JOBS Act, that the House passed last week. That bill is aimed at increasing the availability of credit to startup companies by expediting and easing the process of undergoing an IPO, or an initial public offering. I think that is a noble goal, especially as our economy still struggles to create jobs. But the problem is we are still leaving the little guys behind—the people in each and every one of our neighborhoods who want to expand their businesses and hire people as soon as possible.

Unfortunately, the JOBS Act is aimed at companies with revenue under $1 billion. Let me repeat that—billion with a B. These companies may well need help with IPOs, but I am talking about offering relief to traditional Main Street businesses.

I am still committed to allowing credit unions to increase the amount of money they can lend to small businesses. So I will, once again, introduce the bipartisan Small Business Lending Enhancement Act as an amendment which would open additional credit to small businesses without costing taxpayers a dime.

I know the Presiding Officer has many small, wonderful towns in her State where she sees many small businesses. I wish to talk about a couple small businesses in my State. Stacy Hamon is a Coloradan who owns the 1st Street Salon in Thornton. She was turned away by a bank because her loan was too small to be worth the risk. She went to her credit union. They wanted to help her. They helped her. She opened a larger business and she has created jobs in the process.

I am also talking about people such as Lisa Herman of Broomfield, CO. She is the co-owner of Happy Cakes Bakeshop in Denver's Highland Square, and she needed a loan to expand and cater more weddings. She was turned away by her bank. She went to her local credit union and that credit union was able to provide her with the loan she needed to continue to grow her successful business and hire more Coloradans.

Stacy and Lisa don't need a $1 billion IPO, they need a small bridge loan. We could be making an enormous difference in these local communities with mere pennies on the dollar, which is what the JOBS Act is focused on. Yet my amendment would be the only single piece of the JOBS Act that would actually help small businesses or directly create jobs.

Put simply, credit unions specialize in these small loans to small business. In fact, the average credit union small business loan is just $219,000. In contrast, the Federal Reserve has told us many banks have quit considering loans under $200,000 because they are not worth their time.

Credit unions know these small business owners and they have money to lend to them. Unfortunately, Federal law still limits the amount of small business loans a credit union can extend to 12 percent of their assets. Nearly 350 credit unions are facing this cap and over 500 are having to slow down or stop their business lending altogether. That is hard to believe; it seems such a missed opportunity. In effect, we in government are telling these financial institutions they cannot help create jobs in their local communities. That is why my amendment would double the amount of money credit unions can offer small businesses.

Let me turn to my friends in the banking sector. We have heard from banks over the years, and they say they think it is unfair that they have to compete with the credit unions. The fact is this isn't about banks or credit unions; it is about small business. These financial institutions, quite frankly, serve very different small business populations. Credit unions serve the smallest of small businesses that often must resort to relying on credit cards with comparatively high interest rates in order to invest in equipment to grow their businesses.

These are business owners who have been turned away or ignored by large banks. We are talking about new loans to new and growing small businesses. After over 100 years of lending to small businesses, credit unions only represent 5 to 6 percent of all small business loans. Even if increasing the limit on credit union lending were to double their market share, banks would still have 90 percent of the market to themselves.

I have also heard the banks say this proposal is unproven or somehow an unsound way of increasing small business loans. But the truth is credit unions have been making small business loans since their inception in the early 1900s. That is, by my math, over 100 years. It wasn't until 1998 that there were any limits whatsoever on how much they could lend.

The credit unions' own regulator, the National Credit Union Administration, has endorsed lifting or even eliminating the small business lending cap. The NCUA chairman testified before Congress that ''increased business lending is good not only for the credit union, but also for its members and the communities in which the credit union operates.''

I have to say I am frustrated. Why can we not agree on uninhibited small business support growth and job creation? Let's not let the squabbles between banks and credit unions keep these jobs from out-of-work Americans.

I will conclude by acknowledging that we passed earlier today a bipartisan transportation bill and, in so doing, we voted on amendments dealing with everything under the Sun, from contraception to privatizing rest stops. So I sure hope we can have an open amendment process during consideration of the JOBS Act and include this important amendment, this important legislation, which would help small business. After all, if we are going to tell the American people this bill is about increasing access to capital—we have heard that said over and over, that this is about access to capital—we sure better be willing to start with those small business owners on Main Street. Colorado common sense and New Hampshire common sense could prevail. We ought to at least have a chance to consider this important issue and to debate this idea on the floor of the Senate and, I hope, include it in the JOBS Act. Because access to capital is what is needed right now and the credit union sector is willing and able to do so.

Madam President, thank you for your attention. I yield the floor and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EXTENSION OF MORNING BUSINESS

Mr. BENNET. Madam President, I ask unanimous consent that the period for morning business be extended until 7 p.m., with the time equally divided between the two leaders or their designees, with Senators permitted to speak for up to 10 minutes each.

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

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

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

UNANIMOUS CONSENT AGREEMENT—H.R. 3606

Mr. REID. Mr. President, I ask unanimous consent that at 11 a.m., Thursday, March 15, the Senate proceed to the consideration of Calendar No. 334, H.R. 3606, the IPO bill.

The PRESIDING OFFICER. Is there objection? The Senator from Oregon.

Mr. MERKLEY. Mr. President, reserving the right to object, I am going to explain my concerns. Let me start by quoting George W. Bush. George W. Bush said, ''Free markets are not a jungle in which only the unscrupulous survive, or a financial free-for-all guided only by greed.''

He continued:

> Tricking an investor into taking a risk is theft by another name.

We are in the process of considering taking a health bill related to the production of capital for small and emerging businesses and considering it on the floor of the Senate without due

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

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

I can't speak to the challenges with all the portions of the House bill, but I can speak to a specific section of the House bill called crowdfunding because I have been working with others, including the occupant of the chair, Senator BENNET from Colorado, and SCOTT BROWN from Massachusetts, to say let's utilize this crowdfunding tool but in an effective manner. Crowdfunding is saying let's take the power of the Internet, just as we have person-to-person lending facilitated by the Internet, let's take that and enable people who see small startup companies seeking capital investments and give them a chance to present their ideas and for folks to invest in those companies. So they might receive thousands of small investments enabling them to take their dream forward for the benefit of the investor and the company.

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

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

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

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

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

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

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

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

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

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

They address their letter:

> Dear Senators Reid and McConnell:
>
> We are a crowdfunding intermediary based in Durham, NC. We understand the Senate will take up the [House bill] shortly. We are very concerned about language in title III. While we appreciate the broad exemption written by the House, the language does not protect investors and puts the crowd funding industry at risk of significant fraud. However, more responsible language does exist.

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

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

I have another letter from Launcht:

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

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

Finally, I want to note the perspective in the New York Times editorial, entitled, ''They Have Very Short Memories''. It is scathing in its critique of this process we are engaged in:

> House Republicans, Senate Democrats, and President Obama have found they support: a terrible package of bills that would undo essential investor protections, reduce market transparency and distort the efficient allocation of capital.

They go on:

> Of course, the supporters don't describe it that way. They say the JOBS Act—for Jumpstart our Business Startups—would remove burdensome regulations that they claim have made it too difficult for companies to raise money from investors.
>
> Never mind that reams of Congressional testimony, market analysis, and academic research have shown that regulation has not been an impediment to raising capital. In fact, too little regulation has been the root of all recent bubbles and bursts—the dot-com crash, Enron, the mortgage meltdown. Those free-for-alls created jobs and then imploded, causing mass joblessness.

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

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

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

I withdraw my objection.

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

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

TRIBUTE TO MR. JIM BOOTH

Mr. MCCONNELL. Mr. President, I rise today to pay tribute to someone