE ACTION.—

“(1) AUTHORITIES.—The Board shall require a bank holding company or financial company that violates subsection (a) to comply with the limit under subsection (a) by—

“(A) selling or otherwise transferring assets or off-balance-sheet items to unaffiliated firms;

“(B) terminating 1 or more activities of the bank holding company or financial company; or

“(C) imposing conditions on the manner in which the bank holding company or financial company conducts an activity of the bank holding company or financial company.

“(2) CORRECTIVE ACTION PLAN.—Not later than 60 days after the Board determines that a bank holding company or financial holding

company has violated subsection (a), the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a plan detailing the manner by which the bank holding company or financial company will be brought into compliance with subsection (a).

“(3) REPORTS TO CONGRESS.—

“(A) WRITTEN REPORTS.—At the end of each 60-day period following the date on which the Board submits a plan under paragraph (1) during which a bank holding company or financial company remains in violation of subsection (a), the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the compliance of the bank holding company or financial holding company with the plan.

“(B) TESTIMONY.—At the end of each 120-day period following the date on which the Board submits a plan under paragraph (1) during which a bank holding company or financial company remains in violation of subsection (a), the Board shall testify before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives with respect to the compliance of the bank holding company or financial holding company with the plan.

“SEC. 15. CAPITAL ASSESSMENT PROGRAM.

“(a) ANNUAL CAPITAL ASSESSMENT REQUIRED.—Not later than 1 year after the date of enactment of the Restoring American Financial Stability Act of 2010, and annually thereafter, the Board shall conduct a capital assessment of each bank holding company and financial company, to estimate the losses, revenues, and reserve needs for the bank holding company or financial company.

“(b) REPORT.—The Board shall submit an annual report on the results of the capital assessments under subsection (a) to the Secretary of the Treasury, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect 3 years after the date of enactment of this Act.

On page 969, between lines 4 and 5, insert the following:

SEC. 919C. FINANCIAL REPORTING.

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m), as amended by this Act, is amended by adding at the end the following:

“(p) STANDARD BALANCE SHEET CALCULATION FOR REPORTS.—

“(1) STANDARD ESTABLISHED.—Not later than 1 year after the date of enactment of the Restoring American Financial Stability Act of 2010, the Commission, or a standard setter designated by and under the oversight of the Commission, shall establish a standard requiring each that each issuer that is required to submit reports to the Commission under this section record all assets and liabilities of the issuer on the balance sheet of the issuer.

“(2) CONTENTS.—The standard established under paragraph (1) shall require that—

“(A) the recorded amount of assets and liabilities reflect a reasonable assessment by the issuer of the most likely outcomes with respect to the amount of assets and liabilities, given information available at the time of the report;

“(B) each issuer record any financing of assets for which the issuer has more than minimal economic risks or rewards; and

“(C) if an issuer cannot determine the amount of a particular liability, the issuer

may exclude that liability from the balance sheet of the issuer only if the issuer discloses an explanation of—

“(i) the nature of the liability and purpose for incurring the liability;

“(ii) the most likely loss and the maximum loss the issuer may incur from the liability;

“(iii) whether any other person has recourse against the issuer with respect to the liability and, if so, the conditions under which such recourse may occur; and

“(iv) whether the issuer has any continuing involvement with an asset financed by the liability or any beneficial interest in the liability.

“(3) COMPLIANCE.—The Commission shall issue rules to ensure compliance with this subsection that allow for enforcement by the Commission and civil liability under this title and the Securities Act of 1933.”.

SA 3734. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill S. 3217, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes; which was ordered to lie on the table; as follows:

On page 837, between lines 2 and 3, insert the following:

(b) PROTECTION FOR EMPLOYEES OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.—Section 1514A(a) of title 18, United States Code, is amended—

(1) by inserting “or nationally recognized statistical rating organization (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c),” after “78o(d),”; and

(2) by inserting “or organization” after “such company”.

SA 3735. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill S. 3217, to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end “too big to fail”, to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes; which was ordered to lie on the table; as follows:

On page 1014, between lines 5 and 6, insert the following:

SEC. 989C. CIVIL INVESTIGATIVE DEMANDS.

(a) EQUAL CREDIT OPPORTUNITY ACT.—Section 706(h) of the Equal Credit Opportunity Act (15 U.S.C. 1691e(h)) is amended—

(1) by inserting “(1)” after “(h)”; and

(2) by adding at the end the following:

“(2) If the Attorney General has reason to believe that any person may be in possession, custody, or control of any documentary material or information relevant to an investigation under this title, the Attorney General may, before commencing a civil proceeding under this subsection, issue in writing and cause to be served upon the person, a civil investigative demand. The authority to issue and enforce civil investigative demands under this paragraph shall be identical to the authority of the Attorney General under section 3733 of title 31, United States Code, except that the provisions of that section relating to qui tam realtors shall not apply.”.

(b) FAIR HOUSING ACT.—Section 814(c) of the Fair Housing Act (42 U.S.C. 3614(c)) is amended—

(1) by striking “The Attorney General” and inserting the following:

“(1) IN GENERAL.—The Attorney General”; and

(2) by adding at the end the following:

“(2) CIVIL INVESTIGATIVE DEMANDS.—If the Attorney General has reason to believe that any person may be in possession, custody, or control of any documentary material or information relevant to an investigation under this title, the Attorney General may, before commencing a civil proceeding under this section, issue in writing and cause to be served upon the person, a civil investigative demand. The authority to issue and enforce civil investigative demands under this paragraph shall be identical to the authority of the Attorney General under section 3733 of title 31, United States Code, except that the provisions of that section relating to qui tam realtors shall not apply.”.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the Public that a business meeting has been scheduled before the Committee on Energy and Natural Resources on Thursday, May 6, 2010, at 9:30 a.m., immediately preceding the Full Committee Hearing.

The purpose of this business meeting is to consider cleared legislative agenda items, and the nominations of Philip D. Moeller and Cheryl A. LaFleur, to be Members of the Federal Energy Regulatory Commission.

For further information, please contact Sam Fowler at (202) 224-7571 or Amanda Kelly at (202) 224-6836.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate to conduct a hearing entitled “ESEA Reauthorization: Standards and Assessments” on April 28, 2010. The hearing will commence at 2 p.m. in room 430 of the Dirksen Senate Office Building.

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on April 28, 2010, at 10 a.m.

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

COMMITTEE ON THE JUDICIARY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on April 28, 2010, at 2:30 p.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled “Nominations.”

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

AD HOC SUBCOMMITTEE ON CONTRACTING
OVERSIGHT

Mr. DURBIN. Mr. President, I ask unanimous consent that the Ad Hoc Subcommittee on Contracting Oversight of the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on April 28, 2010, at 2:30 p.m. to conduct a hearing entitled, "Oversight of Contract Management at the Centers for Medicare & Medicaid Services."

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

SUBCOMMITTEE ON PERSONNEL

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on April 28, 2010, at 10 a.m.

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

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands and Forests be authorized to meet during the session of the Senate to conduct a hearing on April 28, 2010, at 2:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

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

SUBCOMMITTEE ON SURFACE TRANSPORTATION
AND MERCHANT MARINE INFRASTRUCTURE,
SAFETY, AND SECURITY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on April 28, 2010, at 10 a.m., in room 253 of the Russell Senate Office Building.

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

PRIVILEGES OF THE FLOOR

Mr. UDALL of New Mexico. Mr. President, I ask unanimous consent that Kristina Swallow, a fellow in my office, be granted floor privileges for this day.

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

Mr. HARKIN. Mr. President, I ask unanimous consent that Curtis Sturgill and John Forristal of my staff be granted floor privileges for the duration of today's proceedings.

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

PROHIBITING MEMBERS OF CONGRESS A COST-OF-LIVING ADJUSTMENT IN 2011

Mrs. BOXER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consider-

ation of Calendar No. 359, H.R. 5146, an act to prohibit a cost-of-living adjustment for Members of Congress in 2011, an act that is identical to S. 3244, which passed the Senate on April 22; that the bill be read the third time, passed, and the motion to reconsider be laid upon the table, with any statements relating to the bill be printed in the RECORD, as if read.

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

The bill (H.R. 5146) was ordered to a third reading, was read the third time, and passed.

AIRPORT AND AIRWAY EXTENSION
ACT OF 2010

Mrs. BOXER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5147, received from the House and at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5147) to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mrs. BOXER. Mr. President, I ask unanimous consent that the bill be read three times, passed, and the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD, with no intervening action.

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

The bill (H.R. 5147) was ordered to a third reading, was read the third time, and passed.

EXPRESSION OF CONDOLENCES TO
THE PEOPLE IN CENTRAL MISSISSIPPI

Mrs. BOXER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 504, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 504) expressing the condolences of the Senate to those affected by the tragic events following the tornado that hit central Mississippi on April 24, 2010.

There being no objection, the Senate proceeded to consider the resolution.

Mrs. BOXER. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

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

The resolution (S. Res. 504) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 504

Whereas, on the afternoon of April 24, 2010, a tornado passed across the State of Mississippi, leaving a path of destruction 1½ miles wide;

Whereas 10 lives were tragically lost, and many other people were injured;

Whereas this tornado was classified as an EF-4 by the National Weather Service, with winds estimated at 170 miles per hour;

Whereas the tornado is the largest to strike Mississippi since 2001;

Whereas almost 1,000 homes were damaged or destroyed;

Whereas thousands of residents across 18 counties have been displaced from their homes; and

Whereas, in response to the declaration by the President of a major disaster, the Administrator of the Federal Emergency Management Agency has made Federal disaster assistance available for the State of Mississippi to assist in local recovery efforts: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its heartfelt condolences to the families and friends of those who lost their lives in the terrible events of April 24, 2010;

(2) extends its wishes for a full recovery for all those who were injured;

(3) extends its thanks to the first responders, firefighters, law enforcement, and medical personnel who took quick action to provide aid and comfort to the victims; and

(4) stands with the people of Mississippi as they begin the healing process following this terrible event.

ORDERS FOR THURSDAY, APRIL
29, 2010

Mrs. BOXER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 12:15 p.m., Thursday, April 29; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of S. 3217, as provided for under the previous order.

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

ADJOURNMENT UNTIL 12:15 P.M.
TOMORROW

Mrs. BOXER. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 7:26 p.m., adjourned until Thursday, April 29, 2010, at 12:15 p.m.

NOMINATIONS

Executive nominations received by the Senate:

THE JUDICIARY

CARLTON W. REEVES, OF MISSISSIPPI, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF MISSISSIPPI, VICE WILLIAM H. BARBOUR, JR., RETIRED.

PAUL KINLOCH HOLMES, III, OF ARKANSAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN

DISTRICT OF ARKANSAS, VICE ROBERT T. DAWSON, RETIRED.

DENISE JEFFERSON CASPER, OF MASSACHUSETTS, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MASSACHUSETTS, VICE REGINALD C. LINDSAY, DECEASED.

DEPARTMENT OF JUSTICE

BARRY R. GRISSOM, OF KANSAS, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF KANSAS FOR THE TERM OF FOUR YEARS, VICE ERIC F. MELGREN.

CHARLES GILLEN DUNNE, OF NEW YORK, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF NEW YORK FOR THE TERM OF FOUR YEARS, VICE EUGENE JAMES CORCORAN.

UNITED STATES SENTENCING COMMISSION

PATTI B. SARIS, OF MASSACHUSETTS, TO BE CHAIR OF THE UNITED STATES SENTENCING COMMISSION, VICE WILLIAM K. SESSIONS III.

PATTI B. SARIS, OF MASSACHUSETTS, TO BE A MEMBER OF THE UNITED STATES SENTENCING COMMISSION FOR A TERM EXPIRING OCTOBER 31, 2015, VICE WILLIAM K. SESSIONS III, TERM EXPIRED.

DABNEY LANGHORNE FRIEDRICH, OF MARYLAND, TO BE A MEMBER OF THE UNITED STATES SENTENCING COMMISSION FOR A TERM EXPIRING OCTOBER 31, 2015. (REAPPOINTMENT)

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. ALLEN G. MYERS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. MICHAEL H. MILLER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) SAMUEL J. COX

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) MICHAEL S. ROGERS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) DAVID G. SIMPSON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) DAVID A. DUNAWAY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) TERRY J. BENEDICT

REAR ADM. (LH) THOMAS J. ECCLES

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) JOSEPH P. AUCOIN
 REAR ADM. (LH) PATRICK H. BRADY
 REAR ADM. (LH) TED N. BRANCH
 REAR ADM. (LH) PAUL J. BUSHONG
 REAR ADM. (LH) JAMES F. CALDWELL, JR.

REAR ADM. (LH) THOMAS H. COPEMAN III
 REAR ADM. (LH) PHILIP S. DAVIDSON
 REAR ADM. (LH) KEVIN M. DONEGAN
 REAR ADM. (LH) PATRICK DRISCOLL
 REAR ADM. (LH) MARK D. GUADAGNINI
 REAR ADM. (LH) JOSEPH A. HORN
 REAR ADM. (LH) ANTHONY M. KURTA
 REAR ADM. (LH) JOSEPH P. MULLOY
 REAR ADM. (LH) SEAN A. PYBUS
 REAR ADM. (LH) JOHN M. RICHARDSON
 REAR ADM. (LH) THOMAS S. ROWDEN
 REAR ADM. (LH) NORA W. TYSON

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES JUDGE ADVOCATE GENERAL'S CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be lieutenant colonel

CARL E. STEINBECK

To be major

ANDREW S. DREIER
 JENNIFER M. MCKENNA

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE GRADES INDICATED IN THE REGULAR NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be captain

WILLIAM T. CARNEY
 ROBERT A. ROCHFORD
 WILLIAM B. SHERER

To be lieutenant commander

SONTHAYA CHANSIPAENG
 STEPHEN J. FICHTER
 ERIC J. ROZEK
 JOHN B. SEARS
 ANDREA S. STILLER