and natural gas. We need it all. We need an ''all of the above'' energy strategy to address our Nation's energy needs. I look forward to working with my colleagues to address those needs for our Nation.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRESS ON CREDIT CARD REFORM

Mr. DODD. Mr. President, I see my good friend from Alabama is here as well. I wanted to give my colleagues a little sense of an update. I know we are all anxious to know how we are progressing.

While we haven't had a vote this morning on any amendments, I think words of encouragement might be helpful at this juncture, to let Members know we are reaching agreement or have reached agreement on a series of amendments that will be incorporated into either a managers' amendment or some manner or form.

To give my colleagues an idea of the amendments being worked out: Senator COLLINS of Maine and my colleague from Connecticut, Senator LIEBERMAN, have an amendment on what is called ''stored value'' cards which we will reach an agreement on; Senator FEINSTEIN and Senator CORKER, along with Senator CASEY and Senator GRASSLEY, have an amendment on university—I believe the word is either ''affiliates'' or ''attitudes.'' Anyway, it is dealing with younger people on university campuses and credit cards. We have either reached an agreement on that or are reaching one, but one will be reached on that as well. There is the amendment from Senator LEVIN dealing with deceptive advertising, which I think we have reached agreement on as well. Senator KOHL has an amendment for a study on the marketing of credit cards. Senator FEINSTEIN and Senator GREGG have an amendment on an emergency PIN program FTC study that has also either been agreed to or is in the process of reaching an agreement. Senator AKAKA has an amendment dealing with credit counseling standards. He has been a strong advocate of that for many years and we thank him for it. That is also an issue upon which we have reached some agreement. There is an amendment dealing with usury and an interest rate study which I will offer.

We had a vote yesterday on at least the waiver—we didn't actually have a vote on the Sanders amendment—dealing with a cap on interest rates set to the national credit union standard. I supported the Senator's effort to waive the budget point of order for us to debate that. That is not to say I would have agreed necessarily with that specific amount, but clearly there is a strong desire in the country to get our arms around this issue of exorbitant interest rates. I thought maybe we ought to be doing it, because there are different institutions with different methods of calculating that. We probably ought to take a look at how we can do that in a more comprehensive manner. So there are a number of agreements.

I see my friend from Alabama. Our staffs worked together last night late into the evening and were able to sit down with Members on both sides of the proverbial aisle, as we talk about here, to reach an understanding. While we have not had a vote this morning on any amendments, work is being done to come to final conclusion on these amendments.

There are amendments that we have not reached agreement on. Let me say to my colleagues, cloture has been filed by the leader. My hope is we can finish this bill today. I have a list of 30 or 40 amendments here from Members who wish to offer them. We have a good bill. Is it a perfect bill? No. Is it a bill that Senator SHELBY would have written on his own? No. Is it one I would have written on my own? No. But, again, we have a product that is worthy of this institution's support. It is the first time we have dealt with reform of the credit card issuing industry. At a time when our fellow constituents are being hammered by rising costs, by fees and interest rate hikes that make it harder and harder for them to keep their families together economically, it is a major step forward and it is deserving of our support.

That is not to suggest that many of these amendments are not good ideas. It doesn't mean we have finished this debate once and for all, forever. Obviously, we will be back on these issues. We are in this Congress, and we will in the next as well. We want to see how this works. We believe it will work well on behalf of our fellow citizens. But at some point we need to get moving and get this done, even though it comes short of everyone else's ideal goal. I say that respectfully.

I have some Members with six or seven different amendments they want to offer. If that is the case, we will never finish this bill. I don't think that is in our interests. Every day we delay is a delay for the final enactment of this legislation or the imposition of its standards. Implementation is nine months from enactment. Every day we wait pushes that date further out at a time when we can help our fellow citizens in this matter of credit card reform.

I won't go back through all the provisions that are incorporated in the bill. I have done that several times. I think my colleagues are pretty well aware of what is included. This is a bipartisan bill. People didn't think we could reach this point. We have done so. Once again, Senator SHELBY and I have worked together with our staffs to achieve that. This bill has been roundly endorsed and supported by every major consumer group in this country. That is no small achievement. So there ought to be a moment of pride here that we have put something together worthy of our support.

These amendments I have mentioned already which we can adopt, we will in either a managers' amendment or by some means by which they can be accepted, but then we need to take these other remaining amendments and I need to have colleagues decide whether they are willing to have them modified or studied or whether they are willing to have their amendments not be offered at this time. They can help considerably or we run the risk of losing this bill. I wouldn't have said that a day or so ago, but we are getting precariously close to that outcome: pushing this off to next week. We have the supplemental coming up. When the agenda is taken over by other items, it is very difficult to come back. So here we are on the cusp of actually achieving an unprecedented result and I don't want to see us lose that opportunity.

I urge my colleagues to step up and come give us a hand to try and move forward on this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I wish to join in and associate myself with some of the remarks my colleague, the chairman of the committee, Senator DODD, has made. One, we have what we think, with the Dodd-Shelby substitute, is a step in the right direction. It is a step in the right direction for consumers. It is also a step in the right direction to bring balance to the credit card industry. Is it everything I would want from the Republican side? No, but it is not everything that Senator DODD and some of the Democrats would want. We have worked together to forge an outcome. We have put a lot of thought and a lot of work into this, as have our staffs, who have worked days and nights. We are close. We could pass this bill today if we could bring a few more people together. I think this is a milestone as far as protecting consumers, informing consumers, as well as to give some balance.

You cannot take risk out of the marketplace. You have to consider risk when you make loans. We have some of that in here. But we have great reforms in here that I think we can live with. Some people don't want a bill on both sides, or the others want something that is probably not achievable, not good for the economy, and not good for the American people. We have to remember that the credit card business does extend credit, to some extent, to people where that is their only credit. This bill will at least let them know a lot of the terms upfront. It will let them know what they are paying, and so forth. It is a step in the right direction. I hope we can pass that bill. I would like to do it today.

I yield the floor.

The PRESIDING OFFICER (Mrs. HAGAN). The Senator from Missouri is recognized.

Mr. BOND. Madam President, I thank the managers of the bill for their good work. Their staffs have done a lot of hard work and put in a lot of time on the credit card bill. Their substitute amendment is a reasonable approach that protects consumers from abusive and deceptive lending practices, while allowing financial institutions to implement reasonable standards to account for credit risk.

I rise today to speak on behalf of the modified Durbin-Bond amendment to the Dodd-Shelby substitute. This amendment would clarify the fact that consumers are allowed to receive a discount for purchases using cash, check, or debit instead of credit cards.

All of our offices have heard from credit cardholders who are angry and confused about sudden interest rate increases, hidden fees, and obscure rules. Much of the anger and confusion stems from inadequate transparency in the financial system, which we are trying to address in the underlying bill.

It is not only individuals and families who are struggling with confusing credit card rules. Over the past several months, I have heard countless complaints Missouri merchants, especially small businesses, who believe they are powerless in negotiating credit card fees that are, in their view, unreasonably high and account for a significant portion of their revenue and may, in some instances, equal their profit. As credit card usage has grown to become the dominant form of payment, these fees have squeezed their financial situation.

Small businesses are especially feeling the stress of credit card fees as many of them operate at very thin profit margins. With small businesses being hard hit by the economic downturn and finding more difficulties in obtaining private financing from banks, this ''fees squeeze'' is being felt even more.

Small businesses play a major role in our economy by creating jobs and acting as the catalyst for innovation. In order for our economy to recover and sustain growth, and in order for our small businesses to put more Americans back to work, it is critical that their cost burdens be minimized.

That is why I have always been a supporter of small businesses and believe their tax burdens must be held down. It is for that reason that I believe action is needed to address the credit crisis by clearing out the toxic assets that clog our financial system.

My long-term and strong support for small businesses is the main reason I got involved in the merchant credit card fees last year, and I cosponsored legislation last year by Senator DURBIN to address a key component of merchant fees, called interchange fees. Mr. President, these fees are generally set at around 2 percent. They have not decreased. And studies indicate that rates may have increased over time.

The Credit Card Fee Act of 2008 aimed at establishing a process to allow small businesses to negotiate so that fees could be set at reasonable rates. It was introduced by us. I have met, along with my staff, countless times with concerned stakeholders, credit card companies, banks who issue credit cards, and large merchants to small merchants. We have even held joint meetings with representatives of both sides. While we gained some understanding, key questions remain.

One key question is whether interchange rates are set in a competitive, market driven manner. Despite several months of meetings, we still don't have adequate information to answer that question or whether the fees are reasonable and fair. It was my hope that we would have been able to work out an agreement, but we have not been able to do so.

Chairman DODD has indicated that the issue of interchange fees will have to be addressed another day. He included in the substitute amendment a study by the U.S. Government Accountability Office to provide recommendations and information.

While interchange fees will have to wait for another day, I believe we can take some modest, commonsense steps, and that brings us to the Durbin-Bond amendment, which answers a major question that consumers, including me, and small businesses have raised. It answers the question of whether merchants can provide consumers a discount if the consumer chooses to use cash instead of credit. Current law permits cash discounts, but in practice it is difficult, at best, for merchants to offer this option due to confusion about the rules. Our amendment would ensure that cash discounts could be offered to consumers, and it would update the law so consumers can receive a discount for using debit cards, along with cash and checks, when making purchases.

It is also important to clarify some misconceptions about our amendment. First, contrary to what some poorly informed lobbyists have said, the language doesn't allow merchants to discriminate between certain brands or types of credit cards. It doesn't allow merchants to cut special deals with certain credit card issuers. This means the so-called ''honor all cards'' rule would be preserved and community banks and credit unions would not be unfairly affected.

To be clear, I strongly support our financial institutions that played by the rules and didn't participate in irresponsible and risky lending practices in recent years. That is why I was a strong supporter of the Dodd-Crapo-Bond language that raised the FDIC's line of credit so that community banks did not have to pay higher fees to support the deposit insurance fund.

Second, the amendment language doesn't allow merchants to surcharge customers for using credit cards. In other words, the price displayed on products must be honored, and merchants can only provide discounts.

Third, and most important, this amendment doesn't harm consumers. In fact, this amendment is structured with most consumers in mind. Consumers will benefit from this provision since they will be given the ability to receive a discount for using less costly forms of payment and preserves the convenience of using all forms of payments. I believe that makes it a win-win for comsumers.

Let me be clear so that there is no misunderstanding. This is not an interchange provision. This amendment doesn't allow surcharges. It doesn't give unfair competitive advantage to large banks at the expense of community banks and credit unions. It is not limited to the two largest credit card companies, MasterCard and Visa. Most important, this amendment won't harm consumers and the economy. In fact, the Bond-Durbin amendment is pro-consumer and pro-small business.

While we were unable to address interchange, I emphasize that the Durbin-Bond amendment represents a breakthrough. It also represents our good faith effort to work openly and constructively with all concerned parties with the goal of finding common ground on the issue. I continue to hope that stakeholders will make a good-faith effort to provide us hard data and information to help us understand better the interchange issue.

I am a strong believer in the private markets. But Missourians and other taxpayers across the Nation, as well as policymakers and experts, have significant questions about our private markets given the credit crisis that is at the root of the economic downturn. We cannot afford to take things at face value. Taxpayers deserve greater oversight on financial and business matters so that taxpayers are not asked to bail out irresponsible businesses, and small businesses do not feel that Government policy is unfairly weighted toward ''too big to fail'' companies.

This amendment is a small but important step. It helps Americans save money at the store. It gives American families more choices when they are checking out at the supermarket or cafe. It makes sure small businesses understand the rules and provides them some financial relief. It will provide immediate stimulus, since this is equivalent to a modest but broad tax break. I extend my appreciation to Senator DURBIN and his staff for their collaboration and cooperation in developing this amendment.

I strongly urge my colleagues to support the Durbin-Bond amendment, which is endorsed by small business groups and consumer groups.

I thank the managers and I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. I thank my colleague from Missouri. He is absolutely right. The interchange fees are a tremendously important issue. We have put in, at the urging of Senator CORKER on our committee, a thorough study of the interchange issue. It is complicated, and the Senator is correct. Among small businesses, this is a very onerous area and we need to address it.

I thought we needed to understand the fullness of the issue, so we talked about the study. Senators DURBIN, BOND, and others have a proposal that touches on the interchange issue. We are working with them to see if we can reach an agreement on that. We will make an effort to do that. I thank the Senator for his comments.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DODD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CREDIT CARDHOLDERS' BILL OF RIGHTS ACT OF 2009

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 627, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 627) to amend the Truth in Lending Act to establish fair and transparent practices relating to the extension of credit under an open end consumer credit plan, and for other purposes.

Pending:

Dodd/Shelby amendment No. 1058, in the nature of a substitute.

Landrieu amendment No. 1079 (to amendment No. 1058), to end abuse, promote disclosure, and provide protections to small businesses that rely on credit cards.

Collins/Lieberman amendment No. 1107 (to amendment No. 1058), to address criminal and fraudulent monetary transfers using stored value cards and other electronic devices.

Mr. DODD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Madam President, I have been on the floor often talking about the subprime loan scandal that led to the financial crisis we are involved in, in this country. I have held up charts on the floor that describe the solicitations from the mortgage companies and others that say: Come to us. If you have bad credit, if you have been bankrupt, come to us. We want to give you a home loan.

I have shown all of those—from Zoom Credit, from Millennium Mortgage, from the largest mortgage company in the country, Countrywide—all of them saying to people: You know what, if you have bad credit come to us. We want to loan you some money.

That subprime loan scandal was a tipping point for a significant difficult time for this country's economy and that time includes right now. I have talked about that at great length. But today we are talking about credit cards. The same influence exists with respect to credit cards. We have companies that just wallpaper this country with credit cards. Go to a college campus and try to find out how many credit cards they stick on those college campuses preapproved, saying to these kids: Get our credit card, please. Walk through the concourse of an airport and see how often you are accosted by someone who wants you to take their credit card. It is all over.

Last year the economy tipped over, and we went right into a financial crisis. But in that year, 2008, 4.2 billion credit card solicitations were mailed to consumers. Let me say that again. In the middle of an economic crisis, at a time when there was so much unbelievable leverage and debt out there, companies in this country sent 4.2 billion credit card solicitations to people.

Yes, some of them went to kids. The fact is, I spoke on the floor years ago about my 10-year-old son getting a Diners Club card saying it is preapproved, we want you to consider going to Paris, France. My son wasn't going to France. As a matter of fact, he was 10 years old, for God's sake. He had no money. He wasn't going to get a credit card. Was it a mistake that they sent him a credit card solicitation? Probably. But I went to the floor one day with a whole pile of them, saying you are preapproved, please take this piece of plastic, spend it where you want, as much as you want. Madam President, 4.2 billion new credit card solicitations went out last year alone. They don't seem to care who gets them, as I said with home mortgages, which are much larger than most of the limits on credit cards. For home mortgages they solicited people with bad credit. You have been bankrupt? Come to us. You do not pay your bills? Come to us. That is a business model I never learned about, by the way, but it is what happened. They created the house of cards and the whole thing collapsed.

With credit cards, the big companies out there—and by the way it is heavily concentrated—wallpaper this country with preapproved credit card solicitations: Come to us, load up; come on, spend what you don't have on things you don't need; come on, you can load up on my card.

Then when they got everybody with all these cards and substantial balances on the cards, here is what happened. This is a person from Minot.

My wife and I both have credit scores greater than 800 and have never been late on any of our payments so it is odd that Capital One just sent us a notice that our interest rate on our credit card will almost triple.

There they are, using a plastic credit card, paying their bills on time, and they are told we are going to triple your interest rate. At least they know it. That is not an excuse, but a whole lot of folks don't even know it.

Here is another constituent who wrote to me.

I just wanted to let you know how upset I am with my credit card company—Citibank. They have decided to raise my interest rate to 27 percent. I have always paid my bill on time and have a good credit rating—820. Why would a company who was bailed out by taxpayers because of bad practices then decide to stick it to us by raising the interest rate so high that it is competitive with the local Mafia rate?

There is no Mafia rate in Fairmont, I might say, but I get the point.

Williston, in my State:

Enough is enough. We shored up these banks with our hard earned tax dollars just to have them raise the interest rates on their credit cards to 28 percent and 26.3 percent—that's Bank of America and Capital One—for absolutely no reason. Something must be done.

One more:

I received a letter from my credit card company—

This person from North Dakota writes—

the Bank of America, that they are upping my interest rate from 7.99 to 18.4 on my credit card and we have not been late with a payment. We have been with them for 15 years. I want you to know I am really angry over this. Billions have been going to these banks and this is what we get for it.

Here is a solicitation for a bank debit card, Visa. You might look at that and say what are they trying to solicit? Some 70-year-old codgers who are retired, sitting around worrying about their teeth? No, they are trying to solicit kids. That is the purpose of the bow. It is a little like Joe Camel and cigarettes, except this is much more obvious, a credit card for kids. It is pink with a beautiful little bow.

Here is a statement from Bruce Giuliano, a senior vice president with a company that owned the Hello Kitty brand.

We think our target age group will be from 10 to 14 although it could certainly be younger.

How much younger than 10 years old can you get people to start using credit cards? That is unbelievable.

We think our target age group will be 10 to 14.

Here, by the way, is the Hello Kitty brand I was describing. Does it seem to you like they are targeting that 10-year-old to 14-year-old? It is a nice little pink thing with a kitty, new Platinum Plus Visa credit card with world