

America well for the last century. Congress should adapt it to current challenges on a Jeffersonian model, not the proposed Hamiltonian approach.

**MAIN STREET HOUSING MARKET DEFLATION
MUST BE STABILIZED AS STEP ONE**

Legislation should mandate a moratorium on all home foreclosures for 120 days. Deflation in the housing market has triggered this credit crunch. The Federal Reserve must use its influence through its regionalized structure to bring parties together to work out affected loans to stabilize local real estate and housing markets. That is where the real assets are and where the market must clear and adjust. Before the Federal Reserve and Treasury, or its consultants, can foreclose upon any home, it must first certify under criminal penalty that a workout was attempted with the mortgage. A workout certification on every home will be required. Additionally, a 120-day moratorium will drastically reduce the amount of capital needed. Otherwise, millions more of our citizens will be foreclosed and financial giants like Barclay's will pick up local real estate at fire sale prices.

The cowboy banking that accelerated in the last 20 years concentrated financial power on Wall Street and huge regional mega-banks. The traditional home loan, backed by savings deposits, was converted into a bond that was securitized into international markets. The time tested loan standards of character, collateral, and collectibility were shelved. They must be restored. To reform the system, it must be decentralized, with the community savings and home loan bank system being reestablished, with an emphasis on increasing savings deposits, enhanced local mortgage origination and oversight, as opposed to concentration of activity in Wall Street investment houses. These local institutions should be empowered to do workouts and supported through any housing finance provided. The federal incentives for savings and home loan institutions, as existed pre-FIRREA, should be restored.

In a letter to Congress the CEO of BB&T states, "The primary beneficiaries of the proposed rescue are Goldman Sachs and Morgan Stanley." This is essentially unfair and improperly focused. Attention must be placed on restoring value to local housing real estate markets.

**A NEW FINANCIAL ASSETS MANAGEMENT BOARD
SHOULD BE FORMED TO MANAGE MORTGAGE
REFINANCING AND WORKOUTS (SIMILAR TO
FDR'S HOME OWNER LOAN CORPORATION)**

Board Members: Secretary of Treasury, Federal Reserve Chairman, Comptroller General of the United States, Appointees of House Speaker, House Minority Leader, Senate Majority Leader, and Senate Minority Leader, Appointee from the States Attorneys General, U.S. Attorney General.

**DEPARTMENT OF JUSTICE SHOULD BE
AUTHORIZED TO INVESTIGATE**

Creation of a Special Prosecutor position at the U.S. Department of Justice with authority and adequate funding to track down the fraud, misrepresentation of asset value, insider trading, and related crimes in this scandal.

Funds should be allocated to hire 500 or more attorneys and accountants and support staff to conduct thorough investigation, forensic accounting, and prosecution.

Recovery of assets fraudulently or illegally obtained by individuals, Boards of Directors, and institutions involved shall be required retroactive to the decade of the 1990s to the present.

EQUITY TO TAXPAYERS MUST BE MANDATED

If U.S. taxpayers are forced to fund unlimited private sector bad debt, they must re-

ceive an equity share in every Wall Street financial company proportional to the amount of bad debt held that is shifted to the government.

Since taxpayers are assuming 100 percent of the risk, they should be afforded the benefit of any future profits. Those profits should be placed in a special lock box account for Social Security. The trustee should be restrained to investments in AAA state and local bonds.

Taxpayers who have been up-to-date on home mortgage payments but who will be required to help fund the bailout should be afforded lower interest rates on their existing home mortgages to total the amount being borrowed from them.

A .25 percent transaction fee should be charged on every Wall Street or Chicago Board of Trade transaction and the funds yielded should be used to pay back the loan for U.S. taxpayers, this fee will yield about \$150 billion annually.

**A SELECT CONGRESSIONAL COMMITTEE SHOULD
BE ESTABLISHED**

A cross-jurisdictional Select Committee of Congress should be established in both chambers to hold hearings, do proper oversight, and advise the next Congress and President on mortgage and financial recovery operations and additional means to assure any necessary repayment of the public investment.

**STANDARDS FOR EXECUTIVES AND COMPENSA-
TION STRUCTURE IN THE FINANCIAL SERVICES
INDUSTRY ESTABLISHED**

Compensation for financial executives at all levels should be limited to five year rolling average, made public on a quarterly basis, similar to Securities and Exchange Commission filings.

Alternatively, compensation for top executives at financial houses should not exceed the salary of the President of the United States until such time as the federal government recovers or receives repayment for any financing that may be provided.

Anyone who had major responsibility for buying or selling these junk bonds should be permanently banned from holding any position in any company dealing with financing of any sort.

All bonuses, stock options, and exceptional compensation (present and post for 10 years) for those individuals and their Boards of Directors should be disgorged. This should be a responsibility of the Department of Justice's investigations. Since executives and Boards of Directors were paid for fraudulent transactions and likely insider trading, their earnings were assumed under false pretenses.

New leverage ratios should be devised and incorporated with this law, probably 10:1, not 30:1.

Anyone or any company involved in leveraging or selling any sub-par mortgages involved in the bailout should be banned from employment by Treasury to help in these workouts.

Secretary Paulson and all political appointees in the U.S. Treasury and the Federal Reserve should be required to renew their public disclosure statements as circumstances have changed since their original filings.

All financial institutions and executives that will benefit from this bailout in any way should be banned from making any political contributions this election cycle and during the 111th Congress.

**ADDITIONAL FINANCIAL SYSTEM REPORTING AND
TRANSPARENCY REQUIREMENTS MUST BE RE-
QUIRED**

The Financial industry, including hedge funds, shall comply with new regulations involving disclosure, capital requirements,

conflicts of interest, and market manipulation.

All hedge funds must immediately disclose holdings.

Hedge fund profits must be taxed at the same rate as other financial corporations, their current rate is 15% on current income with a capital gains rate of only 5%.

Consumer credit debt must be reported quarterly to assure Congress has complete information on market conditions that may impact future solvency.

The source of the bailout money must be explicitly identified as well as the costs and nature of the financing agreement. If foreign nations, banks, or sovereign wealth funds provide monies, and trade or defense concessions are inherent in the agreement, Congress shall require certification from Treasury and the Federal Reserve that no side deals were transacted as a part of the agreement.

A provision should be included that if such side deals of any kind that may be implied or thought to exist, the United States is not bound by it.

As part of the legislation, the Secretary of Treasury and the Federal Reserve Chairman are required to provide a statement as to how the arrangement will be executed in order to avoid fueling inflation and rising interest rates.

BANKRUPTCY REFORM

Bankruptcy law should be changed to give bankruptcy judges the authority to: Reset primary mortgages during personal bankruptcies; and Release credit card holder from that debt in personal bankruptcy.

Our nation, our taxpayers, and our communities need real reform or nothing.

**TRIBUTE TO REX COLE AND CATO
CEDILLO**

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

Mr. HUNTER. Madam Speaker, as we study the various proposals that are being circulated right now on the economic crisis, I thought I might take a break for just a minute from that and talk about a bright spot in this country and a shining light in this country, and that is two of the individuals in my community, in San Diego, who provided a wonderful bright spot for hundreds and hundreds of young people.

The first person I would like to talk about is Rex Cole, who was the head golf pro and manager at a place called Carlton Oaks Golf Course, a public golf course in San Diego County, for many years. Rex Cole was known for the fact that every weekend for almost 40 years, and he is now at Cottonwood Golf Course in East County, he would give free lessons to any young person who wanted to come over and be taught the game of golf.

On those Saturdays and Sundays, you would swing by that practice area and you would see that great professional, Rex Cole, out there teaching young people, whether they were 5 years old or 10 or 15, or sometimes 90, teaching them the golf grip and the basic swing and helping them, and not charging a dime.

Madam Speaker, this is a time when we are looking to heroes for inspiration. As Ronald Reagan said, you don't

always have to look to great national leaders or military leaders. Heroes are in these communities all around us, and Rex Cole is one of those heroes. He and his wife Karen have seven children and 13 grandchildren, but, beyond that, they have many, many young people who in a very real way have benefited from Rex Cole's mentorship and from his teaching and from his being such a solid, wonderful member of our East County community.

The other person I would like to mention is the late Cato Cedillo, who was my District Administrator in San Diego, California, in that East County area. I will never forget Cato going out to schools, to grade schools, and teaching young people how to play golf, and going out to the football field and hitting a few shots out there, and then having each young person pledge to him that they would never take drugs, and then giving each one of them a couple of cut-down golf clubs that he had gotten from various professionals in the area, sometimes from Rex Cole, giving them a couple of cut-down golf clubs and letting them have those clubs and take home a bag of golf balls and start this wonderful game.

So, Madam Speaker, I thought it might be kind of nice to talk about two local heroes, two people who gave, and in Rex Cole's case, continue to give so much of their own time and their own substance to the young people in our community.

TRIBUTE TO THE HONORABLE RALPH REGULA, THE HONORABLE DEBORAH PRYCE AND THE HONORABLE DAVID HOBSON

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Ohio (Mr. LATOURETTE) is recognized for 60 minutes as the designee of the minority leader.

Mr. LATOURETTE. Madam Speaker, tonight we are gathered to pay tribute to three of our Members from Ohio who are retiring, and we are going to speak about them in order. But, Madam Speaker, this has been a tough Congress for the Ohio delegation, the 110th Congress. Last year, our long time colleague and friend Paul Gillmor passed away suddenly and unexpectedly, and, of course, just a month and a half ago our good friend and long time colleague Stephanie Tubbs Jones passed away unexpectedly as well.

The news gets worse for us as we now arise to talk about three of our friends who have made the decision to retire: The dean of our delegation, RALPH REGULA; one of our great cardinals when we were in the majority, DAVE HOBSON, "Uncle Dave"; and former judge and the highest ranking woman in the Republican leadership, DEBORAH PRYCE.

Before we extol more, I guess our new dean from the other side of the aisle, from Toledo, MARCY KAPTUR, has asked to spend a couple of minutes with us, and I yield to the gentlewoman.

Ms. KAPTUR. I thank the gentleman for yielding, and am very pleased to join Congressman LATOURETTE in paying warm, warm appreciation and thank-you's, gratitude, so many memories, to our beautiful colleagues RALPH REGULA and DEBORAH PRYCE, and I don't know whether DAVE HOBSON would want me to call him beautiful or not, but I guess I can. He has a beautiful soul.

These are moments that are very hard, because all those years come crowding in on you. For each one of these wonderful, wonderful Members I will at the right time this evening share some personal recollections.

With their eventual departure from here, Ohio will lose over 50 years of seniority. That is a staggering figure. And it isn't just the years, it is the friendships, the experience, the respect with which each of them is held, and the wonderful give-and-take that comes from getting to know Members well across the aisle.

I thank each of them on behalf of the people of our State for the major portion of their lives that they have given to this institution and for every single success that they have had legislatively here, that has helped build a better America and a better Ohio, and I thank them for their personal integrity throughout, carrying that torch forward for our great Buckeye State.

There are many others that wish to speak, and I will reserve at this time, but I just want to say I thank RALPH for your friendship. I thank Mary for hers, for all we have worked on together, including the First Ladies' Library, for all of the park systems all over this country, all of our great work on Appropriations. Those are memories that I will always have.

To DEBORAH PRYCE, one of the few women from the Ohio delegation actually, all the years we have spent here together, and her kindness and her strength under leadership pressures here, as well as family pressures. She was strong and a survivor, and really a role model for us all.

And certainly to DAVE HOBSON, who has this uncanny habit of just being able to weave in and out down all these aisles in this place, and he always seems to know where you are, he finds you in the back in the cloakroom or wherever, and all of our great work on Appropriations together, and his desire to reach across the aisle and to work with us, whether it was defense, whether it was energy, whether it was education, health care.

We are really going to miss you all, each of you. I just thank you for being a friend to me while I have been able to serve here. And I thank Congressman LATOURETTE for giving me a moment here to place a few words on the RECORD. I shall remain throughout this hour. Thank you.

Mr. LATOURETTE. I thank the gentlewoman, reclaiming our time. And as I introduce the other Ohio Members and others from perhaps around the

country to speak about our honorees, I am going to say a couple of things about each of them before I hand it off to our colleagues.

First is the dean of our delegation, RALPH REGULA from Navarre, Ohio. I know his wife, Mary, is with us this evening and watching on in earnest. And if you ever saw a partnership, there is a partnership, RALPH and Mary Regula. Of course, Mary is a star in her own right because of her work at the First Ladies' Library and all that she has done.

Just two quick things about Congressman REGULA. When I was trying to figure out whether I wanted to run for Congress in 1994, I came to visit Congressman REGULA. And if you have been to his office, it is on the third floor of the Rayburn Office Building, and it looks like the Capitol is actually in his office when you look out his window. I think the Congressman saw me sort of admiring the view, and he said, "Well, don't get too excited. It is going to take you about 30 years to get a view like this."

The second thing that is often forgotten now that we are in the 110th Congress, when Congressman REGULA was in charge of Interior, he was the cardinal on the Interior Appropriations Subcommittee, there was a furious assault by very conservative Republicans elected in 1994 against the Corporation for Public Broadcasting, Humanities and the Arts, and Congressman REGULA was really put under the gun and told that, look, you have got to defund the Corporation for Public Broadcasting. No more NPR, no more National Endowment for the Arts, no more National Endowment For the Humanities.

Congressman REGULA was true, RALPH was true to his Republican provisions, but I would dare say that there wouldn't be public funding for those entities today if RALPH REGULA hadn't stood up as a stalwart in 1995, 1996, 1997 and 1998. So anybody listening this evening that enjoys Public Broadcasting and thinks that it has a place in our American experience, I think needs to thank Congressman REGULA.

I will talk more about HOBSON and PRYCE in a minute, but it is my pleasure to yield to my friend from Columbus, Mr. TIBERI.

Mr. TIBERI. Madam Speaker, it is with bittersweet sadness that we are here today. We thought that earlier this year this would be awhile before it came, but it is here before we know it. And it is not really an overstatement to say that these three individuals that we are honoring tonight have dedicated their lives to public service and serving our communities and serving our great State of Ohio, and certainly our country, spending so many years on the ground, in fact 70 years of service to this United States House of Representatives alone.

RALPH REGULA, who served in our military, who served in the Ohio House and the Ohio Senate before being elected to this body in 1972, I will never forget his service to the Appropriations