

This is a moment when we should be talking about solutions. This is a serious moment in America. We have hit a very serious financial crisis in this country. The fact is—well, this morning, I was speaking to a group of bankers, a group of business people, and their concern is heightened. What they are seeking is for Government to, first of all, try to provide a backdrop of assurance to the American people. One of the gentlemen I was speaking with was saying his office is getting deluged with phone calls from concerned investors who are wondering if their lifetime of savings is going to be eroded and go away. So what should we do at a moment such as this? Should we heighten the level of tension and crisis or should we talk in mature, serious tones about the need to come together as Americans first, Republicans and Democrats second—as Americans first—to try to find solutions?

I have seen a lot of finger-pointing. I have heard a lot of blame assessing. Much of it I find as logical as blaming President Bush for hurricanes, and sometimes I wonder when that will begin to occur.

Obviously, there have been things that have been done that have not been right. Maybe now we recognize and we can all come together around the idea that we do need a new regulatory framework for our Nation's financial institutions. We have been going on the same ones that were existing since the Great Depression and days after that. So this has now focused our attention on the need for finding ways in which we can find a way of better regulating financial institutions so we can avoid systemic risk—systemic risk—a risk to the financial system.

For those who are playing the partisan game, the big charge seems to be that somehow this administration was against regulation. Well, not to take the other side and become partisan, but let me try to set the record straight a little bit and talk about what happened. I was a part of this administration for the first 3 years of it. During that time, I and other members of the administration, including the then Secretary of the Treasury, Secretary Snow, and others made a mighty effort to try to get the Congress's attention to begin the process of regulating Fannie Mae and Freddie Mac. Now, anyone who looked at that situation—and it was part of my responsibility as HUD Secretary to partially regulate those entities—knew I did not have the authority to regulate them; that the laws were written in such a way that it made it impossible to have an effective regulator over these two giant and growing entities, and their growth has been dramatic, or was dramatic, from the time after I left HUD until the time of their collapse and Government intervention took place. They continued to grow tremendously.

It is very clear there were efforts by Republicans to try to regulate these entities and there was equally strong

and better constructed efforts by Democrats to not regulate them and to allow Fannie and Freddie to continue business as usual. Finally, this year, we came together—and I commend Chairman DODD and Chairman FRANK for leading both committees of the House and Senate so we could come together in a bipartisan effort to regulate these two entities. Now, if I had had it my way, that regulator would have been stronger and even more capable than the one we put in place, but thank goodness we did act and we created a regulatory scheme. It was a little late to save them because by then the horse was out of the barn. Had we regulated them back in 2003, when I testified before the Banking Committee of the Senate, the Financial Services Committee of the House, maybe we could have begun a new regulatory scheme then, and we could have today perhaps been in a position where those entities would not have had the problems that they ran into. Our efforts were not taken very seriously at the time, and the record is pretty clear about who was in favor of regulation and who was absolutely dead set against it.

The fact is it does no good for us to today, in the midst of this enormous crisis, to be sitting around finger-pointing and trying to score points. The bottom line is we have a problem ahead of us, and the best thing we can do is to utilize sober judgment to try to come together, as I said, as Americans—not Republicans, not Democrats but Members of the Congress, Members of the Senate who have taken an oath of office—to try to do the right thing by the people whom we represent. How can we address this problem? What can we do? In fact, it may not be that there is much we can do. This is not a governmental problem at this moment in time. There is a need for us to look and see what the future of Fannie Mae and Freddie Mac is going to be. Do they belong as a half private, half governmental agency? Does it make any real sense for them to be partially beholden to their shareholders and partially beholden to the taxpayers? I am not sure it does. So we will need to legislate on that issue in a serious manner as to what the future of those entities should be.

Here is one suggestion I would make today as to how we might begin to ameliorate the problem and how we might begin to work together, bipartisanship, to try to find an answer. I believe, from talking to people in the financial world, that one of the serious needs of today's problem, that would begin to ease all these problems, is for us to begin to look to ending the enormous surplus of unsold homes. The fact is people are not buying houses. The fact is there is an oversupply. The fact is supply and demand is out of whack. So perhaps we could, through tax credits, encourage people to buy homes, to purchase homes, providing them with essentially a tax credit that would encourage them, through the tax system,

to purchase a home at this moment in time. If the inventory were to be drawn down, if we had fewer unsold homes sitting in the market, it would make it much easier for the marketplace to then begin to find a bottom—a price floor—that could then begin to ease the burden on all these financial institutions that are holding paper that today is not worth what they thought it would be.

I wish to shift subjects, but before I do, I would make a call that we try to temper a little bit our desire to score a point today on the backs of the American people who are frightened and who are concerned—and rightfully so—about a very difficult problem and try to, rather than finger-point, join hands; rather than finger-point, let's put our hands together, Republicans and Democrats, to work together toward a solution, toward some honest-to-goodness effort. That is what the American people expect of us. That is why they sent us here, to work together to solve problems; not to try to assess blame and not to try to score political points.

PUBLIC SAFETY

Mr. MARTINEZ. Mr. President, I wish to talk about another matter which has to do with the public safety of our people. Public safety is among the highest priorities of Government. Americans should feel—and have a right to feel—safe in their homes, their neighborhoods, and their communities. Although the national violent crime rate has dropped substantially since 2000, we know any crime is too much crime. As elected officials, we ought to do what we can to prevent criminal acts.

In recent years, my home State of Florida has, unfortunately, seen a rise in violent crime—a very sharp increase. If we look at the numbers in recent years, there is a clear trend: The murder rate in Florida rose more than 28 percent in 2006 and another 6.5 percent in 2007. Instances of armed robbery increased by 13.4 percent in 2006 and nearly 12 percent in 2007. So while the overall crime rate rose only 1.4 percent—and it was the first time in more than a decade—we did see a rise in violent crime.

Many of the crimes committed in Florida are being committed by those with prior records and those who are already fugitives from justice. A U.S. Marshal—a good friend—told me fugitives from justice posed the most risk to society because they have to keep committing crimes in order to keep going and crime then becomes their livelihood.

So that is why, since the creation of the U.S. Marshals Service, their priority has been to capture fugitives. They work closely with local and State law enforcement agencies, they devote the resources necessary to track fugitives across State lines, and they have

several regional task forces set up specifically to go after the worst of the worst criminals.

Currently, my State of Florida falls under the purview of the Southeast Regional Fugitive Task Force based in Atlanta, GA. Given Florida's size, its population, and the escalation of violent crimes, we need a special focus to more effectively target those responsible for the most serious of crimes.

Last year, I requested the resources necessary to establish a regional Fugitive Task Force in Florida. We secured \$2.8 million, and while not enough to establish a task force, it did provide the resources to increase the Marshals' presence in my State. Over the past 10 weeks, the Marshals Service put those resources to work in an effort that they call "Operation Orange Crush."

In Miami, Jacksonville, Orlando, Tampa, Fort Lauderdale, West Palm Beach, and other places, the Marshals Service linked up with other State and local law enforcement agencies and targeted the worst of the worst fugitive criminals.

They went after murderers, rapists, child sex offenders, and gang members, and they very specifically went after violent offenders. The results were absolutely astonishing. Nearly 2,500 fugitives were apprehended. More than 2,900 warrants were cleared, 113 homicide suspects were arrested, and 255 sex offenders were also captured. They also took in 76 firearms and about 100 pounds of illicit narcotics.

Among those captured in Operation Orange Crush was fugitive David Lee Green, an escapee listed on the Marshals' 15 Most Wanted list, and a criminal who has been on the run since the year 2000, out there committing more and more crime. Green was found in Titusville after escaping from a Federal correctional institution in Elkton, OH, where he was serving a 235-month sentence for cocaine distribution. In addition, he was wanted for machine-gun possession.

Another captured fugitive, Rosalino Yanez, was arrested in Okeechobee County.

Authorities in Fort Pierce wanted him for a 2003 murder, when he apparently used a shotgun to fire and kill two men. He is also wanted in Georgia for attempting to commit murder there.

Another arrested was Nolan Woods, who was captured in Miami on a warrant for sexual assault of a minor. So this man was also captured and put behind bars.

These are some of the more than 2,400 arrests that were made. These were made possible because of the additional resources this Congress made available to the U.S. Marshals Service.

Given these statistics and what the Marshals Service was able to do in a 10-week period—in just 10 weeks in my State—demonstrates that there needs to be a permanent Regional Fugitive Task Force in Florida. Rising violent crime rates pose a serious threat to our

children, our families, and our communities. These results demonstrate that Florida has a need, and the resources used will yield the desired results.

Establishing a permanent Regional Fugitive Task Force in Florida will require Congress's support through the fiscal year 2009 and beyond. But given the results of Operation Orange Crush and the outstanding commitment of the U.S. Marshals Service, I am very hopeful we can take the results of this task force and make this be a reality in the coming days.

So I am very pleased, and I wish to give a word of thanks not only to the Marshals Service but also to all law enforcement in the State of Florida who worked together cooperatively to make this terrific result happen.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

THE ECONOMY

Mrs. CLINTON. Mr. President, we have seen the financial landscape in our country reshaped overnight. The titans of Wall Street have been rendered insolvent or even bankrupt. These are firms that survived the Great Depression, world wars, the attacks of September 11, but were no match for a mounting credit crisis that was allowed to escalate in the shadows of our financial system.

The Federal Government has taken over Fannie Mae and Freddie Mac. Bear Stearns had to be rescued by JPMorgan Chase, after the Federal Government guaranteed J.P. Morgan's investment. While they are in talks to keep part of the company viable, Lehman Brothers has declared the largest bankruptcy in U.S. history. Merrill Lynch has been purchased by Bank of America, and the Federal Government has agreed to rescue AIG.

This past Monday, we saw the largest drop in the Dow Jones Industrial Average since 9/11. Now even money market funds are affected; for only the second time in our history, one has been valued at less than 100 cents on the dollar. Alan Greenspan called this a "once in a century event."

In my State of New York, tens of thousands of hard-working employees have lost their jobs. The livelihoods of tens of thousands more who depend on Wall Street's economy are threatened as well.

New York City and New York State, already facing serious economic and fiscal challenges, will now be forced to contend with a battered Wall Street, the lifeblood of our State's economy. The sudden collapse of these firms and the Government takeover of some has shaken our markets and buffeted the economy as a whole. Many are now asking: What is next? I know that New Yorkers and other Americans are deeply concerned and more than a little bewildered. As our markets have grown more complex and interconnected globally, so, too, have the crises that have

emerged. We are still sorting out the details.

One of the consequences of the secrecy and lack of oversight under the Bush administration is that we do not know what we do not know. But it is important to recognize what we do know about what went wrong so we can assess what needs to be done right now to make it right.

What we have seen over the course of the last 8 years is an administration that refused to recognize the threats that lurked in our economy—no matter what lurked just beneath the surface or what problems were facing middle-class families.

We know that many CEOs are paying lower tax rates than their receptionists. We know that President Bush and those who carry his mantle seek to lower those taxes even further. Middle-class families have seen their wages decline, even as the cost of living has skyrocketed. This administration has the worst job creation record in 70 years. Millions of families were locked into ballooning and unaffordable adjustable rate loans as this administration stood by denying there was a crisis. Regulations designed to keep pace with the markets have been steadily chipped away by Washington Republicans even as companies experimented to the tune of hundreds of billions of dollars in ever-more complex and risky financial instruments. Now, we were reassured that the risk was too diversified and investments too sophisticated to put our economy in jeopardy. Meanwhile, behind closed doors, the cracks were showing as the value of mortgage-based securities slipped day by day. And the President and his supporters in Congress repeatedly chanted—and still chant today—the mantra that the fundamentals of our economy are strong.

The administration waxed philosophic when middle-class families started facing foreclosures at record levels. The administration and its allies derided my proposals over the last 2 years to offer assistance to troubled homeowners seeking refinancing as a "bailout." They dismissed my concerns and the concerns of millions of Americans even as the storm clouds gathered. They said they didn't believe the Government should intervene and provide borrowers an affordable opportunity to avoid foreclosure.

Even when I and others warned the Bush administration repeatedly from the start of this crisis, that decisive action was demanded immediately to help families stay in their homes, that that was the best way to stave off a deepening economic crisis, their only responses were predictions for a "soft landing" and that the crisis could be contained.

As I traveled throughout our country, I could see that no soft landing was forthcoming. Many families, hundreds and even thousands of miles from Wall Street, were having their lives turned upside down by the home mortgage crisis and the ripple effect being