

Here was the New York Police Commissioner reminding reporters that no fewer than 11 terrorist plots have been directed at New York City since 9/11 and that, as he put it, nothing has changed with respect to terrorists coming to New York to hurt and kill Americans.

To me, it was jarring, in the face of that kind of cold reality and the repeated pleas of elected officials in New York from both parties, to see the Attorney General still stuck—still stuck—on the notion that holding these trials in downtown Manhattan is anything but a bad idea. Trying KSM in New York City was a bad idea last year. It is a bad idea today. The only thing that has changed is that the American people have just been reminded of how determined terrorists are to carry out their deadly plans.

As I have said repeatedly, Guantanamo is the right place to detain, interrogate, and try terrorists such as KSM. Guantanamo is a safe and secure, state-of-the-art facility where we can detain enemy combatants far from our communities and without fear of onsite retaliation. Some we hold indefinitely. Others we hold until we deem them safe for transfer to another country. Still others we can hold until we try them in military commissions, and we can do that right there at Guantanamo.

Guantanamo was a wise investment. It was built for good reason. Let's use it for the purpose for which it was built, rather than further endangering communities such as New York or burdening them with the disorder and the massive expense that would accompany a terror trial.

It is precisely because of potential dangers and difficulties such as these that we established military commissions in the first place. If we cannot expect the very people who masterminded the 9/11 attacks to fall within the jurisdiction of these military commissions, then who can we?

Americans do not want Guantanamo terrorists brought to the United States, and they do not want the men who planned the 9/11 attacks on America to be tried in civilian courts—risking national security and civic disruption in the process.

(The remarks of Mr. McCONNELL pertaining to the introduction of S.J. Res. 29 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

RESERVATION OF LEADER TIME

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

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 3217, which the clerk will report.

The assistant legislative 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.

Pending:

Reid (for Dodd/Lincoln) amendment No. 3739, in the nature of a substitute.

Reid (for Boxer) amendment No. 3737 (to amendment No. 3739), to prohibit taxpayers from ever having to bail out the financial sector.

Snowe/Shahen amendment No. 3755 (to amendment No. 3739), to strike section 1071.

Snowe amendment No. 3757 (to amendment No. 3739), to provide for consideration of seasonal income in mortgage loans.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. CHAMBLISS. 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. CHAMBLISS. Mr. President, what is the current status of the Senate?

The ACTING PRESIDENT pro tempore. The pending business is S. 3217.

Mr. CHAMBLISS. Mr. President, I ask unanimous consent to be recognized for up to 10 minutes.

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

Mr. CHAMBLISS. Mr. President, I come to the Senate floor this morning to talk about the current pending business before this body. This is an issue which obviously raised its ugly head a couple of years ago with the financial meltdown that occurred in this country, and I think all of us in this body agree it is imperative the Senate take action to try to make sure what happened to the financial industry in America never has the opportunity to happen again. I commend Senator DODD and Senator SHELBY for their work on this bill. We have had our disagreements. Yet we have had significant agreement on some areas.

We are now trying to take the base bill and make it a bill that all of us in this body, hopefully, will wind up being able to support because we improve the bill to the point where it addresses the real cause of the problem that arose during 2007, 2008, and on into 2009 and 2010.

There are some provisions in the bill that I have particular objection to, and there are some things that are not in the bill that I think should be in the bill. For example, one of the major causes of the problem—and I think it goes without saying—is the fact that

the GSEs, Fannie Mae and Freddie Mac, have been authorized over the years to purchase mortgages from individuals who simply could not make their payments, and those mortgages have been bundled together and sold on the market, which has been one of the root causes of the problem. I am not by myself in thinking that. There are other individuals but, more important, people who know a lot more about the root cause of the problem who think that. Everybody in this body agrees that is a major issue that has to be addressed in any overall financial reform. To leave any reference to the GSEs, Freddie Mac and Fannie Mae, out of any additional regulation I think is a mistake. There are going to be amendments with respect to that, and I look forward to that debate.

Another issue is, there are no mortgage standards that are specifically set forth in the underlying bill. I can remember very well going in and buying my first house, making an application for a mortgage. I was as nervous as I could be. Even though my payment was going to be fairly minimal to the amount of money I was making, I had to pay 20 percent down, and it took me a couple of weeks to be approved by individuals in my hometown whom I knew very well. At the end of the day, they just wanted to make sure I was going to be able to pay that loan back. It is not that we need to go all the way in that direction but certainly we need standards in place that will ensure that people who are buying houses can afford to make the mortgage payments for which they are making application.

With respect to the Consumer Financial Protection Act, it appears that in the underlying bill, there is an umbrella that is cast out that is going to require the inclusion of more non-problem areas of the consumer finance industry than are, in any way, potentially a part of any future financial meltdown.

I hope as we debate these amendments—and I know we will have a spirited debate on them—we can come to some agreement as to what is reasonable. Let's do what we need to do to provide our regulatory agency also with the additional oversight they need to make sure we give them the tools not to allow the situation that occurred in 2007, 2008, and 2009 to recur but that we don't go too far to where we overreach and exercise more control on the part of the regulators than what is absolutely necessary.

I wish to speak for just a minute about the derivatives section and some amendments we are going to have on that particular title. The Agriculture Committee has jurisdiction over swaps and derivatives by virtue of the fact that we have jurisdiction over the Commodity Futures Trading Commission, which in turn has jurisdiction over swaps and derivatives. There are some swaps and derivatives that are secured by securities themselves, and those securities—being regulated by