

health care, whether it is taking care of your children, thinking about how you're going to care for your parents or grandparents down the road. There is a better way, as you mentioned. There is a better way, and the gentlelady from Wyoming had gone through a great detail of other proposals that are out there that, quite honestly, there's bipartisan support for. The truth is, with the right reforms, we can absolutely control health care costs and lower premiums. This bill does not lower health care premiums. It will be a massive intrusion from the Federal Government on our individual and personal economic freedoms, though.

I yield back for our closing.

Mrs. LUMMIS. I thank the gentlemen from Minnesota, from Tennessee, from Pennsylvania and from Colorado for joining me this evening. People from all over the United States will be paying a house call on Speaker PELOSI on Thursday at noon this week on the Capitol steps. We will be there to greet them and hopefully discuss with them our concerns about the Democratic approach and to offer better solutions.

I thank the Speaker this evening for his kind attention and tolerance of his fellow freshmen Republicans' efforts this evening.

THE ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Ohio (Mr. DRIEHAUS) is recognized for 60 minutes as the designee of the majority leader.

Mr. DRIEHAUS. Thank you very much, Mr. Speaker.

I appreciate very much listening to my Republican colleagues. I, too, came in in the freshman class, along with my Republican colleagues, and I came to the floor tonight, Mr. Speaker, to talk about the economy and to talk about regulatory reform and what we're doing to address the foreclosure crisis here in the United States. But I can't allow some of the comments that I just heard go without challenge.

I heard it said that we've only been given 72 hours to read the bill. Now I think, Mr. Speaker, you probably remember back at the end of July, there was a push to try to vote on the health care plan. I, along with you, I believe, and many others suggested that the American people have time, that they have time to read the health care bill, that we have time to digest this. We went home. We held town meetings. I don't know about the other Members of Congress. I know I had more than 100 meetings on health care during that time period. So we have had far more than 72 hours.

But then they said, We need 72 hours for this particular bill. So the bill, itself, which is simply a modification of bills that we have been discussing, that we've been hearing in committee, bills that we have been meeting on for months was introduced on Friday. I put

it on my Web site. Many people put it on their Web site. There has been plenty of time. If you want to oppose health care, then obviously that is up to you to oppose health care. But let's not hide behind this thing about 72 hours. We have had months to discuss this. We will have far more than 72 hours to look and review the bill at hand.

I also want to talk about small businesses, because I know, Mr. Speaker, you and I have worked very closely on this in protecting small businesses in the health care reform bill. As you recall, the bill as originally introduced had a threshold of \$250,000 for payroll. That is, any small business that had more than \$250,000 in payroll would be subject to a surcharge, a surcharge where they pay their fair share. That has been increased in this bill to \$500,000, a significant increase for small businesses. I don't know what businesses my colleagues from the Republican side are visiting, but I can tell you when I go out to small businesses, be they Democrat or Republican, they're talking about their premium increases. They're talking about their premium increases of 20 percent, of 30 percent. The fact of the matter is, Mr. Speaker, this is all about small businesses. This is about protecting small businesses. Because right now in the State of Ohio, the State I hail from, less than 50 percent of small businesses are able to provide health care to their employees; less than 50 percent. It's because of those rising costs. So while they say it does nothing for individuals, well, they're absolutely wrong. If you're an individual working for a small business and the employer cannot afford health care, this bill helps you; it helps you, and it helps your family. If you're an individual with a preexisting condition, you happen to be ill and you need to get health insurance, you can't do it right now. Does this bill help those individuals? Absolutely. If you're an individual that has health insurance and you happen to get sick, and you need to draw upon that health insurance, right now you can be cut off. This bill says, No. You can't do that any longer. The insurance company can't stop covering you for your illness. So this bill is all about helping small businesses and helping individuals.

I would encourage my colleagues to read the bill. Yes, it's long. But we're beyond chapter books at this point. We are able to read long bills. It's long because this is a comprehensive piece of legislation, and I think it deserves debate. It deserves far more than rhetoric. But rhetoric is what you tend to hear when you come down to the House floor. Rhetoric is what you tend to hear when Republicans line up and give 1-minute speech after 1-minute speech after 1-minute speech, be it about energy or health care or the economy. The other side of the aisle is big on rhetoric, but they're not big on solutions, nor are they big on taking re-

sponsibility. They act as if they weren't here. They act as if they weren't in charge since 1994, that they weren't elected in the Newt Gingrich majority, that they didn't have power until 2006. But the fact of the matter is that they were the party in party. They were the party in control. They were the party as this housing crisis spiraled out of control. They were the party as the rising costs of health care kept mounting and mounting and mounting and harming our small businesses and harming our economy.

THE U.S. ECONOMY

For the 8 years prior to being elected to Congress, Mr. Speaker, I was a State representative in Ohio. I come from a working-class neighborhood in Cincinnati, and I saw house after house being foreclosed on. Now I didn't know what was happening in 2001. I didn't know what was happening in 2002. So we put together a housing task force, and we started asking questions. We started looking into some of these loans that were being floated to my neighbors, to folks in my neighborhood to figure out why these houses were going into foreclosure. And it was interesting. We found that people who never should have qualified for loans were suddenly qualified. People that couldn't even document that they had the income to purchase a home were qualifying for home loans. Then, of course, they couldn't afford to pay the mortgages, and those were the houses being foreclosed on. We call these subprime loans. When people who can't afford to pay their bills, people who have poor credit scores are able to get a loan, those are subprime loans, as opposed to people who do pay their bills and they do have high credit scores. Those are prime loans.

So we looked at this, and we looked at some of the practices of the financial institutions, and we just scratched our heads and said, Well, how is it that a financial institution can float a loan to somebody that can't prove their income, can float a loan to somebody that has a poor credit history, yet they're purchasing an \$80,000 home, they're purchasing a \$120,000 home? How is this happening?

Well, the answer is, Mr. Speaker, it was all about what was going on on Wall Street. It was all about what was going on on Wall Street because what was going on on Wall Street was that people were making a lot of money, and they were making a lot of money off of these products that are called derivatives or mortgage-backed securities or credit default swaps.

□ 2030

The world had changed in the area of mortgage finance in the early 2000s. The world had changed dramatically. What had happened was this. Where in the past if you wanted to buy a home, you wanted to achieve the American Dream, you would go down to your bank, you would go down to the sav- ings and loan, and you would talk to

the loan officer. They would work with you to negotiate a mortgage. They would work with you to negotiate that loan, and then they would hold on to the mortgage paper. And this is important. They held the mortgage paper as part of their portfolio. It was their investment portfolio. It was a long-term investment on the part of the financial institution.

But what we found out was that the world had changed. No longer were these financial institutions holding on to that paper. In many cases, no longer were they the local bank or the local savings and loan. They were out-of-town entities who had never seen your house, and who had never looked at the appraisal. The reason they were closing those loans was because of those mortgage-backed securities on Wall Street. You see, they were able to close those loans and they would immediately sell them. They would sell them on the secondary market, and then they would bundle the loans into thousands of mortgage loans that were sold on Wall Street as a security, a mortgage-backed security.

So what happened? Well, the folks that were closing the loans, because they were no longer holding the paper, because they no longer had any skin in the game, they were qualifying everybody that walked in the door. They were qualifying everybody that walked in the door at the highest prices they could possibly get. So, rather than saying, you know, we are going to put you in a 30-year fixed because it is a more stable product or a 15-year fixed because it is a more stable product, we are going to get you in this 3-year, adjustable-rate mortgage. And, oh, by the way, this rate, yes, it is a good rate right now, but it is going to adjust in 3 years. Oh, and there is this little prepayment penalty that is also in the loan. So, yes, I know it is a stretch for you right now, you who are a subprime borrower, you who don't have a steady job, and you who may be making a stretch to make this loan payment every month, yes, I know it is a stretch, but you can qualify. You can achieve the American Dream.

The reality was this, in those 2 or 3 years when that interest rate started adjusting, and in some cases it was adjusting every 3 or 4 months, when it started adjusting, that stretch was no longer a reality for many of those families. They tried to get out. They wanted to renegotiate, but they couldn't renegotiate because they had this prepayment penalty of a thousand dollars or \$2,000. So if they couldn't afford their \$600 a month loan, they are not going to be able to afford the \$1,000 or the \$2,000 in the prepayment penalty. So they give up. They throw up their arms and walk away. That is a foreclosure. That was happening time after time after time in my neighbor and neighborhoods across Ohio and across the country.

So what do we do? Well, we in the State legislature said wait a minute,

we have to do something about this. We have to stop this predatory behavior. And we tried. We tried in the State of Ohio. But in the State of Ohio, like so many other States, we had very little authority because the financial institutions were regulated by the Federal Government.

So we turned to the Federal Government to help us out. This is where we get back to who was in charge. In 2001, Stephanie Tubbs Jones, a tremendous Congresswoman from Ohio, introduced predatory lending legislation. And we had predatory lending legislation introduced in every session of Congress after that. So in 2001, we could have done something. In 2002, we could have done something. In 2003, we could have made a difference. In 2004, we could have enacted predatory lending legislation. In 2005, we could have protected those homeowners. In 2006, we could have done something about it.

There were millions of homes going into foreclosure, but this body stood silent. This body, controlled by the Republican Party, stood silent, and they didn't address the foreclosures. They didn't address the runaway greed on Wall Street in the form of mortgage-backed securities and derivatives that were leveraged up to 30 and 40 times. They didn't address any of it. They said the markets will work it out. We don't need government intervention.

But when housing prices went south and the investors in those mortgage-backed securities soon learned, you know, those mortgages aren't worth much, all of a sudden the bottom fell out of the market. And that inaction, it is that inaction that caused this recession.

This was a recession precipitated by the financial markets. It was precipitated by what was going on in mortgage finance, and it caused the near collapse of our economy. It caused the near collapse of financial institutions across the globe.

So at the end of last year, in September of last year, the Congress was asked, President Bush pleaded with the Congress to pass a bailout for the banks, a bailout that many Americans never wanted to see. But the reality was that things had gotten so bad that but for the intervention of the Federal Government, we could have had the collapse of the financial markets globally all due to the inaction of the Federal Government.

That's where we were. And so now we hear Republicans come down to the floor of the House and act as if the world just began in January of 2009, acting as if all of these problems started just this January. I liken it to this, Mr. Speaker. When I go out and talk about the mortgage crisis and the calamity that has occurred, I say it is like somebody causing a 20-car pileup on the highway and then we show up with the tow truck to try to clean things up, and they start yelling at us for blocking traffic.

You see, we have been elected to clean up the mess, we being elected to

clean up the mess caused by the inaction. That is what we are doing. That is why in the Financial Services Committee we are working on regulatory reform. That is why this Congress has passed predatory lending legislation. That is why this administration has worked to save thousands of homes across this country.

I am joined tonight, Mr. Speaker, by my friend, also a new legislator, from the State of Connecticut, JIM HIMES, who has been a tremendous member of the Financial Services Committee, bringing both experience on Wall Street as well as in the neighborhoods.

JIM, why don't you talk a little bit about from your perspective and what you have seen.

Mr. HIMES. I thank the gentleman from Ohio, STEVE DRIEHAUS, for yielding and for organizing this discussion on this important topic, which is how we restore prosperity to the U.S. economy, how we generate jobs to replace those that have been lost in this, the most challenging recession that we have seen in decades.

I am glad that the gentleman from Ohio talked about foreclosures. I represent Bridgeport, Connecticut, which is a wonderful city that also happens to have the highest density of foreclosures in the State of Connecticut. Bridgeport is a city full of people who were on the verge of becoming middle class homeowners, who were nurses and teachers and scraped together the money to buy their first home. And now we talk about these foreclosures. These are families that find themselves having lost the money that they scraped together to become American homeowners, and worse, having lost their homes. If you don't have a stable home, you do not have the foundation that you need to access the American Dream.

Our home is that spot that determines where we work. It determines the community in which we are a member. It is just about everything in terms of building that foundation for economic prosperity. And as we saw, there were far, far too many shenanigans in the mortgage market. The gentleman from Ohio and I have been working very hard in the Financial Services Committee on something that is technical, it is esoteric, it is unglamorous, it is never going to appear on a campaign bumper sticker, but it is terribly, terribly important, and that is reforming this Nation's financial services regulatory regime which failed us miserably. It failed us absolutely miserably in the last 10 years.

This is technical work. We are talking about really toeing a very tough line here between making sure that our banks and our financial services institutions are here, employing Americans, paying taxes in cities like Stanford and New York City and Chicago and Los Angeles, innovating, being a world beating industry, but of course never again putting us in the position that

we find ourselves in today, millions of jobs lost and billions of dollars of taxpayer money brought to the table in the last Congress to bail out these institutions because had they not been bailed out, we would have seen a global financial meltdown.

People forget what it felt like 9 months ago when we really worried that the major financial institutions of this country and of the world, frankly, could go under. Think about what that means. A major bank simply goes under. That bank is a lender to small businesses that make payroll. Except when the bank goes under, all of a sudden the payroll money is not there, and the workers of that small business go to the ATM and there is nothing there. That is global financial crisis, and that is what, obnoxiously, this government had to bail out.

So how do we prevent that from ever happening again? The gentleman from Ohio and I, we have spent hours and hours listening in Financial Services, listening to the minority party tell us what we are doing is going to cost jobs, that this is the end of capitalism, that this is not a market economy, and they are dead wrong about that. They are dead wrong about that because they forget about something critical to our entire financial services business. They forget that without the faith of the American consumer, the American investor, the American bank customer, without that faith, we do not have a banking sector.

I have been sitting in Financial Services now hours and hours and hours listening to this, this is the end of capitalism, this is going to kill jobs. We have seen this movie before. We have seen exactly this movie with exactly this script with exactly the same players. It happened in 1933 and 1934 when this government, the government of the United States, last set about to rise from the wreckage of an economic catastrophe caused by, amongst other things, financial irresponsibility, and this House was left to pick up the pieces.

This House put in place in 1933 and 1934 the fundamental legislation that came to be what governed our banks and our securities companies for the next 70 years. And if you look at what was said in 1933 and 1934, you could be here today. You would have heard about the death of capitalism and how this didn't make sense in a market economy and about how jobs would be lost; and they were wrong then, as they are wrong now.

In fact, in 1933 and 1934 when regulatory laws were passed, with which I am deeply familiar, having spent some time in the banking sector, when those laws were passed, we created that thing which is necessary for a robust capitalist system to survive. We created a level playing field in which your average American family, your average American business could have confidence.

And what happened after 1933 and 1934, after seeing decade after decade of

financial crisis, every 7, 8, 9 years, starting in 1933 and 1934, we saw, and the regulations that this House put into place contributed mightily towards the single longest period of prosperity in American history and in human history. Why, because people had faith. Why, because until regulations were loosened, there were no mortgage brokers saying you have no income, you have no job, no problem, we have a mortgage for you. We didn't have securitized products whereby you took paper that you knew was questionable and you bundled it all up, you got yourself a AAA rating and you sold it down the road.

□ 2045

It's like musical chairs, right? You get paid, and it doesn't matter because the problems, the time bombs are in somebody else's portfolio. These were things that developed as our regulatory apparatus failed to keep pace with changes in the financial services industry.

What we are doing now, if we do it right—and I have confidence that we are doing it right—we will restore that faith, we will restore that confidence and once again set us up for the kind of prosperity that we saw for decades after 1933 and 1934.

What are we talking about here?

Mr. DRIEHAUS. Well, you know, I just want to echo your comments, Congressman, because what I see is fierce defense of the status quo by the Republicans, and I think it's important to remind people what the status quo has brought us.

I mentioned earlier I come from Cincinnati, Ohio. Just last year, this is what Hamilton County looked like in terms of the foreclosure map. You can see there were thousands of foreclosures in Hamilton County. There were thousands of foreclosures across the State of Ohio. And when there is a foreclosure next door or when there is a foreclosure across the street, it doesn't just affect the family and the financial institution that agreed to that mortgage. It affects the neighbor next door; it affects your property value; it affects the schools when kids have to be pulled out of the schools; it affects the small businesses down the street when doors are shuttered, when windows are shuttered in neighborhoods. It costs entire neighborhoods.

Mr. HIMES. That is such a critical point. I would just like to emphasize that is such a critical point. There has been so much discussion about the irresponsibility of some homeowners who bought houses they couldn't afford, who had mortgages they knew they couldn't repay sold by people who knew there wasn't a chance that they were going to get repaid.

Many of those criticisms are exactly right, and we have a whole other conversation to have about how we make the American household more responsible, save more, take on less debt, be more responsible like our grandparents

were. That is a whole other conversation that we need to have.

But the point is so important that this isn't just about individual irresponsibility; this is a public community problem. As the gentleman says, when you see a foreclosure on a block, every other property value on that block goes down. This has been shown time and time again by the economists.

So irresponsibility, if it was that, affects the neighbors. And there is no way that this Congress, when faced with that kind of a problem to the community, should stand silent and watch people's property values go down and neighborhoods crumble, dark houses, lack of commerce. We have to stand up and say we have to put a stop to this.

Mr. DRIEHAUS. But, again, I go back to this time period when we saw thousands of foreclosures across our States and we were begging the Federal Government to do something about it. And what is the response we hear today from the Republicans who were in charge at that time? They blamed the Community Reinvestment Act, passed in 1977, a bill that incentivized financial institutions to make loans, to make good loans in the neighborhoods where loans weren't going. The Community Reinvestment Act didn't say make bad loans. It said make good loans, and we, the Federal Government, will give you credit for making loans in those communities. It has worked well, and it has served our communities well.

You have worked in community development just like I have, and we know how valuable the Community Reinvestment Act is to those communities. But the Republicans, in order to hide from the failure of inaction, want to point to an act passed in 1977 and say somehow that this Community Reinvestment Act was forcing banks to loan into these neighborhoods. Ben Bernanke, the Chairman of the Federal Reserve, said that's ridiculous, that just didn't happen. And the Community Reinvestment Act has served us well. But enough, enough of the blame. There is so much blame that is offered in this Chamber.

What do we know? The fact is we were elected to do something about the crisis. We were elected to clean up that pileup on the road. So when we came in with this administration, this administration acted very aggressively in terms of addressing foreclosures. We passed a very aggressive bill that cracks down on predatory lending.

The administration, working with the Department of Housing and Urban Development and working with the Department of the Treasury, has initiated a foreclosure prevention program that has already saved hundreds of thousands of homes in the United States. We passed a credit card bill that protects consumers and protects consumers against credit card companies who are increasing interest rates and increasing fees on consumers.

We just, last week, passed the Consumer Financial Protection Act, which again brings financial protections to consumers around financial products. You know, it was often stated in the State of Ohio that you had more protections purchasing a toaster than you did a house. In many cases that's true because we do have consumer protections when it comes to products, and we do have consumer protections when it comes to toys; but we didn't have much in the way of consumer protection when it comes to the most valuable purchase of your life in the case of many of us.

Mr. HIMES. So many of the ideas that are incorporated into the legislation that we have been working on are fundamentally commonsense ideas. This notion that you should be able to sell a mortgage to someone who doesn't have an income or who is unwilling to show you the documents that verify his or her income, what flavor of insanity is that? Why is it controversial that a consumer finance protection agency should take a hard look at that? This is common sense.

You know that derivatives, which so few people understand, but people know that derivatives, credit default swaps at AIG were a huge contributor to the meltdown. AIG was writing contracts, making bets that it didn't have a prayer of honoring when things went bad. So you look at that and you say, gosh, they didn't have a regulator, nobody was looking at it. And there are whole swaths of financial services that didn't have regulators. There were plenty of areas that did, but there's AIG writing credit default swaps without any oversight.

So in the derivatives bill—and for the life of me I don't understand why that one became a partisan issue. We didn't say you can't do derivatives; we didn't even put limits on the amount of derivatives that you could assume. We did say, however, that if you're going to buy yourself derivatives, you're going to clear those derivatives on a clearinghouse if the clearinghouse will take it. You're going to trade them on an exchange so that there is transparency, so that we know who's doing what to whom, what the price is, what the volume is, so we get to see and the regulators get to see and the markets get to see who's taking what kind of risk.

This is a fundamental notion of a market economy, transparency and good information, which is at the heart of that derivatives bill, and somehow that was opposed. Common sense, critical to the markets—going to be awfully important to making sure that an AIG never occurs again—and yet it was controversial.

Mr. DRIEHAUS. Well, talking about the credit default swaps at AIG, not only did you have the people engaging in the sale of credit default swaps, which they knew they could never honor, but they were getting bonuses for doing it. There were perverse incen-

tives at play at AIG and at other financial institutions that incentivized payment structures for the sale of these very instruments. So when we wanted to look at executive compensation, we were criticized by the other side. And we said, look, we're not trying to take away people's pay; we believe in fair pay for hard work. But what we don't believe in is these compensation packages that incentivize incredibly risky behavior when the individual engaging in the practice doesn't have any skin in the game.

Mr. HIMES. You're right about that. There was so much hysteria about the discussion around compensation, that somehow the U.S. Government is going to start determining what people should be paid. And the reality is, in all honesty, this House from time to time contributes to that kind of hysteria. But here's another example of just pure common sense.

All we're saying, and I think all the Federal Reserve and the Treasury and those who are concerned with compensation, all we're saying is this: we're saying exactly the same thing that shareholders and owners of every company believe to the core, which is, if you're an executive and you create good value in the long term, you're a long-term value creator, get paid well. That's the American way. But you don't get to be paid well for failure. You don't get to be paid huge for taking enormous risks that look good on day two, but which bring the system down on day 10. The interest of this institution has been exactly the interest that shareholders have: let's make sure that the system is set up to reward people for good, long-term value creation.

People get very concerned about the TARP and the compensation within the TARP. Very special case. And I know that everybody in this Chamber hopes that we never see another TARP again. The TARP of course made the government a major shareholder in many institutions which, of course, as I have been saying, gives you a pretty significant vote on compensation. But again, common sense going forward, let's make sure our executives are rewarded for that which benefits the shareholders, good long-term value creation.

Mr. DRIEHAUS. And as you know, we are now looking at the systemic risk that is involved in all of this, that is, what is the risk inherent with some of these products? What is the risk inherent with some of these institutions that have been deemed too big to fail? Shouldn't we regulate that? Shouldn't we regulate those institutions? Shouldn't we regulate those products so that they don't get too big that their failure could bring down the economy? Shouldn't we regulate those instruments, those financial instruments that if they fail would cause hundreds of thousands of foreclosures across the United States? Isn't that in the best interest of the people of the

United States, to step in and actually regulate this behavior? That's what we're taking on right now.

But every step of the way, Congressman, every step of the way when we tried to protect consumers from the credit card companies, so many Republicans said no. When we tried to establish the Consumer Financial Protection Agency to protect consumers who were trying to buy homes, the Republicans said no. When we're looking at systemic risk, we're now hearing it on the other side: no, let the status quo rule. The status quo has brought us the worst recession in our lifetimes.

Mr. HIMES. And this is another good example of common sense.

At the core of what we are trying to do is to make sure that no institution ever gets bailed out again with taxpayer dollars, that we never again see an institution too big to fail. So what are we saying? Are we coming up with something new and radical? No. What we're saying is that if you are large and interconnected and create some systemic risk, you will be more closely scrutinized by the regulators than if you're just a small community bank. You will be required to hold more capital against your activities. Commonsensical stuff.

And maybe most important—and this is where we get to doing away with the concept of too big to fail—if you make bad decisions, if you as a systemically important institution are in danger of failing, we're not going to do something radical; we are going to do something that this country has been doing for 70 years, unwinding, in an orderly fashion, the operation of that bank.

The FDIC has had resolution authority and has been unwinding failed banks in a calm and orderly way for decades. And now we are saying, if you blow it, you fail, but you're going to do it in such a way that there is no risk that you bring down the financial system. That is hardly anything other than a nod of our hats to what has been so successful in this country for decades.

Mr. DRIEHAUS. In the end, Congressman, this is about protecting jobs because this recession has cost millions of jobs across this country. We have millions of families suffering today because of the inaction of Congress, the inaction of the Federal Government when it came to the runaway greed on Wall Street. We've paid the price, so now we are picking up the pieces. But we see unemployment in the double digits. We are now seeing some improvement when it comes to those unemployment rates; we are seeing fewer people losing their jobs.

But we are joined now by our good friend, Congressman JOHN BOCCIERI, my colleague from Ohio. And certainly in northern Ohio just as southern Ohio we have seen tremendous job loss. But we are about action. We are about picking up the pieces and trying to put it back together, as opposed to the inaction of the other side.

Mr. BOCCIERI. Well, I thank the gentleman from Cincinnati. And I thank him for his previous work in the State legislature together as we tackled the very insidious predatory lending practices that were plaguing our part of Ohio.

□ 2100

I think that we have got to break this down for the American people and explain to them that what is happening on Wall Street is affecting their pocketbooks today. When you walked into a bank or when you walked into a lending institution in Canton, Ohio, and when you asked them for a loan several years ago for a mortgage on a new house, they made it relatively easily, and oftentimes they would loan at 120–130 percent of the value of that asset, of that home, oftentimes hedging that risk or putting that risk in that note and then selling it to some investment bank on Wall Street.

Now, when they sold that, when that small mom-and-pop lending institution sold that loan and sold that note, they then bundled these things together on Wall Street. Then we had folks who were betting on these mortgages lasting a long, long time, but there were also folks—bad actors—who were betting that people were not going to be able to pay their mortgages. They were betting on Americans failing. I think that that is what we have got to tackle in this regulatory reform—making sure that this does not happen again.

You know, we look at it on the oil market and on the commodities market. We have folks who are betting on the price of oil going up and who are betting on people failing to pay their mortgages. Is there a bet that Wall Street won't make against the American people? I think enough is enough, and we have got to stand for reforms that are going to make sense.

I agree, like my colleagues here, that the government should set the out-of-bounds markers. We should set the goalposts. We should allow the free market to operate in between but be a good referee. When someone goes out of bounds, throw the flag and say that they committed a penalty. Now, we can have this debate, a robust debate, about where we put these markers. Do they start here or do they start in a much wider fashion? Yet we have got to find some way to make certain that the regulatory reform is going to catch these bad actors and will not allow them to bet against the American people. I think we owe that to the people we represent.

Mr. DRIEHAUS. Well, I think the point is well taken because this is about creating boundaries.

You know, we often have this discussion back home about free markets and capitalism and about allowing free markets and capitalism to thrive. That's what we're all about. We support that and we support that wholeheartedly, but when the behaviors of certain actors on Wall Street or when

the behaviors of people acting within the free market cause harm to the public good and cause harm to neighborhoods, it is the job of the government to step in and say, Hold it. Wait a minute. It's okay if you make a profit. It's okay if you sell your goods. It's okay if you produce those goods, but if it's causing harm to the people we are sent here to protect, then maybe we need to intervene. Maybe we need to regulate in a reasonable fashion. That's what we've been doing on Financial Services. It's all about commonsense regulation. It's about stepping in and protecting consumers.

On the other side, all we hear is "no." It's just like health care. It's just like energy. Yeah, they'll step up and say, Yeah, this is a problem. Oh, yeah, this recession is a problem. This double-digit unemployment that we see in our States, yeah, that's a problem.

When it comes to solutions, the book is really thin on the other side.

You know, yeah, we introduced big bills on health care. We introduced bills on energy to protect our energy security across the United States. Yeah, we introduced several bills to regulate properly the financial markets.

We're doing the work of the people, and we're fixing what is broken. The other side is saying, Let's leave it broken because the solution is not something we want to see. That's the problem.

Mr. BOCCIERI. Well, we know what they're against, but what exactly are they for? Are we going to fix our energy crisis that we have in the country? Are we going to fix the economic situation we find ourselves in? Are we going to stand up and fight for the American people or are we just going to push for the status quo and allow these things to happen?

Let us be clear. There are some very good people who work on Wall Street. There are some very conscientious people who work in our financial markets, but there are also some folks who have been pushed and moved and who have accelerated their behavior by greed, by avarice. That is what we want to catch. This is what we want to prevent. Can you imagine this?

You know, as for folks who traditionally want to hedge on the price of a barrel of oil or on the price of gasoline, we want to allow them to do that—the folks at aviation and trucking companies in Ohio who want to hedge and lock in a price of fuel today—but when we allow big corporations, national governments, multinational corporations, and big pension funds to bet on the price of oil going up, that no longer is reflective of a very conscientious market.

Quite frankly, what we've found is that artificially we're driving up the price of a barrel of crude oil even though we have more supply than we did years ago. Demand is down. People aren't driving as much because of the economic situation, but we find our-

selves at a point where gasoline prices are on the rise because of what is happening on Wall Street. People now are starting to bet that the recovery is coming soon, and they're betting that the price of oil is going to go up. We've got to stop this.

Mr. HIMES. You know, there's a point that can't get lost here, and I'm conscious, as we're having this discussion, that we're all fathers.

You know, there is blame everywhere to be had for where we are today, and we, day to day, are focused on what we can do better as a government—to better regulate, to better create opportunity, to make these products more understandable to people so that they can make good decisions—but it does at some level come down to good decisions, and we shouldn't let that point, particularly as fathers, go away.

I reflect, as we sort of not just take up financial regulatory reform but as we talk about energy policy and as we talk about health care, if we as families had the same kind of values that our grandparents had—saving and shying away from debt. Of course, we can help on this stuff, right? We've made it awfully easy in this country for people to get into debt without ever knowing about it. Yet, if we were healthier, if we were more responsible about how we used energy and if we were more responsible about when and how we took on debt, like the other problems I've been talking about, we would take huge problems, and we would make them, Mr. Speaker, much more addressable problems.

I'm very interested in this question: How do we as legislators assist in that process?

I don't know that there is a good answer. I do know that, as fathers, there is a good answer. We as a country, I think, need to look back at our grandparents' generation and say, You know what? They got some things right. We need to work with our own families and with our own communities to just say basic things: If it looks too good to be true, it probably is. You'd much rather have some money in the bank than have to go into debt. That's a key point that we, I think, need to get right in this country as well.

I notice that we're joined by our colleague from Virginia, Congressman PERRIELLO.

Mr. PERRIELLO. Thank you very much, Mr. HIMES.

I just want to pick up on what you said about the Greatest Generation. I think part of what made the Greatest Generation great was the concept of deferred gratification—the concept of responsibility. I am going to step up and take care of my family. I am going to save ahead of time. I am going to take that opportunity of the GI Bill, that unprecedented opportunity, to invest in my own education and to help move my family into the middle class.

You look throughout history at empires in decline, and you see this idea—the bread and circus period—in the empire of Rome, and you say, What is it

about that? Well, it's the difference between being a culture of instant gratification—I want it for me right now—and a culture of deferred gratification, or a culture of responsibility.

I think what we've seen in the last few years in this country is really a deterioration of culture and not just of policy and of the market. We really have to point the finger in all sorts of different directions—at the private sector, at the household sector, at people buying homes they couldn't afford, at the government sector of turning the other cheek—and not in the good way but in the way of saying, I'm going to ignore what's happening on the other side. We know right now what we need is this new era of responsibility, which isn't antimarket; it's pro-market.

What I hear from so many of my friends who are in the investment community is that I'm sick and tired of being the responsible investor who makes the right decisions, who doesn't take the high-risk investment, and then I see my colleagues or my peers who did take the high-risk, high-return investment get bailed out.

This has to be about a system of rules and predictability that encourages responsible investing. That includes the diversified portfolio, as we all know, whether it's a few thousand dollars of our personal money or whether it's someone taking a larger amount to invest for other people. This is that moment where we can say we want those rules of predictability, where we want to close those loopholes so that we're rewarding good behavior and responsible investing in the same way that, in the energy sector, we need to start rewarding innovation, not rewarding the status quo.

What that means is, instead of always being focused on how can we cash in on other people's misfortune or hedge against that risk, it's how can we create a system that is going to perpetuate the very balance that we need in our market in order to move things forward.

So I think what you and others have been saying tonight is crucial in terms of that sense of not just a shift in policy but a shift in each of us as consumers, as politicians and others, about whether we're going to reward the responsibility of the deferred gratification that the Greatest Generation understood and which will make us stronger than ever before and whether we're going to recreate that comparative advantage.

With that, I yield.

Mr. DRIEHAUS. Well, Congressman, I appreciate the remarks about responsibility because we started this off by talking about responsibility.

You know, it strikes me that the four of us are freshman Members of Congress. When we started running for Congress 2 years ago, none of us knew that we would be walking in the door in January with record job loss in the United States, that we would be in the middle of the worst recession that we

have seen in our lifetimes and that we would be walking into a catastrophe. Now, we could run away from that, and we could say these are tough responsibilities, and we need to just say "no" and pretend like none of that responsibility falls on us or we could do something about it.

I think that I, like all of you, came here to fix the problems. We came here to step up to that responsibility. We came here to protect those American families who were losing their jobs, those American families who were losing their health care, those American families who knew that Congress for so many years had protected the barons on Wall Street but failed to protect them around their kitchen tables.

We hear all the time on the other side that it's not their fault. They weren't here. They weren't in power for 14 years or 16 years or however many years that was. Apparently, they weren't here. Well, it is our job as Members of Congress to take responsibility, and that's what we're doing.

So, when we look at commonsense regulatory reform around financial institutions, when we look at protecting consumers, when we look at stepping up and at modifying mortgages to keep people in their homes, when we look at stepping up and at addressing issues like health care or energy, it is all about our taking responsibility. It is all about this Congress' stepping up and working together to achieve the common goals that help all of our families across this country. We can say it's not our responsibility, and we can take a backseat and just say "no," but that's not what we were elected to do. We were elected to lead, and I think that is what we are doing in Financial Services.

Mr. BOCCIERI. I further agree, if the gentleman will yield for just a moment, that we do have a responsibility to the American people and that we will be judged by action or inaction, quite frankly. In these troubling economic times in which so many Ohioans find themselves, as Teddy Roosevelt said, in a moment of decision, the worst thing that you could do is nothing. I think there is this call to action from the American people to this legislative body to make sure that we set the boundaries, that we set the out-of-bounds markers, that we set the goalposts, and that we make sure that the referees that we appoint are doing a good job.

I have friends who have worked on Wall Street who have said, if we would have just enforced the regulations that we have, this would have been averted, that this catastrophe could have been averted. We have the housing sector and we have the commercial markets now showing signs of breaking, but we have got to have swift action, and we have got to make sure that there is a steady stream and that there is an equal playing field for the least among us—for those folks who are investing in Wall Street and in the markets. We

have to make sure that their investments are protected, that their pensions are there for them when they retire, and we have to make sure that folks aren't gambling on their futures. In my humble opinion, that's what it's all about.

You know, I follow Senator WEBB quite a bit. He has quoted Teddy Roosevelt quite often in one of his most recent books. He has said frequently, as Teddy Roosevelt has said, that the welfare of each of us is dependent upon the welfare of all of us and that we have got to make certain that we are creating this level playing field for the least among us, like my grandparents who arrived here on the shores of America with nothing but the belief and the hope that, if they worked hard, if they persevered and if they gave back to their community, that America was a place where their dreams could be realized. That's what the American Dream is about.

We have a responsibility to make sure that that playing field is level, is equal, so that it's not a slippery slope. It is so, when they begin their climb, their ascent, up the socioeconomic ladder, that America affords opportunity and prosperity. That's what this is about, and that's what the decisions that we are striving for are all about. So I appreciate the gentleman's remarks.

Mr. DRIEHAUS. Mr. PERRIELLO.

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Mr. PERRIELLO. Well, I would just echo, I think you and I both come from similar roots from the mother country in Italy, the motherland, but also what we took from that immigrant experience of our grandparents was that idea that if you work hard and play by the rules, there will be an opportunity for you in this country. When this country rewards hard work and responsibility, this country is better than any on Earth.

But when we get away from those fundamental ideals of American hard work and responsibility, we undermine so much of what makes us different, what makes us special. I was meeting with various members from the EU who were here today in part because Chancellor Merkel was speaking to us. They were talking about that quintessentially American spirit of innovation and entrepreneurship.

The great threat to that in our society right now is not one administration or one policy. It's when the influence on this body and that on the other side of this building is such that it rewards what has worked for the last 20 years instead of what we could be 20 years from now. Capitalism is based on the idea of innovation, on the idea of competition and yet too much in our system we see a rewarding of what has worked, not what could work in the future.

If we are going to deliver for the middle class and the working class of this

country, for districts like yours and mine that once had strong factories and manufacturing bases, we must have the courage to think again about not just the financial sector policy, but an industrial policy, an agricultural policy, a jobs policy for this country.

But the first piece of that has to be putting in place the rules that will allow lending to begin flowing again, not just on the macro-level, but to the small and medium-sized businesses that create two-thirds of the job growth in our areas in Ohio and Virginia. But the key to that is predictability. Predictability means that we have a system of rules that people can work within. Entrepreneurship works within a system of predictability.

We need to have that system of accountability so that those who act according to those rules are rewarded for their innovation and success. That is a quintessentially American idea.

Here we are challenged today because both parties in the Congresses before us have failed to live up to that standard. Many on Wall Street have failed to live up to that standard. But as Congressman DRIEHAUS mentioned, the line we will draw is not between the right and the left, but between right and wrong, not between one side of the aisle or the other, but whether we will solve the problem.

What we will hope people will judge us by is did we step up to the challenge of the time and try to solve that problem. I believe the people on this floor tonight are dedicated sincerely to the idea of problem-solving, not to ideology or to the next election cycle.

Mr. DRIEHAUS. Congressman, I very much appreciate your efforts in those regards. Congressman HIMES, if you want to wrap us up, I yield the floor to you.

Mr. HIMES. Thank you, my good friend from Ohio, my two good friends from Ohio and Virginia. It's a pleasure to be out here tonight with you.

We have talked about a lot of important issues, and one of the reasons I feel proud to be in this Chamber with you and with our colleagues is because we are in a moment of crisis, no doubt about it. We were called in a moment of crisis to lead.

When you lead in a moment of crisis, you lead constructively. You take some risks. You acknowledge, as I know that each and every one of us does, that we won't get this perfect. Very little of what has been produced in history in this room has been perfect; but it has been done constructively, it has been done with the spirit that we will get it right over time, and it has been done by people taking some risks.

In a moment of crisis, it is not leadership to say no. It is not leadership to simply snipe at those who are trying to solve the problems, the problems that affect every American family, the problems that mean that families don't have jobs. They worry about whether their kids will be educated. These are

the things that we are trying to address, and it is just a fine moment that we have been called upon now to push these things to try to restore the opportunity that is so important to American families and to the sense of the American Dream.

Mr. DRIEHAUS. Gentlemen, I appreciate you coming down to the floor this evening. This is about solutions. This is about stepping up to responsibilities. This is why we were elected.

We hear so often on the other side the naysayers come down and talk about what won't work. They don't talk about the responsibility, the common responsibility we have. They run away from the years that they were in charge.

But this is about stepping up to responsibilities and making a difference. While it's not always perfect, we are doing what's right by the American people and doing what's right by the families that elected us to represent them.

Mr. Speaker, I yield back.

VACATING 5-MINUTE SPECIAL ORDER

The SPEAKER pro tempore. Without objection, the 5-minute Special Order of the gentleman from Georgia (Mr. GINGREY) is vacated.

There was no objection.

DOCTORS CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Georgia (Mr. GINGREY) is recognized for 60 minutes.

Mr. GINGREY of Georgia. Mr. Speaker, I thank you very much, and I am proud to spend the next hour as the party of naysayers, as our young colleague from the other side of the aisle just described us. We have, Mr. Speaker, on occasion been accused of being the Party of No.

I have a number of colleagues with me this hour, one of them being my good friend and fellow Georgian, fellow physician, Dr. PAUL BROWN. He and I on a number of occasions just this past Monday, yesterday, I guess, did a number of events together in our great State of Georgia.

We said to editorial boards and television stations, we are the Party of No, guilty as charged; but we don't spell it n-o, we spell it k-n-o-w.

Maybe we do on occasion spell it "no" when we say, Mr. Speaker, we say to the Speaker, NANCY PELOSI, that, heck, no, we don't want this form of health care change to one-sixth of our economy with the Federal Government literally going into the exam room with a bunch of bureaucrats and coming in between a doctor and a patient.

Dr. BROWN and I, Mr. Speaker, and many of our colleagues on this side of the aisle who are part of the GOP Doctors Caucus, there are about 15 of us, 12 M.D.s, some dentists, optometrist, a

clinical psychologist and author, we are very proud of our almost 400 years of clinical experience, Mr. Speaker.

We are very disappointed, of course, that we were not able to offer some of the knowledge, the k-n-o-w part of knowledge, to this debate.

We sent letters, of course, along with many of our colleagues on the Republican side of the aisle to President Obama, especially after hearing from him in the so-called State of the Union when he really took the opportunity to use this Chamber and to call together a joint session to speak to the Nation on health care and made some very distinct promises in regard to the need for medical liability reform, as an example, which we don't see one word of, essentially, in H.R. 3962.

What little bit, what little tiny piece of medical liability reform, adds an insult, Mr. Speaker, to those States that have already enacted, successfully, I might add, medical liability reform like our State of Georgia, like the great State of Texas and the great State of Florida, when it goes on to say these grants, this little minuscule amount of money in the millions, not billions or trillions, which is more applicable to H.R. 3962, when they say none of these grants are eligible for States that have already enacted any meaningful medical liability reform that limits contingency fees for trial lawyers, or has any caps on non-economic judgments, awards.

That's the only medical liability reform, Mr. Speaker, that has ever been proven to be effective in the great State of California that, of course, enacted that legislation called MICRA back in 1978. It's pretty frustrating; it really is.

We are here tonight, Mr. Speaker, to speak to our colleagues on both sides of the aisle. We want to do that in a very respectful way and, again, as I say, to try to impart knowledge to the issue. We have a lot of ideas in regard to what could be done to help improve the greatest health care system in the world that's not perfect. We recognize that, and I think all Members, Mr. Speaker, recognize that in both Chambers. We are willing to work in a bipartisan way given the opportunity. Unfortunately, we have not been given that opportunity.

That's why we keep taking advantage of what little opportunities we have like these Special Orders late at night, or maybe 1-minute. I think on our side of the aisle we have 178 Republicans in this House of Representatives, and I think 120 gave 1-minute speeches today talking about the Republican alternatives, a way to do this, to help make sure that we bring down the cost of health insurance, for those who, if it's 10 million, I don't know the total number, of 300 million people in this country who cannot afford health insurance. We want to bring down the price of the cost of health insurance so they can have access, but also to bring down the cost of health insurance for