

there is a new working energy inside this institution to do what should have been done in the first place.

Now, we have respect for our leadership, and we have respect for the President of the United States. And whatever was presented a few weeks ago that had to be acted upon with such urgency, we are willing to remain and to reconstitute ourselves and to exercise the duties of the office to which we have been elected as our constitution demands.

People don't have to be fearful, Wall Street doesn't have to be worried, we can take care of this. If we look to some of the institutions that have run up into a little trouble these last few weeks, we've seen what the FDIC has done. The insurance programs are working. Savings deposits are safe in our institutions. One can argue whether we should increase the FDIC-insured rate over \$100,000 per depositor, but if we do this right, we can really give strength back to our credit markets because this is not a liquidity crisis, this is a credit crisis related to accounting standards.

We can hear from the best accountants in America. That should have been done. They could have helped us work through this; they were not given voice. We can take a look at the housing crisis, its foreclosure crisis—which is at the heart of the credit seize-up—because we have markets that aren't working there, we have a lot of empty properties, people being foreclosed. There was nothing in this legislation that would do workouts at the local level. Why didn't the Federal Reserve, you know, and the administration, they wanted all this money, but they didn't want money to help Main Street bankers and mortgage holders and families try to work out loans at the local level where we can save people in their homes. My goodness.

These are issues America has dealt with before. There should be calm across the country. The Congress has made a decision, and I believe that we will present a better bill in a very short period of time.

I thank you, Madam Speaker. And what a joy it was to work with Members on both sides of the aisle to do what was right, not what was fast.

□ 1515

The SPEAKER pro tempore. 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.)

EATONTON BICENTENNIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Georgia. Madam Speaker, for over 200 years, Eatonton,

Georgia, has served as the seat of Putnam County and has continuously reflected the American spirit and ideals.

Both town and county were named after American patriots. Israel Putnam was a hero of Bunker Hill, and William Eaton was a famous officer and a diplomat during the First Barbary War.

Eatonton is a gorgeous town with patriotic people, beautiful homes, historic churches, and a magnificent courthouse. Sitting on the famous courthouse square, there's a statue of Brer Rabbit, the central figure of the Uncle Remus stories, which pays tribute to great literary contributions and cultural preservation.

Just outside of Eatonton is St. Paul's Methodist Church, which is over a century old and sits near Rockville Academy, the State's first consolidated rural school. Many generations have used this historic church to worship God, and many individuals have come to know His saving grace within its walls.

There are many Antebellum and Victorian-era homes within Eatonton that survived the war between the States. When General Sherman conducted his destructive "March to the Sea" during that great war, he bypassed Eatonton and left its beautiful homes untouched. Now visitors to the town have the opportunity to see grand American architecture of long ago.

The sons and daughters of Eatonton have served, fought, and died for their country for over two centuries. Every single time America has called upon its citizens for help, the residents of Eatonton have answered. They have served in the armed services, and, during the Civil War, they cared for the wounded on both sides of the conflict.

There are many famous people from Eatonton, but some of the best known are Alice Walker, author of "The Color of Purple"; Vincent Hancock, a recent Olympic Gold Medalist in shooting; and Truett Cathy, founder of Chick-fil-A. These great Americans are products of Eatonton's two proud centuries of history, culture, and religion.

As Eatonton celebrates a great milestone in historic history, I applaud its historical accomplishments. I thank God for its prosperity, and I pray that He, God, will continue to bless this great American town.

Madam Speaker, on another topic, today we did have a historic vote. I encourage our leaders on both sides to listen to Mr. William Isaac, the former Chairman of the FDIC. Democrats and Republicans alike have come to the floor and talked about his perspective solution to this problem we have in our credit crunch.

There are other solutions. Congressman JEB HENSARLING introduced a bill, and I am proud to be a cosponsor of that bill. I'm sure my colleagues on the other side have other alternatives too that they would like to introduce.

But I hope we will bring forward a simple bill that this House produces, as constitutionally we are supposed to,

and then we won't let Mr. Paulson bully us, as he did, to demand his product that we just tweaked around the edges.

Madam Speaker, this bill was a bad one, and that's the reason it went down in defeat. We were offered a little marshmallow of sweetness to put in the bill, but the bill itself was a cow patty with a marshmallow in the middle. And, Madam Speaker, I'm not going to eat this cow patty even though it has a marshmallow in the middle, and many other of our colleagues also refuse to eat it.

We need to have a bill that's simple, that eliminates capital gains for 2 years, that cuts out the mark-to-market accounting that the SEC and Mr. Paulson demand, one that will give insurance to those banking institutions so that they can insure the securities that they have that are mortgaged based, and not have anything else.

And I hope our leaders will bring forth a very simple bill that our colleagues on the Democratic side and my colleagues on the Republican side can put forward and that we can pass in the next few days that will solve this crisis that we have in America and bring us to financial security in this Nation, and I call upon our leaders to do so.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

(Mr. POE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SECRETARY PAULSON'S BAILOUT PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Madam Speaker, just a week ago, Secretary Paulson sent an insult down to Congress, an insult to the American people, an insult to the Constitution, an insult ultimately to the economy of the United States. He sent down a bill that said, in 3 pages, give me \$700 billion and suspend all the laws, and I will do with it as I see fit and I will fix this problem.

Now, one problem with that is, of course, Mr. Paulson reigned as the head of Goldman Sachs while these financial weapons of mass destruction were being created, and he amassed tremendous wealth, taking a bonus of \$39 million in 1 year, accumulating \$750 million when he left Wall Street to go into public service. So people would say, oh, that's just Hank, he's a tough negotiator. That was an absurdity. And it's based on a premise that if the American tax borrows money, \$700 billion, and we take their junk—some pundits called it "cash for trash"—that somehow this would create liquidity on Wall Street and then from there it would ultimately trickle down to Main

Street, to car loans to small businesses to student loans. I never believed that premise, and I think the House of Representatives rejected that premise today.

We have, I think, credible alternatives before us. Mr. William Isaac, appointed by Jimmy Carter but reappointed by Ronald Reagan as head of the FDIC during the previous worst financial crisis in the United States, the savings and loan crisis. Mr. Isaac addressed a number of us in the skeptics caucus and a number of Republicans yesterday and others and said there's a regulatory way to get at this. There's a problem right now. A lot of the banks are actually in pretty good shape. In fact, a lot of these subprime assets, 75 percent of them, are still paying their bills. But they are basically being required to value them at zero right now because of an accounting rule. Change the accounting rule, he said, and suddenly a lot of banks that look like they're insolvent would not be insolvent and they would have money to lend. That would take care of the so-called liquidity crisis, the credit crisis that's out there. Further, he goes on with another technique that was used by him when he was head of the Federal Deposit Insurance Corporation to basically help the banks get through this period with an exchange of documents and a subordinate position on their fair value, not their fair market value when a market doesn't exist, on all their assets after bank examiners looked at it. He used that technique, and he solved a \$100 billion problem with the potential of 3,000 banks going into receivership with the Federal Government, ultimately only at a cost of about \$2 billion. That's a lot better than the Paulson plan, the Paulson premise. We should listen to Mr. Isaac and look at that approach as we revisit this issue.

Further, if we were going to go down the Paulson path, and I don't want to, if we really felt we had to throw money at the top on Wall Street and buy their bad assets, then we shouldn't put the taxpayers on the hook. I proposed something this week and I was told the Street wouldn't like it. "The Street wouldn't like it." The street is coming to us hat in hand. The Street moguls who hate government are on top of their mansion roofs crying for the government to come get them with a financial helicopter. "The Street wouldn't like it." A ¼ of 1 percent fee on every security transaction, something that we levied from 1914 through the Great Depression. In fact, Congress, over the objections of "the Street," doubled the security transfer fee during the Great Depression, and we kept it until 1966 when it just lapsed in the beginning of this deregulatory era. That would raise \$150 billion a year, more than enough for our regulatory institutions to engage in a very active form of assuring the liquidity of Wall Street firms, more than enough to pay for Mr. Paulson's misbegotten plan.

And then there's another approach, a Democratic approach, used by another President, FDR, in the Great Depression. Instead of dumping money on the failures on Wall Street, FDR said, I'm going to rebuild the economy from the bottom up. He invested in roads and bridges. He invested in hydroelectric systems, jobs, the WPA program. He put America back to work. And as they began to consume and the banks and everyone and small businesses did better, guess what. The wealth percolated up to Wall Street. Trickle down isn't working real well for average Americans day in, day out when you see the disparities in this country that are growing and growing and growing, and Democrats should not engage in financial trickle down, which is what Mr. Paulson proposed.

So a simple regulatory approach paid for, if you are going to do the Paulson approach, by Wall Street itself; or, even better, something to solve the underlying parts of the problem with the economy, an FDR-type approach.

SAVE AMERICA'S UTILITY INFRA-STRUCTURE AND SECURE AMERICA ACT OF 2008

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Madam Speaker, even as I stand here on the floor of the House, the residents of the gulf region, the gulf coasts of Louisiana and Texas, are still suffering from Hurricane Ike. We know as well that Hurricane Kyle has been making its way up the east coast. As we look back over the landscape this past year, we see the devastation of so much that has impacted our country through natural disasters—flooding, wind, hurricanes—and we realize that that is, by Mother Nature's way, something that will occur in this Nation on a regular basis.

As a member of the Homeland Security Committee and a chairperson of the Transportation Security and Critical Infrastructure Committee, I introduce today Save America's Utility Infrastructure and Secure America Act of 2008, H.R. 7230. I do so with the hope that Americans will be better prepared, not necessarily the Americans in their homes but the utility companies who every day receive our payments for electricity and finding out in times of trouble they are not prepared.

For example, the blackout of August, 2003, in the northeast, midwest, and adjoining parts of Canada highlighted the need for infrastructure operating improvements.

As the chairperson of this committee, I believe that one of the ways of securing America and making America safe is to go throughout the Nation and address the questions of the sectors that predominately are controlled by the private community. Eighty-five percent of our critical infrastructure is

controlled by the private community. By that they sense that they have sort of a pass. They don't have to invest in improving the infrastructure. So today I introduce this bill because I believe they do have to make a commitment to the rate payers to improve the infrastructure.

For example, in our own State of Texas, our public utility commission instructed, recommended to our utility company in a heavily treed area like my city of Houston to prepluck the trees that would entangle themselves in the above-ground wires. They recommended to them, if you will, to substitute the wooden polls for steel polls. They recommended to them that they should, in fact, secure the transformers.

□ 1530

None of this was done. And they were quoted as saying, it is far more inexpensive to clean up after the fact than to do this work beforehand. So what do we have? What we had in Texas is a tragedy of hundreds and hundreds of people, maybe thousands, impacted negatively by the lack of electricity. People were on oxygen and dialysis in hospitals that were shut down, and the tragedy of a 14-year-old asthmatic boy who lost his life, among others.

For me that is intolerable and unacceptable. If you want the benefit of doing business here in the United States, then you must do it well. So I have introduced this bill to subject those utilities who believe cavalierly that we don't have to do it, we want to keep the money in our pocket, to criminal penalties for those who don't develop vulnerable lists that will know where the hospitals and nursing homes are and where elderly persons and asthmatic persons live so that we can accept the fact that Mother Nature does not come with an appointment, but that we can be as prepared as we possibly can be. So this bill provides criminal penalties.

As well, the bill requires the establishment of vulnerable lists and vulnerable neighborhoods so that we are well aware of what to do. And it also instructs the Department of Homeland Security to ensure that our infrastructure is meeting the standards that it should meet. This I believe is the way government corrects and reforms a system to make it work for the American people.

Madam Speaker, today as a complement to my remarks, we looked to try and correct the market. We didn't quite get there. But certainly I want to express my appreciation for the hard work of the Democratic leadership. It is clear that our friends on the other side could not muster the support for their own administration. I believe however we can make this a better bill. We can make it a better bill by ensuring that homeowners are protected, by putting money into this bill that is particularly set aside for homeowners who may be going into foreclosure. And