

So let me assure the gentleman that we welcome bipartisan participation. I told that to Mr. BLUNT. Mr. BLUNT and I, I think as you know, have a history of working together successfully on behalf of legislation in this body, and I have great respect for him. He heads up your health task force. We have had discussions; and I've asked him to provide me with any suggestions that his task force has that he believes would be useful for us to discuss further; and I'm very hopeful that he will do so. As you know, we put a discussion draft on the table today for discussion. Our side has put some principles out as well. I'm hopeful. I know the President's hopeful that we can discuss those. We did have an unfortunate experience, as the gentleman recalls, when the President said he wanted to sit down and talk about the stimulus, and he was coming down to meet with your caucus, and a half-hour before he got there, your leadership instructed all of your Members to vote "no" on the bill before talking to the President. I thought that was unfortunate. But notwithstanding that, it's our intention to continue to try to seek bipartisan input and agreement where that can be possible.

Mr. MCCARTHY of California. Well, I thank the gentleman. The only thing I would say, having been in that caucus, the President came to the caucus that we had invited him to prior to our retreat because we wanted to speak to this President before. And I will tell you, knowing that these are closed-door sessions, but this is probably one of the best caucuses I had been to. I thought it was very honest, open, talked about the issue, discussed the issue. There were times when the President disagreed with us. He said, I philosophically disagree. But other times he said, You know what, that's a good idea. Let's work on that. But as the President left that caucus, the other side introduced the bill, so in essence in part we felt crushed with the opportunity to even work in a bipartisan manner. But we continued along the trail where we put the working group together, and we didn't go out and score the bill our way. We took the President's scoring, which will tell you how many jobs and how much money it would cost; and our focus was on small business and job creation. It created twice as many jobs with half the amount of money. Our whip, Mr. ERIC CANTOR, personally handed it to the President; and the President said, This isn't crazy at all.

So we, on this side of the aisle, really look forward to working in a bipartisan manner and especially after seeing the scoring on the latest health care bill from the Democratic side, where it would only help 15 million of those uninsured but costs more than \$1 trillion, knowing that that does not solve the problem, but continues to cost taxpayers tremendous amounts of money. I appreciate your assurance that maybe the attitude has changed, that the quote from Congressman JIM COO-

PER to the Politico where he was told not to work with Republicans, that that will change. I appreciate your work on that and the words you have said today.

Mr. HOYER. Will the gentleman yield?

Mr. MCCARTHY of California. Gladly.

Mr. HOYER. Because I know the gentleman doesn't want to mischaracterize my remarks.

I have never said we have changed our opinion. That has been our opinion expressed by our President, expressed by me and expressed by others, that we desire to work in a bipartisan mode. But the gentleman surely understands that there were, I can tell you, people on your side of the aisle who indicated to me that they wanted to vote for a number of the pieces of legislation that dealt with the stimulus; but the party pressure was so great to vote "no" that they didn't feel comfortable doing it. I may in private give you those names so you can check on the veracity of my representation.

Mr. MCCARTHY of California. Well, I appreciate the gentleman because when I was sitting here on the floor, and I saw 17 of your Members join with everyone voting "no," the bipartisan support, that there was a better way, that there was an opportunity. That kind of goes back to the whole debate about amendments. I always thought, coming to this floor, that maybe the power of the idea should win, and no one should be afraid of an idea or an amendment, that we would actually be better. But I think the opportunity to spend time with the gentleman—and I appreciate it if some Members on your side thought differently in the past, that we can get the message out. I appreciate the work that you have done.

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

#### ADJOURNMENT TO TUESDAY, JUNE 23, 2009

Mr. HOYER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 a.m. on Tuesday next for morning-hour debate.

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

There was no objection.

#### PROTESTS RESULTING FROM IRANIAN PRESIDENTIAL ELECTION

(Mr. GARRETT of New Jersey asked and was given permission to address the House for 1 minute.)

Mr. GARRETT of New Jersey. It has now been 1 week since the Iranian people went to the polls to elect their new political leader. And in the last 7 days, the results of the election have been questioned, the media in Iran has been suppressed, thousands of demonstrators have protested, and some of these

demonstrators have been injured and killed. Yet this very morning the supreme leader of Iran compared the election to a family disagreement. He offered no apologies for the deaths of the civilian protesters and, instead, simply blamed the Western media for being Zionist-controlled.

As a Member of Congress, I am appalled at this response and the apparent mockery of a fundamental democratic freedom, the freedom to protest and report on one's own government. We know the demonstrators were harassed rather than defended, and we know that Internet connections were cut and cell phone services disabled. Even foreign radio and television satellites were jammed.

So I ask, is this the behavior indicative of a country that recognizes liberties? I was proud earlier today to vote for H. Res. 560 and express my support for the Iranian citizens who recognize the need for their voices to be heard.

#### CONGRATULATING THE LADY GOLDEN TIDE SOFTBALL TEAM

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

Mr. THOMPSON of Pennsylvania. Madam Speaker, I rise today to congratulate the Lady Golden Tide softball team of Curwensville, Pennsylvania, for capturing the State softball championship in their division.

This is the team's second Pennsylvania Interscholastic Athletic Association Class A title in 3 years. They won on June 12 by a single run against a powerhouse team from Old Forge, the Lady Blue Devils, who had a record of 18 wins and 3 losses.

Tide Coach Allen Leigey said in an interview, "This group of girls has been great, and we're really going to miss the seniors. They've done everything we've asked, and their winning attitude is just tremendous."

Winning Lady Tide pitcher Holly Lansberry also hit the winning run for the team in a 1-0 game. The Lady Blue Devils were on a 17-game winning streak, but the momentum was with the Tide. After the Curwensville run scored, the Lady Blue Devils were shut out by a double play in the sixth inning.

All these women deserve praise for their competitive spirit and their team effort. Coach Leigey can be justifiably proud of these young women who worked hard to get to the finals and to come home champions.

Congratulations to the Lady Golden Tide.

#### MORE NUCLEAR ENERGY IN THE UNITED STATES

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

Mr. WAMP. Madam Speaker, as the House and the Senate continue to look

for solutions to a problem of climate change and global warming, as the chairman of the Nuclear Energy Working Group here in the House, I just would remind everyone that we built our first 100 nuclear reactors in this country in less than 20 years; and we could build another 100 in the next 20 years if we really wanted to take a global leadership role on climate change, carbon reduction, pro-America, 5,000 jobs per plant. We can reprocess the spent fuel and turn it back into energy as they do in other countries, like Japan and France. All around the world they're looking back at us saying, Why does the United States not move towards nuclear power and nuclear energy? We need it from a competitiveness standpoint, from a jobs and economic standpoint, and to lead the world towards cleaner air. Nuclear is the way to go.

□ 1600

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. KIRKPATRICK of Arizona). Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### ENSURING A SOUND CREDIT SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, last Sunday, Treasury Secretary Geithner and the President's economic adviser, Larry Summers, both Wall Street men, wrote an editorial laying out their case for financial regulatory reform, or at least that is what they called it. It fell far short of the mark.

They stated the basis of their proposal is the theory "the financial system failed to perform its function as a reducer and redistributor of risk." Let me repeat that. Their fundamental principle is "the financial system failed to perform its function as a reducer and redistributor of risk." They then advised the President to use that idea as the basis of what he proposes.

I beg to disagree. The purpose our financial system should be to assure sound credit. A financial system should be structured to promote responsible lending and responsible savings practices. We have seen the result of a financial system that lost its way and traveled down the road of high risk-taking with other people's money, a system with no boundaries, no accountability and inherently unstable.

Securitization and risk were at the heart of that failed system. Have we learned nothing? Securitization may spread out risk, but it does not spread out damage when it fails. We see that clearly enough today.

Who on Wall Street who led the charge on high risk-taking is suffering today? They are getting bonuses. I cannot say that for those Americans who are losing their jobs, their homes and their businesses.

Enshrining securitization and risk at the heart of their proposal is absolutely the wrong end of the road to be starting at. Securitization has nothing to do with sound credit. Securitization removes the connection between the lender and the borrower. It does nothing to assure sound credit, nor encourage savings and prudent lending. The lender sells the loan, and they are done. What does the lender care if the profit has been made? They don't.

We don't need more securitization, more credit default swaps, more derivatives and more obligations that are hedged so many times that no one can even find them.

The financial regulatory reforms the administration released this week do not restore prudent financial behavior. That is what is necessary to lead us out of this economic darkness. America needs a credit system that is safe and sound, not risky and not overleveraged.

Yesterday in The New York Times, and I will place this article in the RECORD, Joe Nocera said that if President Obama wants to create regulatory reform that will last for decades, he needs to do what Roosevelt did. "He is going to have to make some bankers," and I would add security dealers, "mad."

But why are Mr. Geithner and Mr. Summers protecting Wall Street? To date, the executive branch has been barking about the too-big-to-fail institutions. But the best they have done is nip at the edges of real reform and fixing what is wrong. Did AIG teach us nothing? An institution that is too big to fail is too big to exist.

Wall Street's bailout taught banks exactly the wrong lesson. It taught them, be reckless. The U.S. Government will make sure you do not take a hit. Just keep your campaign contributions rolling our way.

Take a look at derivatives in their proposal. Why only regulate normal boring derivatives when the derivatives that got us here are the exotic ones that are being protected from regulation? Do we need yet another credit default swap debacle to teach us that every derivative needs to be regulated in a transparent way and over the counter? Didn't the President campaign on transparency? Isn't the best disinfectant sunshine? Let the sun shine too on the Federal Reserve.

Do you know that the Federal Reserve is responsible for regulating mortgage lending? But did the Federal Reserve act when the FBI warned in 2004 that the subprime mortgage fraud

could become an epidemic? No. So if the FBI warned an epidemic was ahead on something that the Federal Reserve regulated and the Federal Reserve failed to act, what makes us think that they can actually regulate anything, and why should we give them more power, which the administration proposal does?

Many more questions need to be asked about financial regulatory reform. We should not rubber-stamp the administration's first idea. Our people want a sound credit system. We should ask for no less.

The first goal of our banking system, as opposed to a securities system, should be to create a safe and sound credit system, one that promotes responsible savings and lending practices. Prudent financial behavior by individuals and institutions should be its primary purpose. The administration's priorities tell me they plan a much larger role for higher-risk securities in whatever system they are envisioning, which to me threatens higher-risk behavior.

Banks traditionally have served as intermediaries between people who have money—depositors—and those who need money—borrowers. The banks' value-added was their ability to loan money sensibly and manage and collect the loans. Securitization broke down that system. The banks didn't much care about making sensible loans as long as they could sell them. The regulators didn't stay on top of it because they foolishly thought the banks had gotten the loans off their balance sheets and the chickens would not come home to roost.

[From The Washington Post, June 15, 2009]

A NEW FINANCIAL FOUNDATION

(By Timothy Geithner and Lawrence Summers)

Over the past two years, we have faced the most severe financial crisis since the Great Depression. The financial system failed to perform its function as a reducer and distributor of risk. Instead, it magnified risks, precipitating an economic contraction that has hurt families and businesses around the world.

We have taken extraordinary measures to help put America on a path to recovery. But it is not enough to simply repair the damage. The economic pain felt by ordinary Americans is a daily reminder that, even as we labor toward recovery, we must begin today to build the foundation for a stronger and safer system.

This current financial crisis had many causes. It had its roots in the global imbalance in saving and consumption, in the widespread use of poorly understood financial instruments, in shortsightedness and excessive leverage at financial institutions. But it was also the product of basic failures in financial supervision and regulation.

Our framework for financial regulation is riddled with gaps, weaknesses and jurisdictional overlaps, and suffers from an outdated conception of financial risk. In recent years, the pace of innovation in the financial sector has outstripped the pace of regulatory modernization, leaving entire markets and market participants largely unregulated.

That is why, this week—at the president's direction, and after months of consultation