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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. ISRAEL).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
April 28, 2010.

I hereby appoint the Honorable STEVE ISRAEL to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

O Divine Peace, bless this place, holding in its silence human hopes and America's dreams. Plant seeds of equality and hopefulness in other nations as well. May the history of our struggles make us patient as the map of the world changes.

In all our efforts to establish peace, fair trade, civil rights, and freedom of religion, may we provide learning and experience to others. Lift all beyond mere material prosperity to seek true compassion for those most in need and create a spiritual dynamic that will build a kingdom of unity and happiness where Your Presence will be realized.

This we ask calling forth Your Spirit upon us and the whole world both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from North Carolina (Mr. COBLE) come forward and lead the House in the Pledge of Allegiance.

Mr. COBLE 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 15 requests for 1-minute speeches on each side of the aisle.

GAMBLING ON SYNTHETIC GARBAGE

(Ms. SPEIER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SPEIER. Mr. Speaker, as I watched yesterday's Senate investigations subcommittee hearing, I was disappointed to discover it was not just the greedy, irresponsible, and likely illegal actions of some of Goldman Sachs' more dubious employees that were the center of attention. In fact, the useless and dangerous financial instruments known as synthetic collateralized debt obligations, or CDOs, shared the spotlight as well.

Fabrice Tourre, one of Goldman's hotshot young stars who created and sold these so-called investments to Goldman's clients, testified yesterday that they were, quote, ''things which had no purpose,'' and likened them to Frankenstein's monster. Sadly, he's right. These CDOs did nothing for our economy and spread billions of dollars in toxic assets, heightened speculation, and added dangerous risk to our financial system that ultimately was borne by the U.S. taxpayers.

Meanwhile, Goldman Sachs and others reaped millions of dollars in bonuses even as the economy was crashing. These synthetic CDOs were synthetic garbage.

Unscrupulous individuals on Wall Street worsened the financial crisis by creating garbage, selling it and betting against it. Oh, they drove away with a garbage truck full of cash.

Let's ban the creation and sale of them, and prevent this from ever happening again.

AMERICANS ABROAD FACE BANKING ROADBLOCKS

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, Americans living abroad continue to face unnecessary roadblocks not only to U.S. banks, but increasingly at foreign banks as well. The requests from expats continue to come in at a startling rate.

I want to thank Congresswoman CAROLYN MALONEY for helping to bring these banking roadblocks to the attention of the Treasury Department. We are hoping that the Financial Services Committee will soon hold hearings to review current U.S. banking laws and regulations that may prevent Americans living overseas from accessing U.S. banking services.

International Herald Tribune reporter Brian Knowlton recently highlighted that ''amid mounting frustration over taxation and banking problems, small but growing numbers of overseas Americans are taking the weighty step of renouncing their citizenship.'' I encourage the Financial Services Committee to read Knowlton's article and schedule a hearing in the very near future.

In conclusion, God bless our troops and we will never forget September 11th in the Global War on Terrorism.

CUT CONGRESSIONAL PAY

(Mrs. KIRKPATRICK of Arizona asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KIRKPATRICK of Arizona. Mr. Speaker, yesterday the House passed a bill to stop the 2011 congressional pay hike. I am proud to cosponsor this effort. Member salaries come out of taxpayer dollars. Washington needs to know it would be unacceptable to have taxpayers who are making less pay us more.

When millions of Americans are tightening their belts, folks have the right to expect their elected officials to do the same. Blocking the pay hike was a necessary first step, but it cannot be the last. Washington can and must do more.

Members have not reduced their salaries for 77 years, since the Great Depression. I do not know anyone back in Arizona who has gone eight decades without a pay cut. Senators and Representatives should be no different. That is why I introduced legislation to cut congressional pay by 5 percent. This Congress needs to pass my bill now. Americans are tired of waiting for Washington to get it.

VETERANS MEMORIAL DEDICATION

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, last Sunday afternoon I attended the Robbins, North Carolina, First Wesleyan Church's Veterans Memorial Dedication. The program was generously laced with patriotic music and appropriate hymns. Veterans, living and deceased, were recognized.

It has been said, Mr. Speaker, that many Americans do not practice patriotism as they did in the past, in the World War II era in particular. Not true in Robbins, when last Sunday patriotism was alive and well. And I am appreciative to the Wesleyan Church in Robbins for the invitation that I received to attend that very special day in Robbins Saturday last.

COMPREHENSIVE IMMIGRATION REFORM

(Mr. BACA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BACA. I stand to voice my strong opposition to the new Arizona law, S.B. 1070. This is an unjust law, inspired by hate and racism. The new law opens the door to serious civil rights abuses, and will lead to racial profiling of Latinos and Latinas in Arizona and people of color.

It is unconstitutional, violating the 4th and 14th amendments. This new law will create a division between people who are asked for legal documents and those that are not. Anyone who values fairness is opposed to this kind of hate and should not spend one cent of money in Arizona except to create jobs.

I urge Americans to show their support of the boycott by wearing red, yellow, and blue wristbands. This misguided law is another example why we must act now. We need Republicans to stand with Democrats in a bipartisan fashion to support comprehensive reform now.

PROMOTING DISTRICT EVENT—RECESSION PROOF YOUR FINANCES

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. During these tough economic times, many people are experiencing financial uncertainty. That's why on Saturday, May 8, at 9 a.m. in Plano, Texas, I will host a free workshop titled Recession Proofing Your Resources. I will host the free seminar in conjunction with Consumer Credit Counseling Service of Greater Dallas.

Unplanned emergencies like job loss, illness, natural disaster, or death can be overwhelming and financially taxing. Financial knowledge and a sound financial contingency plan are vital to ensuring that you and your family come out of this fiscal crisis in the black.

Fortunately, there are ways to plan for unexpected life changes. An expert will be on hand to show people how to learn more. Visit *SamJohnson.house.gov* or you may RSVP by calling my Texas office in Richardson.

SUPPORT FOR MISSISSIPPI AFTER THE TORNADOES

(Mr. CHILDERS asked and was given permission to address the House for 1 minute.)

Mr. CHILDERS. Mr. Speaker, this weekend Mississippi communities were struck by the largest natural disaster to hit our State since Hurricane Katrina. Saturday's devastating tornadoes hit several areas in North Mississippi, including three counties in the First Congressional District, which I represent. Damages included more than 700 homes or mobile homes destroyed, various businesses, 49 injuries, and 10 deaths.

I would like to express my deepest condolences to the families of the victims killed in Choctaw, Holmes, and Yazoo Counties. Choctaw County specifically is located in Mississippi's First District.

My thoughts and prayers go out to the families of Andra Patterson, sisters Tyana and Brittney Jobe, and Mary and Bobby Yates. I would also like to express my support for all those Mississippians who suffered injuries and damage to their homes and businesses. We are a strong community, and we will recover from this disaster. We will continue working with authorities at all levels of government toward the shared goal of recovery.

I ask my colleagues to join me in expressing our condolences for those who lost their lives during this weekend's storm, praying for those who were injured or lost their homes or businesses, and wishing Mississippi a swift recovery.

A NUCLEAR IRAN IS A SEVERE THREAT

(Mr. FLEMING asked and was given permission to address the House for 1 minute.)

Mr. FLEMING. Mr. Speaker, the DOD's recently released Military Power Report on Iran should be a wake-up call for the President and the leadership here in Congress. While I am glad the Pentagon undertook this assessment, I and most Americans didn't need a report to confirm the Iranian threat is real and credible.

Iran's extremist regime poses a significant danger to the United States and our allies, particularly Israel. Also, because of our failure to implement tough sanctions against Iran, many nations will feel the need to develop nukes, while we are reducing our stockpile and failing to modernize our nuclear inventory.

In addition, we have halted the production of F–22s, allowed a window of vulnerability in missile defense, and have delayed development of the NextGen bomber. I hope the Democrat majority and the President do not shortchange the DOD again this year on key investments in ballistic missile defense, the NextGen bomber, and other vital initiatives to protect our homeland and our allies well into the future.

HONORING RENAE OGLETREE

(Mr. QUIGLEY asked and was given permission to address the House for 1 minute.)

Mr. QUIGLEY. Mr. Speaker, Renae Ogletree dedicated her life to fighting for others. She fought for equality in the GLBT community. She fought for equality for everyone. She fought to bring people together around issues of diversity, development, and health care. She fought for the children in the Chicago Public Schools.

In the final days of her life, the community she served for so long surrounded her with love and comfort. Upon learning of her illness, President Obama wrote to Renae, ''In trying times, each of us draw on the power of hope, determination, perseverance, and faith.''

Renae Ogletree lived her life changing the community she served through a perseverance few may ever know.

Renae, we'll continue your fight.

CMS REPORT ON HEALTH CARE BILL

(Mr. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Nebraska. Mr. Speaker, despite assurances the health care bill would actually lower costs for the American people, actually things are quite different. An independent CMS report released last week concluded America will spend $311 billion more on health care under the new law than we would have without it. It increases taxes on the middle class. About 3 million people will have to pay the insurance mandate penalty tax. It also kills jobs through mandates on small businesses.

The American people have said this is not the direction in which they would choose to go. Health care reform should be patient-centered to increase access to care and reduce costs without bankrupting our Nation and limiting our liberties. We should, rather, allow individuals to band together across State lines to allow deductibility to everyone for the cost of premiums, and to crack down on junk lawsuits.

WALL STREET REFORM

(Mr. MILLER of North Carolina asked and was given permission to address the House for 1 minute.)

Mr. MILLER of North Carolina. Senator MCCONNELL said yesterday about Wall Street reform that ''as you look at the bill closer and closer, it is mostly about Main Street.'' Yes, Wall Street reform is about Main Street because Americans trying to make an honest living on Main Street are being bled dry by Wall Street.

The vulgar excesses of Wall Street, the bonuses, and the profits, and all the rest are at the expense of working and middle class American families. Ordinary Americans know that the fine print that big banks' lawyers wrote in their credit card contracts, and their mortgages, and their overdraft agreements were filled with traps to take their income, and their life savings, and who knows what worthless junk Wall Street unloaded on their pension funds.

Every issue I have worked on I've compromised, but there comes a time to pick a side. I pick the side of working and middle class Americans trying to make an honest living to support themselves and their families.

□ 1015

HEALTH CARE REFORM

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, I am pleased health care reform passed the House of Representatives and the Congress on March 21 so 32 million more Americans will have access to health insurance.

Americans are already realizing the benefits of this legislation. For instance, for the past few years, as chairman of the Oversight and Investigations Subcommittee, we have investigated the industry practice of rescission. Rescission occurs when the insurance company pores through your policy application to find any excuse to drop you from coverage when you become ill. So when you need the insurance the most, they look for an excuse to abandon you. This rescission practice used by insurance companies employ up to 1,400 different computer entries to kick out claims of people who may become seriously ill, to drop them when they are sick, and will cost the insurance companies some money.

As chair of Oversight and Investigations, I have written to the largest insurance companies to stop this practice of rescission now. Under the health care legislation we passed, it says rescission practice will stop in September, but I urge the insurance companies to stop this unconscionable practice now. In America health care is a right; it's not a privilege.

WALL STREET REFORM

(Mr. WALZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALZ. Mr. Speaker, 2 years ago, our Nation experienced the beginning of the worst financial crisis since the stock market crash of 1929, resulting in the longest, deepest financial downturn since the Great Depression.

While the factors that contributed to the crash were numerous and complicated, there's one simple underlying cause: Unchecked greed. Our history teaches us the best way to focus this greed into something constructive is to have rules to protect consumers and investors and to put cops on the beat to ensure those rules are enforced. But for decades, this country has pursued a policy of deregulation and lax enforcement, believing that ''greed is good'' and the ''invisible hand of the market'' would protect hardworking Americans.

Well, that invisible hand did something. It gave billions in bonuses to those who used other people's money like poker chips. When that game went bust, it slapped the American taxpayers to the tune of 8 million jobs and billions in bailouts. Now that this Congress is moving to restore fairness and accountability, there are those among us who would prefer to huddle with Wall Street and delay or dilute our efforts. The status quo is bailouts for too-big-to-fail banks.

I urge my colleagues, both here and in the Senate, to stand with the American people, pass reform, end bailouts.

WORKERS' MEMORIAL DAY

(Ms. TITUS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. TITUS. Today I join with people across the country to commemorate Workers' Memorial Day, honoring workers killed, injured, or harmed at work.

Unfortunately, workers in Nevada are all too aware of the dangers they face in the workplace. A number of deaths on the job in recent years led to Nevada's being the first State in the country to undergo an in-depth review that highlighted the problems facing the State's OSHA program. This review made it clear to me that Federal OSHA needs an additional option to work with States that are not meeting Federal standards. Currently, OSHA can only suggest improvements or completely take over the State's program.

That's why I introduced the Ensuring Worker Safety Act. This legislation aims to protect both workers and States' rights by giving Federal OSHA additional tools to make sure that State OSHA plans like Nevada's are at least as effective as Federal standards and enforcement.

The slogan of Workers' Memorial Day is ''Remember the Dead and Fight for the Living.'' That's what I intend to do in Congress.

PARTY OF ''NO''

(Mr. YARMUTH asked and was given permission to address the House for 1 minute.)

Mr. YARMUTH. Mr. Speaker, I know our Republican friends don't like it when we call them the party of ''no,'' but let's review the score for just a minute.

On health care reform, 177 noes, no yeses. On Wall Street reform, 175 noes, no yeses. On the American Recovery and Reinvestment Act, 177 noes, no yeses.

Let's look at the Senate. In two consecutive votes whether to bring Wall Street reform to the floor for a debate, 40 noes, no yeses.

They're not just the party of ''no''; they're the party of no jobs for America, for no energy security, for no Wall Street reform, for no consumer protections against predatory practices, for no equal pay for women in the workplace, and the party of ''no'' for tax relief for middle class families.

If the Republicans don't want to be called the party of ''no,'' they'd better learn to say ''yes.''

WALL STREET REFORM

(Mr. DEUTCH asked and was given permission to address the House for 1 minute.)

Mr. DEUTCH. Mr. Speaker, as the newest Member of Congress, I just spent 6 months talking to voters every day, and I can say with confidence that there are a lot of partisan issues out there. However, there was one issue that united people of all political persuasions. That was our urgent need to

prevent an economic meltdown from happening again.

I have only been in Congress for a week, but I can say that the actions of those turning Wall Street reform into a political issue are no less appalling in person than they are on TV. For the millions of seniors who lost so much of their life savings, Wall Street reform is not a political issue. For the 8 million workers who lost their jobs, Wall Street reform is not a political issue. And for the 2.2 million families who lost their homes, Wall Street reform is not a political issue. For them Wall Street reform is about financial security. It is about oversight and honesty. And, most importantly, it is about accountability.

Let's put politics aside and do the job that the American people sent us here to do by passing Wall Street reform and sending a tough bill to the President's desk.

COMPREHENSIVE IMMIGRATION REFORM

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Mr. Speaker, I join my good friend from Florida in acknowledging that many of the issues that we debate on this floor are not political issues.

So I ask America and I ask my friends on the other side of the aisle, let us not internally implode over a decent human rights issue of immigration reform. While the economy is failing and questions are being asked about the integrity of Wall Street, let us look to a reasoned response to immigration reform. Not troops on the border, not the National Guard on the border, but a real comprehensive immigration reform that provides access to this country, legalization, and the picking up of the criminals. We understand that. There is no time for politicking and grandstanding on the question of students and families who want to be reunited.

I am ashamed of the action of the Governor of Arizona, but I sympathize with the people. Let us have real border security. I will be reintroducing my legislation that asks for ramping up of Customs and Border Patrol agents, more technology to secure the border. Let's do this the right way. The faith community, the business community of America, let's talk reasonably. The business community should be talking across America about the importance of comprehensive immigration reform.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

IMPROPER PAYMENTS ELIMINATION AND RECOVERY ACT OF 2009

Mr. TOWNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3393) to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Improper Payments Elimination and Recovery Act of 2010''.

SEC. 2. IMPROPER PAYMENTS ELIMINATION AND RECOVERY.

(a) SUSCEPTIBLE PROGRAMS AND ACTIVITIES.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (a) and inserting the following:

''(a) IDENTIFICATION OF SUSCEPTIBLE PROGRAMS AND ACTIVITIES.—

''(1) IN GENERAL.—The head of each agency shall, in accordance with guidance prescribed by the Director of the Office of Management and Budget, periodically review all programs and activities that the relevant agency head administers and identify all programs and activities that may be susceptible to significant improper payments.

''(2) FREQUENCY.—Reviews under paragraph (1) shall be performed for each program and activity that the relevant agency head administers during the year after which the Improper Payments Elimination and Recovery Act of 2010 is enacted and at least once every 3 fiscal years thereafter. For those agencies already performing a risk assessment every 3 years, agencies may apply to the Director of the Office of Management and Budget for a waiver from the requirement of the preceding sentence and continue their 3-year risk assessment cycle.

''(3) RISK ASSESSMENTS.—

''(A) DEFINITION.—In this subsection the term 'significant' means—

''(i) except as provided under clause (ii), that improper payments in the program or activity in the preceding fiscal year may have exceeded—

''(I) $10,000,000 of all program or activity payments made during that fiscal year reported and 2.5 percent of program outlays; or

''(II) $100,000,000; and

''(ii) with respect to fiscal years following September 30th of a fiscal year beginning before fiscal year 2013 as determined by the Office of Management and Budget, that improper payments in the program or activity in the preceding fiscal year may have exceeded—

''(I) $10,000,000 of all program or activity payments made during that fiscal year reported and 1.5 percent of program outlays; or

''(II) $100,000,000.

''(B) SCOPE.—In conducting the reviews under paragraph (1), the head of each agency shall take into account those risk factors that are likely to contribute to a susceptibility to significant improper payments, such as—

''(i) whether the program or activity reviewed is new to the agency;

''(ii) the complexity of the program or activity reviewed;

''(iii) the volume of payments made through the program or activity reviewed;

''(iv) whether payments or payment eligibility decisions are made outside of the agency, such as by a State or local government;

''(v) recent major changes in program funding, authorities, practices, or procedures;

''(vi) the level, experience, and quality of training for personnel responsible for making program eligibility determinations or certifying that payments are accurate; and

''(vii) significant deficiencies in the audit report of the agency or other relevant management findings that might hinder accurate payment certification.''.

(b) ESTIMATION OF IMPROPER PAYMENTS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (b) and inserting the following:

''(b) ESTIMATION OF IMPROPER PAYMENTS.—With respect to each program and activity identified under subsection (a), the head of the relevant agency shall—

''(1) produce a statistically valid estimate, or an estimate that is otherwise appropriate using a methodology approved by the Director of the Office of Management and Budget, of the improper payments made by each program and activity; and

''(2) include those estimates in the accompanying materials to the annual financial statement of the agency required under section 3515 of title 31, United States Code, or similar provision of law and applicable guidance of the Office of Management and Budget.''.

(c) REPORTS ON ACTIONS TO REDUCE IMPROPER PAYMENTS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (c) and inserting the following:

''(c) REPORTS ON ACTIONS TO REDUCE IMPROPER PAYMENTS.—With respect to any program or activity of an agency with estimated improper payments under subsection (b), the head of the agency shall provide with the estimate under subsection (b) a report on what actions the agency is taking to reduce improper payments, including—

''(1) a description of the causes of the improper payments, actions planned or taken to correct those causes, and the planned or actual completion date of the actions taken to address those causes;

''(2) in order to reduce improper payments to a level below which further expenditures to reduce improper payments would cost more than the amount such expenditures would save in prevented or recovered improper payments, a statement of whether the agency has what is needed with respect to—

''(A) internal controls;

''(B) human capital; and

''(C) information systems and other infrastructure;

''(3) if the agency does not have sufficient resources to establish and maintain effective internal controls under paragraph (2)(A), a description of the resources the agency has requested in its budget submission to establish and maintain such internal controls;

''(4) program-specific and activity-specific improper payments reduction targets that have been approved by the Director of the Office of Management and Budget; and

''(5) a description of the steps the agency has taken to ensure that agency managers, programs, and, where appropriate, States and localities are held accountable through annual performance appraisal criteria for—

''(A) meeting applicable improper payments reduction targets; and

''(B) establishing and maintaining sufficient internal controls, including an appropriate control environment, that effectively—

''(i) prevent improper payments from being made; and

''(ii) promptly detect and recover improper payments that are made.''.

(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended—

(1) by striking subsection (e);

(2) by redesignating subsections (d) and (f) as subsections (f) and (g), respectively; and

(3) by inserting after subsection (c) the following:

''(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—With respect to any improper payments identified in recovery audits conducted under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note), the head of the agency shall provide with the estimate under subsection (b) a report on all actions the agency is taking to recover improper payments, including—

''(1) a discussion of the methods used by the agency to recover overpayments;

''(2) the amounts recovered, outstanding, and determined to not be collectable, including the percent such amounts represent of the total overpayments of the agency;

''(3) if a determination has been made that certain overpayments are not collectable, a justification of that determination;

''(4) an aging schedule of the amounts outstanding;

''(5) a summary of how recovered amounts have been disposed of;

''(6) a discussion of any conditions giving rise to improper payments and how those conditions are being resolved; and

''(7) if the agency has determined under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note) that performing recovery audits for any applicable program or activity is not cost effective, a justification for that determination.

''(e) GOVERNMENTWIDE REPORTING OF IMPROPER PAYMENTS AND ACTIONS TO RECOVER IMPROPER PAYMENTS.—

''(1) REPORT.—Each fiscal year the Director of the Office of Management and Budget shall submit a report with respect to the preceding fiscal year on actions agencies have taken to report information regarding improper payments and actions to recover improper overpayments to—

''(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

''(B) the Committee on Oversight and Government Reform of the House of Representatives.

''(2) CONTENTS.—Each report under this subsection shall include—

''(A) a summary of the reports of each agency on improper payments and recovery actions submitted under this section;

''(B) an identification of the compliance status of each agency to which this Act applies;

''(C) governmentwide improper payment reduction targets; and

''(D) a discussion of progress made towards meeting governmentwide improper payment reduction targets.''.

(e) DEFINITIONS.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsections (f) (as redesignated by this section) and inserting the following:

''(f) DEFINITIONS.—In this section:

''(1) AGENCY.—The term 'agency' means an executive agency, as that term is defined in section 102 of title 31, United States Code.

''(2) IMPROPER PAYMENT.—The term 'improper payment'—

''(A) means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and

''(B) includes any payment to an ineligible recipient, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), and any payment that does not account for credit for applicable discounts.

''(3) PAYMENT.—The term 'payment' means any transfer or commitment for future transfer of Federal funds such as cash, securities, loans, loan guarantees, and insurance subsidies to any non-Federal person or entity, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.

''(4) PAYMENT FOR AN INELIGIBLE GOOD OR SERVICE.—The term 'payment for an ineligible good or service' shall include a payment for any good or service that is rejected under any provision of any contract, grant, lease, cooperative agreement, or any other funding mechanism.''.

(f) GUIDANCE BY THE OFFICE OF MANAGEMENT AND BUDGET.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (g) (as redesignated by this section) and inserting the following:

''(g) GUIDANCE BY THE OFFICE OF MANAGEMENT AND BUDGET.—

''(1) IN GENERAL.—Not later than 6 months after the date of enactment of the Improper Payments Elimination and Recovery Act of 2010, the Director of the Office of Management and Budget shall prescribe guidance for agencies to implement the requirements of this section. The guidance shall not include any exemptions to such requirements not specifically authorized by this section.

''(2) CONTENTS.—The guidance under paragraph (1) shall prescribe—

''(A) the form of the reports on actions to reduce improper payments, recovery actions, and governmentwide reporting; and

''(B) strategies for addressing risks and establishing appropriate prepayment and postpayment internal controls.''.

(g) DETERMINATIONS OF AGENCY READINESS FOR OPINION ON INTERNAL CONTROL.—Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget shall develop—

(1) specific criteria as to when an agency should initially be required to obtain an opinion on internal control over financial reporting; and

(2) criteria for an agency that has demonstrated a stabilized, effective system of internal control over financial reporting, whereby the agency would qualify for a multiyear cycle for obtaining an audit opinion on internal control over financial reporting, rather than an annual cycle.

(h) RECOVERY AUDITS.—

(1) DEFINITION.—In this subsection, the term ''agency'' has the meaning given under section 2(f) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) as redesignated by this Act.

(2) IN GENERAL.—

(A) CONDUCT OF AUDITS.—Except as provided under paragraph (4) and if not prohibited under any other provision of law, the head of each agency shall conduct recovery audits with respect to each program and activity of the agency that expends $1,000,000 or more annually if conducting such audits would be cost-effective.

(B) PROCEDURES.—In conducting recovery audits under this subsection, the head of an agency—

(i) shall give priority to the most recent payments and to payments made in any program or programs identified as susceptible to significant improper payments under section 2(a) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note);

(ii) shall implement this subsection in a manner designed to ensure the greatest financial benefit to the Government; and

(iii) may conduct recovery audits directly, by using other departments and agencies of the United States, or by procuring performance of recovery audits by private sector sources by contract (subject to the availability of appropriations), or by any combination thereof.

(C) RECOVERY AUDIT CONTRACTS.—With respect to recovery audits procured by an agency by contract—

(i) subject to subparagraph (B)(iii), and except to the extent such actions are outside the agency's authority, as defined by section 605(a) of the Contract Disputes Act of 1978 (41 U.S.C. 605(a)), the head of the agency may authorize the contractor to notify entities (including persons) of potential overpayments made to such entities, respond to questions concerning potential overpayments, and take other administrative actions with respect to overpayment claims made or to be made by the agency; and

(ii) such contractor shall have no authority to make final determinations relating to whether any overpayment occurred and whether to compromise, settle, or terminate overpayment claims.

(D) CONTRACT TERMS AND CONDITIONS.—The agency shall include in each contract for procurement of performance of a recovery audit a requirement that the contractor shall—

(i) provide to the agency periodic reports on conditions giving rise to overpayments identified by the contractor and any recommendations on how to mitigate such conditions; and

(ii) notify the agency of any overpayments identified by the contractor pertaining to the agency or to any other agency or agencies that are beyond the scope of the contract.

(E) AGENCY ACTION FOLLOWING NOTIFICATION.—An agency shall take prompt and appropriate action in response to a report or notification by a contractor under subparagraph (D)(ii), to collect overpayments and shall forward to other agencies any information that applies to such agencies.

(3) DISPOSITION OF AMOUNTS RECOVERED.—

(A) IN GENERAL.—Amounts collected by agencies each fiscal year through recovery audits conducted under this subsection shall be treated in accordance with this paragraph. The agency head shall determine the distribution of collected amounts, less amounts needed to fulfill the purposes of section 3562(a) of title 31, United States Code, in accordance with subparagraphs (B), (C), and (D).

(B) USE FOR FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—Not more than 25 percent of the amounts collected by an agency through recovery audits—

(i) shall be available to the head of the agency to carry out the financial management improvement program of the agency under paragraph (4);

(ii) may be credited, if applicable, for that purpose by the head of an agency to any agency appropriations and funds that are available for obligation at the time of collection; and

(iii) shall be used to supplement and not supplant any other amounts available for that purpose and shall remain available until expended.

(C) USE FOR ORIGINAL PURPOSE.—Not more than 25 percent of the amounts collected by an agency—

(i) shall be credited to the appropriation or fund, if any, available for obligation at the

time of collection for the same general purposes as the appropriation or fund from which the overpayment was made;

(ii) shall remain available for the same period and purposes as the appropriation or fund to which credited; and

(iii) if the appropriation from which the overpayment was made has expired, shall be newly available for the same time period as the funds were originally available for obligation, except that any amounts that are recovered more than five fiscal years from the last fiscal year in which the funds were available for obligation shall be deposited in the Treasury as miscellaneous receipts, except that in the case of recoveries of overpayments that are made from trust or special fund accounts, such amounts shall revert to those accounts.

(D) USE FOR INSPECTOR GENERAL ACTIVITIES.—Not more than 5 percent of the amounts collected by an agency shall be available to the Inspector General of that agency—

(i) for—

(I) the Inspector General to carry out this Act; or

(II) any other activities of the Inspector General relating to investigating improper payments or auditing internal controls associated with payments; and

(ii) shall remain available for the same period and purposes as the appropriation or fund to which credited.

(E) REMAINDER.—Amounts collected that are not applied in accordance with subparagraphs (A), (B), (C), or (D) shall be deposited in the Treasury as miscellaneous receipts, except that in the case of recoveries of overpayments that are made from trust or special fund accounts, such amounts shall revert to those accounts.

(F) DISCRETIONARY AMOUNTS.—This paragraph shall apply only to recoveries of overpayments that are made from discretionary appropriations (as that term is defined by paragraph 7 of section 250 of the Balanced Budget and Emergency Deficit Control Act of 1985) and shall not apply to recoveries of overpayments that are made from discretionary amounts that were appropriated prior to enactment of this Act.

(G) APPLICATION.—This paragraph shall not apply to recoveries of overpayments if the appropriation from which the overpayment was made has not expired.

(4) FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—

(A) REQUIREMENT.—The head of each agency shall conduct a financial management improvement program, consistent with rules prescribed by the Director of the Office of Management and Budget.

(B) PROGRAM FEATURES.—In conducting the program, the head of the agency—

(i) shall, as the first priority of the program, address problems that contribute directly to agency improper payments; and

(ii) may seek to reduce errors and waste in other agency programs and operations.

(5) PRIVACY PROTECTIONS.—Any nongovernmental entity that, in the course of recovery auditing or recovery activity under this subsection, obtains information that identifies an individual or with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, may not disclose the information for any purpose other than such recovery auditing or recovery activity and governmental oversight of such activity, unless disclosure for that other purpose is authorized by the individual to the executive agency that contracted for the performance of the recovery auditing or recovery activity.

(6) OTHER RECOVERY AUDIT REQUIREMENTS.—

(A) IN GENERAL.—(i) Except as provided in clause (ii), subchapter VI of chapter 35 of title 31, United States Code, is repealed,

(ii) Section 3562(a) of title 31, United States Code, shall continue in effect, except that references in such section 3562(a) to programs carried out under section 3561 of such title, shall be interpreted to mean programs carried out under section 2(h) of this Act.

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) TABLE OF SECTIONS.—The table of sections for chapter 35 of title 31, United States Code, is amended by striking the matter relating to subchapter VI.

(ii) DEFINITION.—Section 3501 of title 31, United States Code, is amended by striking ''and subchapter VI of this title''.

(iii) HOMELAND SECURITY GRANTS.—Section 2022(a)(6) of the Homeland Security Act of 2002 (6 U.S.C. 612(a)(6)) is amended by striking ''(as that term is defined by the Director of the Office of Management and Budget under section 3561 of title 31, United States Code)'' and inserting ''under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note)''.

(7) RULE OF CONSTRUCTION.—Except as provided under paragraph (5), nothing in this section shall be construed as terminating or in any way limiting authorities that are otherwise available to agencies under existing provisions of law to recover improper payments and use recovered amounts.

(i) REPORT ON RECOVERY AUDITING.—Not later than 2 years after the date of the enactment of this Act, the Chief Financial Officers Council established under section 302 of the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note), in consultation with the Council of Inspectors General on Integrity and Efficiency established under section 7 of the Inspector General Reform Act of 2009 (Public Law 110–409) and recovery audit experts, shall conduct a study of—

(1) the implementation of subsection (h);

(2) the costs and benefits of agency recovery audit activities, including those under subsection (h), and including the effectiveness of using the services of—

(A) private contractors;

(B) agency employees;

(C) cross-servicing from other agencies; or

(D) any combination of the provision of services described under subparagraphs (A) through (C); and

(3) submit a report on the results of the study to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

SEC. 3. COMPLIANCE.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term ''agency'' has the meaning given under section 2(f) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) as redesignated by this Act.

(2) ANNUAL FINANCIAL STATEMENT.—The term ''annual financial statement'' means the annual financial statement required under section 3515 of title 31, United States Code, or similar provision of law.

(3) COMPLIANCE.—The term ''compliance'' means that the agency—

(A) has published an annual financial statement for the most recent fiscal year and posted that report and any accompanying materials required under guidance of the Office of Management and Budget on the agency website;

(B) if required, has conducted a program specific risk assessment for each program or activity that conforms with section 2(a) the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note); and

(C) if required, publishes improper payments estimates for all programs and activities identified under section 2(b) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in the accompanying materials to the annual financial statement;

(D) publishes programmatic corrective action plans prepared under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may have in the accompanying materials to the annual financial statement;

(E) publishes improper payments reduction targets established under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may have in the accompanying materials to the annual financial statement for each program assessed to be at risk, and is meeting such targets; and

(F) has reported an improper payment rate of less than 10 percent for each program and activity for which an estimate was published under section 2(b) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note).

(b) ANNUAL COMPLIANCE REPORT BY INSPECTORS GENERAL OF AGENCIES.—Each fiscal year, the Inspector General of each agency shall determine whether the agency is in compliance and submit a report on that determination to—

(1) the head of the agency;

(2) the Committee on Homeland Security and Governmental Affairs of the Senate;

(3) the Committee on Oversight and Governmental Reform of the House of Representatives; and

(4) the Comptroller General.

(c) REMEDIATION.—

(1) NONCOMPLIANCE.—

(A) IN GENERAL.—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) in a fiscal year, the head of the agency shall submit a plan to Congress describing the actions that the agency will take to come into compliance.

(B) PLAN.—The plan described under subparagraph (A) shall include—

(i) measurable milestones to be accomplished in order to achieve compliance for each program or activity;

(ii) the designation of a senior agency official who shall be accountable for the progress of the agency in coming into compliance for each program or activity; and

(iii) the establishment of an accountability mechanism, such as a performance agreement, with appropriate incentives and consequences tied to the success of the official designated under clause (ii) in leading the efforts of the agency to come into compliance for each program and activity.

(2) NONCOMPLIANCE FOR 2 FISCAL YEARS.—

(A) IN GENERAL.—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) for 2 consecutive fiscal years for the same program or activity, and the Director of the Office of Management and Budget determines that additional funding would help the agency come into compliance, the head of the agency shall obligate additional funding, in an amount determined by the Director, to intensified compliance efforts.

(B) FUNDING.—In providing additional funding described under subparagraph (A), the head of an agency shall use any reprogramming or transfer authority available to the agency. If after exercising that reprogramming or transfer authority additional funding is necessary to obligate the full level of funding determined by the Director of the Office of Management and Budget under subparagraph (A), the agency shall submit a request to Congress for additional reprogramming or transfer authority.

(3) REAUTHORIZATION AND STATUTORY PROPOSALS.—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) for more than 3 consecutive fiscal years for the same program or activity, the head of the agency shall, not later than 30 days after such determination, submit to Congress—

(A) reauthorization proposals for each program or activity that has not been in compliance for 3 or more consecutive fiscal years; or

(B) proposed statutory changes necessary to bring the program or activity into compliance.

(d) COMPLIANCE ENFORCEMENT PILOT PROGRAMS.—

(1) IN GENERAL.—The Director of the Office of Management and Budget may establish 1 or more pilot programs which shall test potential accountability mechanisms with appropriate incentives and consequences tied to success in ensuring compliance with this Act and eliminating improper payments.

(2) REPORT.—Not later than 5 years after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit a report to Congress on the findings associated with any pilot programs conducted under paragraph (1). The report shall include any legislative or other recommendations that the Director determines necessary.

(e) REPORT ON CHIEF FINANCIAL OFFICERS ACT OF 1990.—Not later than 1 year after the date of the enactment of this Act, the Chief Financial Officers Council established under section 302 of the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note) and the Council of Inspectors General on Integrity and Efficiency established under section 7 of the Inspector General Reform Act of 2009 (Public Law 110–409), in consultation with a broad cross-section of experts and stakeholders in Government accounting and financial management shall—

(1) jointly examine the lessons learned during the first 20 years of implementing the Chief Financial Officers Act of 1990 (31 U.S.C. 901) and identify reforms or improvements, if any, to the legislative and regulatory compliance framework for Federal financial management that will optimize Federal agency efforts to—

(A) publish relevant, timely, and reliable reports on Government finances; and

(B) implement internal controls that mitigate the risk for fraud, waste, and error in Government programs; and

(2) jointly submit a report on the results of the examination to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. TOWNS) and the gentleman from California (Mr. ISSA) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. TOWNS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TOWNS. Mr. Speaker, I yield myself such time as I may consume.

The Office of Management and Budget recently reported the Federal Government made $98 billion in improper and overpayments last year. This is a staggering amount and completely unacceptable. No family or business in this great country would tolerate being charged twice or even overbilled for anything and neither should the government. We need to do everything we can to ensure that the government spends every tax dollar in the most responsible way possible. In fact, we have an obligation to the taxpayers to fight waste, fraud, and abuse and to ensure that if the government overpays for something, it has the means to recover those precious tax dollars.

The bill we are now considering, H.R. 3393, the Improper Payments Elimination and Recovery Act of 2009, will provide the government with the means to fulfill this obligation to the taxpayers.

Mr. Speaker, I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an important and bipartisan bill being brought to the floor today. It has been well thought out and well crafted, and I want to thank Mr. MURPHY and Mr. BILBRAY for their diligent work on this subject, also Mr. TODD PLATTS, who has worked in this area for a number of years and has brought to light this failure of government.

Mr. Speaker, when there are $2 trillion worth of payments being made and $100 billion worth of improper payments being noted, one would say we must be doing a good job of finding improper payments that would allow us to get to the bottom of this large amount of money. But, Mr. Speaker, without this corrective action, it is clear that what we are seeing is the tip of a very large iceberg.

Under the current law, since you must have the greater of both $10 million and 2.5 percent in order to trigger reporting, this only really triggers $10 million events with very small agencies. As we look at the Department of Defense and other large agencies, realistically the 2.5 percent becomes the trigger. If I were able to, with a stroke of a pen, change things from day one, I would look and say the American people consider not only $10 million a lot of money, but $2 million and $1 million, $100,000.

We cannot quickly make those kinds of changes in reporting, I am told. However, today we are taking a fairly significant step. By automatically having anytime when $100 million is at stake be reported and by reducing from 2.5 to 1.5 percent the program outlays, we are catching an unknown amount of greater waste, fraud, and abuse in government. These improper payments will undoubtedly rise, perhaps double, perhaps triple in reporting as a result of this new law, but it is not enough. As this reporting becomes more widespread and we're able to investigate extremely large but smaller than today programs, I hope that we will see that we must find all, all, improper payments in government and set them right. The American people expect no less.

Mr. Speaker, I reserve the balance of my time.

Mr. TOWNS. Mr. Speaker, I yield 5 minutes to the sponsor of the bill, Mr. PATRICK MURPHY, who is really responsible for our being here today. He has worked so hard on this legislation, and, of course, as I have said to many staffers along the way, this makes a whole lot of sense, and I want to thank him, and, of course, Mr. PLATTS and people that have worked on this and kept it going.

Mr. PATRICK J. MURPHY of Pennsylvania. I thank the chairman for yielding.

I would like to start off by thanking my colleague from across the aisle, Congressman BRIAN BILBRAY from California, for partnering with me on this bipartisan bill for the past 2 years. Today is a great day for our country, and I want to also highlight his partnership and his commitment to fiscal responsibility. It's been an honor to work with you, sir.

I also want to thank Senator TOM CARPER for his tireless efforts in advancing this legislation in the Senate.

Mr. Speaker, most of us would be outraged if we realized that our phone company charged twice for last month's bill or that we paid for car repairs that were never made to our car. We would figure out the problem, we would get our money back, and we would make sure that that never happened again.

But every day the Federal Government either overpays or pays twice the amount for products or services it was supposed to. But until now, there was too little action and even less outrage.

□ 1030

According to the Office of Management and Budget, in fiscal year 2009, Federal agencies made nearly $98 billion in improper payments. Let me repeat that: In 2009, Federal agencies made nearly $98 billion in improper payments in just 1 fiscal year.

Mr. Speaker, numbers get thrown around in this Chamber all the time. So let me put this number in context. This is more than double the budget for the Department of Homeland Security and triple the budget of the National Institutes of Health. These improper payments occur as a result of fraud or from poor fiscal management systems that do not detect or prevent mistakes before Federal dollars are already out the door. This bill—our bill—the Improper Payments Elimination and Recovery Act, will help better identify, reduce, and eliminate these improper payments. It will cut down on fraud and waste by requiring agencies to develop and implement action plans to avoid improper payments.

Mr. Speaker, no business owner would allow an employee to get away

with these mistakes. American taxpayers should not have to foot the bill when the government mismanages their hard-earned dollars. That is why this legislation has strong measures to hold those accountable for failing to protect taxpayer dollars. Perhaps most importantly, Mr. Speaker, this legislation would force the Federal Government to reclaim more money that was improperly sent.

It's pretty simple. If a family in Bristol, Bucks County, found out that they were getting double billed for their car payments or paying for groceries they never got, they'd fix the problem, get their money back, and would not allow it to happen again. My bill ensures that the Federal Government holds itself to the same standard of fiscal responsibility that will save taxpayers billions of dollars.

Mr. Speaker, there is no question that we must do more to tackle our national debt. While the debate grows increasingly partisan, the solutions seem sometimes out of political reach. But this proposal is not. This commonsense measure is something that Democrats and Republicans have come together to support. Cutting wasteful spending and growing our economy will lead us out of this recession and help put us on a path toward fiscal responsibility. I urge all of my colleagues to vote ''yes'' and pass this legislation on behalf of the American taxpayer.

Mr. ISSA. At this time I would yield 3 minutes to the coauthor of the bill, the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. I would like to thank the coauthor of the bill, Mr. MURPHY, and especially Chairman TOWNS and Ranking Member ISSA for bringing this item up today. I appreciate the ability to address it.

Mr. Speaker, all across America, Americans are speaking out loudly. In fact, there's a degree of dismay for those of us in Washington when we go home to see the outrage that is coming out from the average taxpayer in this country. I think we are just now really realizing that there is a justification for the outrage and the strong feelings. Basically, as we tell the American people that they must give more and that we are going to take more, they are saying, No way. You have not earned the right to be trusted with our tax money.

Mr. MURPHY and I have been able to identify one of those items that the American people have been calling for for a long time. How do we explain to our constituents that we are giving away inappropriately twice as much money as we spend to defend their neighborhoods from terrorism when it comes to homeland security? How do we have the gall to ask them to trust us with more money when we have this kind of mismanagement of public funds—not just recently, but historically. And I think this is one place we can, in a bipartisan effort, admit that Washington needs to be more responsible, needs to do more and, frankly, demand more from Washington and the bureaucracy and less from the American people when it comes to accountability.

We're talking about the fact that we need now to lower the thresholds of reporting so the problem can be more transparent. We need to make sure that we hold those who are trusted in the Departments with the American taxpayers' money to do more, report more, and be more accountable for the mismanagement of those funds. Frankly, we need to demand more recovery of the money when we detect these funds are being misappropriated.

Frankly, right now, I think the outrage across this country is something that is healthy for all of us—Democrats, Republicans, Independents. We should not be asking, Why are the American people so outraged? We're saying, Why didn't we realize this earlier and sooner so that that outrage did not just show up in screaming town hall meetings and protests around this country?

I want to thank Mr. MURPHY for joining with me at showing the American people there are some of us that hear it loud and clear. We do not blame the American people for being outraged. We blame ourselves and the Washington establishment for not addressing this issue before and not moving forward.

So I, again, thank the chairman and the ranking member. I thank my coauthor on this. And I think, Mr. Speaker, this is more than just money. We're talking about we have taken hard-earned resources from hardworking Americans and we have been trusted in the past; and we have violated that trust.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ISSA. Mr. Speaker, I yield the gentleman 30 additional seconds.

Mr. BILBRAY. This bill will start on a pattern towards earning the trust back from the American people. But we do not have a right to ask them to trust us with more money until we prove to them that we can correct this problem and take care of the money that we have already been endowed with. So I ask that this body pass this bill and address it. It's a small step in the direction that America has asked us to go to for far too long.

Mr. TOWNS. I yield myself such time as I may consume.

The Improper Payments Elimination and Recovery Act, H.R. 3393, provides the Federal Government with the tools needed to prevent mistakes and overpayments in the first place and recover funds that are paid in error. That's the reason why I'd like to salute Congressman ISSA of California, Congressman BILBRAY, and of course Congressman PLATTS and Congressman MURPHY for the outstanding job that they have done on this legislation.

The bill we are considering today takes the next step and makes Federal agencies more accountable for properly managing taxpayers' funds. The bill requires agencies to develop and report corrective action plans based on measured error rates and creates incentives for meeting their goals and penalties for failure to meet their goals. Importantly, the bill also gives the agencies the means to go after the funds that they have overpaid, which will make the taxpayers, agencies, programs, and activities which relied on those appropriations whole.

We are living in a time, Mr. Speaker, when our government is under extreme fiscal demands, and we need to do everything possible to ensure that every tax dollar goes to where it is needed. To ensure this takes place, we need to provide our Federal agencies with the tools to properly manage their spending. We also need to give the agencies the ability to follow through with their oversight and provide them with the ability to recover erroneous payments.

However, we cannot stop there. We must do everything that we can to ensure that Federal agencies who make improper payments fix the problem that allows the improper payments to take place. At the end of the day, this bill amends current law to require more accountability through reports, plans, definitions, clarification of responsibility, allocation of funds, and oversight.

Again, I would like to thank my colleagues, Representatives MURPHY, BILBRAY, ISSA, and others, for working together in a truly, truly bipartisan manner to get this piece of important legislation to the House floor. H.R. 3393 is a commonsense, good government bill, and I encourage my colleagues to join me in supporting it.

I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, I'd like to share with you something that happened this morning. I was on C–SPAN and a woman named Betty called in and was very concerned that we were not working on a bipartisan basis; that there was no consensus or compromise; that we were paralyzed. It's sometimes hard to answer somebody on the other end of a telephone line, but I would like to today take note that this is an example of the dozens of times every week that we come together, the chairman and myself, members of the committee, and we find things we can agree on that are good for America, the common good, and they will not usually be noted.

So today I would hope that we all note that—and for Betty who called in this morning—that in fact this is an example where we can find compromise. We can find a win-win for the American people. I would hope that we would do more of it. Chairman TOWNS has been good at looking for those examples, and I pledge to be better at looking for opportunities like this. I'd like to, lastly, thank Leader HOYER and Leader BOEHNER for the help they gave us in expediting this to the floor.

With that, Mr. Speaker, I urge support and passage of the bill and yield back the balance of my time.

Mr. TOWNS. Mr. Speaker, let me just make this statement, and I will yield back as well.

Let me again say how glad I am that we are taking the time to fight waste, fraud, and abuse of our precious tax dollars. With this measure, I want to thank the gentleman from California for his comments and the fact that we are working together to get rid of waste, fraud, and abuse here. This is a classic example. I want to thank him for working with me and the relationship that we have had over the years in terms of doing these kinds of things.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. TOWNS) that the House suspend the rules and pass the bill, H.R. 3393, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CLARIFY DECEPTIVE CENSUS MAILINGS LAW

Mr. TOWNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5148) to amend title 39, United States Code, to clarify the instances in which the term ''census'' may appear on mailable matter.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIREMENT FOR MAIL BEARING THE TERM "CENSUS" ON THE ENVELOPE OR OUTSIDE COVER OR WRAPPER.

(a) MATTER SOLICITING THE PURCHASE OF A PRODUCT OR SERVICE.—Section 3001(h) of title 39, United States Code, is amended—

(1) in paragraph (1), by inserting ''; or on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''or which bears the term 'census' on the envelope or outside cover or wrapper''; and

(2) in paragraph (2), by inserting ''or matter on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''In the case of matter bearing the term 'census' on the envelope or outside cover or wrapper''.

(b) MATTER SOLICITING INFORMATION OR CONTRIBUTION OF FUNDS.—Section 3001(i) of title 39, United States Code, is amended—

(1) in paragraph (1), by inserting ''; or on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''or which bears the term 'census' on the envelope or outside cover or wrapper''; and

(2) in paragraph (2), by inserting ''or matter on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''In the case of matter bearing the term 'census' on the envelope or outside cover or wrapper''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. TOWNS) and the gentleman from California (Mr. ISSA) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. TOWNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TOWNS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 5148, the bill to further prohibit deceptive mailings using the word ''census.'' Only a few weeks ago, on March 10 to be exact, the House acted unanimously to deal with the misleading fundraising mail designed to look like it is from the Census Bureau. Congresswoman MALONEY introduced H.R. 4621, the Prevent Deceptive Census Look Alike Mailing Act, which was originally cosponsored by me and Congressman CLAY, chairman of the subcommittee with jurisdiction over the census. Congresswoman MALONEY and Congressman CLAY are longtime supporters of the census, and they have worked hard to make sure we have an accurate count in 2010.

H.R. 4621 was also cosponsored by the ranking member of the committee, Congressman ISSA of California, as well as the ranking member of the subcommittee with jurisdiction over the postal service, Congressman JASON CHAFFETZ. I thank them for their support and for helping us to move it to the floor today.

The goal of the bill was simple. The United States Census, currently under way, is a critical source of information for America's future. Regrettably, scammers and con artists are trying to hijack the word ''census'' to confuse citizens into opening and responding to mail that is unrelated to the actual U.S. Census. We must protect the U.S. Census from this kind of fraud. H.R. 4621 simply requires mailings which have the term ''census'' on the envelope or cover to also include an accurate return address and the name of the sender on the envelope.

□ 1045

H.R. 4621 was drafted narrowly to avoid the First Amendment concerns and avoid interfering with the legitimate use of the mail by nonprofit organizations. The bill was intended to prevent the deceptive use of look-alike mailings by requiring transparency and disclosure. The House voted 416–0 to pass H.R. 4621. The Senate passed the same bill by unanimous consent. Not many bills pass this House unanimously, but this one did—both Houses. That's not something that happened real quick around here. You would think the message sent by that law was very clear.

Unfortunately, days after H.R. 4621 was signed into law, the RNC sent a new mailing which includes the same deceptive practices. The new mailing is also labeled a census, and it does not include a return address or identify the sender as the RNC, as required by law, Mr. Speaker. One of these offensive mailings is dated April 12, only 5 days after the President signed H.R. 4621 into law. Apparently, the RNC cannot even let 1 week go by without deceiving the American public.

Despite the unanimous action of Congress, the RNC continues to act in defiance of Congress and plain common sense and fairness. These mailings continue to mislead citizens, confuse voters, and annoy recipients.

On that note, Mr. Speaker, I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 5148. Not surprisingly, I'm the author of it. I insisted on being the author because it was the right thing to do and because there needed to be a message sent loud and clear. Deceptive advertising is already bad enough in America today. We often receive things that look like your credit card bill when, in fact, they're an offer to buy or to get something or, in fact, to apply for a credit card. We've all received cards that look like you're already getting a card when, in fact, it's John Doe on the card and it's only the opportunity to spend money to get the real card.

But when it comes to the census, there is no separation between Republicans and Democrats and Independents. There is no separation between the House and the Senate. The sanctity of this constitutional responsibility to get it right, to count everyone, cannot be allowed to be interfered with by anyone's attempt to raise money.

When the earlier bill was passed—authored by CAROLYN MALONEY and cosponsored by many of us—we thought we had ended this. As a matter of fact, for all of us on both sides of the aisle, we believed then that an independent agency, the post office, could have stopped that mail without the law. But we wanted to make the intent of Congress clear. By passing that bill, we made the intent of Congress clear. We all talked about deceptive advertising, about people seeing something, thinking it was from the Census Bureau, thinking that, in fact, it was a census form. We crafted it in a way, as the chairman said, that was intended not to cross over anyone's free speech rights, including that through the mail. We achieved that. But lawyers at the Republican National Committee made a decision that the language of the bill was such that they could continue having a piece of the successful mailing go on.

Let me make something very clear here today: You cannot say we are beyond the letter of the law when you truly are within the intent of the law and tell the American people it's okay. The four squares of the law may or may not have been violated by the

NRCC. Most of us believe, as I said before, the post office could have stopped it before the law and certainly could stop this after the law; and I have sent, along with my ranking subcommittee member, a letter to the Postmaster encouraging him to make that decision, as has Congresswoman MALONEY.

Notwithstanding their eventual action, we're making it clear here today that we will plug any perceived loopholes or any questions about whether or not you can or you cannot. The RNC sent out mailings which certainly violated the spirit of H.R. 4621. The mailings contained text visible from outside the envelope—not printed on the envelope, but effectively the same as printed on the envelope.

I would say to people who raise money, whether it's the Republican National Committee, the Democratic National Committee, other political entities, or nonpolitical entities who simply want to have their envelopes opened for an opportunity to raise money or get a message out, don't use the census. Don't even think about using the census, because it's wrong. If something is deceptive, then it is wrong under the law that we already passed. It is wrong under the law that we expect this bill to represent.

So, Mr. Speaker, I would like to thank the chairman, Congresswoman MALONEY and Congressman JASON CHAFFETZ and, more importantly, the leadership of the House, both Mr. BOEHNER and Mr. HOYER, because they made it possible for us to come to the floor quickly, get it to the Senate quickly, allow the Senate to deal with it quickly so the President can make a statement for the second time in less than a month. He shouldn't have to do it. He does have to do it. We're going to make sure that while the census is underway, that we not have anyone think that this is a time where they can continue to do fundraising that ultimately links itself to the ongoing census.

With that, I reserve the balance of my time.

Mr. TOWNS. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York, CAROLYN MALONEY, who has been very involved in this issue, of course, and to say to my colleague from California, I really appreciate his involvement in this as well, the ranking member of the committee, Congressman ISSA.

Mrs. MALONEY. I thank the gentleman for yielding and for his leadership in so many ways, and I thank my good friend on the other side of the aisle for his leadership on this issue and many others.

We are united today in a bipartisan effort, Republicans and Democrats. We are united in our efforts to stop the RNC from using census mailings for political gain and to fundraise for the RNC.

Mr. Steele, in particular, the head of the RNC, 5 days after this Congress in a bipartisan vote that was unanimous on both sides of the aisle, mailed out another partisan mailer, raising money for the RNC in an envelope that looked like it was an official document for the Census Bureau. I suggest that Mr. Steele contact the members of his own party before he acts in such a way, because the Republicans supported stopping using the census mailer in any way for partisan gain.

Specifically, this Congress passed legislation to stop mailers, fake mailers, look-alike mailers, that made the document look official, like a census document, to open it up. The RNC and others were mailing fundraisers, acting like they were the census. This is wrong. We passed legislation to stop it. It is now under review by the postal department. I have every bit of confidence that they will report that it violated not only the spirit of the law but that it violated the law.

The ink wasn't even dry from President Obama signing the legislation into law, and 5 days later the RNC leadership sent out another partisan mailer designed to look like the census to mislead people. This is dangerous because the census is important to our country. It is mandated by the Constitution. It must take place every 10 years, and the census numbers are the numbers that we use to decide representation. Practically every funding formula is based on census numbers. So we want people to respond to the census. It's important. To the degree that mock, fake mailers are out there deceiving people, it will drive down the participation.

So today we are united on enforcing the law in a bipartisan way. And I congratulate particularly the leadership on the other side of the aisle that are speaking out against the leadership of their own RNC, knowing that the census is important and should not be used for partisan reasons. So I compliment STENY HOYER and Mr. BOEHNER for moving this to the floor immediately so that another mailer doesn't go out.

This is a critical time for the census. It is in full swing. People are responding to their mail. There will be enumerators. There will be additional mail. To the extent that people are fundraising with fake look-alike documents, it will drive down the participation in the federally mandated, constitutionally required, and federally funded census. It is undercutting tax dollars from the public that are trying to get an accurate count and an accurate picture of where we are from the census data. So this is a very important action, and it's one that we are acting quickly on. And I hope the RNC and anyone else who wants to put out a deceptive, misleading mailing will stop and respect the law, respect the census, and respect this Congress.

I thank my colleagues on both sides of the aisle.

Mr. TOWNS. I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

I would like to thank the gentlelady from New York. Her words are our words; her thoughts are our thoughts. Perhaps as a proud Republican, I can do more than the thought she made.

Mr. Speaker, I want everyone to be counted in the census. I want everyone to open their envelopes from the census. As a Republican, I am particularly sensitive that I don't want Republicans to be undercounted. So I would advise, as I will do, if I receive anything and it looks like it's from the census, I'm going to open it. When I open it, if it's from the census, I'm going to fill it out. If it's not from the census, I'm going to throw it out because, ultimately, all of us, regardless of our party, should be indignant if we receive a request for money and we open it, believing it's from the census, only to find out that it is a request for money.

The census does not ask us for money. They ask us for sensitive information leading to a correct count of the American population, and from that, Congress does its work to allocate resources and, quite personally, to allocate representation here in the House. So I, for one, will open all the mail and encourage all to open all the mail. And when you open it, do the right thing if it's from the census; do the right thing if it's from somebody trying to fundraise. Let there be no doubt, this is important to us in the House. We speak with one voice. We speak today. I suspect that they will speak by tomorrow in the Senate, and we will make sure that this cannot be allowed.

In closing, I did join with the gentlelady from New York and Mr. CHAFFETZ, the gentleman from Utah, and the chairman in calling on the Postmaster to assert any jurisdiction he may believe he can, which we believe he has, to stop mailings even if they're going out today. But certainly within a matter of hours or days, we expect there will be new power without any question that would allow for the holding of that mail and its destruction.

So with that, Mr. Speaker, I encourage passage of the bill.

I yield back the balance of my time.

Mr. TOWNS. Mr. Speaker, I would like to close by saying that we need to send the kind of message that will make certain this stops. However, I do believe the new RNC mailings are illegal under current law. That's number one. This bill will clarify that any use of the word ''census'' that is visible through the envelope would trigger a requirement to disclose the name and return address of the sender. Congress should not have to act twice to make it clear that it is wrong to imitate the census, which is mandated by our Constitution. Unfortunately, the foolishness of the RNC has forced us to act again.

Mr. Speaker, I want to thank all of my colleagues, especially the ranking member of the committee, Congresswoman MALONEY, and Mr. CHAFFETZ and others, especially their staffs, who understand and recognize how important the census is and that we should

not get involved in any kind of trickery when it comes to the census because there are so many things that depend on the census. Therefore, to play around with it, to me, is so unfair when you're talking about, really, playing around with the lives of people, because so many things are based on the fact that the count, the count is so important. So it's my hope that the RNC will recognize this and stop this trickery, because there is no place, no time do we need that today.

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We need to make certain that everybody fills out their census form, and gets it back in as soon as possible.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. TOWNS) that the House suspend the rules and pass the bill, H.R. 5148.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING USE OF CAPITOL GROUNDS FOR NATIONAL PEACE OFFICERS' MEMORIAL SERVICE

Mr. COSTELLO. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 264) authorizing the use of the Capitol Grounds for the National Peace Officers' Memorial Service.

The Clerk read the title of the concurrent resolution.

The text of the concurrent resolution is as follows:

H. CON. RES. 264

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. USE OF CAPITOL GROUNDS FOR NATIONAL PEACE OFFICERS' MEMORIAL SERVICE.

(a) IN GENERAL.—The Grand Lodge of the Fraternal Order of Police and its auxiliary (in this resolution referred to as the ''sponsor'') shall be permitted to sponsor a public event, the 29th Annual National Peace Officers' Memorial Service (in this resolution referred to as the ''event''), on the Capitol Grounds, in order to honor the law enforcement officers who died in the line of duty during 2009.

(b) DATE OF EVENT.—The event shall be held on May 15, 2010, or on such other date as the Speaker of the House of Representatives and the Committee on Rules and Administration of the Senate jointly designate.

SEC. 2. TERMS AND CONDITIONS.

(a) IN GENERAL.—Under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board, the event shall be—

(1) free of admission charge and open to the public; and

(2) arranged not to interfere with the needs of Congress.

(b) EXPENSES AND LIABILITIES.—The sponsor shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.

SEC. 3. EVENT PREPARATIONS.

Subject to the approval of the Architect of the Capitol, the sponsor is authorized to erect upon the Capitol Grounds such stage, sound amplification devices, and other related structures and equipment, as may be required for the event.

SEC. 4. ENFORCEMENT OF RESTRICTIONS.

The Capitol Police Board shall provide for enforcement of the restrictions contained in section 5104(c) of title 40, United States Code, concerning sales, advertisements, displays, and solicitations on the Capitol Grounds, as well as other restrictions applicable to the Capitol Grounds, in connection with the event.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. COSTELLO) and the gentleman from Wisconsin (Mr. PETRI) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 264.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 264 authorizes use of the Capitol grounds for the 29th annual National Peace Officers' Memorial Service, a solemn and respectful public event in our Nation's capital honoring our heroic civil servants who were killed in the line of duty in the previous year.

Mr. Speaker, 116 brave men and women were killed in the line of duty in 2009, the fewest number since 1959. The total number of officers killed in the line of duty declined 16 percent from 2008. Unfortunately, the number of officers shot and killed had a dramatic rise and increased 22 percent from the previous year. According to the National Law Enforcement Officers' Memorial Fund, the number of incidents where more than one officer was killed by a single gunman accounted for 15 deaths, nearly a third of the officers killed in firearms-related incidents.

There were three peace officers who died in Illinois in 2009, including one from my congressional district in Centreville, Illinois, Gregory Jonas.

The National Peace Officers' Memorial Service is a fitting tribute to all Federal, State and local peace officers who gave their lives in the daily work of protecting our families, our homes and our workplaces.

Consistent with all Capitol Hill events, the memorial service will be free and open to the public. I support the resolution and urge my colleagues to join me in supporting this tribute to our fallen peace officers.

Mr. Speaker, I reserve the balance of my time.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 264 authorizes the use of the Capitol grounds for the 29th annual National Peace Officers' Memorial Service to be held on May 15. The memorial service will be just one event of many planned for Police Week to honor the sacrifices of the men and women who serve in law enforcement and to give special recognition of those who lost their lives in the line of duty.

In 1962, Congress established Peace Officers Memorial Day and Police Week through a joint resolution of Congress. And, in 1982, the first official memorial service took place in Senate Park with 125 people gathered to honor 91 officers. Since that time, law enforcement from around the world have come to D.C. to participate in week-long events to honor the brave service and sacrifice of officers who have fallen in the line of duty.

Today, thousands of people participate in the events, including the memorial service, and over 3,000 law enforcement officers have been honored from around our Nation. Currently, there are approximately 900,000 law enforcement officers in the United States that selflessly risk their lives so that we can be safe and protected.

Unfortunately, on average, 160 officers each year lose their lives in the line of duty. And there are approximately 16,000 assaults on police officers each year, resulting in nearly 60,000 injuries. This year, 324 fallen officers will be honored, including 116 who lost their lives in 2009. Police Week will serve to honor the service and sacrifice law enforcement officers make for us every day.

I support this resolution and encourage my colleagues to do the same.

Mr. OBERSTAR. Mr. Speaker, I rise in strong support of H. Con. Res. 264, authorizing the use of the Capitol Grounds for the National Peace Officers' Memorial Service on May 15, 2010. This memorable event will provide an opportunity to honor the officers who work for States, counties, Federal law enforcement, military police, correction officers, and as peace officers in the United States and its territories and to also honor those officers that have died in the line of duty in 2009.

In October 1962, President Kennedy proclaimed May 15th as National Peace Officers' Memorial Day. Each year on this date, we, as a nation, have an opportunity to honor the commitment with which peace officers perform their daily task of protecting our local communities. Today, the National Peace Officers' Memorial Service on Capitol Hill has become one in a series of well-attended events during the annual Police Week organized by the National Law Enforcement Memorial Fund, the Fraternal Order of Police, and Concerns of Police Survivors.

The 2010 event marks the 29th time the Capitol Grounds will be used for this noteworthy event. According to the National Peace Officers' Memorial Fund, there are approximately 900,000 sworn law enforcement officers serving the American public today. Thirty-five states and Puerto Rico had officers killed in 2009. Of the 116 officers killed, 51 were killed during a traffic-related incident, 49 were killed in a firearms-related incident, and 16

were killed in other types of incidents. Although the 116 peace officers that died in action in 2009 is the lowest number since 1959, each officer's death is a tragedy, and we should honor the sacrifices made by those who have been killed in the line of duty.

Activities on the Capitol Grounds conducted under H. Con. Res. 264 will be coordinated with the Architect of the Capitol, will be free, and open to the public.

It is fitting that we pay tribute the lives, sacrifices, and public service of our brave peace officers and their families today. I urge my colleagues to join me in supporting H. Con. Res. 264.

Mr. PETRI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. COSTELLO. Mr. Speaker, I urge support of this resolution, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. COSTELLO) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 264.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AIRPORT AND AIRWAY EXTENSION ACT OF 2010

Mr. COSTELLO. Mr. Speaker, I move to suspend the rules and pass the 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.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Airport and Airway Extension Act of 2010''.

SEC. 2. EXTENSION OF TAXES FUNDING AIRPORT AND AIRWAY TRUST FUND.

(a) FUEL TAXES.—Subparagraph (B) of section 4081(d)(2) of the Internal Revenue Code of 1986 is amended by striking ''April 30, 2010'' and inserting ''July 3, 2010''.

(b) TICKET TAXES.—

(1) PERSONS.—Clause (ii) of section 4261(j)(1)(A) of the Internal Revenue Code of 1986 is amended by striking ''April 30, 2010'' and inserting ''July 3, 2010''.

(2) PROPERTY.—Clause (ii) of section 4271(d)(1)(A) of such Code is amended by striking ''April 30, 2010'' and inserting ''July 3, 2010''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on May 1, 2010.

SEC. 3. EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''May 1, 2010'' and inserting ''July 4, 2010''; and

(2) by inserting ''or the Airport and Airway Extension Act of 2010'' before the semicolon at the end of subparagraph (A).

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(e) of such Code is amended by striking ''May 1, 2010'' and inserting ''July 4, 2010''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on May 1, 2010.

SEC. 4. EXTENSION OF AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Section 48103(7) of title 49, United States Code, is amended to read as follows:

''(7) $3,024,657,534 for the period beginning on October 1, 2009, and ending on July 3, 2010.''.

(2) AVAILABILITY OF AMOUNTS.—Sums made available pursuant to the amendment made by paragraph (1) shall remain available until expended.

(3) PROGRAM IMPLEMENTATION.—For purposes of calculating funding apportionments and meeting other requirements under sections 47114, 47115, 47116, and 47117 of title 49, United States Code, for the period beginning on October 1, 2009, and ending on July 3, 2010, the Administrator of the Federal Aviation Administration shall—

(A) first calculate funding apportionments on an annualized basis as if the total amount available under section 48103 of such title for fiscal year 2010 were $4,000,000,000; and

(B) then reduce by 17 percent—

(i) all funding apportionments calculated under subparagraph (A); and

(ii) amounts available pursuant to sections 47117(b) and 47117(f)(2) of such title.

(b) PROJECT GRANT AUTHORITY.—Section 47104(c) of such title is amended by striking ''April 30, 2010,'' and inserting ''July 3, 2010,''.

SEC. 5. EXTENSION OF EXPIRING AUTHORITIES.

(a) Section 40117(l)(7) of title 49, United States Code, is amended by striking ''May 1, 2010.'' and inserting ''July 4, 2010.''.

(b) Section 44302(f)(1) of such title is amended—

(1) by striking ''April 30, 2010,'' and inserting ''July 3, 2010,''; and

(2) by striking ''July 31, 2010,'' and inserting ''September 30, 2010,''.

(c) Section 44303(b) of such title is amended by striking ''July 31, 2010,'' and inserting ''September 30, 2010,''.

(d) Section 47107(s)(3) of such title is amended by striking ''May 1, 2010.'' and inserting ''July 4, 2010.''.

(e) Section 47115(j) of such title is amended by striking ''May 1, 2010,'' and inserting ''July 4, 2010,''.

(f) Section 47141(f) of such title is amended by striking ''April 30, 2010.'' and inserting ''July 3, 2010.''.

(g) Section 49108 of such title is amended by striking ''April 30, 2010,'' and inserting ''July 3, 2010,''.

(h) Section 161 of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 47109 note) is amended by striking ''May 1, 2010,'' and inserting ''July 4, 2010,''.

(i) Section 186(d) of such Act (117 Stat. 2518) is amended by striking ''May 1, 2010,'' and inserting ''July 4, 2010,''.

(j) The amendments made by this section shall take effect on May 1, 2010.

SEC. 6. FEDERAL AVIATION ADMINISTRATION OPERATIONS.

Section 106(k)(1)(F) of title 49, United States Code, is amended to read as follows:

''(F) $7,070,158,159 for the period beginning on October 1, 2009, and ending on July 3, 2010.''.

SEC. 7. AIR NAVIGATION FACILITIES AND EQUIPMENT.

Section 48101(a)(6) of title 49, United States Code, is amended to read as follows:

''(6) $2,220,252,132 for the period beginning on October 1, 2009, and ending on July 3, 2010.''.

SEC. 8. RESEARCH, ENGINEERING, AND DEVELOPMENT.

Section 48102(a)(14) of title 49, United States Code, is amended to read as follows:

''(14) $144,049,315 for the period beginning on October 1, 2009, and ending on July 3, 2010.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. COSTELLO) and the gentleman from Wisconsin (Mr. PETRI) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 5147.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5147, the Airport and Airway Extension Act of 2010. I want to thank Chairman OBERSTAR and Ranking Member MICA, as well as Mr. PETRI for working with me to bring this bill to the floor today.

In both the 110th and 111th Congresses, the House passed comprehensive legislation to reauthorize the FAA and to provide for much-needed modernization of our aviation system. Last month, the other body passed its own FAA reauthorization bill. We look forward to the completion of a final comprehensive bill, and are in the process of working out the differences in both legislation to reconcile and bring a conference report to the floor.

However, the airport and airways trust fund will expire on April 30, 2010, and the bill before us today is needed to extend the aviation taxes and expenditure authority, and the airport improvement program contract authority until July 3, 2010.

Specifically, H.R. 5147 provides $3 billion in AIP contract authority through early July, which translates to an annualized amount of $4 billion for fiscal year 2010. This level of funding is consistent with the annual levels provided by the House and Senate reauthorization bills, as well as the fiscal year 2010 concurrent budget resolution.

These additional funds will allow airports to continue critical safety capacity enhancement projects. Additionally, the bill provides $7 billion for the FAA operations; $2.2 billion for facility and equipment programs; and $144 million for research, engineering and development programs.

When translated to yearly amounts, these AIP figures equal the funding levels passed in the Transportation, Housing and Urban Development, and Related Agencies Appropriation Act of 2010. In addition, aviation excise taxes will also be extended through July 3,

2010. These taxes are necessary to support the airport and airways trust fund, which funds a large portion of the FAA's budget. Any lapse in these taxes could drain the trust fund's balance, so it is important that we act now pending the passage of a longer-term reauthorization bill.

Aviation is too important to our Nation's economy, contributing $1.2 trillion in output and approximately 11.4 million jobs, to allow the taxes or the funding for critical aviation programs to expire. Congress must ensure that this extension passes today to ensure that our aviation system is not disrupted and continues to function safely. I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

In May of last year, the House passed H.R. 915, the FAA Reauthorization Act of 2009. Last month, the Senate passed its own FAA reauthorization bill which the House took up, amended and passed, and sent back to the Senate. While a conference has not been called, staff from both Chambers have begun informal discussions to reconcile the two versions of bill.

This process will take time, and given that the current FAA extension expires at the end of this month, we need to again extend the FAA's taxes and authorities to allow time to get a final, conferenced FAA bill.

H.R. 5147 would extend the taxes, programs, and funding of the FAA to July 3 of this year. This bill provides just over $3 billion in airport improvement program funding; extends the war risk insurance program; and extends other authorities related to small community air service, airport and safety programs.

This bill will ensure that our national airspace system continues to operate and that the FAA continues to fund important airport projects while the Congress completes action on a final reauthorization bill.

Mr. Speaker, I would now like to yield such time as he may consume to the senior Republican on the Public Works and Transportation Subcommittee, the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Speaker, I thank Mr. PETRI, our ranking member on the Aviation Subcommittee, for yielding me this time. I am pleased also to recognize the fine work of the current chair of the Aviation Subcommittee, Mr. COSTELLO and our chair of the full committee, Mr. OBERSTAR.

I am here today, Mr. Speaker and my colleagues, and folks, you haven't tuned in here to the comedy hour. In fact, it is almost sort of a sad time. It almost seems like a bit of a sad comedy that we are back here for the 15th time extending FAA authorization, authorization for all of the policy, Federal programs that deal with aviation, the 15th time, and this is the 13th extension.

Mr. PETRI is the ranking member of aviation, Mr. COSTELLO the current chair. When I came to Congress, Mr. OBERSTAR was the chair of the Aviation Subcommittee and I was in the minority but a member of the committee. From 2001 to 2008, I was the chairman of the Aviation Subcommittee. In fact, in 2003, I wrote the current FAA authorization that has been extended some 13 times with the passage of this today. I know I did a great job and a thorough job, but I never intended it to last on and on. And it wasn't intended to last on and on. At that time we did a 4-year bill. We set the policies, the projects. We set all of the safety criteria for aviation in the country.

But what particularly burns me right now is we have a commuter aviation safety piece of legislation that we intend to incorporate in this extension. We have had it done for some time. We worked in a bipartisan fashion; and that sits idle. We sat down in a bipartisan fashion after we had a number of disastrous commuter flights, one up in New York, and our heart aches for those families who have suffered the loss of a loved one. We had a responsibility to pass that legislation; and that legislation, which is part of the extension, is still sitting today undone. But again, 15 times we have been here. This is the 13th extension. This goes on to July of a bill that I authored back in 2003 that expired in 2007.

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And it couldn't come at a worse time for the economy. We need in place that policy. We need the funding formula in place. We need the ability to move and expand our airports which are our main transportation hub of today and the future.

The modernization of the air traffic control system and the provisions that we put in this to move that forward are also stalled, it's called NextGen, next-generation air traffic control. This is very sad. When you stop and think about it, 11 percent of the economy of the United States of America deals around the aviation industry. This is big business, it's big jobs, and, unfortunately it's stalled. And that's sad.

I'm not here to point fingers. The House has done due diligence. The other body continues to work on the measure. They've made some progress of late. There are some issues in here, one that's called the FedEx provision, which does expand some unionization provisions if it is passed. Quite frankly, the Senate has said that provision is not going to be accepted. Many on the House oppose this on both sides of the aisle. Let's take the controversial things, put them aside, and move forward with the bill.

Foreign repair stations. We cannot abrogate our obligations under international treaties. We can't leave planes in some foreign location without the ability to repair them. So we have to have a reasonable standard and an internationally coherent and internationally compliant way to proceed for repair stations. Those controversial provisions need to be put aside.

Move forward. People are crying out for jobs in this country, and one of the best employers that we have in this Nation is the aviation industry. It pays some of the highest salaries, and we have the potential for expanding that. When you expand aviation, you enter global markets with such ease today, but we are leaving that behind. So I am, indeed, deeply saddened that we are not at a point where we are passing this.

Now, I ask Members to support this extension, the 13th extension. This is a very embarrassing moment for the Congress, and I'm sad that our work is not done.

Mr. PETRI. Mr. Speaker, I urge my colleagues to support H.R. 5147, and I yield back the balance of my time.

Mr. COSTELLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me concur with the remarks of the ranking member of the full committee, Mr. MICA, and Mr. PETRI in his statement. I do want to make it clear, though, that in this House we have done our job, both in 2007 and in 2009. The committee, and also the full House, passed the reauthorization bill; and on both occasions, in 2007 and 2009, we sent it over to the Senate and waited for the other body to act. Unfortunately, the other body did not act until recently, and as I said in my opening remarks, we are negotiating with them now to resolve our differences so that we can bring a bill to the floor in order to get it to the President.

Mr. MICA is right about the Airline Pilot and Safety Act as well. We did pass that legislation both in the committee and the House. It was a bipartisan bill. It is urgently needed. It is a part of the reauthorization process. And, again, it is my hope that we can work out our differences and quickly bring a conference report to the floor. I urge my colleagues to support this legislation.

Mr. OBERSTAR. Mr. Speaker, I rise in strong support of H.R. 5147, the ''Airport and Airway Extension Act of 2010''.

H.R. 5147 ensures that aviation programs, taxes, and Airport and Airway Trust Fund expenditure authority will continue without interruption, pending completion of a long-term Federal Aviation Administration, FAA, reauthorization act.

The most recent long-term FAA reauthorization act, the Vision 100—Century of Aviation Reauthorization Act, P.L. 108–176, expired on September 30, 2007. The House passed an FAA reauthorization bill during the 110th Congress, and again last year. I am pleased that the Senate passed its own comprehensive reauthorization bill last month, and I look forward to the passage of final legislation that will provide for the modernization of our aviation system and reauthorize the FAA over the long term.

We must ensure in the meantime that the FAA's programs and authority do not lapse.

Accordingly, H.R. 5147 is the latest short-term extension act. It ensures continuity of funding and program authority beyond April 30, 2010, when the FAA's current extension expires. H.R. 5147 provides a two-month extension of aviation programs, through July 3, 2010.

I thank my Committee colleagues—especially Ranking Member MICA, Aviation Subcommittee Chairman COSTELLO, and Aviation Subcommittee Ranking Member PETRI—as well as Ways and Means Committee Chairman LEVIN and Ranking Member CAMP for working with me on this critical legislation.

I strongly urge my colleagues to join me in supporting H.R. 5147.

Mr. COSTELLO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. COSTELLO) that the House suspend the rules and pass the bill, H.R. 5147.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 5013, IMPLEMENTING MANAGEMENT FOR PERFORMANCE AND RELATED REFORMS TO OBTAIN VALUE IN EVERY ACQUISITION ACT OF 2010

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1300 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1300

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 5013) to amend title 10, United States Code, to provide for performance management of the defense acquisition system, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Armed Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived except those arising under clause 10 of rule XXI. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question. All points of order against such amendments are waived except those arising under clause 9 or 10 of rule XXI. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. The Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on Armed Services or his designee. The Chair may not entertain a motion to strike out the enacting words of the bill (as described in clause 9 of rule XVIII).

The SPEAKER pro tempore. The gentlewoman from New York is recognized for 1 hour.

Ms. SLAUGHTER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from North Carolina, Dr. Foxx. All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Ms. SLAUGHTER. I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and to insert extraneous materials into the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. SLAUGHTER. I yield myself such time as I may consume.

Mr. Speaker, the resolution provides a structured rule for consideration of H.R. 5013, the IMPROVE Acquisition Act of 2010. The rule waives all points of order against consideration of the bill except those arising under clause 9 or 10 of rule XXI. It makes in order the committee amendment as an original bill and provides that the bill shall be considered as read.

The rule waives all points of order against the committee amendment except those arising under clause 10 of rule XXI. The rule makes in order the 16 amendments printed in the Rules Committee report and waives all points of order against those amendments except those arising under clause 9 or 10 of rule XXI. The rule provides one motion to recommit with or without instructions.

The rule provides the Chair may entertain a motion that the committee rise only if offered by the Chair of the Committee on Armed Services or a designee. The Chair may not entertain a motion to strike out the enacting words of the bill.

Mr. Speaker, over the years we have watched as countless stories revealed flaws in the military's procurement operation. Disappointment with the way the Department of Defense manages the money we appropriate it reflects poorly not just on the Pentagon, but on Congress as well. The $640 toilet seat is now the stuff of legend, but sadly it is often just the tip of the iceberg.

In recent years, excesses stemming from the ill considered rush towards privatization championed by the previous administration have become increasingly common. The push to contract out nearly every part of the military's mission has inevitably led to waste, fraud, and abuse involving some of the biggest corporate names in this country. Sadly, I believe that many years from now historians will associate a significant part of the war in Iraq with wasteful and poorly managed contracts that made private companies millions of dollars, billions of dollars, actually, often at the expense of our own men and women in uniform and certainly of taxpayers.

Two years ago in Congress, I was here on the floor as the House debated H.R. 1362, the Accountability in Contracting Act. That, too, was intended to save taxpayer money. Earlier in the 110th Congress, I worked with my friend, Ms. SCHAKOWSKY, on H.R. 897, the Iraq and Afghanistan Contractor Sunshine Act. I hesitate to say that those and other efforts towards contracting reform have been unsuccessful. Clearly, we have made significant reforms and part of our work in Congress involves regular and diligent oversight. It is a never-ending process.

For my part, one of my proudest efforts during my career in Congress has been to force the Pentagon to acknowledge that some of the testing done on body armor for troops during an early part of the war was deeply flawed. My work on this issue grew out of a 2006 audit that I read about in The New York Times that found that 80 percent of marines who had died in Iraq of upper body wounds would have survived with the proper body armor. I waited for other committees to take the lead, but no one came to the floor.

We are still working on this issue, but we have come a very long way. Major changes have been made in testing labs, some of them taken back into the Army rather than contracted out, which in this case did not work. Thankfully, however, the work did accomplish one thing: the military agreed to no more poorly managed deals for outside contractors to test the body armor. All current and future body armor testing will be conducted internally by the Department of Testing and Evaluation within the DOD with strict standards to ensure our troops receive nothing but the highest quality of body armor.

When it comes to the safety of our troops, which we send into battle, it is foolish to put the bid out to the lowest-priced contractor.

But today we have moved into a new chapter of oversight and reform, and I am happy to see it come. This morning we are bringing up an important piece of legislation intended to help the Pentagon reform inefficient procurement

operations. It's called the Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010, otherwise known as the IMPROVE Act. This bill will help the Defense Department immediately, once this is signed, to crack down on cost overruns and lax oversight of contractors. Not only that, but the bill should help reduce our dangerous reliance oftentimes on outside companies to do so many varied functions on behalf of the military.

It is hard to overstate how important this bill is. My colleague, Mr. CONAWAY of Texas, who is the ranking member of the House Armed Services Committee Defense Acquisition Panel, offered the following testimonial on how urgent the need is for contracting and acquisition reform. He said: ''The Department of Defense is the largest agency in the Federal Government, owning 86 percent of the government's assets, estimated at $4.6 trillion. Over the last two decades, millions of dollars have been spent by DOD in the quest to obtain auditable financial statements.'' Yet getting those numbers has proven elusive, if not at times impossible. No more, Mr. Speaker, after this bill is signed.

This bill mandates that the Pentagon consider shifting work away from contractors if they don't meet the cost goals. It will set up a new system of cost objectives and schedules which DOD procurement officers would have to follow. The bill says that by 2017 Pentagon agencies must prepare records that can be audited and draft a new policy that wouldn't reward those who don't meet requirements. These are simple, sensible reforms that the American people can understand and appreciate.

□ 1130

No matter what anyone in Congress thinks of the ongoing wars in Afghanistan and Iraq, all of us know that the men and women who are serving overseas rely on the equipment, and they deserve to know that the funds for their equipment are not being squandered and that they are given equipment of the highest quality.

Another bright note on this legislation is that, when it was approved by the Armed Services Committee, the vote was 56–0. Such bipartisanship is rare in the House these days, and I am happy to speak on a bill that all of us can agree on. Although there is not currently any pending movement on the bill in the Senate, it is my hope a decisive and strong bipartisan vote today on this bill will spur the Senate into action. Billions of taxpayer dollars and the trust of our troops depend on it.

I reserve the balance of my time.

Ms. FOXX. I thank my colleague from New York for yielding time.

Mr. Speaker, I am very concerned that the underlying bill we have before us today is being brought forward under a structured rule, adding to the record number of structured and closed rules the Democrats have arbitrarily used since they have been in the majority.

Today, the Democrats in charge have rejected nine amendments offered by their colleagues, and they have refused to allow these amendments to be debated and for their colleagues' voices to be heard. Democrats have chosen to stifle and control the debate today, presenting the Congress with another structured rule, eliminating the ability of both the Republicans and the Democrats to offer important amendments affecting their constituents.

After promising to have the most honest and open Congress in history, why has the Speaker consistently gone back on her word? Why are the Democrats in charge shutting off debate and silencing their colleagues on both sides of the aisle? Are they afraid of debate? Are they protecting their Members from tough votes?

Regardless of their motives, one thing is clear: The Democrats in charge are doing the American people an injustice by refusing to allow their Representatives to offer their amendments on the floor of the people's House. Therefore, Mr. Speaker, I urge my colleagues to reject this structured rule.

I reserve the balance of my time.

Ms. SLAUGHTER. I yield myself such time as I may consume.

Mr. Speaker, I need to point out to the gentlewoman that there were 26 amendments offered on this bill. Only one was a Republican amendment. Ten amendments were not allowed, but the Republican amendment was. We are not afraid of debate. We are not afraid of discussion. As a matter of fact, I am somewhat taken aback by your calling for a ''no'' vote on this rule given that this legislation passed unanimously out of the committee.

I have no further requests for time, so I reserve the balance of my time.

Ms. FOXX. I appreciate the comments of the gentlewoman from New York.

Mr. Speaker, I do realize that the bill passed out of committee unanimously, and I am sure it is going to receive strong support on the floor. Yet we know that providing protection for our Nation is one of the few jobs specifically assigned to the Federal Government by the U.S. Constitution. Indeed, the Federal Government is the only level of government that can provide for the defense of this Nation. However, based on the policies of this administration and the Democrats in charge, who have slashed defense spending even in the midst of ongoing terror threats, only to increase domestic spending and our national debt, you would never know this was true.

I am very concerned about the backward spending priorities of this administration and of the Democrats in charge. While the defense budget proposed by the administration is flat, growing only by 1 percent last year, automatic spending grew by $77 billion, or 5 percent. Military spending represents less than one-fifth of the Federal budget and approximately half of the average level of defense spending during the Cold War as a percentage of our economy. Meanwhile, Medicare, Medicaid, Social Security, and the President's new health care takeover are on course to consume the entire Federal budget, including defense. According to the Heritage Foundation, under current projections, it is expected that the Federal Government will spend more on interest payments for the national debt than on defense by the year 2015, if not sooner.

The Obama administration's recently released Nuclear Posture Review and New START agreement will weaken national security, and it will make our Nation less safe. It will cause the U.S. to fall dangerously behind at a time when other countries are seeking to strengthen and to develop their own nuclear weapons. The President seems to believe that the power of New START's example will somehow encourage Iran and North Korea to surrender their ambitions, but there is no evidence to believe this is the case. Since the end of the Cold War, these countries have only increased their attempts to gain nuclear weapons even as the U.S. and Russia have been reducing their supplies.

What would do far more good is a loud and clear declaration that the U.S. and Russia will stop Iran from gaining a nuclear military capability by whatever means necessary. The NPR references existing treaties that our enemies disregard and treaties that have yet to be negotiated, which will take years of diplomatic effort to achieve but will do little to make America more secure.

The threat to international nonproliferation is a nuclear Iran, not the U.S. nuclear arsenal. Nuclear weapons are an inevitable truth in our modern-day world, so, unfortunately, they are essential to our national survival. As long as they exist, we must have the world's most effective nuclear arsenal and possess a missile defense system to protect ourselves against any actor that employs nuclear weapons. This is necessary in order to comply with the Constitution's requirements to provide for our common defense.

The NPR signifies that the Obama administration plans to neglect this responsibility. The administration's NPR provides many carrots but few sticks. It commits the U.S. to unilateral disarmament while hoping that this will give incentives to other nations to do the same, which it will not. It leaves the U.S. with no deterrent against rogue nations, such as North Korea and Iran, which continue to develop nuclear arsenals and to assert they will use nuclear weapons if they so much as feel threatened by the U.S.

A ''nuclear zero,'' which the Obama administration talks eloquently about, cannot be achieved unilaterally or even bilaterally. It will require many countries to make the strategic decision

that nuclear weapons are unnecessary for their security. Yet the rest of the world, including our allies, friends and foes, see the continuing value in nuclear weapons.

Winston Churchill once warned the U.S. to ''be careful, above all things, not to let go of the atomic weapon until you are sure and more than sure that other means of preserving peace are in your hands.''

We are not even close to meeting Churchill's requirement, because we have not yet found an alternative basis for preventing war. Weakening our nuclear arsenal will stop us from being able to follow through on our commitments to our allies. Many of our closest allies see U.S. nuclear weapons as a large component of their security and the reason they remain nonnuclear. Without the U.S. nuclear umbrella, they may fear that they lack security and, thus, will develop their own alternative nuclear deterrent capabilities.

As the late British nuclear expert, Sir Michael Quinlan, stated, ''Better a world with nuclear weapons but no major war than one with major war but no nuclear weapons.''

Nuclear weapons have served our Nation as a primary deterrent and are the reason we have not had a world war since their inception. Without them, we will lose our ability to deter rogue nations from attacking us or our allies. Thus, we will lose the ability to lead our world towards peace.

Mr. Speaker, not so long ago, the Democrats in charge were outspoken critics of the Bush administration's spending. However, it is clear that these same Democrats either have very short memories or their criticism was all for show because, since being in charge, they have not only failed to improve our current economic situation but have undeniably made it worse. While both Republicans and Democrats need to work to hold the line on spending, it is only appropriate that the Democrats in charge be reminded of their criticisms of deficit spending under a Republican Congress, which their own spending under their Democrat Congress now dwarfs.

In 2006, then-Minority Leader PELOSI stated, ''When Republicans spend the Federal budget into the red, the U.S. Treasury borrows money from foreign countries. Our national debt is a national security issue. Countries that own our debt will not only be making our toys, our clothes, and our computers, pretty soon, they will be making our foreign policy.''

Actions speak louder than words. If only Speaker PELOSI still held these beliefs today, maybe our fiscal situation would look quite different.

Again in 2006, Minority Leader PELOSI is quoted as saying, ''If something is important to you, figure out how to pay for it, but do not make my children and grandchildren have to pay for it or anybody's children or grandchildren have to pay for it. It is immoral for us to heap these deficits on our children.''

How ironic, Mr. Speaker, to have had those words spoken by now Speaker PELOSI.

In 2006, then-Minority Whip HOYER told Republicans, ''You have voted for budgets which have provided the largest deficits in our history. You are in charge of the House; you are in charge of the Senate, and you have the Presidency.''

I would tell the majority leader today to heed his own words and to ask himself if his Democrat Congress is doing the right thing by the American people, by our children, and by our grandchildren.

Mr. Speaker, I urge my colleagues to vote ''no'' on the rule, and I yield back the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I urge a ''yes'' vote on both the previous question and on the rule.

I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

IMPLEMENTING MANAGEMENT FOR PERFORMANCE AND RELATED REFORMS TO OBTAIN VALUE IN EVERY ACQUISITION ACT OF 2010

The SPEAKER pro tempore. Pursuant to House Resolution 1300 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5013.

□ 1148

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5013) to amend title 10, United States Code, to provide for performance management of the defense acquisition system, and for other purposes, with Mr. KIND in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Missouri (Mr. SKELTON) and the gentleman from California (Mr. MCKEON) each will control 30 minutes.

The Chair recognizes the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I yield myself such time as I may consume.

I rise in strong support of H.R. 5013, which is known as the IMPROVE Acquisition Act of 2010. For many years we've witnessed waste in the Department of Defense's acquisition system spiral out of control, placing a heavy burden both on the American taxpayers as well as our men and women in uniform. Less frequently, but still far too often, fraud and abuse have crept into the system, as sadly it happened recently in Iraq. Our troops rely on the acquisition system to buy the equipment they need to keep them safe on the battlefield as well as to protect our country. And when that system breaks down, they suffer.

In recent years, I and many of my colleagues on the Armed Services Committee have become increasingly concerned that this flawed defense acquisition system was not responsive enough to today's mission needs, not rigorous enough in protecting the tax dollars of millions of families who are struggling financially, and not disciplined enough in the acquisition of weapons systems for tomorrow's wars.

We took action. Mr. Chairman, last year we worked with the Senate to enact legislation to reform weapons system acquisition, which covers about 20 percent of all of the military acquisitions. However, weapon systems make up only a small piece of our defense. That bill was a great launching pad; however, we need to do more.

In the House, we continued the effort by creating a Panel on Defense Acquisition Reform, ably led by Congressmen ROB ANDREWS and MIKE CONAWAY to carry out a comprehensive review of the current system and to identify what steps we need to take to make this system work. The panel could not have done a better job scrutinizing the defense acquisition system. It deals with everything from paper clips to boots to food, everything under the acquisition umbrella.

During the course of this past year, this panel held 14 hearings plus two briefings on a broad range of issues dealing with the acquisition system, unearthing everything from contract fraud to simple process errors that led to billions of wasted dollars. They put together an excellent report with suggestions to fix the system. And we are here today, with the good will of the House, to pass legislation that will enact those recommendations as outlined in the panel headed by Mr. ANDREWS and Mr. CONAWAY.

This act will overhaul the defense acquisition system in many respects. Basically, however, requiring the department to set clear objectives for the defense acquisition system and manage performance in achieving those objectives; requiring the department to introduce real accountability into the requirements process, and create a requirements process for the acquisition of services; strengthening and revitalizing the acquisition workforce; requiring the department to develop meaningful consequences for success or failure in financial management; and strengthening the industrial base to enhance competition and gain access to more innovative technology.

In other words, the legislation before us today would require the Department of Defense to adopt the basic management practices that are necessary for anything as complex as the acquisitions system to function properly. These changes will make sure that the men and women who are risking their lives to protect our country are getting

the proper equipment they need to do their jobs and to protect themselves, and that they get it sooner. Additionally, we expect this bill to prevent the waste of billions of taxpayer dollars over the next 5 years.

This is a bipartisan bill. I am very proud of that fact. It passed our Armed Services Committee by a vote of 56–0. A great deal of credit goes to Mr. ROB ANDREWS and Mr. MIKE CONAWAY. And a special thanks to my partner, BUCK MCKEON, the ranking member, the gentleman from California.

I urge my colleagues to join us in sending the strongest possible message to the men and women in uniform, as well as to the American people, that we are serious about protecting the taxpayers' dollars and making the acquisition system work more smoothly. It's really for them as well as for our country.

COMMITTEE ON WAYS AND MEANS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 21, 2010.

Hon. IKE SKELTON,
Chairman, Committee on Armed Services, Washington, DC.

DEAR CHAIRMAN SKELTON: Thank you for working with the Committee on Ways and Means (''Committee'') on H.R. 5013, the ''Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010.'' As you know, section 403 of H.R. 5013 is of jurisdictional interest to the Committee as it would require tax return information to be supplied by the Internal Revenue Service (''IRS'').

Generally, tax return information is confidential. However, Section 6103(c) of the Internal Revenue Code permits the Secretary of the Treasury to disclose the tax return information of a taxpayer to such person as the taxpayer designates. The Committee continues to monitor the expanding IRS workload and remains concerned about programs that greatly increase the agency's workload outside of its core mission. In calendar year 2009, the IRS made nearly 11,000 tax disclosures under section 6103(c). It is unknown how many additional disclosures will be made under H.R. 5013. As such, the Committee worked with the Armed Services Committee to develop a provision that is administrable by the IRS. The Committee remains committed to ensuring that any additional responsibilities imposed on the IRS do not strain agency resources and welcomes the opportunity to re-evaluate this provision in the future.

As we have discussed, this exchange of letters will be placed in the Committee Report on H.R. 5013 and inserted in the Congressional Record as part of the consideration of this legislation in the House. Thank you for the cooperative spirit in which you have worked with the Committee regarding this matter.

Sincerely,

SANDER M. LEVIN,
Chairman.

COMMITTEE ON ARMED SERVICES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 23, 2010.

Hon. SANDER LEVIN,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding H.R. 5013, the Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010. I agree that the Committee on Ways and Means has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to schedule a mark-up of this bill in the interest of expediting consideration. I agree that by agreeing to waive consideration of certain provisions of the bill, the Committee on Ways and Means is not waiving its jurisdiction over these matters.

This exchange of letters will be included in the committee report of the bill and inserted in the Congressional Record as part of consideration of the bill in the House. Thank you for your cooperation as we work towards enactment of this legislation.

Very truly yours,

IKE SKELTON,
Chairman.

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM, HOUSE OF REPRESENTATIVES,
Washington, DC, April 22, 2010.

Hon. IKE SKELTON,
Chairman, Committee on Armed Services, Washington, DC.

DEAR CHAIRMAN SKELTON: I am writing about H.R. 5013, the ''Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010'', which the Committee on Armed Services ordered reported on April 21, 2010.

I appreciate your efforts to consult with the Committee on Oversight and Government Reform regarding those provisions of H.R. 5013 that fall within the Oversight Committee's jurisdiction. These provisions involve the federal workforce and federal acquisition policy.

In the interest of expediting consideration of H.R. 5013, the Oversight Committee will not object to its consideration in the House. I would, however, request your support for the appointment of conferees from the Oversight Committee should H.R. 5013 or a similar Senate bill be considered in conference with the Senate. Moreover, this letter should not be construed to prejudice the Oversight Committee's jurisdictional interest or prerogatives in the subject matter of H.R. 5013, or any other similar legislation.

I request that you include our exchange of letters on this matter in the Congressional Record during consideration of this legislation on the House floor.

Sincerely,

EDOLPHUS TOWNS,
Chairman.

COMMITTEE ON ARMED SERVICES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 23, 2010.

Hon. EDOLPHUS TOWNS,
Chairman, Committee on Oversight and Government Reform, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding your Committee's jurisdictional interest in H.R. 5013, the Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010.

I appreciate your willingness to support expediting floor consideration of this important legislation. I acknowledge that H.R. 5013 contains provisions under the jurisdiction of the Committee on Oversight and Government Reform. I understand and agree that your willingness to waive further consideration of the bill is without prejudice to your Committee's jurisdictional interests in this or similar legislation in the future. In the event of a House-Senate conference on this or similar legislation is convened, I would support your request for an appropriate number of conferees.

I will include a copy of your letter and this response in the Congressional Record in the debate on the bill. Thank you for your cooperation as we work towards enactment of this legislation.

Very truly yours,

IKE SKELTON,
Chairman.

I reserve the balance of my time.

Mr. MCKEON. Mr. Chairman, I yield myself such time as I may consume.

Today I rise in support of H.R. 5013, the IMPROVE Acquisition Act of 2010. The very first thing I would like do is thank my partner across the aisle, Chairman IKE SKELTON. Chairman SKELTON has shown considerable leadership on this front, as well as the tone he has set for our committee throughout this Congress. I want to commend him and his staff for working so closely with us on this bipartisan bill.

Subcommittee Chairman ROB ANDREWS and Ranking Member MIKE CONAWAY deserve special recognition as well. I salute the HASC Defense Acquisition Reform Panel that they have chaired for all of their hard work. Under the leadership of Congressman ANDREWS and Congressman CONAWAY, this panel and its seven members delved into the complex world of defense acquisition. Over the last year, the panel held more than 20 events and supported the drafting and passage of the Weapons System Acquisition Reform Act of 2009. Late last month, based upon their detailed study, the panel released its final report containing recommendations for improvements to defense acquisition. On April 14, I was proud to honor their efforts by cosponsoring H.R. 5013, a bill that implements the panel's recommendations. Moreover, last week's unanimous committee vote on the bill speaks loudly to the hard work that this team put into their task.

Last year's Weapons System Acquisition Reform Act reformed the organization and processes used by the Department of Defense to manage major weapons programs, which account for approximately 20 percent of the Pentagon's procurement spending. This year Congressmen ANDREWS and CONAWAY tackled the other 80 percent. When you consider that over 50 percent of the Pentagon's procurement dollars are for services contracts alone, the legislation we intend to introduce today has the potential to effect major changes at the Department of Defense and save taxpayer dollars.

I believe these reforms are just as important as those implemented by last year's acquisition reform legislation. First, because they address the remaining 80 percent of defense acquisition, but more notably because true reform can only be accomplished by the men and women of the acquisition workforce.

The bill provides tools to enhance the experience and structure of this workforce. Our legislation will help the Department of Defense design better ways to measure value within the defense acquisition system, create a link between financial management and acquisition,

address the acquisition of services, information technology, commodities, and commercial parts, and finally, foster a robust domestic industrial base.

While we may not be able to guarantee a precise level of savings associated with this bill, I will tell you why I think it's important to pursue every avenue we can for savings. I personally believe we should be spending more on our national security. But ultimately, we have a responsibility to ensure that we spend the money we do have as wisely as possible. Nobody argues that the Department of Defense faces rising costs associated with military personnel and health care. When you couple this reality with the fact that the DOD's operating costs are migrating from supplemental spending measures into the base budget, the future for the DOD's investment accounts looks bleak.

I am concerned that the department's ability to invest in technology options for the future and to procure the equipment needed by our warfighters will be curtailed. Therefore, anything we can do to save money and invest that savings back into our top national security priorities should be viewed as an imperative, not just as a good thing.

In closing, I want to give special acknowledgment to the dedicated men and women of the defense acquisition workforce. They hold the key to improving acquisition outcomes and implementing H.R. 5013 without falling victim to bureaucracy. A significant challenge, but one for which that department has our full support.

Mr. Chairman, I reserve the balance of my time.

□ 1200

Mr. SKELTON. Mr. Chairman, at this time let me pay tribute to members of our committee. BUCK MCKEON, the ranking member, a gentleman of the first order, is helping so very, very much to achieve end results in a bipartisan manner. National security is an American challenge. It is not a Democrat or a Republican challenge but one that is bipartisan. And I certainly appreciate his efforts.

ROB ANDREWS, MIKE CONAWAY, and all those on the panel, the bipartisan panel, which made the recommendations for this legislation did so unanimously. We had a full hearing, debating the issues that arise in this bill, and it was passed out to this floor with a vote of 56–0. So I want to say a special thanks to the members of the Armed Services Committee, all the members, and especially the gentleman from California (Mr. MCKEON) for his untiring efforts in this regard.

Mr. Chairman, I yield 2 minutes to my friend and my colleague, who is also the chairwoman of the Subcommittee on Military Personnel, the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Chairman, for a bill designed to increase efficiency, its formal title sure is long, but the acronym gets straight to the point, just like the legislation itself.

Simply put, the IMPROVE Acquisition Act reduces waste, increases efficiency, and encourages innovation in the defense marketplace. It does this by creating a better accountability system, improving the management of the acquisition workforce, and expanding and strengthening the industrial base.

I routinely meet with small businesses in San Diego that have so much to offer the defense world in the form of quality products and efficient services. Yet it has been frustrating to hear from these very capable and resourceful companies that they continually run into barriers.

One example is the negative impact contract bundling has on our industrial base. Contract bundling is when multiple requirements are combined into a single contract. While in theory this practice generates savings and speeds up the procurement cycle, it often forces out small businesses that can't compete for large contracts. Especially now, at the brink of economic recovery, our government needs to help bring more businesses into the DOD procurement system, not push them out.

So that's why I am so pleased that the amendment I offered in committee to reduce contract bundling is included in this bipartisan bill, because smaller firms are hurt when only a select number of companies are able to bid for DOD projects, and I also must say, so is the American taxpayer hurt by that.

Mr. Chairman, I believe the IMPROVE Act will help small businesses and transform the defense acquisition process into a system the American people can trust.

Mr. MCKEON. Mr. Chairman, I am happy to yield such time as he may consume to the gentleman from Colorado (Mr. COFFMAN), a member of the committee.

Mr. COFFMAN of Colorado. Mr. Chairman, I am proud to stand before you today in strong support of H.R. 5013, the IMPROVE Acquisition Act of 2010.

As a member of the House Armed Services Defense Acquisition Reform Panel, I commend Chairman ROB ANDREWS and Ranking Member MIKE CONAWAY for their leadership over the past year as we delved into the complex world of defense acquisition.

Recently, based on our panel's detailed study, we released our final report containing recommendations for improvements to defense acquisition. Today's legislation implements our Defense Acquisition Reform Panel's recommendation, and I am proud to cosponsor this very important bill. As a result of the panel's efforts, this legislation reforms the remaining 80 percent of the defense acquisition system not addressed by last year's Weapon Systems Acquisition Reform Act. These measures will potentially save billions of taxpayer dollars.

The primary focus of the bill is to reform defense spending by identifying cost-saving techniques at the earliest stages of development. Our goal is to decrease cost overruns exponentially before they spiral out of control.

I am pleased that many of my acquisition reform priorities are included in H.R. 5013. There is no doubt that there is a great need for enhanced accountability within the defense acquisition system. Maintaining our Nation's defense industrial base is paramount. Recruiting, training, and retaining a professional and experienced acquisition workforce within the Department of Defense is crucial to ensuring the best use of taxpayer dollars in the most cost-effective way. We must also reemphasize the need for program stability beginning with realistic requirements and periodic reassessments.

The IMPROVE Acquisition Act of 2010 will cut down on waste, fraud, and abuse, potentially saving billions of tax dollars. It will also get the right equipment to our warfighters sooner.

If Representative GERRY CONNOLLY's amendment regarding the establishment of an Industrial Base Council is adopted today, I strongly urge that the council consider the issue of supply chain vulnerability, especially with respect to rare earth metals.

I urge my colleagues to join me in voting in favor of this important legislation.

Mr. SKELTON. Mr. Chairman, I yield myself such time as I may consume.

Let me point out that this acquisition legislation is based upon a complicated set of facts. You just don't go down to the local store and buy the necessary equipment for the young men and young women in uniform. Many of the issues deal with the production, with the purchase, with the right sizing, and all of the intricacies and technologies of today's high-level type of efforts.

So to explain all of this in much greater detail is the gentleman who is the key sponsor of this legislation, the gentleman who chaired the panel, and I compliment him on the excellent job that he and Mr. CONAWAY and the other members of the panel did. So I yield at this time 5 minutes to my friend, the sponsor, the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. I thank my chairman and mentor and friend for yielding.

I want to begin by thanking Chairman SKELTON and Mr. MCKEON for their guidance and leadership. The two of them have run the Armed Services Committee as I believe Congress should run, on a factual, nonpartisan basis, and I appreciate very much the leadership they have shown. I also want to specifically thank Congressman MIKE CONAWAY of Texas, who is the senior Republican on the panel, who served

with tremendous diligence and fortitude and made a tremendous contribution to this. I do want to thank some other people later in the debate in detail, and I certainly will.

Here is what this bill is about: The Department of Defense, even after you take away the purchase of aircraft carriers or fighter jets or what have you, is spending almost $1 billion every day of the week, every week of the year. Almost $1 billion. And sometimes the people who run that system of buying everything from software to lawn mowing services do a really good job. They provide value to the taxpayer and great tools for our servicemembers. But that's not always the case.

A few years ago the Air Force went to buy a refrigeration unit to put on a plane, and they paid $13,000 for the refrigeration unit. Less than 24 months later, they bought exactly the same refrigeration unit for the same sort of plane and paid $32,000 for the same thing. I would not want to go home, Mr. Chairman, to my spouse and explain to her I had done that kind of cost overrun buying anything for our household, and I don't want to have to explain that to the American taxpayer either.

A few years ago there was a contract let, or at least discussed, to provide refined petroleum products to truck them from Kuwait up into Iraq, and it was about a $220 million contract, and $201 million was paid for and committed before the contract was even signed. This is a $220 million contract where $201 million was paid out before there was a written contract even signed. None of us, Mr. Chairman, would buy a house that way or an automobile that way or have our kitchen remodeled that way. Neither should the taxpayers here.

When the Department of Defense buys software or hardware, when it buys information technology, from the time they think of what they need to the time they actually start to use the technology, it typically takes 81 months. Now, the way computer technologies work these days is about every 18 months, computer power doubles, which means that every 36 months or so what was a cutting-edge product is now obsolete. This would be the equivalent of using a phone that you used in 2003 as the phone you use today.

The phone that most of us used in 2003 just made phone calls, and we were happy that it did. Today the little machines that our children and others carry around can record video, can upload and download video, they can access the Internet, send text message, e-mails, act as a GPS. Imagine using a 2003 phone in 2010. That's the equivalent of what we're doing when it takes us 81 months to go from the idea of a piece of technology to actually fielding it.

This bill changes that and it has a couple of key ideas. The first key idea is that the people who are running these procurement organizations should be held to very high standards in quality and cost and time, and when they meet these high standards, they should be paid for it. They should be compensated more for doing a good job and saving money for the taxpayer. When they fail to do so, however, there should be significant consequences, and there are.

Another idea in this bill is that if a system would work well for the Marine Corps or the Air Force, then there ought to be one system, not two or three or four. And yet another idea is before we buy services, we ought to think about what we really need before we start spending money.

The second very good idea comes from Mr. CONAWAY, an issue he has pursued his entire time in the Congress, which is that every part of the Defense Department should be auditable, meaning that auditors and accountants ought to be able to look at the books and see if the money is being spent on things it is supposed to be spent on, the way virtually every business and organization in America is today.

The third idea of this bill is our workforce, that we not only enlarge the number of people working in our purchasing organizations——

The SPEAKER pro tempore (Mr. MORAN of Virginia). The time of the gentleman has expired.

Mr. SKELTON. I yield the gentleman an additional 5 minutes.

Mr. ANDREWS. I thank the chair.

Not only do we want to increase the number of people working on solving this problem, we want to increase the quality of their work. So this bill provides for education and training. It provides for diversification of our workforce. It provides for the use of the best and the brightest to get the job done.

The final aspect of this bill is to induce and provide more competition in the provision of goods and services to our Department of Defense. You know, somewhere in America today, there are probably a couple of people who are scientists on a college campus or who are working in a tool and dye shop somewhere in the country who have a much better solution to some problem than a person working for an immense defense contractor. Now, if the immense defense contractor has the best solution, that's what we ought to buy. But if the three people in the college lab or the five people in the tool and dye shop have a better idea, we need to get them into the competition so they can have their idea heard, have their proposal heard, and if it's the best one for the servicemembers and for the taxpayers, that's the one that ought to be chosen. We refer to that as broadening and diversifying the industrial base.

□ 1215

I'm especially gratified, Mr. Chairman, that, by my count, 43 Members of this body will have written a part of this legislation by the time it reaches final vote later this afternoon. That includes the seven members of the panel; it includes a number of members of the full committee who offered amendments in the committee voting process; and it will include a number of amendments that we will consider here today. So just as we're trying to get the best and the brightest to contribute to the process of buying a billion dollars a day worth of items, we try to get the very best ideas of the Members of this body, Democrat and Republican, on the committee and not on the committee.

So I'd like to conclude by again thanking Chairman SKELTON, Ranking Member MCKEON, and Congressman CONAWAY for their work in making this process work. I believe we have come up with a product that will do very well by our servicemembers and do very well by our taxpayers as well. I would urge careful consideration of the amendments as we go through the afternoon, and I would obviously urge a ''yes'' vote from both parties for final passage of the bill.

Mr. MCKEON. Mr. Chairman, I'm happy to yield such time as he may consume to the gentleman who has served as the ranking member on the panel, ranking member on the subcommittee that had jurisdiction in this area, the gentleman from Texas (Mr. CONAWAY).

Mr. CONAWAY. I rise today in support of H.R. 5013, the IMPROVE Acquisition Act of 2010. First, I want to thank Chairman SKELTON and Ranking Member MCKEON for the trust and confidence they placed in the Defense Acquisition Reform Panel. I want to give special thanks and commendation to my good friend, ROB ANDREWS, for the hard work he did in leading this effort. He led it very, very well. He proved once and for all that we can start meetings on time and get our work done, even if those meetings start at 8 a.m. in the morning. So I have enjoyed this work with ROB. He and I may not agree on certain things, but in this arena and most things on the Armed Services, we are in pretty good agreement, and on this work, full agreement. I want to tell him thank you very much for the good work and his commitment to making this thing work.

The panel truly did approach its work on a nonpartisan basis. In fact, if you were to read the transcript of the hearings and read the questions without the names attached, you could not tell or distinguish between a Republican question or a Democratic question. I think that speaks volumes for the way most of the work on the Armed Services Committee occurs and in particular the work of our panel. I was very proud to be a part of that and to lend my efforts.

I also want to thank Chairman SKELTON and Ranking Member MCKEON for their generous praise for ROB and me, but I would be remiss if I don't also acknowledge the other dedicated members of the panel: JIM COOPER, DUNCAN

HUNTER, BRAD ELLSWORTH, MIKE COFFMAN, and JOE SESTAK. This bill, as ROB said, bears many fingerprints, but the seven of us have the most fingerprints on it. And I want to thank my colleagues for work they have done.

I also want to thank the staff. They did an outstanding job, Andrew Hunter and Jenness Simler, who made this work—they put this together and did the heavy drafting—as well as the staff from my office, Serge Morosoff, for the great job that they did in making this work product come together as quickly as it did.

As ranking member of the Panel on Defense Acquisition Reform, I can attest that H.R. 5013 will truly be instrumental in reforming the full range of the defense acquisition system. I believe this bill will improve the way we measure value in acquisition, create a more responsive requirements process, sustain the acquisition workforce, and will manage certain elements of the acquisition system.

My colleague, Mr. ANDREWS, has talked at length about the reforms the bill implements, but I would like to speak to one that's a little dearer to my heart that's a little less obvious but no less important, a provision that plays a critical role in improving the financial management practices of the Department of Defense and provides incentives to achieve an unqualified audit opinion for all of the Department of Defense. The publication of a clean audit, an unqualified audit of DOD would finally give the American people the confidence that their tax dollars are, in fact, being accounted for and spent wisely in the defense of this great Nation.

Since 1990, there's been a requirement for the Federal Government to publish audited financial statements, but the Federal Government is not in compliance with that Federal law. A large share of the responsibility for that circumstance rests with the Department of Defense. The Department of Defense is the largest agency in the Federal Government, owning about 68 percent of the government's assets, estimated at $4.6 trillion.

Over the last two decades, money has been spent by the Department of Defense in an unsuccessful quest to obtain auditable financial statements. There have been good people working very hard on this issue for a long, long time, and good people today in the Department of Defense who are working hard at this issue. But we're not there yet. We have got a lot of work to go. Quite frankly, we cannot allow these past failures and past unsuccessful efforts to deter us from the heavy lift that's ahead of us to get this job done.

I'm a CPA and I used to audit entities. And I'm fully aware how hard this is; it is not an easy task. But it is possible and it's necessary to implement the financial control systems necessary to generate auditable financial statements. This bill ensures that DOD is no longer held to a separate standard from the public business and the rest of government.

The reliability of financial data is crucial to improve acquisition outcomes. Without understanding where the money is being spent or understanding what assets it owns, there will not be the proper accountability for acquisition costs or new requirements. Perhaps every dime is in fact being well spent. But we don't know that, the Department of Defense doesn't know that, and the taxpayer doesn't know that. Financial accountability must continue to be the high priority. If correctly implemented, this legislation will allow American tax dollars to be stretched further and will have a substantial impact on waste, fraud, and abuse.

I applaud the panel and the House Armed Services Committee for adopting these recommendations and encourage each of the components of the Department of Defense to take full advantage of the incentives provided in this bill to accelerate the auditability of the financial statements of the Department of Defense. Again, I want to thank my colleague, ROB ANDREWS, for the hard work he did in moving this forward by his strength of will.

In closing, I look forward to the progress this legislation will allow, and I encourage my colleagues to vote for this bill later on this afternoon.

Mr. ANDREWS. Mr. Chair, this bill has the potential to save $135 billion over 5 years. I'm pleased to yield 1 minute to my friend and colleague, someone who has made a career-long commitment to fiscal discipline, the majority leader of the House of Representatives, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank my friend for yielding. I thank Mr. ANDREWS for his extraordinary work on making sure that our national defense is strong and ready and that our troops are provided for as we put them in harm's way. I thank him for his leadership. I also want to thank Mr. MCKEON for his leadership on the committee in helping to bring this bill to the floor.

America faces a massive budget challenge, and it must be addressed. The consequences of our dangerous budgetary situation are truly wide-ranging. We all know where America's unsustainable path of debt leads. Among other things, it leads to a dramatically diminished American role in the world. History has seen time and time again great powers forced into retreat by unbearable debt. Simply stated, they did not pay attention to the bottom line.

Democrats take that lesson seriously, which is why we made fiscal responsibility such a priority under President Obama. We passed the PAYGO law, which ensures that Congress pays for what it buys. We passed a health insurance reform bill that significantly cuts the deficit. President Obama has proposed a budget that freezes non-security discretionary spending, cuts the deficit by more than half by 2013, and cuts it by more than $1 trillion over the next decade.

Americans need to know that every dollar in our budget is spent wisely and that none of them go to waste. We talk a lot about waste, fraud, and abuse. Administration after administration talk about it; and then as soon as they leave, we talk again about waste, fraud, and abuse. Whether it's a Republican administration or Democratic administration, we all talk about it, and then we immediately talk about it after the last administration has left. Americans need to know that their dollars are being spent correctly. That's what this bill is focused on. Defense acquisition reform is part of that work, because defense spending accounts for nearly one-fifth of our Federal budget. We took an important step last year when we passed and the President signed the Weapons Systems Acquisition Reform Act.

I see we have now been rejoined by the chairman of the committee, my good friend, IKE SKELTON. Chairman SKELTON has been an extraordinary chairman of that committee, and there is no person in the Congress who has fought harder to make sure that the quality of life for our members of our armed services is more attended to than Chairman IKE SKELTON of Missouri. I thank him for that.

But he also understands that we need to spend our defense dollars smartly, without waste, and make sure that they are effective in providing our warfighters with the tools that they need but make sure that the dollars we spend to do that are done so effectively. Today, we can go a step further than we went last year toward fiscally responsible defense spending which still ensures that our troops can accomplish their mission, which is our number one objective.

The IMPROVE Acquisition Act contains a number of important provisions, Mr. Chair, to eliminate waste without compromising our military effectiveness. While last year's acquisition reform went a long way towards eliminating waste in major defense acquisition programs, this bill recognizes that more than 50 percent of the Defense Department's procurement budget goes towards service contracts. As a result, the IMPROVE Acquisition Act requires rigorous accountability and clear standards for DOD's acquisition of services. The public expects no less and deserves no less in the care of their dollars. It creates a better-trained and more professional acquisition workforce, which ultimately, of course, saves us money, and it brings more responsible financial management to the Defense Department.

As Chairman SKELTON, who worked so hard on this bill, put it: ''This legislation will require DOD to adopt the basic management practices that are necessary for anything as complex as the acquisition system to function properly.'' I congratulate Chairman

SKELTON on those remarks and on his leadership. Those practices will save taxpayers, as Mr. ANDREWS just said, billions and billions of dollars, while getting our troops the equipment and services they require sooner—and that we want them to have.

Our position in the world is dependent on the brave efforts and sacrifice of our troops. But it also depends on our demonstrating more responsibility here at home. Our long-term security rests, to a great extent, on that challenge. We need a national conversation about balancing our budget, and this bill is an important part of achieving that larger goal. I am pleased that we bring it to the floor with bipartisan support. I'm pleased that we will pass it with bipartisan support. And I congratulate both the Chair, subcommittee Chair, and ranking members for their leadership on this bill and urge my colleagues to strongly support it.

Mr. MCKEON. Mr. Chair, I reserve the balance of my time.

Mr. ANDREWS. At this time I am pleased to yield 1 minute to a new member of the committee who clearly understands the balance Mr. HOYER just spoke of between a strong national defense and fiscal responsibility, my friend, the gentleman from New Mexico (Mr. HEINRICH).

Mr. HEINRICH. Mr. Chairman, there can be no dispute that our Nation's warfighters deserve the most state-of-the-art equipment on the battlefield. They risk their lives in defense of our Nation. In turn, we must protect them with the most innovative technologies available. However, far too often the Department of Defense's acquisition system has been compromised by waste, abuse, and even fraud. I applaud the DOD acquisition panel for working on this problem.

Last week, in the House Armed Services Committee, we unanimously passed H.R. 5013, the IMPROVE Acquisition Act, to put the panel's recommendations into action. The IMPROVE Acquisition Act will bring strategic financial management to the Department's acquisition system and save taxpayers an estimated $135 billion over the next 5 years.

□ 1230

This bill will ensure that our servicemembers have the most advanced resources while making the most efficient use of taxpayer dollars. Our men and women in uniform deserve no less, and I would urge my colleagues to support this legislation.

Mr. CONAWAY. One comment and then I will reserve, and that is that some of the criticisms about the multitude of defense acquisition reform studies and laws and bills that line the shelves of many offices is that they haven't worked. This one, Mr. Chair, I would argue will have a better chance of working with proper oversight by the Armed Services Committee, which I know the chairman and the ranking member are committed to, because the matrixes that are laid out for the agencies to abide by are such that we can conduct proper oversight. We will know that the programs have been put in place, and then we will also be able to see that the Department of Defense is using them properly to manage their business. So unlike previous efforts in this regard, I think these improvements are subject to being properly oversighted, if that's a proper word, by the Armed Services Committee, and I know that we are committed to do that.

Mr. ANDREWS. Mr. Chairman, I am pleased now to yield 2 minutes to the gentleman from Indiana (Mr. ELLSWORTH), the author of a key provision in this bill regarding tax cheats and defense contracts.

Mr. ELLSWORTH. Mr. Chair, I would like to thank the gentleman for yielding the time.

I rise today in strong support of this critically important defense acquisition reform legislation. Last year, Mr. Chair, Democrats and Republicans in the House and Senate came together to pass bipartisan major weapons system acquisition reform legislation. Last year's reform effort aimed to reel in the cost overruns of approximately $300 billion in major weapons systems. The bill we are considering today, the IMPROVE Acquisition Act, serves as a worthy companion to the acquisition reform overhaul by focusing on how the Department of Defense procures approximately $200 billion a year in services.

The ideas included in this bill were realized through a year's worth of hearings held by the Defense Acquisition Reform Panel. I was honored to participate in the seven-member panel which was tasked by Chairman IKE SKELTON to conduct a comprehensive review of the defense acquisition system. Thanks to the focused leadership of Chairman ROB ANDREWS and Ranking Member MIKE CONAWAY, the panel put forward final recommendations that have guided us to this point. Today we will be voting on a reform package that will strengthen the defense acquisition workforce.

I would also like to thank Chairman ANDREWS for working with me to include a commonsense contractor tax compliance provision in this bill. This is an issue I've been working on for approximately 3 years, and I will continue to do so until it's fully enacted. The provision is quite simple. It requires companies seeking a defense contract to prove they are in good standing with the Internal Revenue Service. To do this, a company must certify they carry no serious delinquent tax debt. The Department of Defense will not merely rely on their word. The company must allow the Treasury Department to verify the certification. False certification will be reported to a contractor's integrity database. This is a practical and cost-effective way to ensure all companies compete on an equal playing field and our tax dollars are being used wisely.

Every year in April, Mr. Chair, Hoosiers play by the rules and pay their taxes. They expect companies who do business with the Federal Government to do the same. It's pretty simple: Bad actors don't just cheat us, they cheat the government of tax revenue, and they also gain an unfair advantage over businesses that are doing the right thing.

With that, I urge my colleagues to support this provision. Vote for the IMPROVE Acquisition Act.

Mr. ANDREWS. Mr. Chair, at this time I yield 2 minutes to the gentlelady from New Hampshire (Ms. SHEA-PORTER), the gentlelady who built on the work Mr. ELLSWORTH just talked about to make sure that same standard applies to subcontractors.

Ms. SHEA-PORTER. I want to thank Chairman SKELTON and everyone who has worked on the IMPROVE Acquisition Act. This bill cleans up defense acquisitions spending, saving taxpayers an estimated $27 billion a year and expediting the process to get necessary equipment to our troops.

Accountability in the contracting process is critical to protect taxpayer dollars. According to a Government Accountability Office report, 63,000 Federal contractors had total tax debts of $7.7 billion in 2007. These contractors profit through taxpayer dollars but refuse to pay their own taxes. That is why I am pleased that section 403 of this bill, based on my colleague Mr. ELLSWORTH's Contracting and Tax Accountability Act, requires contractors to disclose seriously delinquent tax debt.

The bill also includes my amendment to hold the first-tier subcontractors accountable by adding a certification requirement to ensure they, too, do not have unpaid taxes. Those who have incurred a significant tax debt and have avoided paying it should not be eligible for defense contracts. There is no reason for the government to pay money through a contract to those who owe money to the government in taxes.

Again, I would like to thank the chairman, ranking member, and Defense Acquisition Panel for their hard work on this bill.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 2 minutes to my friend and colleague, the gentlelady from Massachusetts (Ms. TSONGAS), who brought the expertise of a technical base in her district to the deliberations on this bill.

Ms. TSONGAS. I thank my colleague Mr. ANDREWS, and I rise today in support of the IMPROVE Acquisition Act of 2010. I applaud the efforts of my colleagues on the House Armed Services Committee and believe we have made a real step forward in improving the acquisition process, a process beset by issues such as cost overruns and ever-changing requirements.

This is good legislation that reflects a bipartisan effort to combat waste, increase efficiency, and get good value

for our taxpayer dollars. It builds on what we started last year when we enacted a bill aimed at weapons systems acquisition reform. This bill addresses systemwide problems that weren't impacted by that law. I'm delighted to report, for example, that this bill requires better communication with and stability for our industrial base. I also applaud legislative mandates that require contracting for best value and provisions that enhance the Defense Department's ability to control costs while, most importantly, protecting our soldiers.

My thanks to the Acquisition Panel members and staff for their hard work, careful study, and dedicated effort to the task at hand, and I urge passage of this landmark legislation.

Mr. MCKEON. Mr. Chairman, we have no further speakers at this time, and we will continue to reserve.

Mr. ANDREWS. Mr. Chairman, the only thing I would like to do in general debate is thank the staff and other Members and read their names into the RECORD. With that, we would close general debate.

Mr. MCKEON. We are willing to concur in the thanks to the staff and to all those who have worked so hard. I encourage our colleagues to vote in support of this bill.

I yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, again, I want to begin by thanking Chairman SKELTON and Ranking Member MCKEON for their extraordinary efforts. I want to associate myself with the remarks of Mr. CONAWAY in thanking the other panel members—Mr. COOPER, Mr. ELLSWORTH, Mr. SESTAK on our side, and Mr. COFFMAN and Mr. HUNTER on the Republican side. The panel members all worked very hard on this, and we appreciate that.

We obviously want to extend our appreciation to the incredible members of the staff of the committee and the panel. I want to thank Andrew Hunter, who did a tremendous job on this; Cathy Garman, who particularly worked very hard on the issues regarding labor relations; Jenness Simler, who was an all-star on last year's bill and once again proved her impeccable credentials; Zach Steacy; Jennifer Kohl; Paul Arcangeli, who is our brand-new staff director; Bob Simmons; Kevin Gates; Mary Kate Cunningham; Debra Wada; Megan Howard; Matt Bell, who worked very tirelessly on this in my office, and I appreciate his excellent efforts; Phil MacNaughton; and Lara Battles. And if there are any others, I apologize for that, but there was extraordinary work.

Mr. Chairman, did you want to add anything during general debate?

Mr. SKELTON. No. I appreciate the gentleman from New Jersey. I have nothing further to add, except that hopefully this bill will receive a unanimous vote at a later moment.

Ms. CORRINE BROWN of Florida. Thank you, Mr. Chair, for your leadership and hard work on defense acquisition and making sure that our defense industrial base is working for the national defense and not for profits.

However, there is a serious problem that minority, women and veteran companies are not well represented in the contracting of defense systems and these groups need to be made more of a priority.

The Department of Defense spends billions of taxpayer dollars each year, but minority, women, and veteran-owned businesses are not getting to participate. I often use my grandma's sweet potato pie as an example. We all pay for the ingredients and we should all get a slice. But they can't even get a sliver. These same big companies keep getting all the contracts and make little effort to include smaller companies. This is completely unacceptable.

The Defense Department doesn't need to look any further than the Department of Transportation in seeking a model for including minority participation. The DOT has a strong program for inclusion and I would encourage the Department of Defense to ensure that they develop a system that included minority, women, and veteran-owned businesses. These are their tax dollars we are spending and they deserve to be at the table.

I am pleased to see that Section 401 of the bill expands the industrial base by identifying non-traditional suppliers and using tools and resources available within the Federal Government and in the private sector.

This legislation is a good vehicle to make sure that Congress and the Department of Defense work to minimize discrimination and include all companies in the defense of our nation.

Small and minority businesses are the backbone of our economy. We need to make sure all companies have an opportunity to contribute to our national defense.

Mr. VAN HOLLEN. Mr. Chairman, I want to thank Chairman SKELTON and Ranking Member MCKEON for their efforts in crafting this important, bi-partisan bill to reform the acquisition system of the Department of Defense. I would also like to commend Congressmen ANDREWS and CONAWAY for their leadership and for their many vital contributions to the legislation.

Reports of waste, fraud and abuse in the DoD acquisition system have been the source of great concern for Members of Congress for many years. As a result, a congressional panel was established to carry out a comprehensive review of the DoD acquisition system. Led by Representatives ANDREWS and CONAWAY, this panel held more than a dozen hearings exploring a broad range of issues within the acquisition system. Their findings and recommendations resulted in a report that is the basis of the IMPROVE Acquisition Act of 2010.

The IMPROVE Act is designed to overhaul the entire defense acquisition system. It requires DoD to introduce effective accountability measures into its requirements process to create an acquisition system with clear objectives and meaningful consequences for success or failure. Not only will the bill encourage the development and deployment of improved financial management techniques within the DoD, it will also enhance competition and increase access to more innovative technology.

As our Nation struggles through these difficult economic times, this common sense initiative will both strengthen our defense and save money for the taxpayer. I commend the members of House Armed Services Committee for their efforts and encourage my colleagues to join me in supporting this bill.

Mr. ANDREWS. Mr. Chairman, again, I would like to thank the Members for their cooperation and for your stewardship of this debate.

I yield back the balance of my time.

The Acting CHAIR. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 5013

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010''.

SEC. 2. DEFINITION OF CONGRESSIONAL DEFENSE COMMITTEES.

In this Act, the term ''congressional defense committees'' has the meaning given that term in section 101(a)(16) of title 10, United States Code.

SEC. 3. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Definition of congressional defense committees.
Sec. 3. Table of contents.
TITLE I—DEFENSE ACQUISITION SYSTEM
Sec. 101. Performance management of the defense acquisition system.
Sec. 102. Meaningful consideration by Joint Requirements Oversight Council of input from certain officials.
Sec. 103. Performance management for the Joint Capabilities Integration and Development System.
Sec. 104. Requirements for the acquisition of services.
Sec. 105. Joint evaluation task forces.
Sec. 106. Review of defense acquisition guidance.
Sec. 107. Requirement to include references to services contracting throughout the Federal Acquisition Regulation.
Sec. 108. Procurement of military purpose nondevelopmental items.
TITLE II—DEFENSE ACQUISITION WORKFORCE
Sec. 201. Acquisition workforce excellence.
Sec. 202. Amendments to the acquisition workforce demonstration project.
Sec. 203. Incentive programs for civilian and military personnel in the acquisition workforce.
Sec. 204. Career development for civilian and military personnel in the acquisition workforce.
Sec. 205. Recertification and training requirements.
Sec. 206. Information technology acquisition workforce.
Sec. 207. Definition of acquisition workforce.
Sec. 208. Defense Acquisition University curriculum review.
Sec. 209. Cost estimating internship and scholarship programs.
TITLE III—FINANCIAL MANAGEMENT
Sec. 301. Incentives for achieving auditability.

Sec. 302. Measures required after failure to achieve auditability.
Sec. 303. Review of obligation and expenditure thresholds.

TITLE IV—INDUSTRIAL BASE

Sec. 401. Expansion of the industrial base.
Sec. 402. Commercial pricing analysis.
Sec. 403. Contractor and grantee disclosure of delinquent Federal tax debts.
Sec. 404. Independence of contract audits and business system reviews.
Sec. 405. Blue ribbon panel on eliminating barriers to contracting with the Department of Defense.
Sec. 406. Inclusion of the providers of services and information technology in the national technology and industrial base.

TITLE I—DEFENSE ACQUISITION SYSTEM

SEC. 101. PERFORMANCE MANAGEMENT OF THE DEFENSE ACQUISITION SYSTEM.

(a) PERFORMANCE MANAGEMENT OF THE DEFENSE ACQUISITION SYSTEM.—

(1) IN GENERAL.—Part IV of title 10, United States Code, is amended by inserting after chapter 148 the following new chapter:

"CHAPTER 149—PERFORMANCE MANAGEMENT OF THE DEFENSE ACQUISITION SYSTEM

''Sec.
''2545. Performance assessment of the defense acquisition system.
''2546. Audits of performance assessment.
''2547. Use of performance assessments for managing performance.
''2548. Acquisition–related functions of the Chiefs of Staff of the armed forces.

"§ 2545. Performance assessment of the defense acquisition system

''(a) PERFORMANCE ASSESSMENTS REQUIRED.—(1) The Secretary of Defense shall ensure that all elements of the defense acquisition system are subject to regular performance assessments—

''(A) to determine the extent to which such elements deliver appropriate value to the Department of Defense; and

''(B) to enable senior officials of the Department of Defense to manage the elements of the defense acquisition system to maximize their value to the Department.

''(2) The performance of each element of the defense acquisition system shall be assessed as needed, but not less often than annually.

''(3) The Secretary shall ensure that the performance assessments required by this subsection are appropriately tailored to reflect the diverse nature of defense acquisition so that the performance assessment of each element of the defense acquisition system accurately reflects the work performed by such element.

''(b) SYSTEMWIDE CATEGORIES.—(1) The Secretary of Defense shall establish categories of metrics for the defense acquisition system, including, at a minimum, categories relating to cost, quality, delivery, workforce, and policy implementation that apply to all elements of the defense acquisition system.

''(2) The Secretary of Defense shall issue guidance for service acquisition executives within the Department of Defense on the establishment of metrics, and goals and standards relating to such metrics, within the categories established by the Secretary under paragraph (1) to ensure that there is sufficient uniformity in performance assessments across the defense acquisition system so that elements of the defense acquisition system can be meaningfully compared.

''(c) METRICS, GOALS, AND STANDARDS.—(1) Each service acquisition executive of the Department of Defense shall establish metrics to be used in the performance assessments required by subsection (a) for each element of the defense acquisition system for which such executive is responsible within the categories established by the Secretary under subsection (b). Such metrics shall be appropriately tailored pursuant to subsection (a)(3) and may include measures of—

''(A) cost, quality, and delivery;

''(B) contractor performance;

''(C) excessive use of contract bundling and availability of non-bundled contract vehicles;

''(D) workforce quality and program manager tenure (where applicable);

''(E) the quality of market research;

''(F) appropriate use of integrated testing;

''(G) appropriate consideration of long-term sustainment; and

''(H) appropriate acquisition of technical data and other rights and assets necessary to support long-term sustainment.

''(2) Each service acquisition executive within the Department of Defense shall establish goals and standards (including, at a minimum, a threshold standard and an objective goal) for each metric established under paragraph (1) by the executive. In establishing the goals and standards for an element of the defense acquisition system, a service acquisition executive shall consult with the head of the element to the maximum extent practicable, but the service acquisition executive shall retain the final authority to determine the goals and standards established. The service acquisition executive shall update the goals and standards as necessary and appropriate consistent with the guidance issued under subsection (b)(2).

''(3) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall periodically review the metrics, goals, and standards established by service acquisition executives under this subsection to ensure that they are consistent with the guidance issued under subsection (b)(2).

''(d) RESPONSIBILITY FOR OVERSIGHT AND DIRECTION OF PERFORMANCE ASSESSMENTS.—(1) Performance assessments required by subsection (a) shall either be carried out by, or shall be subject to the oversight of, the Director of the Office of Performance Assessment and Root Cause Analysis. The authority and responsibility granted by this subsection is in addition to any other authority or responsibility granted to the Director of the Office of Performance Assessment and Root Cause Analysis by the Secretary of Defense or by any other provision of law. In the performance of duties pursuant to this section, the Director of the Office of Performance Assessment and Root Cause analysis shall coordinate with the Deputy Chief Management Officer to ensure that performance assessments carried out pursuant to this section are consistent with the performance management initiatives of the Department of Defense.

''(2) A performance assessment may be carried out by an organization under the control of the service acquisition executive of a military department if—

''(A) the assessment fulfills the requirements of subsection (a);

''(B) the organization is approved to carry out the assessment by the Director of the Office of Performance Assessment and Root Cause Analysis; and

''(C) the assessment is subject to the oversight of the Director of the Office of Performance Assessment and Root Cause Analysis in accordance with paragraph (1).

''(e) RETENTION AND ACCESS TO RECORDS OF PERFORMANCE ASSESSMENTS WITHIN THE MILITARY DEPARTMENTS AND DEFENSE AGENCIES.—The Secretary of Defense shall ensure that information from performance assessments of all elements of the defense acquisition system are retained electronically and that the Director of the Office of Performance Assessment and Root Cause Analysis—

''(1) promptly receives the results of all performance assessments conducted by an organization under the control of the service acquisition executive of a military department; and

''(2) has timely access to any records and data in the Department of Defense (including the records and data of each military department and Defense Agency and including classified and proprietary information) that the Director considers necessary to review in order to perform or oversee performance assessments pursuant to this section.

''(f) DEFINITIONS.—In this section:

''(1) The term 'defense acquisition system' means the acquisition workforce; the process by which the Department of Defense manages the acquisition of goods and services, including weapon systems, commodities, commercial and military unique services, and information technology; and the management structure for carrying out the acquisition function within the Department of Defense.

''(2) The term 'element of the defense acquisition system' means an organization that operates within the defense acquisition system and that focuses primarily on acquisition.

''(3) The term 'metric' means a specific measure that serves as a basis for comparison.

''(4) The term 'threshold performance standard' means the minimum acceptable level of performance in relation to a metric.

''(5) The term 'objective performance goal' means the most desired level of performance in relation to a metric.

''(6) The term 'Office of Performance Assessment and Root Cause Analysis' means the office reporting to the senior official designated by the Secretary of Defense under section 103(a) of the Weapon Systems Acquisition Reform Act of 2009 (Public Law 111–23, 10 U.S.C. 2430 note).

"§ 2546. Audits of performance assessment

''(a) AUDITS REQUIRED.—The Secretary of Defense shall ensure that the performance assessments of the defense acquisition system required by section 2545 of this title are subject to periodic audits to determine the accuracy, reliability, and completeness of such assessments.

''(b) STANDARDS AND APPROACH.—In performing the audits required by subsection (a), the Secretary shall ensure that such audits—

''(1) comply with generally accepted government auditing standards issued by the Comptroller General;

''(2) use a risk-based approach to audit planning; and

''(3) appropriately account for issues associated with auditing assessments of activities occurring in a contingency operation.

"§ 2547. Use of performance assessments for managing performance

''(a) IN GENERAL.—The Secretary of Defense shall ensure that the results of performance assessments are used in the management of elements of the defense acquisition system through direct linkages between the results of a performance assessment and the following:

''(1) The size of the bonus pool available to the workforce of an element of the defense acquisition system.

''(2) Rates of promotion in the workforce of an element of the defense acquisition system.

''(3) Awards for acquisition excellence.

''(4) The scope of work assigned to an element of the defense acquisition system.

''(b) ADDITIONAL REQUIREMENTS.—The Secretary of Defense shall ensure that actions taken to manage the acquisition workforce pursuant to subsection (a) are undertaken in accordance with the requirements of subsections (c) and (d) of section 1701a of this title.

"§ 2548. Acquisition–related functions of the Chiefs of Staff of the armed forces

''(a) ASSISTANCE.—The Secretary of Defense shall ensure, notwithstanding section 3014(c)(1)(A), section 5014(c)(1)(A), and section 8014(c)(1)(A) of this title, that the Chief of Staff of the Army, the Chief of Naval Operations, the Chief of Staff of the Air Force, and the Commandant of the Marine Corps assist the Secretary of the military department concerned in the performance of the following acquisition-related functions of such department:

''(1) The development of requirements relating to the defense acquisition system.

''(2) The development of measures to control requirements creep in the defense acquisition system.

''(3) The development of career paths in acquisition for military personnel (as required by section 1722a of this title).

''(4) The assignment and training of contracting officer representatives when such representatives are required to be members of the armed forces because of the nature of the contract concerned.

''(b) DEFINITIONS.—In this section:

''(1) The term 'requirements creep' means the addition of new technical or operational specifications after a requirements document is approved.

''(2) The term 'requirements document' means a document produced in the requirements process that is provided for an acquisition program to guide the subsequent development, production, and testing of the program and that—

''(A) justifies the need for a materiel approach, or an approach that is a combination of materiel and non-materiel, to satisfy one or more specific capability gaps;

''(B) details the information necessary to develop an increment of militarily useful, logistically supportable, and technically mature capability, including key performance parameters; or

''(C) identifies production attributes required for a single increment of a program.''.

(2) CLERICAL AMENDMENTS.—The table of chapters at the beginning of subtitle A of title 10, United States Code, and at the beginning of part IV of such subtitle, are each amended by inserting after the item relating to chapter 148 the following new item:

''149. Performance Management of the Defense Acquisition System ..... 2545''.

(b) PHASED IMPLEMENTATION OF PERFORMANCE ASSESSMENTS.—The Secretary of Defense shall implement the requirements of chapter 149 of title 10, United States Code, as added by subsection (a), in a phased manner while guidance is issued, and categories, metrics, goals, and standards are established. Implementation shall begin with a cross section of elements of the defense acquisition system representative of the entire system and shall be completed for all elements not later than two years after the date of the enactment of this Act.

SEC. 102. MEANINGFUL CONSIDERATION BY JOINT REQUIREMENTS OVERSIGHT COUNCIL OF INPUT FROM CERTAIN OFFICIALS.

(a) ADVISORS TO THE JOINT REQUIREMENTS OVERSIGHT COUNCIL.—

(1) ADDITIONAL CIVILIAN ADVISORS.—Subsection (d)(1) of section 181 of title 10, United States Code, is amended by striking ''The Under Secretary'' and all that follows through ''and expertise.'' and inserting the following: ''The following officials of the Department of Defense shall serve as advisors to the Council on matters within their authority and expertise:

''(A) The Under Secretary of Defense for Acquisition, Technology, and Logistics.

''(B) The Under Secretary of Defense (Comptroller).

''(C) The Under Secretary of Defense for Policy.

''(D) The Director of Cost Assessment and Program Evaluation.''.

(2) ROLE OF COMBATANT COMMANDERS AS MEMBERS OF THE JROC.—Paragraph (1) of subsection (c) of such section is amended—

(A) by striking ''and'' at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting ''; and''; and

(C) by adding at the end the following new subparagraph:

''(F) when directed by the chairman, the commander of any combatant command (or, as directed by that commander, the deputy commander of that command) when matters related to the area of responsibility or functions of that command will be under consideration by the Council.''.

(b) AMENDMENT RELATED TO REPORT.—Paragraph (2) of section 105(c) of the Weapon System Acquisition Reform Act of 2009 (Public Law 111–23; 123 Stat. 1718) is amended to read as follows:

''(2) MATTERS COVERED.—The report shall include, at a minimum, an assessment of—

''(A) the extent to which the Council has effectively sought, and the commanders of the combatant commands have provided, meaningful input on proposed joint military requirements;

''(B) the extent to which the Council has meaningfully considered the input and expertise of the Under Secretary of Defense for Acquisition, Technology, and Logistics in its discussions;

''(C) the extent to which the Council has meaningfully considered the input and expertise of the Director of Cost Assessment and Program Evaluation in its discussions;

''(D) the quality and effectiveness of efforts to estimate the level of resources needed to fulfill joint military requirements; and

''(E) the extent to which the Council has considered trade-offs among cost, schedule, and performance objectives.''.

SEC. 103. PERFORMANCE MANAGEMENT FOR THE JOINT CAPABILITIES INTEGRATION AND DEVELOPMENT SYSTEM.

(a) REQUIREMENT FOR PROGRAM.—The Secretary of Defense shall ensure that the Department of Defense develops and implements a program to manage performance in establishing joint military requirements pursuant to section 181 of title 10, United States Code.

(b) LEADERS.—The Secretary of Defense shall designate an officer identified or designated as a joint qualified officer to serve as leader of a joint effort to develop the performance management program required by subsection (a). The Secretary shall also designate an officer from each Armed Force to serve as leader of the effort within the Armed Force concerned. Officers designated pursuant to this section shall have the seniority and authority necessary to oversee and direct all personnel engaged in establishing joint military requirements within the Joint Staff or within the Armed Force concerned.

(c) MATTERS COVERED.—The program developed pursuant to subsection (a) shall:

(1) Measure the following in relation to each joint military requirement:

(A) The time a requirements document takes to receive validation through the requirements process.

(B) The quality of cost information associated with the requirement and the extent to which cost information was considered during the requirements process.

(C) The extent to which the requirements process established a meaningful level of priority for the requirement.

(D) The extent to which the requirements process considered trade-offs between cost, schedule, and performance objectives.

(E) The quality of information on sustainment associated with the requirement and the extent to which sustainment information was considered during the requirements process.

(F) Such other matters as the Secretary shall determine appropriate.

(2) Achieve, to the maximum extent practicable, the following outcomes in the requirements process:

(A) Timeliness in delivering capability to the warfighter.

(B) Mechanisms for controlling requirements creep.

(C) Responsiveness to fact-of-life changes occurring after the approval of a requirements document, including changes to the threat environment, the emergence of new capabilities, or changes in the resources estimated to procure or sustain a capability.

(D) The development of the personnel skills, capacity, and training needed for an effective and efficient requirements process.

(E) Such other outcomes as the Secretary shall determine appropriate.

(d) IMPLEMENTATION.—The program required by subsection (a) shall be developed and initially implemented not later than one year after the date of the enactment of this Act and shall apply to requirements documents entering the requirements process after the date of initial implementation.

(e) INITIAL REPORT.—Not later than 90 days after the initial implementation of the program required by subsection (a), the Secretary shall submit to the congressional defense committees a report on the steps taken to develop and implement the performance management program for joint military requirements. The report shall address the measures specified in subsection (c)(1).

(f) FINAL REPORT.—Not later than four years after the initial implementation of the program required by subsection (a), the Secretary shall submit to the congressional defense committees a report on the effectiveness of the program for joint military requirements in achieving the outcomes specified in subsection (c)(2).

(g) DEFINITIONS.—In this section:

(1) REQUIREMENTS PROCESS.—The term ''requirements process'' means the Joint Capabilities Integration and Development System (JCIDS) process or any successor to such process established by the Chairman of the Joint Chiefs of Staff to support the statutory responsibility of the Joint Requirements Oversight Council in advising the Chairman and the Secretary of Defense in identifying, assessing, and validating joint military capability needs, with their associated operational performance criteria, in order to successfully execute missions.

(2) REQUIREMENTS DOCUMENT.—The term ''requirements document'' means a document produced in the requirements process that is provided for an acquisition program to guide the subsequent development, production, and testing of the program and that—

(A) justifies the need for a materiel approach, or an approach that is a combination of materiel and non-materiel, to satisfy one or more specific capability gaps;

(B) details the information necessary to develop an increment of militarily useful, logistically supportable, and technically mature capability, including key performance parameters; or

(C) identifies production attributes required for a single increment of a program.

(3) REQUIREMENTS CREEP.—The term ''requirements creep'' means the addition of new technical or operational specifications after a requirements document is approved.

(h) DISCRETIONARY IMPLEMENTATION AFTER 5 YEARS.—After the date that is five years after the initial implementation of the performance management program under this section, the requirement to implement a program under this section shall be at the discretion of the Secretary of Defense.

SEC. 104. REQUIREMENTS FOR THE ACQUISITION OF SERVICES.

(a) PROCESS REQUIRED.—The Secretary of Defense shall ensure that each military department establishes a process for identifying, assessing, and approving requirements for the acquisition of services, and that commanders of unified combatant commands and other officers identified or designated as joint qualified officers have an opportunity to participate in the process of each military department to provide input on joint requirements for the acquisition of services.

(b) GUIDANCE AND PLAN REQUIRED.—The Chief of Staff of the Army, the Chief of Naval Operations, the Chief of Staff of the Air Force, and the Commandant of the Marine Corps shall—

(1) issue and maintain guidance relating to each process established under subsection (a); and

(2) develop a plan to implement each process established under subsection (a).

(c) MATTERS REQUIRED IN GUIDANCE.—The guidance issued under subsection (b) shall establish, in relation to a process for identifying, assessing, and approving requirements for the acquisition of services, the following:

(1) Organization of such process.

(2) The level of command responsibility required for identifying and validating requirements for the acquisition of services in accordance with the categories established under section 2330(a)(1)(C) of title 10, United States Code.

(3) The composition of billets necessary to operate such process.

(4) The training required for personnel engaged in such process.

(5) The relationship between doctrine and such process.

(6) Methods of obtaining input on joint requirements for the acquisition of services.

(7) Procedures for coordinating with the acquisition process.

(8) Considerations relating to opportunities for strategic sourcing.

(d) MATTERS REQUIRED IN IMPLEMENTATION PLAN.—Each plan required under subsection (b) shall provide for initial implementation of a process for identifying, assessing, and approving requirements for the acquisition of services not later than 180 days after the date of the enactment of this Act and shall provide for full implementation of such process at the earliest date practicable.

(e) CONSISTENCY WITH JOINT GUIDANCE.—Whenever, at any time, guidance is issued by the Chairman of the Joint Chiefs of Staff relating to requirements for the acquisition of services, each process established under subsection (a) shall be revised in accordance with such joint guidance.

(f) DEFINITION.—The term ''requirements for the acquisition of services'' means objectives to be achieved through acquisitions primarily involving the procurement of services.

SEC. 105. JOINT EVALUATION TASK FORCES.

(a) TASK FORCES REQUIRED.—For each joint military requirement involving a materiel solution for which the Chairman of the Joint Requirements Oversight Council is the validation authority, the Chairman shall designate a commander of a unified combatant command to provide a joint evaluation task force to participate in such materiel solution. Such task force shall—

(1) come from a military unit or units designated by the combatant commander concerned;

(2) be selected based on the relevance of such materiel solution to the mission of the unit; and

(3) participate consistent with its operational obligations.

(b) RESPONSIBILITIES.—A task force provided pursuant to subsection (a) shall, for the materiel solution concerned—

(1) provide input to the analysis of alternatives;

(2) participate in testing (including limited user tests and prototype testing);

(3) provide input on a concept of operations and doctrine;

(4) provide end user feedback to the resource sponsor; and

(5) participate, through the combatant commander concerned, in any alteration of the requirement for such solution.

(c) ADMINISTRATIVE SUPPORT.—The resource sponsor for the joint military requirement shall provide administrative support to the joint evaluation task force for purposes of carrying out this section.

(d) DEFINITIONS.—In this section:

(1) RESOURCE SPONSOR.—The term ''resource sponsor'' means the organization responsible for all common documentation, periodic reporting, and funding actions required to support the capabilities development and acquisition process for the materiel solution.

(2) MATERIEL SOLUTION.—The term ''materiel solution'' means the development, acquisition, procurement, or fielding of a new item, or of a modification to an existing item, necessary to equip, operate, maintain, and support military activities.

SEC. 106. REVIEW OF DEFENSE ACQUISITION GUIDANCE.

(a) REVIEW OF GUIDANCE.—The Secretary of Defense shall review the acquisition guidance of the Department of Defense, including, at a minimum, the guidance contained in Department of Defense Instruction 5000.02 entitled ''Operation of the Defense Acquisition System''.

(b) MATTERS CONSIDERED.—The review performed under subsection (a) shall consider—

(1) the extent to which it is appropriate to apply guidance relating to the acquisition of weapon systems to acquisitions not involving weapon systems (including the acquisition of commercial goods and commodities, commercial and military unique services, and information technology);

(2) whether long-term sustainment of weapon systems is appropriately emphasized;

(3) whether appropriate mechanisms exist to communicate information relating to the mission needs of the Department of Defense to the industrial base in a way that allows the industrial base to make appropriate investments in infrastructure, capacity, and technology development to help meet such needs;

(4) the extent to which earned value management should be required on acquisitions not involving the acquisition of weapon systems and whether measures of quality and technical performance should be included in any earned value management system;

(5) the extent to which it is appropriate to apply processes primarily relating to the acquisition of weapon systems to the acquisition of information technology systems, consistent with the requirement to develop an alternative process for such systems contained in section 804 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2401; 10 U.S.C. 2225 note); and

(6) such other matters as the Secretary considers appropriate.

(c) REPORT.—Not later than 270 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and of the House of Representatives a report detailing any changes in the acquisition guidance of the Department of Defense identified during the review required by subsection (a), and any actions taken, or planned to be taken, to implement such changes

SEC. 107. REQUIREMENT TO INCLUDE REFERENCES TO SERVICES CONTRACTING THROUGHOUT THE FEDERAL ACQUISITION REGULATION.

(a) FINDINGS.—Congress finds the following:

(1) The acquisition of services can be extremely complex, and program management skills, tools, and processes need to be applied to services acquisitions.

(2) An emphasis on the concept of ''services'' throughout the Federal Acquisition Regulation would enhance and support the procurement and project management community in all aspects of the acquisition planning process, including requirements development, assessment of reasonableness, and post-award management and oversight.

(b) REQUIREMENT FOR CHANGES TO FAR.—The Federal Acquisition Regulation shall be revised to provide, throughout the Regulation, appropriate references to services contracting that are in addition to references provided in part 37 (which relates specifically to services contracting).

(c) DEADLINE.—This section shall be carried out within 270 days after the date of the enactment of this Act.

SEC. 108. PROCUREMENT OF MILITARY PURPOSE NONDEVELOPMENTAL ITEMS.

(a) IN GENERAL.—

(1) PROCUREMENT OF MILITARY PURPOSE NONDEVELOPMENTAL ITEMS.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2410r. Military purpose nondevelopmental items

''(a) DEFINITIONS.—In this section:

''(1) The term 'military purpose nondevelopmental item' means an item—

''(A) developed exclusively at private expense;

''(B) that meets a validated military requirement and for which the United States has rights in technical data as prescribed in section 2320(a)(2)(B) of this title, as certified in writing by the responsible program manager;

''(C) for which delivery of an initial lot of production-representative items may be made within nine months after contract award; and

''(D) for which the unit cost is less than $10,000,000.

''(2) The term 'item' has the meaning provided in section 2302(3) of this title.

''(b) REQUIREMENTS.—The Secretary of Defense shall ensure that, with respect to a contract for the acquisition of a military purpose nondevelopmental item, the following requirements apply:

''(1) The contract shall be awarded using competitive procedures in accordance with section 2304 of this title.

''(2) Certain contract clauses, as specified in regulations prescribed under subsection (c), shall be included in each such contract.

''(3) The type of contract used shall be a firm, fixed price type contract.

''(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section. Such regulations shall be included in regulations of the Department of Defense prescribed as part of the Federal Acquisition Regulation. At a minimum, the regulations shall include—

''(1) a list of contract clauses to be included in each contract for the acquisition of a military purpose nondevelopmental item;

''(2) definitions for the terms 'developed' and 'exclusively at private expense' that—

''(A) are consistent with the definitions developed for such terms in accordance with 2320(a)(3) of this title; and

''(B) also exclude an item developed in part or in whole with—

''(i) foreign government funding; or

''(ii) foreign or Federal Government loan financing at nonmarket rates; and

''(3) standards for evaluating the reasonableness of price for the military purpose nondevelopmental item, in lieu of certified cost or pricing data.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2410r. Military purpose nondevelopmental items.''.

(b) COST OR PRICING DATA EXCEPTION.—Section 2306a(b)(1) of title 10, United States Code, is amended—

(1) by striking ''or'' at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting ''; or''; and

(3) by adding at the end the following new subparagraph:

''(D) for the acquisition of a military purpose nondevelopmental item, as defined in section 2410r of this title, if the contracting officer determines in writing that—

''(i) the contract, subcontract or modification will be a firm, fixed price type contract; and

''(ii) the offeror has submitted sufficient information to evaluate, through price analysis, the reasonableness of the price for the military purpose nondevelopmental item.''.

(c) EFFECTIVE DATE.—Section 2410r of title 10, United States Code, as added by subsection (a), and the amendment made by subsection (b), shall apply with respect to contracts entered into after the date that is 120 days after the date of the enactment of this Act.

TITLE II—DEFENSE ACQUISITION WORKFORCE

SEC. 201. ACQUISITION WORKFORCE EXCELLENCE.

(a) IN GENERAL.—

(1) ACQUISITION WORKFORCE EXCELLENCE.—Subchapter I of chapter 87 of title 10, United States Code, is amended by inserting after section 1701 the following new section:

''§ 1701a. Management for acquisition workforce excellence

''(a) PURPOSE.—The purpose of this chapter is to require the Department of Defense to develop and manage a highly skilled professional acquisition workforce—

''(1) in which excellence and contribution to mission is rewarded;

''(2) which has the technical expertise and business skills to ensure the Department receives the best value for the expenditure of public resources;

''(3) which serves as a model for performance management of employees of the Department; and

''(4) which is managed in a manner that complements and reinforces the performance management of the defense acquisition system pursuant to chapter 149 of this title.

''(b) PERFORMANCE MANAGEMENT.—In order to achieve the purpose set forth in subsection (a), the Secretary of Defense shall—

''(1) use the full authorities provided in subsections (a) through (d) of section 9902 of title 5, including flexibilities related to performance management and hiring and to training of managers;

''(2) require managers to develop performance plans for individual members of the acquisition workforce in order to give members an understanding of how their performance contributes to their organization's mission and the success of the defense acquisition system (as defined in section 2545 of this title);

''(3) to the extent appropriate, use the lessons learned from the acquisition demonstration project carried out under section 1762 of this title related to contribution-based compensation and appraisal, and how those lessons may be applied within the General Schedule system;

''(4) develop attractive career paths;

''(5) encourage continuing education and training;

''(6) develop appropriate procedures for warnings during performance evaluations and due process for members of the acquisition workforce who consistently fail to meet performance standards;

''(7) take full advantage of the Defense Civilian Leadership Program established under section 1112 of the National Defense Authorization Act for Fiscal Year 2010, (Public Law 111–84; 123 Stat. 2496; 10 U.S.C. 1580 note prec.);

''(8) use the authorities for highly qualified experts under section 9903 of title 5, to hire experts who are skilled acquisition professionals to—

''(A) serve in leadership positions within the acquisition workforce to strengthen management and oversight;

''(B) provide mentors to advise individuals within the acquisition workforce on their career paths and opportunities to advance and excel within the acquisition workforce; and

''(C) assist with the design of education and training courses and the training of individuals in the acquisition workforce; and

''(9) use the authorities for expedited security clearance processing pursuant to section 1564 of this title.

''(c) NEGOTIATIONS.—Any action taken by the Secretary under this section, or to implement this section, shall be subject to the requirements of chapter 71 of title 5.

''(d) REGULATIONS.—Any rules or regulations prescribed pursuant to this section shall be deemed an agency rule or regulation under section 7117(a)(2) of title 5, and shall not be deemed a Government-wide rule or regulation under section 7117(a)(1) of such title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 1701 the following new item:

''1701a. Management for acquisition workforce excellence.''.

(b) AUTHORITY TO APPOINT HIGHLY QUALIFIED EXPERTS ON PART-TIME BASIS.—Section 9903(b)(1) of title 5, United States Code, is amended by inserting '', on a full-time or part-time basis,'' after ''positions in the Department of Defense'' the first place it appears.

SEC. 202. AMENDMENTS TO THE ACQUISITION WORKFORCE DEMONSTRATION PROJECT.

(a) CODIFICATION INTO TITLE 10.—

(1) IN GENERAL.—Chapter 87 of title 10, United States Code, is amended by inserting after section 1761 the following new section:

''§ 1762. Demonstration project relating to certain acquisition personnel management policies and procedures

''(a) COMMENCEMENT.—The Secretary of Defense is encouraged to carry out a demonstration project, the purpose of which is to determine the feasibility or desirability of one or more proposals for improving the personnel management policies or procedures that apply with respect to the acquisition workforce of the Department of Defense and supporting personnel assigned to work directly with the acquisition workforce.

''(b) TERMS AND CONDITIONS.—(1) Except as otherwise provided in this subsection, any demonstration project described in subsection (a) shall be subject to section 4703 of title 5 and all other provisions of such title that apply with respect to any demonstration project under such section.

''(2) Subject to paragraph (3), in applying section 4703 of title 5 with respect to a demonstration project described in subsection (a)—

''(A) '180 days' in subsection (b)(4) of such section shall be deemed to read '120 days';

''(B) '90 days' in subsection (b)(6) of such section shall be deemed to read '30 days'; and

''(C) subsection (d)(1) of such section shall be disregarded.

''(3) Paragraph (2) shall not apply with respect to a demonstration project unless—

''(A) for each organization or team participating in the demonstration project—

''(i) at least one-third of the workforce participating in the demonstration project consists of members of the acquisition workforce; and

''(ii) at least two-thirds of the workforce participating in the demonstration project consists of members of the acquisition workforce and supporting personnel assigned to work directly with the acquisition workforce; and

''(B) the demonstration project commences before October 1, 2007.

''(c) LIMITATION ON NUMBER OF PARTICIPANTS.—The total number of persons who may participate in the demonstration project under this section may not exceed 120,000.

''(d) EFFECT OF REORGANIZATIONS.—The applicability of paragraph (2) of subsection (b) to an organization or team shall not terminate by reason that the organization or team, after having satisfied the conditions in paragraph (3) of such subsection when it began to participate in a demonstration project under this section, ceases to meet one or both of the conditions set forth in subparagraph (A) of such paragraph (3) as a result of a reorganization, restructuring, realignment, consolidation, or other organizational change.

''(e) ASSESSMENT.—(1) The Secretary of Defense shall designate an independent organization to review the acquisition workforce demonstration project described in subsection (a).

''(2) Such assessment shall include:

''(A) A description of the workforce included in the project.

''(B) An explanation of the flexibilities used in the project to appoint individuals to the acquisition workforce and whether those appointments are based on competitive procedures and recognize veteran's preferences.

''(C) An explanation of the flexibilities used in the project to develop a performance appraisal system that recognizes excellence in performance and offers opportunities for improvement.

''(D) The steps taken to ensure that such system is fair and transparent for all employees in the project.

''(E) How the project allows the organization to better meet mission needs.

''(F) An analysis of how the flexibilities in subparagraphs (B) and (C) are used, and what barriers have been encountered that inhibit their use.

''(G) Whether there is a process for (i) ensuring ongoing performance feedback and dialogue among supervisors, managers, and employees throughout the performance appraisal period, and (ii) setting timetables for performance appraisals.

''(H) The project's impact on career progression.

''(I) The project's appropriateness or inappropriateness in light of the complexities of the workforce affected.

''(J) The project's sufficiency in terms of providing protections for diversity in promotion and retention of personnel.

''(K) The adequacy of the training, policy guidelines, and other preparations afforded in connection with using the project.

''(L) Whether there is a process for ensuring employee involvement in the development and improvement of the project.

''(3) The first such assessment under this subsection shall be completed not later than September 30, 2011, and subsequent assessments shall be completed every two years thereafter until the termination of the project. The Secretary shall submit to the covered congressional committees a copy of the assessment within 30 days after receipt by the Secretary of the assessment.

''(f) COVERED CONGRESSIONAL COMMITTEES.—In this section, the term 'covered congressional committees' means—

''(1) the Committees on Armed Services of the Senate and the House of Representatives;

''(2) the Committee on Homeland Security and Governmental Affairs of the Senate; and

''(3) the Committee on Oversight and Government Reform of the House of Representatives.

''(g) TERMINATION OF AUTHORITY.—The authority to conduct a demonstration program under this section shall terminate on September 30, 2017.

''(h) CONVERSION.—Within six months after the authority to conduct a demonstration project under this section is terminated as provided in subsection (g), employees in the project shall convert to the civilian personnel system created pursuant to section 9902 of title 5.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter V of chapter 87 of title 10, United States Code, is amended by inserting after the item relating to section 1761 the following new item:

''1762. Demonstration project relating to certain acquisition personnel management policies and procedures.''.

(b) CONFORMING REPEAL.—Section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 1701 note) is repealed.

SEC. 203. INCENTIVE PROGRAMS FOR CIVILIAN AND MILITARY PERSONNEL IN THE ACQUISITION WORKFORCE.

(a) IN GENERAL.—Chapter 87 of title 10, United States Code, is amended by inserting after section 1762, as added by section 202, the following new section:

''§ 1763. Incentive programs for civilian and military personnel in the acquisition workforce

''(a) CIVILIAN ACQUISITION WORKFORCE INCENTIVES.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall provide for an enhanced system of incentives for the encouragement of excellence in the acquisition workforce by providing rewards for employees who contribute to achieving the agency's performance goals. The system of incentives shall include provisions that—

''(1) relate salary increases, bonuses, and awards to performance and contribution to the agency mission (including the extent to which the performance of personnel in such workforce contributes to achieving the goals and standards established for acquisition programs pursuant to section 2545 of this title;

''(2) provide for consideration, in personnel evaluations and promotion decisions, of the extent to which the performance of personnel in such workforce contributes to achieving such goals and standards;

''(3) use the Department of Defense Civilian Workforce Incentive Fund established pursuant to section 9902(a) of title 5; and

''(4) provide opportunities for career broadening experiences for high performers.

''(b) MILITARY ACQUISITION WORKFORCE INCENTIVES.—The Secretaries of the military departments shall fully use and enhance incentive programs that reward individuals, through recognition certificates or cash awards, for suggestions of process improvements that contribute to improvements in efficiency and economy and a better way of doing business.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter V of chapter 87 of title 10, United States Code, is amended by inserting after the item relating to section 1762, as added by section 202, the following new item:

''1763. Incentive programs for civilian and military personnel in the acquisition workforce.''.

SEC. 204. CAREER DEVELOPMENT FOR CIVILIAN AND MILITARY PERSONNEL IN THE ACQUISITION WORKFORCE.

(a) CAREER PATHS.—

(1) AMENDMENT.—Chapter 87 of title 10, United States Code, is amended by inserting after section 1722a the following new section:

''§ 1722b. Special requirements for civilian employees in the acquisition field

''(a) REQUIREMENT FOR POLICY AND GUIDANCE REGARDING CIVILIAN PERSONNEL IN ACQUISITION.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall establish policies and issue guidance to ensure the proper development, assignment, and employment of civilian members of the acquisition workforce to achieve the objectives specified in subsection (b).

''(b) OBJECTIVES.—Policies established and guidance issued pursuant to subsection (a) shall ensure, at a minimum, the following:

''(1) A career path in the acquisition field that attracts the highest quality civilian personnel, from either within or outside the Federal Government.

''(2) A deliberate workforce development strategy that increases attainment of key experiences that contribute to a highly qualified acquisition workforce.

''(3) Sufficient opportunities for promotion and advancement in the acquisition field.

''(4) A sufficient number of qualified, trained members eligible for and active in the acquisition field to ensure adequate capacity, capability, and effective succession for acquisition functions, including contingency contracting, of the Department of Defense.

''(c) INCLUSION OF INFORMATION IN ANNUAL REPORT.—The Secretary of Defense shall include in the report to Congress required under section 115b(d) of this title the following information related to the acquisition workforce for the period covered by the report (which shall be shown for the Department of Defense as a whole and separately for the Army, Navy, Air Force, Marine Corps, Defense Agencies, and Office of the Secretary of Defense):

''(1) The total number of persons serving in the Acquisition Corps, set forth separately for members of the armed forces and civilian employees, by grade level and by functional specialty.

''(2) The total number of critical acquisition positions held, set forth separately for members of the armed forces and civilian employees, by grade level and by other appropriate categories (including by program manager, deputy program manager, and division head positions). For each such category, the report shall specify the number of civilians holding such positions compared to the total number of positions filled.

''(3) The number of employees to whom the requirements of subsections (b)(2)(A) and (b)(2)(B) of section 1732 of this title did not apply because of the exceptions provided in paragraphs (1) and (2) of section 1732(c) of this title, set forth separately by type of exception.

''(4) The number of program managers and deputy program managers who were reassigned after completion of a major milestone occurring closest in time to the date on which the person has served in the position for four years (as required under section 1734(b) of this title), and the proportion of those reassignments to the total number of reassignments of program managers and deputy program managers, set forth separately for program managers and deputy program managers. The Secretary also shall include the average length of assignment served by program managers and deputy program managers so reassigned.

''(5) The number of persons, excluding those reported under paragraph (4), in critical acquisition positions who were reassigned after a period of three years or longer (as required under section 1734(a) of this title), and the proportion of those reassignments to the total number of reassignments of persons, excluding those reported under paragraph (4), in critical acquisition positions.

''(6) The number of times a waiver authority was exercised under section 1724(d), 1732(d), 1734(d), or 1736(c) of this title or any other provision of this chapter (or other provision of law) which permits the waiver of any requirement relating to the acquisition workforce, and in the case of each such authority, the reasons for exercising the authority. The Secretary may present the information provided under this paragraph by category or grouping of types of waivers and reasons.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of chapter 87 of title 10, United States Code, is amended by inserting after the item relating to section 1722a the following new item:

''1722b. Special requirements for civilian employees in the acquisition field.''.

(b) CAREER EDUCATION AND TRAINING.—Chapter 87 of title 10, United States Code, is amended in section 1723 by redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following new subsection:

''(b) CAREER PATH REQUIREMENTS.—For each career path, the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics shall establish requirements for the completion of course work and related on-the-job training and demonstration of qualifications in the critical acquisition-related duties and tasks of the career path. The Secretary of Defense, acting through the Under Secretary, shall also—

''(1) encourage individuals in the acquisition workforce to maintain the currency of their acquisition knowledge and generally enhance their knowledge of related acquisition management disciplines through academic programs and other self-developmental activities; and

''(2) develop key work experiences, including the creation of a program sponsored by the Department of Defense that facilitates the periodic interaction between individuals in the acquisition workforce and the end user in such end user's environment to enhance the knowledge base of such workforce, for individuals in the acquisition workforce so that the individuals may gain in-depth knowledge and experience in the acquisition process and become seasoned, well-qualified members of the acquisition workforce.''.

SEC. 205. RECERTIFICATION AND TRAINING REQUIREMENTS.

(a) CONTINUING EDUCATION.—Section 1723 of title 10, United States Code, as amended by section 204, is further amended by amending subsection (a) to read as follows:

''(a) QUALIFICATION REQUIREMENTS.—(1) The Secretary of Defense shall establish education, training and experience requirements for each acquisition position, based on the level of complexity of duties carried out in the position. In establishing such requirements, the Secretary shall ensure the availability and sufficiency of training in all areas of acquisition, including additional training courses with an emphasis on services contracting, long-term sustainment strategies, information technology, and rapid acquisition.

''(2) In establishing such requirements for positions other than critical acquisition positions designated pursuant to section 1733 of this title, the Secretary may state the requirements by categories of positions.

''(3) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall establish requirements for continuing education and periodic renewal of an individual's certification. Any requirement for a certification renewal shall not require a renewal more often than once every five years.''.

(b) STANDARDS FOR TRAINING.—

(1) IN GENERAL.—Subchapter IV of Chapter 87 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1748. Guidance and standards for acquisition workforce training

''(a) FULFILLMENT STANDARDS.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall develop fulfillment standards, and implement and maintain a program, for purposes of the training requirements of sections 1723, 1724, and 1735 of this title. Such fulfillment standards shall consist of criteria for determining whether an individual has demonstrated competence in the areas that would be taught in the training courses required under those sections. If an individual meets the appropriate fulfillment standard, the applicable training requirement is fulfilled.

''(b) GUIDANCE AND STANDARDS RELATING TO CONTRACTS FOR TRAINING.—The Secretary of Defense shall develop appropriate guidance and standards to ensure that the Department of Defense will continue, where appropriate and cost-effective, to enter into contracts for the training requirements of sections 1723, 1724, and 1735 of this title, while maintaining appropriate control over the content and quality of such training.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

''1748. Guidance and standards for acquisition workforce training.''.

(3) DEADLINE FOR FULFILLMENT STANDARDS.—The fulfillment standards required under section 1748(a) of title 10, United States Code, as added by paragraph (1), shall be developed not later than 90 days after the date of the enactment of this Act.

(4) CONFORMING REPEAL.—Section 853 of Public Law 105–85 (111 Stat. 1851) is repealed.

SEC. 206. INFORMATION TECHNOLOGY ACQUISITION WORKFORCE.

(a) IN GENERAL.—

(1) INFORMATION TECHNOLOGY.—Subchapter II of chapter 87 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1725. Information technology acquisition positions

''(a) PLAN REQUIRED.—The Secretary of Defense shall develop and carry out a plan to strengthen the part of the acquisition workforce that specializes in information technology. The plan shall include the following:

''(1) Defined targets for billets devoted to information technology acquisition.

''(2) Specific certification requirements for individuals in the acquisition workforce who specialize in information technology acquisition.

''(3) Defined career paths for individuals in the acquisition workforce who specialize in information technology acquisitions.

''(b) DEFINITIONS.—In this section:

''(1) The term 'information technology' has the meaning provided such term in section 11101 of title 40 and includes information technology incorporated into a major weapon system.

''(2) The term 'major weapon system' has the meaning provided such term in section 2379(f) of this title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

''1725. Information technology acquisition positions.''.

(b) DEADLINE.—The Secretary of Defense shall develop the plan required under section 1725 of title 10, United States Code, as added by subsection (a), not later than 180 days after the date of the enactment of this Act.

SEC. 207. DEFINITION OF ACQUISITION WORKFORCE.

Section 101(a) of title 10, United States Code, is amended by inserting after paragraph (17) the following new paragraph:

''(18) The term 'acquisition workforce' means the persons serving in acquisition positions within the Department of Defense, as designated pursuant to section 1721(a) of this title.''.

SEC. 208. DEFENSE ACQUISITION UNIVERSITY CURRICULUM REVIEW.

(a) CURRICULUM REVIEW.—Not later than one year after the date of the enactment of this Act, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall lead a review of the curriculum offered by the Defense Acquisition University to ensure it adequately supports the training and education requirements of acquisition professionals, particularly in service contracting, long term sustainment strategies, information technology, and rapid acquisition. The review shall also involve the service acquisition executives of each military department.

(b) ANALYSIS OF FUNDING REQUIREMENTS FOR TRAINING.—Following the review conducted under subsection (a), the Secretary of Defense shall analyze the most recent future-years defense program to determine the amounts of estimated expenditures and proposed appropriations necessary to support the training requirements of the amendments made by section 205 of this Act, including any new training requirements determined after the review conducted under subsection (a). The Secretary shall identify any additional funding needed for such training requirements in the separate chapter on the defense acquisition workforce required in the next annual strategic workforce plan under 115b of title 10, United States Code.

(c) REQUIREMENT FOR ONGOING CURRICULUM DEVELOPMENT WITH CERTAIN SCHOOLS.—

(1) REQUIREMENT.—Section 1746 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) CURRICULUM DEVELOPMENT.—The President of the Defense Acquisition University shall work with the relevant professional schools and degree-granting institutions of the Department of Defense and military departments to ensure that best practices are used in curriculum development to support acquisition workforce positions.''.

(2) AMENDMENT TO SECTION HEADING.—(A) The heading of section 1746 of such title is amended to read as follows:

''§ 1746. Defense Acquisition University''.

(B) The item relating to section 1746 in the table of sections at the beginning of subchapter IV of chapter 87 of such title is amended to read as follows:

''1746. Defense Acquisition University.''.

SEC. 209. COST ESTIMATING INTERNSHIP AND SCHOLARSHIP PROGRAMS.

(a) PURPOSE.—The purpose of this section is to require the Department of Defense to develop internship and scholarship programs in cost estimating to underscore the importance of cost estimating, as a core acquisition function, to the acquisition process.

(b) REQUIREMENT.—The Secretary of Defense shall develop intern and scholarship programs in cost estimating for purposes of improving education and training in cost estimating and providing an opportunity to meet any certification requirements in cost estimating.

(c) IMPLEMENTATION.—Such programs shall be established not later than 270 days after the date of the enactment of this Act and shall be implemented for a four-year period following establishment of the programs.

TITLE III—FINANCIAL MANAGEMENT

SEC. 301. INCENTIVES FOR ACHIEVING AUDITABILITY.

(a) PREFERENTIAL TREATMENT AUTHORIZED.—The Under Secretary of Defense (Comptroller) shall ensure that any component of the Department of Defense that the Under Secretary determines has financial statements validated as ready for audit earlier than September 30, 2017, shall receive preferential treatment, as the Under Secretary determines appropriate—

(1) in financial matter matters, including—

(A) consistent with the need to fund urgent warfighter requirements and operational needs, priority in the release of appropriated funds to such component;

(B) relief from the frequency of financial reporting of such component in cases in which such reporting is not required by law;

(C) relief from departmental obligation and expenditure thresholds to the extent that such thresholds establish requirements more restrictive than those required by law; or

(D) such other measures as the Under Secretary considers appropriate; and

(2) in the availability of personnel management incentives, including—

(A) the size of the bonus pool available to the financial and business management workforce of the component;

(B) the rates of promotion within the financial and business management workforce of the component;

(C) awards for excellence in financial and business management; or

(D) the scope of work assigned to the financial and business management workforce of the component.

(b) INCLUSION OF INFORMATION IN REPORT.—The Under Secretary shall include information on any measure initiated pursuant to this section in the next semiannual report pursuant to section 1003(b) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2439; 10 U.S.C. 2222 note) after such measure is initiated.

(c) EXPIRATION.—This section shall expire on September 30, 2017.

(d) DEFINITION.—In this section, the term ''component of the Department of Defense'' means any organization within the Department of Defense that is required to submit an auditable financial statement to the Secretary of Defense.

SEC. 302. MEASURES REQUIRED AFTER FAILURE TO ACHIEVE AUDITABILITY.

(a) IN GENERAL.—The Secretary of Defense shall ensure that corrective measures are immediately taken to address the failure of a component of the Department of Defense to achieve a financial statement validated as ready for audit by September 30, 2017.

(b) MEASURES REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall develop and issue guidance detailing measures to be taken in accordance with subsection (a). Such measures shall include—

(1) the development of a remediation plan to ensure the component can achieve a financial statement validated as ready for audit within one year;

(2) additional reporting requirements that may be necessary to mitigate financial risk to the component;

(3) delaying the release of appropriated funds to such component, consistent with the need to fund urgent warfighter requirements and operational needs, until such time as the Secretary is assured that the component will achieve a financial statement validated as ready for audit within one year;

(4) specific consequences for key personnel in order to ensure accountability within the leadership of the component; and

(5) such other measures as the Secretary considers appropriate.

(c) DEFINITION.—The term ''component'' of the Department of Defense means any organization within the Department of Defense that is required to submit an auditable financial statement to the Secretary of Defense.

SEC. 303. REVIEW OF OBLIGATION AND EXPENDITURE THRESHOLDS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Department of Defense program managers should be encouraged to place a higher priority on seeking the best value for the Government than on meeting arbitrary benchmarks for spending; and

(2) actions to carry out paragraph (1) should be supported by the Department's leadership at every level.

(b) POLICY REVIEW.—Not later than 180 days after the date of the enactment of this Act, the Chief Management Officer of the Department of Defense, in coordination with the Chief Management Officer of each military department, shall review and update as necessary all relevant policy and instruction regarding obligation and expenditure benchmarks to ensure that such guidance does not inadvertantly prevent achieving the best value for the Government in the obligation and expenditure of funds.

(c) PROCESS REVIEW.—Not later than one year after the date of the enactment of this Act, the Chief Management Officer, in coordination with the Chief Management Officer of each military department, the Director of the Office of Performance Assessment and Root Cause Analysis, the Under Secretary of Defense (Comptroller), and the Comptrollers of the military departments, shall conduct a comprehensive review of the use and value of obligation and expenditure benchmarks and propose new benchmarks or processes for tracking financial performance, including, as appropriate—

(1) increased reliance on individual obligation and expenditure plans for measuring program financial performance;

(2) mechanisms to improve funding stability and to increase the predictability of the release of funding for obligation and expenditure; and

(3) streamlined mechanisms for a program manager to submit an appeal for funding changes and to have such appeal evaluated promptly.

(d) TRAINING.—The Under Secretary of Defense for Acquisition, Technology, and Logistics

and the Under Secretary of Defense (Comptroller) shall ensure that as part of the training required for program managers and business managers, an emphasis is placed on obligating and expending appropriated funds in a manner that achieves the best value for the Government and that the purpose and limitations of obligation and expenditure benchmarks are made clear.

TITLE IV—INDUSTRIAL BASE

SEC. 401. EXPANSION OF THE INDUSTRIAL BASE.

(a) PROGRAM TO EXPAND INDUSTRIAL BASE REQUIRED.—The Secretary of Defense shall establish a program to expand the industrial base of the Department of Defense to increase the Department's access to innovation and the benefits of competition.

(b) IDENTIFYING AND COMMUNICATING WITH NONTRADITIONAL SUPPLIERS.—The program established under subsection (a) shall use tools and resources available within the Federal Government and available from the private sector, to provide a capability for identifying and communicating with nontraditional suppliers, including commercial firms and firms of all business sizes, that are engaged in markets of importance to the Department of Defense.

(c) INDUSTRIAL BASE REVIEW.—The program required by subsection (a) shall include a continuous effort to review the industrial base supporting the Department of Defense, including the identification of markets of importance to the Department of Defense.

(d) DEFINITION.—In this section:

(1) NONTRADITIONAL SUPPLIERS.—The term ''nontraditional suppliers'' means firms that have received contracts from the Department of Defense with a total value of not more than $100,000 in the previous 5 years.

(2) MARKETS OF IMPORTANCE TO THE DEPARTMENT OF DEFENSE.—The term ''markets of importance to the Department of Defense'' means industrial sectors in which the Department of Defense spends more than $500,000,000 annually.

SEC. 402. COMMERCIAL PRICING ANALYSIS.

Section 803(c) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 10 U.S.C. 2306a note) is amended to read as follows:

''(c) COMMERCIAL PRICE TREND ANALYSIS.—

''(1) The Secretary of Defense shall develop and implement procedures that, to the maximum extent practicable, provide for the collection and analysis of information on price trends for categories of exempt commercial items described in paragraph (2).

''(2) A category of exempt commercial items referred to in paragraph (1) consists of exempt commercial items that are in a single Federal Supply Group or Federal Supply Class, are provided by a single contractor, or are otherwise logically grouped for the purpose of analyzing information on price trends.

''(3) The analysis of information on price trends under paragraph (1) shall include, in any category in which significant escalation in prices is identified, a more detailed examination of the causes of escalation for such prices within the category and whether such price escalation is consistent across the Department of Defense.

''(4) The head of a Department of Defense agency or the Secretary of a military department shall take appropriate action to address any unjustified escalation in prices being paid for items procured by that agency or military department as identified in an analysis conducted pursuant to paragraph (1).

''(5) Not later than April 1 of each year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the analyses of price trends that were conducted for categories of exempt commercial items during the preceding fiscal year under the procedures prescribed pursuant to paragraph (1). The report shall include a description of the actions taken to identify and address any unjustified price escalation for the categories of items.

''(6) This subsection shall not be in effect on and after April 1, 2013.''.

SEC. 403. CONTRACTOR AND GRANTEE DISCLOSURE OF DELINQUENT FEDERAL TAX DEBTS.

(a) REQUIREMENT.—

(1) IN GENERAL.—Chapter 37 of title 31, United States Code, is amended by adding at the end of subchapter II the following new section:

''§ 3720F. Contractor and grantee disclosure of delinquent Federal tax debts

''(a) REQUIREMENT RELATING TO CONTRACTS.—The head of any executive agency that issues an invitation for bids or a request for proposals for a contract in an amount greater than the simplified acquisition threshold shall require each person that submits a bid or proposal to submit with the bid or proposal a form—

''(1) certifying that the person does not have a seriously delinquent tax debt; and

''(2) authorizing the Secretary of the Treasury to disclose to the head of the agency information strictly limited to verifying whether the person has a seriously delinquent tax debt.

''(b) REQUIREMENT RELATING TO GRANTS.—The head of any executive agency that offers a grant in excess of an amount equal to the simplified acquisition threshold may not award such grant to any person unless such person submits with the application for such grant a form—

''(1) certifying that the person does not have a seriously delinquent tax debt; and

''(2) authorizing the Secretary of the Treasury to disclose to the head of the executive agency information strictly limited to verifying whether the person has a seriously delinquent tax debt.

''(c) FORM FOR RELEASE OF INFORMATION.—The Secretary of the Treasury shall make available to all executive agencies a standard form for the certification and authorization described in subsections (a) and (b).

''(d) DEFINITIONS.—In this section:

''(1) CONTRACT.—The term 'contract' means a binding agreement entered into by an executive agency for the purpose of obtaining property or services, but does not include—

''(A) a contract for property or services that is intended to be entered into through the use of procedures other than competitive procedures by reason of section 2304(c)(2) of this title; or

''(B) a contract designated by the head of the agency as necessary to the national security of the United States.

''(2) EXECUTIVE AGENCY.—The term 'executive agency' has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

''(3) PERSON.—The term 'person' includes—

''(A) an individual;

''(B) a partnership; and

''(C) a corporation.

''(4) SERIOUSLY DELINQUENT TAX DEBT.—The term 'seriously delinquent tax debt'—

''(A) means any Federal tax liability—

''(i) that exceeds $3,000;

''(ii) that has been assessed by the Secretary of the Treasury and not paid; and

''(iii) for which a notice of lien has been filed in public records; and

''(B) does not include any Federal tax liability—

''(i) being paid in a timely manner under an offer-in-compromise or installment agreement;

''(ii) with respect to which collection due process proceedings are not completed; or

''(iii) with respect to which collection due process proceedings are completed and no further payment is required.

''(5) SIMPLIFIED ACQUISITION THRESHOLD.—The term 'simplified acquisition threshold' has the meaning given that term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

''(e) REGULATIONS.—The Administrator for Federal Procurement Policy, in consultation with the Secretary of the Treasury, shall promulgate regulations that—

''(1) treat corporations and partnerships as having a seriously delinquent tax debt if such corporation or partnership is controlled (directly or indirectly) by persons who have a seriously delinquent tax debt;

''(2) provide for the proper application of subsections (a)(2) and (b)(2) in the case of corporations and partnerships; and

''(3) provide for the proper application of subsection (a) to first-tier subcontractors that are identified in a bid or proposal and are a significant part of a bid or proposal team.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 37 of such title is amended by adding after the item relating to section 3720E the following new item:

''3720F. Contractor and grantee disclosure of delinquent Federal tax debts.''.

(b) REVISION OF FEDERAL ACQUISITION REGULATION.—Not later than 90 days after the final promulgation of regulations under section 3720F(e) of title 31, United States Code, as added by subsection (a), the Federal Acquisition Regulation shall be revised to incorporate the requirements of section 3720F of such title.

SEC. 404. INDEPENDENCE OF CONTRACT AUDITS AND BUSINESS SYSTEM REVIEWS.

(a) DEFENSE CONTRACT AUDIT AGENCY GENERAL COUNSEL.—

(1) IN GENERAL.—Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 204. Defense Contract Audit Agency general counsel

''(a) GENERAL COUNSEL.—The Director of the Defense Contract Audit Agency shall appoint a General Counsel of the Defense Contract Audit Agency.

''(b) DUTIES.—(1) The General Counsel shall perform such functions as the Director may prescribe and shall serve at the discretion of the Director.

''(2) Notwithstanding section 140(b) of this title, the General Counsel shall be the chief legal officer of the Defense Contract Audit Agency.

''(3) The Defense Contract Audit Agency shall be the exclusive legal client of the General Counsel.

''(c) OFFICE OF THE GENERAL COUNSEL.—There is established an Office of the General Counsel within the Defense Contract Audit Agency. The Director may appoint to the Office to serve as staff of the General Counsel such legal counsel as the Director determines is appropriate.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of chapter 8 of such title is amended by adding at the end the following new item:

''204. Defense Contract Audit Agency general counsel.''.

(b) CRITERIA FOR BUSINESS SYSTEM REVIEWS.—

(1) IN GENERAL.—Chapter 131 of title 10, United States Code, is amended by inserting after section 2222 the following new section:

''§ 2222a. Criteria for business system reviews

''(a) CRITERIA FOR BUSINESS SYSTEM REVIEWS.—The Secretary of Defense shall ensure that any contractor business system review carried out by a military department, a Defense Agency, or a Department of Defense Field Activity—

''(1) complies with generally accepted government auditing standards issued by the Comptroller General;

''(2) is performed by an audit team that does not engage in any other official activity (audit-related or otherwise) involving the contractor concerned;

''(3) is performed in a time and manner consistent with a documented assessment of the risk to the Federal Government; and

''(4) involves testing on a representative sample of transactions sufficient to fully examine the integrity of the contractor business system concerned.

''(b) CONTRACTOR BUSINESS SYSTEM REVIEW DEFINED.—In this section, the term 'contractor business system review' means an audit of policies, procedures, and internal controls relating to accounting and management systems of a contractor.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 131 of such title is amended by inserting after the item relating to section 2222 the following new item:

''2222a. Criteria for business system reviews.''.

(c) CONTRACT AUDIT GUIDANCE.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall issue guidance relating to contract audits carried out by a military department, a defense agency, or a Department of Defense field activity that are not contractor business system reviews, as described under section 2222a of title 10, United States Code, that—

(1) requires that such audits comply with generally accepted government auditing standards issued by the Comptroller General and are performed in a time and manner consistent with a documented assessment of risk to the Federal Government;

(2) establishes guidelines for discussions of the scope of the audit with the contractor concerned that ensure that such scope is not improperly influenced by the contractor;

(3) provides for withholding of contract payments when necessary to compel the submission of documentation from the contractor; and

(4) requires that the results of contract audits performed on behalf of an agency of the Department of Defense be shared with other Federal agencies upon request, without reimbursement.

(d) EFFECTIVE DATES.—

(1) SECTION 204.—Section 204 of title 10, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act.

(2) SECTION 2222A.—Section 2222a of title 10, United States Code, as added by subsection (b), shall take effect 180 days after the date of the enactment of this Act.

SEC. 405. BLUE RIBBON PANEL ON ELIMINATING BARRIERS TO CONTRACTING WITH THE DEPARTMENT OF DEFENSE.

(a) REQUIREMENT TO ESTABLISH.—The Secretary of Defense shall establish a panel consisting of owners of large and small businesses that are not traditional defense suppliers, for purposes of creating a set of recommendations on eliminating barriers to contracting with the Department of Defense and its defense supply centers.

(b) MEMBERS.—The panel shall consist of nine members, of whom—

(1) three shall be appointed by the Secretary of the Army;

(2) three shall be appointed by the Secretary of the Navy; and

(3) three shall be appointed by the Secretary of the Air Force.

(c) APPOINTMENT DEADLINE.—Members shall be appointed to the panel not later than 180 days after the date of the enactment of this Act.

(d) DUTIES.—The panel shall be responsible for developing a set of recommendations on eliminating barriers to contracting with the Department of Defense and its defense supply centers.

(e) REPORT.—Not later than one year after the date of the enactment of this Act, the panel shall submit to Congress a report containing its recommendations.

SEC. 406. INCLUSION OF THE PROVIDERS OF SERVICES AND INFORMATION TECHNOLOGY IN THE NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.

(a) REVISED DEFINITIONS.—Section 2500 of title 10, United States Code, is amended—

(1) in paragraph (1), by striking ''or maintenance'' and inserting ''integration, services, or information technology'';

(2) in paragraph (4), by striking ''or production'' and inserting ''production, integration, services, or information technology'';

(3) in paragraph (9)(A), by striking ''and manufacturing'' and inserting ''manufacturing, integration, services, and information technology''; and

(4) by adding at the end the following new paragraph:

''(15) The term 'integration' means the process of providing systems engineering and technical direction for a system for the purpose of achieving capabilities that satisfy contract requirements.''.

(b) REVISED OBJECTIVES.—Section 2501(a) of such title is amended—

(1) in paragraph (1), by striking ''Supplying and equipping'' and inserting ''Supplying, equipping, and supporting'';

(2) in paragraph (2), by striking ''and logistics for'' and inserting ''logistics, and other activities in support of'';

(3) in paragraph (4), by striking ''and produce'' and inserting '', produce, and support''; and

(4) by redesignating paragraph (6) as paragraph (8) and inserting after paragraph (5) the following new paragraphs:

''(6) Providing for the generation of services capabilities that are not core functions of the armed forces and that are critical to military operations within the national technology and industrial base.

''(7) Providing for the development, production, and integration of information technology within the national technology and industrial base.''.

(c) REVISED ASSESSMENTS.—Section 2505(b)(4) of such title is amended by inserting after ''of this title)'' the following ''or major automated information systems (as defined in section 2445a of this title)''.

(d) REVISED POLICY GUIDANCE.—Section 2506(a) of such title is amended by striking ''budget allocation, weapons'' and inserting ''strategy, management, budget allocation,''.

The Acting CHAIR. No amendment to the committee amendment is in order except those printed in House Report 411–467. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. SKELTON

The Acting CHAIR. It is now in order to consider amendment No. 1 printed in House Report 111–467.

Mr. SKELTON. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. SKELTON:

Page 3, in the table of contents, strike the item relating to section 107 and insert the following:

Sec. 107. Requirement to include references to services acquisition throughout the Federal Acquisition Regulation.

Page 4, after line 12, strike the items relating to sections 2545 and 2546 and insert the following:

''2545. Performance assessments of the defense acquisition system.

''2546. Audits of performance assessments.

Page 5, line 1, strike ''**assessment**'' and insert ''**assessments**''.

Page 8, line 12, strike ''analysis'' and insert ''Analysis''.

Page 11, line 1, strike ''**assessment**'' and insert ''**assessments**''.

Page 16, line 9, strike ''System'' and insert ''Systems''.

Page 26, line 10, insert ''primarily'' after ''guidance''.

Page 27, line 22, strike ''**CONTRACTING**'' and insert ''**ACQUISITION**''.

Page 28, line 14, strike ''contracting'' and insert ''acquisition''.

Page 28, lines 15 and 16, strike ''contracting'' and insert ''acquisition''.

Page 29, beginning on line 8, strike ''and for which'' and all that follows through ''title'' on line 10.

Page 30, insert after line 5 the following:

''(4) Nothing in the contract shall further restrict or otherwise affect the rights in technical data of the Government, the contractor, or any subcontractor of the contractor for items developed by the contractor or any such subcontractor exclusively at private expense, as prescribed in regulations implementing section 2320(a)(2)(B) of this title.

Page 69, line 17, strike ''of the risk'' and insert ''of risk''.

Page 73, line 12, strike ''contract'' and insert ''program''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Missouri (Mr. SKELTON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, the amendment before us is one that is technical in nature. It merely seeks to clarify certain technical errors and inconsistencies that arose during the process of drafting the bill. It conforms the bill to the intent of the Armed Services Committee in its markup. It makes no substantive changes, is noncontroversial, and I would certainly hope that we could adopt the amendment.

Mr. ANDREWS. Mr. Chairman, I rise to claim the time in opposition to the amendment, although I will not oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. We find it completely acceptable to yield to the minority if they have any comments. Otherwise, we support the amendment.

I yield back the balance of my time.

Mr. SKELTON. At this time, Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. ARCURI).

Mr. ARCURI. Mr. Chairman, thank you for yielding me this time, and I ask that we enter a colloquy to discuss the Arcuri-Shuler-Davis amendment and the health of the titanium industrial base.

As this bill recognizes, providing high technology equipment to the Department of Defense is a major source of high-paying, high-skilled jobs throughout this country. Although it is easy to think of the industrial base in terms of big aerospace companies, the

real guts of these systems are mostly built by small parts assembly suppliers located throughout this country. I represent a number of those firms in my district.

Congress has long recognized that certain industrial capacities important to the Department of Defense are critical to maintain in this country; among these are the ability to produce titanium parts made from titanium. Section 2533(b) of Title 10 of the United States Code requires the products procured by the Department of Defense which contain titanium must use titanium metal and titanium parts produced in the United States. The law contains a number of exceptions, however, that allow for metal and parts produced overseas to enter the supply chain. I am concerned that the use of these exceptions has expanded far beyond Congress' original intent and may be undermining the law.

I, along with my colleagues HEATH SHULER and GEOFF DAVIS, filed an amendment with the Rules Committee requiring the Department of Defense to prepare a report on the impact that these exceptions are having on the domestic industrial base. However, it was brought to our attention that your committee is working on this issue as part of the National Defense Authorization Act for fiscal year 2011 and that this matter will be addressed in a few weeks.

Mr. Chairman, is that correct?

Mr. SKELTON. Will the gentleman yield?

Mr. ARCURI. I yield to the gentleman from Missouri.

Mr. SKELTON. The gentleman is correct. The Armed Services Committee has under consideration a number of requests from Members of the House related to the impacts of current law regarding titanium and other specialty metals on the industrial base. We will consider these requests when we mark up the National Defense Authorization Act for fiscal year 2011.

I look forward to working with Mr. ARCURI, Mr. SHULER, and Mr. DAVIS on the issue in the coming weeks so that these important concerns are addressed. I thank the gentleman for his efforts on this bill, H.R. 5013, and for agreeing to assist the committee in putting together our authorization bill.

The Acting CHAIR. The time of the gentleman has expired.

Mr. SKELTON. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. ETHERIDGE).

(Mr. ETHERIDGE asked and was given permission to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Chair, I rise in support of the amendment and thank the gentleman for yielding.

This bill really reflects two major responsibilities of our government—keeping America safe and restoring discipline to our budget by eliminating unnecessary government spending—and I commend them.

For too long, the unscrupulous defense contractors have been taking advantage of American taxpayers, which not only costs us money but restricts our ability to get our soldiers the equipment they need in a timely manner. This bill ends waste, fraud, and abuse and makes sure that we get five cents of value for every nickel spent.

As a former small business owner in North Carolina, I know what it takes to balance the books and get value for the dollar invested.

□ 1245

This bill and amendment modernizes the Defense Department's acquisitions by practices that are proven in business. More broadly, this bill makes sure that our men and women in harm's way can get the tools they need to protect our Nation quickly and efficiently. Simply put, this reform saves lives and saves money, Mr. Chairman. I thank the gentlemen for this legislation.

I rise today in support of H.R. 5013, the IMPROVE Act for defense acquisition reform.

This bill reflects two major responsibilities of our government: keeping Americans safe and restoring discipline to our budget by eliminating unnecessary government spending.

For too long, unscrupulous defense contractors have been taking advantage of the American taxpayer, which not only costs us money but restricts our ability to get our soldiers the equipment they need.

This bill ends waste, fraud, and abuse and makes sure that we get five cents of value for every nickel spent.

As a former small business owner in North Carolina, I know what it takes to balance the books and get value from purchases. This bill modernizes Department of Defense acquisition using practices that have been proven to work in business. The IMPROVE Acquisition Act will boost DOD transparency and accountability, increase innovation and competitiveness in the acquisition process, and modernize the DOD workforce and financial management system. It reforms the business of our national defense, providing the military with the power to tackle greed, corruption and self-serving business practices that threaten our safety and waste our money

This reform provides a fair and level playing field. Businesses that play by the rules should not be disadvantaged by those who don't. Businesses that have been giving fair value should be rewarded, and contractors that fail should not get another dime. This reform restores common sense to a system that should reward patriotic businesses who are trying to serve our nation.

This acquisition reform provides incentives for acquisition managers to protect our investment, proud and certain that they can say "No!" to cynical manipulation of contracts.

The bill also sets reasonable expectations for contractors, that, my North Carolina neighbors would be surprised aren't already in place. For example, if you owe taxes you should not be planning to be paid by the government. That is basic fairness and judgment, straight out common sense, and this reform provides more of that.

More broadly, this bill makes sure that our men and women in harm's way can get the tools they need to protect our nation quickly and efficiently. Service men and service women commit their very lives to the service of the Nation. They deserve the best equipment, the best materials, and the best possible support. Bringing together all the materiel that makes the world's greatest military possible has been a continuous challenge. In addition to the process and business reforms in the bill, H.R. 5013 brings the commanders into the loop, so they can be confident that they will get the right tools to their soldiers in the field. The progress we have made in this bill will empower the Armed Forces to better meet the many challenges faced by our military.

Simply put, this reform saves lives and saves money. Mr. Chair, I support this legislation, and I urge my colleagues to join me in passing H.R. 5013.

Mr. SKELTON. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Missouri (Mr. SKELTON).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. SESSIONS

The Acting CHAIR. It is now in order to consider amendment No. 2 printed in House Report 111–467.

Mr. SESSIONS. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. SESSIONS:

At the end of title IV, add the following new section:

SEC. 407. CONSTRUCTION OF ACT ON COMPETITION REQUIREMENTS FOR THE ACQUISITION OF SERVICES.

Nothing in this Act or the amendments made by this Act shall be construed to affect the competition requirements of section 2304 of title 10, United States Code, with respect to the acquisition of services.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Texas (Mr. SESSIONS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. SESSIONS. Mr. Chairman, my amendment to the IMPROVE Act sets the record straight on the importance of competition in Federal contracting. My amendment simply clarifies that nothing in this bill restricts the current public-private competition requirements that already exist in title 10 of the United States Code.

Competing contracts help the government to be a ''smarter shopper.'' This process simply compares costs and performance currently being used by the Federal Government to alternatives available in the private and nonprofit organizations. Whether the benefits are produced by keeping the work within the agency, or from contracting out, the best deal for the taxpayer and our national defense should win every single time.

The Office of Management and Budget Report on Competitive Sourcing Results for fiscal year 2007 showed that competitions between year 2003 and 2007 have saved the taxpayer $7.2 billion. Expected savings from competition are approximately $1 billion a

year. Taxpayers will receive a return of about $30 for every dollar spent on competition. Competition simply gives the taxpayer the opportunity to be a smarter shopper and to get the best products available for the very best price.

I not only encourage my colleagues to support this amendment, but also to adopt competitive sourcing procedures in all of our Federal agencies. What is good for the Department of Justice and the Department of Defense and all across this government is certainly good enough for the Department of Labor and all agencies.

This IMPROVE Act is one step toward combating the waste, fraud and abuse of contracting within the Federal Government. I support this legislation and believe it is not only intended for the right purposes, but will also achieve that. I ask that all of my colleagues support passage of this amendment.

I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim the time in opposition to the amendment, although I do not oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I would like to thank my friend from Texas for offering this amendment. I think it makes a very significant contribution to this legislation.

What it effectively says is that competition should always be the general rule. Only when there is a compelling reason for an exception should there be one. So, for example, if there is a national emergency or there truly is only one entity that could provide a good or service, then in those exceptional circumstances, but only in those exceptional circumstances, should there be no competition before rewarding of a contract.

Again, I think the amendment is very much consistent with the purpose, spirit and letter of the bill, and I would urge my colleagues to support it.

I reserve the balance of my time.

Mr. SESSIONS. Mr. Chairman, I do want to thank the gentleman from New Jersey (Mr. ANDREWS) not only for his testimony before the Rules Committee yesterday, but also that of Mr. CONAWAY.

With the intent of their legislation, they are trying to streamline the government, save money, produce a better product, and perhaps more importantly, to make sure that the American people have confidence in the money that they are spending that goes for the intended reasons. For that I not only appreciate you, Mr. Chairman, but also the hard work and the thoughtfulness that the gentleman from New Jersey (Mr. ANDREWS) has put into this.

I yield back the balance of my time.

Mr. ANDREWS. I urge support of the amendment, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Texas (Mr. SESSIONS).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. ANDREWS

The Acting CHAIR. It is now in order to consider amendment No. 3 printed in House Report 111–467.

Mr. ANDREWS. I have an amendment at the desk as the designee of the author, Mr. HASTINGS.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. ANDREWS:

Page 44, after line 17, insert the following:

''(5) A deliberate workforce development strategy that ensures diversity in promotion, advancement, and experiential opportunities commensurate with the general workforce outlined in this section.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from New Jersey (Mr. ANDREWS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, Mr. HASTINGS makes a very valid amendment to this bill that acknowledges that when we want to build the best workforce and brightest workforce, we should reach for diversity of the workforce. Mr. HASTINGS' amendment acknowledges the fact that we are living in a global economy, and one of the principal assets of our country is the diversity of our population in understanding literally every corner of the world because our people come from every corner of the world.

Mr. HASTINGS's amendment directs that the Department of Defense, in its efforts under Title II of this bill, to improve the quality of our workforce, take into account the diversity of life experiences and backgrounds of those who apply for those positions. It is a very worthy amendment, entirely consistent with the purposes of the bill. I urge its adoption.

Mr. ANDREWS. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New Jersey (Mr. ANDREWS).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. HALL OF NEW YORK

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in House Report 111–467.

Mr. HALL of New York. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. HALL of New York:

Page 9, after line 22, insert the following:

''(f) INCLUSION IN ANNUAL REPORT.—The Director of the Office of Performance Assessment and Root Cause Analysis shall include information on the activities undertaken by the Director under this section in the annual report of the Director required under section 103(f) of the Weapon Systems Acquisition Reform Act of 2009 (Public Law 111-23; 123 Stat. 1716), including information on any performance assessment required by subsection (a) with significant findings. In addition, if a performance assessment uncovers particularly egregious problems, as identified by the Director, the Director shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on such problems within 30 days after the problems are identified.

Page 9, line 23, strike ''(f)'' and insert ''(g)''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from New York (Mr. HALL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. HALL of New York. Mr. Chairman, I thank Mr. ANDREWS for supporting this amendment and offering me the time to rise in support of increasing reporting requirements and Congressional oversight of defense acquisition systems. I thank Chairwoman SLAUGHTER of the Rules Committee for making this amendment in order, and also to Chairman SKELTON and Mr. ANDREWS for bringing H.R. 5013 forward and supporting the amendment. I would also like to thank the staff of the House Armed Services Committee and the Office of Legislative Counsel for helping draft this amendment.

I am pleased that we are addressing this critical issue. Last year when Congress reformed defense weapons procurement, we tackled only about 20 cents of each dollar that this Nation spends on defense contracting. The other 80 percent is on non-weapons system contracts. This amounts to more than $1 billion a day.

Today's bill may seems to address the less glamorous side of defense spending until you remember our men and women in uniform rely every day on contractors to provide them with meals, equipment, and even health care. Increased accountability for these service contracts is critical to the well-being of our soldiers and to ensuring that the taxpayers are not on the hook for wasteful spending.

As the Representative for New York's 19th Congressional District, I am also well aware of importance of this sort of defense spending since I have the honor and privilege of representing the United States military academy at West Point and serving on its board of visitors.

West Point does not develop major weapons systems, but it does develop the Army's next generation of leaders. The cadets at West Point rely on exactly the services and products covered by this bill. They, and all service men and women, deserve to know that they are getting the best.

This amendment would require the DOD to include the performance assessments required by H.R. 5013 in an annual report to Congress, similar to provisions in last year's weapons systems

procurement bill. It also requires that DOD report to Congress when it uncovers a particularly egregious problem.

When I visited Afghanistan last April, I talked to soldiers from all over New York and asked them what they needed, what Congress could do to improve their lives. I expected to hear more about MRAPs or shorter tours of duty. Instead, they told me they wanted more shower facilities with more hot water that works, and faster Internet broadband connections so they could talk with their families. These services which we take for granted provide a slice of home life and comfort to our troops serving in the most difficult of circumstances.

This amendment will help ensure Congress is made aware of defense acquisition systems that are not delivering a useful service to our men and women in uniform, or are wasting taxpayer funds. Prompt knowledge of the worst offenders will help Congress better address these issues. Our soldiers serving overseas and here at home and the cadets at West Point deserve no less. Their safety, comfort and health depend on it, and I urge my colleagues to support this amendment and the underlying bill.

I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim the time in opposition to the amendment, although we do not oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. We support Mr. HALL's amendment. He has been an advocate for government transparency since his first day in this institution. This amendment is a significant stride forward for transparency.

Last year's major weapons system bill and this bill vests significant authority in the PARCA office, which is the review office or the auditing office of the Secretary of Defense. This office, under this bill, will compile annual reports judging the quality of the work by procurement organizations throughout the Department of Defense.

Mr. HALL's amendment ensures that those reports become public documents so the taxpayer can understand with great specificity the quality or lack thereof by which their tax dollars are being spent. Mr. HALL is providing a valuable tool for oversight. Future Congresses will be able to understand those reports and act efficiently in terms of their oversight responsibilities.

I think even more importantly what Mr. HALL has done is given the public an opportunity for that oversight. Some of the very best work on ferreting out wasteful government spending has come as a result of the First Amendment, from the press and from the public.

So Mr. HALL's amendment will give the press and the public, as well as the Members of this body, an opportunity to understand the quality or lack thereof of procurement activities. I commend him for that, and urge support of his amendment.

I reserve the balance of my time.

□ 1300

Mr. HALL of New York. Once again, I urge my colleagues to support the amendment and yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, I yield back the time in opposition and urge a ''yes'' vote.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. HALL).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. HALL of New York. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

AMENDMENT NO. 5 OFFERED BY MS. EDWARDS OF MARYLAND

The Acting CHAIR. It is now in order to consider amendment No. 5 printed in House Report 111–467.

Ms. EDWARDS of Maryland. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Ms. EDWARDS of Maryland:

Page 61, line 3, strike ''(c)'' and insert ''(d)''.

Page 61, line 8, strike ''(d)'' and insert ''(e)''.

Page 61, insert after line 2 the following new subsection:

(c) OUTREACH TO LOCAL FIRMS NEAR DEFENSE INSTALLATIONS.—The program established under subsection (a) shall include outreach, using procurement technical assistance centers, to notify firms of all business sizes in the vicinity of Department of Defense installations of opportunities to obtain contracts and subcontracts to perform work at such installations.

Page 61, insert after line 18 the following new paragraph:

(3) PROCUREMENT TECHNICAL ASSISTANCE CENTER.—The term ''procurement technical assistance center'' means a center operating under a cooperative agreement with the Defense Logistics Agency to provide procurement technical assistance pursuant to the authority provided in chapter 142 of title 10, United States Code.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentlewoman from Maryland (Ms. EDWARDS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Maryland.

Ms. EDWARDS of Maryland. Mr. Chairman, I yield myself such time as I may consume.

I want to first thank Representative ANDREWS for introducing the IMPROVE Act, H.R. 5013, and to Chairman SKELTON for all their hard work on this legislation and really steadfast support of our armed services.

My amendment will help businesses that are in the vicinity of defense installations, especially small, minority and women-owned businesses and veteran-owned businesses, access defense contracting opportunities.

I have heard the frustration of my constituent small businesses that are unable to access the complex system of defense acquisition and procurement. For example, one company located just across the street from Andrews Air Force Base in Camp Springs, Maryland, in my congressional district has repeatedly attempted to access on-base business opportunities. This company has the capacity, as indicated by contracts they have with other government entities, but they have been stymied on every attempt at Andrews. With this amendment, this company will receive the technical assistance necessary to compete.

In my conversations with the base leadership at Andrews—and I want to thank them for their hard work—I hear their desire to work with the surrounding community and the businesses in it. With this amendment, they will receive the authority they need to engage in outreach to drive economic development activity directly around the base with entities such as the company I referenced in Camp Springs. This is true all across the country where we have installations located.

I am encouraged that through this provision this scenario can really play out in Maryland, from Andrews to Fort Meade and all across the country; and in some regions this is particularly important. This provision will help build communities around our defense installations by directly including the businesses which are oftentimes right along the fence line but are currently left out of the contracting opportunity. By including these community businesses, capable community businesses, small businesses, the installations will strengthen their bonds to the community and these areas will receive a much needed economic boost. It is as important for those communities as it is for our installations. We want there to be a bond with the local community because we want them to embrace the installations that surround them.

In the Fourth Congressional District of Maryland, I have so many competent and capable businesses that provide products and services that could really be used by the Department of Defense; but due to a lack of knowledge and a lack of communication and a lack of outreach, these companies often don't even hear about the opportunities until it's way too late. This amendment takes a step toward ensuring our businesses are aware of those opportunities and then supports competing for them.

This amendment is a powerful tool for the Defense Department to use to be more inclusive of our businesses that all too often watch competitors

from other States, regions, and sometimes even other nations receive contracting opportunities right in those communities.

Mr. Chairman, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I claim time in opposition, although I do not oppose the amendment. Again, I would yield to the minority at any time it wishes.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. I want to strongly support the gentlelady's amendment. I think there is scarcely a Member of this body who has not encountered a situation where a strong, viable business just outside the gate of a military establishment finds frustration that it cannot fairly compete for business opportunities, and the gentlelady has well described the situation.

I have never heard a constituent say they want a special deal or they want to have special rules under the competition. What I've heard them say, Mr. Chairman, is that they want a fair and even chance to compete, but they want to be able to show there is some benefit to shopping locally. I think this is true in each of the districts that we all represent.

I think the gentlelady has struck exactly the right balance between the need for true competition, so if the best deal is further away, you take it; but where there is careful and deliberate consideration of the companies and vendors that already exist in the community in which the military base is located, not only does this have the benefit of offering better value for the tax dollar, it also, I think, will build better community relations for our bases throughout the country.

So I think she has done a great service by offering this amendment.

I would urge a ''yes'' vote on it and reserve the balance of my time in opposition.

Ms. EDWARDS of Maryland. Let me just conclude—and I thank you, Mr. ANDREWS, for your comments because it's so true that as a Nation we have already seen the beginnings of an economic recovery, what looks to be a strong economic recovery, but we need to make sure that our constituents and that communities and businesses throughout this country, especially the ones that are located in proximity and vicinity to defense installations, also enjoy the benefits of this economic recovery.

And so it is true, it is my goal that, with this amendment, no more of my constituents will drive by an on-base construction job and look at that job in progress or see a delivery truck going into that base and through the gates of the installation and say to themselves, I wish I knew how to get business with the Defense Department. I understand that frustration, and I understand why we must address it; and I believe that this amendment does exactly that.

Again, as Mr. ANDREWS has pointed out, the gentleman from New Jersey has pointed out, in fact this is about enhancing competition. It's not about getting in the way of it. And it's about giving the Department of Defense the kind of tools that it needs to engage in that kind of community outreach. And so no more will there be an excuse of not understanding how to reach those businesses, but they will have a tool to make sure that they get to them.

Mr. Chairman, I urge the passage of this amendment and yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, I urge a ''yes'' vote and yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Maryland (Ms. EDWARDS).

The amendment was agreed to.

AMENDMENT NO. 6 OFFERED BY MS. MOORE OF WISCONSIN

The Acting CHAIR. It is now in order to consider amendment No. 6 printed in House Report 111–467.

Ms. MOORE of Wisconsin. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Ms. MOORE of Wisconsin:

Page 6, line 21, insert after ''performance'' the following: '', including compliance with the Department of Defense policy regarding the participation of small business concerns owned and controlled by socially and economically disadvantaged individuals, veteran-owned small businesses, service-disabled, veteran-owned small businesses, and women-owned small businesses''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentlewoman from Wisconsin (Ms. MOORE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Wisconsin.

Ms. MOORE of Wisconsin. Mr. Chairman, my amendment addresses the role that small businesses can play in helping our Defense Department and the men and women in uniform who ultimately are benefited by a properly functioning acquisition process.

Now, there is not an elected official anywhere who won't tell you that small businesses are the key engines of economic growth for communities across our country, including Milwaukee, which I have the honor to represent. We've heard this statement countless times.

According to the Department of Defense, small business is the key to sustaining and improving our industrial base and to maintain competition and innovation. Yet despite congressional efforts to encourage the participation of small economically and socially disadvantaged businesses, including those owned by veterans, small businesses, in Defense Department acquisitions, concerns remain about bundled contracts and the ability of those businesses to fully participate on a level playing field against larger defense contractors.

I know I have heard these concerns from businesses in my district, including just this morning. I'm sure that my colleagues can share similar stories. When the rubber hits the road at the Department of Defense, small businesses find a giant pothole waiting for them in pursuing contracts.

If we are to reform this broken acquisition system, which is the goal of this bipartisan bill, we need to ensure that it is working for small businesses as well. We can't do that without assessing how well it is working for those businesses now, and that's what my amendment intends to do.

My amendment calls upon the Department, when developing measures to assess contractor performance as called for in this bill before us, to specifically measure how the prime contractors themselves are involving small businesses, including those owned by veterans, women, and socially and economically disadvantaged individuals, as well as subcontractors. If I'm not mistaken, Federal law requires that large Federal prime contractors receiving Federal contracting exceeding $550,000—and $1 million in the case of construction—on a contract which offers subcontracting opportunities must have subcontracting plans with goals that provide maximum opportunities to these small businesses.

I am so pleased that the bill already would require the Department to look at the excessive use of contract bundling which has previously been identified as an obstacle for small businesses competing for DOD contracts. And I also know that in the report accompanying this bill, the House Armed Services Committee urged the Department to develop a metric for small business utilization as part of the new assessment tools the bill requires. My amendment supports that goal.

Mr. Chairman, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim time in opposition, although I do not oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I would like to thank the gentlelady for offering this amendment and for her fierce advocacy for the people not only of the Milwaukee area, but small businesses across the country.

The gentlelady is correct that one of the underlying ideas in this bill is that defense procurement organizations within the Department of Defense will be evaluated by measurements of how well they are doing their job. They in turn will measure contractors, prime contractors, on how well they are doing their job for the servicemember and for the taxpayer.

One of the criteria by which the procurement organization should be measured and by which the prime contractors should be measured is their compliance with the law with respect to inclusion of small businesses. That is what the gentlelady's amendment does. We strive to include small businesses not only because we acknowledge on both sides of the aisle that small businesses are the economic generator of three-quarters of the private sector jobs created in our country, but also because we understand that competition that is engendered by the inclusion of more small businesses improves the quality and value of the contracting process, it improves the quality of what we're buying for the servicemembers and their families, and value for the taxpayer as well.

So the gentlelady's amendment, I believe, institutionalizes the practice of evaluating inclusion of small business competition, not in lieu of a better deal, but to create a better deal for the servicemembers and for the taxpayer. So I thank her very much for her contribution to this bill.

I would urge a ''yes'' vote in favor of her amendment, and I reserve the balance of my time in opposition.

Ms. MOORE of Wisconsin. It is time that the rhetoric meets reality. Small business is the key to economic growth in our country and ensuring that small businesses can compete and that the Defense Department gets the products, services and goods it needs on time and on budget, which are not mutually exclusive goals. But unfortunately for small businesses, business as usual at the DOD and too many other Federal agencies means little or no business for them.

Innovation is not the exclusive domain of large companies. Small businesses are innovative. In fact, they may have a greater incentive to be innovative because that innovation is what may allow them to successfully compete against larger firms. When we put all of America's ingenuity to work, it benefits our military, our taxpayers, and our communities.

I urge a ''yes'' vote on my amendment and yield back the balance of my time.

Mr. ANDREWS. I yield back the balance of my time in opposition and urge a ''yes'' vote.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Wisconsin (Ms. MOORE).

The amendment was agreed to.

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AMENDMENT NO. 7 OFFERED BY MR. MURPHY OF CONNECTICUT

The Acting CHAIR. It is now in order to consider amendment No. 7 printed in House Report 111–467.

Mr. MURPHY of Connecticut. Mr. Chairman, I have an amendment at the desk made in order under the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. MURPHY of Connecticut:

Page 60, line 19, insert after the period the following: ''The program shall be limited to firms within the national technology and industrial base (as defined in section 2500(1) of title 10, United States Code).''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Connecticut (Mr. MURPHY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Connecticut.

Mr. MURPHY of Connecticut. Mr. Chairman, first, let me express my thanks to Mr. ANDREWS, to the committee, and to the ranking members for all of their work by bringing this bipartisan bill to the floor today.

My amendment is similar, but I think it adds a very important clarification to the bill. There is a really important program in title IV of this legislation which seeks to have the Department of Defense do outreach to nontraditional suppliers, to nontraditional manufacturers, throughout the country.

With a little bit of outreach and with a little bit of contracting help, those small manufacturers, by and large, which may have very small numbers of contracts with the Department of Defense or which may have no contracts at all, can be future suppliers and future members of our industrial military base in this country.

This amendment simply seeks to make sure that that program is operational for firms here in the United States of America, specifically targeting the help to the national technology and industrial base, which is defined as those companies in the United States and Canada.

We know why it is so important to spend our military acquisition dollars here at home. First, we need to be using taxpayer dollars to grow jobs right here in our backyard. By better targeting U.S. taxpayer dollars, 70 percent of which are used to purchase goods through the military budget here in the United States, we are growing the American workforce.

We also have national security reasons we should be purchasing here at home. By making sure that we have American manufacturers building for our military and that we are securing a long-term industrial manufacturing base for our military equipment, we further protect the security of this Nation.

This is a great program, and I am so thankful to both parties here for bringing it before us for a vote today. I think that you will find a myriad of companies throughout the country which, with a little bit of help and with a little bit of outreach, can be part of this industrial base.

I can think of one company in Meriden, Connecticut, DI-EL Tool, which is a small manufacturing firm with only about six or seven employees. They've got a small number of military contracts as a subcontractor today. They came to me, and they said, Listen, Representative MURPHY. We could do more, but we just don't have the capacity to compete with some of these traditional, large manufacturers.

This is the type of program that can help DI-EL Tool, and it could probably help thousands of others across this country. This amendment simply seeks to clarify that this program will be operational here at home.

Mr. Chair, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim time in opposition, although I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I would like to thank my friend from Connecticut for offering this very important amendment which clarifies the legislation and which, I think, drives home a very important point.

He has been very focused, as many of us have, on protecting and on expanding the industrial base of our country to create jobs and national security. He tells the story of his visit to the firm in Connecticut that has six or seven employees. That is precisely the firm that title IV of this bill wants the Department of Defense to reach out to, not simply because we understand the job creation benefits of it but because we understand the ingenuity and the creativity of small firms like the ones that Mr. MURPHY just mentioned. Some of the very best solutions—engineering solutions, software solutions, logistical solutions—have come from very small organizations that are agile enough and creative enough to solve very big problems.

In his careful reading of this bill, Mr. MURPHY realized that there was some question as to whether or not that outreach would occur to firms based in the United States or in Canada under the terms of the statute to which he referred, and I think he has made a very important contribution in making sure that that outreach is targeted to those firms as this is not only a mechanism for creating jobs in our country and for assisting the national security of our country but for inviting ingenuity and competition into the defense procurement process, therefore, saving the taxpayers money.

So I very much appreciate his efforts in bringing forth this amendment, and I would urge its adoption.

I reserve the balance of my time.

Mr. MURPHY of Connecticut. Again, thank you, Mr. ANDREWS, for working with us on this.

Mr. Chair, all of us who represent small manufacturers have heard the stories as they seek to compete with companies that are underpricing them from China, Asia, and across the globe. The defense dollars that we spend here on acquisition better targeted to help those small firms is part of their future salvation. Overall, I think this bill represents a tremendous opportunity for

the U.S. taxpayers and for U.S. manufacturers alike.

I yield back the balance of my time.

Mr. ANDREWS. I urge a ''yes'' vote on the amendment, and I yield back the balance of my time in opposition.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Connecticut (Mr. MURPHY).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MR. QUIGLEY

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in House Report 111–467.

Mr. QUIGLEY. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. QUIGLEY:
Page 7, line 4, insert after ''sustainment'' the following: ''and energy efficiency''.
Page 26, line 15, insert ''and energy efficiency'' after ''sustainment''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Illinois (Mr. QUIGLEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. QUIGLEY. Mr. Chairman, I rise today in strong support of H.R. 5013, and I want to commend Mr. ANDREWS and all of his colleagues who have worked so diligently on this important piece of legislation.

I have offered an amendment, along with Congresswoman GIFFORDS and Congressman BARTLETT, which seeks to make the Department of Defense more energy efficient. This goal is absolutely essential to improving defense acquisition.

The Department of Defense accounts for 80 percent of the U.S. Government's energy consumption, including 330,000 barrels of oil each day. Just petroleum products cost the DOD $13 billion per year. Passing my amendment will save money and will conserve energy by including energy efficiency as a metric in performance assessment of defense acquisitions. It will also make weapon systems more energy efficient, which is a critical reform that can save lives.

In Afghanistan, consider that the Marines alone consume 800,000 gallons of fuel each day. These 800,000 gallons of fuel must cross from Pakistan into Afghanistan through a lawless border region. During this 400-mile trip from Karachi, convoys are extremely vulnerable to IEDs, but energy-efficient weapons systems reduces fuel use, which reduces the number of convoys, which reduces the number of troops in harm's way.

I urge you to support my amendment and to support energy efficiency in the defense acquisition process, and I yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim time in opposition, although I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. I yield myself such time as I may consume.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I would like to thank Mr. QUIGLEY for offering this amendment, as well as Ms. GIFFORDS and Mr. BARTLETT for their joint authorship of this amendment.

As I stated earlier, the basic mechanism in this bill is to provide performance criteria for the purchasing organizations within the Department of Defense. This amendment says that one criterion may be energy-efficiency standards in the purchasing.

Now, what does this mean?

It means that the procurement organization should get the very best deal from the point of view of the servicemember as well as of the taxpayer and that one of the factors that should be taken into account is energy efficiency. For example, if under this bill the procurement organization is purchasing landscaping services and if, all other things being equal for the quality of the landscaping services and the price, one of the organizations uses more energy-efficient lawnmowers or other gardening machines, that purchase would be favored under this mechanism to encourage but not to require energy efficiency.

This goes to a much broader question in our country that obviously involves the fact that we are buying nearly $300 billion a year worth of imported oil from countries around the world which may or may not be friendly to us.

The largest consumer of energy in the United States' economy is the Department of Defense. Commendably, the Department under Republican and Democratic administrations has adopted, as a matter of policy, a methodical increase in the amount of renewable energy the Department is using. One of the ways it can reduce consumption toward that goal is by implementing energy efficiency.

The amendment the gentleman from Illinois is offering is entirely consistent with that purpose because what it does is integrates into the procurement decisionmaking process a set of ideas which says that the procurement organization will look at the energy-efficiency ideas of a given competitor for a given contract.

We support this amendment because we believe it will save the taxpayers money, that it will add value to our efforts to protect the environment, and that it will provide inducements to the ability to promote renewable energy, so we would urge a ''yes'' vote.

Mr. Chairman, I yield the balance of my time to one of the coauthors of the amendment, the gentleman from Maryland (Mr. BARTLETT).

The Acting CHAIR. The gentleman from Maryland is recognized for the 2 minutes remaining.

Mr. BARTLETT. Mr. Chairman, I am very pleased and proud to rise today in strong support of H.R. 5013.

I join my colleagues on the Armed Services Committee, and I especially want to thank the bill managers—Mr. ANDREWS, Mr. CONAWAY, Mr. SKELTON, Mr. MCKEON, Mr. ELLSWORTH, Mr. COFFMAN, and Mr. HUNTER—who worked so diligently on this bipartisan legislation.

I am very pleased to join my colleagues Congressman QUIGLEY and Congresswoman GIFFORDS in offering this amendment. This amendment provides the Department of Defense the full support of Congress to use energy efficiency as a key tool toward improving our national security and toward providing more value to taxpayers for our defense dollars. This amendment will send an important and strong signal to defense contractors that their bids will be more competitive if their products and services will use less energy.

I urge the support of this bill. I am very pleased that, among all of the institutions in our country, our Defense Department is the most aggressive in pursuing good energy policies. We and the world face a huge crisis in energy, so I am pleased that our Defense Department is leading the way in our country. I am very pleased to be here to support this good amendment and a really good bill.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Illinois (Mr. QUIGLEY).

The amendment was agreed to.

AMENDMENT NO. 9 OFFERED BY MR. QUIGLEY

The Acting CHAIR. It is now in order to consider amendment No. 9 printed in House Report 111–467.

Mr. QUIGLEY. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. QUIGLEY:
Page 17, after line 8, insert the following:
(c) ASSESSMENT OF INDEPENDENCE OF COST ESTIMATORS AND COST ANALYSTS REQUIRED IN NEXT ANNUAL REPORT ON COST ASSESSMENT ACTIVITIES.—In the next annual report prepared by the Director of Cost Assessment and Program Evaluation under section 2334(e) of title 10, United States Code, the Director shall include an assessment of whether and to what extent personnel responsible for cost estimates or cost analysis developed by a military department or defense agency for a major defense acquisition program are independent and whether their independence or lack thereof affects their ability to generate reliable cost estimates.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Illinois (Mr. QUIGLEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. QUIGLEY. Mr. Chairman, this amendment directs the Cost Assessment and Program Evaluation, or CAPE, in its next report to Congress to do two things:

First, the amendment asks the CAPE to assess whether and to what extent program cost estimators for major defense acquisition programs are, indeed, independent.

Second, the amendment asks the CAPE to determine whether a lack of independence affects their ability to generate reliable cost estimates.

For 30 years now, DOD officials, analysts, and industry experts have argued that a primary cause of the cost growth in DOD acquisitions is unrealistically low cost estimates. Many of these unrealistic cost estimates are generated by individuals, such as program representatives, who have a stake in the approval of their systems. The newly created CAPE is designed to generate reliable cost estimates, but cost estimates are still generated by contractors and program representatives whose independence is paramount to creating reliable estimates. This amendment seeks to address this problem.

I urge my colleagues to support this commonsense amendment, and I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise in opposition, although I do not intend to oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I, in fact, support this amendment. I think it not only adds important tools to the bill before the body today but to the law that was enacted last year.

Both today's bill and last year's law require the Department of Defense to make early decisions about whether a product or service it is buying or a system that it is buying is on track or not. If it is not on track, the idea is to either get it on track or to not buy it. This is how we can eliminate some of the $296 billion in cost overruns in weapons systems that the Government Accountability Office found in its report of 2 years ago.

□ 1330

What Mr. QUIGLEY has done is to say that the cost estimators on whom we are relying need to be truly independent and competent. If that estimator has a vested interest in buying the product or building the system, then he or she is not going to give us an accurate or honest judgment about whether to go forward. So this amendment assures that there will be both independence and competence in those cost estimators. I think it's an excellent addition to the bill.

I reserve the balance of my time.

Mr. QUIGLEY. Mr. Chairman, I yield 1 minute to my friend and colleague, the gentlelady from Arizona (Ms. GIFFORDS).

Ms. GIFFORDS. Mr. Chairman, as one of the sponsors of this amendment, and a strong advocate for defense acquisition reform, I rise today in support of the amendment and urge its passage.

The amendment requires the Department of Defense to make energy efficiency a consideration in buying and developing new weapons systems and new equipment for the military. This is a smart amendment from a green technology standpoint. But let me also stress that this is not just about being green. First and foremost, platform efficiency is a national security issue. Our military's use of fuel and electricity has intertwining impacts on our greater national security.

A 2007 Army report cites 170 servicemembers killed transporting fuel or guarding fuel convoys. Requiring the department to examine how well current and new systems use that precious commodity will help us reduce consumption, a good green tech benefit, but also saving lives of our military, the overarching national security benefit.

In terms of electricity usage, most of our military bases' critical loads are dependent upon the fragile national grid system that is underpinned by a 60 percent dependence on foreign oil.

The Acting CHAIR. The time of the gentlewoman has expired.

Mr. QUIGLEY. I yield the gentlelady 1 additional minute.

Ms. GIFFORDS. This represents a single point of possible failure for our most important military assets. The requirement that this amendment puts in place will mean we must take into account the stresses placed upon the grid and how we can reduce those to enhance the security of our defense infrastructure.

By considering the use of on-site renewable generation, like the array that will be installed at Davis-Monthan Air Force Base in my district, we can better secure our base critical infrastructure against possible attack.

I urge my colleagues to support this amendment and vote for the underlying bill. I commend Chairman SKELTON and Ranking Member MCKEON for bringing this to the floor and Congressmen ANDREWS and CONAWAY for their hard work putting it together.

Mr. ANDREWS. Mr. Chairman, I urge a ''yes'' vote, and I yield back the balance of my time.

Mr. QUIGLEY. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Illinois (Mr. QUIGLEY).

The amendment was agreed to.

AMENDMENT NO. 10 OFFERED BY MR. SCHRADER

The Acting CHAIR. It is now in order to consider amendment No. 10 printed in House Report 111–467.

Mr. SCHRADER. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. SCHRADER:

At the end of title II, add the following new section:

SEC. 210. PROHIBITION ON PERSONAL SERVICES CONTRACTS FOR SENIOR MENTORS.

(a) PROHIBITION.—The Secretary of Defense shall prohibit the award of a contract for personal services by any component of the Department of Defense for the purpose of obtaining the services of a senior mentor.

(b) INTERPRETATION.—Nothing in this section shall be interpreted to prohibit the employment of a senior mentor as a highly qualified expert pursuant to section 9903 of title 5, United States Code, subject to the pay and term limitations of that section. A senior mentor employed as a highly qualified expert shall be required to submit a financial disclosure report and comply with all conflict of interest laws and regulations applicable to other Federal employees with similar conditions of service.

(c) DEFINITIONS.—In this section:

(1) The term ''contract for personal services'' means a contract awarded under the authority of section 129b(a) of title 10, United States Code, or section 3109 of title 5, United States Code.

(2) The term ''component of the Department of Defense'' means a military department, a defense agency, a Department of Defense field activity, a unified combatant command, or the joint staff.

(3) The term ''senior mentor'' means any person—

(A)(i) who has served as a general or flag officer in the Armed Forces; or

(ii) who has served in a position at a level at or above the level of the senior executive service;

(B) has retired within the 10 years preceding the award of a contract; and

(C) who serves as a mentor, teacher, trainer, or advisor to government personnel on matters pertaining to the former official duties of such person.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Oregon (Mr. SCHRADER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Oregon.

Mr. SCHRADER. Mr. Chairman, I yield myself such time as I may consume.

I rise today because it is no secret to any Member of the House that the United States faces a looming budget crisis. To address this crisis and bring our deficits under control, we must consider all options. Today we continue our work on reining in the profligate spending on defense contracts. We do this work to strengthen our budget and our national security.

The amendment I am offering today will control a small portion of this spending and ensure necessary transparencies are in place within the defense-industrial relationship. My amendment addresses the Department of Defense's use of contracts for personal services to hire senior mentors. The current use of contracts for senior mentor personal services circumvents necessary transparency protocols the rest of the department has.

The Defense Department has no uniform policy on the use of the senior mentor contracts, which vary among the services. They do not know, we do not know, and the public does not know how many of these contracts are awarded or even at what cost. My amendment would open these contracts to regular procedures for transparency. The amendment will establish standard rates of pay for senior mentors and allow and apply financial disclosure

and conflict of interest provisions already applicable to other Federal employees. The military will still benefit from the knowledge and wisdom of retired officers while ensuring taxpayer money is spent wisely and appropriately.

I reserve the balance of my time.

Mr. CONAWAY. Mr. Chairman, I claim the time in opposition even though I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. CONAWAY. Mr. Chairman, I want to just add a word of caution to the amendment. We intend to support it. The Department of Defense has in fact instituted a suspension of the policy that led to these problems, and have put in place a policy that looks very similar to this codification of the rules. The Department of Defense will live under those rules over the next several months, but I worry that the policy is too strict and will limit Department of Defense's access to the right people for the right information at the right time. None of us want that.

We all want transparency, we all want evidence of conflict of interest to be out there so that we all know that. I am in agreement with the spirit of what the gentleman is trying to do; I just offer a word of caution that if the practice under the Department of Defense's current policy, which is very similar to this, shows problems and issues that we don't anticipate with this, that we would in conference come back and address those properly.

Mr. ANDREWS. Will the gentleman yield?

Mr. CONAWAY. I yield to the gentleman from New Jersey.

Mr. ANDREWS. I support the amendment. I also share my friend the ranking member's concerns. I think the amendment addresses them in two ways. One is that the language of the amendment is quite flexible, that as long as there is transparency and adherence to high quality, the department is not restricted from these relationships. It simply has to be more careful about them. And secondly, obviously the committee has continuing oversight over this issue. The gentleman has my assurances that if we see an undue restriction on access to talent, then we are in a position to take appropriate action to correct that problem.

Mr. CONAWAY. With that, I will support the amendment and yield back the balance of my time.

Mr. SCHRADER. In closing, I appreciate the concerns of the Member from Texas and acknowledge the Member from New Jersey's responses. I think that this is a good amendment. It does hopefully make sure that our senior officers can continue to give their insight, knowledge, and wisdom, without any hint or taint of opprobrium, which I think is possible under our current statute and laws. This should actually make it easier for our members who have served our country gallantly over their careers to come back and continue to share with us in a forthright, transparent manner. We win, they win, and the taxpayer wins.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Oregon (Mr. SCHRADER).

The amendment was agreed to.

AMENDMENT NO. 11 OFFERED BY MR. CONNOLLY OF VIRGINIA

The Acting CHAIR. It is now in order to consider amendment No. 11 printed in House Report 111–467.

Mr. CONNOLLY of Virginia. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. CONNOLLY of Virginia:

At the end of title IV, add the following new section:

SEC. 407. INDUSTRIAL BASE COUNCIL AND FUND.

(a) INDUSTRIAL BASE COUNCIL.—

(1) IN GENERAL.—Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 188. Industrial Base Council

''(a) COUNCIL ESTABLISHED.—There is in the Department of Defense an Industrial Base Council.

''(b) MISSION.—The mission of the Industrial Base Council is to assist the Secretary in all matters pertaining to the industrial base of the Department of Defense, including matters pertaining to the national defense technology and industrial base included in chapter 148 of this title.

''(c) MEMBERSHIP.—The following officials of the Department of Defense shall be members of the Council:

''(1) The Chairman of the Council, who shall be the Under Secretary of Defense for Acquisition, Technology, and Logistics, the functions of which may be delegated by the Under Secretary only to the Principal Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics.

''(2) The Executive Director of the Council, who shall be an official from within the Office of the Under Secretary responsible for industrial base matters and who shall report directly to the Under Secretary or the Principal Deputy Under Secretary.

''(3) Officials from within the Office of the Secretary of Defense, as designated by the Secretary, with direct responsibility for matters pertaining to following areas:

''(A) Manufacturing.

''(B) Research and development.

''(C) Systems engineering and system integration.

''(D) Services.

''(E) Information Technology.

''(F) Sustainment and logistics.

''(4) The Director of the Defense Logistics Agency.

''(5) Officials from the military departments, as designated by the Secretary of each military department, with responsibility for industrial base matters relevant to the military department concerned.

''(d) DUTIES.—The Council shall assist the Secretary in the following:

''(1) Providing input on industrial base matters to strategy reviews, including quadrennial defense reviews performed pursuant to section 118 of this title.

''(2) Managing the industrial base.

''(3) Providing recommendations to the Secretary on budget matters pertaining to the industrial base.

''(4) Providing recommendations to the Secretary on supply chain management and supply chain vulnerability.

''(5) Providing input on industrial base matters to defense acquisition policy guidance.

''(6) Issuing and revising the Department of Defense technology and industrial base guidance required by section 2506 of this title.

''(7) Such other duties as are assigned by the Secretary.

''(e) REPORTING OF ACTIVITIES.—The Secretary shall include a section describing the activities of the Council in the annual report to Congress required by section 2505 of this title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''188. Industrial Base Council.''.

(b) INDUSTRIAL BASE FUND.—

(1) IN GENERAL.—Chapter 148 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2508. Industrial Base Fund

''(a) ESTABLISHMENT.—The Secretary of Defense shall establish an Industrial Base Fund (in this section referred to as the 'Fund').

''(b) CONTROL OF FUND.—The Fund shall be under the control of the Industrial Base Council established pursuant to section 188 of this title.

''(c) AMOUNTS IN FUND.—The Fund shall consist of amounts appropriated or otherwise made available to the Fund.

''(d) USE OF FUND.—Subject to subsection (e), the Fund shall be used—

''(1) to support the monitoring and assessment of the industrial base required by this chapter;

''(2) to address critical issues in the industrial base relating to urgent operation needs;

''(3) to support efforts to expand the industrial base; and

''(4) to address supply chain vulnerabilities.

''(e) USE OF FUND SUBJECT TO APPROPRIATIONS.—The authority of the Secretary of Defense to use the Fund under this section in any fiscal year is subject to the availability of appropriations for that purpose.

''(f) EXPENDITURES.—The Secretary shall establish procedures for expending monies in the Fund in support of the uses identified in subsection (d), including the following:

''(1) Direct obligations from the Fund.

''(2) Transfers of monies from the Fund to relevant appropriations of the Department of Defense.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2508. Industrial Base Fund.''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Virginia (Mr. CONNOLLY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia.

Mr. CONNOLLY of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Let me start by thanking the chairman and ranking member of the committee and the subcommittee for their leadership on this thoughtful legislation to deliver long-needed reforms to

our military acquisition. I would also like to acknowledge the tremendous work of the Armed Services Committee's bipartisan Panel on Acquisition Reform, led of course by Mr. ANDREWS of New Jersey and Mr. CONAWAY of Texas.

My amendment builds upon the panel's recommendations for getting the most out of the industrial base. Defining and assessing the industrial base has been an ongoing challenge for both the Department of Defense and Congress, dating back to the creation of the Armed Forces themselves. One of the key findings of the panel was the need to cast a wider net in terms of defining the industrial base beyond the traditional players. Many of today's technology innovations are being brought forth by small- and mid-sized companies that are more commercial in nature and don't fit the traditional mold of the industrial base. While we must preserve those unique industrial capabilities that have made our Armed Forces the world's most advanced military force, we also must adjust to the innovative changes within the supply chain to ensure that we provide our troops with the tools they need to perform their duties. To accomplish this, we need to adjust our industrial policy to reflect the growing importance of services and information technology providers in the industrial base.

We also need, Mr. Chairman, to acknowledge the importance of systems engineering and integration to our military operations. This amendment would create an Industrial Base Council within the DOD. The council would complement the Blue Ribbon Panel on Eliminating Barriers to Contracting with the Department of Defense that's also created by this legislation. Whereas the Blue Ribbon Panel would be comprised of industry representatives that will present recommendations to the Pentagon on eliminating barriers to those nontraditional industrial base suppliers, this council would be tasked with assessing those and other proposed policy changes and then recommending specific actions to the Secretary of Defense.

The council will be comprised of the Under Secretary of Defense for Acquisition, Technology, and Logistics, who shall chair the group. An official from within the Under Secretary's office will be appointed to oversee the council. Council membership will also include: officials within the Secretary's office responsible for manufacturing, research and development, systems engineering and systems integration, services, information technology, and sustainment and logistics; the director of DLA; and representatives from other military departments.

In addition to providing budget and policy guidance to the Secretary on modernizing the industrial base, the council will provide strategic input for the Quadrennial Defense Review and other reports, and will revise and issue new guidance for the DOD's technology and industrial base.

This amendment, Mr. Chairman, creates an Industrial Base Fund, which when supported by appropriations, will support the actions and recommendations of the council itself. This is a good government initiative that will strengthen our industrial base, strengthen our small business community, and our military readiness moving forward.

I urge my colleagues to support the amendment and these important acquisition reforms.

I reserve the balance of my time.

Mr. CONAWAY. Mr. Chairman, I claim time in opposition even though I am in support of the amendment.

The Acting CHAIR. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. CONAWAY. Mr. Chairman, I yield as much time as he may consume to my colleague from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. I thank the gentleman from Texas for yielding me this time. I rise in support of this bill to make some very needed and commonsense reforms in the defense acquisition program.

I want to say that I support the last amendment that just passed to help relieve the problem that I have been concerned about for a long time, the revolving door at the Pentagon, and I support this amendment which hopefully will help, and I think is intended, at least in part, to make it easier for small businesses to get involved in the Defense Department contracting process. Far too many defense contracts in recent years have been sweetheart insider deals that have gone primarily to very large businesses, very large, well-connected businesses.

USA Today reported on its front page on December 29 that the Durango Group has 59 former high ranking military officers advising clients on how to get defense contracts while many are also being paid by the Defense Department to give it advice. And they are drawing huge pensions, with some getting 15,000 a month or more plus free health care.

Some of these people connected with this Durango Group even serve as corporate directors or paid advisers to the defense contractors in addition to their pay from Durango. The founder of Durango, a former Air Force chief of staff, refused to be interviewed for the USA Today story about this, but he received $180,000 in 2009 from one defense contractor, $127,000 from another, served on the board of four other defense contractors that do not disclose compensation, was a board member of another company that buys and sells defense companies, and a consultant to three other defense giants. He has been described as a ''military-industrial legend'' by one columnist. Too much of this has gone on in recent years. And I hope and I think that this is what in part this bill is directed at.

In addition to pensions as high as $220,000 a year, many retired admirals and generals are paid up to $1,600 a day to be Defense Department ''mentors.'' Eighty percent of these mentors have ties to defense contractors, in what one observer described as an amazing conflict of interest.

□ 1345

I do want to say that I commend the Secretary of Defense, who has, as I understand, put in new rules recently to try to correct some of this, but this is a problem that has been crying out for action, and I hope that this bill will correct some of this that has gone on. It's something that we need to keep an eye on to make sure that some of these scandalous types of sweetheart insider deals don't continue as they have, unfortunately, in the past.

Mr. CONAWAY. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. ANDREWS. I thank my friend for yielding.

I would like to thank our friend from Tennessee for his comments, which we embrace. I think one of the purposes of Mr. SCHRADER's amendment, which we just adopted, was to try to address that concern, and we thank him for his support.

I want to commend and thank my friend from Virginia for his excellent amendment. We have tried to establish in this bill the idea that the Defense Department should coordinate the industrial base and broaden it so the servicemembers and taxpayers get a better deal and we invite ingenuity and innovation. Mr. CONNOLLY has made sure that our good intentions in this bill will become a good reality. By the establishment of the council that Mr. CONNOLLY establishes, there will be a group that oversees the implementation of the ideas that we have.

So I think it strengthens the bill considerably. I commend Mr. CONNOLLY for being a fierce advocate for his district and his area, which is so intimately involved in solving this problem. I thank him for his contribution and urge a ''yes'' vote.

Mr. CONAWAY. Mr. Chairman, I yield back the balance of my time.

Mr. CONNOLLY of Virginia. I just want to thank my colleague for his gracious remarks.

Mr. Chair, I have no further requests for time, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Virginia (Mr. CONNOLLY).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. CONNOLLY of Virginia. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia will be postponed.

AMENDMENT NO. 12 OFFERED BY MR. CHILDERS

The Acting CHAIR. It is now in order to consider amendment No. 12 printed in House Report 111–467.

Mr. CHILDERS. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. CHILDERS:

Page 48, line 21, insert ''market research strategies (including assessments of local contracting capabilities),'' after ''services contracting,''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Mississippi (Mr. CHILDERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Mississippi.

Mr. CHILDERS. I would like to add my thanks to Mr. ANDREWS and the House Armed Services Committee, especially my dear friend and chairman, IKE SKELTON, for putting forth this important legislation.

Changing the way the Department of Defense conducts its acquisition activities is essential to restoring fiscal discipline in our government. I commend the committee's efforts to ensure that acquisition personnel at the Department of Defense are well trained to make the best decisions for both our national security and our economy.

My amendment makes a small addition to this training by including ''market research strategies.'' This minor addition is of great importance to many districts like mine. Today, upwards of 4,000 North Mississippians are employed by defense contractors, and that number continues to grow. These employees work hard every day to create many of the products and services that keep our troops safe in theater and protect our homeland from outside threats. These include many contractors on Columbus Air Force Base as well as contractors that produce everything from military uniforms to MRAPS and Unmanned Aerial Systems.

The defense companies are vital to the economy of Mississippi. It is important that when the Department of Defense makes a decision about who receives a military contract and what term that contract contains, it considers how surrounding communities are affected and how these communities can contribute to that contract.

The addition of market research strategies to acquisition training would ensure that the acquisition personnel at the Department of Defense are trained to take into account the local economy surrounding a potential defense contractor and how the unique makeup of the local community could provide added value to the department. It will assist the department in taking into account the unique workforces that communities like the Golden Triangle region in my district encompass and their ability to save the government money.

During this difficult economy, it is important that Congress remains focused on job creation and preservation as well as restoring a balanced budget. My amendment ensures that the DOD can consider the impact of defense acquisition on local jobs and that the government has additional tools to find new ways to cut costs and promote fiscal responsibility.

I urge my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim the time in opposition to the amendment, although I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. I thank my friend from Mississippi for offering this very well-thought-out amendment.

One of the key ideas of this bill is that we have a high-quality, well-trained acquisition workforce. Mr. CHILDERS's amendment makes sure that that workforce is well trained in a key area, which is understanding that a contract does not simply affect the firm that wins the contract and the employees that work for that firm. It affects the entire region for which a contract is awarded.

Now, again, nothing in Mr. CHILDERS's amendment would divert the procurement organizations away from best value for the taxpayer dollar. But what he does suggest is that when one defines the concept of value, it's broader than just the four corners of the contract being considered. The area he represents so ably is one where the economy really pivots on the presence or absence of military contracts, and in his efforts to try to make sure that his region prospers, I know that he wants to be sure, as each of us does, that there is fair consideration of the regional and community economic impact of a contracting decision.

I think the amendment that he has offered, which goes to the training of decision-makers, is entirely appropriate in that regard. We appreciate his contribution to the bill, and I would encourage the Members to vote ''yes.''

Mr. Chairman, I reserve the balance of my time.

Mr. CHILDERS. I want to thank my colleague and the gentleman for his concurrence in my amendment. I urge my colleagues to support this amendment and the underlying bill as well.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ANDREWS. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Mississippi (Mr. CHILDERS).

The amendment was agreed to.

AMENDMENT NO. 13 OFFERED BY MRS. DAHLKEMPER

The Acting CHAIR. It is now in order to consider amendment No. 13 printed in House Report 111–467.

Mrs. DAHLKEMPER. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mrs. DAHLKEMPER:

At the end of title IV, add the following new section:

SEC. 407. ACQUISITION SAVINGS PROGRAM.

(a) PROGRAM REQUIRED.—

(1) IN GENERAL.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, shall carry out a program to provide opportunities to provide cost-savings on nondevelopmental items.

(2) SAVINGS.—The program, to be known as the Acquisition Savings Program, shall provide any person or activity within or outside the Department of Defense with the opportunity to offer a proposal to provide savings in excess of 15 percent, to be known as an acquisition savings proposal, for covered contracts.

(3) SUNSET.—The program shall cease to be required on September 30, 2013.

(b) QUALIFYING ACQUISITION SAVINGS PROPOSALS.—A proposal shall qualify as an acquisition savings proposal for purposes of this section if it offers to supply a nondevelopmental item that is identical to, or equivalent to (under a performance specification or relevant commercial standard), an item being procured under a covered contract.

(c) REVIEW BY CONTRACTING OFFICER.—Each acquisition savings proposal shall be reviewed by the contracting officer for the covered contract concerned to determine if such proposal qualifies under this section and to calculate the savings provided by such proposal.

(d) ACTIONS UPON FAVORABLE REVIEW.—If the contracting officer for a covered contract determines after review of an acquisition savings proposal that the proposal would provide an identical or equivalent nondevelopmental item at a savings in excess of 15 percent, and that a contract award to the offeror of the proposal would not result in the violation of a minimum purchase agreement or otherwise cause a breach of contract for the covered contract, the contracting officer may make an award under the covered contract to the offeror of the acquisition savings proposal or otherwise award a contract for the nondevelopmental item concerned to such offeror.

(e) ACTIONS UPON UNFAVORABLE REVIEW.—If a contracting officer determines after review of an acquisition savings proposal that the proposal would not satisfy the requirements of this section, the contracting officer shall debrief the person or activity offering such proposal within 30 days after completion of the review.

(f) REPORT.—Not later than March 1, 2013, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report regarding the program, including the number of acquisition savings proposals submitted, the number favorably reviewed, the cumulative savings, and any further recommendations for the program.

(g) DEFINITIONS.—In this section:

(1) NONDEVELOPMENTAL ITEM.—The term ''nondevelopmental item'' has the meaning provided for such term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

(2) COVERED CONTRACT.—The term ''covered contract''—

(A) means an indefinite delivery indefinite quantity contract for property as defined in

section 2304d(2) of title 10, United States Code; and

(B) does not include any contract awarded under an exception to competitive acquisition authorized by the Small Business Act (15 U.S.C. 631 et seq.)

(3) PERFORMANCE SPECIFICATION.—The term ''performance specification'' means a specification of required item functional characteristics.

(4) COMMERCIAL STANDARD.—The term ''commercial standard'' means a standard used in industry promulgated by an accredited standards organizations that is not a Federal entity.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentlewoman from Pennsylvania (Mrs. DAHLKEMPER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Pennsylvania.

Mrs. DAHLKEMPER. Mr. Chairman, my amendment to the IMPROVE Acquisition Act of 2010 will help cut wasteful spending and ensure that taxpayer funds used for our national defense are spent responsibly and efficiently.

The agencies charged with our defense have a responsibility to ensure that taxpayers get the highest return on their investment while providing for the safety of our soldiers and of our Nation.

My amendment gives the Department of Defense a way to save 15 percent or more on its existing contracts for nondevelopmental items by allowing contract officers to opt for more efficient proposals as long as doing so does not breach existing contracts.

This legislation furthers our commitment to fiscal responsibility in defense spending by putting performance metrics where they are needed most: on the service and other contracts that make up the majority of our defense budget.

I urge my colleagues to support my amendment and to support the underlying bill.

I yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim the time in opposition to the amendment, although I do not oppose it.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I rise in strong support of this amendment, which is almost as striking in its common sense as it is striking that there is any legal issue as to whether a canon should be done. There is such a legal issue, unfortunately, and the gentlewoman's amendment clears that legal issue up.

Here is the situation her amendment contemplates: The Defense Department lets a contract to a vendor. The vendor is performing the contract. Because of a new efficiency or a drop in the price of a material, let's say that the price of food or gasoline that the vendor is using drops dramatically, the vendor offers to continue the contract at a lower price. There are rules which today would preclude the Defense Department from taking advantage of that offer.

What Mrs. DAHLKEMPER's amendment says is that so long as the quality is preserved and so long as there at least is a 15 percent savings at a minimum and all other rules are complied with that the Defense Department can take advantage of that offer. Any business in this country would jump at that opportunity. And the gentlewoman has offered an amendment which makes an awful lot of sense, which will let the Department of Defense operate on those sound business principles.

Again, her amendment does not provide for any deviation from the rules of conflict of interest or legal procedure, but it says if there is an opportunity to achieve at least a 15-percent reduction and all other things are appropriate, then we should achieve that reduction. This makes eminent common sense.

We thank her for offering the amendment. I urge a ''yes'' vote.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Pennsylvania (Mrs. DAHLKEMPER).

The amendment was agreed to.

AMENDMENT NO. 14 OFFERED BY MR. KISSELL

The Acting CHAIR. It is now in order to consider amendment No. 14 printed in House Report 111–467.

Mr. KISSELL. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 14 offered by Mr. KISSELL: At the end of the bill, add the following:

TITLE V—OTHER MATTERS

SEC. 501. CLOTHING ALLOWANCE REQUIREMENT.

The Comptroller General shall conduct a study of the items purchased under section 418 of title 37, United States Code, to determine if there is sufficient domestic production of such items to adequately supply members of the Armed Forces and shall transmit the results of such study to the Secretary of Defense. Not later than 6 months after receiving the results of such study, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives an evaluation on whether such items under the study should be considered subject to section 2533a of title 10, United States Code (popularly known as the ''Berry Amendment'').

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from North Carolina (Mr. KISSELL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. KISSELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as a member of the House Armed Services Committee, I would like to thank my colleagues and our chairman, IKE SKELTON, for bringing this much-needed legislation to the floor. I would also like to thank my friends and colleagues HOWARD COBLE from North Carolina and MIKE MICHAUD from Maine for helping me sponsor this amendment.

This amendment is very simple in its intent. For over 60 years, Mr. Chairman, the Berry amendment has allowed the Department of Defense to buy clothing and other apparel materials that are made in the United States when available. There has, in recent years, however, been a list of clothing articles that our soldiers and military personnel are required to purchase that are not provided by the Department of Defense. The Department of Defense does provide a clothing cash allowance for this purchase, but these items that are on this list are not necessarily made in the United States.

This amendment would require the GAO to look at this list, to look at the possibilities and potential for making these materials in the United States or is the capacity there to make them there now to meet the demands, get with the Department of Defense, and then the Department of Defense, within 6 months, would be required to get back to the House Armed Services Committee with its findings as to whether or not these materials could be made in the United States under the Berry amendment. So it's a commonsense approach to expanding the Berry amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim time in opposition to the amendment, although I do not oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I commend the gentlemen from North Carolina and from Maine for offering the amendment and support it.

The general rule under the law is that the Defense Department must buy goods and services made in the United States. There's an exception to that rule which deals with vouchers, essentially, where if there's a voucher given to a servicemember to buy certain goods, there's an exception to that.

□ 1400

The gentlemen who are offering this amendment are interested in finding out whether that exception could be accomplished in a way that would protect the choice and quality for the servicemembers while promoting the purchase of American goods and services. I think that inquiring into that is entirely appropriate.

At this time I would like to yield to my friend, the ranking member, the gentleman from Texas (Mr. CONAWAY), for his comments on this.

Mr. CONAWAY. I appreciate that. I also tentatively support the amendment—certainly, the spirit of the Berry amendment—as well. But, as drafted, the GAO study, I think, will be very

difficult to implement. Servicemembers are not required to keep records of the items that they purchase with their clothing allowance; nor are they required to set aside these dollars in a teacup to purchase uniforms only. So the GAO may not be able to determine what servicemembers bought with their clothing allowance, let alone whether those items were produced domestically.

If the sponsor will allow us to revise the amendment in conference to specifically evaluate the sufficiency of the domestic supply of military uniforms, then I can certainly support that. But I support it with some reservations that the study as drafted specifically under this rule would be less than optimal. And if the sponsor would allow us to work on it in conference, I would support it.

Mr. ANDREWS. Mr. Chairman, we look forward to reviewing the results of the GAO study so we can work with all the gentlemen to achieve the objective they have set forth.

I reserve the balance of my time.

Mr. KISSELL. Mr. Chairman, I would like to yield 2 minutes to my friend from Maine (Mr. MICHAUD).

Mr. MICHAUD. I'd like to thank the gentleman for yielding. I rise today in support of this amendment. This is a bipartisan effort to ensure that our troops are outfitted with American-made goods as much as possible. Under current policy, clothing items that soldiers purchase with DOD-issued cash allowances are not subject to the Berry amendment. Our amendment asks GAO to determine whether U.S. companies make enough of these cash-allowance items to meet the demands of our troops. DOD will report to Congress on GAO's findings and indicate whether or not they will extend the Berry amendment to any of these American-made products.

This amendment supports United States businesses. This amendment protects and creates American jobs. And this amendment makes sure that, wherever possible, our troops are outfitted with goods made with pride in the U.S.A.

I urge my colleagues to support this bipartisan amendment.

Mr. KISSELL. Mr. Chairman, the strength of America is shown in many ways—the strength of our military and its personnel and families that make up our service, but also shown in the strength of a strong economy and as many Americans working as possible. This amendment would help ensure that as many Americans as possible are working to make the clothing articles that our great servicepeople use. I encourage my colleagues to vote ''yes'' on this amendment.

I yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, we would urge a ''yes'' vote, and I yield back the balance of my time in opposition.

The Acting CHAIR. The question is on the amendment offered by the gentleman from North Carolina (Mr. KISSELL).

The amendment was agreed to.

AMENDMENT NO. 15 OFFERED BY MR. GRAYSON

The Acting CHAIR. It is now in order to consider amendment No. 15 printed in House Report 111–467.

Mr. GRAYSON. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. GRAYSON:

At the end of the bill add the following new section:

SEC. 501. REQUIREMENT THAT COST OR PRICE TO THE FEDERAL GOVERNMENT BE GIVEN AT LEAST EQUAL IMPORTANCE AS TECHNICAL OR OTHER CRITERIA IN EVALUATING COMPETITIVE PROPOSALS FOR DEFENSE CONTRACTS.

(a) REQUIREMENT.—Subparagraph (A) of section 2305(a)(3) of title 10, United States Code, is amended by striking ''proposals; and'' at the end of clause (ii) and all that follows through the end of the subparagraph and inserting the following: ''proposals and that must be assigned importance at least equal to all evaluation factors other than cost or price when combined.''.

(b) WAIVER.—Section 2305(a)(3) of such title is further amended by striking subparagraph (B) and inserting the following:

''(B) The requirement of subparagraph (A)(ii) relating to assigning at least equal importance to evaluation factors of cost or price may be waived by the head of the agency. The authority to issue a waiver under this subparagraph may not be delegated.''.

(c) REPORT.—Section 2305(a)(3) of such title is further amended by adding at the end the following new subparagraph:

''(C) Not later than 180 days after the end of each fiscal year, the Secretary of Defense shall submit to Congress, and post on a publicly available website of the Department of Defense, a report containing a list of each waiver issued by the head of an agency under subparagraph (B) during the preceding fiscal year.''.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Florida (Mr. GRAYSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. GRAYSON. I want to also express my thanks to the chairman of the Armed Services Committee, the members of the committee and the staff, and specifically and especially to Congressman ANDREWS and Congressman CONAWAY, who brought this bill to the floor today and allowed this to be considered for amendments. I also want to express my thanks to the members of the Rules Committee and their staff for finding this amendment in order for consideration today.

This is an amendment, in short, that gives guidance to contracting officers that they never had before in DOD concerning the question of to what extent cost or price should be considered in procurement. I ask for the support of the Grayson amendment to the IMPROVE Act to give legislative guidance to the Defense Department concerning the need to emphasize price or cost in defense procurement.

Under current law, the DOD contracting officer—could be a GS–8, GS–9—has no authority, no guidance from this institution to determine how much should be considered for cost or price. Rather, the contracting officer on his or her own volition establishes an evaluation scheme before each procurement, telling the offerers how their proposal will be evaluated. Current law permits DOD to announce an evaluation scheme that would consider price or cost as only 1 percent of the evaluation and other more subjective factors as 99 percent of the evaluation scheme. In practice, price or cost frequently is weighed as only 25 percent or 33 percent of the evaluation scheme; and other, more subjective, factors remain in the balance.

The resulting waste is twofold. First, DOD frequently rejects the low-cost proposal because its own evaluation scheme dictates that it does so. This alone costs the taxpayers untold billions of dollars. Secondly, defense contractors who know how to build a better mousetrap that could actually save DOD substantial amounts of money don't even bother to frame their proposals that way because they know that the evaluation will not turn on cost, but rather will turn on factors other than cost. So they don't even submit such a proposal.

Our amendment solves these problems by mandating that DOD procurements weigh cost or price at 50 percent of the evaluation scheme, or more, unless the head of the agency decides otherwise. For large purchases of standard commodities like fuels, hammers, et cetera, there's no reason not to do this. And for items that are mission critical, the head of the agency, under our amendment, has the discretion to weigh cost or price at less than 50 percent, in fact, to weigh it any amount the head of the agency deems appropriate.

In my 20 years in government contracts procurement before I was elected to serve in Congress, including my time spent fighting war profiteers in Iraq, I saw substantial overuse of subjective factors in DOD contractor awards at taxpayer expense. Our amendment is a commonsense solution to that problem, which will allow all us of to say at the end of the day that we fought hard to fight against waste, fraud, and abuse in defense procurement.

I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim time in opposition to the amendment, although I do not oppose the amendment.

The Acting CHAIR. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. Mr. Chairman, I'd like to thank my friends from Florida, Mr. GRAYSON and Mr. HASTINGS, for offering this amendment. It makes eminently good sense. It says this: if a procurement officer decides to buy the

product that isn't the least expensive, a couple of rules apply. First of all, price has to be at least equal to the greatest factor that's being used. It can't be any less than equal. And if it is less than equal, the procurement officer has to explain why.

Now this makes pretty good sense. I think most people would agree that it's not always true that the least expensive item is the best. But if you think a more expensive item is the best, then you ought to explain why. I think most of us would want that in the way we manage our household budgets, our businesses, our towns, our local school districts.

Mr. GRAYSON, based upon his years of experience in this field, has written an amendment that carries that idea forward. I think it's very worthy. Again, I think it strikes the right balance between flexibility for the procurement officer to make a decision that he or she thinks is the right one, but justification to the public as to why we're not spending the least amount of money on something that we're buying. I think most of our constituents would want us to presume that we should get the best price available; and only if it can be demonstrated that the best price available is not the best value available, should we make a different decision. So I think this amendment makes very, very good sense. I would urge its adoption.

I would now like to yield such time as he may consume to my friend from Pennsylvania (Mr. PLATTS).

Mr. PLATTS. I appreciate the gentleman yielding. I certainly rise in agreement with the maker of the amendment that we need to get the best value for the American taxpayers when it comes to the acquisition of goods and services. In fact, the underlying bill we're discussing here today is about achieving that exact goal—getting that best value.

I do want to express a concern, however, that sometimes getting the best value may mean paying more for a superior product or service, especially when it comes to the complex technological requirements of the equipment of our men and women in the American Armed Forces. There may be legitimate cases where the cost, the price of a good or service, is less important than other factors. Probably a good example of that is pretty recently the acquisition of MRAPs and body armor that certainly have saved the lives of our courageous troops.

A concern that I think we need to weigh here is just that this may be a little premature, this specific amendment, because a similar amendment was included in the 2010 National Defense Authorization Act. During the conference, a provision was added to that language that requires the Government Accountability Office to do a study to determine how often it occurs that cost is not the overriding factor or the primary factor. That study is due back to us in October of this year. It seems like it would be appropriate to get that knowledge base from GAO before going further with another requirement at this time.

So I don't oppose the intent of the sponsor of the amendment. We are certainly in agreement that we want to get the best value, but just believe it may be helpful to wait for GAO to complete its work.

Mr. GRAYSON. I yield myself the balance of my time, and I thank my colleague for making these points. I'd like to respond to them briefly.

With regard to the first point, I want to make it clear that within the literal wording of this amendment no agency is ever required to choose the least-cost product. All that this amendment says is that in the evaluation scheme, in order to encourage people who are offerers to think about how to save money for DOD, we make the commitment in general, overall, that cost or price will be considered at least as much as all the other factors combined.

In addition to that, we allow the head of the agency to suspend the rule at will, without any condition or limitation in the statute. The head of the agency can determine that for any item, including mission-critical items, cost or price can be 40 percent, 30 percent, 10 percent, even 5 percent of the evaluation factors.

So I think that although the gentleman's point is well taken, that we should not ever bind the hands of the DOD when DOD needs to get items that may not be the low cost item, this is an amendment that does not do that. This amendment simply says that, in general, under ordinary circumstances, particularly in buying volume commodities that are identical to each other, we should in fact make 50 percent of the consideration cost or price.

Now, I've seen procurements where, for instance, a commodity like gasoline is being bought by DOD and somehow they determine that two-thirds of the evaluation factor should be something other than cost or price. Sometimes we waste billions of dollars on account of decisions like that.

So I think that this is a rule that really needs to take place. I understand the gentleman's point concerning the study that's ongoing; but, frankly, I think that if we do this now, we'll save money now. If we do this later, we'll save less money. I'd rather see the money saved now, particularly when we have such great needs abroad and our defense budget is so great. I think that this simple rule, this commonsense rule, will help to save billions almost immediately as soon as it's implemented. I thank the gentleman for his comments.

I yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, I would urge a ''yes'' vote on the amendment. I do share the concerns of my friend from Pennsylvania. I believe that the amendment that's in front of us here, I think the language of the amendment addresses the concerns the gentleman raises. I think it provides sufficient flexibility. I commend the gentleman for offering it.

I urge a ''yes'' vote and yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. GRAYSON).

The amendment was agreed to.

AMENDMENT NO. 16 OFFERED BY MR. HARE

The Acting CHAIR. It is now in order to consider amendment No. 16 printed in House Report 111–467.

Mr. HARE. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. HARE:

At the end of title IV, add the following new section:

SEC. 407. SENSE OF CONGRESS REGARDING COMPLIANCE WITH THE BERRY AMENDMENT, THE BUY AMERICAN ACT, AND LABOR STANDARDS OF THE UNITED STATES.

In order to create jobs, level the playing field for domestic manufacturers, and strengthen economic recovery, it is the sense of Congress that the Department of Defense should—

(1) ensure full contractor and subcontractor compliance with the Berry Amendment (10 U.S.C. 2533a) and the Buy American Act (41 U.S.C. 10a et seq.); and

(2) not procure products made by manufacturers in the United States that violate labor standards as defined under the laws of the United States.

The Acting CHAIR. Pursuant to House Resolution 1300, the gentleman from Illinois (Mr. HARE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois.

□ 1415

Mr. HARE. Mr. Chair, I yield myself as much time as I may consume.

Let me begin by taking this opportunity to thank Chairman SKELTON and Ranking Member MCKEON as well as Chairman ANDREWS and Ranking Member CONAWAY for their leadership on the underlying bill and for their commitment to our Nation's Armed Forces.

The amendment before us today is one of great importance that aims to ensure a level playing field for domestic manufacturers with the hope of strengthening our economic recovery through the defense acquisition process. My amendment declares that it is the sense of Congress that the Department of Defense should ensure full compliance throughout the acquisition process with the Berry Amendment and the Buy American Act. Further, the amendment declares the sense of Congress that the Department of Defense not procure products made by domestic manufacturers that fail to comply with the labor standards that are set by the laws established by Congress.

Both the Buy American Act and the Berry Amendment are intended to benefit American industry and workers.

And at a time of high unemployment, we must ensure compliance with these important laws to ensure that DOD procurement benefits American families in every corner of this Nation whenever possible.

I think we can all agree here that we want the best equipment and items procured for our Armed Forces, and I think we can all agree that we want to ensure that these acquisitions adhere to the laws and labor standards of the land. My amendment simply expresses and reaffirms congressional intent and aims to aid the economic recovery that our Nation so desperately needs. I urge my colleagues to join me in supporting this amendment.

I reserve the balance of my time.

Mr. SKELTON. Mr. Chairman, I rise in opposition to the amendment, but I do not oppose it.

The Acting CHAIR. Without objection, the gentleman from Missouri is recognized for 5 minutes.

There was no objection.

Mr. SKELTON. The amendment before us is a sense of Congress amendment. In essence it says, we should follow the law. It reaffirms Congress' support for the Buy American Act and other United States labor laws, and Congress has acted in recent years to make contracting officers aware of firms seeking contracts that have engaged in certain violations of the law. This is a ''wake up and pay attention to the law'' sense of Congress.

Today, Mr. Chairman, we have done more than adopt 16 amendments and had an excellent general debate on this bill. We have exhibited in a very substantial and substantive piece of legislation that Democrats and Republicans can work together, that, in a bipartisan effort, we can make things better for the young men and women in uniform, that we can save the taxpayer dollars, and over a period of time, it will be in the billions of dollars if this legislation becomes law. And we certainly hope that it will not only pass here with a substantial vote but also pass the United States Senate with a substantial vote, because it is a hallmark piece of real legislation. It should have been done before, but it wasn't. And here we are, taking up legislation that will be good for the young men and young women in uniform and save the American taxpayer dollars.

I am really proud of the committee. I am really proud of BUCK MCKEON, the ranking member, for his excellent cooperation and work; ROB ANDREWS, the chairman of the panel that I appointed; MIKE CONAWAY, for the excellent work that he did, in particular, the sections relating to the required audits that will be part of this legislation. We have just done marvelous work. I could not be prouder of the Armed Services Committee and those who worked on it as well as those who offered the very important amendments.

With that, Mr. Chairman, I am very grateful for the work that has been done, and I do urge a ''yes'' vote on this particular amendment.

I yield back the balance of my time.

Mr. HARE. Once again, I just want to thank Chairman SKELTON for his wonderful work on this bill.

With that, Mr. Chair, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Illinois (Mr. HARE).

The amendment was agreed to.

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 111–467 on which further proceedings were postponed, in the following order:

Amendment No. 4 by Mr. HALL of New York.

Amendment No. 11 by Mr. CONNOLLY of Virginia.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 4 OFFERED BY MR. HALL OF NEW YORK

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. HALL) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 416, noes 0, not voting 20, as follows:

[Roll No. 227]

AYES—416

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boccieri
Boehner
Bonner
Bono Mack
Boozman
Bordallo
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Christensen
Chu
Clarke
Clay
Cleaver
Clyburn
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Crowley
Cuellar
Cummings
Dahlkemper
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gonzalez
Goodlatte
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee (TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris Rodgers
McNerney
Meek (FL)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Norton
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paul
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pierluisi
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Radanovich
Rahall
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sablan
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman Schultz
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield

Wilson (OH) Woolsey Young (AK)
Wilson (SC) Wu Young (FL)
Wittman Yarmuth

NOT VOTING—20

Barrett (SC) Gohmert Tanner
Culberson Gordon (TN) Teague
Davis (AL) Harman Thornberry
DeGette Hoekstra Wamp
Faleomavaega Meeks (NY) Waters
Fallin Rangel Wolf
Fudge Serrano

□ 1448

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 11 OFFERED BY MR. CONNOLLY OF VIRGINIA

The Acting CHAIR (Mr. SALAZAR). The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. CONNOLLY) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 417, noes 2, not voting 17, as follows:

[Roll No. 228]

AYES—417

Ackerman Brown-Waite, Ginny Davis (KY)
Aderholt Buchanan Davis (TN)
Adler (NJ) Burgess DeFazio
Akin Burton (IN) Delahunt
Alexander Butterfield DeLauro
Altmire Buyer Dent
Andrews Calvert Deutch
Arcuri Camp Diaz-Balart, L.
Austria Cantor Diaz-Balart, M.
Baca Cao Dicks
Bachmann Capito Dingell
Bachus Capps Doggett
Baird Capuano Donnelly (IN)
Baldwin Cardoza Doyle
Barrow Carnahan Dreier
Bartlett Carney Driehaus
Barton (TX) Carson (IN) Duncan
Bean Carter Edwards (MD)
Becerra Cassidy Edwards (TX)
Berkley Castle Ehlers
Berman Castor (FL) Ellison
Berry Chaffetz Ellsworth
Biggert Chandler Emerson
Bilbray Childers Engel
Bilirakis Christensen Eshoo
Bishop (GA) Chu Etheridge
Bishop (NY) Clarke Farr
Bishop (UT) Clay Fattah
Blackburn Cleaver Filner
Blumenauer Clyburn Fleming
Blunt Coble Forbes
Boccieri Coffman (CO) Fortenberry
Boehner Cohen Foster
Bonner Cole Foxx
Bono Mack Conaway Frank (MA)
Boozman Connolly (VA) Franks (AZ)
Bordallo Conyers Frelinghuysen
Boren Cooper Gallegly
Boswell Costa Garamendi
Boucher Costello Garrett (NJ)
Boustany Courtney Gerlach
Boyd Crenshaw Giffords
Brady (PA) Crowley Gingrey (GA)
Brady (TX) Cuellar Gohmert
Braley (IA) Cummings Gonzalez
Bright Dahlkemper Goodlatte
Broun (GA) Davis (CA) Gordon (TN)
Brown (SC) Davis (IL) Granger
Brown, Corrine Graves
Grayson Marchant Ros-Lehtinen
Green, Al Markey (CO) Roskam
Green, Gene Markey (MA) Ross
Griffith Marshall Rothman (NJ)
Grijalva Matheson Roybal-Allard
Guthrie Matsui Royce
Gutierrez McCarthy (CA) Ruppersberger
Hall (NY) McCarthy (NY) Rush
Hall (TX) McCaul Ryan (OH)
Halvorson McClintock Ryan (WI)
Hare McCollum Sablan
Harper McCotter Salazar
Hastings (FL) McDermott Sánchez, Linda T.
Hastings (WA) McGovern
Heinrich McHenry Sanchez, Loretta
Heller McIntyre Sarbanes
Hensarling McKeon Scalise
Herger McMahon Schakowsky
Herseth Sandlin McMorris Rodgers Schauer
Higgins Schiff
Hill McNerney Schmidt
Himes Meek (FL) Schock
Hinchey Meeks (NY) Schrader
Hinojosa Melancon Schwartz
Hirono Mica Scott (GA)
Hodes Michaud Scott (VA)
Holden Miller (FL) Sensenbrenner
Holt Miller (MI) Serrano
Honda Miller, Gary Sessions
Hoyer Miller, George Sestak
Hunter Minnick Shadegg
Inglis Mitchell Shea-Porter
Inslee Mollohan Sherman
Israel Moore (KS) Shimkus
Issa Moore (WI) Shuler
Jackson (IL) Moran (KS) Shuster
Jackson Lee (TX) Moran (VA) Simpson
Murphy (CT) Sires
Jenkins Murphy (NY) Skelton
Johnson (IL) Murphy, Patrick Slaughter
Johnson, E. B. Murphy, Tim Smith (NE)
Johnson, Sam Myrick Smith (NJ)
Jones Nadler (NY) Smith (TX)
Jordan (OH) Napolitano Smith (WA)
Kagen Neal (MA) Snyder
Kanjorski Neugebauer Souder
Kaptur Norton Space
Kennedy Nunes Speier
Kildee Nye Spratt
Kilpatrick (MI) Oberstar Stark
Kilroy Obey Stearns
Kind Olson Stupak
King (IA) Olver Sullivan
King (NY) Ortiz Sutton
Kingston Owens Taylor
Kirk Pallone Terry
Kirkpatrick (AZ) Pascrell Thompson (CA)
Kissell Pastor (AZ) Thompson (MS)
Klein (FL) Paul Thompson (PA)
Kosmas Paulsen Tiahrt
Kratovil Payne Tiberi
Kucinich Pence Tierney
Lamborn Perlmutter Titus
Lance Perriello Tonko
Langevin Peters Towns
Larsen (WA) Peterson Tsongas
Larson (CT) Petri Turner
Latham Pierluisi Upton
LaTourette Pingree (ME) Van Hollen
Latta Pitts Velázquez
Lee (CA) Platts Visclosky
Lee (NY) Poe (TX) Walden
Levin Polis (CO) Walz
Lewis (CA) Pomeroy Wasserman Schultz
Lewis (GA) Posey
Linder Price (GA) Waters
Lipinski Price (NC) Watson
LoBiondo Putnam Watt
Loebsack Quigley Waxman
Lofgren, Zoe Radanovich Weiner
Lowey Rahall Welch
Lucas Rehberg Westmoreland
Luetkemeyer Reichert Whitfield
Luján Reyes Wilson (OH)
Lummis Richardson Wilson (SC)
Lungren, Daniel E. Rodriguez Wittman
Roe (TN) Wolf
Lynch Rogers (AL) Woolsey
Mack Rogers (KY) Wu
Maffei Rogers (MI) Yarmuth
Maloney Rohrabacher Young (AK)
Manzullo Rooney Young (FL)

NOES—2

Campbell Flake

NOT VOTING—17

Barrett (SC) Davis (AL) Faleomavaega
Culberson DeGette Fallin
Fudge Kline (MN) Teague
Harman Miller (NC) Thornberry
Hoekstra Rangel Wamp
Johnson (GA) Tanner

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining in this vote.

□ 1458

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The Acting CHAIR. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. JACKSON of Illinois) having assumed the chair, Mr. SALAZAR, Acting Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5013) to amend title 10, United States Code, to provide for performance management of the defense acquisition system, and for other purposes, pursuant to House Resolution 1300, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. BUYER. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BUYER. In its present form, I am opposed to the bill.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Buyer moves to recommit the bill H.R. 5013 to the Committee on Armed Services with instructions to report the same back to the House forthwith with the following amendment:

At the end of title III, add the following new section:

SEC. 304. DISCLOSURE AND TRACEABILITY OF THE COST OF DEPARTMENT OF DEFENSE HEALTH CARE CONTRACTS.

(a) DISCLOSURE REQUIREMENT.—The Secretary of Defense shall require—

(1) an offeror that submits a bid or proposal in response to an invitation for bids or a request for proposals issued by a component of the Department of Defense for a health care contract to submit with the bid or proposal a disclosure of the additional cost, if any, contained in such bid or proposal associated with compliance with the Patient Protection and Affordable Care Act (Public Law 111–148) and the Health Care and

Education Reconciliation Act of 2010 (Public Law 111–152); and

(2) a contractor for a health care contract awarded following the date of the enactment of this Act to disclose on an annual basis the additional cost, if any, incurred for such contract associated with compliance with the Patient Protection and Affordable Care Act (Public Law 111–148) and the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152).

(b) REPORT.—

(1) REQUIREMENT.—Not later than April 1, 2011, and each April 1st thereafter until April 1, 2016, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a detailed report on the additional cost to the Department of Defense associated with compliance with the Patient Protection and Affordable Care Act (Public Law 111–148) and the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152).

(2) MATTERS COVERED.—The report required by paragraph (1) shall include—

(A) the projected costs of compliance for all health care contracts awarded during the preceding year, as disclosed in a bid or proposal in accordance with subsection (a)(1);

(B) for all other health care contracts, the incurred cost of compliance for the preceding year, as disclosed in accordance with subsection (a)(2); and

(C) any additional costs to the Department of Defense necessary to comply with such Acts.

(c) HEALTH CARE CONTRACT DEFINED.—In this section, the term ''health care contract'' means a contract in an amount greater than the simplified acquisition threshold for the acquisition of any of the following:

(1) Medical supplies.

(2) Health care services and administration, including the services of medical personnel.

(3) Durable medical equipment.

(4) Pharmaceuticals.

(5) Health care-related information technology.

Mr. BUYER (during the reading). Mr. Speaker, I ask unanimous consent to waive the reading of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. SKELTON. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will read.

The Clerk continued to read.

The SPEAKER pro tempore. The gentleman from Indiana is recognized for 5 minutes.

Mr. BUYER. Last Thursday's report by the Department of Health and Human Services has now been delivered to all of our offices. In particular, a report by the Centers for Medicare & Medicaid Services has confirmed that President Obama's new health care law will increase costs for taxpayers and patients. The CMS has estimated that the new law will increase health care spending in this country by $311 billion. Now, that $311 billion figure is on page 4, but all Members should note, on page 2, that they are very up front about this.

On page 2, it reads: Because of the transition effects and the fact that most coverage provisions are going to be in effect for 6 of the 10 years of the budget period, the cost estimates that were shown in the memorandum do not represent a full 10-year cost of the legislation.

So, even though they are projecting that it is going to be $311 billion, please understand that this is really not a true 10-year time frame. This is why I want to bring this to everyone's attention.

Please, Members, look at this report. Please, look at the report. As policymakers, all of us who have responsibilities for health initiatives need to understand what the impacts will be upon our areas of responsibility. Of the Federal expenditure for only the 6-year time frame, it is going to be about $251 billion.

As you know, the Department of Defense is one of the largest procurers of health care goods and services in the country. Now, I'm not even talking about VA. We're only going to focus for the moment here on DOD because of jurisdictional matters. By caring for our wounded warriors and their families, the Pentagon strives to support our brave wounded soldiers, sailors, airmen, and marines along the road to recovery. This support not only includes medical care for injured troops but also for our active duty military, their families, and the retirees as well.

In order to provide that level of care, the DOD purchases from a network of managed care support organizations, from health care professionals, manufacturers, and from information technology providers. What CMS has made clear to all of us in this report is that this network is heavily impacted by the new health care law.

Let me remind my colleagues that CMS is not a partisan group. CMS, formerly known as the Health Care Financing Administration, or HCFA, is very much part of President Obama's administration. So, if CMS estimates that there are greater costs, I am sure that these are likely to be conservative estimates, and greater costs are not something the Pentagon is prepared to absorb. As many of you are aware, the Department's overall expenditures for health care are rising rapidly. Secretary Gates testified in the fall that the increased costs are ''beginning to eat us alive.''

So, if there are direct or secondary effects of the President's health care program, the only way to cover those costs is to raise the premiums to beneficiaries, to families, and to retirees or to eat further into DOD's ability to support the needs of our men and women in uniform. This is not what we want to do. This is why we must understand the impact of the President's new health care law on DOD. We know that the health care law includes new fees on manufacturers of brand-name prescription drugs. We sell to the Federal health care programs, including the Department of Defense.

CMS stated in last Thursday's report: ''We anticipate these fees would generally be passed through to health consumers in the form of higher drug prices.'' That means a pass-through to DOD. We need to know and to understand the impact of those increased fees upon us.

Section 9011 of the President's health care law already requires the Department of Veterans Affairs to conduct a study of the impact of the increased costs on veterans' health care which are imposed by the new law. This includes reporting on the costs to the VA of any fees assessed on brand-name prescription drugs and medical device manufacturers.

It seems only reasonable, if we supported that provision for the VA, as many of my colleagues on the other side of the aisle did, that we should do the very same thing with DOD. That is what I am asking in this motion to recommit. The Pentagon is slated to spend $56 billion on the next procurement round of TRICARE contracts. This amendment simply asks for the DOD to identify through their acquisition process any additional costs as a result of the President's new health care law and to report that to Congress. We are asking for transparency.

I urge a ''yes'' vote on the motion to recommit, and I yield back the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded not to traffic the well when other Members are speaking.

Mr. SKELTON. Mr. Speaker, I claim time in opposition, though I do not oppose the motion.

The SPEAKER pro tempore. The gentleman from Missouri is recognized for 5 minutes.

Mr. SKELTON. I yield to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I would urge Members to vote ''yes'' on this motion to recommit because the language of the recommit does what the gentleman's argument doesn't do.

The language of this argument says we should have full, accurate transparency about the cost of the new health care bill as it applies to defense contracts. In other words, we ought to know the facts. We agree with that. With all of the respect of the gentleman's argument, the facts were kind of missing. Here is what the facts are:

As to the report that he references from CMS, I would take due note of the fact that the ''M'' in CMS means ''Medicare.'' Here is what the report said:

Before the President signed the health care law, the Medicare Trust Fund was due to run out of money in 2017. Because the President signed the health care law, the Medicare Trust Fund will live for at least 12 more years.

The fact is that the report said that future forecasts of health care costs are, to quote the report: only a prediction, difficult to ascertain, subject to interpretation.

Well, here are some interpretations that the American public are beginning to see: When sons and daughters under the age of 26 years old can be covered on their parents' policies, the American people support that. When people cannot be turned away from buying insurance or cannot have their premiums raised because they had breast cancer or asthma, the American people support that. When an insurance company cannot cancel people's policies when they're on the way to the operating rooms after they've paid premiums for years, the American people support that.

We embrace and support the idea of learning the facts about the health care bill. That's what the amendment says. We support the idea of speaking the truth about the health care bill. That's what all Members of the House should do. That's what the American people are entitled to do.

Vote ''yes'' on the motion to recommit, and vote ''yes'' on the underlying bipartisan bill.

Mr. SKELTON. I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BUYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 419, noes 1, not voting 10, as follows:

[Roll No. 229]

AYES—419

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boccieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee (TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pastor (AZ)
Paul
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—1

Pascrell

NOT VOTING—10

Barrett (SC)
Davis (AL)
DeGette
Ehlers
Fallin
Fudge
Harman
Hoekstra
Teague
Wamp

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MORAN of Virginia) (during the vote). There are 2 minutes remaining in this vote.

□ 1533

Mr. DICKS changed his vote from ''no'' to ''aye.''

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Mr. EHLERS. Mr. Speaker, on rollcall No. 229 I was detained in the Attending Physician's Office, and arrived on the House floor too late to be recorded on this rollcall. Had I been present, I would have voted ''yes.''

Mr. SKELTON. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report the bill, H.R. 5013, back to the House with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKELTON:

At the end of title III, add the following new section:

SEC. 304. DISCLOSURE AND TRACEABILITY OF THE COST OF DEPARTMENT OF DEFENSE HEALTH CARE CONTRACTS.

(a) DISCLOSURE REQUIREMENT.—The Secretary of Defense shall require—

(1) an offeror that submits a bid or proposal in response to an invitation for bids or a request for proposals issued by a component of the Department of Defense for a health care contract to submit with the bid or proposal a disclosure of the additional cost, if any, contained in such bid or proposal associated with compliance with the Patient Protection and Affordable Care Act (Public Law 111–148) and the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152); and

(2) a contractor for a health care contract awarded following the date of the enactment of this Act to disclose on an annual basis the additional cost, if any, incurred for such contract associated with compliance with the Patient Protection and Affordable Care Act (Public Law 111–148) and the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152).

(b) REPORT.—

(1) REQUIREMENT.—Not later than April 1, 2011, and each April 1st thereafter until April 1, 2016, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a detailed report on the additional cost to the Department of Defense associated with compliance with the Patient Protection and Affordable Care Act (Public Law 111–148) and

the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152).

(2) MATTERS COVERED.—The report required by paragraph (1) shall include—

(A) the projected costs of compliance for all health care contracts awarded during the preceding year, as disclosed in a bid or proposal in accordance with subsection (a)(1);

(B) for all other health care contracts, the incurred cost of compliance for the preceding year, as disclosed in accordance with subsection (a)(2); and

(C) any additional costs to the Department of Defense necessary to comply with such Acts.

(c) HEALTH CARE CONTRACT DEFINED.—In this section, the term ''health care contract'' means a contract in an amount greater than the simplified acquisition threshold for the acquisition of any of the following:

(1) Medical supplies.

(2) Health care services and administration, including the services of medical personnel.

(3) Durable medical equipment.

(4) Pharmaceuticals.

(5) Health care-related information technology.

Mr. SKELTON (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SKELTON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 417, noes 3, not voting 10, as follows:

[Roll No. 230]

AYES—417

Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boccieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Farr
Filner
Fleming
Forbes
Fortenberry
Foster
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garamendi
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee (TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McIntyre
McKeon
McMahon
McMorris Rodgers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—3

Broun (GA)
Flake
Paul

NOT VOTING—10

Barrett (SC)
Davis (AL)
DeGette
Fallin
Fattah
Fudge
Harman
Hoekstra
Teague
Wamp

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1541

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SKELTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and in which to insert extraneous materials in the RECORD on the bill, H.R. 5013, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

UM RESEARCH DISCOVERY ON ALZHEIMER'S

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to extend my congratulations to the University of Miami researchers on their recent discovery that will lead toward a new understanding of Alzheimer's disease.

University of Miami researchers identified a gene that appears to double a person's risk of developing late-onset Alzheimer's. Alzheimer's, as we all know, is a debilitating disease that impacts 5 million Americans. As a daughter of a mother with Alzheimer's disease, I know how painful this disease can be for both the individual and the family.

I would like to thank Director Margaret Pericak-Vance and all of the staff of the John P. Hussman Institute for

Human Genomics at the University of Miami Medical School for their hard work and dedication to this valuable research.

The University of Miami will continue to take steps to improve our knowledge about Alzheimer's so that families will not have to feel the pain of watching their loved ones being slowly ravaged by this terrible affliction.

□ 1545

EXPIRATION OF 45G CREDIT

(Mr. MORAN of Kansas asked and was given permission to address the House for 1 minute.)

Mr. MORAN of Kansas. Mr. Speaker, for 7 years now, my colleague Mr. POMEROY and I have worked to preserve transportation connections for communities that would be disconnected but for their short line and regional freight railroads. Our bill, H.R. 1132, which extends the section 45G short line railroad tax credit, is supported by 259 of our colleagues.

Unfortunately for Kansas businesses that depend upon rail service, the 45G credit expired last year. As a result, small railroads like the Kansas & Oklahoma Railroad, the Kyle Railroad, and the Nebraska, Kansas & Colorado Railway are unable to maximize their infrastructure investments to best serve their customers. The 45G tax credit generates nearly 7 million good-paying track worker hours each year. More importantly, the tax credit helps farmers and coops in rural communities of Kansas move grain to food processors in Kansas City and manufacturers in Wichita to move steel and their finished goods to market.

I rise today to express my hope that we can find a path forward to continue the economic development and sound transportation policy fostered by the tax provisions contained in H.R. 1132.

UNFUNDED MANDATES ON STATES

(Mr. THOMPSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I received a letter from a member of the Pennsylvania State House explaining a resolution he has introduced to stop the Federal Government from imposing unfunded mandates on the State. The resolution cites the Urban Institute as estimating Pennsylvania will see an additional 818,390 people eligible for Medicaid under the health care reform law. The cost to the Commonwealth of that additional burden totals $2.31 billion between 2014 and 2019. Some 12 percent of Pennsylvania is now enrolled in Medicaid, making welfare entitlements one of the top-spending categories in the budget.

The resolution states that on September 9, 2009, the President promised that health legislation being considered by Congress would not add to the Federal deficit but was silent about States bearing the weight of unfunded mandates. The proposed legislation asks Congress to refrain from imposing unfunded mandates on the State and asks that every Member be given a copy.

We already have a law against unfunded mandates, but that did not stop the Democrat majority from adding a huge burden on the States with this new law. I agree with this resolution and will encourage Pennsylvania legislators to support it.

FEDERAL GOVERNMENT IS MIA

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, a bipartisan group of Members representing all the southern border States today called for armed National Guard troops at the border. Our border State Governors have been specifically asking for troops over a year. Violence is escalating. Law enforcement lacks the manpower and equipment they need to protect the people on the border. National Guard troops must be armed and sent to the border, with clear and concise rules of engagement that allow them to defend themselves if fired upon.

Seventy-nine American citizens were murdered in Juarez, Mexico, just last year. Last month, an Arizona rancher was shot dead on his own property. His murderer was tracked to the border. Assaults against Border Patrol agents have increased 16 percent so far this year. Border Patrol Agent Robert Rosas was murdered in July—execution style.

Border States need help. The Federal Government has been missing in action. National Guard troops should be sent to the border to help the Border Patrol and local sheriffs protect the safety and security of the people.

And that's just the way it is.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. DRIEHAUS). Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MORE NEWS FROM THE BORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. I bring you news from the third front—that being the southern border of the United States with Mexico. The first front, of course, is that engagement in Iraq; the second, in Afghanistan; the third, on our violent southern border. People are coming into the United States from all over the world through the country of Mexico. Because Mexico has a vast coastline in the Atlantic and the Pacific, people go to Mexico, sneak into Mexico, and then sneak into the United States through our southern border. Part of those people that are coming in are called drug cartels. They're coming in to sell narcotics—a profit of over $40 billion a year to the drug cartels that smuggle dope into this country. But also other people are coming into the United States.

Here's a photograph that was taken in Zapata County, Texas. I'm sure you've never been there, Mr. Speaker, but it's down on the Texas-Mexico border. It's a small county. This is an RV parked near the border. But this happens to be a helicopter. It turns out it's a Russian-made helicopter with Mexican markings on it. It's about a mile and a half to two miles into the United States across the border.

Now, the border with Mexico and Texas is not a land border. There's a river there. So there is no way somebody can be mistaken when they accidentally, they say, come into the United States. We don't know the intentions of this helicopter. Two weeks before this photograph was taken, other photographs were taken of either this helicopter or a similar helicopter, once again, coming into the United States—intentions unknown. Are these folks guarding a shipment of drugs? Are they working with the drug cartels? Are they looking for bad guys, or what are they doing? We don't know.

The problem is the border is porous. The southern border of the United States is porous with that border of Mexico. The violence in Mexico is escalating. Of course, it comes into the United States. There are 14 border counties in Texas that border Mexico. I recently talked to the sheriffs of those counties on the same day and asked them this question: How many people in your local jail are foreign nationals charged with crimes that are not immigration violations? The total number was 37 percent. That's right, 37 percent of the people in border county jails in Texas are foreign nationals charged with misdemeanors and felonies. That's a lot of folks. That costs somebody a lot of money. And that is because the crime problem goes back and forth across the border. It's in Texas and it's also in Mexico. It's because the borders are porous.

We have down on the border with Mexico the Border Patrol. They're doing as marvelous a job as they possibly can, but they need some help. Here's a photograph, Mr. Speaker, that was also recently taken. This is a Border Patrol vehicle. It has been improvised. It's a pickup truck. They call these things the ''war wagons.'' Now why do they do that? Because they think they may be in a war zone down on the border. If you notice, Mr. Speaker, there's a mesh steel wire across the windshield, across all of the windows.

There's even a mesh cage that protects the emergency lights on top of the vehicle.

The question is, Why do they have that stuff on their Border Patrol vehicles? Well, you see, when they patrol the border with Mexico, people who wish to come into the United States illegally pelt rocks at our Border Patrol. And so they have to protect themselves and their vehicles by putting this wiring, this cage, around their own vehicle. Now, if somebody threw rocks at a police officer in the United States, normally those people get arrested and go to jail. But it doesn't seem like that is what is occurring, and so they have to protect themselves.

This is just one example of the violence that is occurring. Border Patrol in the Tucson area, assaults against them this year are up 300 percent from last year. That's right, assaults on our agents who are trying to protect the border, protect us. So we have to do more than that. We have to support the Border Patrol, the sheriffs that work along the border; and we have to do what the Governors of some of those States have asked for, and that's send the National Guard down to the border.

We protect the borders of other nations. Why don't we protect our own? We don't know. I think it's politics. It's time that we have the moral will to secure the dignity of the United States. It's about border security. It's about national security. It's not an issue of immigration. It's an issue of whether or not people can come into the United States legally or illegally. We must have the moral will to keep the criminal gangs, the drug cartels, the human smugglers out of the United States. They know our borders are porous. People in other countries know our borders are porous. They go through Mexico and come into the United States.

The Federal Government has been missing in action. It's time that they show up on the border and send the National Guard to support our troops, support the border sheriffs, and support the Border Patrol.

And that's just the way it is.

ARIZONA PROTECTS ITS CITIZENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Texas. Mr. Speaker, in a recent editorial praising Arizona for its action to enforce immigration laws, Investor's Business Daily said the following: ''There are 460,000 illegal immigrants in Arizona, a number that increases daily, placing an undue burden on the State's schools, hospitals, and law enforcement. Arizona has a window seat to an illegal invasion and on the escalating and violent drug war in Mexico that has put American lives and society at risk.

''President Obama calls Arizona's tough new law 'irresponsible' and 'misguided.' But it wouldn't be necessary if the Federal Government fulfilled its responsibilities to secure the border. We are a Nation of immigrants—legal immigrants—but we are also a Nation of laws that 70 percent of Arizonans and most Americans want to see enforced. The first duty of the Federal Government is to protect the rights, property, and lives of U.S. citizens.''

I couldn't agree more.

DON'T STOP WITH IMPROVING DEFENSE PROCUREMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, this body took an important step today by passing the IMPROVE Acquisitions Act, which will bring badly needed reforms to the defense procurement process. The Pentagon, of course, is legendary for bureaucratic inefficiency, cost overruns, and even outright corruption in its purchasing practices. Remember the $640 toilet seat that the Navy bought back in the 1980s? Remember our soldiers in Iraq sifting through scrap heaps for makeshift body armor?

□ 1600

For too long, Mr. Speaker, the Pentagon has been the irresponsible teenager who gets a ridiculously generous allowance, loses part of it, and then spends the rest on junk food. With this new bill, though, mom and dad will begin to exercise some oversight over that allowance. Given the size of the DOD budget and the nature of its mission, it is about time. It's remarkable that up until now, there's been no effective performance metric system to assure that taxpayers are getting value for their defense dollars.

We're living through a time, Mr. Speaker, when nearly every American family is tightening its belt and making sure that every dollar it spends is on something it truly needs. We owe it to these families to ensure that the government agency charged with keeping them safe is doing the same.

As pleased as I am with the passage of the IMPROVE Act, I can't help but think that we are nibbling around the edges of a much, much larger problem. The issue is not just a managerial one of how the Pentagon goes about its acquisitions. The more significant matter is the Nation's overall defense policy and budget priorities. For example, we continue to spend billions of dollars every year on sacred cow weapons systems that were designed for a bygone era.

Finally, last year, we cut off funding for the F–22 Raptor, designed to neutralize the next generation of Soviet planes. I guess it took almost 20 years to figure out there has been no generation of Soviet plane because there's been no generation of the Soviet Union. But we're still throwing money at the V–22 Osprey, a plane so wasteful and unnecessary that even former Vice President Cheney was trying to kill it as far back as the late 1980s when he was Secretary of Defense. According to our analysis at the Congressional Progressive Caucus, we can save $60 billion, at least, a year by eliminating such Cold War relics.

And, Mr. Speaker, then there's the biggest ticket item of all, purportedly keeping us safe but actually spending us into bankruptcy and undermining our national security interests. I'm referring to the ongoing wars in Afghanistan and Iraq. Every day, at a predicted price tag of around $1 trillion, we are sending American soldiers to die for a strategy that is a moral outrage and a practical failure. For a fraction of the cost, we could take a smarter approach by expanding poor countries' capacity to provide for their own people. That means more resources for democracy promotion, physical infrastructure, human capital development, et cetera, et cetera. That would be the way to fight terrorism—with compassion, not aggression; using diplomacy, not destruction; by investing, rather than invading.

So let's do more than streamline procurement, because, Mr. Speaker, if we overhaul the way we go about protecting America and we redefine what it means to provide for the common defense as the Constitution instructs us to do, we will do the right thing, and the right thing will be to start by bringing our troops home.

The SPEAKER pro tempore (Ms. CHU). Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONGRATULATING ALLISON NOVACK FOR BEING NAMED THE TOP OUTSTANDING SCHOOL YOUTH VOLUNTEER OF THE YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, I rise today with a wonderful mission—to recognize a local student, Allison Novack. Allison has recently been named the Top Outstanding School Youth Volunteer of the Year for the Miami-Dade County Public Schools system. Our superintendent of schools, Alberto Carvalho, presented her with this impressive award at Miami's Jungle Island earlier this month.

As a senior at Miami Beach Senior High School, Allison has volunteered in numerous capacities. She has served as the president of the Miami Beach chapter of the Junior State of America. She has served as producer for the nonprofit group 1308 Productions. She is

also known for her work as part of Sky News and as the creator of the Rock the Vote concerts and shows in our area. And I can personally attest, she was a fabulous host to my recent congressional visit to Miami Beach High.

As an elected public official, I understand the great effort and the personal sacrifice that goes along with trying to make a difference in our community. The time that Allison has spent and the care she has demonstrated are truly beyond her years. All of us in south Florida are fortunate to have someone like Allison who gives so generously of her time and energy to our area. This award is yet another shining example of how one individual's hard work can make a difference. Allison is an inspirational and energetic student leader who has created positive results for her school and our greater community.

Allison's public service has also been recognized by organizations such as Voice of America radio as well as many other media and civic groups.

This dedication to civic engagement stems from Allison's family, which has a legacy of public service. Allison is the daughter of Surfside mayor emeritus Paul Novack. Mayor Novack served as mayor for six terms and is himself, also, a graduate of Miami Beach Senior High School, the Hi-Tides. Also, Allison's grandmother Mickey Novack served as Surfside vice mayor, as president of Women in Government Service, WIGS, and as treasurer of several educational and civic organizations, including the PTA and Hadassah.

It is wonderful to see Allison continuing in the family tradition of giving back to our community. Her hard work is fundamental in making our community better for years to come. With the support of wonderful parents like Paul and Denise, I am certain that Allison enjoyed the strong family network of support and guidance that is needed to accomplish so much for this young woman who is soon to be off going to college. Allison's steadfast commitment to public service is a testament to her character and to her family. She is a wonderful example of today's young adults who have the will to affect positive change in our community.

Allison will soon graduate from Miami Beach Senior High School this June as an exemplary student who has been a credit to her school and our community. Next semester, she will be joining the proud ranks of students attending the University of Miami—go Canes—and pursuing a degree in communications.

Again, I congratulate Allison for her recent award as Top Outstanding School Youth Volunteer. I also wish her the best as she makes the transition to college life, and I look forward to hearing from her about her continued work in making this community an even better place in which to live. I know that Allison will continue to benefit our area in her volunteer work and will be a magnificent addition to the University of Miami Canes team.

Congratulations, Allison. Congratulations to the Novack family.

A TRIBUTE TO DR. DOROTHY HEIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Madam Speaker, I take this opportunity to pay tribute to one of the most accomplished, most engaged, and most effective social workers that this country has ever known, Dr. Dorothy Height. Following in the footsteps and tradition of Mary McLeod Bethune, Dr. Height became renowned for her dedication to social justice in her roles as administrator, educator, and social activist.

Dr. Height was born in 1912, the same year as my father, and, therefore, experienced and endured all of the social characteristics of her childhood era. Nevertheless, she attended college at New York University and did postgraduate work at Columbia University and the New York School of Social Work. Working as a social worker, Dr. Height came into contact with the problems and conditions of the average citizen or common man. These experiences and understandings guided her thinking, ignited her passions, and kept her going until just a few days ago.

Dr. Height joined the National Council of Negro Women and became its voice and leader. She served as the national president of Delta Sigma Theta, Inc. for 11 years and was the only woman engaged in leadership of the United Civil Rights Organization with Dr. Martin Luther King, Jr., Whitney Young, Jr., A. Phillip Randolph, James Farmer, Roy Wilkins, and JOHN LEWIS. When the movement subsided, Dr. Height's work continued.

She was energetic, went everywhere and to everything. She developed women by serving as their mentor and friend. The women that I know and worked with in Chicago are Ms. Rosie Bean and Ms. Anetta Wilson, both of whom are always willing to call themselves disciples of Dr. Dorothy Height.

Dr. Height was an incredible, unbelievably committed and dedicated woman whose life was the true essence of living. And I think that the poet Sam Walter Foss may have had Dr. Dorothy Height in mind when he penned, ''House by the Side of the Road.''

''There are hermit souls that live withdrawn, in the place of their self-content. There are souls like stars that dwell apart, in a fellowless firmament. There are pioneer souls that blaze the paths, where highways never ran. But let me live by the side of the road and be a friend to man.

''Let me live in a house by the side of the road, where the race of men go by. The men who are good and the men who are bad, as good and as bad as I. I would not sit in the scorner's seat, nor hurl the cynic's ban. Let me live in a house by the side of the road and be a friend to man.

''I see from my house by the side of the road, by the side of the highway of life, the men who press with the ardor of hope, the men who faint with the strife. But I turn not away from their smiles and tears, both parts of an infinite plan. Let me live in a house by the side of the road and be a friend to man.

''I know there are brook-gladdened meadows ahead, and mountains of wearisome height; that the road passes on through the long afternoon, and stretches away to the night. And still I rejoice when the travelers rejoice, and weep with the strangers that moan, nor live in my house by the side of the road, like a man who dwells alone.

''Let me live in my house by the side of the road, where the race of men go by. They are good, they are bad, they are weak, they are strong, wise, foolish; so am I. Then why should I sit in the scorner's seat, or hurl the cynic's ban? Let me live in my house by the side of the road''—like Dr. Dorothy Height—''and be a friend to man.''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

(Mr. MORAN of Kansas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. FORBES) is recognized for 5 minutes.

(Mr. FORBES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 5 minutes.

(Mr. DENT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ADDITIONAL FACTS AND FIGURES FROM THE HEALTH CARE BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. AKIN. Madam Speaker, I appreciate being recognized. As we do on occasion on Wednesday, after the main part of the House business is closed, we have an opportunity to take a look at various topics and subjects. Usually we have chosen subjects of significant importance to Americans, ones that affect everybody's lives. And it might seem odd in that we have already passed the government takeover of health care bill that we would go back to that bill, but I think there is continuing information that is being released that a lot of people may not have known about when the bill was passed, additional facts and figures which are, at a minimum, quite disturbing.

The facts and figures that I thought that would be important to talk a little bit about today are the facts and figures that come from the President's own people, the Centers for Medicare & Medicaid Services. These are people that the administration has chosen. They are a group of people who are taking a good look at the bill that was proposed and has been passed, what its implications are and some of the financial facts.

So this was something that was actually approved by the Obama administration. This was not the House Congressional Budget Office, which is viewed as being fairly bipartisan and has its own numbers. But these facts have just come out recently. We have to assume the President knew them, and the facts are in sharp contradiction, in complete disagreement with statements made by the President himself.

So I think we need to take a look at some of these things. Particularly, there was the claim in the health care bill that we have to bend the cost curve down because the numbers financially, for our Nation, we can't continue to have increasing health care costs.

□ 1615

Everything was centered on the fact that we are spending too much on health care. First of all, of course, the premise of that is a little odd. If you are a sick person, maybe you are not spending too much on health care. Maybe you spent what you needed to get well. But we are looking when that comment is made on what the government is spending on health care, particularly Medicare and Medicaid. So we are saying the government runs Medicaid and Medicare and they are spending too much, so the government needs to take it all over.

But the whole thing was sold on we are going to bend the cost curve down so Medicare and Medicaid, also health care in America, will cost less. Here we have Obama's hand-picked Center for Medicare and Medicaid Services saying that, in fact, this bill is going to increase the cost of health care. Well, that is kind of odd because the whole logic for doing it was because we are going to decrease it. And now we are hearing it will increase it. We are going to look at some of the different promises, quotes, and comments.

I am joined by a good friend of mine from Pennsylvania, and hopefully we will have some other guests on the floor tonight. I will introduce things first, and then we will discuss this.

This was an attempt to try to summarize the 2,000-page bill. They say a picture is worth a thousand words. Well, this picture may be a little tough. I don't know if it is worth 2,000 pages or not, but it is a tough picture. This is a rough idea what the government has to take over on the bill we just passed. So obviously it is going to be complicated. It shouldn't surprise us when we see this and ask: Is this going to save money? The answer now from Obama's own people is, No, this is going to cost more money than it is going to save.

So this is one of those things, just to get a sense of how complex the change is, and people are asking our offices all the time: When is this going to take place? For instance, those of us in Congress, we lose our health care coverage with this bill. So we are asking ourselves: When do we no longer have health insurance; and where do we have to go to buy it?

Well, you have to go to an open exchange. And there are a lot of questions about how is it that the Federal Government is going to take over one-sixth of the U.S. economy and somehow make it more efficient than what we have right now. The answer is they are not. They are not. The authorities appointed by the Obama administration again say it is not going to be more efficient, it is going to be more expensive.

There were all kinds of promises that we heard about, and I think it is important to go back and look at some of those things. Congressman THOMPSON from Pennsylvania may remember some of those quotes.

First, this is one that the President said: If you are among the hundreds of millions of Americans who already have health insurance through your job, Medicare or Medicaid or the VA, nothing will require your employer to change the coverage with the doctor you have. Try to explain that to the Members of Congress who are all losing their health insurance. This doesn't even pass the laugh test. This is ridiculous to make this statement.

The proposal that is before us, and you can probably technically say first, if you are among those who already have a health insurance policy, nothing in this plan will require you or your employer to change. Well, for how long? Well, until the bill goes into effect; then it will make you change. So this is really something here. Particularly the people who are going to be rather cynical when they read this are the people who are the Medicare seniors on Medicare Advantage. I don't know how many hundreds of thousands of people are in Medicare Advantage. You are going to have half a billion dollars taken out, $500 billion being taken out of Medicare Advantage. And obviously when you take that money out, the people on that plan are not going to have that same plan. About 50 percent of the seniors in Medicare Advantage are not going to have the same thing.

I want to contrast back and forth, the President says something, but yet, it taint necessarily so, as the song goes.

Mr. THOMPSON of Pennsylvania. I thank my good friend from Missouri for leading this discussion. It is such an important discussion as we look at the consequences of this health care bill that has been passed.

Mr. AKIN. Do you think we really know the consequences? I don't think people have a clue what the consequences are.

Mr. THOMPSON of Pennsylvania. That's right. I don't think we do either. The original Senate bill was 2,000 pages. We had a manager's amendment, and a reconciliation bill on top of that. We are talking close to 4,000 pages, and now the bureaucrats have to take that bill and put it into regulatory language. We may not know certainly for months and maybe years everything that is in here.

It really comes down to one word, and it is credibility. To say one thing, words one way and your actions completely opposite, it lacks credibility. We shouldn't be surprised. We saw that going back. Stretch our imaginations, we don't have to go that far back, we saw that a little over a year ago with the stimulus bill. The President said we have to do this stimulus bill. It was his words then that said we have to do this stimulus bill because if we don't, unemployment may go over 8 percent. So we spent $878 billion on the stimulus bill; and in the end, what did we get? Well, we are at 10 percent or just under 10 percent unemployment at this point.

Mr. AKIN. So we are getting this radical, one statement says one thing and yet when you look at it, it is the exact opposite.

Mr. THOMPSON of Pennsylvania. Actions as we know, speak louder than words.

Mr. AKIN. The promise was if you don't pass the stimulus bill, this was a year ago, you could have unemployment above 8 percent. I wish we hadn't passed it because our unemployment is now 10 percent.

You were on the floor here about a year ago saying it wasn't going to work. It wasn't that we were being pessimistic, but we learned from history from Henry Morgenthau, FDR's Secretary of the Treasury. He said this economic approach of the government spending tons of money doesn't fix this problem of unemployment and recession. It just doesn't work. After trying it for 8 years, it wasn't that we were rocket scientists, it is just we learned a little something from history.

Yet we get this one promise that if you don't do this, unemployment is going to go as high as 8 percent. Instead it went to 10 when we spent whatever it was, $700 billion or $800 billion. That is just amazing. That is one of the promises. I was thinking about the health care promises, but you're right on that.

Mr. THOMPSON of Pennsylvania. One of the premises that I have always led my life by is the best predictor of future performance is past performance. I think there is a significant issue, a great divide being what is being said, what the President said about the health care and some of the promises that were made in order to get this bill pushed through Congress and what we see now and what we have now is the reality as we take our time to look through this bill.

Mr. AKIN. Here is one that might be of interest to you. I have a couple of examples.

This is a quote from Senator Barack Obama and it was on 10–4-08. We will start—talking about his health care proposal—we will start by reducing premiums as much as $2,500 a family. If somebody told me that, I am saying I like that. Our expenses, we go through a lot of money with a bunch of kids and health care. If you are going to reduce my premiums by $2,500 a family, that is a great promise if it is any good. And yet after making this promise, now here we go, not only the Congressional Budget Office which is our bean counters, Republican and Democrat bean counters in the House and Senate, our guys, and this Center for Medicare and Medicaid Services which is the administration's, it is Obama's bean counters, are saying it is going to reduce the premiums by as much as $2,500, both of these offices are saying that the insurance premiums will increase under the Obama care, not decrease by $2,500, it is going to increase and it is going to increase by, I think they are saying—let's see, here it is: Americans who buy their own health insurance plans will pay an average of $2,100 a year more for their policies.

So if you are somebody going out and buying your health insurance, instead of decreasing by $2,500, it is going to increase by $2,100. That is a little different story. That is the sort of thing that gets people upset.

We are joined by a doctor with a medical opinion on this subject.

Mr. ROE of Tennessee. Thank you. One of the things that we are trying to do here, and as I go back and think through the last 15 months, and remember when this debate first began: What is the problem that we are trying to fix? Well, the problem we are trying to fix was we had 40-plus million uninsured people in America, and that is untenable in this country.

Number two, health care costs were going up faster than inflation. That was a problem. There is no question that the uninsured and rising health care costs had to be addressed. There are many ways you can address this. I brought to the table 17 years experience with a failed plan in Tennessee.

Mr. AKIN. I want to mention that there may be some people joining us that are not always here on Wednesday evening. You are not just a Member of Congress, you are not just a former doctor, but you are also from the State of Tennessee, and the State of Tennessee is one of two States that tried this ObamaCare kind of approach to health care. And your experience in the State of Tennessee was did it decrease premiums and decrease the cost of insurance? That is what was promised by the President when he was a Senator. He said we are going to start by reducing premiums by as much as $2,500 a family. Did you believe that?

Mr. ROE of Tennessee. No, I did not. One of the reasons was just the practical experience I had for over 16 years has shown that was not in the case. Back in the 1990s, we had a lot of uninsured people, and we asked for a Medicaid exemption and we got that in Tennessee to form a managed care plan. The idea was we were going to have various plans compete among each other to hold health care costs down. What actually happened was over about a 10-year period of time our costs tripled in this particular plan.

Mr. AKIN. So your costs tripled when you went this route?

Mr. ROE of Tennessee. Over 10 years they tripled. What happened was a lot of people, and I will predict this right here on the House floor right now, what is going to happen nationally with this plan is exactly what happened with our plan. I have seen this picture before. What will happen is you will have people, and we already have a business in west Tennessee that is a large plan. And remember, the Federal Government is going to determine what is adequate health care coverage in this great scheme, not you the individual or you the company, what you can afford, but the Federal Government will decide what is adequate health care coverage.

This particular business their coverage that they have now the Federal Government says no, this is not adequate coverage. And so it will cost this one business $40 million more. Now if they drop their coverage, their covered workers into the exchange and they pay the $2,000 fine per individual, it will save that company $40 million.

Mr. AKIN. Let's get this straight. You have a company here and the company is being faced with some choices now. Their first choice is just take their employees and dump them into, is it the State or the Federal?

Mr. ROE of Tennessee. The Federal exchange.

Mr. AKIN. You can take your employees and unload them on the Federal Government, and if you do that, how much money does it save?

Mr. ROE of Tennessee. It saves $40 million. It is a large company.

Mr. AKIN. So if you are a big company, you can make $40 million by just dumping your employees onto this plan?

Mr. ROE of Tennessee. That's correct.

Mr. AKIN. Why wouldn't somebody do that?

Mr. ROE of Tennessee. Why wouldn't they do that. Exactly. That is exactly what happened in Tennessee. What happened in Tennessee is employers saw they could let their employees go to the TennCare plan, and 45 percent of the people who got on TennCare had private health insurance and those costs were shifted to the State of Tennessee.

What happened, the little caveat that isn't ever talked about is that no Federal plan, including Medicare, pays the actual cost of the care. What you are talking about right there in Tennessee, the TennCare plan paid about 50 or 60 cents on the dollar. So guess what happened to private businesses, those costs got shifted and their premiums not only went up at the rate of inflation, but you got those added costs added to it.

□ 1630

So that's where your $2,000 comes as cost shift that we're talking about.

Mr. AKIN. Okay, I'm starting to understand. Doctor, you're great at explaining this stuff.

So what you're saying is you've got a certain number of people that are all kicking into the system and paying for medical care. All of a sudden you create a government incentive to dump all those people on the government. Now the government is having to pick it up, and guess who's going to pick up the bill? Well, it's the people who are still buying private insurance. So when you take these people out—the company is not paying for them anymore—now the private insurance guys, their cost goes way up to compensate for these other people because the government is not paying enough to cover the insurance.

So if the government puts in 50 cents on the dollar, somebody's got to make up the other 50 cents. Guess who it's going to be? The other poor sucker out there who's trying to buy his own health insurance.

Mr. ROE of Tennessee. And then what's going to happen is going to be, in a few years—in our State, it took about 5 or 6 years for us to recognize that we had a big problem on our hands. What's going to happen is that then, us, the politicians, are going to

step up and say, see, the private sector failed; we told you it was going to fail. This system that we have, Congressman AKIN, is designed to fail, and it will.

Mr. AKIN. Oh, so we're designed to fail because if you get the private system to fail, guess who's going to end up having to run the whole system?

Mr. ROE of Tennessee. You got it.

Mr. AKIN. The Federal Government. What a treat.

Every time we take a look at this thing and we discuss it on the floor, no matter which way you poke at it, it seems to me you come to the came conclusion. There's one solution to this problem: repeal this silly bill that we passed. It's a disaster.

Congressman THOMPSON from Pennsylvania, please join us.

Mr. THOMPSON of Pennsylvania. Well, I thank my good friend from Missouri.

The other part of that is, what they are paying, what my good friend, Dr. ROE from Tennessee, talked about how Medicare pays today less in costs. Commercial insurance on the average nationally pays 130 percent of cost. And there is only one reason—well, there's two reasons for that, but it all comes from the government. The government pays Medicare 80, 90 cents on the dollar, if we're lucky. Medical assistance, which has been expanded tremendously under this bill, only pays 40 to 60 cents for every dollar cost.

The President's own agency, the Centers for Medicare and Medicaid Services, in their actuarial report—so that's taking the folks at Medicare and taking the brightest and the best in terms of determining the economic impact of this bill, the section that talks about how will this impact our hospitals? Right in that bill, and I'll quote: ''Medicare cuts could drive about 15 percent of hospitals and other institutional providers into the red'' and ''possibly jeopardizing access'' to care for seniors. That's a significant risk.

My background was working in rehabilitation therapy as a manager within rural hospitals. And most rural hospitals—and, frankly, underserved urban hospitals—in my experience, if they're having a banner year, make a margin of about 1 to 4 percent. And out of that 1 to 4 percent, we hope that they can give cost-of-living increases because we want them to keep the best and the brightest and be able to recruit and retain—and that's a challenge when it comes to recruiting health care professionals.

Mr. AKIN. Just interrupting for a minute, from a business standpoint, because my background was engineering and business, when a business is running at 1 to 4 percent, that's like if you think about somebody that has to breathe keeping his lips above the water, you don't have much margin there before you go into the red when you're running at 1 to 4 percent.

Mr. THOMPSON of Pennsylvania. And you don't. When you're looking at difficulty recruiting and retaining health care professionals, especially to rural areas and some urban areas, when you look at escalating costs of medical liability insurance—which our colleagues across the aisle refuse to deal with—they allow $39 billion annually to be spent for medical malpractice insurance. That's $39 billion that could be reduced out of the cost of providing health care, let alone the impacts of defensive medicine practice. So you've got that 1 to 4 percent. You also have hospitals under pressure to continually invest in new technology because we want them to have the technology to save lives.

Mr. AKIN. Let me just cut to the chase for a minute here. Are you suggesting that with this new proposal, because of the tremendous pressure that's going to be placed on those hospitals, that they're basically going to be starting to close?

Mr. THOMPSON of Pennsylvania. Well, not only am I suggesting that, but the President's agency, the Centers for Medicare and Medicaid Services, put that in writing.

Mr. AKIN. So they're saying that this new bill, among other things, is going to close hospitals.

Mr. THOMPSON of Pennsylvania. That is correct. They're estimating up to 15 percent.

Mr. AKIN. Now there's something here that just seems to be ironic to an extreme. We passed this massive government takeover of health care, and the very people that the President and his administration chose to take a look at and study the effect on Medicare and Medicaid of this proposal are saying it's going to close hospitals; and yet this bill is going to hire 16,000 new IRS agents to try and enforce the plan. You would think if you had a medical bill, you would hire more nurses and doctors. No, we're going to do 16,000 IRS agents.

Mr. ROE of Tennessee. Will the gentleman yield?

Mr. AKIN. Yes.

Mr. ROE of Tennessee. I want to just comment on that right now before I have to go on blood pressure medication.

Mr. AKIN. Which is brought on by the bill, is my question.

Mr. ROE of Tennessee. Which is brought on by the bill.

Here we have something as ridiculous as hiring 16,000 IRS agents to check a box to see whether you have bought health insurance, where if you took that $10 billion right there, you could solve the uninsured, and our TennCare problems in the State of Tennessee could actually provide the care. Now, that's absurd when you hire government bureaucrats to check a box when you could actually provide care for pregnant women, for the elderly on Medicaid, for young people.

The gentleman from Pennsylvania brings up a great point on rural hospitals. Typically, if you look at the demographics—and I live in a rural area in Tennessee—if you look at the demographics, they tend to be older and less affluent. And those smaller hospitals that don't get the more affluent people have a higher percentage of Medicaid and Medicare patients, meaning there's more pressure on them. You lower those reimbursements and there's a very real chance they will be in financial trouble.

I yield back.

Mr. AKIN. Wow. Well, we're joined by a good friend of mine who does represent a rural area from the great State of Missouri, BLAINE LUETKEMEYER, a gentleman that I have already a tremendous amount of respect for, and somebody who is also going to share a couple of his ideas on this whole ridiculous situation with this government takeover of health care.

Congressman.

Mr. LUETKEMEYER. Thank you, Congressman AKIN. It's good to be with you.

I've had a number of visitors over the last several days that have been talking about the health care bill. It's amazing, people are now starting to sit down and look at the bill, trying to figure out what kind of implications it has for themselves, their business, their families, whatever it may be.

And to follow up on the gentleman from Pennsylvania's comment, yesterday I had a group of rural hospital folks in, and not only is it going to affect the hospitals, it's also going to affect the doctors from the standpoint that the payment schedule can't be made whole so that they can make enough money to keep their doors open. Private practices will be a thing of the past. You're looking at them all becoming employees of hospitals or the government, whichever one is the surviving—I guess the last one standing here. So it's really a challenging time for not only the medical professionals, but also for the businesses as well.

Mr. AKIN. I really appreciate you bringing that point up, gentleman, because what you're really saying is there are a whole lot of question marks out there. It almost seems like to me, coming from our State of Missouri, it's almost like maybe you fall off your roof and you land on the ground and you know you hit pretty hard—you get to be an old geezer like me—and you kind of pick yourself up and say, I wonder if anything's broken. You start reaching around to see what's the damage. It seems like now people are kind of asking the question, what's the damage going to be? You really hit the nail on the head.

Go ahead, I didn't mean to interrupt you.

Mr. LUETKEMEYER. And, again, as you talk to the individuals—and each individual industry is a little different, but I know the fast food industry, I was talking to a gentleman who has 25 fast food franchises from Missouri all the way to South Dakota. He said it's going to cost him about $20,000 per location. And some of his locations don't

make $20,000 because they're small towns or smaller locations.

Before the bill passed, he was looking not only at trying to figure out how he could make some more dollars here, but he was looking to expand his operation. He was looking to purchase eight other units from another fast food franchise owner as well as build four additional ones. But now he says, Because of this extra cost, I not only am not going to expand my operation, I'm probably going to have to contract because I can't afford it.

At the end of the day, he's looking at half a million dollars in additional costs. He did nothing wrong. He didn't change his business model, but all of a sudden now, under this bill, he's got another half a million dollar bill that he has to figure out how to——

Mr. AKIN. You're talking about a bill that is actually driving the unemployment worse. It's a bill that's going to create unemployment is what you're saying. That's what this small business owner says. In other words, you're saying he's making enough money as it is now to open additional franchises, but with the cost of this bill, it pushes him under water, which says, I've got to close some rather than open them, and there goes some more jobs. So why in the world are we doing this when we've got an unemployment problem?

Mr. LUETKEMEYER. Well, I think it's pretty obvious, gentleman. I think that we're not about preventing health care in this bill. It's about a government takeover of one-sixth of our economy. It's about control; they want to control that portion of the economy.

Again, I've got another friend of mine who owns three manufacturing plants around the country, looking to open a fourth, but with the uncertainty of our economy, with bills like the health care bill, cap-and-trade, the stimulus package, additional tax increases that are sitting on the back burner right now, he says, I'm not going to open this business; I'm not going to build a new manufacturing plant.

To bring another business example here, I had a group of bankers in yesterday and I asked them, I said, How is your money supply? Have you got plenty of funds to loan out and what is your loan demand? And he said, We have the funds to loan out. The demand is sort of lukewarm right now, but the last five guys we've had come in who wanted to take out business loans were all ready to sign the papers. We had approved them, everything was fine. They're good customers, they're good business people, they decided at the last minute, we're not going to expand. We don't want to do this because we're going to endanger our whole operation if we go down this road. So they actually backed off, and as a result, look at how many jobs we're not providing or jobs that we're killing because of bills like this.

Mr. AKIN. I would like to underline that point. We just had my good friend from Tennessee talking about what happened when Tennessee did this crazy harebrained idea and how it really messed up the economy in the State of Tennessee. And now you're saying, actually, if I remember right, is that today the President is coming to Missouri to some degree to assure people that he's concerned with unemployment, and yet what you're telling me is you had small business owners going to bankers—I think you had a banking background, is that right, gentleman?

Mr. LUETKEMEYER. That's correct. That's correct.

Mr. AKIN. They're going to bankers, those loans are all set up, and when this thing passes, they go, Forget it, we're not going to expand business that way. And so you literally have people you know in the banking business in the State where the President is visiting today, and they're saying, These people came to us and said we don't want your money because we can't make enough profit on it to pay you back because we passed this piece—you keep coming to the same conclusion that—and I don't mean to beat on this a little bit—the solution to this is repeal. We've got to get rid of this thing.

I am also joined by another good friend of ours, another doctor who has been a stalwart on this from Georgia, my good friend, Congressman GINGREY.

We've just been talking about this tremendous gap between statements that the President is making, and now the gap between what the President is saying and what this Centers for Medicare and Medicaid, the center that's collecting the numbers, is saying totally different than what the President is saying. I just wanted your thoughts on that because you've been very much on top of this bill.

Mr. GINGREY of Georgia. Madam Speaker, I thank the gentleman for yielding.

I think the truth is finally coming out. I guess it's kind of like what Speaker PELOSI said maybe a week or just a matter of days before the vote on ObamaCare. They finally did get that passed, as we all know, by deem-and-scheme and reconciliation and everything that you can think of. It barely passed. But her famous quote was, Well, we need to hurry up and do this so that the American people can find out what's in it. And, boy, was she prophetic. Nothing could be further from the truth—finally.

And I think the gentleman from Missouri is absolutely right: now all of a sudden the true numbers coming out from the Centers for Medicare and Medicaid Services, CMS, are showing quite clearly that this pledge that the President, then-Senator Obama, made I guess back in as late as October of 2008 that if you like what you have you can keep it. Certainly, nothing could be further from the truth for those 11 million, I think, Medicare recipients who get their Medicare coverage under the Advantage Plan. That's cut 18 percent a year over the next 10 years, something like $150 billion. That plan is going to go away, certainly.

Mr. AKIN. If you let me just cut in for a second, Doctor, I've actually got that exact quote. Here it is. This is President Obama, June 15, 2009: ''If you like your doctor, you will be able to keep your doctor. If you like your health care plan, you will be able to keep your health care plan. No one will take it away no matter what.'' And yet this center is saying that's not true. Go ahead.

□ 1645

Mr. GINGREY of Georgia. That is the exact quote, and I thank him for having that.

It is exactly what we all predicted on our side of the aisle, and that's why no Republicans could vote for this massive takeover of the health care system—a sixth of our economy. It's part of a grand scheme, of course, and that's why you see people all across this country who are upset, certainly not just Republicans, but Independents and the grass root activists, be they Tea Party patriots or the 9–12 Group or Freedom First or the Doctors for Patient Care. All of these folks have been coming to the people's House, to the Nation's Capitol, over the last year. They are the same folks who were turning out for the town hall meetings last August to whom the Democratic majority, Madam Speaker, just absolutely turned a deaf ear. They came back, and then all they did was change the name and the number of the bill.

So I thank the gentleman for giving me an opportunity to weigh in as a physician Member. There are 10 M.D.'s on our side of the aisle. There have been 31 years of experience for me and many, many years of experience for my colleagues who practice medicine.

Mr. AKIN. How many of those doctors voted for this bill? Of those 10 doctors you just mentioned, how many voted for this bill?

Mr. GINGREY of Georgia. I thank the gentleman for asking.

The answer is nada, a big zero. That is also true for the two Republican Senators, the only M.D.'s, in fact, in the Senate—Dr. COBURN and Dr. BARRASSO.

There is expertise that we had. In the House organization of the Doctors Caucus, of the GOP's Doctors Caucus, there are, in fact, 15 of us—10 are M.D.'s, and there are others who were health care providers in their professional lives. The unfortunate thing is that none of us got an opportunity to try to help. Even though we were knocking on that door, it was never opened.

I yield back.

Mr. AKIN. There was no chance for input or anything else.

My good friend, Congressman LUETKEMEYER, you recently have been elected to Congress. You come from an out-State part of Missouri with a lot of pretty conservative, but Democrats, in your district.

Now, what would they have thought if you had voted, first of all, for cutting

Medicare? Next, you've got a brilliant idea for a tax on wheelchairs, on medical devices and on something which is going to increase the average person's cost to health care and which is going to force the person to go to the Federal Government ultimately to get health care.

What would they have thought of you if you had voted for this thing?

Mr. LUETKEMEYER. They would have literally rode me out of town on a rail. The people in my district are conservatives. Whether Republicans or Democrats, they are conservatives, and they don't believe in government takeovers. They don't believe in governments solving problems that people can solve for themselves. Regardless of party, I think they are appalled by what is going on.

Last night, for instance—and, in fact, today—we have the President in my district. He had a closed meeting with some folks versus an open meeting where the people could have actually spoken to him and where they could have actually listened to what's going on, which is concerning to me because, here in D.C., we hear more lecturing than we do listening from him, and it's unfortunate, because I think there are a lot of people who have a lot of good things to say, and a lot of information could be transferred back and forth.

At the end of the day, I think the folks in my district—and there were 1,100 people at a rally last night in a town of 5,000, and they weren't supporting what the President was doing. So I think that will tell you—and this was in an area that is conservative Democrat by nature.

Mr. AKIN. There were 1,100 people in a town that had 1,000 people?

Mr. LUETKEMEYER. Well, 5,000 people.

Mr. AKIN. There were 5,000. So more than one out of five were there.

Mr. LUETKEMEYER. I think that tells you that there is a lot of concern and that there is a lot of frustration. These are people who are watching what's going on. They don't approve of it, and they want their voices heard.

I think this is the key—that nobody here in D.C. is listening to these folks. They don't perceive what is happening with this administration as listening to their voices, as listening to their concerns, as listening to them when they point out that there are problems with this bill, that there are problems with this thought process, that there are problems with this ideology. They are being shut out just like we are as minority Members. As a result, they're standing up, and they're doing what they can, which is to raise their voices even louder.

So it was exciting to be able to talk to that group last night by conference phone. They're energized, and they're going to be very vocal come November.

Mr. AKIN. Well, I'll tell you that I'm going to be talking to one in another hour or two not very far from my district. I think they've got the same set of concerns. It's at a place where the President has been visiting, and they're turning out to say, We're not buying this solution.

My good friend from Pennsylvania, are you getting the same kind of sense from your constituents that there is a deep-seated concern for a plan that is just going to put 16,000 new IRS agents on the line to try and monitor whether you've done the right government thing?

Mr. THOMPSON of Pennsylvania. Yes, and not just from my constituents.

When I get home, I am out all over my district. My district is a great snapshot of Pennsylvania because it is actually 22 percent of the landmass of the commonwealth State, so it is a fairly large piece of Pennsylvania, and consistently, people are very conservative. Yet it's not just the people. Their State representatives are concerned as well.

I just received a resolution that is being put forward in the Pennsylvania State House by members of that chamber. It is essentially expressing their concern over this health care mandate. You know, Pennsylvania, with the expanded roles of Medicaid, is expected to have a bill of somewhere in excess of $3 billion between 2014 and 2019. Three billion dollars.

I've got to tell you that, financially, Pennsylvania is strapped right now. We were the last State to get a budget this past fiscal year, and this year's budget is not going to be much better, I don't think. These are very, very challenging times for States, for a lot of States, not just for Pennsylvania.

Mr. AKIN. Could I interrupt just for a moment and jump in there? I do have specifics on that very point that you've made.

I don't know if you gentlemen were aware of it, but as of today, there are 19 States representing 41 percent of the population—and our State of Missouri is not here, but I know they have this on the burner to do. As of today, there are 19 States, representing 41 percent of the population, which have sued the Federal Government over ObamaCare, which has caused Justice Briar to make the statement: ObamaCare, a good candidate for review by the Supreme Court of the United States.

So it's not just Tennessee. It's not just Missouri. It's not just Georgia. It's not just Pennsylvania. There are 19 States here that are saying something.

Mr. GINGREY of Georgia. Will the gentleman yield for just a second?

Mr. AKIN. I do yield to my good friend from Georgia.

Mr. GINGREY of Georgia. Madam Speaker, I thank the gentleman for yielding, and of course I will yield the time back so the gentleman from Pennsylvania can continue to make his point.

He is right on target in regard to what is happening in the States and in the Commonwealth of Pennsylvania. In the great State of Georgia, we have one more day, tomorrow. We have a 40-day session, and tomorrow is the last day.

They passed a budget for fiscal year 2011, which begins on July 1 in the State of Georgia, and it had to cut almost $1 billion. Now, that has been extremely painful, and I'm sure it's painful in the State of Pennsylvania.

Though, I want to commend the Governor of the State of Georgia and my colleagues in the general assembly—a Republican majority in the House and Senate. Madam Speaker, they have made these tough cuts, and most States—I think 47 States in the Union—have this balanced budget requirement as part of their constitutions. If they can do it, why in the world are we sitting here with—what is it?—$12.8 trillion worth of debt and with a $700 billion deficit already in this current fiscal year?

I hope my colleagues and anybody who might happen to be listening to us here tonight get what I'm trying to say. This is serious business, and we're not doing our job up here, quite honestly, and it embarrasses me.

I yield back.

Mr. AKIN. Maybe we're doing a bad job.

I want to continue back with my friend from Pennsylvania.

Mr. THOMPSON of Pennsylvania. Thank you.

In terms of Medicaid, I think it's an important area for us to look at in terms of, again, the credibility of what the President said he was going to deliver, of what the Democrats say they are going to deliver and what the reality is in the actions that have taken place here and that will take place. Now that we have these volumes of pages, we will read through them and begin to see what the reality is.

When it comes to Medicaid, there will be 18 million more people on the Medicaid program. Essentially, that means they will have coverage. To me, that means they're going to have cards in their wallets or in their purses which will say they're eligible for Medicaid insurance, which is a form of government insurance. We've already had the discussion of the flaws of it. It pays 40 cents to 60 cents for every dollar of cost today. I suspect that will probably go down. If you include 18 million more people in that program, the pressure that that will put on it will be significant.

We have a problem today. The credibility issue for the Democrats is the difference between coverage and access. The fact is, today, there are 40 percent of physicians in this country who will accept medical assistance patients. That's family practice.

Mr. ROE of Tennessee. Sixty.

Mr. THOMPSON of Pennsylvania. Sixty.

For specialists today, it's 60 percent. It's expected to go to 80 percent.

So they may have coverage, but they really don't have access. If you don't have a physician who is able to accept you or who will see you, then we're not

really providing them access to quality care.

Mr. ROE of Tennessee. Will the gentleman yield?

Mr. THOMPSON of Pennsylvania. I certainly will.

Mr. ROE of Tennessee. You bring up a very, very pertinent point, which is, this year in America, as of the last number I saw, we were training a whopping total of 600 primary care physicians.

Mr. AKIN. You're saying we are training this year 600 primary care physicians?

Mr. ROE of Tennessee. This is for a country with 300 million people in it. Also, 15 percent of the practicing physicians in America today are over 65, and you know what they're going to do when this ObamaCare plan hits.

I've studied the Massachusetts plan in detail. It's a little different than what we did in Tennessee. What they did there was to impose the mandates like they have in this plan. The idea was to spread the costs over more people. Therefore, we were going to hold the costs down, and we'd have fewer people going to the emergency rooms.

So what's going on in Massachusetts?

This is the fourth year that they've had it. It was initiated in 2006, and it's like in Tennessee. You can't spend $8 billion and not help some people. You do. There is no question about that. No one is arguing that point. In Massachusetts, with the billions of dollars that have been spent, you are going to help some folks because they've included another 400,000-plus people. What the Governor is now doing is recommending that almost all of the private plans' premiums be capped.

Why are they going up faster than they thought they would?

Well, they've added more people to the rolls that they're not paying the costs of, and the idea was we were going to get people out to primary care doctors and that we were going to cut the number of people who would be going to the emergency rooms.

Well, guess what? That didn't happen. Why?

As the gentleman from Pennsylvania just pointed out, Mr. THOMPSON, who is going to see you? That is the problem with this whole plan. The fallacy is: Who is going to see these patients?

Let me just make one final point.

Mr. AKIN. I don't want you to make just a final point, but I'd like you to answer this question:

The Democrat Governor of Tennessee, before this bill was passed, called this the mother of all unfunded mandates. In other words, one thing State legislators hate is when we up here pass some piece of legislation which busts their budgets. Then they have to take the political hit for the fact that we're fiscally irresponsible and legislatively irresponsible.

Now, is this a budget buster for a State?

Mr. ROE of Tennessee. There is no question. In Tennessee, it's over $1 billion.

The problem with it is that people from a patient standpoint don't understand that, if I've got a card, I've got health insurance coverage. Not necessarily. That's what happened with Senator NELSON in Nebraska. He exempted Nebraska. Then, of course, the final bill that was passed put everybody in, and the States were made whole for the first 3 or 4 years of this plan.

Mr. AKIN. Was that the cornhusker kickback?

Mr. ROE of Tennessee. That was the kickback. Exactly.

Eventually what happens is that it will be an unfunded mandate for the States. They see it coming. They get it. We have a gubernatorial election right now in Tennessee, and it's a hot topic. Who is going to pay this unfunded mandate? We've dealt with it for so long.

You're right. This was a fiscally conservative Democratic Governor who understood. He got it. He had to deal with it, and he asked them not to do that, not to pass this bill. He was very much against it.

Mr. AKIN. Wow.

We've been joined by a good friend of mine, Congressman LAMBORN.

Welcome to the discussion. We're just taking a look at the fact that, you know, you'd think logically: What in the world are these Congressmen doing, standing on the floor, railing about some bill that has already been passed?

Well, part of the reason is there was some truth in what Speaker PELOSI said, which is that you've got to pass the bill to find out what's in it. We're still discovering all kinds of surprises. In a way, that's what we've been talking about tonight—things that the Obama accountants in the Medicare/Medicaid group are analyzing in the bill. They're saying, Whoops. It's not going to bend the cost curve down; it's going to bend the cost curve up, so it's going to be more expensive. Uh-oh, it's going to cost jobs.

Anyway, please join us.

Mr. LAMBORN. Well, thank you. This is a great discussion that you all are having. Thanks for letting me participate for a few minutes.

You raised a really good point, which is that this report has shown that this is going to be a lot more expensive, that it's going to raise taxes, that it's going to raise health insurance premiums, that it's going to make people drop out of the existing coverage they have. They will be thrown into the government plan. This is a CMS report, the Centers for Medicare & Medicaid Services, which is nonpartisan and objective.

What really is outrageous about this report, Representative AKIN, is that they had it over at DHS before we ever had the final vote on ObamaCare. They were sitting on it. Their language now is, Oh, we didn't want to influence the debate.

Isn't that what a report is all about?

□ 1700

Mr. AKIN. Influence the debate with any facts? My goodness, people might not vote for this thing.

Mr. LAMBORN. These are vital facts to have. It really is a lot more expensive. And it is going to raise taxes and throw people out of the insurance they have now than what the administration was claiming. So if we had known this maybe it wouldn't have passed by the four or five votes that it passed by. Maybe it would have failed, and we would have been on a whole different trajectory right now if they had been open and honest about this report that the American people and us as their Representatives should have had access to.

Mr. AKIN. That is really frustrating, isn't it, to basically give people a mushroom treatment. You keep them in the dark, smother them in some sort of a fertilizing material, and we tell them these things: if you like your doctor, you will be able to keep your doctor, period. If you like your health care plan, you will be able to keep your health care plan, period. No one will take it away, no matter what. And yet the report that you are talking about makes it clear that this just flat is not true. So it is a frustrating thing. And in a sense, all of these things are falling out now, and it wasn't so obvious before.

My good friend from Louisiana, Congressman SCALISE, please join us.

Mr. SCALISE. I thank the gentleman from Missouri. And this latest smoking gun that's come out is just yet one more example of why the American people are so angry about what happened with this government takeover of health care, with the way it was rammed through, with all the broken promises.

And you can go back to the very beginning when the President was a candidate. He said multiple times all of these hearings would be on C–SPAN so you could actually have transparency and find out what's going on. In fact, none of that transparency happened. None of those meetings were held on C–SPAN. And now we see this document that comes out conveniently just 2 weeks, 3 weeks after the vote that barely passed by three votes that confirms what we were saying, that this would actually raise the costs of health care for most American families at a time when we should be lowering the cost of health care, like our bill did that we filed that actually would have addressed the real problems in health care. But in fact their bill does the opposite, and now it's confirmed that.

What I really want to find out is when did the administration know about this report? Was this report produced by CMS, a Federal agency, before the vote and then covered up, literally held under wraps so that this couldn't become public until after the vote, when the American people would once again see that yet another promise by this administration on health

care was broken with their government takeover?

Mr. AKIN. That's an incredible question, isn't it, the control of the information, the spin on the whole thing, the promises initially of it being a transparent process, it's going to be on C–SPAN, everybody can watch it, and in fact everything is closed doors.

A couple of our doctors have left, but, Dr. ROE, were you invited to take part in the drafting and putting this bill together? Were you allowed to go into their meetings? I think that's an important question.

Mr. ROE of Tennessee. I am smiling because this actually is kind of funny. What happened, the President last July said he would go over this line by line with any Congressman that would like to go over this bill. So I wrote the President the next day, and then was on Greta Van Susteren three or four times. We contacted the White House by email, by phone, by letter. I guess I was going to have to try a carrier pigeon and smoke signals. But we never did hear one word back.

And the Physicians Caucus, with over 400 years experience, not one of us was consulted in a meaningful way. I practiced medicine, Congressman AKIN, for 31 years in Johnson City, Tennessee, left my practice and got myself elected to Congress to become part of the debate. I was never included in any way whatsoever.

Mr. AKIN. So I guess from what you are saying, a quick summary, 31 years in medicine, you thought maybe you knew something about medicine, decided to take the huge amount of effort to come to Congress so you would have something to say about the debate. And in spite of the fact that you tried everything other than carrier pigeons and smoke signals, the White House refused to honor their promise to let you look at line by line what's going on. So the logical conclusion is you are going to run for President? Is that where we are going?

Mr. ROE of Tennessee. No, that's not where we are going. A couple of things I want to go over I think that our seniors get, and all of us here understand this. One of the things as a physician that bothers me about it, and Dr. GINGREY was here a moment ago, our concern is the quality of care that our patients are going to get. When you take our senior citizens and you cut, the new CMS estimate is, $575 billion out of a Medicare plan—and remember, beginning next year, 2011, we begin to add the baby boomers at 3 million per year. So in the next 10 years we are going to add 35, 36 million more people to the Medicare plan with almost $600 billion less money.

Let me tell you three things that will happen. One, you will have decreased access to your doctor. Two, you will have decreased quality of care because you can't get to your doctor. Number three, it's going to cost you more money. The seniors understand that. I understand that. And the American people understand that.

Mr. AKIN. What you just said is so common sense and straightforward. You are going to take how many more people and put them into Medicare?

Mr. ROE of Tennessee. Thirty-six million in the next 10 years.

Mr. AKIN. Thirty-six million more people go into Medicare—now, you don't have to be too much of a wizard on business—36 million people go into Medicare that weren't there before, it's going to cost more money. And then you are going to cut $575 billion out of the program. So now you are doing two things: one, you are adding millions of people into the program, you are taking billions out of the program, and you are saying, hey, maybe your quality of health care is going to go down. That's pretty straightforward.

Mr. THOMPSON of Pennsylvania. Will the gentleman yield?

Mr. AKIN. I yield to my good friend from Pennsylvania.

Mr. THOMPSON of Pennsylvania. I want to reach back into the past, the Balanced Budget Act of 1997, where similar cuts were made to the Medicare program, because we have been accused of making this things up on this side of the aisle when it comes to rationing of services by our Democratic colleagues. And they just don't know how to deal with the facts. They don't know how to deal with the reality. The Medicare part B cuts have been made. Today in this country we ration health care services. But we ration government health care services.

Medicare part B. My background was rehabilitation services, licensed as a nursing home administrator. An older adult that is going in for therapy, physical therapy, occupational therapy, speech therapy, you are going to an outpatient clinic or into a skilled nursing facility because you have had some type of a disease or disability that disabled you that you need rehabilitation services, did you know that today the Federal Government under Medicare part B rations those services? There is a cap that is placed on how much therapy services you can receive on an annual basis.

I know that because, unfortunately, I was the person that was responsible in my facilities to track where those patients were in terms of that cap. And when they reached that cap, we had to serve them notice and their family members notice that they were no longer eligible for Medicare, for Medicare part B specifically, for those rehabilitation services.

And you think about the people who wind up in skilled nursing facilities, they are the sickest of the sick. These are people who have no other place to go for the type of compassion and care that they need to receive. Yet there is an example of how we ration already.

Going forward, I want to read from a report from the actuary on this Medicare part B so we have that language. This is according to CMS, the Centers for Medicare and Medicaid Services.

Mr. AKIN. This is part of that same report that we were just talking about that has just now been released conveniently after the bill was voted on.

Mr. THOMPSON of Pennsylvania. After the vote.

Mr. AKIN. Let's get the exact quote.

Mr. THOMPSON of Pennsylvania. The question is for the President, Mr. President, when did you have this report? And why did Congress not have it?

As the actuaries put it:

''Therefore, it is reasonable to expect that a significant portion of the increased demand for Medicaid would be difficult to meet, particularly over the next few years.''

They continue:

''For now, we believe that consideration should be given to the potential consequences of a significant increase in demand for health care meeting a relatively fixed supply of health care providers and services.'' In other words, there will be shortages of both physicians and hospitals. That really amounts to having less access to quality care.

Mr. AKIN. Less access or, as you used the word, rationing.

Mr. ROE of Tennessee. Let me give you just one quick example. You talk about rationing of care. In the State of Tennessee this year, what we did to get control of our TennCare plan was cut the rolls by hundreds of thousands of people. And this year we are going to limit doctor access to 10 visits per year, unless something can be done in the budget, and a grand total of a hospital pay of $10,000. I don't care if you have a massive wreck and your bill is $100,000, the State will pay $10,000. And in rehabilitative services, as of July, right now, unless something changes before the end of the State legislature, there will be no rehabilitative services. If you have a knee replacement, you are just going to have to rehabilitate it on your own because the State cannot afford to pay for it.

That is rationing of care going on right now with the government plan.

Mr. AKIN. Wow.

Mr. ROE of Tennessee. And we just voted to massively expand this plan.

Mr. AKIN. I have not jumped in from a personal point of view because you guys are all experts. I am just the poor sucker that receives the services. I am a cancer survivor. I happened to have taken a look at the cancer survival rates in foreign countries that have socialized medicine. You notice the U.K. survival rate of cancer in men is a whole lot less than it is in the U.S. Well, why would that be? Is it that the cancer technology is different? I don't think so.

I think the deal on cancer is if you've got it, you want to get treated as quick as you can. So what happens in the U.S., you don't have the same waiting line. Now, you start putting those waiting lines in and it starts to affect your statistics of what's going to happen on a disease. That's what we talk about when you all of a sudden hear your doctor say, oh, by the way, you're

doing great, Blaine, but little detail, you have cancer. That kind of gets your attention. And you think, I better get that dealt with right away. They say, well, that's just fine, but you are going to have to wait for, you know, whatever it is. You are going to have to wait 6 months to get treated. You got melanoma, that's probably not a real good idea to be waiting 6 months.

I have a good friend that's a doctor friend of mine, Steve Smith. He has told me that on these kinds of things, you just don't want waiting lines. You just don't want socialized medicine. His advice to me is the same as the doctor friends we have down here, just repeal this piece of junk. That's what he is saying.

My good friend from Missouri, Congressman LUETKEMEYER.

Mr. LUETKEMEYER. I thank the gentleman.

I think at the end of the day everybody understands now what's in this bill. And it's not something that's good for our country, it's not good for our people, it's not good for our business climate. It's impacting everybody in a negative way. And I think the only alternative is to replace and repeal it. I think that at some point we are going to be able to do that. And I think it's imperative that now that we have seen what's in it, and again have another report that's come out that shows it's going to cost more than anticipated, this thing is a boondoggle. It's got to be replaced, it's got to be repealed.

This can't continue because it's going to lead us over a cliff, as the gentleman from Tennessee has talked about TennCare. The Massachusetts plan continues to go over a cliff as well. We are headed over that cliff with our national health care as well.

Mr. AKIN. Thank you very much, Mr. Speaker. I appreciate my colleagues joining me here tonight and for being a part of an important discussion. It is an ongoing story.

THE NEED FOR FINANCIAL REFORM

The SPEAKER pro tempore (Mr. GARAMENDI). Under the Speaker's announced policy of January 6, 2009, the gentlewoman from California (Ms. SPEIER) is recognized for 60 minutes as the designee of the majority leader.

Ms. SPEIER. Mr. Speaker, I am joined this evening by a number of colleagues who are going to give us, I think, the reasons why financial reform is a must in this country. And the biggest poster child for why we have to do financial reform really is in Goldman Sachs.

So we thought we would start our discussion tonight by looking at the principles that Goldman Sachs has promoted on its Web site. There are 14 principles that Goldman Sachs has promoted on its Web site. The very first, and one I would like to start out with, is ''Our clients' interests always come first.'' Well, let's talk about their clients' interests coming first.

Let's speak precisely about one deal, the deal called Abacus. And in Abacus their clients were many people. They had a client named John Paulson, the biggest hedge fund individual in this country. He wanted Goldman to sell mortgage-backed securities that were bad. They were subprime. And he precisely wanted them to sell them to many of their clients, and he was going to short them, meaning he was going to bet against them.

□ 1715

But it just doesn't end there. He specifically designed the package. He handpicked the mortgages that were going to be in the package. And then Goldman sold them to unsuspecting buyers. And lo and behold, what happened? What happened was Mr. Paulson made a billion dollars, and the other clients of Goldman Sachs lost a billion dollars, and Goldman Sachs walked away with $50 million of fees that were paid to Goldman Sachs by Mr. Paulson. Now, that is the basis of the SEC complaint filed against Goldman Sachs for civil fraud.

So what is civil fraud, you might ask? Civil fraud is, It shall be unlawful for any person in the offer or sale of any securities to obtain money or property by means of any untrue statements of a material fact or any omission to state a material fact necessary.

So the question is, was it a material fact that Abacus was made up of these mortgage-backed securities, 90 percent of which were what are considered no doc mortgages? That means there was no documentation that the people that got those mortgages could pay for them. There was no documentation of income, no documentation of debt. Those were no doc loans. And there was a history of no doc loans going back. So it was fixed from the very beginning.

They were arranged by John Paulson, a material fact that was not disclosed to the other buyers, and it was not disclosed to the other buyers that John Paulson created this because he wanted to short them, because he wanted to bet against them. So if there ever was a case of fraud, I would argue that that was a case of fraud. Yet Goldman Sachs says, ''Our very first priority is that our clients come first.''

Let's move over here to No. 14: ''Integrity and honesty are at the heart of our business. We expect our people to maintain high ethical standards in everything they do, both in their work for the firm and in their personal lives.''

Well, there is one gentleman who has worked for Goldman Sachs that they referred to as the Fabulous Fab. He's a gentleman by the name of Fabrice Tourre out of their office in London. Well, I wouldn't suggest to you that Mr. Tourre is fabulous. I would suggest to you that he is fraudulent.

In some of the e-mails that the Senate Committee on Investigations was able to collect, this is what Mr. Tourre was saying. Now, Mr. Tourre is the individual who was selling these synthetic collateralized debt obligations. He was the one that was doing the work on behalf of Mr. Paulson. So what did he say? He said, ''The whole building is about to collapse anytime now.'' Those were Mr. Tourre's words. He described himself in an e-mail as the only potential survivor, the Fabulous Fab, standing in the middle of all these complex, highly leveraged, exotic trades he created without necessarily understanding all the implications of these monstrosities. He then went on to say in an e-mail in 2007, he described the mortgage business as ''totally dead and the poor little subprime borrowers would not last too long.'' Yet 2 months later, he was boasting that he continued to dump some of the worthless mortgage securities on, and I quote, ''widows and orphans that I run into at the airport.''

This is a man of integrity and honesty. I would suggest that is not the case.

And, finally, in an e-mail to his girlfriend, he called his Frankenstein creation, these synthetic CDOs, a product of pure intellectual masturbation, the type of thing which you invent telling yourself, well, what if we created a thing which has no purpose, which is absolutely conceptual and highly theoretical and which nobody knows how to price? That's Mr. Tourre, who yesterday when he testified said, and I quote, ''I firmly believe that my conduct was correct.'' That is Mr. Tourre. That is Goldman Sachs.

I would like to now ask my good friend, JOHN YARMUTH from Kentucky, to join me in this colloquy.

Mr. YARMUTH. I thank the gentlewoman for yielding.

It's a great pleasure to be here today to discuss with the American people the fundamentals of the problem that we're trying to deal with with the Wall Street reform legislation now working its way through Congress.

I had the privilege in the last Congress to be a member of the Oversight and Government Reform Committee when all of this was unfolding, in the fall of 2008 when for the first time people were getting a sense that Wall Street was essentially operating like an unregulated casino. It was essentially the Wild West of finance. And my economics training, as skimpy as it may have been, taught me that the financial system in our capitalist form of government, in our free market, is supposed to help with the allocation of capital in its most productive way so that capital finds its most productive uses. And what we found looking at these incidents as they unfolded back in 2008 and as we have seen even up until the last couple of weeks is that the giants of the financial system in this country, Goldman Sachs, the other major Wall Street financial institutions, weren't guiding capital to its most productive use.

They were guiding capital, hoarding capital, accumulating enormous sums

of capital, in some cases essentially creating capital out of the ether, and deploying it for their own very greedy use. And I know that when we have had arguments both inside of Congress and out over the last few years, we say, well, why would government allow these institutions to get so big that they can wield this kind of power? And the answer we always got from the Goldman Sachses of the world and from others was, well, we need to be that big so we can compete in the global economy.

The question they have never answered to my satisfaction and I don't think to the congresswoman's satisfaction and certainly I don't think to the American people's satisfaction is competing for whom? For what? To what purpose? Because if we allow, as a society, companies to get that big where they can threaten to bring down the entire economy and they don't produce any good for society at large, then why do we care if they can compete?

Whom are they competing for? Are they competing just for their stockholders? In the case of Goldman, are they competing just for their partners who take home $13 billion, $15 billion worth of bonuses each year? That's the question I think that is at the core of this debate and has to be as we move forward trying to decide exactly what policies we should adopt.

In Goldman's case, as I mentioned, I think in 2009, the total bonuses they have allocated for their partners, their principals, and their employees is something like $13 billion. Do you know how much their Federal tax rate was? It was .9 percent, .9 percent.

Now, virtually every American pays a higher tax rate than that. Goldman Sachs paid less than 1 percent of its net income in taxes, while its principals and its employees, its top earners, Mr. Blankfein and others, were making millions upon millions.

So we have to say, does society benefit from having Goldman Sachs here? No. I think we can make a pretty strong case that over the last couple of years, this country has suffered enormous damage, and not just in New York but throughout the country, throughout Main Street, with defaults, mortgage, collapse of banks, all sorts of things. The enormous problems with AIG and its cost to the taxpayers when we had to bail them out, largely attributable to the type of activity that Goldman and others were involved in.

So as we look through Goldman's business principles, and I think you have done an excellent job of pointing out some of the ironies, to use a gentle term, some of the ironies involved in those principles, we have to ask ourselves, what are Goldman's principles for being part of the American economy? Where do we show anywhere in there that they want to help our economy prosper? No. This is for their shareholders, their principals, and their clients who are among the wealthiest individuals in the world.

So while we worry about what Goldman has done, and I think most of us, most Americans, are outraged at, if for nothing else, the ethical shortcomings of the techniques that they have been using, we have to ask ourselves as well what good does Goldman Sachs, what good does Bear Stearns, may it rest in peace, and Lehman Brothers, what good do they do for the American economy? Because I think the evidence is pretty strong that, in fact, they have been extremely detrimental to the American economy and to the average American in their activities over the last few years.

Ms. SPEIER. Reclaiming my time, you mentioned that they paid a tax rate of less than 1 percent. The average American pays a tax rate of what?

Mr. YARMUTH. Well, actually, as we heard just a few weeks ago, about 47 percent of the lowest income earners in America pay almost no income tax. They do pay a significant employment tax, Social Security and Medicare. In fact, every American working pays 7.5 percent combined Social Security and employment tax. Income tax will vary. I think the average Federal income tax, people making $40,000 to $50,000 a year, was in the 3 or 4 percent range, which is still three or four times what Goldman Sachs was paying. And, of course, once you get to higher levels, the Federal income tax is somewhere—I think the average American making more than $250,000 a year pays an average of 23 percent. So that's just somebody making $250,000, $300,000 a year, not the billions and billions of dollars that Goldman Sachs has made. They pay 23 percent on average more than Goldman Sachs paid.

Ms. SPEIER. Thank you.

I now yield to my good friend from the State of Oregon, PETER DEFAZIO.

Mr. DEFAZIO. Thank you for yielding.

I think the American people are a bit confused as to what is really going on here. And, you know, it's a lot like the Humphrey Bogart movie: What's going on here is gambling, plain and simple.

It would be one thing if these so-called investment banks like Goldman Sachs were lending into the productive sector of the U.S. economy, if they were lending to people who had good ideas to produce products and goods, employ Americans and help us compete in the world economy. But they are not doing that. In this case, they weren't even helping to package and move mortgages off of people's portfolios and someplace else. They were merely mimicking with what are called synthetic collateralized debt obligations, packages of bad or potentially bad mortgages to bet on, for this one hedge fund to bet against and make a billion dollars.

But then, of course, unfortunately, other parts of Goldman Sachs, apparently unbeknownst to them, I mean, in totally good faith, went to clients of Goldman Sachs and said, Hey, we've got a good product here we'd like to sell you. Unfortunately, other parts of Goldman Sachs had assembled this product with the intention that it would fail, and these other people were not informed of that fact and purchasing them, although Goldman would say they didn't have an obligation to tell people that they had designed it to fail, working with someone who was betting it to fail, and that Goldman itself was betting on it to fail.

But the bottom line of all is it's a huge amount of churning on things that don't help the economy, help the American people, help us compete in the world.

□ 1730

Goldman has gone to the point in 2007, their gambling income—excuse me—their financial services, investment, self-proprietary, et cetera stuff, whatever you want to call it, was actually five times larger than their investment banking activities. So 20 cents of every dollar at Goldman was going into productive investment. The other 80 cents was going into gambling on imaginary products. It's a lot like fantasy football. A lot of Americans can understand that. Imagine if they took out and created synthetic products that related to fantasy football. Maybe some Americans can understand that.

Recently, one firm actually proposed, a Cantor Fitzgerald subsidiary, proposed to do futures on movies. In L.A. they would produce a movie and then the people on Wall Street would bet on what the opening weekend was going to return, and they would bet on how much money it might make. This became of such concern to producers in L.A. because they thought, My God, if they start out shorting us right away, that's going to depress our investment potential for the movie, et cetera, et cetera. So in the Senate bill they're actually banning this sort of derivative.

So they have banned two kinds of derivatives. One has been historically banned for some reason lost in the mist of time. Onions, you can't do them on onions. And the second would be movies from Hollywood. Otherwise, you can bet on anything. You can bet on the weather tomorrow as a derivative product. You can market it on Wall Street, et cetera, et cetera.

This is not a productive activity. I would suggest a simple way to deal with it. One thing that's good is the Senate has actually, for once, proposed something useful, which is to say that if Goldman wants to have a proprietary trading section and trade in these gambling products, that they couldn't be insured by the FDIC or draw money through special windows at the Treasury. We should not subsidize their addiction to gambling. The taxpayers should not subsidize it. That would be a good step.

But the other thing we could do would be to put a very modest tax on this gambling and to say, Look, for legitimate hedgers, airlines who want to

hedge against fuel price increases, farmers who are worried about failure of the corn crop, those people. We already distinguish between hedgers and speculators over at the Commodity Futures Trading Commission.

Let's just say hedgers would be exempt from the tax. But speculators, those who have no skin in the game, aren't producers, or even worse, are not even actually involved in any way as a counterparty but just merely creating synthetic things to bet for or against, they would pay a very modest tax. If the tax was approximately two-tenths of 1 percent—that's .0002—on each of these, we could raise somewhere between $30 billion to $50 billion a year to help pay for some of the damage they have caused to our economy.

It might not raise that much because it might rein in some of this speculative activity, which I think would be a desirable impact; but I would suggest that would be one way to deal with this very, very reckless activity.

I congratulate the gentlelady for having this hour to highlight these concerns and the contradictions that we see in the business principles versus what we all saw going on.

With that, I'd yield back.

Ms. SPEIER. I thank the gentleman for his great commentary. I now would like to recognize from the State of Maryland (Mr. CUMMINGS).

Mr. CUMMINGS. I want to thank the gentlelady for holding this hour. And I want to thank her for yielding and I want to thank all my colleagues for being here tonight. As I listen to my colleagues this evening, I could not help but think that the American people have lost in at least two ways. One, they have lost with regard to money that they could have been making on the market. Two, they have lost because the so-called swaps that were purchased, these insurance—what we could call insurance, for those people who may be listening, Mr. Speaker—some of that money, particularly the ones that we're dealing with right now, were bought from AIG. When these bonds went down, AIG ended up paying.

Folks may be asking the question, What does that have to do with me? Well, the fact is that when those bonds were paid off, those are the kinds of—because they were paid off from AIG, just like an insurance policy would pay—a lot of American money had to go into AIG to keep it propped up—to the tune of $180 billion, with a B.

I cannot help but think about yesterday as I listened to Fabulous Fab—

Ms. SPEIER. Fraudulent Fab.

Mr. CUMMINGS. Fraudulent Fab. As he talked, I heard no remorse. I heard folks basically saying, This is the way we do it, this is how we do it, and almost implying that it was none of our business, none of the business of the Senate or the House. The sad part about it, as I sat there, I really wanted to almost come through the television screen because I thought about all of the people who have lost so much, have lost so much over the last few years. The people who have lost their homes, lost their savings, lost their jobs, lost opportunities. Children cannot go to school. They can't get loans. Yet, still folks sitting there from Goldman almost acting as if, You know what, don't even bother asking us about what we do. It's our business.

Well, it's not just their business because it affects almost every single American, the types of things they do. That's why 60 Members of this Congress wrote to the SEC—and I'm very glad to see Mary Schapiro taking over the SEC and doing what needs to be done—and said to them, Look, we're glad that you're bringing the civil action, but we also want you to look at other deals similar to this one because we want to get to the bottom of this. And we also said that if any money was paid from AIG to Goldman and Paulsen and it was ill-gotten, we want our money back. But we said another thing. We said that if there appeared to be criminal activity, we wanted it referred to the Justice Department so that they could take appropriate action.

Now let me be clear: I live in Baltimore. There are people in my neighborhood in the inner city of Baltimore that if they stole a $300 bike, they're going to jail, period. A $300 bike. And the reason why it's so important to me that we look at all these other transactions and try to figure out if there was criminal activity is because I want the folks on Wall Street to be treated like the folks on Madison Avenue in Baltimore. And so I think what we are doing here is so important. I think that we are at the tip of an iceberg, but we have got to chisel down.

The gentlelady, when she first started our discussion, she said reform is so important that we've got to deal with reform now. I think when you look at what has happened in this deal as it has been so wonderfully and accurately described by my colleagues, we understand why it is so important that we have transparency. We have got to have it.

Ms. SPEIER. Will the gentleman yield?

Mr. CUMMINGS. Yes, I yield to the gentlelady.

Ms. SPEIER. When you speak to the term ''transparency,'' do you think that Goldman would have sold a dollar's worth of those synthetic collateralized debt obligations if people knew that their other client was shorting them and that 90 percent of them were no-doc loans that were destined to fail?

Mr. CUMMINGS. No, I really don't. Goldman, they said our slogan is: Our customers always come first.

Ms. SPEIER. Very first principle. Our clients' interests always come first.

Mr. CUMMINGS. Our clients' interests always come first. If that were truly their goal, they would have put out that information. They seem to be saying, Well, you know, maybe it may be a little teeny bit unethical, but we did not have a duty. When you have a slogan like our clients' interests always come first, it seems to me that you would operate on the highest level of integrity, transparency, clarity, and accountability, end of case.

But that's not what happened here. And so you're absolutely right. We have got to make sure that we shine some light on this system, that we have the kind of reform that we are trying to get through here. And I know that there are people who are saying, Well, maybe too much is being done. I just want to take one more minute to talk about that.

It seems to me that if you want people to invest in something, you want them to understand and believe that it's not rigged before they get there. I don't know how many people—and that's basically what you're talking about—How many people are going to go into a card game believing it's rigged before they get there. They're just not going to do them, that the odds are against them big time. They're not going to do it.

This shining of the light, this transparency, would be good for the market, for Wall Street. Americans would feel comfortable and others would feel comfortable in investing in Wall Street. And therefore, in the end, in the end, we have a solid, strong Wall Street that people feel comfortable about investing their hard-earned money.

Again, I want to thank the gentlelady. I yield to the gentlelady.

Ms. SPEIER. I thank the gentleman from Maryland, who's been passionate about trying to get to the bottom of AIG. I think it's important to point out—and this may curl the hair on top of your head, my dear friend—but on top of everything else, Goldman Sachs' directors, the CEO, Mr. Blankfein, all have insurance for any omissions or conduct that they may become the subject of any inquiry for. If they commit any civil fraud or criminal fraud, they have insurance for that. You won't be surprised probably to know who their insurance is with.

Mr. CUMMINGS. Please don't tell me.

Ms. SPEIER. None other than AIG. And who owns AIG today but the American people.

Mr. CUMMINGS. The American people.

Ms. SPEIER. The U.S. taxpayers.

Mr. CUMMINGS. To the tune of $180 billion.

Ms. SPEIER. Correct. What is even more disconcerting, and we will find that out in the upcoming weeks, just like the synthetic CDO known as Abacus, it appears that Mr. Blankfein and Goldman Sachs also sold to AIG more of the CDOs that were rigged.

Mr. CUMMINGS. Again, you make the case for why we have to have reform. We have to have reform and act with the urgency of now, because every moment that goes by, I'm afraid

there's going to be another Goldman Sachs deal. By the way, others are watching all of this in the market. And there may be others doing the same things.

Ms. SPEIER. Clearly.

Mr. CUMMINGS. So the urgency is now. We've got to act on this now. I'm hoping that that will happen. We have done our part. Then we've got to wait for our brothers and sisters on the other side to do theirs. Again, we just cannot continue to wait.

Ms. SPEIER. I thank the gentleman.

Mr. CUMMINGS. I want to thank the gentlelady for yielding.

Ms. SPEIER. I now would like to invite my good friend from the State of New York, Congressman HINCHEY, to engage.

□ 1745

Mr. HINCHEY. Well, thank you very much. I want to express to you my appreciation for you engaging and initiating this discussion here. It's something that's very important; it's something that needs attention, and it certainly needs relief. As I think we all know, we are facing—involved in one of the most serious economic crises in the history of this country. We haven't had an economic downturn as serious as this one since the Great Depression, which happened in 1929 and ran through the thirties.

One of the most interesting things about the way in which this economic recession has come about and continues is the failure, in fact, in many ways, the refusal of responsible people to understand what happened back in the 1930s and the relationship between what's happening now, the kinds of circumstances that caused that Great Depression similar to the circumstances that are causing this deep recession that we are experiencing now. And it's only a recession because we have Social Security now, which went into place after the Depression in the 1930s as a means to sort of fight against that Depression, and a number of other things which were engaged in to try to deal with it effectively.

There are a lot of people who are trying to eliminate some of those effective things. In fact, we had a President recently come in and say that we should privatize Social Security. I think we could imagine what might have happened if we had privatized Social Security and how much worse this economic recession would be today if the Social Security system had been privatized, and it then certainly would have been lost.

So this is a serious issue, and it's an issue that needs financial regulatory reform; and that need for financial regulatory reform has never been more evident for us in the context of our lives and especially our experience here in this Congress. We are still feeling the effects of that meltdown, which began in 2007 and then hit hard in 2008 on Wall Street. And now, 2 years after that 2008 meltdown, we still have record unemployment with roughly 15 million Americans currently out of work. Obviously, much needs to be done to deal with this and correct it.

Wall Street recovered rather quickly, interestingly enough, while the jobs and housing market remain on life support. It seems that Wall Street was able to recover quickly because it knew the housing bubble was on the verge of bursting and hedged their bets appropriately. And they knew that the housing bubble was on the verge of bursting because of the subprime mortgages that they manipulated into the context of investing operations. They knew what they had done, and they knew what was happening as a result of what they had done.

As we all know, the Securities and Exchange Commission recently made claims that Goldman purposefully created an investment, a collateralized debt obligation called ABACUS 2007–AC1, that was designed to fail. The SEC suspects that a Goldman Sachs employee—and probably not just one—Goldman Sachs employees purposefully misled clients into buying investments that were not only worthless but were almost guaranteed to have a devastating effect on the great economy.

I have signed my name onto two letters that are aimed at expanding the investigation of Goldman Sachs. One of those letters is to the Securities and Exchange Commission Chair Mary Schapiro and the other to Attorney General Eric Holder. Goldman Sachs deserves to be thoroughly investigated for this suspicious activity, but we need to keep in mind that they are not solely to blame.

It's not just Goldman Sachs that was responsible for this problem. Throughout the 1990s, there was unprecedented deregulation of the banking sector, which set the stage for Wall Street to run amok. Safeguards put in place in the 1930s to deal with that Great Depression were thrown out, and that is just fascinating how intentionally that was done. Safeguards put in place in the 1930s, thrown out and unraveled by both Congress and the Federal Reserve. As they let this happen, some of us tried to stop the deregulation, but we were in the minority. We should not delay in getting commonsense reforms passed that will increase consumer protections, regulate hedge funds and the derivatives market. And let us not forget to include a stronger Volcker Rule.

The Volcker Rule, interestingly enough, puts an end to an investment bank's ability to conduct proprietary trading with their bank deposits. This proposal also prevents bank holding companies from housing hedge funds or private equity branches. The overarching goal is very similar to what I tried to achieve when I submitted a Glass-Steagall amendment to the House financial regulatory reform bill.

Restoring the Glass-Steagall Act—which of course was passed back in the context of the Great Depression—would put back in place the clean division between commercial and investment banking that was first established in that Banking Act back in 1933. The original bill was put in place as a response to the Great Depression and resulted in decades of economic stability and prosperity. Throughout the 1990s, the banking lobby worked hard to undermine the Glass-Steagall Act, and it was ultimately overturned in 1999.

Ms. SPEIER. Will the gentleman yield?

Mr. HINCHEY. Yes.

Ms. SPEIER. You make the case for this great poster that shows the cracks in Wall Street. And back in 1996, the Federal Reserve reinterpreted the Glass-Steagall Act several times at the behest of Wall Street, eventually allowing bank holding companies to earn up to 25 percent of their revenues in investment banking.

But you know what? That wasn't enough for them. They then came back in 1999 and repealed the Glass-Steagall Act that worked for over 60 years in this country, brought about, as you pointed out, because of the Great Depression that created those firewalls between investment banking, commercial banks, and insurance companies.

And then in 2000, what was the next thing that happened? The next thing that happened in 2000 when Brooksley Born, who was then the Commodity Futures Trading Commission Chairman, said, We should regulate derivatives, and our friends in the White House and around basically said, Oh, no. We can't. We passed a law that basically prevented Congress from regulating derivatives. Those derivatives are the things we're talking about today, these credit default swaps that brought AIG down; these collateralized debt obligations, synthetic or otherwise, that brought the entire financial services industry down.

And as you can see, the other cracks, the regulation that was created in 2004 that took away the leverage cap of 12 to 1, and as a result, where were they leveraged at but at 30 to 1, the Lehman Brothers, the Goldman Sachs of the world.

And then again in 2005, a very interesting rule that basically exempted stockbrokers from the Investment Advisers Act. Do you know why? Because they didn't want to have a fiduciary duty to their clients. They only wanted to have a duty to themselves.

Mr. HINCHEY. That is exactly right, and I very much appreciate you putting that form up there, Cracks in Wall Street. It's a very interesting presentation and a very accurate presentation of the set of circumstances that were put into play over that period of time beginning in 1996 with this Congress here trying to manipulate the situation.

I remember how many of us fought against those things. We fought against them. We voted against them. And, of course, we voted against that elimination of that Glass-Steagall Act because we understood very clearly

that the elimination of investments, by allowing investment banks to work closely together with commercial banks and take issues like mortgages and manipulate the mortgages into subprime mortgages, and sell mortgages to people who were not able to afford them, and to continue to manipulate that mortgage system and to include that mortgage system into large investment packages, and those large investment packages which were weak and really didn't deserve nearly the kind of attention or the funding that they received were successful based upon—largely based upon, at least, the fact that they had mortgages within them. And people had the idea that, Well, mortgages are secure. Anyone who has a mortgage is going to pay that mortgage off. Hardly anybody misses their mortgage payment.

And it was the intentional manipulation of the mortgages in those investments which led to, to a great extent, the collapse of this economy and the collapse that we're experiencing now and all of the difficult circumstances we have to deal with.

Now, a lot of these things need to be addressed. Some of them have been addressed in the context of legislation that we have passed. The Senate is now struggling with that legislation, trying to pass something similar to it so that we could agree on something that is going to begin to modify this dire situation that we're dealing with. But the fact of the matter is there is more that we're going to have to do, not just the situations that are pending right at this moment. Even though they are critically important and they need to be dealt with and completed, there is more that needs to be done. And what needs to be done, including other things, is the prevention in the future of the manipulation of mortgages and the other kind of investment manipulation that took place in the context of this molding together of commercial and investment banking.

We need honest banking in this country. We have had it for most of the time, and most of the bankers in this country are honest and strong and safe and secure and working in the best interests of the people in their community. But there are exceptions to that, and those exceptions can be deep and dire, and we've seen the results of it in the context of this economic situation that we are dealing with now. It needs to be corrected, and I deeply appreciate you for bringing this subject up in this way and for bringing attention to the issues that you have presented in the context there next to you.

So thank you very much. It's a great pleasure to be with you in this context, and I sure hope that the opponents of this bill in the Senate are going to get the kind of pressure that they need from sensible places and sensible people, conscientious people, to make sure that they stop blocking it. We need to get these things passed.

Ms. SPEIER. I thank the gentleman from New York for his well-placed comments and his recommendations to our colleagues in the other House.

I now have the great pleasure of joining in colloquy with my good friend from the State of Ohio, the great and passionate MARCY KAPTUR.

Ms. KAPTUR. I thank you very much, Congresswoman JACKIE SPEIER, for spearheading this effort this evening and for the incredible work that you do for this House and for our country and for your superior knowledge of the financial markets and the banking industry. America really needs you now more than ever, and I thank your constituents for electing you here. You are the right person at the right time and the right place, that's for sure.

Ms. SPEIER. I thank the gentlelady.

Ms. KAPTUR. It's a pleasure to join you tonight to place information on the RECORD related to Goldman's behavior as well as other institutions that have caused our country so much harm. And as others have mentioned, on April 16, the Securities and Exchange Commission announced that it was filing a civil lawsuit at long last against the big speculator Goldman Sachs, accusing it of committing fraud, but it was a civil filing.

We know that what happened on Wall Street in the financial markets, the commodities markets, and in the housing markets led to enormous financial turmoil in our country and, ultimately, this great economic crisis that we are facing. And the American people want answers. They want to know who did what, and they ultimately want justice.

A few days after that filing, over five dozen of our colleagues signed on to a bipartisan letter sent to the Attorney General on April 23, and our letter called upon the Attorney General to begin a criminal investigation and prosecution.

One of our concerns continues to be that if, in fact, a civil case is filed by the SEC, could it be possible down the road that some of that evidence could be inadmissible in the event there is a criminal proceeding. So we urged Attorney General Holder to proceed quickly, and today we delivered—in addition to that letter—signatures from over 140,000 Americans who have been signing up on an e-petition to the Attorney General urging the same.

We thank the organizations Progressive Change Campaign Committee and MoveOn.org for alerting citizens across this country that they don't have to be neutral in this fight. They can let their views be known to the Attorney General of our country about the importance of criminal proceedings.

What makes that so important is the fact that the Attorney General's office in the Department of Justice has been understaffed throughout the last 10 years, unable to do the type of financial crimes investigations that are necessary. Back in the savings and loan crisis at the end of the 1990s and early 2000s—or I should say at the end of 1989 up until the early 1990s—we had over 1,000 investigators in financial fraud at this Department of Justice. After 9/11, that was reduced to about 75; and, therefore, we were totally unequipped at the Justice Department to deal with a lot of the wrongdoing that was proceeding through those years and those decades.

□ 1800

I have a bill, H.R. 3995, to close that gap and increase the number of investigators. Quite frankly, I have a deep concern about some of the self-serving individuals that may have been representing private interests rather than the public interest as they were conducting their business through Goldman Sachs and other firms.

I would like to place on the record, for example, the following: Joshua Bolten, who was President Bush's chief of staff in the White House at the time that the markets melted down, had actually been the person who ran Goldman Sachs' London office, and yet then he came to be President Bush's chief budget officer and then went to be chief of staff at the White House at the key moment when decisions had to be made about how to handle the financial markets

In the current administration, it is no secret that the chief of staff to the current Secretary of the Treasury, Mark Patterson, had come directly from Goldman Sachs as its top lobbyist. In addition, Neel Kashkari from Goldman Sachs had gone to handle the TARP. I think this goes far beyond party, this has to do with America and standing up as patriots for this country and asking the question: Isn't that too much insider dealing? How do you know that they are really representing their client's interest or the public interest when they are personally involved both on the private side and then on the public side like a very fast revolving door?

I will also place on the Record tonight the fact that since the crisis started the six institutions in addition to Goldman Sachs, that includes Citibank and Wells Fargo, HSBC, Morgan Stanley, all these big banks now control two-thirds of the deposits and GDP of this country. Six institutions. They are raiding equity out of our local communities. They are just simply too powerful and they are too irresponsible. They are not doing loan workouts in places I come from. I thank the gentlelady for calling into question their business principles as you so ably put on the floor here as to who their interests really are.

That is my bottom line question: Who do these people represent? They seem to be getting bonuses at extraordinary levels, in the millions of dollars. When people in my district have fallen off unemployment benefits, these companies like JPMorgan Chase do not return phone calls to do loan workouts. Wells Fargo, they are totally irresponsible. They have too much power and

they are thumbing their nose at the American people at a time when our people are just hanging on.

I want to thank the gentlelady for holding this Special Order this evening and for giving us a chance to place on the RECORD the letter that we sent to the attorney general asking for criminal proceedings, and also the names of the Members of Congress who have signed on this letter. I urge other colleagues who wish to join us to please give us a call. I thank you for allowing me to place this information into the RECORD.

CONGRESS OF THE UNITED STATES,
Washington, DC, April 23, 2010.

Hon. ERIC HOLDER
U.S. Attorney General, U.S. Department of Justice, Washington, DC.

DEAR ATTORNEY GENERAL HOLDER: The U.S. Securities and Exchange Commission (SEC) announced on Friday, April 16, 2010, that it had filed a securities fraud action against the Wall Street company Goldman Sachs & Co (GS& Co.) and one of its employees for making materially misleading statements and omissions in connection with a synthetic collateralized debt obligation (''CDO'') that GS & Co. structured and marketed to investors. The SEC alleges that:

1. This synthetic CDO, ABACUS 2007–AC1, was tied to the performance of sub-prime residential mortgage-backed securities (''RMBS'') and was structured and marketed by GS & Co. in early 2007 when the United States housing market and related securities were beginning to show signs of distress. Synthetic CDOs like ABACUS 2007–AC1 contributed to the recent financial crisis by magnifying losses associated with the downturn in the United States housing market.

2. GS & Co. marketing materials for ABACUS 2007–AC1—including the term sheet, flip book and offering memorandum for the CDO—all represented that the reference portfolio of RMBS underlying the CDO was selected by ACA Management with experience analyzing credit risk in RMBS. Undisclosed in the marketing materials and unbeknownst to investors, a large hedge fund, Paulson & Co. Inc. (''Paulson''), with economic interests directly adverse to investors in the ABACUS 2007–AC1 CDO, played a significant role in the portfolio selection process. After participating in the selection of the reference portfolio, Paulson effectively shorted the RMBS portfolio it helped select by entering into credit default swaps (''CDS'') with GS & Co. to buy protection on specific layers of the ABACUS 2007–AC1 capital structure.

3. In sum, GS & Co. arranged a transaction at Paulson's request in which Paulson heavily influenced the selection of the portfolio to suit its economic interests, but failed to disclose to investors, as part of the description of the portfolio selection process contained in the marketing materials used to promote the transaction, Paulson's role in the portfolio selection process or its adverse economic interests.

As the SEC notes, financial manipulations such as this contributed to the near collapse of the U.S. financial system and cost American taxpayers hundreds of billions of dollars. On the face of the SEC filing, criminal fraud on a historic scale seems to have occurred in this instance. As an ever growing mountain of evidence reveals, this case is neither unique nor isolated.

If both global and domestic confidence in the integrity of the U.S. financial system is to be regained, there must be confidence that criminal acts will be vigorously pursued and perpetrators punished.

While the SEC lacks the authority to act beyond civil actions, the U.S. Department of Justice (DOJ) has the power to file criminal actions against those who commit financial fraud. We ask assurance from you that the U.S. Department of Justice is closely looking at this case and similar cases to further investigate and prosecute the criminals involved in this, and other financially fraudulent acts. Furthermore, if the DOJ is not currently looking into this particular case, we respectfully ask you to ensure that the U.S. Department of Justice immediately open a case on this matter and investigate it with the full authority and power that your agency holds. The American people both demand and deserve justice in the matter of Wall Street banks whom the American taxpayers bailed out, only to see unemployment and housing foreclosures rise.

This matter is of deep importance to us. As you may know, H.R. 3995, the Financial Crisis of 2008 Criminal Investigation and Prosecution Act, has been introduced, which authorizes you to hire more prosecutors, Director Mueller of the Federal Bureau of Investigation to hire 1,000 more agent as well as additional forensic experts, and Chair Mary Schapiro of the U.S. Securities and Exchange Commission to hire more investigators to continue to pursue justice and route out the criminals in our financial system. Part of financial regulatory reform should include removing the criminals and crafting a system that supports those who follow the law.

We in Congress stand ready to support you in protecting the American taxpayers from financial crimes such as the fraud that the U.S. Securities and Exchange Commission has charged Goldman Sachs with committing. We ask that you take up this case, and others, to pursue justice for the American people, to put criminals in jail, and seek to restore the integrity of our nation's financial system.

Sincerely,

Marcy Kaptur, John Conyers, Michael Burgess, Jim McDermott, Diane E. Watson, Christopher P. Carney, Raúl Grijalva, Keith Ellison, Charlie Melancon, Tom Perriello, Betty Sutton, Jay Inslee, Pete Stark, Michael Honda, John T. Salazar, Niki Tsongas, Alan Grayson, David Loebsack, Bob Filner, Betsy Markey, John Barrow, Jesse Jackson Jr., Eleanor Holmes Norton, Grace F. Napolitano, Maurice Hinchey, Peter Welch, Marcia L. Fudge, Rush Holt, Peter DeFazio, Michael E. Capuano, Bill Pascrell, Jr., Michael H. Michaud, Steve Cohen, Bruce L. Braley, Bart Stupak, Mark Schauer, Chellie Pingree, Martin Heinrich, Jackie Speier, Janice D. Schakowsky, Sheila Jackson Lee, Tammy Baldwin, Barbara Lee, Mike Doyle, Gene Taylor, Wm. Lacy Clay, Jr., James Moran, Danny K. Davis, Ben Chandler, Dennis Kucinich, Carol Shea-Porter, Bennie G. Thompson, Laura Richardson, Loretta Sanchez, Dale Kildee, Leonard L. Boswell, Donna F. Edwards, Frank Pallone, Jr., Ann Kirkpatrick, Carolyn C. Kilpatrick, Mazie K. Hirono, James P. McGovern.

Ms. SPEIER. I thank the gentlelady from Ohio. You referenced the number of people in the Department of Justice that are tasked with doing the investigations. It was very interesting this week when we had the hearing on Lehman Brothers and Mary Schapiro spoke to their ability to do their job when they only had 24 staff members in that specific division to do investigations of all of the Wall Street firms.

If you ill-equip your very agencies to do the job, they won't be able to do the job. Between 2003 and 2007 under the Bush administration with Christopher Cox as the head of the SEC, you will not be surprised to know that there was an 80 percent reduction in enforcement actions at the SEC and 60 percent reduction in disgorgement actions at the SEC.

So no surprise that we had an SEC that was ill-equipped, and also a different perspective. It was not there to protect the American people but to allow business to flourish. And the business that flourished was much like what Goldman Sachs was doing where they actually put AIG in some of these synthetic collateralized debt obligations that they knew were going to fail.

Lehman Brothers, Goldman Sachs shorted Lehman Brothers and helped make sure it did come down. It was reportedly in many of the e-mails at Goldman Sachs by employees when they were communicating with some of their clients that they said that they were no longer going to support or back up Bear Stearns, and then all of a sudden Bear Stearns went down.

We now have China suing Goldman Sachs over bad derivative deals. We have Germany, France, and the U.K.; and God knows, what did they do with Greece? Much like Enron, Goldman Sachs went to Greece and created a way by which they could take some of their debts off their balance sheet so they could get support from the EU, and in the course of doing so, hid much of the debt. And now we all know what has happened to Greece. We all know what has happened to the stock market just yesterday as a result of the rating agencies taking the steps they did.

This company has no shame. This company is willing to do any deal as long as it makes them money.

Ms. KAPTUR. Do you happen to know what the bonuses were for Goldman Sachs? I know they totaled into the billions.

Mr. DEFAZIO. Last year it was rather modest for Mr. Blankfein, he only got a $9 million bonus which was considerably less than previous, but that does figure out to $1,000 an hour, 24 hours a day, 7 days a week, 365 days a year. Most Americans would be happy to have that salary for a fraction of a week.

Ms. KAPTUR. I think he thought it was too little, didn't he?

Mr. DEFAZIO. Well, compared to the enormous wealth that he created by shorting and manipulating and synthesizing. You know, the one thing I would reflect on, I was a little puzzled yesterday when I kept hearing him say, We are the market makers. We are the market makers.

After awhile I started thinking about book makers, market makers, is there a difference. What is the difference when they are not dealing in reality or productive investment, they are dealing in manipulated investments, products that are designed to fail. I mean,

we have too-big-to-fail institutions that create products that are designed to fail, and they profit immensely by doing that. What's that about market making?

Ms. SPEIER. The hardest thing to try to explain to the American people is what is a synthetic CDO and liken it to what goes on in our lives. So I have been scratching my head trying to think of what it would be like. This may not be a good analogy, but I offer it up. It would be like a doctor going in and doing open heart surgery knowing that his patient was very close to death anyway, and then taking out a life insurance policy on that patient because he was clearly going to win each way.

Ms. KAPTUR. Excellent analogy. They created rules by which only they could win, and that doesn't seem to me to be the spirit of free enterprise. They created so much collateral damage it brought down the economy of the whole country. They keep using the argument if we didn't have the TARP, then things would have really gone wrong. I thought, How could it be worse? How could it be worse than this? Is what they did with the TARP just bailing themselves out, because they certainly have not done anything for the American people. They have thrown all of the bills of all of their mistakes on Fannie Mae, Freddie Mac, FHA, all of the instrumentalities of the United States for decades to come. They didn't take any losses on those themselves. They were enriched by the taxpayers of the United States who lifted them right up. And they are not dealing with the damage across this country where foreclosures continue to go up.

I place on the Record the names of the six companies that now hold two-thirds of the wealth of this Nation, and they are Goldman Sachs, Morgan Stanley, JPMorgan Chase, Citigroup, Bank of America, and Wells Fargo. They have enriched themselves handsomely. They doubled their importance since the beginning of this crisis while quashing community banks across this country, seeing forced mergers as institutions like PNC bought up National Citibank in Ohio, as local community banks that didn't do anything wrong and were not permitted to do this kind of wild-eyed business deal, found themselves having to pay huge FDIC fees. And the net yield of all of this is the big ones got bigger and the American people are continuing to be kicked out of their homes and these institutions won't return phone calls and they have hold of the auction process and their investment intermediaries are holding the equity and the ownership in these properties. How is that good for this country?

Ms. SPEIER. I thank the gentlelady from Ohio. It is very important to make the point that Goldman Sachs has never loaned a dime, has never offered a loan to an American trying to buy a house. They have never been a commercial bank as we know them, and yet they have the luxury of being at the discount window getting the money cheap even though they have not been a commercial bank as we know a commercial bank to be. All they have done is bet on how to rig these various mortgage-backed securities and make a truckload of money off them.

Ms. KAPTUR. What amazed me is when all of the house of cards started to fall, sometimes in my part of the country you see chipmunks tearing across the concrete, and they go so fast. The minute they got in trouble, what did they do, they came under the umbrella of the Bank Holding Company Act so they could not be a speculator any more, now they are a legitimate bank; right? Even though they were trafficking in all of those securities, they were just like those little chipmunks. They hid themselves right under the Bank Holding Company Act. I don't agree with what was done, but they took good care of themselves.

Ms. SPEIER. I now yield time to my good friend, the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. I thank the gentlelady for yielding, and I want to echo the concerns and the words of my colleagues who have spoken on this issue of financial reform and the outrageous financial business practices that have been taking place on Wall Street.

I am angry, as you are, and I certainly want to take the opportunity to express my strong support for the work being done to crack down on Wall Street and enact reform to prevent another near-economic collapse from endangering our financial system and American families.

I was certainly proud to vote for the Wall Street Reform and Consumer Protection Act this past December, and I look forward to voting for its final passage into law this year.

In my home State of Rhode Island, we are still feeling the repercussions of the Great Recession. With an unemployment rate of 12.6 percent, we are tied for the third highest unemployment rate in the Nation. And I'm angry that while Wall Street banks were propped up with taxpayer funds last year, our small businesses on Main Street are struggling to keep their doors open. American families are struggling to keep their homes, and they are still asking where is their assistance because it hasn't been enough.

Over the past few years, I, like many Rhode Islanders, have been angered by the greed exhibited by Wall Street and other companies that took advantage of their investors, preyed on our constituents, and rewarded executives with outrageous pay packages. This week, we heard Goldman Sachs executives testify before the Senate that they are not to blame for the bad investment deals that were based on the mortgage market and added to its collapse.

This testimony is a slap in the face to hardworking Americans, small business owners and everyone else who played by the rules only to find themselves devastated by the economic downturn. And it should convince every Member of this body to prioritize legislation that puts consumers first and demands accountability of our regulators and financial institutions.

Sadly, Wall Street has been fighting such reform tooth and nail when in fact they should be embracing our efforts to ensure that the rules are clear, the system is transparent and the playing field is even. Once again, I urge the financial sector to join us instead of fighting us—if your practices are legitimate, you should have, nothing to fear from this legislation.

The reckless actions of Goldman Sachs and other financial institutions provide a clear illustration of why we need to place a greater importance on good corporate governance. We must create an environment in which businesses take care of—and are held accountable to—their shareholders, employees and customers. Companies should be encouraged to have sustainable environmental policies and practices, solid workplace relations and produce safe products.

That is why I plan to reintroduce the Federal Employees Responsible Investment Act, which would add a socially responsible investment option to the Thrift Savings Plan. Making an investment in companies that are committed to corporate responsibility will have a positive impact on our financial system, as well as empower individuals to reward companies that share their values.

We must do everything in our power to move our economy forward, and I urge all my colleagues, especially those in the Senate, to support legislation that ends Wall Street's gambling with our hard-earned dollars. I agree with President Obama when he said last week, "this issue is too important and the cost of inaction is too great." My constituents in Rhode Island couldn't agree more.

Ms. SPEIER. I thank the gentleman and recognize we could have spoken for 2 hours this evening, and we will continue this.

ECONOMIC CRISIS IN AMERICA

The SPEAKER pro tempore (Mr. BOCCIERI). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, I listened with interest to the presentations made here in the previous hour, and there were a couple of visuals that I want to look at and commit some of that to memory.

I heard from Ms. KAPTUR that this is not a partisan issue, it is an economic issue and an American issue, and I agree. I have been troubled for some time not just the influence that comes out of Goldman Sachs, but the influence that comes out of Wall Street. Here is my concern and here how it was internalized.

I lived much of my life watching from a distance what was going on on Wall Street, and I believed that as those investors and those bankers sat down there and began to trade on the

streets of Wall Street and began to build the edifices that exist there today so very close to Ground Zero, that they were keepers of the free enterprise flame in America.

□ 1815

I had great trust that they were the ones that understood from the top down, from the multiple billions of dollars in investments down, how to hold together free enterprise, how to plan for the long term, how to put provisions in place so that each generation could have that opportunity to do free enterprise capitalism and free market capitalism.

I got my first wide open eyes when I first went to Wall Street when I was elected to Congress; it would be fairly early in 2003 for me. It's a long story, but the short version of it was after I went around Wall Street and met with a lot of the CEOs and the players that were there, on the way back I turned to my wife and I said, Marilyn, they don't have a vision for the long term. They don't have a plan in place to protect our investments and see to it that this doesn't collapse. They're looking at the short term. They're looking at taking their margins out and they're looking at their quarterly reports, but they're not looking at where we are in 10 years or a generation or 50 years or 100. That was well before we saw anything except a dot-com bubble that was, at the time, being filled by an unnatural housing market that was partially fueled by unnaturally low interest rates. But that was my vision then.

As I watch this unfold, I reflect upon an individual we brought in as an expert, and since I'm going to quote him on the floor, I don't want to attribute it to the name, but it's 30 years in investment banking. This was in the beginning of the subprime mortgage crisis as the dialogue was beginning in the country before we actually saw this starting to tail off. He explained it this way: when you're in this investment banking business, what you do is—and these would be the experts—what you do is pretty much what everybody does. That way if they're making money, you're making money, and if things fall apart and they get bailed out, you'll be bailed out with them.

That was more than 3 years ago. That's another incident that was branded into my memory because it was a seminal moment in my understanding that the economy that most of us deal with as individuals, balancing our checkbook, paying our credit card bills, looking at the income that comes in weekly or monthly and budgeting our expenses and knowing that there are checks and balances in everything that we do, if we fail to make our house payment, somebody comes and sells our house. If we fail to make our car payment, somebody repossesses our car. They don't come along and say, oh, sorry, you didn't buy a nice enough car, we're going to tax somebody and fund that. We have to be responsible for our finances.

If we start a business, we have to guarantee those payments. We have to get a line of credit at the bank so we can make our monthly bills and we can meet the payroll and the utilities and all of the things that come along with the free enterprise side of this.

I looked at Wall Street and I found out that they had a different set of rules, a different way of looking at this, that their checks and balances were not built in so that there was an assurance that—the built-in component that is a check and balance that would require that the people who would make the over-investments and take the excessive risks would pay the price for that.

So as we get to this point now where we have seen the downward spiral in our economy, this ''Great Recession'' as some will call it and the massive government bailouts that we have had and the tremendous burden on the taxpayers, born and unborn, that we will have this obligation to try to service the interest and the principal on this debt, still the guarantee is there, more than implicit, it's now nearly explicit with this legislation. And we may or may not agree on how we go forward, but I think we can agree that the things that we've done in the past haven't had enough checks and balances internally.

As I listened to this dialogue—I didn't come to the floor to speak about this subject, but I wanted to express this right in the aftermath of this previous Special Order, Mr. Speaker, to let you know and everyone know that we do have a common cause to put responsibility and government responsibility in the market system. I just watched the gentlelady pay attention here. I would yield to whatever remarks she might choose to make.

Ms. KAPTUR. I want to thank Congressman KING very much for coming to the floor because we share a concern that goes beyond party. This is so serious for our country, it's serious for our generation, it's serious for the next generation.

If we look at the abuses of the financial system over the last 30 years, let's say, every time something bad happened, the government bailed them out. And then the next crisis was worse than the one before it. I came here during the 1980s. I saw what happened, and I saw a huge debt put on the American people, $140 billion at that point. And rather than strengthening the laws to prevent moral hazard, we loosen them. And then we got a worse crisis.

If you look back to Enron, if you look back to everything that happened during the 1990s, rather than repairing it, what we did was we gave them more latitude—it's inexplicable what occurred—and the moral hazard got greater. And now with this, this is so much larger than the last two crises, and it's a real question as to whether the so-called ''reform'' coming out of the Congress will actually work.

I would like to place in the RECORD an interview with Professor William Black, an attorney who was recently on television, that I think is very, very probing about the enormous potential here for financial fraud, control fraud, the lack of investigators inside the FBI, and as Congresswoman SPEIER mentioned, inside of the SEC. And then also an interview with Dr. Simon Johnson of MIT and Mr. James Kwak about what is actually happening in this crisis and how we are not addressing it fully in the reform bills proceeding through this Congress.

So I just appreciate you giving me the opportunity to say that and to say we are in common cause here. I appreciate your comments very much. I am very worried about where we're headed as a country. I see community banks being destroyed in my region. I see these big money center institutions that have been prone to moral hazard having greater and greater authority in our country. And the amount of money they give to political campaigns, and with the recent decision by the Supreme Court to allow endless funding by any group in our political campaigns. Any one of them could wipe us out.

That's not what this country was set up for. We were set up for opportunity. We were set up for the individual to matter, for our communities to matter, for the equity that our people, when they create it in their homes, that they just don't lose it because these people think of some scheme to raid them. And yet that's what we're facing now.

So we have an enormous obligation to educate the American people and learn from them and hear their best advice on how we can dig ourselves out of this hole.

I thank you for allowing me a few moments of your time.

INTERVIEW: EXCERPTS FROM BILL MOYERS JOURNAL, APRIL 23, 2010, GUEST: BILL BLACK

Bill Moyers: Bill Black is with me now. One of the country's leading experts on crimes in high places he teaches economics and law at the University of Missouri-Kansas City, and wrote this book, ''The Best Way To Rob a Bank Is To Own One.''

Welcome back to the Journal.

William K. Black: Thank you.

Bill Moyers: What did you think of the President's speech late this week?

William K. Black: It's a good speech. He's a very good spokesman for his causes. I don't think substantively the measures are going to prevent a future crisis. And I was disappointed that he wasn't willing to be blunt. He used a number of euphemisms, but he was unwilling to use the F word.

Bill Moyers: The F word?

William K. Black: The F word's fraud in this. And it's the word that explains why we have these recurrent, intensifying crisis.

Bill Moyers: How is that? What do you mean when you say fraud is at the center of it?

William K. Black: Well, first, when you deregulate or never regulate, mortgage bankers were never regulated, you effectively have decriminalized that industry, because only the regulators can serve as the sherpas, that the FBI and the prosecutors need to be able to understand and prosecute these kind of complex frauds. They can do one or two or maybe three on their own, but when an entire industry is beset by wide scale fraud,

you have to have the regulators. And the regulators were the problem. They became a self-fulfilling prophecy of failure, because they, President Bush appointed people who hated regulation. I call them the anti-regulators. And that's what they were.

Bill Moyers: This hearing that, where you testified this week, looking into the bankruptcy at Lehman Brothers, had something on this.

Timothy Geithner: And tragically, when we saw firms manage themselves to the edge of failure, the government had exceptionally limited authority to step in and to protect the economy from those failures.

Ben Bernanke: In September 2008, no government agency had sufficient authority to compel Lehman to operate in a safe and sound manner and in a way that did not pose dangers to the broader financial system.

Anton Valukas: What is clear is that the regulators were not fully engaged and did not direct Lehman to alter the conduct which we now know in retrospect led to Lehman's ruin.

Bill Moyers: The regulators were not fully engaged. I mean, this is an old story. We all know about regulatory capture where the regulated take control of the regulators.

William K. Black: Yeah, but this one is far worse. That's not very candid testimony on anybody's part there. The Fed had unique authority. And it had it since 1994 to regulate every single mortgage lender in America. And you might think the Fed would use that authority.

And you might especially think that, if you knew that Gramlich, one of the Fed members, went personally to Alan Greenspan and said, there's a housing bubble. And there's a terrible crisis in non-prime. We need to send the examiners in. We need to use our regulatory authority. And Greenspan refused. Lehman was brought down primarily by selling liar's loans. It was the biggest seller of liar's loans in the world.

And when we look at these liar's loans, we find 90 percent fraud. 90 percent. And we find that most of the frauds are not induced by the borrower, but they're overwhelmingly done by the loan brokers.

Bill Moyers: And liar's loans are?

William K. Black: A liar's loan is we don't get any verified information from you about your income, your employment, your job history or your assets.

Bill Moyers: You give me a loan, no questions asked?

William K. Black: No real questions asked. Certainly no answers checked. In fact, we just had hearings last week about WaMu, which is also a huge player——

Bill Moyers: Washington Mutual——

William K. Black [continuing]: In these frauds. Washington Mutual, which used to make, run all those ads making fun of bankers who, because they were stuffy and looked at loan quality before they made a loan. Well, WaMu didn't do any of that stuff. And of course, WaMu had just massive failures. And who got in trouble at WaMu? Who got in trouble at Lehman? You got in trouble if you told the truth. They fired the people who found the problems. They promoted the people that caused the problem, and they gave them massive bonuses.

Bill Moyers: I watched the testimony where you were present the other day in the Lehman hearings. And there was a very moving moment with a former vice-president of Lehman Brothers who had gone and tried to blow the whistle, who tried to get people to pay attention to what was going on. Take a look.

Matthew Lee: I hand-delivered my letter to the four addressees and I'll give a quick timeline of what happened, May 16th was a Friday, on the Monday I sat down with the chief risk officer and discussed the letter, on the Wednesday I sat down with the general counsel and the head of internal audit, discussed the letter. On the Thursday I was on a conference call to Brazil. Somebody came into my office, pulled me out, and fired me on the spot without any notification. I stayed, sorry.

Bill Moyers: Matthew Lee, vice-president of Lehman Brothers, fired because he tried to blow the whistle. What does that say to you?

William K. Black: Well, it tells me that they were covering up the frauds, that they knew about the frauds and that they were desperate to prevent other people from learning.

Bill Moyers: Matthew Lee told the accounting firm Ernst & Young what was going on. Isn't the accounting firm supposed to report this, once they learn from somebody like him that there's fraud going on?

William K. Black: Yes, they're supposed to be the most important gatekeeper. They're supposed to be independent. They're supposed to be ultra-professional. But they have an enormous problem, and it's compensation. And that is, the way you rise to power within one of these big four accounting firms is by being a rainmaker, bringing in the big clients.

And so, every single one of these major frauds we call control frauds in the financial sphere has been—their weapon of choice has been accounting. And every single one, for many years, was able to get what we call clean opinions from one of the most prestigious audit firms in the world, while they were massively fraudulent and deeply insolvent.

Bill Moyers: I read an essay last night where you describe what you call a criminogenic environment. What is a criminogenic environment?

William K. Black: A criminogenic environment is a steal from pathology, a pathogenic environment, an environment that spreads disease. In this case, it's an environment that spreads fraud. And there are two key elements. One we talked about. If you don't regulate, you create a criminogenic environment because you can get away with the frauds. The second is compensation. And that has two elements. One is the executive compensation that people have talked about that creates the perverse incentives. But the second is for these professionals. And for the lower level employees, to give the bonuses. And it creates what we call a Gresham's dynamic. And that just means cheaters prosper. And when cheaters prosper, markets become perverse and they drive honesty out of the market.

Bill Moyers: You also wrote that the New York Federal Reserve knew about this so-called three-card monte routine. But that, the man who led it, at the time, Timothy Geithner, now the treasury secretary, testified that there was nothing he could do.

Timothy Geithner: In our system the Federal Reserve was a fire station, a fire station with important, if limited, tools to put foam on the runway, to provide liquidity to markets in extremis. However, the Federal Reserve, under the laws of this land was not given any legal authority to set or enforce limits on risk-taking by large financial institutions like the independent investment banks, insurance companies like AIG, Fannie and Freddie, or the hundreds of non-bank financial firms that operated outside the constraints of the banking system.

Bill Moyers: Now, what I hear is the gentleman who was then chairman of the New York Fed, saying, I, we had this job to do, but we didn't have the authority to do it.

William K. Black: Yeah.

Bill Moyers: We were the fire truck, but we didn't have any water in our hose.

William K. Black: Yeah, this was pretty disingenuous, because other portions of his testimony, he explained why there was this gap. And he said it was because we repealed Glass-Steagall. Well, the Fed pushed for the repeal of Glass-Steagall.

Bill Moyers: Glass-Steagall was the act that was repealed in the late nineties that separated regular banks from investment banks, right?

William K. Black: Correct. So this is a deliberately created regulatory black hole, created by the Fed. And then the Fed comes into the hearing, eight years later, and said, we were helpless. Helpless to do anything, because of a black hole we designed.

INTERVIEW: EXCERPTS FROM BILL MOYERS JOURNAL, APRIL 16, 2010, GUESTS: SIMON JOHNSON AND JAMES KWAK

Simon Johnson is a former chief economist at the International Monetary Fund. He now teaches at MIT's Sloan School of Management and is a Senior Fellow at the Peterson Institute for International Economics.

James Kwak is studying law at Yale Law School—a career he decided to pursue after working as a management consultant at McKinsey & Company and co-founding the successful software company, Guidewire. Together James Kwak and Simon Johnson run the indispensable economic website BaselineScenario.com.

Welcome to you both.

Let me get to the blunt conclusion you reach in your book. You say that two years after the devastating financial crisis of '08 our country is still at the mercy of an oligarchy that is bigger, more profitable, and more resistant to regulation than ever. Correct?

Simon Johnson: Absolutely correct, Bill. The big banks became stronger as a result of the bailout. That may seem extraordinary, but it's really true. They're turning that increased economic clout into more political power. And they're using that political power to go out and take the same sort of risks that got us into disaster in September 2008.

Bill Moyers: And your definition of oligarchy is?

Simon Johnson: Oligarchy is just—it's a very simple, straightforward idea from Aristotle. It's political power based on economic power. And it's the rise of the banks in economic terms, which we document at length, that it'd turn into political power. And they then feed that back into more deregulation, more opportunities to go out and take reckless risks and—and capture huge amounts of money.

Bill Moyers: And you say that these this oligarchy consists of six megabanks. What are the six banks?

James Kwak: They are Goldman Sachs, Morgan Stanley, JPMorgan Chase, Citigroup, Bank of America, and Wells Fargo.

Bill Moyers: And you write that they control 60 percent of our gross national product?

James Kwak: They have assets equivalent to 60 percent of our gross national product. And to put this in perspective, in the mid-1990s, these six banks or their predecessors, since there have been a lot of mergers, had less than 20 percent. Their assets were less than 20 percent of the gross national product.

Bill Moyers: And what's the threat from an oligarchy of this size and scale?

Simon Johnson: They can distort the system, Bill. They can change the rules of the game to favor themselves. And unfortunately, the way it works in modern finance is when the rules favor you, you go out and you take a lot of risk. And you blow up from time to time, because it's not your problem. When it blows up, it's the taxpayer and it's the government that has to sort it out.

Bill Moyers: So, you're not kidding when you say it's an oligarchy?

James Kwak: Exactly. I think that in particular, we can see how the oligarchy has actually become more powerful in the last since the financial crisis. If we look at the way they've behaved in Washington. For example, they've been spending more than $1 million per day lobbying Congress and fighting financial reform. I think that's for some time, the financial sector got its way in Washington through the power of ideology, through the power of persuasion. And in the last year and a half, we've seen the gloves come off. They are fighting as hard as they can to stop reform.

Simon Johnson: I know people react a little negatively when you use this term for the United States. But it means political power derived from economic power. That's what we're looking at here. It's disproportionate, it's unfair, it is very unproductive, by the way. Undermines business in this society. And it's an oligarchy like we see in other countries.

Mr. KING of Iowa. Reclaiming my time and, Mr. Speaker, I would point out that it is unusual for Democrats and Republicans to share time spontaneously on the floor, but it's because there is a bond of common interest and a bond of a serious legislator that I recognize that's here on the floor for a serious reason.

I thank the gentlelady from Ohio for the presentation.

I'm going to shift off now into the subject matters that I had on the front of my mind, but I was compelled to address this and I appreciate the response.

Mr. Speaker, I come here to the floor tonight to talk about a range of issues. Perhaps if I would pick up on the financial side of this and go through a list of some of the things that have happened that I think contributed to the ''Great Recession'' that some refer to it as. And I would take us back a long ways. I would take us far back to the time that there became implicit guarantees that the Federal Government would do bailouts.

I remember those years of the eighties that the gentlelady mentioned. I went through 28 years of business, and I was highly leveraged going into the farm crisis of the eighties. I know the pain of that. I lived for 3½ years with a knot in my stomach that didn't go away unless there was something incredibly distracting that would cause it to disappear, and then I remember it would form again.

The SPEAKER pro tempore. The gentleman will suspend.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2499, PUERTO RICO DEMOCRACY ACT OF 2009

Mr. ARCURI, from the Committee on Rules, submitted a privileged report (Rept. No. 111–468) on the resolution (H. Res. 1305) providing for consideration of the bill (H.R. 2499) to provide for a federally sanctioned self-determination process for the people of Puerto Rico, which was referred to the House Calendar and ordered to be printed.

ECONOMIC CRISIS IN AMERICA

The SPEAKER pro tempore. The gentleman may resume.

Mr. KING of Iowa. I am always happy to yield when the Rules Committee is conducting business here on the floor.

So I will go back to the beginning, Mr. Speaker, and that is this: that if we would go to 1978—and I want to illustrate the chronology of how we got to where we are today financially. Excuse me, Mr. Speaker, I will take it back even further than that. Let's go back to October of 1929 when the stock market crashed and it launched the Great Depression rather than the Great Recession. We saw a downward spiral in the value of that Dow Jones Stock Exchange and the other shares that were not registered on the Dow at the time, or as part of the Dow Jones Industrial Average, and Americans lost equity. Some jumped out of windows—actually, not nearly as many as history would have us believe—but that crash in the stock market precipitously dropped. Of course it came up and went down, and it's always been a sawtooth.

But we went through the thirties. We saw Franklin Delano Roosevelt being elected in 1932. And actually, prior to that, but certainly accelerated from that point, he borrowed money and spent money and created make-work projects, and he put the United States in debt like never before and never envisioned by the Founding Fathers. Even his own people, including John Maynard Keynes, got nervous with the amount of money that was spent. His Treasurer, Morgenthau, expressed his concern that we spent all this money and what do we have to show for it. Unemployment is still high; the economy still hasn't recovered. And they lumbered all the way through the thirties with marginal improvement in the economy.

And one has to question if it ever would have recovered if it hadn't been for World War II. In fact, the President of the United States, the current President, has made the remark that World War II was the largest stimulus plan ever. He can make that statement and challenge it or not, I don't take issue with the concept that he is illustrating in that point, Mr. Speaker.

But I would continue and make this point, that from October of 1929 we saw all of this spending in the New Deal era of the Great Depression throughout the thirties. We saw all the borrowed money that went into winning World War II, and it's a good thing that we did. I believe Franklin Delano Roosevelt was an outstanding war leader for the better part of the Second World War, not so much of an economic leader, in my view, nor a social and cultural one; but he did hold us together as a Nation and he provided that clear voice and that leadership that was so important during that period of time, and he stood on the ground of unconditional surrender. So I tip my hat to that contribution to history to that man.

However, by the end of World War II, we had not recovered economically from where we were in 1929. And by the beginning of the Korean War—let me say by the beginning of the Cold War in 1948, as it was illustrated by Winston Churchill—we had not recovered from the Great Depression. By the beginning of the Korean War, we had not yet recovered from the Great Depression. And by the end of the Korean War, we had still not yet recovered from the Great Depression. If you measure it as the Dow Jones Industrial Average recovering back to the place where it was in October of 1929, that happened, Mr. Speaker, 9 years after Franklin Delano Roosevelt had passed away. It was 1954 when the stock market got back to where it was in October of 1929. All of those years.

And I will argue, Mr. Speaker, that overspending by government, the interest and the principal overspending by government delays the recovery. It may diminish the depths to which we might have otherwise fallen, but it delays the recovery.

It's the same as in a business. Let's say, for example, you're a small business and you're grossing $500,000 a year and meeting a payroll and all the bills that I talked about earlier and you have a flood that wipes out your asset base. Then along comes FEMA, and if you're in business, they're not going to give you a grant; they might help you get an SBA loan. So if there's a disaster loan, it might even be a preferable interest rate, but let's say your debt was $100,000 and you're grossing $500,000 and meeting a payroll of $250,000 a year. Now, it takes another $400,000 to put all the pieces back in your business, and you're able to borrow that money at 4 percent or 5 or 6 percent.

Now you have the interest rate on the $400,000, plus the requirement to pay the principal off on that $400,000. All of that money that you're spending now that is the result of the overleveraging that may be necessary to keep you in business is money that's earned, it's money that you had to earn, you would have earned it anyway, but now that money goes off for interest and principal rather than capital investment, which is what creates jobs.

□ 1830

At a certain point, you can't service the debt any longer. At a certain point, a business can't pay the interest; it can't pay the principal, and it becomes insolvent if the debt and the leverage is too high. That is true for a family that runs their credit card bills up too much to where they can't service even the interest or the minimum payments on their credit cards. It's true also for a small business. It's true for a large business—and, Mr. Speaker, it's true for a government. It's true for a small government like Greece. It's true for a large government like the United States of America. At some point, this

debt that we have taken on here in this time, in this era, becomes too great for even the most robust economy in the world to overcome—to service, to pay the interest, and to pay the principal on that debt.

That's where I think we are headed. We may already be there.

That was the fear that they had during the thirties, and that was something that may have restrained Roosevelt in his spending to where we were able to recover from it; although, it took a long, long time—from 1929 until 1954, until 9 years after the Second World War was over and 9 years after Franklin Delano Roosevelt passed away. We carried this burden throughout this whole period of time.

Through the fifties, during those idyllic years of Fun with Dick and Jane, which is the life that I grew up in, we were responsible for our budgets. The people who were coming into adulthood at that period of time had now cut their economic teeth on fiscal responsibility because they had pinched pennies and had made it through the Great Depression. Then they fought and won a world war. Then they were engaged in a Cold War. Of course, we had the war in Korea that was a negotiated settlement in the end. These were a frugal, hardened people who were the sons and daughters, in my part of the country, of pioneers who came across the prairie in a covered wagon—generally walking beside the team of oxen, not riding in the wagon—to live free or die on the prairie. These were independent, hardworking, industrious, entrepreneurial spirited, strong faith family people who took advantage of the opportunity to be legally here in America, to build lives for themselves and to lay the foundation for their children and their grandchildren. These were the people in the fifties.

Now we watch the next generation, the baby boomer generation, blossom with the component of the generation which was referred to as the ''flower children,'' who didn't take that responsibility, who weren't hardened by those experiences, which were only the secondhand experiences of what had been transferred from their parents to them, and they began to push this irresponsibility.

By 1978, the class envy component got high enough, and there were some things that were inappropriate in what was going on, but the lending institutions were redlining neighborhoods. They would look at the inner cities in America that were losing asset value. Now think of this: If you owned an apartment—a ''condominium'' is how we refer to it today—or a house or a piece of industrial or commercial property in an inner city that was being run down, the value of the real estate was diminished sometimes by the crime rates that were there, by the abusive drugs, by the businesses that weren't sustaining their value and their cash flows. So you might have a nice home in a neighborhood that's not as nice as it used to be. Even though you keep your home up, people don't want to buy that home because they don't want to move into that neighborhood, so the value is going down.

The bankers and the lenders were doing what they call ''redlining.'' I have a red pen in my hand. They would draw, Mr. Speaker, a line around this neighborhood or this area in the city, and they would make a determination that they were no longer going to lend money on real estate in those neighborhoods or in those commercial industrial property areas that were being run down.

It may well have been a prudent business decision. It was defined as a racist decision, and in some cases, I think it probably was. This Congress passed legislation called the Community Reinvestment Act. It compelled lenders to make bad loans in bad neighborhoods. That was in 1978. ACORN was formed and shaped around that same period of time.

As this moved forward into the 1990s, under the Clinton administration, there was a refreshment of the Community Reinvestment Act that set yet higher standards for making more bad loans into bad neighborhoods. They had found that Fannie Mae and Freddie Mac had become quasi-government entities for formerly private entities who were not making, according to the opinion of this Democrat majority in this Congress, enough bad loans into bad neighborhoods. So they changed the standards in the Community Reinvestment Act. They were lobbied by ACORN to lower the standards for Fannie Mae and Freddie Mac. They lowered the standards for Fannie Mae and Freddie Mac for the secondary loan market so that more lenders could make more bad loans in more bad neighborhoods and could peddle them off into the secondary loan market of Fannie Mae and Freddie Mac.

Now we are into the mid-1990s, and still it wasn't such a crisis until such time as the dot-com bubble burst. The dot-com bubble burst, I think, was initiated by the lawsuits against Microsoft that were joined by several State attorneys general, including by my State attorney general, Tom Miller. I think that he and others wielded the lance that pierced the dot-com bubble when they filed the class-action lawsuit against Bill Gates' operation and Microsoft. Even though I believe that that bubble was swelling and that it would have burst at some point, I think the lance that was wielded was by those State attorneys general. That brought about the bursting of the dot-com bubble.

In the aftermath of the bursting of the dot-com bubble, we had, I'll say, a mini recession. Alan Greenspan saw that mini recession. Mr. Speaker, this is my interpretation of his actions. Certainly, this is subject to rebuttal by Alan Greenspan or by somebody else who may have some knowledge that I'm not privy to. He set about a policy here in the United States to unnaturally lower the interest rates so that more people could buy homes in order to drive the housing market. This was to partially compensate for the bursting of the dot-com bubble. We had more homes built than before, a higher demand because of the unnaturally low interest rates and favorable terms, and we had the lower underwriting standards that had been provided to Fannie Mae and Freddie Mac as far as their secondary mortgages were concerned.

There was pressure that was put on the lenders. They had been pushed by ACORN, which found itself in the inner-city neighborhoods brokering home loans and approving the conduct of the lenders as to whether they were complying with the Community Reinvestment Act.

So we have a political organization that has turned out to be a corrupt criminal enterprise, promoting bad loans in bad neighborhoods at unnaturally low interest rates, driving up a false economy in the housing market to, presumably to some degree, compensate for the bursting of the dot-com bubble that was brought about by the suits of the States' attorneys general, including by my attorney general, Tom Miller.

While all of that was going on, we got hit by the September 11 attack on our financial centers. There were the ensuing extra costs involved, and there was a tremendous loss in life and in treasure that took place due to that. Then what do we see happening here?

We have seen now an economic crisis that has been, perhaps, averted, but maybe it would have been better if we would have simply allowed some of those businesses that were too big to fail to just simply fail. We'd have reorganized them, and we would have put them through the process to get them back into the system again. We would have recovered more quickly. It may have hurt more, but in the end, we would have reestablished the principle that you simply cannot have ''too big to fail'' unless you are going to have a government guarantee. Now the government guarantee on Fannie and Freddie is $5.5 trillion in contingent liabilities. All of this has taken place, and it has moved us away from those standards of free enterprise and accountability.

I would be very happy to yield so much time as she may consume to the gentlewoman from Minnesota, who is on the Financial Services Committee and who is extremely knowledgeable about this and about any subject that she might choose to change it to.

Mrs. BACHMANN. I thank the gentleman from Iowa for laying out the history of where we are today in terms of the financial problem.

Really, the concern that I have on the bill that is being debated over on the Senate side right now is that it seems that this bill effectively wants to institutionalize the very bad government interventionist policies that got

us to the point at which we are now. Here are just a couple of things that this bill will do over on the Senate side:

Number one, it makes bailouts permanent. It's as though we had bailout 1.0, which no one really liked. It was a $700 billion bailout. I know Congressman KING and I both voted against the original $700 billion bailout, but it would institutionalize and make permanent the bailouts.

This is something that is not generally known: With the first bailout—and it was under President Bush, unfortunately, that the first bailout was passed—the President had to come to Congress and ask us for our permission for the $700 billion fund to be created. Now, remember, this never had happened in the history of the United States whereby the Secretary of the Treasury was given a blank check for $700 billion. The Treasury Secretary virtually was able to do whatever he wanted to do with that $700 billion, and he had, effectively, no oversight from Congress. He got a blank check for $700 billion.

In good conscience, I could not give that kind of money to one single individual, because, if you give that sum of money, which had never before been given to any individual in American history, you know there is going to be waste; you know there is going to be fraud; you know there is going to be abuse. That is something that government tends to do when it spends too much money. So, of course, that's what we saw. We saw that the money went all over the place, and we still don't have a full accounting of where all of the TARP money is.

Yet what did that money fund? Think of it.

That money allowed the United States to purchase the largest banks in this country, and the United States Federal Government still owns those private banks—Citibank and Bank of America. That money also allowed the Federal Government to buy AIG, the largest insurance company in America.

Barack Obama, who is now our President, was elected in November of 2008. Shortly after his election, he went to then-President George Bush and said, President Bush, I would like to have something under $20 billion. I want to set up an automobile task force because, if we don't spend money now, Chrysler and GM could fail, and to prevent their failure and to prevent job loss, we need to have an automobile task force fund.

President Bush was on his way out the door. He was ending his Presidency. President Obama was about to begin his. He gave that amount of money over to President Obama and to his team to set up the automobile task force. We all know what happened. The automobile task force was set up. Literally, billions of dollars were pumped into Chrysler and GM.

What happened?

Chrysler filed bankruptcy. GM filed bankruptcy. In fact, it was so bad that GM stock was taken off of the New York Stock Exchange because the value of their stock plummeted so far. So, contrary to what President Obama said as to his being able to save the car companies with this bailout fund, the car companies went under. They failed.

As a matter of fact, President Obama then decided—I don't know where he got the power from—to fire the head of GM. Out of what power? No one knows. So here you have the President of the United States deciding that a CEO of a company is going to be fired. That is a jurisdictional issue. The President of the United States does not have the power to fire anyone in the private sector, but isn't it amazing what a whole lot of money will do for a person. That money put so much power into one man's hands that he was able to do virtually anything he wanted, including overturning about 150 years of bankruptcy law.

How was that? Because Chrysler bondholders, who are the people who invested money into the Chrysler car company, had an investment.

Let's say you put $100 into a company that your friend holds. That's your money that you put in. Then the company gives you a bond. It says, Hey, if anything happens to our company, we'll make sure that your $100 is paid back first before anyone else is paid back, and we'll pay you back all of your $100.

Well, unfortunately, President Obama and his team decided to turn upside down 150 years of bankruptcy law. What they did is they said, You bondholders who have a secured interest in your investment are no longer getting your secured investment. We are taking your money, and we are giving it to well-connected political people. We want to make sure they get that money. In that case, those people were their friends at the UAW, at the unions.

Mr. KING of Iowa. Will the gentlelady yield?

Mrs. BACHMANN. Yes.

Mr. KING of Iowa. I thank the gentlelady.

In reclaiming my time, I wanted to explore this ''secured creditor'' so that the Speaker and those who are observing will understand clearly what this means. A ''secured creditor'' would be someone who holds collateral, which is a guaranty that's behind the bond.

I'm going to ask you to flesh this out a little bit, but I'm going to say that it includes, perhaps, real property, which could be the actual factory, itself. It could be the equipment inside the factory. It could be cash collateral, security. It could be the cars sitting as ready for shipment to the dealers but not the cars in the dealers' lots, because they own those cars.

Is that a reasonable picture of what ''secured collateral'' is when you talk about bondholders and the secured creditors?

I would yield to the gentlelady.

Mrs. BACHMANN. That's right, and there is something else to know on secured creditors.

Usually, secured creditors take a lower interest rate. They get paid back at a lower rate because they are first in line. When Chrysler went under, what happened is that, rather than making the bondholders whole first, they actually had their secured interests taken away from them, and other creditors were made whole first.

□ 1845

How can you do that? That's an abrogation of contract law; an abrogation of bankruptcy law. And so we saw a violation of law. That's something that is foundational to the United States that gives us a good business climate. The rule of law is a good thing. The sanctity of contracts works. When we start violating the law and when we start penetrating contracts and violating contracts, that's when we get into trouble with our business climate. We saw that happen in this bailout.

Not only did the Federal Government take money that we don't have. Remember, we had to borrow money. So this wasn't money that we had sitting in a bank vault here in Washington, D.C., where we opened up the bank vault and we pulled out big wads of $700 billion that we could give to the Treasury Secretary to give out to whatever his favorite private business was or his favorite group was. No. We had to borrow that money from the Chinese or whoever we could go and sell our debt to. And so who's going to pay that back? That money is going to be paid back by the debt-paying generation. That gets us into a whole 'nother area.

The gentleman was talking about the financial mess we're in. You were talking about ACORN. You were talking about the subprime mortgages, where all of that's gone, Freddie and Fannie. And the point I guess that I'm trying to make is that the Federal Government with this TARP bailout ended up taking that money and, rather than making our economy whole, rather than creating jobs, because, remember, President Obama said, again, this is with the stimulus spending, $787 worth of stimulus spending, we were promised that we wouldn't see unemployment go above 8 percent, and we were promised that he would create 3½ million jobs.

I know my colleague STEVE KING knows that rather than creating 3½ million jobs, we lost 3½ million jobs. So the spread of error for President Obama is about 7 million jobs, let alone the fact that the debt-paying generation that will pay back the $787 billion, those today that are age 5 to age 30, that age cohort for the next 45 years of their work history will have to pay back the same amount of money as if they went to the store and bought an iPod for $300. So the 5- to 30-year-olds for the next 45 years of their work life will have to go down to a store, buy an iPod, at the end of the month crush the iPod under their heel; then buy another one the next month, crush it; buy one the next month. Every month for 45 years of work history, the debt-paying generation in America will have to

effectively buy an iPod and crush it and then replace it to equal what will be spent in this stimulus bill. That's just one of the egregious spending bills.

And when I think of the debt-paying generation, the 5- to 30-year-olds are saving up and would love to buy an iPod, just own one. But now they're condemned to, for 45 years of their life every month, going out and buying a brand new iPod and effectively giving it over to the Federal Government.

Mr. KING of Iowa. Reclaiming my time, I would add onto that that I hadn't thought of that in terms of, and this is a presumption that iPods will stay the price they are, which we know that competition and mass production will probably reduce the cost. But under current value and current dollars, a child born today, for being a natural-born American citizen, their share of the national debt is $44,000. That's like here's your mortgage, sign here with your little ink footprint when you're born, we'll wheel you right out of the delivery room and you've got a $44,000 debt that you have to pay the interest and the principal on. That same child born today, by the time they start fifth grade in school, their share of the national debt will be $88,000. That's the difference between the Obama budget and the budget that we had coming into the Obama administration. That's that kind of a burden that I'm going to presume cross-references to the $300 a month that the gentlelady from Minnesota has talked about.

Mrs. BACHMANN. Also, remember, that's if every American is paying taxes and paying the debt. But one thing that we saw from this current filing of income tax is that 47 percent of Americans paid no taxes. Now, that doesn't mean that 47 percent of Americans are deadbeats, because they aren't. Many Americans don't have income because they're senior citizens living off of fixed assets. There are a number of reasons. But still the number remains true, that 47 percent of Americans aren't paying the taxes. An increasingly smaller group of people are paying a larger share of the taxes. And so the debt burden on particular Americans will be especially egregious.

Mr. KING of Iowa. One of the important studies was done not that long ago by Robert Rector of the Heritage Foundation. He's done a couple of very important studies in the last 2 years. One of them was the level of welfare that's here in the country. I believe he counted 72 different programs that distribute the wealth from taxpayers in America to people who are sometimes taxpayers but more often a greater share of them are tax users. Of those programs, even though we brought down some of the welfare in the mid nineties, it didn't really reduce it so much as it produced a temporary plateau; and then it was built up again with a whole series of programs that we can't track.

Well, he has done so. And it's a chilling thing to see what happens to a society that was a meritocracy, that rewarded people for their work, that now has become a welfare state.

One of his definitive studies, Mr. Speaker, was this. He went in and looked at households that are headed by high school dropouts, without regard to their immigration status; whether they were legal, illegal, foreign or natural-born Americans, whatever their category might have been with their immigration status, if they headed households, and the average household, a family of four, and they were a high school dropout, they would draw down an average of $32,000 a year in taxes in the whole collection of the benefits that are there and they would pay about $9,000 a year in taxes. They would draw down 32, they would pay about $9,000 a year in taxes. The net cost to the taxpayer was $22,449 a year, and that's an average, and the average sustained life of that household, Mr. Rector calculated, was 50 years.

So the math comes out to about $1.5 million to subsidize that household. And we've got people here in this country that are arguing that we need to open up our borders and bring in any number of people because our economy needs this labor and we need someone to pay for the Social Security of the baby boomers. Well, if they can't sustain themselves here, if they're undereducated, even though we have entrepreneurs that fit that category, that are going to make millions of dollars and create millions of jobs, on average it is a net cost to the taxpayer of $22,449 a year, $1.5 million for the duration of that household, that's a burden on the taxpayers that is not a stimulation to the economy, it's a drag and a drain on the economy. And the argument that they are paying Social Security with the payroll tax and, therefore, that's good for those of us that are looking at retirement, members of the baby boom generation, which I am and Mrs. BACHMANN is not. That's my little pandering piece here, Mr. Speaker.

Mrs. BACHMANN. If I could just add with Robert Rector from the Heritage Foundation, he also did a study on welfare and increasing use of welfare in the United States. The trajectory that we're on with the growth in welfare is also unsustainable. And we also recall that shortly after President Obama came into office, one thing that he did is he rescinded all of the welfare reform regulations that were put into place by the Republican Congress after they won control in 1994. So all of the reforms that actually got people off of welfare and into working jobs and actually plateaued the cost of the welfare, now all of those restraints have been taken off. We're seeing a dramatic increase in the trajectory in welfare spending.

But something else that was interesting from Robert Rector, he said that if an individual on the full panoply of welfare benefits leaves welfare, that that individual would have to seek a job paying in excess of $44,000 a year to replace the welfare benefits that they're receiving from the Federal Government. That is the level of generosity of the welfare benefits that are currently available to people in the United States. There are people in my district that would love to be making an income of $44,000 a year. And yet that is what the United States is providing on average for welfare benefits across the United States. Of course there are exceptions to that, but that's on average. Again I would refer people, Mr. Speaker, to the heritage Web site and the work is by Robert Rector.

Mr. KING of Iowa. Reclaiming my time, I appreciate the gentlelady refreshing that point. I had actually forgotten that number. I remember it now when you say it. $44,000. And now I think in terms of, if you have all the free time in the world to do whatever it is you want to do and you have rent subsidy and heat subsidy and food stamps and the refundable child care credit and the earned income tax credit.

Mrs. BACHMANN. And you've got a home mortgage, a home mortgage that is subsidized by the taxpayers. Because, remember, this was a part of the problem with the amendments to the Community Reinvestment Act in the 1990s, and it was this: An individual could have no income, no assets, no job. With all of that, you could still get a mortgage just based on your welfare benefits. This was a complete change in the way mortgages were given out. And welfare is inherently unstable.

So to think that a 30-year mortgage is being given to someone on the basis of their welfare payments. We had never done that before in the United States. And so what we saw is a correlation with a very high rate of foreclosure. What inducement or incentive is there for an individual to save up to buy a house, save up for a down payment, be frugal, do what you need to do to have a good credit score to get into a house when if in fact because of the Community Reinvestment Act, banks were forced to not look at credit scores essentially and to give mortgages to people on the basis of their welfare checks?

And a lot of these mortgages that were given would give cash back to people. Then people went out and took home equity loans against their home and they had virtually nothing in the home. No wonder we're in the problem we're in. If you change your banking standards to ones that don't even rank up with a comic strip level of regulations, you're going to get disastrous results. That's what we're in the middle of living with now.

Unfortunately the bill that's going through the Senate is institutionalizing the worst aspects that there are about government policy that led to the financial meltdown.

Mr. KING of Iowa. Reclaiming my time, I think it might be useful for the gentlelady and I to go through this list

of things that have happened about the nationalization. Because if I look at the dialogue in the country, we've carried this dialogue, I think, back and forth together and teamed up on it.

The gentlelady has talked about $700 billion in TARP. We haven't brought it up so much, but it is part of this, that three large investment banks were nationalized, either by action of or the support and approval of President Obama; along with AIG, the large insurance company, for some amount around $180 billion. We might have used $185 billion at one time. It's in that area. Then we've seen Fannie Mae and Freddie Mac, which I did mention earlier. The President by his executive order has swallowed up the balance of the risk, put it on the taxpayers, to the tune of $5.5 trillion in the contingent liability should Fannie and Freddie, either combination of them, collapse.

While that's going on, we watched the nationalization, the takeover, of two of our proud American car companies: General Motors and Chrysler. We saw the CEO of General Motors fired and replaced by a CEO that was essentially de facto hired by the President of the United States. We've seen all but two of the board of directors of General Motors put in place by the President of the United States who doesn't even deny it. He takes a little bow and a smile as if that's what we should be doing with government.

We have them looking in at CEOs' pay. We look at the student loan program that's been taken over by the Federal Government. We've watched the nationalization of our skin and everything inside it with ObamaCare taken over by the Federal Government. Now we're watching the financial institutions all the way down to the smallest credit transaction will be looked over by the Federal Government. This is a chilling display of the continuum of history of the last 18 months.

Mrs. BACHMANN. What we have witnessed in the last 18 months is effectively an economic coup. Because as you have correctly stated with Fannie and Freddie, today the Federal Government owns over 50 percent of all private home mortgages in this country. So over 50 percent of the homes, they aren't owned by the people occupying them paying the mortgage. It's really owned by the Federal Government. Not only that, for anyone going to secure a mortgage today for a home, nine times out of 10 they have to go to the Federal Government to get their mortgage. So that number will swell for the number of homes that are owned by the Federal Government.

According to an economist from Arizona State University, if you add up all of those sectors of the private economy, we've gone from, 18 months ago, 100 percent of the private economy, private, now we have over 51 percent of the private economy effectively directly owned or controlled by the Federal Government.

But President Obama isn't done. He is demanding that the Federal Government effectively control the energy industry. That's another 8 percent of the economy. He also wants to have the Federal Government control the financial services industry. Some people calculate that at 15 percent. So that would take us from 51, an additional 8 with cap and trade, to 59 percent. Then if we add the financial services sector on, that would take us then up to 74 percent.

President Obama hasn't even been in office 18 months, and we're already at the point where we could be at effectively nearly three-fourths of the private economy under the thumb of Uncle Sam, which is why we absolutely have no choice. This fall we have to see constitutional conservatives retake both the House and the Senate, and then 2 years from now we need a President who will be a constitutional conservative President so we can repeal the government takeover of health care and truly unwind the Federal Government getting out of owning or controlling private businesses.

□ 1900

We have no choice, because otherwise we will go the way of the rest of the world. And all we have to do is take a page out of Greece. Greece is effectively a bankrupt country that's being bailed out by the European Union. Because of the bailouts that the European Union is giving to Greece, the Euro is dropping in value.

The same thing with the United States. We can't think that just because we have been the greatest power and the greatest Nation the world has ever known that we will always continue that way. If we change our economic policies so they have more in line with left of socialist nations, if that's our economic policy that we are embracing, then should we be surprised if the result is analogous to that of countries that are left of socialist-embracing economies? That's not who we are. It's not our character as a people.

And I think it would shock the American people to realize, Mr. Speaker, that today the Federal Government owns or controls 51 percent of the private economy. That cannot be. And I know Congressman KING joins me in putting his marker in the ground, saying that on his watch in Congress he will do everything he can, as I will do everything I can, to get the Federal Government in its proper realm of jurisdictional authority.

The government doesn't have sovereignty over private business. Only private business has sovereignty over private business.

Mr. KING of Iowa. And reclaiming my time, I do wish to join in that pledge and putting my marker here. We have joined together in the introduction of legislation to repeal ObamaCare, to pull it out root and branch, lock, stock, and barrel, to eliminate ObamaCare so there is not one vestige of ObamaCare DNA left behind that could reproduce itself and further poison our legislation and our laws in America and further diminish the vitality of the American people.

I recall that President Obama as a candidate consistently was critical of President Bush for not having an exit strategy in Iraq. He pounded on President Bush for not having an exit strategy in Iraq. However, that exit strategy actually is being implemented, ironically by the very individual who was so critical.

My point is that Barack Obama has been involved in the nationalization of these huge sections of our private sector, as the gentlelady has described, more than 51 percent of our private sector activity. And when we add the financial sector to it, it becomes a number that approaches that three-quarters, as she has said.

I sent a letter to Secretary Geithner, a formal letter. The response needed to be under oath because it was within a hearing of Financial Services and Ag hearing that we did jointly. The question was if the President was elected at least in part because he was critical of President Bush for not having an exit strategy in Iraq, what's President Obama's exit strategy to divest the taxpayers of their invested interest in this whole list of private entities that we have talked about from the banks to AIG to Fannie and Freddie to the car companies? I didn't get to the point of the student loan or ObamaCare because that hadn't been nationalized yet at that point.

Two months later I did get an answer. And it took a couple of days for the smartest lawyers I had to analyze all the language, which boils down to this: The response from Secretary of the Treasury Geithner, well, we will divest ourselves of these assets when the time is right. And only he would know when that was. But there was no criteria for the Federal Government getting out of this business.

It appears that there is a powerful incentive that is driven within the White House and within the progressives, the very liberals in this Congress, of which there are at least 77, to continue the nationalization, the management now that they are seeking to do of managing all of our financial industry, taking over student loans, and now every credit account in America. And additionally to that, I would give a new example that was exposed to me the other day.

We have an example of how the Federal Government takes over the insurance industry. They did so in about 1963 or 1964 with the Federal flood insurance program. They argued that the private sector didn't produce enough competition so that you couldn't buy flood insurance in flood plains. Maybe there was a reason for that, because you would be flooded and the risks were too high. So they set up the Federal flood insurance program to provide competition to the private sector that was property and casualty at the time.

In a few years, it came to pass that—and it is true today—that the only

flood insurance that you can buy in America is under the Federal flood insurance program. It's also true today that that program is $19.2 billion in the red because their premiums don't reflect the risk because they offer this insurance—and by the way, it's compulsory to buy that insurance if you borrow the money through a mortgage loan under a national bank. So it looks to me as though FEMA has been assigned by Congress and is carrying out an action that has now expanded the flood plains dramatically so that the people in these flood plains have to buy more and more flood insurance.

And I looked at one area within one county in my district where there are 2,200 more properties and 1,100 more property owners that will be compelled to pay for the national flood insurance premium. Presumably, if you expand the areas that people are compelled to buy insurance and do business with the Federal Government, then you will be able to bring this Federal flood insurance out of their $19.2 billion in the red.

Think of what happens when the Federal Government sticks their regulatory nose in every transaction in America, every credit transaction, every private flood insurance transaction, every health insurance transaction, operates and manufactures probably two-thirds of the American cars, probably not quite that many actually, and has already taken over the secondary loan market to where they are in more than 50 percent of the real estate.

Mrs. BACHMANN. It even gets more minute than that because under the bill that's being debated right now over in the Senate, if a person has a transaction where it's four payments or more, so presumably if you buy braces for your child and you are paying by payments for your child's braces. If you have four payments or more that's a financial transaction that could come under the purview of the Federal Government. So the orthodontist would then have to conform with regulatory requirements from the Federal Government. That's how insidious this is getting.

As a matter of fact, the bill I believe on the House side would give the Federal Government the authority through a new pay czar that has been selected who would establish the wages of like a bank teller in Peoria, Illinois. So the Federal Government isn't just getting into big things, they are getting into every small area of our life. And I think we just haven't begun to see the levels of involvement.

The other thing you had mentioned, Congressman KING, and Madam Speaker, is that you had wondered about President Obama and where he is going. There is no exit strategy because this current financial reform bill that we are looking at is all we need to know about where President Obama and the Democrats that control Congress want to go. They want more Federal Government intervention. They want more Federal Government spending, which necessitates more Federal Government borrowing, which will mean more taxes.

But what are those taxes? The President has punted that issue to his new commission. But we all know a boatload of taxes needs to be raised. And we are in all likelihood looking at a new form of a national sales tax with a VAT tax, which would mean every item we purchase would have a tax of about 25 percent attached to it. So if you go through the value drive-in meal at McDonald's or a fast food place, although I guess we aren't going to be allowed to eat fast food anymore, it looks like that's the road we are going down next, instead of paying a dollar for that item, now we are going to have to pay $1.25.

All of this means real consequences for real people's lives. It means fewer choices we can make. And apparently what President Obama and the Democrats who control Congress believe is that the American people have too much discretionary income and the American people shouldn't have that discretionary income. They really are the party of big government and of government making the choices over our lives.

The Republicans have a different view. We believe that people make the better choices, and we want them to keep their money. But unfortunately, President Obama has laid all his cards down on the table, as have the Democrats that run Congress, and they have made a decision. It's very clear. We know because their bills are already before us. Anyone can read them online. And they want to be involved in the smallest financial transactions of our lives. And ultimately they want to decide who will get credit in this country and who won't. That will stifle every one of us in this country. And it won't mean job growth, it won't mean job creation. But we can do far better than that.

Mr. KING of Iowa. Well, and they decided who would get the credit on home loan mortgages based upon the cash flow of the welfare check. And it didn't work out so well. That's one of the examples. I am standing here thinking about this. Where would they stop? A party whose policy is change, who don't have any timeless values, there is not even a definition of truth over on that side that they can agree on, it is about change.

And I have often said that if you would give me the magic wand and I could grant to the progressives, the liberals, the people that fit that definition of folks on that side of the aisle their wish, which would be the entire wish list of all the things that they could compile on that list between now and New Year's, and say to them you get all of this, you get all of this, every policy that you can possibly dream of, and we are going to give it to you when the ball drops at Times Square for New Year's, but the deal is then you have to clam up and not be clamoring for change any more, you have to live under all of the rules and all of the changes that you advocate for, here is what I can guarantee you. They would work night and day to make this list as complete as possible.

They would work right up to the last minute. They would have an amendment they were trying to slip in as the ball was dropping at Times Square to bring New Year's about and grant them their wish. And then when they were granted everything they wished, they would stay up the rest of the night trying to figure out how they got cheated and what they forgot. And they would never keep their word about having to live under the rules and the regulations that were part of their wish list.

We, on the other hand, believe in timeless values. We believe in the integrity of the human being. We believe that our rights come from God. We believe in free enterprise capitalism. We believe in property rights. We think that people that work should live better than those that don't. We believe the wealth of this Nation is not a zero sum game, but it's something that's built upon the entrepreneurial spirit and the foundations of free enterprise, property rights, individual rights, not group rights. And the destiny of America is going to be determined by the amount of liberty that we can grant to people out of this Congress instead of diminish from them.

And my mission is to go forth and to give back out of this Congress the rights that rightfully come from God to the people that have worked so hard to build this country, and not to destroy it incrementally by these huge bites out of our freedom and our liberty. And the question that comes to me is what would a socialist do, what would a progressive do, what would a liberal do that a communist would not? Where do they draw the line? This has been a breathtaking sweep into a takeover of huge chunks of our economy. And they have designs on big chunks of the economy yet. When there is no restraint except the American people and the constitutional conservatives that are filling the streets of America.

They come out with their American flags, their yellow Gadsden ''Don't Tread on Me'' flags, their constitutions in their pocket, and patriotism in their hearts, and tears running down their cheeks because of what they see is happening to America under this ruling troika of Obama, PELOSI, and REID. And it's going to turn around, Mr. Speaker. It's going to turn around this November. It's coming back into the hands of the people. And we will have a lot of work to do to clean up the mess.

One of the things is on the immigration cards, the flash cards that train people to study their naturalization and pass the test. On one side it will say, ''Who is the father of our country?'' You snap it around and it says, ''George Washington.'' You pick up I

think it's card 11, and it says, ''What is the economic system of the United States?'' You flap that card around and it says, ''Free enterprise capitalism.'' It probably isn't the case today given what's happened.

I don't want to have to pull that card out of the deck. I want the freedom, the liberty card in the deck. And I want to be able to see my children and grandchildren and every succeeding generation not live the American dream, but live the American dream in addition with a higher standard of living and greater aspirations and more liberty than we had, which is tremendous.

This is what is pulling at the heart of America. This is why the constitutional conservatives, which are comprised of the Obamaites with buyers' remorse, the independents that really don't want a label but they understand the Constitution and free enterprise, the 9–12 Project people that have been so activated here on September 12, all of the Tea Party groups that are there, the conservative Republicans, in fact, almost every Republican constitutional conservative, people that understand that our default position needs to be the Constitution itself and not some activist judge's idea of what they would want that Constitution to say, but what it actually says, what it was understood to mean at the time of its ratification.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CULBERSON (at the request of Mr. BOEHNER) for today until 3:15 p.m. on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, May 5.

Mr. POE of Texas, for 5 minutes, May 5.

Mr. JONES, for 5 minutes, May 5.

ADJOURNMENT

Mr. KING of Iowa. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Thursday, April 29, 2010, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

7227. A letter from the Assistant Secretary, Financial Management and Comptroller, Department of the Navy, transmitting Fiscal Year 2009 annual report on the authority granted therein to pay for meals sold by messes for United States Navy and Naval Auxiliary vessels; to the Committee on Armed Services.

7228. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting Buy American Act report for Fiscal Year 2009; to the Committee on Education and Labor.

7229. A letter from the Secretary, Department of Health and Human Services, transmitting written notification of the determination that a public health emergency exists and has existed in the state of North Dakota since February 26, 2010, pursuant to 42 U.S.C. 247d(a) Public Law 107-188, section 144(a); to the Committee on Energy and Commerce.

7230. A letter from the Department Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's ''Major'' final rule — Regulations Restricting the Sale and Distribution of Cigarettes and Smokeless Tobacco To Protect Children and Adolescents [Docket No.: FDA-1995-N-0259] (formerly Docket No. 1995N-0253) (RIN: 0910-AG33) received April 20, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7231. A letter from the Administrator, Environmental Protection Agency, transmitting the FY 2008 Superfund Five-Year Review Report to Congress, in accordance with the requirements in Section 121(c) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986; to the Committee on Energy and Commerce.

7232. A letter from the Deputy Chief Human Capital Officer and Director for Human Resources Management, Department of Commerce, transmitting the Department's report on the use of the Category Rating System; to the Committee on Oversight and Government Reform.

7233. A letter from the Chairman, National Labor Relations Board, transmitting the Board's FY 2009 Buy American Act report; to the Committee on Oversight and Government Reform.

7234. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States; Coastal Pelagic Species Fisheries; Annual Specifications [Docket No.: 0912281446-0111-02] (RIN: 0648-XT32) received April 9, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

7235. A letter from the Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Snapper-Grouper Fishery of the South Atlantic; Closure [Docket No.: 040205043-4043-01] (RIN: 0648-XU86) received April 9, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

7236. A letter from the Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Sablefish Managed Under the Individual Fishing Quota Program [Docket No.: 0910131362-0087-02 and 0910131363-0087-02] (RIN: 0648-XV03) received April 9, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

7237. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 in the Gulf of Alaska [Docket No.: 0910091344-9056-02] (RIN: 0648-XV12) received April 9, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

7238. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Monkfish Fishery [Docket No.: 0907221160-91412-02] (RIN: 0648-AY01) received April 8, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

7239. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Various Aircraft Equipped With Honeywell Primus II RNZ-850()/-851() Integrated Navigation Units [Docket No.: FAA-2008-0556; Directorate Identifier 2007-NM-028-AD; Amendment 39-16246; AD 2010-07-02] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7240. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Certification of Aircraft and Airmen for the Operation of Light-Sport Aircraft; Modifications to Rules for Sport Pilots and Flight Instructors With a Sport Pilot Rating; Correction [Docket No.: FAA-2007-29015; Amdt. No. 61-125A] (RIN: 2120-AJ10) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7241. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; The Boeing Company Model 767-200, -300, and -300F Series Airplanes [Docket No.: FAA-2008-0978; Directorate Identifier 2008-NM-014-AD; Amendment 39-16234; AD 2010-06-10] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7242. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Kindred, ND [Docket No.: FAA-2009-0802; Airspace Docket No. 09-AGL-22] received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7243. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; SOCATA Model TBM 700 Airplanes [Docket No.: FAA-2009-1256; Directorate Identifier 2009-CE-064-AD; Amendment 39-16252; AD 2010-07-07] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7244. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Aircraft Industries

a.s. Model L23 Super Blanik Gliders [Docket No.: FAA-2010-0357; Directorate Identifier 2010-CE-017-AD; Amendment 39-16256; AD 2010-08-01] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7245. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Turbomeca ARRIEL 1B, 1D, 1D1, 2B, and 2B1 Turboshaft Engines [Docket No.: FAA-2009-0302; Directorate Identifier 2009-NE-09- AD; Amendment 39-16245; AD 2009-08-08R1] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7246. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Amendment to Restricted Area R-2510A; El Centro, CA [Docket No.: FAA-2010-0346; Airspace Docket No. 10-AWP-3] (RIN: 2120-AA66) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7247. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Kelly Aerospace Energy Systems, LLC Rebuilt Turbochargers [Docket No.: FAA-2009-1259; Directorate Identifier 2009-NE-41-AD; Amendment 39-16253; AD 2010-07-08] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7248. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier, Inc. Model BD-100-1A10 (Challenger 300) Airplanes [Docket No.: FAA-2009-1214; Directorate Identifier 2009-NM-091-AD; Amendment 39-16251; AD 2010-07-06] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7249. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Rolls-Royce plc RB211-Trent 700 Series Turbofan Engines [Docket No.: FAA-2005-19559; Directorate Identifier 2004-NE-03-AD; Amendment 39-16254; AD 2010-07-09] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7250. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; The Boeing Company Model 747-200C and -200F Series Airplanes [Docket No.: FAA-2009-0684; Directorate Identifier 2008-NM-149-AD; Amendment 39-16247; AD 2010-07-03] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7251. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; The Boeing Company 737-600, -700, -700C, -800, -900, and -900ER Series Airplanes [Docket No.: FAA-2010-0230; Directorate Identifier 2010-NM-071-AD; Amendment 39-16250; AD 2010-06-51] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7252. A letter from the Paralegal Specialist, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 B2-1C, B2K-3C, B2-203, B4-2C, B4-103, and B4-203 Airplanes [Docket No.: FAA-2009-1166; Directorate Identifier 2009-NM-107-AD; Amendment 39-16255; AD 2010-07-10] (RIN: 2120-AA64) received April 13, 2010, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7253. A letter from the President and Chief Executive Officer, Amtrak, National Railroad Passenger Corporation, transmitting the Corporation's FY 2011 General and Legislative annual report supporting documents; to the Committee on Transportation and Infrastructure.

7254. A letter from the Chairman, Board of Veterans' Appeals, Department of Veterans Affairs, transmitting a copy of the Report of the Chairman for FY 2009; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POLIS: Committee on Rules. House Resolution 1305. Resolution providing for consideration of the bill (H.R. 2499) to provide for a federally sanctioned self-determination process for the people of Puerto Rico (Rept. 111–468). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MILLER of North Carolina (for himself, Mr. CHANDLER, Mr. COHEN, Mr. ELLISON, and Mr. SHERMAN):

H.R. 5159. A bill to provide for a safe, accountable, fair, and efficient banking system, and for other purposes; to the Committee on Financial Services.

By Mr. RANGEL (for himself, Mr. LEVIN, and Mr. CAMP):

H.R. 5160. 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 Ways and Means.

By Mr. REYES:

H.R. 5161. A bill to authorize appropriations for fiscal year 2011 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Committee on Intelligence (Permanent Select).

By Mr. CHILDERS (for himself, Mr. SOUDER, Mr. ALTMIRE, Mr. DAVIS of Alabama, Mr. MELANCON, Mr. MICA, Mr. CARNEY, Mr. BURTON of Indiana, Mr. DAVIS of Tennessee, Mr. SHULER, Mr. ROSS, Mr. GINGREY of Georgia, Mr. SESSIONS, Mr. SHUSTER, Mr. WESTMORELAND, Mr. WILSON of South Carolina, Mr. SIMPSON, Mr. ELLSWORTH, Mr. WILSON of Ohio, Mr. BISHOP of Georgia, Mr. CARDOZA, Mr. BOUCHER, Mr. KAGEN, Mr. BARROW, Mr. WALZ, Mr. HILL, Mr. HOLDEN, Mr. HEINRICH, Mr. YOUNG of Alaska, Mr. PATRICK J. MURPHY of Pennsylvania, Mr. MACK, Mr. MARSHALL, Mr. KISSELL, Mr. MORAN of Kansas, Mr. RAHALL, Mr. DINGELL, Mr. DONNELLY of Indiana, Mr. KINGSTON, Mr. MINNICK, Mr. TIAHRT, Mr. TEAGUE, Mr. JONES, Mr. OWENS, Ms. JENKINS, Mr. BOYD, Mr. GENE GREEN of Texas, Mr. CHANDLER, Mr. MCHENRY, Mr. BACHUS, Mrs. HALVORSON, Mr. WHITFIELD, Mr. HODES, Mr. TAYLOR, Mr. GERLACH, Mr. CALVERT, Mr. PERRIELLO, Ms. GIFFORDS, Mr. MCNERNEY, Mr. STUPAK, Ms. MARKEY of Colorado, Mr. DENT, Mr. TANNER, and Mr. BISHOP of Utah):

H.R. 5162. A bill to restore Second Amendment rights in the District of Columbia; to the Committee on Oversight and Government Reform.

By Mr. ALTMIRE (for himself, Mr. BARTON of Texas, Mr. FOSTER, Mr. HALL of Texas, Mr. ROSS, Mr. UPTON, Mr. MELANCON, Mrs. MYRICK, Mr. MCMAHON, Mr. ROGERS of Michigan, Mr. MURPHY of New York, Mr. BARTLETT, Mr. PERRIELLO, Mrs. BIGGERT, Mr. MURPHY of Connecticut, Mr. SHIMKUS, Mr. SALAZAR, Mrs. BONO MACK, Mrs. HALVORSON, and Mr. GRIFFITH):

H.R. 5163. A bill to amend the Energy Policy Act of 2005 to require the Secretary of Energy to carry out a research program to reduce manufacturing and construction costs relating to nuclear reactors, and for other purposes; to the Committee on Science and Technology.

By Mr. ALTMIRE (for himself, Mr. BARTON of Texas, Mr. FOSTER, Mr. UPTON, Mr. ROSS, Mrs. MYRICK, Mr. MELANCON, Mr. ROGERS of Michigan, Mr. MCMAHON, Mr. BARTLETT, Mr. MURPHY of New York, Mrs. BIGGERT, Mr. PERRIELLO, Mr. SHIMKUS, Mr. MURPHY of Connecticut, Mrs. BONO MACK, Mr. SALAZAR, Mr. GRIFFITH, and Mrs. HALVORSON):

H.R. 5164. A bill to amend the Energy Policy Act of 2005 to require the Secretary of Energy to carry out programs to develop and demonstrate 2 small modular nuclear reactor designs, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CASTLE:

H.R. 5165. A bill to amend title V of the Elementary and Secondary Education Act of 1965 to provide grants to State educational agencies in order to provide subgrants to eligible local entities to promote financial education to students in the classroom; to the Committee on Education and Labor.

By Mr. DENT:

H.R. 5166. A bill to amend the Immigration and Nationality Act to provide for the loss of United States citizenship by individuals who are unprivileged enemy belligerents; to the Committee on the Judiciary.

By Mr. ELLISON:

H.R. 5167. A bill to amend the Richard B. Russell National School Lunch Act to reduce stigma associated with unpaid meal fees, and for other purposes; to the Committee on Education and Labor.

By Mr. ELLSWORTH:

H.R. 5168. A bill to amend the Internal Revenue Code of 1986 to extend the first-time homebuyer tax credit through December 31, 2010, and for other purposes; to the Committee on Ways and Means.

By Mr. GENE GREEN of Texas:

H.R. 5169. A bill to amend title 49, United States Code, to require the Secretary of Transportation to promulgate rules to require that all motor vehicles be equipped with event data recorders by 2015, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HOLT (for himself, Ms. SHEA-PORTER, Mr. GEORGE MILLER of California, Ms. BERKLEY, Mr. BARTLETT, and Mr. HIMES):

H.R. 5170. A bill to amend title 10, United States Code, to direct the Secretary of Defense to provide members of the Individual Ready Reserve who served in Afghanistan or Iraq with information on counseling to prevent suicide; to the Committee on Armed Services.

By Mr. GARY G. MILLER of California:

H.R. 5171. A bill to create a program under which qualified and available United States construction workers and appropriate equipment can be sent to Haiti to assist Haitians in the rebuilding of their country after the devastating January 12, 2010, earthquake, as requested by the government of Haiti, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SARBANES (for himself, Mr. POLIS, and Ms. FUDGE):

H.R. 5172. A bill to amend the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) to authorize competitive grants to train school principals in instructional leadership skills and to promote the incorporation of standards of instructional leadership into State-level principal certification or licensure; to the Committee on Education and Labor.

By Mr. TIAHRT (for himself, Mr. BILBRAY, Mr. ROHRABACHER, Mr. AKIN, and Mr. CALVERT):

H.R. 5173. A bill to provide for certain enhanced border security measures, and for other purposes; to the Committee on Homeland Security.

By Mr. TONKO:

H.R. 5174. A bill to amend the Internal Revenue Code of 1986 to modify the credit for qualified fuel cell motor vehicles by maintaining the level of credit for vehicles placed in service after 2009 and by allowing the credit for certain off-highway vehicles; to the Committee on Ways and Means.

By Ms. LEE of California (for herself, Mr. BAIRD, Mr. FILNER, and Mr. ELLISON):

H. Con. Res. 270. Concurrent resolution calling on the United States Government to investigate the case of Tristan Anderson, a United States citizen from Oakland, California, who was critically injured in the West Bank village of Ni'lin on March 13, 2009, and expressing sympathy to Tristan Anderson and his family, friends, and loved ones during this trying time; to the Committee on Foreign Affairs.

By Ms. NORTON:

H. Res. 1306. A resolution expressing the sense of the House of Representatives that a postage stamp should be issued to honor the lives of Joseph Curseen, Jr. and Thomas Morris, Jr., the two United States Postal Service workers and District of Columbia natives who died as a result of their contact with anthrax while working at the United States Postal Service facility located at 900 Brentwood Road, NE, Washington, D.C., during the anthrax attack in the fall of 2001; to the Committee on Oversight and Government Reform.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

267. The SPEAKER presented a memorial of the House of Representatives of the State of Maine, relative to House Joint Resolution 1326 urging the United States Congress to support the restoring and conserving the Northeast Great Waters; to the Committee on Appropriations.

268. Also, a memorial of the House of Representatives of the State of Maine, relative to House Joint Resolution 1302 urging the United States Congress to enact the Lyme and Tick-Borne Disease Prevention, Education, and Research Act of 2009; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 24: Ms. MARKEY of Colorado, Mr. CANTOR, Ms. KILROY, Mr. POLIS, Mr. INSLEE, and Mr. PERRIELLO.

H.R. 40: Mr. SERRANO, Mr. MEEKS of New York, Mr. ELLISON, Mr. JACKSON of Illinois, Mr. FILNER, and Mr. KUCINICH.

H.R. 211: Ms. HIRONO.

H.R. 275: Mr. TIBERI, Mr. PETRI, Ms. TITUS, and Mr. COLE.

H.R. 313: Mr. MEEKS of New York.

H.R. 333: Mr. VAN HOLLEN and Mr. STARK.

H.R. 442: Mr. BOSWELL.

H.R. 484: Mr. WILSON of South Carolina.

H.R. 673: Ms. PINGREE of Maine.

H.R. 855: Mr. HEINRICH.

H.R. 886: Ms. WASSERMAN SCHULTZ, Mr. ELLISON, Mr. LARSEN of Washington, Mr. LATHAM, Mr. PLATTS, Ms. CLARKE, and Mr. ARCURI.

H.R. 1017: Mr. ARCURI.

H.R. 1034: Mr. BOUCHER.

H.R. 1126: Ms. FUDGE and Mr. LUJÁN.

H.R. 1173: Mr. ROONEY.

H.R. 1193: Ms. MARKEY of Colorado, Mr. VAN HOLLEN, and Mr. HOLT.

H.R. 1410: Mr. BOSWELL.

H.R. 1422: Mr. TIM MURPHY of Pennsylvania.

H.R. 1503: Mr. CONAWAY.

H.R. 1547: Mr. GARAMENDI, Mr. SENSENBRENNER, and Mr. TIBERI.

H.R. 1551: Ms. HARMAN.

H.R. 1570: Ms. LEE of California.

H.R. 1587: Mr. ROSKAM.

H.R. 1596: Ms. RICHARDSON.

H.R. 1597: Mr. HODES.

H.R. 1708: Ms. SHEA-PORTER.

H.R. 1806: Mr. BLUMENAUER.

H.R. 1826: Ms. FUDGE.

H.R. 1939: Mr. LEE of New York.

H.R. 2000: Mr. WESTMORELAND, Mr. PITTS, and Mr. YOUNG of Florida.

H.R. 2030: Mr. CAPUANO.

H.R. 2049: Mr. GINGREY of Georgia.

H.R. 2067: Mr. STARK, Ms. SPEIER, and Mr. WAXMAN.

H.R. 2149: Mr. TAYLOR and Mr. BARROW.

H.R. 2378: Mr. FOSTER.

H.R. 2413: Mr. COHEN, Mr. CARNAHAN, and Mr. RYAN of Ohio.

H.R. 2417: Mr. HODES and Ms. BERKLEY.

H.R. 2555: Mr. FILNER, Mr. MICA, and Mr. DEUTCH.

H.R. 2906: Mr. BLUMENAUER and Mr. MCGOVERN.

H.R. 3035: Mr. MCGOVERN, Mr. ELLISON, Mr. HARE, Ms. MOORE of Wisconsin, Mr. LATOURETTE, Mr. CHANDLER, Ms. MCCOLLUM, Mr. BISHOP of Georgia, Mr. CLAY, Mr. AUSTRIA, and Mr. SCHOCK.

H.R. 3151: Mr. BISHOP of Georgia and Mr. KAGEN.

H.R. 3339: Mr. PASTOR of Arizona.

H.R. 3393: Mr. MICHAUD.

H.R. 3421: Mr. MCCARTHY of New York.

H.R. 3439: Mr. CONNOLLY of Virginia.

H.R. 3457: Ms. WOOLSEY.

H.R. 3517: Mr. MCDERMOTT.

H.R. 3564: Mr. CUELLAR.

H.R. 3577: Ms. PINGREE of Maine.

H.R. 3615: Mrs. DAHLKEMPER and Mr. THOMPSON of Pennsylvania.

H.R. 3662: Mr. ELLISON.

H.R. 3712: Mr. RAHALL and Mr. REICHERT.

H.R. 3764: Ms. WATERS.

H.R. 3781: Mr. SALAZAR.

H.R. 3790: Mr. MCMORRIS RODGERS, Mr. COLE, Mr. SMITH of New Jersey, and Mr. ROGERS of Michigan.

H.R. 3995: Mr. CLAY.

H.R. 4011: Mr. FORBES.

H.R. 4085: Mr. MINNICK and Mr. STARK.

H.R. 4109: Ms. VELÁZQUEZ.

H.R. 4191: Mr. DEUTCH.

H.R. 4286: Mr. STARK and Mr. CLAY.

H.R. 4301: Mr. STARK.

H.R. 4302: Mr. MCNERNEY, Mr. HASTINGS of Florida, Mr. AL GREEN of Texas, Mr. ROSS, Mr. JOHNSON of Georgia, Mrs. DAHLKEMPER, Mr. SKELTON, Ms. HERSETH SANDLIN, Ms. MARKEY of Colorado, Mr. MCGOVERN, and Mrs. CAPPS.

H.R. 4321: Mr. HINCHEY.

H.R. 4322: Mr. PASTOR of Arizona.

H.R. 4472: Ms. KILPATRICK of Michigan and Mr. SCHAUER.

H.R. 4530: Mr. SARBANES and Mr. YARMUTH.

H.R. 4544: Mr. HOLT.

H.R. 4671: Mr. STARK.

H.R. 4674: Mr. SULLIVAN.

H.R. 4684: Mr. BOCCIERI and Mr. DAVIS of Tennessee.

H.R. 4720: Mr. CARNAHAN, and Ms. TSONGAS.

H.R. 4722: Mr. KIND, Mr. BOUCHER, and Mr. JACKSON of Illinois.

H.R. 4728: Mr. BILIRAKIS, Mr. SCHOCK, and Mr. ISSA.

H.R. 4755: Mr. ROGERS of Michigan.

H.R. 4812: Ms. CASTOR of Florida and Mr. SCHIFF.

H.R. 4844: Mrs. MCMORRIS RODGERS and Mr. KAGEN.

H.R. 4850: Ms. KOSMAS and Mr. BLUMENAUER.

H.R. 4858: Mr. POLIS.

H.R. 4869: Mr. CLAY and Mr. THOMPSON of Mississippi.

H.R. 4876: Mr. DINGELL and Mr. KILDEE.

H.R. 4879: Mr. WELCH, Mr. MOORE of Kansas, Mr. CARNAHAN, and Mr. MCDERMOTT.

H.R. 4886: Mr. CALVERT.

H.R. 4890: Mr. COHEN.

H.R. 4903: Mr. COLE.

H.R. 4933: Mr. STARK.

H.R. 4947: Mr. BOOZMAN and Mr. KING of Iowa.

H.R. 4959: Mr. DOGGETT and Mr. MCNERNEY.

H.R. 4960: Mr. OLSON.

H.R. 4972: Mr. PRICE of Georgia.

H.R. 5000: Ms. BERKLEY and Mr. CAPUANO.

H.R. 5015: Mrs. NAPOLITANO.

H.R. 5019: Mr. CONNOLLY of Virginia, Mr. BISHOP of New York, Mr. SCOTT of Georgia, Mr. POLIS, Mr. PATRICK J. MURPHY of Pennsylvania, Ms. NORTON, Mr. CARNEY, Mr. JACKSON of Illinois, Mr. DOYLE, Ms. RICHARDSON, Ms. HIRONO, Ms. MATSUI, and Mr. PERRIELLO.

H.R. 5037: Mr. CAPUANO and Mr. FRANK of Massachusetts.

H.R. 5040: Mr. SKELTON.

H.R. 5041: Mr. CARSON of Indiana and Ms. GIFFORDS.

H.R. 5091: Ms. MOORE of Wisconsin and Mr. LEWIS of Georgia.

H.R. 5092: Ms. HIRONO, Mr. MOORE of Kansas, Mr. PAYNE, Ms. ESHOO, Ms. KILPATRICK of Michigan, Mr. PASTOR of Arizona, Mr. RADANOVICH, Mr. SCOTT of Georgia, Mr. COFFMAN of Colorado, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SMITH of New Jersey, Mr. ROE of Tennessee, Ms. LEE of California, Mrs. NAPOLITANO, Mrs. MILLER of Michigan, Mr. CARNAHAN, and Mr. YOUNG of Florida.

H.R. 5117: Ms. ZOE LOFGREN of California, Mr. POMEROY, and Ms. WOOLSEY.

H.R. 5121: Mr. CLAY.

H.R. 5125: Mr. FARR.

H.R. 5128: Mr. GEORGE MILLER of California, Mr. MATHESON, Mr. MEEKS of New York, Mr. HODES, Mr. SHULER, Mr. MARKEY of Massachusetts, Ms. MARKEY of Colorado, Mr. SALAZAR, Mrs. CAPPS, Mr. NADLER of New York, Mr. RAHALL, Mr. KILDEE, Mr. CONNOLLY of Virginia, and Ms. DEGETTE.

H.R. 5138: Mr. KILDEE.

H.R. 5142: Mr. MCDERMOTT, Mr. MAFFEI, Ms. KILROY, Ms. KAPTUR, Mr. MARKEY of Massachusetts, Mr. INSLEE, and Mr. BISHOP of New York.

H.J. Res. 14: Mr. COLE.

H.J. Res. 81: Mr. CROWLEY, Mr. ENGEL, and Mr. MAFFEI.

H. Con. Res. 49: Mr. BUTTERFIELD.

H. Con. Res. 262: Mr. LIPINSKI, Mr. MCGOVERN, Ms. KILPATRICK of Michigan, Ms. NORTON, Mr. TOWNS, Ms. MATSUI, Mr. MCNERNEY, Mr. THOMPSON of Mississippi, Mr. BUTTERFIELD, Mr. HARE, Mr. SCOTT of Georgia, and Mr. HASTINGS of Florida.

H. Con. Res. 266: Mr. AUSTRIA and Mr. EHLERS.

H. Res. 20: Mrs. MYRICK.

H. Res. 416: Mr. MCDERMOTT.

H. Res. 988: Mr. GRAVES.

H. Res. 1016: Ms. LEE of California.

H. Res. 1158: Mr. MORAN of Virginia and Ms. KILROY.

H. Res. 1196: Mr. HASTINGS of Washington.

H. Res. 1211: Ms. RICHARDSON.

H. Res. 1226: Mr. SIMPSON, Mr. BOOZMAN, Mrs. MALONEY, and Mr. ISSA.

H. Res. 1256: Mr. BARROW, Mr. LINDER, Mr. LEWIS of Georgia, and Mr. JOHNSON of Georgia.

H. Res. 1258: Mr. LUJÁN, Mr. FRANK of Massachusetts, Mr. LEVIN, Ms. ESHOO, Mr. GONZALEZ, Mr. PIERLUISI, Mr. KILDEE, Ms. BALDWIN, Mr. BARROW, Mrs. CAPPS, Mr. ENGEL, Mr. GENE GREEN of Texas, Mr. MELANCON, Mr. PALLONE, Ms. SCHAKOWSKY, Mr. STUPAK, Mr. WEINER, Mr. THOMPSON of California, Mr. HALL of New York, Ms. ZOE LOFGREN of California, Mr. LYNCH, Ms. DELAURO, Mr. CONYERS, and Mr. HONDA.

H. Res. 1261: Ms. NORTON.

H. Res. 1273: Mr. CASSIDY, Mr. HALL of Texas, Mr. JONES, Mr. BOEHNER, Mr. COFFMAN of Colorado, Mr. SENSENBRENNER, Mr. WHITFIELD, Mr. REHBERG, Mr. NUNES, Mr. MARCHANT, Mr. TURNER, Mr. RYAN of Wisconsin, and Mr. ROHRABACHER.

H. Res. 1283: Mr. CONYERS.

H. Res. 1294: Mr. BRIGHT.

H. Res. 1297: Ms. PINGREE of Maine, Mr. DINGELL, Ms. BALDWIN, Mr. LOEBSACK, Mr. SNYDER, and Mr. MOORE of Kansas.

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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 Hodgkin'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

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 Nations'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 knew 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 properly. 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 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 oilspill 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 oilspill 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 know 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 oilspill 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 oilspill 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. JOHANNS. 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 securities. 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 disclosure 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 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 to 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, commonsense 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
Burris	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

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 supporting 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 Business.'' 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 system 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 negotiate 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—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, utilities, 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 enterprises. 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 process 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 considering 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 fluids 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: [XXXXX]
Telecopy: [XXXXX]
Email: [XXXXX]

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): [XXXXX]
Email: [XXXXX]

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: [XXXXX]
ABA No: [XXXXX]
Beneficiary: [XXXXX]
Account No.: [XXXXX]

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: [XXXXX]
ABA No: [XXXXX]
Beneficiary: [XXXXX]
Account No.: [XXXXX]

General Motors Holdings LLC

By: [XXXXX]
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 Dirkson 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 individuals 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: Excuse 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. Senator 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 ounterterrorism, 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 guaranty 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 boilermaker 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 Superior 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 nonemployees 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 then 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, Washington, 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:

(ii) liquidity requirements;

(iii) 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 ''78*o*(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 consideration 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

EXTENSIONS OF REMARKS

HONORING SAFE HARBOR MENTORING, INC. FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Safe Harbor Mentoring, Inc.

Safe Harbor has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. Safe Harbor's continuous acts of selfless efforts are admirable.

I am proud to honor Save Harbor Mentoring, Inc. for their extraordinary work in the community.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SAM JOHNSON of Texas. Madam Speaker, I ask my fellow colleagues to join me in congratulating the 2009–2010 Congressional Youth Advisory Council. This year 45 students from public, private, and home schools in grades 9 through 12 made their voices heard and made a difference in their communities, their country and their Congress. These students volunteered their time, effort, and talent to inform me about the important issues facing their generation. As young leaders within their communities and their schools, these students boldly represent the promise and the hope we all have for their very bright future.

President Ronald Reagan said, ''Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free.''

To ensure that the blessing of freedom is passed from one generation to the next, the members of the CYAC spent time interviewing a veteran and documenting the experience for the ''Preserving History Project.'' Today I'm proud to submit the brief summaries provided so the patriotic service of our dedicated veterans and the thoughtful work of the CYAC may be preserved for antiquity in the CONGRESSIONAL RECORD. A copy of each submitted student summary follows.

To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The Summary follows:

The person whom I interviewed was Kirby Dean Luke, my stepfather. He married my mother four years ago, and ever since that day I have had a new found respect for the branches of the government. He ended his career as a Petty Officer first class/E6/M1 A. To me he has accomplished being a great soldier who has protected this country with his heart and soul. He accomplished being a great friend to other soldiers in need and he accomplished being a great father for his daughter and me, a girl whom he has only known for a few years.

What I have gained from this experience is that a solider is a man who is honorable, strong, intelligent, and loving. He is a man who puts others before himself. He is a man whom you would want by your side during difficult times. He is a man whom you would want defending your country. To me one of the greatest parts of this country is the men and women we have in all our branches of government. I am thankful that we have them to defend our country and there is no one else out there better than them.—Caitlin Zanin.

CIRT–ACE NATIONAL DESIGN COMPETITION

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. PERLMUTTER. Madam Speaker, on April 26th, 2010 a team of high school students from Green Mountain High school in Lakewood, Colorado successfully competed as one of three finalists in the Fourth Annual CIRT–ACE National Design Competition, and I am proud to say won. Cosponsored by the Construction Industry Round Table, this competition recognizes students participating in the ACE Mentor Program of America for their creativity and character; and their design projects for their innovation, cost, and constructability.

The team from Lakewood was selected from among their peers for its outstanding design of an ideal school. They have worked hard and enthusiastically over the past school year to develop a practical construction project that reflects real-world skills and concepts. I would like to congratulate students Kristin Bayley and Lane Brugman as well as their mentors Nate Talocco and Angela Talocco.

The ACE Mentor of America was founded in 1994 by leading firms of the integrated construction industry as a mentoring and workforce pipeline to attract youth to pursue careers in architecture, construction and engineering fields. ACE's mission is not only to expose high school students to career opportunities, but also to encourage students to pursue the necessary secondary and post-secondary education. According to a recent survey of alumni of the ACE program, nine in ten of ACE graduates enter a post-secondary institution. The large majority of ACE students come from low-income, minority families.

At the heart of ACE's highly effective program model is a unique partnership between industry professionals who volunteer their time as mentors and the enthusiastic young people who learn all aspects of the integrated construction professions. Today 1,800 ACE mentors engage 8,000 students in more than 190 cities and communities across the nation.

The winning team from Lakewood embodies the love of education, teamwork and dedication to success that ACE hopes to infuse in all their participants and today I rise to recognize, and direct my colleague's attention to, these future leaders.

IN HONOR AND MEMORY OF JOSEPH F. GOLUBSKI, D.O.

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and memory of Joseph F. Golubski, D.O. whose lifelong commitment to family, friends and his patients made a permanent impact on countless lives from Ohio to Wisconsin.

Mr. Golubski grew up in a large, lively family on Cleveland's southeast side where he learned the values of family, faith and hard work. He attended St. Stanislaus Elementary School and graduated from St. Ignatius High School in 1971. Following his graduation from Ohio Wesleyan in 1975, he earned a Master of Science degree in organic chemistry from Cleveland State University. Motivated to pursue a career in medicine, he attended the Kansas City College of Osteopathic Medicine where he graduated with a Doctorate in Osteopathic Medicine.

Mr. Golubski's focus and dedication on his career was surpassed only by his love of family and friends. He was a devoted husband to Theresa, and was the beloved father of Anne and Joseph. He was the son of Rita and the late Joseph J., and he was the brother of Linda, Robert, Nancy, Steven, Cheryl and Pamela, and the brother-in-law of Deborah, Debra and Albert.

Madam Speaker, please join me in honor and remembrance of Joseph F. Golubski, a man who lived his life with love for family, devotion to friends and dedication to medical service. Mr. Golubski's generous heart, great sense of humor and joy for living will live forever within the hearts and memories of his family and friends.

NATIONAL HEALTHY SCHOOLS DAY

SPEECH OF

HON. SHEILA JACKSON LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 27, 2010

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in strong support of H. Res. 1280, ''Expressing the support of the House of Representatives for the goals and ideals of National Healthy Schools Day.''

Let me begin by thanking my colleague Representative PAUL TONKO for introducing this piece of legislation into the House of Representatives as it is important that we diligently work towards the improvement of deteriorating public schools across the nation and also work towards the improvement of construction techniques in schools.

The issue of environmental hazards in schools has been a growing problem over the last several decades. It is unfortunate that in schools across the nation investigators can find unchecked renovations, pesticide misapplications, unsafe drinking water, and indoor air pollutants such as mold infestations.

It is unreasonable to think that our children can receive the best possible learning environment when they are expected to learn under these types of conditions.

There are also a wide range of problems stemming from poor air quality and ventilation problems in schools. It has consistently been shown that these types of air quality problems can lead to poor concentration, respiratory illnesses, learning difficulties, and even cancer in students.

Today there are approximately 55,000,000 children and 7,000,000 adults who spend their days in the Nation's more than 125,000 public and private schools. Students and teachers also spend an average of 30 to 50 hours per week in school.

These numbers equate to nearly 20 percent of our nation's population spending their days in schools across the country—many of which are currently facing deterioration in the quality of their buildings while in the face of massive budget cuts. Therefore it is critical that we work together to seek comprehensive solutions to the trend of deteriorating schools in our nation.

A recent study showed that approximately one-third of public school principals reported that some environmental factors in their schools have interfered with classroom instruction. This report highlights an increasingly troubling trend among schools of deteriorating environmental factors.

In fact school facilities with poor building quality can result in lower test scores, poor attendance, and health problems for students and staff. These problems are only worsened for the nearly 9 percent of American students who are known to have asthma. Asthma is also the leading cause of absence from school and is aggravated by poor air quality and ventilation problems in schools.

To meet these challenges, I believe that we should begin working with school districts across the nation towards the implementation of healthy and high performance schools.

These types of schools would be designed to improve indoor environments while reducing energy and maintenance costs. They would also provide for an improvement in the quality of ambient light, would reduce exposures to toxic substances and would provide a healthier and safer learning environment for children.

Healthy and high performance schools are designed with specific environmental factors in mind, such as pollutant source controls, proper ventilation mechanisms, and moisture and mold controls. It is imperative that school districts in our nation recognize the importance of these new construction and maintenance techniques and work to ensure the improvement of student and teacher health across the board.

By officially designating April 26, 2010 as 'National Healthy Schools Day,' we in Congress will be sending a strong message to students and teachers across the nation that we intend to provide healthy and safe buildings for students to learn in. We will also be sending a message to school districts across the nation that it is vitally important to build new schools with renewable resource materials and energy efficient appliances.

We must always ensure that schools and children receive all the necessary tools for their continued growth. Furthermore it is vitally important that we continue to work with state and local agencies including independent school districts across the nation for the implementation of these measures in public schools.

I would like to again thank my colleague Representative PAUL TONKO for introducing H. Res. 1280. I ask my colleagues for their support of this legislation as well as their continued support for children, teachers and public schools across the nation.

Mr. Speaker, I strongly support H. Res. 1280 and the rule.

HONORING SAUNDERS OMNIPRESENT NETWORK INSPIRING AMERICA'S YOUTH, INC. FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Saunders Omnipresent Network Inspiring America's Youth, Inc.

S.O.N.I.A.Y. has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. S.O.N.I.A.Y.'s continuous acts of selfless efforts are admirable.

I am proud to honor Saunders Omnipresent Network Inspiring America's Youth, Inc. for their extraordinary work in the community.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SAM JOHNSON of Texas. Madam Speaker, I ask my fellow colleagues to join me in congratulating the 2009–2010 Congressional Youth Advisory Council. This year, 45 students from public, private, and home schools in grades 9 through 12 made their voices heard and made a difference in their communities, their country and their Congress. These students volunteered their time, effort, and talent to inform me about the important issues facing their generation. As young leaders within their communities and their schools, these students boldly represent the promise and the hope we all have for their very bright future.

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To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The summary follows:

Sergeant Archie Lee Dyer joined the Marine Corps on November 22, 1967. He was only 19 years old at the time, but he was courageous enough to begin his journey as a soldier in the Vietnam War. As a granddaughter of Archie Dyer, I have gotten to know his military career well. It's amazing to sit and listen to the stories of my sweet, humble' and brave Pawpaw's journey as a Marine. His life has been shaped greatly because of his time spent in the Vietnam War and I am very lucky to have a brave grandfather who was willing to potentially sacrifice his life far our nation. Although he has created a successful pool company and had many other great successes in life, the one that can be most appreciated is his success as a Marine. I have learned so much about my Pawpaw by doing this interview. I have realized how passionate he is about protecting our nation by the way he continually holds his head high while telling stories of the ''good old days'' when he was a Marine. Although his time in the Vietnam War was a very trying experience, my Pawpaw never regrets his time spent braving the war and protecting our great nation. I am so proud of my Pawpaw for all that he has done and I am grateful to have had this experience to learn more about this man that I love and respect so much.—Caitlyn Woolum.

HONORING THE LIFE OF JERALD F. TERHORST

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MORAN of Virginia. Madam Speaker, I rise today to honor the life and work of Mr. Jerald F. terHorst, longtime reporter, columnist, and White House Press Secretary, who passed away on March 31, 2010 at his home in Asheville, North Carolina. He was surrounded and supported by his four children in his final hours.

Born in Grand Rapids in 1922, Mr. terHorst discovered his passion for journalism while at Michigan State University. While working at the State News, the MSU college newspaper, he met Louise, his companion, confidante and best friend through 64 years of marriage. Mr. terHorst was a proud veteran having served as a Marine in World War II. Following the war, Jerry jumped head-first into his passion, reporting, while working for the Grand Rapids Press. During his time there, he covered future-President Gerald Ford's early political career during his successful bid for Congress. A few years later, after a stint in the Marine Corps, Mr. terHorst took a job as a political writer for the Detroit News. He moved to their Washington bureau and shortly thereafter became bureau chief in 1961.

In 1974, when then-Vice President Ford inherited the presidency after Nixon's resignation, Mr. terHorst signed on as Press Secretary for the man he had been closely covering for close to 20 years. It was to be a short-lived tenure, however, lasting one month. His resignation of the prestigious role was due to his strong disagreement with President Nixon's pardoning. In his resignation letter and personal statements in the years following, terHorst stated that his decision was ultimately because he believed Ford had displayed a double standard of justice in choosing to pardon Nixon, yet refusing to pardon conscientious objectors to the Vietnam War. Jerry's resignation, risking his entire career, was a testament to his strong ethical values that had brought him so far in his career. Mr. terHorst received the first Conscience-in-Media Award for his decision. Following his tenure at the White House, Mr. terHorst reentered the profession he loved, signing on as a syndicated columnist for the Detroit News, finally retiring in 1981 after a long and distinguished career.

Mr. terHorst was a friend, strong advocate for truth and justice, and inspiration to those who knew him and read his work. He forever left a mark on reporting and the role of the White House Press Secretary. Jerry will be deeply missed but his legacy lives on, serving as an example for future generations of journalists to model themselves after.

IN HONOR AND RECOGNITION OF ELAINE MARIE FORTNEY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of Elaine Marie Fortney, a woman who lived life with grace and a sense of service to community.

Ms. Fortney was a longtime leader in the Cuyahoga County Democratic Party and a staunch political activist, working on numerous local and national campaigns. Raised in East Cleveland, Ms. Fortney lived most of her life in Cleveland Heights, where she became president of the Cleveland Heights Democratic Club. Her energy spawned from a deep belief that the political process was a vehicle for change. She was regularly called upon by candidates seeking her expertise, including U.S. Senate candidate Mary Boyle, for whom she served as Ohio field director.

Although she lost her ability to walk in her early thirties, she never let a wheelchair slow her down. Ms. Fortney was a dedicated public servant, serving as executive assistant to former Cuyahoga County Commissioner Mary Boyle and as the district director for former United States Congressman Dennis Eckart. She led the Cuyahoga County Democrats as the Executive Director from 1982 to 1985. In 2009, Ms. Fortney retired from service after twelve years of managing worker's compensation claims for Cuyahoga County.

Madam Speaker and Colleagues please join me in honor and remembrance of Elaine Marie Fortney, whose great joy for life, energetic spirit and commitment to community inspired all of us who had the honor of knowing her. I offer my deep condolences to her sisters, Linda and Jane; to her brothers-in-law, Robert and Matthew; her nieces, Tricia and Elizabeth; her nephews, Shawn and Zachary; and her extended family members and many friends.

SUPPORT OF H.R. 4994 THE TAXPAYER ASSISTANCE ACT OF 2010

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. DAVIS of Illinois. Madam Speaker, across the United States, April 15th is Tax Day. As Americans file their taxes, H.R. 4994, the Taxpayer Assistance Act of 2010, improves taxpayer programs and protections. The ''Tax Day'' bill has a history of broad bipartisan support and continues to receive large support today.

Most importantly for the residents of the 7th District of Illinois and the Nation, the Taxpayer Assistance Act of 2010 includes programs that benefit low-income taxpayers. For example, H.R. 4994 increases funding for grants to provide low-income taxpayer clinics. Even in the absence of a specific appropriation, the Volunteer Income Tax Assistance program will be available for use because the Secretary of Treasury could allocate up to $20 million of grant funding annually for the program. As recommended by the National Taxpayer Advocate, the bill allows IRS employees to refer people to these tax clinics as well. The Taxpayer Assistance Act of 2010 also improves the IRS's ability to inform taxpayers about the availability of the Earned Income Tax Credit in prior years, a tax credit that we know helps low income households. In the 7th Congressional District alone, over 72,000 people participated in this program in 2007 with a savings of over $172 million, with most of those taxpayers earning less than $20,000 a year. Further, the bill makes it easier for taxpayers to settle outstanding payments via the offers-in-compromise program. Importantly, H.R. 4994 contains provisions to assure the protection of taxpayers, such as requiring the IRS to notify taxpayers when it suspects that a taxpayer's identity, or a dependent's identity, has been stolen. Each of the bill's provisions provides timely assistance and improvements for taxpayers.

The Taxpayer Assistance Act of 2010 also adapts the tax system to technology in several ways. By allowing the removal of cell phones from listed property, the bill eliminates a strict, outdated rule. The current rule requires individuals to keep detailed records regarding cell phones and similar equipment used for business purposes, imposing unnecessary burdens on companies and taxpayers. The IRS also will be given the opportunity to utilize the internet and other forms of mass communication to notify taxpayers of ''unclaimed'' or ''undeliverable'' funds.

Overall H.R. 4994 the Taxpayer Assistance Act of 2010 continues the tradition of the ''Tax Day'' bill by providing needed programs, protection to our taxpayers, and updates to outdated rules.

HONORING ISRAELI INDEPENDENCE DAY

SPEECH OF

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 21, 2010

Mr. MARKEY of Massachusetts. Mr. Speaker, I rise to recognize the 62nd anniversary of the founding of the State of Israel, our great ally and friend.

Over 60 years ago, Israel's pioneers began to revitalize an ancient land. Today, Israelis remain pioneers at heart—pioneers for prosperity, democracy and progress. They are once again facing challenges in their homeland with determination and a vision for a better future for their children and for their country.

But even as we celebrate the founding of the State of Israel, we know that while sovereign independence is necessary, it is not sufficient—security of the State's people is also of paramount importance. The Jewish homeland must be kept safe, surrounded by neighbors who respect its right to exist in peace. Through sacrifice, ingenuity and innovation, Israel has managed to thrive for 62 years in a dangerous and unstable region of the world. Let us hope that the conflicts that have marked the difficult decades since Israel's founding will subside in the years to come.

Indeed, Prime Minister Golda Meir believed that one day there would be peace in Israel, because there are mothers and grandmothers—and let me add fathers and grandfathers—in Egypt, in Jordan, in Syria and the Palestinian territories who also want their children and grandchildren to live in peace. Today is an opportunity to both acknowledge history and look to the future. I am hopeful that someday soon Israel and its neighbors will finally find the keys to a peaceful future side-by-side in mutual security, and the conflict in the Middle East becomes relegated to the history books.

I congratulate the State of Israel on its 62nd anniversary, and offer my sincere wish for its peaceful and productive future.

HONORING PRONTO OF LONG ISLAND FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, PRONTO of Long Island.

PRONTO has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. The continuous selfless efforts of those involved with PRONTO are admirable.

I am proud to honor PRONTO of Long Island for their extraordinary work in the community.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SAM JOHNSON of Texas. Madam Speaker, I ask my fellow colleagues to join me in congratulating the 2009–2010 Congressional Youth Advisory Council. This year 45 students from public, private, and home schools in grades 9 through 12 made their voices heard and made a difference in their communities, their country and their Congress. These students volunteered their time, effort, and talent to inform me about the important issues facing their generation. As young leaders within their communities and their schools, these students boldly represent the promise and the hope we all have for their very bright future.

President Ronald Reagan said, ''Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free.''

To ensure that the blessing of freedom is passed from one generation to the next, the members of the CYAC spent time interviewing a veteran and documenting the experience for the ''Preserving History Project.'' Today I'm proud to submit the brief summaries provided so the patriotic service of our dedicated veterans and the thoughtful work of the CYAC may be preserved for antiquity in the CONGRESSIONAL RECORD. A copy of each submitted student summary follows.

To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The summary follows:

I interviewed my grandfather, Ted Falconer, who served for four years, 1948 to 1952, in the Navy as an electrician. He enlisted in September 1948 as a Seaman Recruit. Initially planning on three years of service, the Korean War caused him to serve for four years instead. After basic training he went to Treasure Island for the Navy electrician school. Then he was stationed at the Naval Communication Station on Guam. During this time was when the Korean War broke out and caused him to see a shift in life on Guam. There was more movement of soldiers and material; and he participated in training exercises to practice loading Marines onto naval vessels and practice landings in preparation, for the Incheon Landing. After months of exercises he was shipped back to Hunter's Point in San Francisco to re-commission an old World War II troop transport for active service in the Korean War. After six months his commission ended and he was honorably discharged from the Navy in September 1952 as a 2nd Class Petty Officer. He then went to Texas with his best friend Wayne, who he met in the Navy, and they both attended college at the University of Texas at Austin. There he earned his Bachelor's and Master's Degree. During this time he also met and married Alice Wilkinson, my grandmother, who both have been happily married for fifty-three years.—Eric Womboldt.

PERSONAL EXPLANATION

HON. J. GRESHAM BARRETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. BARRETT of South Carolina. Madam Speaker, unfortunately, I missed the following recorded votes on the House floor the legislative week of Tuesday, April 20, 2010.

For Tuesday, April 20, 2010, had I been present I would have voted ''aye'' on rollcall vote #212 (on motion to suspend the rules and agree to H. Res. 1257), ''aye'' on rollcall vote #213 (on motion to suspend the rules and agree to H. Res. 1271).

For Wednesday, April 21, 2010, had I been present I would have voted ''aye'' on rollcall vote #214 (on motion to suspend the rules and agree to S. 1963), ''aye'' on rollcall vote #215 (on motion to suspend the rules and agree to H. Res. 1104), ''aye'' on rollcall vote #216 (on 'notion to suspend the rules and agree to H. Res. 1216).

For Thursday, April 22, 2010, had I been present I would have voted ''aye'' on rollcall vote #217 (on ordering the previous question to H. Res. 1287), ''aye'' on rollcall vote #218 (on motion to refer H. Res. 1287), ''aye'' on rollcall vote #219 (on motion to instruct Conferees to H.R. 2194), ''aye'' on rollcall vote #220 (on motion to suspend the rules and agree to H. Res. 1270).

IN HONOR AND RECOGNITION OF DOROTHY ANN MUELLER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and recognition of Dorothy Ann Mueller upon the joyous occasion of her 80th birthday on April 4th, 2010.

Mrs. Mueller grew up in the Tremont neighborhood, in a lively household surrounded by three siblings and her parents, Ann and Joe Kmetz. Her family's heritage includes Slovak, Hungarian, Russian and Polish. As a young girl, Mrs. Mueller and her family moved from Tremont to the Stockyard neighborhood, where she enjoyed skating, dancing and going to the movies. She graduated from West Tech High School, and soon thereafter met and married the love of her life, United States Navy Veteran, Frank Mueller. Together they raised their children and created a home filled with love, respect, faith and compassion. Mrs. Mueller successfully raised her family while working many different jobs, including office manager, salesperson, nanny and many others.

Mrs. Mueller's love of life continues to reflect to this day. Her kindness, quick smile, compassionate heart and sense of humor have made her beloved. She enjoys pinochle, travel, and bocce. Mrs. Mueller's life is highlighted by her abiding faith and sense of service to others. She is a lifelong volunteer at Corpus Christie Church and St. Leo the Great Church. She even moved to Pittsburgh, Pennsylvania when she learned of the city's great need of missionaries. In Pittsburgh, she volunteered at a homeless shelter, utilizing her talents as a cook to prepare and serve meals in the soup kitchen. Mrs. Mueller considers that time as one of the most rewarding periods of her life.

Madam Speaker, please join me in celebrating Dorothy Ann Mueller's 80th birthday. Affectionately known as Ma, Dor, Auntie, Auntie Dor, Ma Mueller, Grandma and Baba, Mrs. Mueller lives life with an open heart, a sparkle in her eye and warm smile. I wish her happiness, joy and love on her 80th birthday and always.

''Love is life. And if you miss love, you miss life''—Leo Buscaglia, one of Mrs. Mueller's favorite authors.

TEMPORARY EXTENSION OF SMALL BUSINESS PROGRAMS

SPEECH OF

HON. SHEILA JACKSON LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 27, 2010

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise in strong support of S. 3253, ''A bill to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958, and for other purposes.''

Let me begin by thanking my colleague Sen. MARY LANDRIEU of Louisiana for introducing this piece of legislation into the House of Representatives as it is important that we

work together with small businesses across the country towards the recovery of our national economy.

Small businesses have long been the bedrock of our Nation's economy and many would agree that they still are. Even with the advent of modern-day multi-national corporations, most of our day-to-day purchases take place at ''mom and pop'' small businesses.

Moreover, 99 percent of all independent companies and businesses in the U.S. are considered small businesses.

According to the U.S. Small Business Administration, these small businesses account for 52 percent of all U.S. workers. These small businesses also provide a continuing source of vitality for the American economy. Small businesses in the U.S. produced three-fourths of the economy's new jobs between 1990 and 1995, and represent an entry point into the economy for new groups. Women, for instance, participate heavily in small businesses.

The number of female-owned businesses climbed by 89 percent, to an estimated 8.1 million, between 1987 and 1997, and women-owned sole proprietorships were expected to reach 35 percent of all such ventures by the year 2000. Small firms also tend to hire a greater number of older workers and people who prefer to work part-time.

One strength that small businesses are known for is their ability to respond quickly to changing economic conditions. They often know their customers personally and are especially suited to meet local needs. There are tons of stories of startup companies catching national attention and growing into large corporations. Just a few examples of these types of startup businesses making big include the computer software company Microsoft; the package delivery service Federal Express; sports clothing manufacturer Nike; the computer networking firm America OnLine; and ice cream maker Ben & Jerry's.

Through the passage of S. 3253 we will be temporarily extending programs under the Small Business Act and the Small Business Investment Act of 1958 through the end of July 2010. With the passage of this bill we will be helping small businesses and communities across the Nation. We will also be helping to drive our economy upward and will be helping businesses across the Nation.

We must always ensure that we place a high level of priority on small businesses. It is also important that we work towards ensuring that small businesses receive all the tools and resources necessary for their continued growth and development.

I would like to again thank my colleague Sen. MARY LANDRIEU for introducing S. 3253. I ask my colleagues for their support of this legislation as well as their continued support for small businesses across the Nation.

Mr. Speaker, I strongly support S. 3253 and the rule.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SAM JOHNSON of Texas. Madam Speaker, I ask my fellow colleagues to join me in congratulating the 2009–2010 Congressional Youth Advisory Council. This year 45 students from public, private, and home schools in grades 9 through 12 made their voices heard and made a difference in their communities, their country and their Congress. These students volunteered their time, effort, and talent to inform me about the important issues facing their generation. As young leaders within their communities and their schools, these students boldly represent the promise and the hope we all have for their very bright future.

President Ronald Reagan said, ''Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free.''

To ensure that the blessing of freedom is passed from one generation to the next, the members of the CYAC spent time interviewing a veteran and documenting the experience for the ''Preserving History Project.'' Today I'm proud to submit the brief summaries provided so the patriotic service of our dedicated veterans and the thoughtful work of the CYAC may be preserved for antiquity in the CONGRESSIONAL RECORD. A copy of each submitted student summary follows.

To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The summary follows:

Mr. Craig Sherwood was born on February 3, 1966, and was influenced at an early age by the sense of ''duty, honor, country'' that was enforced at the U.S. Military Academy at West Point. He was highly impressed by their integrity and strived to be like the officers he had seen at the academy. His father served in the Korean War and his uncle had served in the Vietnam War. Mr. Sherwood enlisted in August 1985 at age 19 and was sent to several training camps including airborne camp where he trained with parachutes and infiltration maneuvers. Afterwards, he was sent to ranger camp where he was put through rigorous training programs and eventually came through 43 pounds thinner! After training, he was sent to Germany and was stationed over 50 men and four canons. Mr. Sherwood was placed in 1989 to hold off the Soviet Union forces and was outnumbered three to one but was able to hold them off for 45 minutes, ensuring a U.S. victory. I have learned that despite the pride of serving the Nation at home and abroad, there is still a danger that is faced. I have gained an understanding and appreciation for those who have served and given their time to preserve freedom in the U.S. Mr. Sherwood's story portrays the sanctity of life and how important it is to protect those moments with loved ones and to never give up.—Alexis Webber.

HONORING PARENTS FOR MEGAN'S LAW FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Parents for Megan's Law.

Parents of Megan's Law have demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. The continuous selfless acts of Parents for Megan's Law are admirable.

I am proud to honor Parents for Megan's Law for their extraordinary work in the community.

IN HONOR AND MEMORY OF HERMAN KAMMERMAN

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and memory of Herman Kammerman, whose lifelong dedication to promoting consumer rights, workers rights and social justice has made a lasting impression on the citizens of our community.

In 1972, Mr. Kammerman was appointed Director of Consumer Affairs by the late Ralph Perk, former Mayor of Cleveland. He was relieved of that position for ruffling corporate feathers, but I reappointed him when I became Mayor in 1977. As Director of Consumer Affairs in my administration, Mr. Kammerman worked tirelessly to expose unfair practices in the marketplace. Thanks to his efforts, we implemented several consumer protection laws, including a requirement to date perishable grocery items. His work also paved the way for an ordinance which mandated that all gas stations post their prices, as well as an ordinance which made it illegal for companies to advertise sale prices for products without sufficient inventories in stock.

During and following his tenure as a consumer affairs advocate, Mr. Kammerman was a proud tool and die maker at Ford Motor Company. He served as vice-president of UAW Local 420 and served as chairman for the UAW's Council for Consumer Services.

Madam Speaker, please join me in honor of Herman Kammerman, a man who lived his life with great joy and in dedicated service to others. I offer my sincere condolences to his wife, Annette Solomon; to his children, Walter, Kathleen, and Teresa; and to his five grandchildren, three great-grandchildren and friends. Mr. Kammerman's love for his family and devotion to protecting the rights of consumers and workers will be always appreciated and remembered.

IN RECOGNITION OF DR. BENJAMIN FRANKLIN PAYTON AT HIS RETIREMENT AS PRESIDENT OF TUSKEGEE UNIVERSITY

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ROGERS of Alabama. Madam Speaker, I would like to request the House's attention today to pay recognition to the distinguished career of Dr. Benjamin Franklin Payton, who will be retiring this year from his position as the 5th president of Tuskegee University, a position he has held for the past 29 years.

It goes without saying that Dr. Payton has led a highly successful career serving the students, faculty and community of Tuskegee University. As President, his many accomplishments at the University will certainly be remembered long after his departure. Among his many milestones include the launching of Tuskegee University's first Ph.D. programs in Materials Science and Engineering and Integrated Biosciences; his involvement in the reconstruction and renovation of the entire campus; and his success in leading and exceeding a $150 million Capital Campaign. Dr. Payton's work at Tuskegee University, coupled with his previous accomplishments, has earned him many honors and awards including First Place winner of the Harvard Billings Prize, 1957; South Carolinian of the Year, 1972; an appointment by President Ronald Reagan to the Board for International Food and Agricultural Development; and under President George W. Bush, he was appointed to lead the Task Force on Agricultural and Economic Development to Zaire.

All of us across Macon County and East Alabama have been touched by the visionary leadership of Dr. Benjamin Franklin Payton. He will be missed in the community and at the University he has led for so long. On behalf of us all, I congratulate him for his distinguished service.

KENNETH BANKS

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. RUPPERSBERGER. Madam Speaker, I rise before you today to honor Mr. Kenneth Banks for his outstanding business success, community involvement, and impact on Maryland's economic growth and prosperity.

Mr. Banks graduated from Adelphi University in 1974; Mr. Banks has been in the construction field since 1975. He was a foreman and project manager for a contractor before launching his own firm in 1980. Mr. Banks' high standard of excellence, emphasis on professional expertise, and dependability has had a powerful impact on the community. He has worked with numerous community organizations including the American Heart Association, where he chaired the 25th Anniversary Heart Ball.

Mr. Banks is a member of the Greater Baltimore Executive Committee and serves as a member of the Board on the Chesapeake Crescent Commission, chaired by the Governors of Maryland and Virginia and the Mayor of Washington, D.C. He is also a member of the board of the Maryland Affordable Housing Trust and the United Way of Central Maryland. He is a past member of the Board of Trustees at Adelphi University, his alma mater, and is an Executive-in-Residence at Morgan State University's Earl G. Graves School of Business and Management Honors Program.

In 2009, Mr. Banks won several awards for business results and community focus including The Greater Baltimore Committee Mayor's Business Recognition Award, the Award of Excellence given by Associated Builders and Contractors, the Professional Achievement and Community Service Award by the Baltimore City Community College Foundation, the Entrepreneur Award by the Black Engineer of the Year Global Competitiveness Conference, and the Future 50 Award by SmartCEO Publishing.

Madam Speaker, I ask that you join with me today to honor Mr. Kenneth Banks for his outstanding work and community involvement. Through his visionary leadership and stellar business principals, Baltimore continues to grow and flourish.

HONORING THE LIFE AND ACCOMPLISHMENTS OF SAM HOUSTON

SPEECH OF

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 26, 2010

Mr. BRADY of Texas. Mr. Speaker, I rise today in support of H. Res. 1103, honoring the anniversary of the birth of a great Texan, Sam Houston. Due to a conflict I was unable to cast my vote in support of this bill yesterday.

Sam Houston was a larger than life character who left a lasting impact on the history of Texas. Already an established statesman—as first a member of this body and Governor of the state of Tennessee—Sam Houston's leadership was essential in Texas gaining independence from Mexico and later in achieving statehood. Sam Houston led the Texas Revolutionary forces in the Texas War of Independence and was instrumental in achieving victory over at the Battle of San Jacinto.

The only person to have been the governor of two different states, Sam Houston also was an inaugural Senator from Texas.

I have long been impressed with Sam Houston. In my office, I proudly display two portraits of Houston.

Sam Houston's legacy is important to the people of Texas' Eighth congressional district. A much larger than life statue of Sam Houston greets all who come to Huntsville—the east Texas town where Sam Houston spent his golden years and where his name lives on at Sam Houston State University. At 67 feet tall and 25 tons, the steel and concrete statue aptly named ''A Tribute to Courage'' is a testament to how the Huntsville community continues to cherish Sam Houston.

Mr. Speaker, I am proud to celebrate the life of Sam Houston. For all his accomplishments, the people of the great state of Texas remain forever in his debt and will continue to honor his memory and public service on this anniversary of his birth.

HONORING KANSAS CITY, KANSAS, POLICE CHIEF SAMUEL F. BRESHEARS

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MOORE of Kansas. Madam Speaker, Kansas City, Kansas, Chief of Police Samuel F. Breshears was honored as Kansas' recipient of the prestigious 2010 Clarence M. Kelley Meritorious Service Award at the spring conference of the Kansas/Western Missouri Chapter of the Federal Bureau of Investigation National Academy Association in Wichita, Kansas, on Friday, April 9th, 2010.

Chief Breshears' dedication to the law enforcement profession, and to the men and women who make up the heart and soul of the calling of law enforcement, is reflected in his commitment to seeking the best possible training for them. Throughout his career he has taken great interest in making it possible for officers get the best contemporary training, acknowledging that training and policy development are practical tools in fighting crime. He has also continued the organizational philosophy of community policing and recognizes that aggressive law enforcement must remain sensitive to the needs of the community. This philosophy is a benchmark to his core police officer values of establishing and maintaining competent, dedicated and exemplary law enforcement officers.

Since 1999, Chief Breshears has served with distinction on the Kansas Commission on Peace Officers Standards and Training, (KSCPOST), a position he was appointed to by the Governor of the State of Kansas. This body is responsible for certifying Kansas Law Enforcement Officers. Further, Chief Breshears has shown his respect for and lifelong appreciation of the law enforcement field by continuing to expand his knowledge and training in the law enforcement discipline, such as having been invited to attend and participate in the FBI-sponsored National Executive Institute.

In addition to his graduate-level academic achievements and being a graduate of the FBI National Academy in 1994, graduating in the 176th session, he has been a model of community service and volunteerism serving on numerous boards and committees throughout the years. His service record reflects his dedication to an exemplary career in law enforcement: High Intensity Drug Trafficking Areas Program Executive Board; FBI Joint Terrorism Task Force Executive Board; FBI HARCFL Executive Board; Kansas City Metro Chiefs and Sheriffs Executive Board; Emerging Threat Analysis Capability Executive Board; and Kansas Peace Officers Association/Governor at Large.

The singularly distinctive accomplishments of Chief Breshears culminate a long and distinguished career in the service of the citizens of Kansas City, Kansas, and reflect great credit upon himself and the Kansas City, Kansas, Police Department, and the Unified Government of Wyandotte County, Kansas. Madam Speaker, I know that you join with all members of the House of Representatives in acknowledging his distinguished service to our community.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SAM JOHNSON of Texas. Madam Speaker, I ask my fellow colleagues to join me in congratulating the 2009–2010 Congressional Youth Advisory Council. This year 45 students from public, private, and home schools in grades 9 through 12 made their voices heard and made a difference in their communities, their country and their Congress. These students volunteered their time, effort, and talent to inform me about the important issues facing their generation. As young leaders within their communities and their schools, these students boldly represent the promise and the hope we all have for their very bright future.

President Ronald Reagan said, ''Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free.''

To ensure that the blessing of freedom is passed from one generation to the next, the members of the CYAC spent time interviewing a veteran and documenting the experience for the ''Preserving History Project.'' Today I'm proud to submit the brief summaries provided so the patriotic service of our dedicated veterans and the thoughtful work of the CYAC may be preserved for antiquity in the CONGRESSIONAL RECORD. A copy of each submitted student summary follows.

To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The summary follows:

Like water that seeps through the cracks of our hands, history is continually being lost because it is not being written down. While interviewing Donald D. Simmons and documenting his experiences as a member of the Air Force during the Korean War, I felt that I became part of the quilt of history that is perpetually being woven. I hope by telling Don's story, I gave a veteran the full appreciation he deserved for what he had done for his country by ensuring that his story would never be forgotten. At the ripe young age of 18, Don decided to enlist in the Air Force. From 1952–1954, he spent his days on a mountaintop north of Seoul where he repaired radar systems and monitored the search radar that was operational 24 hours a day, 7 days a week. After starting out as a private, he climbed the ranks to become a captain and received a Commendation Medal for his service in Korea. After the armistice was signed he continued college under the GI Bill at the University of Maryland where he studied electrical engineering. He is now the secretary of the Aircraft Control and Warning Group, a Korean War veterans' organization that holds annual reunions in cities across the United States, as well as a volunteer at Methodist Richardson Medical Center.—Cindy Wang.

HONORING MERCY CENTER MINISTRIES, INC. FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Mercy Center Ministries, Inc.

Mercy Center Ministries has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. Mercy Center Ministries' continuous acts of selfless efforts are admirable.

I am proud to honor Mercy Center Ministries, Inc. for their extraordinary work in the community.

IN HONOR AND REMEMBRANCE OF MRS. LUZ MARIA VILLANUEVA

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. KUCINICH. Madam Speaker, I rise today in honor and remembrance of Mrs. Luz Maria Villanueva who lived her life with joy, grace and total dedication to her family and friends.

Mrs. Villanueva was born to a large, loving family in Puerto Rico before moving to Cleveland, Ohio. She learned the values of faith and sharing as a young child, values that stayed with her throughout her life. Mrs. Villanueva was preceded in death by her husband of 34 years, Jose, and also by her son, James. Mrs. Villanueva and her husband raised seven children. Her children, grandchildren and great-grandchildren were a source of her strength and joy. In addition to her family, she was never far from her beloved Chihuahua, Chico.

Mrs. Villanueva was dedicated to the teachings of her Roman Catholic faith. She was always willing to offer a helping hand, a warm smile or a kind word. She moved to Florida thirty-one years ago and became active in the parish community of the Church of the Transfiguration. Mrs. Villanueva was a Eucharist Minister, a member of Damas Catolica, and taught catechism.

Madam Speaker and colleagues, please join me in honor and remembrance of Luz Maria Villanueva. I offer my deep condolences to her children; Jose (Margaret) Villanueva, Fred (Ellen) Villanueva, Jennie Orama, Providencia (Santos) Roman, Angela (Winfred) Robinson and Myrna Villanueva (Edwin Montalvo); her twelve grandchildren; five great-grandchildren; and her extended family and many friends. Mrs. Villanueva brought love, kindness and joy into the lives of those around her. She will never be forgotten.

IN HONOR OF DAVID JOHN MCKELVEY

HON. TIM RYAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. RYAN of Ohio. Madam Speaker, I submit the following.

Youngstown—Calling hours for David John McKelvey, 58, will be held at St. Edward Church (240 Tod Lane) from 2 to 4 p.m. and 6 to 8 p.m. on Thursday, April 29, 2010.

Funeral services will be held on Friday at St. Edward Church at 11 a.m. Additional calling hours will be held from 9:45 to 10:45 a.m., prior to the service.

David was born on March 23, 1952, in Youngstown, the son of William B. McKelvey and Sallie Turner McKelvey. David was a lifelong member of the community.

David was a member of St. Edward Church and attended Ursuline and The Rayen School. After graduation, David joined the Peace Corps and later attended Youngstown State University. He worked in real estate and business development for the majority of his life.

He was married in 1985 to Meg Mitchell of Youngstown.

He is survived by his children, Jonathan (22), Catherine (18), and Connor (11). David is also survived by his mother, Sallie T. McKelvey; his siblings, Letitia McKelvey, Lucius McKelvey (Terrie), Walter McKelvey (Carol), William McKelvey (Sarah), former Mayor George McKelvey (Sherry), Sally McKelvey Bulger (David) and Anne McKelvey; and many loving nieces, nephews, and cousins.

David was preceded in death by his father, William B. McKelvey.

David was passionate about his faith, family, friends, fishing and traveling. David was an avid volunteer. His favorite charitable cause was serving holiday meals at the Rescue Mission. It gave him great joy to see his children participate in this charitable work.

David was held in high esteem by his many friends, earning respect by his character strengths of integrity, reliability and loyalty. David will be sadly missed and remembered fondly in the hearts of the lives he touched.

In lieu of flowers, the family asks that your generosity be best expressed by a donation to the Gleaner's Food Bank, 94 Pyatt St., Youngstown, OH 44502.

Funeral arrangements are being handled by the McCauley Funeral Home on Broadway Ave. in Youngstown.

IN HONOR OF THE GRAND OPENING OF THE ELITE NEWS NATIONAL RELIGIOUS HALL OF FAME MUSEUM

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SESSIONS. Madam Speaker, I rise today to celebrate the grand opening of the Elite News National Religious Hall of Fame Museum on Thursday, April 29, 2010.

First launched in 2000 by Mr. William Blair, Jr., the National Religious Hall of Fame Museum seeks to celebrate, encourage, and showcase the positive impact of ministers in our local community. The inductees are individuals that have been active in ministry for at

least fifteen years and are honored for their community, social, and spiritual contributions. Their dedicated efforts have positively influenced our community and touched the lives of numerous individuals, spanning generations.

The National Religious Hall of Fame Museum highlights the important role ministers play in our society. They work countless hours, wholeheartedly devoted to serving God and mankind. Although the results of their tireless efforts may be unseen by many, the impact of our ministers speak loudly in the legacy they leave and in the lives they transform. This museum serves as a tribute to how they have made our community and our world a better place.

Madam Speaker, I ask my esteemed colleagues to join me in congratulating Elite News and their commitment to honoring ministers with the National Religious Hall of Fame Museum.

RECOGNIZING FRANK W. MANN, JR., ON HIS 90TH BIRTHDAY

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MILLER of Florida. Madam Speaker, I rise to honor Colonel Frank Mann Jr., upon the occasion of his 90th birthday. Colonel Mann has spent a lifetime serving both country and community, and it is a privilege to recognize him on this special day. Throughout the span of his nine decades, Colonel Mann has lived as a shining example to show all what the virtues of patriotism and voluntarism truly mean. I know that as he continues to live out his days, the life of Colonel Mann will serve as a reflection for all to gaze upon to find the exact measure of a man.

Frank was born in Bayonne, New Jersey, on May 2, 1920. As a young pilot, Colonel Mann spent time in the service as an instructor pilot and in England as a B–24 and B–29 aircraft commander during World War II. After leaving the service, he returned to the University of Wyoming and earned a Bachelor of Science in Geology.

As war broke out in Korea, Colonel Mann was recalled to active duty and stationed at F.E. Warren AFB, Wyoming. After a few short months, Colonel Mann was assigned as the Chief of Combat Operations for the 19th Bombardment Group based at Kadena Air Base, Okinawa. During this time he flew B–29 bombing missions over Korea. By the time the war ended in 1953, the 19th had flown 645 missions, 5,950 sorties, and had dropped more than 52,000 tons of bombs on enemy targets. For their display of ability, the 19th was awarded a Presidential Unit Citation. They were also awarded the Republic of Korea Presidential Unit Citation.

Colonel Mann spent the later portion of his illustrious career as an Air Force officer in numerous leadership and command positions throughout the world. Some of those posts include Commander of the 705th Aircraft Control and Warning Squadron, Director of Flight Operations at Wright-Patterson AFB and Commander of an Air Defense Command Radar Station at Mt. Laguna, California. In 1973, after 37 long years of selfless service, Colonel Mann retired. Through his distinguished and decorated career, Colonel Mann earned many awards including the Bronze Star, Air Medal and the Air Force and Army Commendation Medals.

Colonel Mann's record of military service alone is enough to merit a lifetime of achievement. However, after retiring from the military he did not quit his commitment to service. Instead, he continued to go above and beyond the call of duty and put his service-oriented lifestyle to work in the community. Colonel Mann helped co-found the local Lions Club in the 1980s. He also became a volunteer at the Chamber of Commerce where he remains active today. As a civilian, Colonel Mann worked with local retired military personnel and advocated on their behalf at the national level as a member of the Board of Directors and President of the Ft. Walton Beach Military Officers Association of America. In addition, Colonel Mann is a member of the Order of Daedalians. In this capacity, he worked to enroll high school youth in ROTC programs, and sponsored an annual scholarship for ROTC students. Frank is married to the former Margie Hatton of Malone, Florida. Together they have two daughters, Cindy and Karen.

It is with great honor, the highest respect and much personal pride, Madam Speaker, that I recognize the life and deeds of Colonel Frank W. Mann, Jr. on his 90th birthday. He has been a leader both on the battlefield and in northwest Florida. My wife Vicki and I wish him a happy birthday and his entire family all the best for the future.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SAM JOHNSON of Texas. Madam Speaker, I ask my fellow colleagues to join me in congratulating the 2009–2010 Congressional Youth Advisory Council. This year 45 students from public, private, and home schools in grades 9 through 12 made their voices heard and made a difference in their communities, their country and their Congress. These students volunteered their time, effort, and talent to inform me about the important issues facing their generation. As young leaders within their communities and their schools, these students boldly represent the promise and the hope we all have for their very bright future.

President Ronald Reagan said, ''Freedom is never more than one generation away from extinction. We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same, or one day we will spend our sunset years telling our children and our children's children what it was once like in the United States where men were free.''

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To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The summary follows:

I spent an evening with Staff Sergeant (SSG) Efrain Garcia, a member of the Texas Army National Guard, recipient of a Bronze Star and an Army Commendation Medal, currently serving his second term. That's right. A second term. You see, Staff Sergeant Garcia originally joined the U.S. Army when he was just a kid out of Grand Prairie High School, served seven years in the regular army, took a ten year break, and decided he missed the Army life so much, he reenlisted.

SSG Efrain Garcia was a pleasant looking man, inoffensive in mannerism and he had a humble style of speaking. But, as he said best, ''The plumber working on your pipes could have a Silver Star. But so what? He's not going to tell you his life story, he's going to fix your pipes.'' Garcia shrugged, as his wife continued to inform us of his endless humility. It clearly wasn't recognition that drove him. It was something greater. It was the bond between men serving their country. When he had left the Army, it called to him, and finally—called him back. He is a man in his element. He doesn't need to brag. He just serves.—Ross Van de Kop

HONORING ISRAELI INDEPENDENCE DAY

SPEECH OF

HON. LINDA T. SÁNCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 21, 2010

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I rise to celebrate Israel's 62nd year of nationhood.

On May 14, 1948, the nation of Israel was born. The United States of America was the first country to recognize the new state. We began a long relationship of trust and friendship, and that holds true today.

As a co-chair of the Democratic Israel Working Group I am proud to celebrate America's relationship with Israel and to commemorate the founding of our trusted ally.

As we reflect on the importance of Israel's 62 years of existence, I look forward to the work our nations will do together and the progress we can make towards a lasting peace with Israel's neighbors.

I ask my colleagues to join me in recognizing Israel's 62nd anniversary.

HONORING MR. DEAN G. POPPS

SPEECH OF

HON. STEVE KING

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. KING of Iowa. Madam Speaker, I rise today to pay tribute to an outstanding public

servant and proud Greek American, Mr. Dean G. Popps. Dean most recently served our Nation as Acting Assistant Secretary of the Army for Acquisition, Logistics and Technology, and on April 16, 2010, he stepped down from his position to return to civilian life. This brings to a close a 7-year tour in the Department of Defense that started with his volunteering for a 179-day rotation in Iraq as part of the Coalition Provisional Authority, where I first had the pleasure of meeting him.

Since then, Dean has served our Nation under two Presidents, two Secretaries of Defense and three Deputy Secretaries of Defense in a variety of increasingly senior roles. His visionary approach to his most recent position brought sorely needed business acumen to the Army's bureaucratic acquisition process. By calling on his years of experience as a businessman and entrepreneur, he reinvigorated his staff, reshaped rigid business practices and advanced the Army's acquisition objectives. Through this work, Dean has made invaluable contributions to multiple aspects of Army operations in his years of service.

Among Dean's many contributions to the Army and the Nation was his leadership role in the Army's modernization program, in which he successfully defended resources and secured funding for many projects that have strengthened the capabilities of our Armed Forces as they carry out missions in Iraq, Afghanistan, and elsewhere around the world. Dean also oversaw the Iraq Relief and Reconstruction Fund for three years, running what became the largest construction effort since the Marshall Plan. This project saw the completion of more than 3,400 reconstruction projects that have had a profound impact on the restoration of key elements of the Iraqi infrastructure as the country rebuilds and establishes a democratic system.

A committed leader in every position he has held, Dean effectively ran the U.S. Elimination of Chemical Weapons Program as well, which has become a model for achieving the safe destruction of stockpiled chemical weapons. By the end of his time at the program's helm, the program had successfully completed over 50 percent of our national goal to eliminate stockpiled chemical agents in accordance with the Chemical Weapons Convention, and it will continue to serve as an outstanding model for similar programs elsewhere in the world.

Foremost in Dean's mind has always been a commitment to the welfare of each soldier serving our Nation, a concern that he has upheld throughout his tenure as he helped various projects overcome a myriad of obstacles. He has constantly held himself to exacting performance standards and his visionary leadership and unselfish commitment to duty are truly admirable. The Nation will miss Dean's service but I'm confident his wife Lise, sons Stephen, Jason, and George, and his daughter Christina, will be happy to have him back after his extended loan to the American people. I hope my colleagues will join me in wishing him well in all his future endeavors and hope that those who follow in his footsteps will continue his legacy of selfless dedication to our great Nation. Good luck and godspeed.

RECOGNIZING THE 50TH ANNIVERSARY OF THE ''RED KNIGHTS'' OF TRAINING SQUADRON THREE

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MILLER of Florida. Madam Speaker, it is with great pleasure I rise to recognize the 50th anniversary the Red Knights of Training Squadron Three. Through times of war and through times of peace, the Red Knights have served our country with great distinction and valor. In their commitment and in their sacrifice, Training Squadron Three rightfully holds a place in the annals of Naval History as a squadron that took immense pride in preparing America's finest youth for the defense of our great nation and her ideals. For that reason, I am proud to recognize the Red Knights of Squadron Three for their exceptional training and excellent performance over the last 50 years.

With World War II raging in both the Atlantic and Pacific theaters the demand for trained pilots was at its zenith, and the first squadron to bear the name Training Squadron Three was created. Throughout the costly struggle with the Axis Alliance that claimed many young pilots, Training Squadron Three continued to train pilots for day-to-day operations and for the units needed to carry out the final campaigns against the Japanese mainland. After the terms of surrender were signed by the Japanese, there was little need for multiple training squadrons to train an enormous invasion force and Training Squadron Three was decommissioned.

The current Red Knights of Training Squadron Three picked up the torch lit by their predecessors on May 1, 1960, and continued the legacy of ''Training the Best for America's Defense.'' On that day, Training Squadron Three was commissioned with the task of utilizing the T–28 Trojan to prepare a younger generation of student naval aviators in radio instruments, formation flying and air-to-air gunnery. In 1968, at the height of the Vietnam War, Training Squadron Three was at its peak size; consisting of 174 instructors, 494 students, 649 enlisted and 162 T–28 aircraft. During 1968, Training Squadron Three had flown almost 110,000 instructional hours and trained 902 students. These impressive figures set the record for any training squadron in the history of Naval Air Training command.

In 1980, Training Squadron Three became the only primary fixed wing training squadron to be alternately commanded by a Navy and Marine Corps officer. The Red Knights were honored once again in 1994 when they became the Navy's first and only joint service primary flight training squadron. In 1997, the squadron was selected as the first Navy squadron to transition to and fly the T–6 Texan II.

Madam Speaker, on behalf of the United States Congress, I am privileged to recognize the Red Knights for going above and beyond the call of duty on their 50th anniversary. To this day, the Red Knights of Squadron Three continue to provide the highest quality training to student aviators from the Navy, Marine Corps, Coast Guard, Air Force and several Allied nations. As they remain resolute and steadfast to do their part defending our nation, we must do our part to remember their unwavering commitment with our hearts and minds.

HEROES COME IN ALL SHAPES AND SIZES: EIGHT-YEAR-OLD DILLON EARL IS A HERO

HON. JOHN T. SALAZAR

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SALAZAR. Madam Speaker, heros come in all shapes and sizes and I rise today to honor eight-year-old Dillon Earl of Fruita, Colorado for heroic acts that saved lives on Sunday, April 25.

While the two were on their way to church, Dillon's grandmother Lisa DeKruger had a seizure behind the wheel of her truck. Luckily for both of them, Dillon's quick thinking and bravery under pressure saved both their lives and those of other drivers on the road.

When he noticed something was wrong with his grandmother, eight-year-old Dillon reached for the brake and guided the truck to the side of the interstate. With the assistance of another driver, he called 9–1–1 and got his grandmother the urgent medical attention she needed.

The impact of Dillon's actions has only begun to sink in for his grandmother who recently told him, ''I guess Grandma owes you lots of candy for the rest of your life.''

Throughout this incredible incident, Dillon has shown humility and a maturity beyond his years. His remarkable courage and concern for his loved ones are an inspiration to all of us. This brave young man from Mesa County Colorado has made his family, his community and his Congressman very proud.

I wish him and his family continued health and happiness.

HONORING CARLOS BRADLEY

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. BRADY of Pennsylvania. Madam Speaker, I rise to honor one of Philadelphia's great athletes, Carlos Bradley, on his induction into the Pennsylvania State Sports Hall of Fame. Throughout his athletic career, Carlos has proven to be not only an extraordinary sportsman, but a man of great character as well.

Carlos was an All-American linebacker at Germantown High School in Philadelphia, and he also earned the distinction of being an All-American at Wake Forest University. Carlos then went on to become a successful NFL linebacker, playing for the San Diego Chargers and, later, the Philadelphia Eagles. Carlos now uses his athletic experience to help clients as a personal trainer, where he is one of the most sought after trainers in the country.

In addition to having a spectacular athletic career, Carlos has worked to help give back to our youth. As the Executive Vice President of the International Student Athlete Academy, Carlos works to help young athletes realize their true athletic and academic potentials. By

working with junior high and high school student athletes, the ISAA helps these students prepare for well rounded lives.

Carlos's impressive career shows a longstanding commitment towards promoting the benefits of sport and exercise, and he is well deserving of being inducted into the Pennsylvania State Sports Hall of Fame.

Madam Speaker, I ask that you and my other distinguished colleagues join me in congratulating Carlos Bradley on his induction into the Pennsylvania State Sports Hall of Fame, and thank Carlos for his hard work and dedication to his community.

THE CONGRESSIONAL YOUTH ADVISORY COUNCIL: A LEGACY OF SERVICE

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

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To each member of the Congressional Youth Advisory Council, thank you for making this year and this group a success. It is not a coincidence that this congressional tribute celebrates two generations of service. Each of you is trusted with the precious gift of freedom.

You are the voices of the future and I salute you. God bless you and God bless America.

The summary follows:

Louis A. Giamporcaro served as a Technical Sergeant in WWII. He worked with all forms of communication: teletype, phone, radio, photography, etc and was responsible for copying Morse code to send messages to different places and receive incoming messages. In addition, he was ordered to intercept where bullet shells were coming from and give instructions to the artillery unit so they could respond. His team's main assignment was to act as a liaison between the American Army and the Italian Army and place the army on the allied side. Unfortunately, it never materialized. After my interview with Mr. Giamporcaro, I gained valuable insight that I would have never been able to obtain had I read my U.S. History textbook. War is real and it is not something to be taken lightly. Many Americans nowadays tend to forget that war is existent because it is not happening on U.S. soil. In addition, I believe the citizens of America have become a little less disturbed of the thought of a fallen soldier because death is a reoccurring, constant process. This should not be the case. Every lost life of a soldier results in a loss of a whole generation of Americans. I also learned that no matter what position a soldier has in the military, they are an integral part to the execution of battle plans. The military functions as one unit, which is supported by many different departments. As a result, we are called upon to recognize and shine light to the millions of unsung war heroes who fought for our country to provide for the general welfare of the people.—Julia Wang

COMMEMORATING THE 2010 WORKERS' MEMORIAL DAY

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. COURTNEY. Madam Speaker, I rise. today to join the millions of men and women across our country that will stand in silence today to honor the memory of those individuals who have lost their lives or have been injured on the job. Today, April 28, 2010, is Workers' Memorial Day, a day created by the AFL–CIO and its membership, on which we honor all working men and women in this country for their sacrifice and dedication.

The first Workers' Memorial Day was celebrated in the United States on April 28, 1989. The date was chosen because it was the anniversary of the establishment of the Occupational Safety and Health Administration (OSHA). Since its inception, OSHA has worked to protect employees on job sites across the country. While OSHA has done a great deal to protect the safety and interests of workers, more must be done to protect workers and hold accountable those employers who fail to ensure the safety of their employees.

This years' Workers' Memorial Day has a special significance for those of us in Connecticut. It was a little more than two months ago that on February 7, 2010, 6 workers lost their lives and another 26 were injured when an explosion occurred at the Kleen Energy plant in Middletown, CT. This horrific accident should never have happened and it is the responsibility of each and every one of us to not only honor the memory of those that were lost, but to ensure that such a tragedy never happens again.

Madam Speaker, I ask that all my colleagues join me and working men and women around the country in remembering the men and women who have been killed or injured on the job and to honor the families whom have lost so much.

THE INTRODUCTION OF THE ANTHRAX ATTACK COMMEMORATIVE STAMP RESOLUTION

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Ms. NORTON. Madam Speaker, today I introduce a resolution directing the Citizens' Stamp Advisory Committee to recommend to the Postmaster General that a commemorative stamp be issued to honor the lives of Joseph Curseen, Jr. and Thomas Morris, Jr., the two United States Postal Service (USPS) workers, and District of Columbia natives, who died as a result of their exposure to anthrax while working at the USPS facility located at 900 Brentwood Road, NE, Washington, D.C., during the 2001 anthrax attack. This commemorative stamp meets the Citizens' Stamp Advisory Committee's requirement that no postal item may be issued sooner than five years after an individual's death.

Joseph Curseen, Jr. and Thomas Morris, Jr. served the USPS honorably and diligently for a combined period of 52 years until their deaths on October 22, 2001, and October 21, 2001, respectively. Curseen, remembered as a quiet man with a fuzzy mustache, loved to tell stories and loved his church. He was so dedicated to his work, that during the 15 years that he worked for the USPS, he never called in sick. His co-workers described him as someone who was kind and courteous, who stayed at the Post Office seven days a week, giving up breaks to get the mail out, and who regularly led a postal worker Bible study group. In his neighborhood of Cambridge Estates, Maryland, Curseen was the president of the homeowners association, an avid jogger, and a member of St. John the Evangelist Church. To his neighbors, Curseen was someone who everyone knew, who was friendly, and who worked quietly, but ''really got things done.'' He helped build a playground and park in the Cambridge Estates area, even though he and his wife had no children. Although Curseen lived in Clinton, Maryland, he grew up in Southeast D.C., where Our Lady of Perpetual Help Roman Catholic Church was his childhood parish and school. Curseen's wife, Celestine Willingham Curseen, to whom he was married for 16 years, described her late husband as a generous, kind, hard-working man who will be greatly missed.

Thomas Morris, Jr. also grew up in the District of Columbia, although he and his family moved to Suitland, Maryland. Before joining the USPS, Morris served in the United States Air Force. Morris joined the USPC in 1973 and worked as a distribution clerk. He was a hard worker who had no aversion to working overtime, a proud husband and father of one son and two stepchildren, as well as the president of a bowling league team. To his neighbors, Morris was a quiet, thoughtful, deeply religious and humble man, who dispensed helpful, and often paternal advice to his younger neighbors. His wife, Mary, described him as true to others and to himself, as someone who was respectful and law-abiding.

Please join me in honoring the lives of these two men, who died serving their country, and in requesting a commemorative stamp in their memory.

I urge my colleagues to support this resolution.

HONORING THE LIFE OF MR. EARL DURDEN

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MILLER of Florida. Madam Speaker, it is with both great honor and humility that I rise to recognize the life of Mr. Earl Durden. After 18 years, Earl succumbed to his battle with cancer and now rests in peace. Throughout his 78 years, Mr. Durden spent his days working as a community leader, and I am proud to honor his lifetime as a compassionate giver and visionary.

Mr. Durden came from humble beginnings. He was born the son of a farmer outside of Dothan, Alabama, but became a powerful leader in the transportation industry. While he was a well known railroad magnate throughout Florida, Mr. Durden was perhaps best known as a local philanthropist and for his quiet charity. Earl Durden was a friend to many and was respected by even more. He was a man who always gave generously and has good deeds that will forever go unknown. Even during his fight with cancer, he never forgot what was important and what was worth living for.

Earl Durden was a self-made man. He believed in being honest, working hard and making the most of life. His impressive list of accomplishments includes being named chairman of the state transportation commission under Governor Jeb Bush, CEO and Director of Rail Management Corporation and owner of Magic Broadcasting Company. At age 68, Durden was honored by being named one of the most influential people in Florida.

Madam Speaker, on behalf of the United States Congress, I am privileged to recognize and honor the life of Earl Durden. The size of Mr. Durden's heart was only matched by his love for family. My wife Vicki and I express the deepest sympathies to his loving wife Karen and their three sons.

RECOGNIZING THE SERVICE OF MAJOR MARK B. HILL

HON. TOM McCLINTOCK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MCCLINTOCK. Madam Speaker, I rise today to recognize the service of Major Mark B. Hill of El Dorado Hills, California. Hill grew up in El Dorado Hills and after graduating from California State University-Sacramento, he was commissioned into the U.S. Air Force at Mather Air Force Base.

Major Hill has served with distinction for the last 20 years, flying over 4,500 hours and more than 130 combat support missions aboard the E–3 Airborne Warning and Control System aircraft and as a qualified Master Air Battle Manager. He has deployed in support of multiple operations, including: Desert Storm, Provide Comfort, Southern Watch, Deliberate Force, Allied Force, Enduring Freedom, and Noble Eagle. As a qualified Joint Service Officer, he left a NATO post for his current duty assignment as a Branch Chief within the Command and Control, Intelligence, Surveillance and Reconnaissance Division, Directorate of Requirements, Headquarters Air Combat Command, Langley Air Force Base, Virginia. As a former Eagle Scout, he remains a volunteer supporting the Boy Scouts of America and has done so throughout his military career. Hill's commendations include the Defense Meritorious Service Medal, the Meritorious Service Medal (two oak leaf clusters), Air Force Commendation Medal, and the Joint Service Achievement Medal.

Madam Speaker, with his retirement from active duty in the United States Air Force on June 1, 2010, I am proud to recognize Major Mark B. Hill and thank him for over two decades of representing the finest of our values and for his long service in defense of our nation.

HOOSIER HONOR FLIGHT

HON. BRAD ELLSWORTH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ELLSWORTH. Madam Speaker, I rise today to commend the brave and heroic veterans of the Hoosier Honor Flight for their outstanding leadership and service to our country.

Hoosier Honor Flight is an organization created solely to honor the men and women who have bravely sacrificed in their service to our country by flying our heroes to Washington, DC to visit and reflect at the memorials they so rightly earned.

The Hoosier Honor Flight is an admirable undertaking. It is of the utmost importance to me that all American veterans are honored. Thanks to their courageous service, all Americans live free in this great country.

Thanks to the dedication of Monroe County veterans' organizations, businesses and Hoosiers from across southern Indiana who joined forces to provide the first Hoosier Honor Flight on 12 November 2008, 39 World War II veterans and one Korean War veteran were able to enjoy visiting the national WWII Memorial, Lincoln and FDR memorials, Vietnam and Korean War memorials, as well as the Marine Memorial, Arlington National Cemetery, the Changing of the Guard at the Tomb of the Unknowns, and laying a Hoosier Honor Flight wreath at the Tomb.

Today, over one hundred Hoosier veterans will arrive in Washington, DC to visit the memorials dedicated in their honor. I will have the privilege of meeting these fine men and women to thank them for their service to our country.

CELEBRATING THE SUCCESS OF ''OPERATON COOKIE SHARE''

HON. DEBORAH L. HALVORSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mrs. HALVORSON. Madam Speaker, today I rise to recognize the success of ''Operation Cookie Share,'' a collaborative effort of the Girl Scouts of Central Illinois and the State Farm Military Affinity Group. This year, customers purchasing Girl Scout cookies were able check on their order form whether they wanted to donate extra boxes of cookies to our troops. As a result of this effort, over 86,000 boxes of Girl Scout cookies were sold and delivered to our troops serving in Iraq and Afghanistan, military hospitals in the U.S. and overseas, and USO hubs at major American airports for deploying and returning troops.

Our sons and daughters fighting for us overseas put their lives on the line every day and everything we can do to make their lives easier helps. These cookies aren't just a treat; they're a simple reminder of home and a simple gesture of thanks from a grateful community. I'm proud to support the great members of the Girl Scouts of Central Illinois and the State Farm Military Affinity Group, and honor the work done by so many in our community to thank our troops.

HONORING EDUCATION & ASSISTANCE CORPORATION FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Educational & Assistance Corp.

EAC has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. The continuous selfless efforts of those involved with Education & Assistance Corp. are admirable.

I am proud to honor Educational & Assistance Corp. for their extraordinary work in the community.

RECOGNIZING OUTSTANDING PARENT SUPPORT FOR SCHOOLS

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, I rise today to recognize and pay tribute to the contributions of Parent Teacher Associations (PTA) and Parent Teacher Student Associations (PTSA) in northern Virginia. These associations serve a critical role in helping to provide the best possible educational environment for our students.

Schools located throughout northern Virginia are consistently recognized as being among the very best in our country. I strongly believe one factor in the excellent education received by our students is the high level of involvement and encouragement provided by parents through PTAs and PTSAs. Parent volunteers exist in a number of capacities within each school ranging from planning and implementing social events to helping ensure that teachers have the classroom resources they need to succeed.

The Northern Virginia District PTA represents a region with more than 220 schools. Maintaining a healthy and strong organization is an important part of allowing these groups

to have the greatest possible impact on the students they serve. To encourage such strength, it is important to note the individual PTAs and PTSAs that excel in this mission as well as the individual Volunteers of the Year.

I am pleased to congratulate the following on being recognized by the National PTA and Virginia PTA for 2009–2010 school year:

$1,000.00 National PTA Healthy Lifestyle Grant: Laurel Hill ES PTA

$300.00 Virginia PTA Family Fitness Grants: Samuel Tucker ES PTA and Haycock ES PTA

2010 National PTA Phoebe Apperson Hearst Family-School Partnership Awards of Merit: Fairview ES PTA, Lake Braddock SS PTA, Mosby Woods ES PTA, and White Oaks ES PTA

2009–2010 Virginia PTA Superior Membership Achievement Awards: Falls Church ES PTA, Nottingham ES PTA, Flint Hill ES PTA, and Langley HS PTSA

2009–2010 Virginia PTA Outstanding Membership Achievement Award: Peyton Randolph ES PTA

2009–2010 100 percent Membership Awards: Chesterbrook ES PTA, Falls Church ES PTA, Flint Hill ES PTA, Langley HS PTSA, Nottingham ES PTA, and Waynewood ES PTA

2009–2010 New Unit Charters: Cedar Lane School PTSA, Laurel Hill ES PTA, Lutie Lewis Coates ES PTA, Drew Model School PTA, and Arlington Special Education PTA

2009 Virginia PTA Volunteer of the Year: Sue Bernstein, Hollin Meadows ES PTA

2010 District Volunteer of the Year Nominees (Secondary): Kathy Conrad, Patricia Fausser, John Long, Janet Robinson and Greg Brandon.

2010 District Volunteer of the Year Nominees (Elementary): Karen Hildebrand, Teresa Willebeek-Lemair, Jenniefer Schantz, Jana Hollis, Ellen Giblin, Jill Chastain and Christa Soltis.

Congratulations to Sue Bernstein for being named the 2009 Volunteer of the Year and best of luck to the 2010 Volunteer of the Year Nominees.

A special note of appreciation is deserved by the following individuals for their service as elected officers of the Northern Virginia PTA Executive Board as they complete their term in office; District Director Debbie Kilpatrick, 1st Asst. District Director Nina Austin, 2nd Asst. Director Rob Horvath, Secretary Angela Nesley and Treasurer Donald Cantwell. Thank you and those who serve as Committee Chairs for your tireless efforts during the 2008–2010 term in office.

Madam Speaker, I ask my colleagues to join with me in recognizing the outstanding achievements of the individuals and the PTA/PTSA organizations being recognized. Dedicated involvement from so many parents reflects a strong commitment to public education and community service that students in our schools are fortunate to experience. I offer my strong support for these organizations and their dedicated volunteers.

THE OCCASION OF FIRST ANNIVERSARY OF UNVEILING OF SOJOURNER TRUTH MEMORIAL

HON. LAURA RICHARDSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Ms. RICHARDSON. Madam Speaker, what does the unveiling of the Sojourner Truth Memorial in the U.S. Capitol mean to me?

I feel extraordinarily proud to celebrate the one-year anniversary of the unveiling of the memorial to Sojourner Truth in the United States Capitol. I am inspired by the legacy of Sojourner Truth, who was born a slave and overcame daunting odds to become one of the most influential figures in both the women's rights movement and the African-American struggle for equality.

The existence of such an eloquent memorial statue in her honor in the U.S. Capitol ensures that her legacy will never be forgotten. Lawmakers and visitors alike will be reminded of her spirit, dedication and courage each time they pass by her memorial. Just as Sojourner Truth paved the way for so many who came after her, this memorial reminds all visitors and those who work and serve here that the fight for freedom is hard fought but worth the victory.

HONORING UNITED WAY OF LONG ISLAND FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, United Way of Long Island.

United Way has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. The continuous selfless efforts of those involved with the United Way of Long Island are admirable.

I am proud to honor United Way of Long Island for their extraordinary work in the community.

INTRODUCING THE INSTRUCTIONAL LEADERSHIP ACT OF 2010

HON. JOHN P. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SARBANES. Madam Speaker, I rise today to introduce the Instructional Leadership Act of 2010, which will strengthen schools by helping principals to become instructional leaders.

With the passage of No Child Left Behind, NCLB, school principals often find themselves with greater responsibilities. They are accountable for student achievement and the broader goals of NCLB but they lack the appropriate training and resources needed to accomplish these goals. It is time to bring equal attention to developing programs that train principals on the best practices to guide teaching and learning in schools.

The Instructional Leadership Act of 2010 provides grants to State and local educational agencies to drive gains in academic achievement for all children by: (1) Creating innovative programs and sites to train principals in instructional leadership skills including developing a school vision, staff development, and effective instructional practices; (2) Developing pilot programs to evaluate the incorporation of standards of instructional leadership into State principal certifications; and (3) Establishing state-of-the-art principal induction programs that provide mentoring and on-the-job training for new principals.

This legislation is strongly supported by the National Association of Secondary School Principals, NASSP. It represents a necessary first step towards developing the next generation of school leaders who are committed to, and effective in, increasing student achievement. I urge support for this important piece of legislation.

MULTIPLE SCLEROSIS AWARENESS WEEK

SPEECH OF

HON. MARY JO KILROY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 21, 2010

Ms. KILROY. Madam Speaker, I rise today in support of H. Res. 1116, which expresses support for the goals and ideals of Multiple Sclerosis Awareness Week. I want to thank my friend and colleague Representative BARBARA LEE for introducing this resolution, which brings attention to a disease that affects an estimated 400,000 people living in the United States.

Because I was diagnosed with MS in 2003, I know the importance of research into treatments and a cure for the disease. I support additional funding for research regarding MS, Parkinson's disease, and other neurological disorders. MS is a serious disease, but I am lucky to have insurance that pays for most of the cost of the expensive drugs that slow its progression and help prevent disability. However, many people diagnosed with MS often find their necessary medications financially out of reach. The 111th Congress has taken historic action to make health care affordable and accessible, to end discrimination against those with pre-existing conditions, and to help people control and live well with chronic illness—keeping them out of wheelchairs or nursing homes. However, we must continue to work on behalf of our constituents who every day are dealing with serious health conditions.

I am pleased that included in the health insurance reform law recently signed by the president is the Community Living Assistance Services and Supports (CLASS) Act. The CLASS Act will create an insurance program for the 10 million adults with disabilities in America to help them obtain the services and supports they need to stay functional, independent, and active in their community. It is a disgrace that millions of Americans with disabilities are forced to live a life of poverty just so they can qualify for long-term benefits offered by Medicaid. The CLASS Act will allow

people with disabilities to remain functional and independent while giving them an opportunity to receive an education, maintain a job, or join a community group.

I also want to acknowledge the work of the National MS Society, which works tirelessly on behalf of persons living with MS. Just this past weekend I participated in the Columbus MS Walk with my many friends in the Ohio Buckeye Chapter. This walk was just one of many across the country to raise money for research into MS.

Madam Speaker, I look forward to the day when the world is free of MS. I encourage all of my colleagues to join me in finding the causes, improving the treatments while lowering their costs, and fighting for a cure for MS and other diseases, so that all Americans can live fully active and healthy lives.

PERSONAL EXPLANATION

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. SOUDER. Madam Speaker, yesterday I was unable to vote during rollcall No. 226 because of illness. If I would have been present, I would have voted ''yea.''

HONORING FAMILY SERVICE LEAGUE FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Family Service League.

Family Service League has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. The continuous selfless efforts of those involved with Family Service League are admirable.

I am proud to honor Family Service League for their extraordinary work in the community.

TRIBUTE TO MS. PAM McCUE

HON. PARKER GRIFFITH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. GRIFFITH. Madam Speaker, I rise today to recognize the career of Ms. Pam McCue. Ms. McCue is the Director of the Missile and Space Intelligence Center (MSIC), which is headquartered at Redstone Arsenal in my district.

Ms. McCue has spent her entire career in the field of intelligence analysis of foreign missile and air defense systems. She assumed her current position upon her appointment to the Defense Intelligence Senior Executive Service in May of 2007. She is responsible for planning, organizing, and directing an organization of 400 people in analyzing intelligence information on foreign missile and space systems and related technology.

The work done at MSIC under Ms. McCue's direction delivers integrated, timely, and high confidence intelligence assessments to our warfighters, weapons system developers, and policy makers.

Madam Speaker, I wish to congratulate Ms. Pam McCue on a spectacular career and wish her continued success.

REMARKS RECOGNIZING THE YWCA OF BERGEN COUNTY RAPE CRISIS CENTER AND THEIR ADVOCACY OF DENIM DAY

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ROTHMAN. Madam Speaker, I rise today to recognize the New Jersey Legislature's declaration of April 28th as Denim Day and to thank advocates across the state for their tireless efforts to promote sexual assault awareness and provide assistance to victims of sexual assault. Recently, New Jersey became the newest state to adopt Denim Day as an annual event to raise awareness for acts of sexual assault. The establishment of Denim Day across the state of New Jersey is an important call to action reminding us that we must do everything possible as a community and as a nation of laws to stop rape and sexual assault and help survivors.

Denim Day originated in 1998, when a decision to overturn a case of sexual assault by the Italian Supreme Court caused outrage among Italian legislators and the public. A statement released by the Head Judge of the Court stated, ''Because the victim wore very, very tight jeans, she had to help him remove them . . . and by removing the jeans . . . it was no longer assault but consensual sex.'' The women in the Italian Parliament protested by wearing jeans on the steps of the Parliament building and the protests that followed eventually spread to the United States.

The movement that originated in Italy reached New Jersey in 2008 and 2009 when several county-based Sexual Violence Programs in New Jersey launched Denim Day. I am proud to say that the YWCA of Bergen County Rape Crisis Center, located in my district, has been a champion of this cause. Today, they will be hosting the third annual ''Denim Day in NJ'' in Bergen County. This is also the first year that Denim Day will be observed officially throughout the state of New Jersey thanks to a New Jersey State Legislature resolution designating April 28 of each year as Denim Day to promote rape awareness throughout the state.

I commend the ongoing efforts of the YWCA of Bergen County Rape Crisis Center to provide free and confidential assistance, counseling, and medical and legal services to survivors of sexual assault. I stand united with the YWCA, survivors of sexual assault, and their loved ones in observing this important day.

HONORING HEALTH AND WELFARE COUNCIL OF LONG ISLAND FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Health and Welfare Council of Long Island.

Health and Welfare Council has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. Health and Welfare Council's continuous acts of selfless efforts are admirable.

I am proud to honor Health and Welfare Council of Long Island for their extraordinary work in the community.

RECOGNIZING OUTSTANDING STUDENTS IN NORTHERN VIRGINIA

HON. GERALD E. CONNOLLY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. CONNOLLY of Virginia. Madam Speaker, I rise today to recognize the achievements of several students in Northern Virginia. These students have participated and excelled in programs administered by their local Parent Teacher Associations and Parent Teacher Student Associations.

Parent Teacher Associations, PTAs, and Parent Teacher Student Associations, PTSAs, serve a critical role in helping to provide the best possible educational environment for our students. The Northern Virginia District PTA consists of a region with more than 220 schools. Schools located throughout northern Virginia are consistently recognized as being among the very best schools in our country. I strongly believe one factor in the excellent education received by our students is the high level of involvement and encouragement provided by parents through the PTA and PTSAs.

I am pleased to congratulate the following students on being recognized by the National PTA and Virginia PTA for their outstanding achievements:

2010 District PTA Citizenship Essay Awards—High School Division: Trisha Hajela (10th Grade, Centreville High School), and Katherine DeFazio (12th Grade, James Madison High School).

2010 District PTA Citizenship Essay Awards—Middle School Division: Bennett Casciano (7th Grade, South County Secondary School), and Cali Willcockson (8th Grade, Liberty Middle School).

The 2010 PTA Reflections National PTA Nominees are:

Dance Choreography: Primary Division—Claire de la Paz (2nd Grade, Herndon Elementary School PTA) for her dance performance titled ''Free Bird.''

Literature: Middle/Junior Division—Eliza Malakoff, (7th Grade George Washington Middle School PTA) for her insightful essay titled ''No Beauty?''

Music Composition: Intermediate Division—Kyle Gatesman, (4th Grade, Canterbury Woods Elementary School PTA) for his musical composition titled ''Reflections in Color: Variations on a Theme.''

Visual Art: Primary Division—Hannah Cadenazzi, (1st Grade, Great Falls Elementary School PTA) for her interpretative painting titled ''Family.''

Visual Art: Intermediate Division—Brittney Fogg, (5th Grade, Willow Springs Elementary School PTA) for her authentic drawing titled ''Beauty is worth looking for.''

Visual Art: Middle/Junior Division—Jiwhae Choi, (8th Grade, Rachel Carson Middle School) for the multifaceted vision of ''Beauty is never giving up.''

2009 National PTA Award of Excellence: William Park, (12th Grade, Langley High School) who was recognized at an awards reception at the Department of Energy on January 16.

Madam Speaker, I ask my colleagues to join with me today to recognize the outstanding achievements of these students. I also ask that we recognize the Northern Virginia District PTA, in partnership with the Virginia PTA, as they work diligently to develop the diversity of talents and skills of students attending schools throughout Northern Virginia. It gives me great pleasure to acknowledge the achievements of these students and the Parent Teacher Associations that support them.

HONORING THE LIFE OF ROBERT HIESTAND

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. LEWIS of Georgia. Madam Speaker, on Tuesday, March 30, an Atlanta icon passed away. Robert Hiestand sold roses and carnations on the corner of Northside Parkway and West Paces Ferry for 20 years and, in the process, became a ubiquitous fixture in the daily routine of Atlantans from all walks of life. He was 55 when he passed.

Over the years, Governors, state legislators and Members of Congress including myself have stopped for a few kind words and a few beautiful flowers from Robert. Yet it is the students who often saw him on their way back and forth from school that have most loudly opined his loss.

I have heard a few different versions of how Robert ended up in Atlanta but the version he told was that his motorcycle ran out of gas as he was passing through and he decided to stay. For two decades after that, come rain, come summer heat, come winter cold, come what may, Robert's only condition to go to work was whether the flowers could survive.

The vibrant remembrances of the Atlanta community reflect the tremendous impact of his character, of his hard work and of his staunch individualism that allowed him to carve out his own niche and leave a lasting impression on the lives of so many. He will be missed and I ask my colleagues to join me in honoring his contribution to Atlanta.

HONORING LONG ISLAND ADVOCACY CENTER FOR THEIR EXTRAORDINARY WORK IN THE COMMUNITY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. ISRAEL. Madam Speaker, I rise today to acknowledge a nonprofit organization that serves my district, Long Island Advocacy Center.

Long Island Advocacy Center has demonstrated an overwhelming amount of commitment to serving the Long Island community. My constituents rely on our nonprofits for the vital services they offer. Long Island Advocacy Center's continuous acts of selfless efforts are admirable.

I am proud to honor Long Island Advocacy Center for their extraordinary work in the community.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. COFFMAN of Colorado. Madam Speaker, today our national debt is $12,886,315,749,582.96.

On January 6th, 2009, the start of the 111th Congress, the national debt was $10,638,425,746,293.80.

This means the national debt has increased by $2,247,890,003,289.16 so far this Congress.

This debt and its interest payments we are passing to our children and all future Americans.

IN RECOGNITION OF THE FIFTH ANNUAL MICHIGAN EARTH DAY FESTIVAL ON THE OCCASION OF THE 40TH ANNIVERSARY OF EARTH DAY

HON. GARY C. PETERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. PETERS. Madam Speaker, I rise today to recognize the organizers and participants of the fifth annual Michigan Earth Day Festival on the occasion of the 40th anniversary of Earth Day. As a Member of Congress it is my privilege to support this forum as we work to develop Michigan's green and blue economies.

Much like the day it celebrates, the Michigan Earth Day Festival brings together Michiganians from all regions and sectors of community who recognize that the economic vitality of Michigan lies in the innovation and development of our of State's complementary green and blue economies. This festival provides an opportunity for local entrepreneurs, environmentalists, conservationists, civic officials and everyday citizens to build the network of human capital infrastructure so critical to Michigan becoming a leader in these new industries. Last year the Festival attracted an estimated 50,000 Michiganians to its grounds in downtown Rochester, all of whom were focused on the ''triple bottom line'' of economic, environmental, and individual prosperity.

On its fifth anniversary, the Michigan Earth Day Festival is set to provide its largest platform yet in its effort to draw attention to the connection between our environment and our future economic prosperity. This year's Festival event will host over 200 participants including environmental and conservation groups, local governments, green business owners and others who will be promoting resource conservation, green technology development, and good stewardship of our environment which will brighten Michigan's economic future while securing our State's rich natural wonders.

Madam Speaker, I ask all of my colleagues to join me today in recognizing the work of the Michigan Earth Day Festival's organizers and participants towards creating a greener and stronger Michigan economy. I wish the Festival's organizers and participants many future years of success as we work together to develop a renewed, greener and more robust Michigan economy.

HONORING THE WORK OF THE REVEREND DR. WALTER THOMAS RICHARDSON ON THE OCCASION OF HIS RETIREMENT FROM SWEET HOME MISSIONARY BAPTIST CHURCH

HON. MARIO DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 28, 2010

Mr. MARIO DIAZ-BALART of Florida. Madam Speaker, today I rise to honor and thank The Reverend Dr. Walter Thomas Richardson of South Florida for his 26 years of service to Sweet Home Missionary Baptist Church.

Pastor Richardson's historic tenure at Sweet Home began in October of 1983, and for nearly three decades, he has dedicated his life to serving others. Under his leadership, the parish has achieved great things. Sweet Home transitioned from two-Sunday a month worships to weekly Sunday worships, as well as going from one-morning service to two-morning services. Sweet Home also grew from a small facility to a modern and up-to-date facility with classrooms, offices and seating capacity for 500 in 1991. In 2009, the facility grew yet again to house more than 1000 people and sits on 24 acres of land. The staff at Sweet Home also grew and now has full-time employees. During his tenure, Sweet Home has also been involved in advocating for social justice and multicultural integration, protesting against hate crimes, drugs and corruption, and taken part in building the first Habitat for Humanity housing project in Miami-Dade County.

Pastor Richardson has preached and ministered across our great nation and around the world, including places like Korea, South Africa, Haiti and the Caribbean. More than 51 associate ministers have served with him at Sweet Home, and at least 16 are now serving as senior pastors and chaplains throughout the country. He has counseled more than 200

couples, married more than 100 couples, performed more than 1000 funerals, baptized more than 2000, and preached more than 5,000 sermons. Pastor Richardson currently serves as an adjunct professor at St. Thomas University in South Florida, and will continue to lecture, speak, and preach at conferences, churches and seminars in the U.S. and around the world.

Pastor Richardson retires in the coming weeks but the end of his tenure as Senior Pastor at Sweet Home, does not mark the end of his work in our community, our nation and the world. I am certain that Pastor Richardson will continue to serve and inspire others and change lives. I ask you to join me in honoring the work of Pastor Richardson, thanking him for his service to our community, and wishing him the best in future endeavors.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, April 29, 2010 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 4

9:30 a.m.
Judiciary
Crime and Drugs Subcommittee
To hold hearings to examine Wall Street fraud and fiduciary duties, focusing on if jail time can serve as an adequate deterrent for willful violations.
SD–226

10 a.m.
Finance
To resume hearings to examine the President's proposed fee on financial institutions regarding the Troubled Asset Relief Program (TARP).
SD–215
Commission on Security and Cooperation in Europe
To hold hearings to examine mitigating inter-ethnic conflict in the Organization for Security and Co-operation in Europe (OCSE) region, focusing on persisting tensions.
SVC–208/209

2 p.m.
Health, Education, Labor, and Pensions
To resume hearings to examine Elementary and Secondary Education Act (ESEA) reauthorization, focusing on improving America's secondary schools.
SD–430

2:30 p.m.
Homeland Security and Governmental Affairs
Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee
To hold hearings to examine work-life programs, focusing on attracting, retaining and empowering the Federal workforce.
SD–342
Intelligence
To hold closed hearings to consider certain intelligence matters.
SH–219

MAY 5

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2011 for the National Institutes of Health.
SD–124
Veterans' Affairs
To hold an oversight hearing to examine traumatic brain injury (TBI), focusing on progress in treating the signature wound of the current conflicts.
SR–418

10 a.m.
Environment and Public Works
Clean Air and Nuclear Safety Subcommittee
To hold an oversight hearing to examine the Nuclear Regulatory Commission.
SD–406
Homeland Security and Governmental Affairs
To hold hearings to examine terrorists and guns, focusing on the nature of the threat and proposed reforms.
SD–342
Judiciary
To hold hearings to examine the increased importance of the Violence Against Women Act in a time of economic crisis.
SD–226
Rules and Administration
To hold hearings to examine voting by mail, focusing on state and local experiences.
SR–301
United States Senate Caucus on International Narcotics Control
To hold hearings to examine violence in Mexico and Ciudad Juarez and its implications for the United States.
SD–124

1 p.m.
Joint Economic Committee
To hold hearings to examine how to promote job creation.
Room to be announced

2:30 p.m.
Energy and Natural Resources
National Parks Subcommittee
To hold hearings to examine the National Park Service's implementations of the American Recovery and Reinvestment Act.
SD–366

MAY 6

9:30 a.m.
Energy and Natural Resources
Business meeting to consider the nominations of Philip D. Moeller, of Washington, and Cheryl A. LaFleur, of Massachusetts, both to be a Member of the Federal Energy Regulatory Commission, and any pending calendar business; to be immediately followed by a hearing to examine current issues related to offshore oil and gas development including the Department of the Interior's recent five year planning announcements and the accident in the Gulf of Mexico involving the offshore oil rig Deepwater Horizon.
SD–366

10 a.m.
Appropriations
Commerce, Justice, Science, and Related Agencies Subcommittee
To hold hearings to examine proposed budget estimates for fiscal year 2011 for the Department of Justice.
SD–192
Health, Education, Labor, and Pensions
To hold hearings to examine ensuring fairness for older workers.
SD–430

2:30 p.m.
Armed Services
SeaPower Subcommittee
To hold hearings to examine Navy shipbuilding programs in review of the Defense Authorization request for fiscal year 2011 and the Future Years Defense Program.
SR–222
Intelligence
To hold closed hearings to consider certain intelligence matters.
SH–219

MAY 19

9:30 a.m.
Veterans' Affairs
To hold hearings to examine pending legislation.
SR–418

MAY 25

9 a.m.
Armed Services
Airland Subcommittee
Closed business meeting to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

10:30 a.m.
Armed Services
Readiness and Management Support Subcommittee
Closed business meeting to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

2 p.m.
Armed Services
Emerging Threats and Capabilities Subcommittee
Closed business meeting to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

3:30 p.m.
Armed Services
Strategic Forces Subcommittee
Closed business meeting to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

5 p.m.
Armed Services
Personnel Subcommittee
Closed business meeting to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

MAY 26

9:30 a.m.
Armed Services
SeaPower Subcommittee
Closed business meeting to markup those provisions which fall under the subcommittee's jurisdiction of the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

2:30 p.m.
Armed Services
Closed business meeting to markup the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

MAY 27

9:30 a.m.
Armed Services
Closed business meeting to markup the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

MAY 28

9:30 a.m.
Armed Services
Closed business meeting to markup the proposed National Defense Authorization Act for fiscal year 2011.
SR–222

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S2715–S2769

Measures Introduced: Ten bills and two resolutions were introduced, as follows: S. 3268–3277, and S. Res. 503–504. **Pages S2758–59**

Measures Passed:

Cost of Living Adjustment: Senate passed H.R. 5146, to provide that Members of Congress shall not receive a cost of living adjustment in pay during fiscal year 2011, clearing the measure for the President. **Page S2768**

Airport and Airway Trust Fund: Senate passed 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, clearing the measure for the President. **Page S2768**

Expressing Condolences to Those Affected by the Tornado in Mississippi: Senate agreed to 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. **Page S2768**

Measures Considered:

Restoring American Financial Stability Act—Agreement: Senate began consideration of 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, after agreeing to the motion to proceed. **Pages S2726–50**

During consideration of this measure today, Senate also took the following action:

By 56 yeas to 42 nays (Vote No. 127), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to close further debate on the motion to proceed to consideration of the bill. **Page S2729**

Subsequently, Senator Reid entered a motion to reconsider the vote by which cloture was not invoked on the motion to proceed to consideration of the bill, and the motion was rendered moot. **Page S2729**

A unanimous-consent-time agreement was reached providing for further consideration of the bill at approximately 12:15 p.m. on Thursday, April 29, 2010; that after the reporting of the bill and the 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, to be followed by Senator Chambliss to be recognized 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. **Pages S2752, S2768**

Nominations Received: Senate received the following nominations:

Carlton W. Reeves, of Mississippi, to be United States District Judge for the Southern District of Mississippi.

Paul Kinloch Holmes III, of Arkansas, to be United States District Judge for the Western District of Arkansas.

Denise Jefferson Casper, of Massachusetts, to be United States District Judge for the District of Massachusetts.

Barry R. Grissom, of Kansas, to be United States Attorney for the District of Kansas for the term of four years.

Charles Gillen Dunne, of New York, to be United States Marshal for the Eastern District of New York for the term of four years.

Patti B. Saris, of Massachusetts, to be Chair of the United States Sentencing Commission.

Patti B. Saris, of Massachusetts, to be a Member of the United States Sentencing Commission for a term expiring October 31, 2015.

Dabney Langhorne Friedrich, of Virginia, to be a Member of the United States Sentencing Commission for a term expiring October 31, 2015.

25 Navy nominations in the rank of admiral.

Routine lists in the Army and Navy. **Pages S2768–69**

Messages from the House: **Page S2758**

Measures Referred: Page S2758
Measures Placed on the Calendar: Page S2758
Executive Reports of Committees: Page S2758
Additional Cosponsors: Page S2759
Statements on Introduced Bills/Resolutions: Pages S2759–64
Additional Statements: Pages S2755–58
Amendments Submitted: Pages S2764–67
Notices of Hearings/Meetings: Page S2767
Authorities for Committees to Meet: Pages S2767–68
Privileges of the Floor: Page S2768

Record Votes: One record vote was taken today. (Total—127) Page S2729

Adjournment: Senate convened at 9:30 a.m. and adjourned at 7:26 p.m., until 12:15 p.m. on Thursday, April 29, 2010. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S2768.)

Committee Meetings

(Committees not listed did not meet)

NATIONAL ENERGY POLICIES

Committee on Appropriations: Subcommittee on Energy and Water Development concluded a hearing to examine a national assessment of energy policies, focusing on significant achievements since the 1970s and an examination of U.S. energy policies and goals in the coming decades, after receiving testimony from former Representative Philip R. Sharp, and Robert W. Fri, both of Resources for the Future, Washington, D.C.; Steven Chu, Secretary of Energy; and Eric P. Loewen, GE Hitachi Nuclear Energy Americas LLC, Wilmington, North Carolina.

APPROPRIATIONS: COMMODITY FUTURES TRADING COMMISSION AND SECURITIES AND EXCHANGE COMMISSION

Committee on Appropriations: Subcommittee on Financial Services and General Government concluded a hearing to examine the President's proposed budget estimates for fiscal year 2011 for the Commodity Futures Trading Commission and for the Securities and Exchange Commission, after receiving testimony from Gary Gensler, Chairman, Commodity Futures Trading Commission; and Mary Schapiro, Chairman, U.S. Securities and Exchange Commission.

MILITARY COMPENSATION AND BENEFITS

Committee on Armed Services: Subcommittee on Personnel concluded a hearing to examine military compensation and benefits, including special and incentive pays, in review of the Defense Authorization request for fiscal year 2011 and the Future Years Defense Program, after receiving testimony from William J. Carr, Deputy Under Secretary of Defense for Military Personnel Policy; Brenda S. Farrell, Director, Defense Capabilities and Management, Government Accountability Office; Carla Tighe Murray, Senior Analyst, National Security Division, Congressional Budget Office; and James R. Hosek, RAND National Security Research Division, Santa Monica, California.

MOTOR CARRIER OVERSIGHT

Committee on Commerce, Science, and Transportation: Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security concluded an oversight hearing to examine motor carrier safety efforts including S. 779, to amend titles 23 and 49, United States Code, to modify provisions relating to the length and weight limitations for vehicles operating on Federal-aid highways, after receiving testimony from Anne S. Ferro, Administrator, Federal Motor Carrier Safety Administration, Department of Transportation; Deborah A.P. Hersman, Chairman, National Transportation Safety Board; Francis France, Commercial Vehicle Safety Alliance, Jacqueline S. Gillan, Advocates for Highway and Auto Safety, both of Washington, D.C.; David J. Osiecki, American Trucking Associations, Inc., Arlington, Virginia; and Todd Spencer, Owner-Operator Independent Drivers Association, Grain Valley, Missouri.

PUBLIC LANDS AND FORESTS BILLS

Committee on Energy and Natural Resources: Subcommittee on Public Lands and Forests concluded a hearing to examine S. 1241, to amend Public Law 106–206 to direct the Secretary of the Interior and the Secretary of Agriculture to require annual permits and assess annual fees for commercial filming activities on Federal land for film crews of 5 persons or fewer, S. 1571 and H.R. 1043, bills to provide for a land exchange involving certain National Forest System lands in the Mendocino National Forest in the State of California, S. 2762, to designate certain lands in San Miguel, Ouray, and San Juan Counties, Colorado, as wilderness, S. 3075, to withdraw certain Federal land and interests in that land from location, entry, and patent under the mining laws and disposition under the mineral and geothermal leasing laws, S. 3185, to require the Secretary of the Interior to convey certain Federal land to Elko County, Nevada, and to take land into trust for the Te-moak Tribe of Western Shoshone Indians of Nevada, and H.R. 86, to eliminate an unused lighthouse reservation, provide management consistency by incorporating the rocks and small islands along the coast

of Orange County, California, into the California Coastal National Monument managed by the Bureau of Land Management, and meet the original Congressional intent of preserving Orange County's rocks and small islands, after receiving testimony from Senators Baucus, Inhofe and Tester; Marcilynn A. Burke, Deputy Director, Bureau of Land Management, Department of the Interior; and Faye Krueger, Acting Associate Deputy Chief, National Forest System, Forest Service, Department of Agriculture.

BUSINESS MEETING

Committee on Homeland Security and Governmental Affairs: Committee ordered favorably reported the following business items:

S. 3267, Fire Grants Reauthorization Act of 2010, with an amendment;

S. 2782, to provide personal jurisdiction in causes of action against contractors of the United States performing contracts abroad with respect to members of the Armed Forces, civilian employees of the United States, and United States citizen employees of companies performing work for the United States in connection with contractor activities, with an amendment in the nature of a substitute;

S. 3167, to amend title 13 of the United States Code to provide for a 5-year term of office for the Director of the Census and to provide for authority and duties of the Director and Deputy Director of the Census, with an amendment;

S. 3249, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the predisaster hazard mitigation program and for other purposes, with an amendment; and

The Nominations of Todd E. Edelman, Milton C. Lee, Jr., and Judith Anne Smith, all to be an Associate Judge of the Superior Court of the District of Columbia, Dana Katherine Bilyeu, of Nevada, and Michael D. Kennedy, of Georgia, both to be a Member of the Federal Retirement Thrift Investment Board, and Dennis P. Walsh, of Maryland, to be Chairman of the Special Panel on Appeals.

CENTERS FOR MEDICARE AND MEDICAID SERVICES OVERSIGHT

Committee on Homeland Security and Governmental Affairs: Ad Hoc Subcommittee on Contracting Oversight concluded an oversight hearing to examine contract management at the Centers for Medicare and Medicaid Services, after receiving testimony from Kay L. Daly, Director, Financial Management and Assurance, Government Accountability Office; and Rodney L. Benson, Director, Office of Acquisition and Grants Management, Centers for Medicare and Medicaid Services.

ELEMENTARY AND SECONDARY EDUCATION ACT

Committee on Health, Education, Labor, and Pensions: Committee continued hearings to examine Elementary and Secondary Education Act (ESEA) reauthorization, focusing on standards and assessments, after receiving testimony from Steven L. Paine, West Virginia Superintendent of Schools, Charleston; Gary W. Phillips, American Institutes for Research (AIR), Washington, D.C.; Charlene Rivera, The George Washington University Center for Equity and Excellence in Education, Alexandria, Virginia; Cynthia B. Schmeiser, ACT, Inc., Iowa City, Iowa; and Martha L. Thurlow, National Center on Educational Outcomes (NCEO), Minneapolis, Minnesota.

NOMINATIONS

Committee on the Judiciary: Committee concluded a hearing to examine the nominations of Robert Neil Chatigny, of Connecticut, to be United States Circuit Judge for the Second Circuit, who was introduced by Senators Dodd and Lieberman, and John A. Gibney, Jr., to be United States District Judge for the Eastern District of Virginia, who was introduced by Senators Webb and Warner, after the nominees testified and answered questions in their own behalf.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 16 public bills, H.R. 5159–5174; and 2 resolutions, H. Con. Res. 270; and H. Res. 1306 were introduced. **Pages H3013–14**

Additional Cosponsors: **Pages H3014–15**

Report Filed: A report was filed today as follows:

H. Res. 1305, providing for consideration of the bill (H.R. 2499) to provide for a federally sanctioned self-determination process for the people of Puerto Rico (H. Rept. 111–468). **Page H3013**

Speaker: Read a letter from the Speaker wherein she appointed Representative Israel to act as Speaker pro tempore for today. **Page H2939**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Improper Payments Elimination and Recovery Act: H.R. 3393, amended, to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars; **Pages H2942–47**

Amending title 39, United States Code, to clarify the instances in which the term "census" may appear on mailable matter: H.R. 5148, to amend title 39, United States Code, to clarify the instances in which the term ''census'' may appear on mailable matter; **Pages H2947–49**

Authorizing the use of the Capitol Grounds for the National Peace Officers' Memorial Service: H. Con. Res. 264, to authorize the use of the Capitol Grounds for the National Peace Officers' Memorial Service; and **Pages H2949–50**

Airport and Airway Extension Act of 2010: 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 and to amend title 49, United States Code, to extend authorizations for the airport improvement program. **Pages H2950–52**

Implementing Management for Performance and Related Reforms to Obtain Value in Every Acquisition Act of 2010: The House passed H.R. 5013, to amend title 10, United States Code, to provide for performance management of the defense acquisition system, by a recorded vote of 417 ayes to 3 noes, Roll No. 230. **Pages H2952–86**

Agreed to the Buyer motion to recommit the bill to the Committee on Armed Services with instructions to report the same back to the House forthwith with an amendment by a recorded vote of 419 ayes to 1 no, Roll No. 229. Subsequently, Representative Skelton reported the bill back to the House with the amendment and the amendment was agreed to. **Pages H2983–85**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill shall be considered as an original bill for the purpose of amendment under the five-minute rule. **Page H2960**

Agreed to:

Skelton amendment (No. 1 printed in H. Rept. 111–467) that makes various technical corrections to the bill. It also provides that nothing in contracts for military purpose non-developmental items shall restrict or otherwise affect the rights in technical data of the Government, the contractor, or any subcontractor for items developed by the contractor or subcontractor exclusively at private expense; **Pages H2968–69**

Sessions amendment (No. 2 printed in H. Rept. 111–467) that provides that nothing in the Act or amendments made by it shall be construed to affect the competition requirements of 10 U.S.C. 2304 (contract competition requirements); **Pages H2969–70**

Andrews amendment (No. 3 printed in H. Rept. 111–467) that supports a diverse workforce development program with respect to career development for civilian and military personnel in the acquisition workforce; **Page H2970**

Edwards (MD) amendment (No. 5 printed in H. Rept. 111–467) that directs the DOD to engage in outreach to businesses in the vicinity of DOD installations to notify them of opportunities to obtain contracts and subcontracts to perform work at such installations; **Pages H2971–72**

Moore (WI) amendment (No. 6 printed in H. Rept. 111–467) that specifies that assessment metrics required to measure contractor performance include ''compliance of such contractors with department policy regarding the use of certain small businesses''; **Pages H2972–73**

Murphy (CT) amendment (No. 7 printed in H. Rept. 111–467) that specifies that Title IV assistance in the legislation (Expansion of the Industrial Base) be limited to firms within the national technology and industrial base, as defined in section 2500(1) of title 10, United States Code; **Pages H2973–74**

Quigley amendment (No. 8 printed in H. Rept. 111–467) that includes energy efficiency as one of the metrics that may be used in performance assessment of defense acquisitions, and would include energy efficiency of weapons systems as one of the items considered in the Secretary of Defense's review of defense acquisition guidance; **Page H2974**

Quigley amendment (No. 9 printed in H. Rept. 111–467) that directs the Cost Assessment and Program Evaluation (CAPE) in its next report to Congress to (1) assess whether and to what extent program cost estimators for major defense acquisition programs are independent and (2) whether a lack of independence affects their ability to generate reliable cost estimates; **Pages H2974–75**

Schrader amendment (No. 10 printed in H. Rept. 111–467) that prohibits the award of contracts for personal services by any DOD component for the purpose of obtaining the services of a senior mentor. Nothing would prohibit DOD from hiring retired generals and flag officers as ''senior mentors'' under

the highly qualified expert provision of 5 U.S.C. section 9903 with additional financial disclosure and conflict of interest requirements in place;

Pages H2975–76

Childers amendment (No. 12 printed in H. Rept. 111–467) that ensures that training courses for acquisition personnel include market research strategies to ensure that the surrounding market is considered during the contracting process; **Pages H2977–78**

Dahlkemper amendment (No. 13 printed in H. Rept. 111–467) that directs the Secretary of Defense to carry out a program providing for cost savings on non-developmental items by allowing a contracting officer to make an award for an existing contract to an entity submitting a new proposal that provides for a savings of greater than 15%, provided that doing so does not constitute a breach of contract;

Pages H2978–79

Kissell amendment (No. 14 printed in H. Rept. 111–467) that requires GAO to do a study of the items purchased under 37 U.S.C. section 418, and determine if there is sufficient domestic production of such items to adequately supply members of the Armed Forces. Requires DOD to provide to the House Armed Services Committee, within 6 months of receiving the GAO recommendations, an evaluation of whether items purchased under section 418 of title 37 should be covered under the Berry Amendment; **Pages H2979–80**

Grayson amendment (No. 15 printed in H. Rept. 111–467) that requires DOD to give cost at least equal importance in evaluating competitive proposals for Federal contracts versus other factors or explain any waivers of such requirement; **Pages H2980–81**

Hare amendment (No. 16 printed in H. Rept. 111–467) that declares that it is the sense of Congress that the Department of Defense should ensure full compliance throughout the acquisition process with the Berry Amendment and the Buy American Act. Further, the amendment declares the sense of Congress that the Department of Defense not procure products made by manufacturers in the United States that violate labor standards as defined under the laws of the United States; **Pages H2981–82**

Hall (NY) amendment (No. 4 printed in H. Rept. 111–467) that requires the Director of the Office of Performance Assessment and Root Cause Analysis (''PARCA'') to include performance assessments with significant findings in its annual report. It also requires submission of egregious problems (as defined by the PARCA Director) to the Armed Services Committees (by a recorded vote of 416 ayes with none voting ''no'', Roll No. 227); and

Pages H2970–71, H2982–83

Connolly (VA) amendment (No. 11 printed in H. Rept. 111–467) that creates an Industrial Base Council within the DOD, supported by existing personnel and funds, to provide recommendations to the Secretary on budget and policy matters related to the industrial base. Requires an annual report to Congress on the Council's activities (by a recorded vote of 417 ayes to 2 noes, Roll No. 228).

Pages H2976–77, H2983

H. Res. 1300, the rule providing for consideration of the bill, was agreed to by voice vote after the previous question was ordered without objection.

Pages H2952–54

Quorum Calls—Votes: Four recorded votes developed during the proceedings of today and appear on pages H2982–83, H2983, H2985 and H2986. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 7:14 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, FDA, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies held a hearing on Drug Safety. Testimony was heard from Senator Grassley; and public witnesses.

FINANCIAL SERVICES AND GENERAL GOVERNMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Financial Services and General Government held a hearing on FY 2011 Budget Request for the GSA. Testimony was heard from Martha N. Johnson, Administrator, GSA.

LABOR, HHS, EDUCATION AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education and Related Agencies held a hearing on FY 2011 Budget Overview: National Institutes of Health Testimony was heard from Francis Collins, M.D., Director, NIH, Department of Health and Human Services.

AIR MOBILITY PROGRAMS

Committee on Armed Services: Subcommittee on Air and Land Forces held a hearing on Air Mobility Programs. Testimony was heard from the following officials of the Department of Defense: BG Michelle D. Johnson, USAF, Director, Strategy, Policy, Programs and Logistics, U.S. Transportation Command; David M. Van Buren, Acting Assistant Secretary, Air Force,

Acquisition; LTG Philip M. Breedlove, USAF, Deputy Chief of Staff, Operations, Plans and Requirements; U.S. Air Force; and BG Richard C. Johnston, USAF, Director, Strategic Planning, Headquarters U.S. Air Force.

WORKPLACE WHISTLEBLOWER AND VICTIMS' RIGHTS

Committee on Education and Labor: Subcommittee on Workforce Protections held a hearing on Whistleblower and Victims' Rights Provision of H.R. 2067, Protecting America's Workers Act. Testimony was heard from Jordan Barab, Deputy Assistant Secretary, Occupational Safety and Health Administration, Department of Labor; and public witnesses.

KATRINA/RITA FEMA TRAILER SALES

Committee on Energy and Commerce: Subcommittee on Commerce, Trade and Consumer Protection held a hearing entitled ''Public Sales of Hurricane Katrina/Rita FEMA Trailers: Are They Safe or Environmental Time Bombs?'' Testimony was heard from David Garratt, Associate Administrator, FEMA Mission Support Bureau, Department of Homeland Security; James J. Jones, Deputy Assistant Administrator, Office of Prevention, Pesticides, and Toxic Substances, EPA; Steven Kempt, Acting Commissioner, Federal Acquisition Service, GSA; Corey Hebert, M.D., Chief Medical Officer, Recovery School District, Department of Education, State of Louisiana; and public witnesses.

CLEAN ENERGY POLICIES REDUCING OIL DEPENDENCE

Committee on Energy and Commerce: Subcommittee on Energy and Environment held a hearing on Clean Energy Policies That Reduce Our Dependence on Oil. Testimony was heard from Lisa Jackson, Administrator, EPA; and public witnesses.

ANTIBIOTIC RESISTENCE

Committee on Energy and Commerce: Subcommittee on Health held a hearing entitled ''Antibiotic Resistance and the Threat to Public Health.'' Testimony was heard from the following officials of the Department of Health and Human Services: Thomas R. Frieden, M.D., Director, Centers for Disease Control and Prevention; and Anthony S. Fauci, M.D., Director, National Institute of Allergy and Infectious Diseases.

PRESERVE PUBLIC HOUSING

Committee on Financial Services: Subcommittee on Housing and Community Opportunity held a hearing entitled ''Legislative Proposals to Preserve Public Housing.'' Testimony was heard from Sandra Henriquez, Assistant Secretary, Public and Indian Housing, Department of Housing and Urban Development; and public witnesses.

PROMOTING HAITI'S SMALL/MICRO ENTERPRISE

Committee on Financial Services: Subcommittee on International Monetary Policy and Trade held a hearing entitled '' Promoting Small and Micro Enterprise in Haiti.'' Testimony was heard from public witnesses.

FINANCIAL CRIMES ENFORCEMENT NETWORK OVERSIGHT

Committee on Financial Services: Subcommittee on Oversight and Investigations held a hearing entitled '' Reviewing FinCEN Oversight Reports.'' Testimony was heard from James H. Freis, Jr., Director, Financial Crimes Enforcement Network (FinCEN), Department of the Treasury; Eric Thorson, Inspector General, Department of the Treasury; the following officials of the GAO: Richard J. Hillman, Managing Director, Financial Markets and Community Investment; and Eileen Regen Larence, Director, Homeland Security and Justice Issues.

MISCELLANEOUS MEASURES

Committee on Foreign Affairs: Ordered reported the following bills: H.R. 4128, amended, Conflict Minerals Trade Act; H.R. 5138, International Megan's Law of 2010; H.R. 4801, amended, Global Science Program for Security, Competitiveness, and Diplomacy Act of 2010; H.R. 5139, Extending Immunities to the Office of the High Representative and the International Civilian Office in Kosovo Act of 2010, and S. 1067, Lord's Resistance Army Disarmament and Northern Uganda Recovery Act of 2009.

ENERGY DEMONSTRATION PROJECT: OVERSIGHT OFFICERS OF THE HOUSE

Committee on House Administration: Approved Committee Resolution 111–8, Energy Demonstration Project Authorization.

The Committee also held a hearing on Oversight of the Clerk, Sergeant at Arms, Chief Administrative Officer and Inspector General of the House of Representatives. Testimony was heard from the following officials of the House: Lorraine C. Miller, Clerk; Wilson Livingood, Sergeant at Arms; Daniel P. Beard, Chief Administrative Officer; and Theresa Grafenstine, Acting Inspector General.

CREDIT CARD FAIR FEE ACT

Committee on the Judiciary: Held a hearing on H.R. 2695, Credit Card Fair Fee Act of 2009. Testimony was heard from public witnesses.

UNMANNED MILITARY DRONE TARGETING

Committee on Oversight and Government Reform: Subcommittee on National Security and Foreign Affairs continued hearings entitled "The Rise of the Drones II: Examining the Legality of Unmanned Targeting." Testimony was heard from public witnesses.

PUERTO RICO DEMOCRACY ACT

Committee on Rules: Granted, by a non-record vote, a structured rule providing for consideration of H.R. 2499, the "Puerto Rico Democracy Act of 2009." The rule provides one hour and 30 minutes of general debate with one hour equally divided and controlled by the Chair and Ranking Minority Member of the Committee on Natural Resources and 30 minutes controlled by Representative Velázquez of New York. The rule waives all points of order against consideration of the bill except clauses 9 and 10 of rule XXI. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Natural Resources now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read. The rule waives all points of order against that amendment in the nature of a substitute except for clause 10 of rule XXI.

The rule makes in order only those amendments printed in the report of the Committee on Rules. The amendments made in order may be offered only in the order printed in the Rules Committee report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question. All points of order against the amendments except for clauses 9 and 10 of rule XXI are waived. The rule provides one motion to recommit with or without instructions. The rule provides that the Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on Natural Resources or his designee. The Chair may not entertain a motion to strike out the enacting words of the bill (as described in clause 9 of rule XVIII). Testimony was heard from Chairman Rahall, Representatives Rangel, Gutierrez, Velázquez, Hastings of Washington and Foxx; and Resident Commissioner, Pedro R. Pierluisi, Puerto Rico.

AMERICA COMPETES REAUTHORIZATION

Committee on Science and Technology: Ordered reported, as amended, H.R. 5116, America COMPETES Reauthorization Act of 2010.

SMALL BUSINESS TRADE POLICY

Committee on Small Business: Held a hearing entitled "Evaluating the Impact of Small Business Trade Policy on Job Creation and Economic Growth." Testimony was heard from public witnesses.

COLUMBIA RIVER—SAN FRANCISCO BAY PROTECTION

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment continued hearings on Protecting and Restoring America's Great Waters, Part II: The Columbia River and San Francisco Bay. Testimony was heard from Representatives Hastings of Washington; Blumenauer and Speier; Nancy Stoner, Deputy Assistant Administrator, EPA; and public witnesses.

BRIEFING—HOT SPOTS

Permanent Select Committee on Intelligence: Subcommittee on Terrorism, Human Intelligence, Analysis and Counterintelligence me in executive session to receive a briefing on Hot Spots. The Subcommittee was briefed by departmental witnesses.

Joint Meetings

COMPREHENSIVE IRAN SANCTIONS, ACCOUNTABILITY, AND DIVESTMENT ACT

Conferees met to resolve the differences between the Senate and House passed versions of H.R. 2194, to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran, but did not complete action thereon, and recessed subject to the call.

COMMITTEE MEETINGS FOR THURSDAY, APRIL 29, 2010

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: Subcommittee on Transportation, Housing and Urban Development, and Related Agencies, to hold hearings to examine proposed budget estimates for fiscal year 2011 for the Federal Railroad Administration and the National Railroad Passenger Corporation (Amtrak), 9:30 a.m., SD–138.

Subcommittee on Financial Services and General Government, to hold hearings to examine holding banks accountable, focusing on if treasury and banks are doing enough to help families save their homes, 2:30 p.m., SD–192.

Subcommittee on Legislative Branch, to hold hearings to examine proposed budget estimates for fiscal year 2011 for the Library of Congress and the Open World Leadership Center, 3:30 p.m., SD–138.

Committee on Armed Services: to receive a closed briefing on United States policy towards Yemen and Somalia, 9:30 a.m., SVC–217.

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Economic Policy, to hold hearings to examine short-termism in financial markets, 10 a.m., SD–538.

Committee on Commerce, Science, and Transportation: Subcommittee on Consumer Protection, Product Safety, and Insurance, to hold hearings to examine children's privacy, focusing on new technologies and the Children's Online Privacy Protection Act, 10 a.m., SR–253.

Committee on Energy and Natural Resources: business meeting to consider the nomination of Jeffrey A. Lane, of Virginia, to be Assistant Secretary of Energy for Congressional and Intergovernmental Affairs, time to be announced, room to be announced.

Committee on Finance: Subcommittee on International Trade, Customs, and Global Competitiveness, to hold hearings to examine doubling United States exports, focusing on United States seaports, 1 p.m., SD–215.

Committee on Foreign Relations: to hold hearings to examine historical and modern context for United States-Russian arms control, 2:30 p.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to resume hearings to examine Elementary and Secondary Education Act (ESEA) reauthorization, focusing on meeting the needs of special populations, 10 a.m., SD–430.

Committee on Homeland Security and Governmental Affairs: Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, to hold hearings to examine developing Federal employees and supervisors, focusing on mentoring, internships, and training in the Federal government, 2:30 p.m., SD–342.

Committee on Indian Affairs: to hold hearings to examine S. 2802, to settle land claims within the Fort Hall Reservation, S. 1264, to require the Secretary of the Interior to assess the irrigation infrastructure of the Pine River Indian Irrigation Project in the State of Colorado and provide grants to, and enter into cooperative agreements with, the Southern Ute Indian Tribe to assess, repair, rehabilitate, or reconstruct existing infrastructure, and S. 439, to provide for and promote the economic development of Indian tribes by furnishing the necessary capital, financial services, and technical assistance to Indian-owned business enterprises, to stimulate the development of the private sector of Indian tribal economies, 2:15 p.m., SD–628.

Committee on the Judiciary: business meeting to consider S. 1346, to penalize crimes against humanity and for other purposes, S. 657, to provide for media coverage of Federal court proceedings, S. 446, to permit the televising of Supreme Court proceedings, S. Res. 339, to express the sense of the Senate in support of permitting the televising of Supreme Court proceedings, S. 1684, to establish guidelines and incentives for States to establish criminal arsonist and criminal bomber registries and to require the Attorney General to establish a national criminal arsonist and criminal bomber registry program, and the nominations of David B. Fein, to be United States Attorney for the District of Connecticut, Paul Ward, to be United States Marshal for the District of North Dakota, Clifton Timothy Massanelli, to be United States Marshal for the Eastern District of Arkansas, and Zane David Memeger, to be United States Attorney for the Eastern District of Pennsylvania, all of the Department of Justice, Kimberly J. Mueller, to be United States District Judge for the Eastern District of California, Richard Mark Gergel, and J. Michelle Childs, both to be United States District Judge for the District of South Carolina, and Catherine C. Eagles, to be United States District Judge for the Middle District of North Carolina, 10 a.m., SD–226.

Select Committee on Intelligence: to hold closed hearings to consider certain intelligence matters, 2:30 p.m., SH–219.

House

Committee on Armed Services, hearing on Security and Stability in Pakistan: Developments in U.S. Policy and Funding, 10 a.m., 2118 Rayburn.

Committee on Energy and Commerce, Subcommittee on Commerce, Trade and Consumer Protection, hearing on the Consumer Product Safety Enhancement Act, 10 a.m., 2322 Rayburn.

Subcommittee on Communications, Technology and the Internet, hearing entitled ''The National Broadband Plan: Competitive Availability of Navigation Devices,'' 10 a.m., 2123 Rayburn.

Committee on Financial Services, Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises, hearing entitled ''Credit Default Swaps on Government Debt: Potential Implications of the Greek Debt Crisis,'' 10 a.m., 2128 Rayburn.

Committee on Homeland Security, Subcommittee on Management, Investigations, and Oversight, hearing entitled ''Laying the Framework for the Task Ahead: An Examination of the Department of Homeland Security's Quadrennial Homeland Security Review,'' 10 a.m., 311 Cannon.

Committee on the Judiciary, Subcommittee on the Constitution, Civil Rights, and Civil Liberties, hearing on Protecting the American Dream Part II: Combating Predatory Lending Under the Fair Housing Act, 1 p.m., 2141 Rayburn.

Committee on Transportation and Infrastructure, to mark up the following: H.R. 5128, To designate the Department of the Interior Building in Washington, District of Columbia, as the ''Stewart Lee Udall Department of Interior Building''; H. Con. Res. 263, Authorizing the use of the Capitol Grounds for the District of Columbia Special Olympics Law Enforcement Torch Run; H. Con. Res. 247, Authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby; H. Res. 1278, In Support and recognition of National Safe Digging Month, April 2010; H. Res. 1284, Supporting the goals and ideals of National Learn to Fly Day, and for other purposes; a resolution supporting the goals and ideals of National Train Day; U.S. Army Corps of Engineers Survey Resolutions, and other pending business, 11 a.m., 2167 Rayburn.

Subcommittee on Economic Development, Public Buildings, and Emergency Management, hearing on Proposed Fiscal Year 2011 Budgets for Regional Economic

Development Commissions, Priorities and Impacts on Regional Economics and Employment, 2 p.m., 2167 Rayburn.

Committee on Veterans' Affairs, Subcommittee on Economic Opportunity, hearing on Status of Veterans' Small Businesses, 1 p.m., 334 Cannon.

Subcommittee on Health, to mark up the following measures: H.R. 1017, Chiropractic Care Available to All Veterans Act; H.R. 2506, Veterans Hearing and Assessment Act; and draft legislation on Continuing Professional Education Reimbursement, followed by a hearing on VA's Implementation of the Enhanced Contract Care Pilot Program, 10 a.m., 334 Cannon.

Committee on Ways and Means, Subcommittee on Trade, hearing on U.S.-Cuba Policy, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, briefing on Flight 253 Forensics, 1:30 p.m., 304 HVC.

Joint Meetings

Joint Economic Committee: to hold hearings to examine long-term unemployment, focusing on causes, consequences and solutions, 2 p.m., 210, Cannon Building.

Next Meeting of the **SENATE**

12:15 p.m., Thursday, April 29

Senate Chamber

Program for Thursday: Senate will continue consideration of S. 3217, Restoring American Financial Stability Act.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

10 a.m., Thursday, April 29

House Chamber

Program for Thursday: Consideration of H.R. 2499—Puerto Rico Democracy Act (Subject to a Rule).

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