

Mr. ROE of Tennessee. Just a very short comment. This weekend, Dr. GINGREY, Mr. Speaker, I had three friends, people I know, diagnosed with some very serious illnesses. It just happened. These three men that I know extremely well, all of them, are getting the highest quality care anywhere in the world, and they don't have to go far from home to get it. I think one of the things that the American health care system has brought to us are new innovations, lengthening of our life span, and the procedures that are done today to extend and improve the quality of life. I am glad to hear no longer, and I heard it for a year, and it was very bothersome and troublesome to me, to hear the other side talk about how bad health care was in America. We certainly have a problem getting health care at an affordable price to all of our citizens, there is no question that is true, but the care that everyone gets is good care.

I can tell you that I have done it myself for people who couldn't pay. And I would stand here and hear people talk, and I am one of the few people on this House floor who had to get up and go to the emergency room at 3 in the morning and see a patient who doesn't have health insurance and try to work him through a system and get them care. It isn't easy. We can do better, and we sure can do better than this bill right here.

Mr. GINGREY of Georgia. I thank Dr. ROE for being with me tonight, Mr. Speaker. There are 14 health care providers on the Republican side. Ten of them are M.D.s. There are five M.D.s on the Democratic side. We have two doctors in the Senate. We probably have 500 years in clinical experience in the aggregate. Let us help.

In closing, I want to refer to my colleague who was here a number of years ago, Dr. Roy Rowland, a member of this body when the Democrats were in the majority. Back in the early 1990s, Dr. Rowland, a family practitioner from Dublin, Georgia, he had a bipartisan bill back then that he worked very closely on with his Democratic colleagues and his Republican colleagues, and he presented that bill. I think it was called the Bipartisan Health Reform Act of 1994, and he offered that in lieu of HillaryCare. Unfortunately, the Democratic majority didn't accept it. Don't make the same mistake this time, Mr. President. Let's do it in a bipartisan way and in a small, incremental way.

BLUEPRINT FOR RECOVERY

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

Mr. BRALEY of Iowa. Mr. Speaker, I was very proud to found the Populist Caucus with a large group of my friends in the Democratic Caucus to

focus on economic issues that affect Americans who either make up the middle class or are striving to enter the middle class. We all know that our country has historically been at its best when we have had a large middle class and our economic policies reflect middle class values, and that is why when we decided to settle upon our founding principles, we decided that we wanted to fight for families by providing them access to quality, affordable health care; to provide them and their children with the type of world class education they will need to compete in a global economy; to make sure that we have a fair wage system for all employees in this country; to make sure that our trade policies provide a level playing field to American workers and American manufacturers who compete with trading partners who just frankly don't quite live up to our standards, whether it is child labor, exploitation of workers, environmental issues, those are the types of issues that we want to focus on as we chart a new future for this country to promote and expand the middle class that we all are so proud to have been a part of.

One of the things that we talked about as we were trying to dig ourselves out of the greatest economic crisis since the Great Depression was what type of a blueprint for recovery we wanted to offer to the American people that was going to be a reflection of the values that we grew up with and give a strong message that, after a bailing out Wall Street, the American taxpayers deserved help on Main Street, and that it was not unreasonable to ask the very people on Wall Street who got us into this mess to help pay for the tab on helping bail out Main Street.

I am proud to be joined by my friends, the gentlewoman from Ohio (Ms. SUTTON) and the gentleman from Wisconsin (Mr. KAGEN), but one of the things that I want to talk about at the beginning is the things that we hear over and over back in our district, because all of us have been out talking to our constituents, going to town hall meetings, Congress on Your Corner and the other events, and the one thing I hear from my constituents over and over is this question: When do I get my bailout?

This is a legitimate question that Americans deserve an answer to from Democrats and Republicans, because if you are somebody who has lost your job or you've lost your home or you've lost your business or you've lost your health care coverage during this crisis, you need to know what is my Federal Government doing to help me out. So when we talk about our response, we are going to do it by talking about these three core values: The Populist Caucus wants to find a blueprint for recovery that is going to spur job creation; it is going to implement fair compensation for executives who helped put us in this problem; and, finally, bring an end to excessive Wall

Street speculation that drove our economy and drove the global economy off the cliff and put us into this deep hole that we have been digging ourselves out of.

So as millions of middle class families look to us and ask when their recovery effort will bring relief to their town on their street, they deserve to know what we are going to be doing to spur job creation, insist on fair executive compensation, and end speculation on Wall Street.

Now, one of the things that we know is that it is very common for politicians and groups across the political spectrum to try to claim the populist mantle. But let me tell you, and I am going to let my colleagues expand on this, the Populist Caucus that we all came together to found was not based upon a bunch of people running through the streets with torches and pitchforks asking for blood. We are there because the problems of the middle class are real. The concerns of our constituents reflect the concerns of America, and we want to come together and talk about serious answers to real problems to help change the lives of middle class Americans.

So with that, I am going to yield to my colleague from Ohio before I yield to my colleague from Wisconsin to talk about some of the critical economic issues she is hearing about from her constituents and why this Populist Caucus response is so critical moving forward.

Ms. SUTTON. I thank the gentleman for yielding, and for your strong leadership of the Populist Caucus and the mission that we are on to restore the promise of the middle class, to stand up for the middle class, and to stand up for those who aspire to the middle class, to make our country work for those folks who are aspiring to the middle class.

We are not something that is complicated. The Populist Caucus believes that strong, immediate action must be taken to create jobs in the United States and to put an end to the excessive greed of Wall Street that brought us to the brink of disaster. And so I am proud to join with you, Representative BRALEY and Representative KAGEN, to stand up and speak to the American people about the fight we are waging on their behalf because that's what being a populist is really about.

When I go home, as when you go home, I hear all about the need to facilitate employment opportunity for the people that I represent in northeast Ohio. All they want is a government that will work with them and for them, to facilitate those jobs, jobs, jobs that are so needed out there. We have heard recently that there is a recovery underway, and there are some signs of recovery, and we have certainly seen a lot of signs of recovery on Wall Street, but there can be no such thing as a jobless recovery, and we have started to hear that term bounced about.

The Populist Caucus is here to say that there is no recovery if our folks

don't have jobs, because this is not just about a country that stands up for the well-to-do. This is the People's House. This body is about making sure people have opportunity, ordinary people have opportunity. And what we will discuss, and when we look back a little bit, it becomes apparent that the economy, even before the excesses of Wall Street came to their full fruition, even before the economy was not working for ordinary Americans, we saw a decade of flat wages in this country while we continued to see skyrocketing health care costs. We saw the GDP rise, and we saw productivity rise in this country, but the American people who were doing the work were not sharing in the prosperity.

□ 2100

So we look forward to developing policies—and that's what the blueprint is all about—that will help deliver sustainable, quality jobs for the American people that will fairly compensate them and put an end to the excessive and disparate compensation that those at the top of the food chain have been taking for far too many years at the expense of everyone else.

And so with that, I yield back to the gentleman. And I thank you again for your leadership; it's been stellar on this subject. I look forward to the mission ahead.

Mr. BRALEY of Iowa. I thank the gentlewoman for yielding.

I think one of the things that we've heard a lot about, Dr. KAGEN, is we've heard people try to explain what went wrong on Wall Street and this concept that sometimes big financial institutions are just too big to fail. Now, I don't know how it is up in northeastern Wisconsin; but in Iowa, if something is too big to fail, it's just too big. So maybe you can help enlighten us a little bit about some of the economic policies that we pursued as a country before Barack Obama became President that have contributed to the enormous challenge we have faced this past year in trying to stabilize the economy before we moved on to a broader response to real meaningful financial reform.

Mr. KAGEN. I thank the gentleman for yielding and for putting together the Populist Caucus.

Once again, as Mr. BRALEY has pointed out, we're populists because we are standing with our feet on the factory floor. We don't have our heads sitting in a board room on a corporation on Wall Street. We do not share their values. We have those working class values that ordinary people have.

This battle that we're in now, this battle for America's future to create the jobs that we need to work our way through today's troubled times and work our way back into prosperity, this battle that we're in didn't just start 10 years ago, it just didn't begin with 10 years of net zero job creation. I will take us back a century because it's really not 2010, it's 1910 all over again.

In the words of Teddy Roosevelt, who, on August 31, 1910, in his speech entitled, "The New Nationalism," set forward the idea of the progressive movement and the Populist Caucus—and I will quote him in part because it was a very long speech:

"Exactly as the special interests of cotton and slavery threatened our political integrity before the Civil War, so now the great special business interests too often control and corrupt the men and methods of government for their own profit. We must drive the special interests out of politics; that is one of our tasks today. Every special interest is entitled to justice, full, fair and complete. And now mind you, if there were any attempt by mob violence to plunder and work harm to the special interests, whatever it may be, that I most dislike. And the wealthy man, whomsoever he may be, for whom I have the greatest contempt, I would fight for him, and you would if you were worth your salt. He should have justice, for every special interest is entitled to justice, but not one is entitled to a vote in Congress, to a voice on the bench, or to representation in any public office. The Constitution guarantees protection to property, and we must make that promise good; but it does not give the right of suffrage to any corporation." We the people have rights, corporations don't.

Now, over the short period of history that we've been here in Congress, beginning in 2006, with Representatives SUTTON and BRALEY and WELCH, we took forward some ideas that we gathered from people. And everywhere I go in Wisconsin, Mr. BRALEY, people are telling me the same thing: We want our money back, we want our jobs back. For too long, our jobs have been shipped overseas. Instead of our values being shipped overseas, it's been our jobs. And here on my left is a short picture of where the jobs have gone.

During the previous administration under George Bush, just before President Obama came into office in January, we had lost 700,000-plus jobs; this January, 2010, 20,000. We are moving up in the right direction. And, yes, we need to generate more jobs, but how did we get into this mess that started really back in 1910 and we're not done yet? We've had two wars at the same time without paying a dime for it; we've had two tax cuts to the rich without paying for a penny; we've had a \$400 billion handout to the big drug companies on Wall Street without paying a nickel for it. And then at the tail end of the last administration we had a looting of the United States Treasury of nearly \$1 trillion while they fed their friends on Wall Street, again, without paying a single dime for it. Well, in Wisconsin, much like in Ohio and everywhere else across the country, including Iowa, we have a saying, you know, there is no free lunch, we have to pay our bills.

So we have to pay our bills, we have to live within our means; and to do

that, the Populist Caucus has put forward a blueprint for America's future, and I yield back my time.

Mr. BRALEY of Iowa. Well, that's a great segue because we not only are talking about values; we are talking about solutions. We're talking about legislation that is going to help us create jobs by generating new revenues, not putting this on the back of the middle class, but helping the people who got us into this mess assume some of the responsibility. And I think one of the cornerstones of our blueprint for recovery is this issue of fair compensation. And my good friend from Vermont, Congressman PETER WELCH, has introduced a bill called Wall Street Bonus Tax Act. I am going to let him explain what that bill does and how it helps achieve this blueprint for recovery by putting some incentives for Wall Street to help rebuild Main Street.

Congressman WELCH, I yield to you at this time.

Mr. WELCH. Thank you very much. I appreciate the opportunity to speak about trying to get jobs to start going up along with the stock market.

You know, it was only 1 year ago in one week that Wall Street, the stock market was crashed to its lowest level in years. In that past year, it has recovered; but while it has recovered, unemployment is still hovering in the range of 10 percent, underemployment is in the range of 17 or 18 percent. There are over 27 million Americans who are seeking work or not working enough, and we are not going to have an economic recovery until those folks are back to work.

How did this happen? It happened, we know, because of the excessive lending, reckless lending largely engineered by Wall Street firms that stood to gain an awful lot of profit. What happened? We, the American taxpayer, had to bail out Wall Street, \$750 billion. People didn't want to do it, but they had a gun to the head of the American economy, and the collateral damage of inaction would have been much more havoc to people's pensions, to unemployment, and to Main Street. But 1 year later, Wall Street is back, but lending by Wall Street to our small businesses has gone down, not up. If we are going to get jobs back, if we are going to get people back to work, we need our banks—and it tends to be our local banks—to start doing some lending. They have been doing the job, but Wall Street hasn't.

What they've been doing in the past year—and quite successfully, they're very good at it—is returning to the casino economy. They've made an enormous amount of money by buying and selling derivatives, commodities, and currencies. And how did they do it? With the help of the American taxpayer: one, the \$750 billion TARP transfer; second, the open window at the Federal Reserve where those banks had access to 0 percent interest money. Now, they've been so successful that they have set aside this past year for their bonus pool \$150 billion.

They had three choices as to what they could do with that money: one, they could have added it to their balance sheets, strengthened it in order to basically fight another day so that if there was a downturn, they would be able to absorb it themselves and not come hat in hand to the taxpayer. Second, they could have lent it out. If you're getting 0 percent interest money from the Fed, you've got a local small business or a young family trying to buy their first home and you lend it out at 5 or 6 percent, most people would say that's a pretty good return. They didn't do that.

The third thing that they could do—and unfortunately they did do—is decide to put that money in their pocket with a bonus. That's good for them, but it certainly hasn't been good for the American economy.

So our legislation, the Wall Street Bonus Act, is very simple. It says that all those bonuses on Wall Street that went to banks that received taxpayer assistance through the TARP program, those bonuses above \$50,000 would be taxed at 50 percent. And every single dollar that was collected would then be made available to the Small Business Administration to work with our local banks that have been making loans to lend to our job-creating small businesses around the country. So we would be taking a dividend for and on behalf of the taxpayers who basically put that money up in the first place, and we would be specifically making that money available for lending with a partnership of the SBA and our small banks.

Now, this is important for a couple of reasons: number one, the money that was made on Wall Street, that \$150 billion bonus pool, yes, it was smart people buying and selling and trading derivatives, but the question for us is, when we put taxpayer dollars to work, is it good for the American taxpayer? Is it good for the Main Street economy? And, obviously, if it just goes into the pockets of the Wall Street traders, it does a lot of good for them, but no good for our broad economy; and our fundamental responsibility is to help people get back to work.

The second is that the bonus culture really is very destructive because what it encourages is placing a big bet, bet red, bet black, if you win, you make a lot of money, if you lose, as we've seen, the banks can come to the taxpayer and get bailed out. And people are furious about that, rightly so. So it is time for us to make a basic statement here that will reward investment, will reward hard work, but we're not going to have the taxpayers be on the hook for people who want to gamble.

The final thing really is this: we face a question about what business model we want America to follow. Do we want a business model where you make money by financial engineering, by having the quickest computer trading program, by a lucky bet on a speculation? Or do we want a business model

where folks make their money by showing up for work, by investing in their community, by hard work for the long term, by being satisfied with a steady and sustainable rate of return and profit—which we need in a capitalist economy—by treating their workers right and by paying our fair share? That's the question.

The Populist Caucus is very strongly united in the view that hard work should be rewarded, that entrepreneurs, job creators, people who make money because they invest in their economy, because they invest in their workers, that is to be rewarded and encouraged. In fact, we have to do it if we're going to have an economy that works and expands rather than an economy that is based on flipping trades, about speculation, and financial engineering.

So this Wall Street Bonus Act would put some money into lending and help our small entrepreneurs. And I am very grateful that we have the strong support of so many Members of Congress for this.

I yield back.

Mr. BRALEY of Iowa. Well, I thank you for those very insightful comments.

I think everything that we talked about earlier on why we formed the Populist Caucus, to promote and expand the middle class by emphasizing economic principles, that will create policies that help that to happen. We know that small businesses make up a huge part of the middle class. We also know that they are a huge driving engine for creating new jobs in our economy.

That is why I am happy to recognize my good friend from Florida, RON KLEIN, who has been a strong advocate for small businesses during his time in Congress and is going to be sharing with us some of the things that we can work on together to try to create the types of incentives that will help small businesses take the risk with sound economic principles and lead us on a path of job recovery.

With that, I would yield to my friend.

Mr. KLEIN of Florida. Well, I thank the gentleman from Iowa. And as always, it's great to be here with our friends from the Midwest and from the South. We represent the whole country, and it's such a great thing to be here, as we all got elected a couple of years ago and we have learned and listened very closely to what people are saying back home.

I know the gentleman from Wisconsin talked about jobs and sort of where we've come from, and I know the gentlelady from Ohio did the same thing. The "where we've come from" part didn't just start in the last 13, 14 months; unfortunately, it has been going on for a long time. A lot of that was decisions made in some cases by government, sort of incentivizing big decisions to send business overseas, encourage that through tax policy, and some of it has just been people making

decisions that we've lost that American ingenuity.

Well, we haven't lost it, we all know that. This is the greatest country in the history of the world and our economy is the strongest. And, yes, we are being challenged right now, but this is when we are at our best. And that's the exciting part. This is a moment for us all to come together, put our arms around each other and say, what's great about America? Our worth ethic, our ingenuity, our technology, our innovation, this is what makes it. But we have to recognize that some of these policies—certainly when this administration started, a mere 13 months ago, we were losing 720 jobs per month. That's incredible. Now we are in a place where fortunately it's moving in the right direction—I think it was 20,000 or 30,000 jobs per month. Now, that's not good, we want to gain, we want to be at 100,000-plus; but, boy, that is certainly moving in the right direction, and that is what I am glad to see.

□ 2115

Now, I come from a State, Florida, which had 15 years of incredible prosperity, a lot of growth. For the people in my community, their property values went up, and their businesses were expanding. All good. The American Dream was happening over and over and over again. Yet, when the banks stopped lending, as we've been talking about, well, guess what? The merry-go-round stopped, and a lot of people are hurting right now. They are hurting psychologically; they are hurting emotionally; they are hurting physically.

The worst thing, as I know the gentlelady from Ohio talks about, is not to have that job, not to have that ability as a provider, a man or woman of a household, to bring that paycheck home, to get up in the morning and know you're going to do something productive and to make that example for your children. We want to make sure that people have that opportunity, and that's what we are working toward right now.

Well, as to this "spur job creation" part of the Blueprint for Recovery, there are two points I want to bring up:

One is the "buy American" concept. It's real simple. Every opportunity, when it comes to sourcing goods, services, and things like that, needs to be done in the United States. If there is anything that we can certainly promote, it's our providing those goods and services—our local businesses. Your neighbor down the street, one you go to a church, to a synagogue, or to a supermarket with or one you coach Little League with is someone who works in the community. We want to give that businessperson and his or her employees or the people he works with an opportunity to be that source for government contracts and everything else—not to go overseas. We all understand the issue of free trade and all that, but free trade is fair trade, and

we want to make sure that, in this country, we are doing everything we can to promote our businesses first. It's real simple. I think most Americans get it. I think we've gotten a little off track over this thing, but that's a principle we need to pass and support and hold to.

Second—

Mr. BRALEY of Iowa. Will the gentleman yield on that?

Mr. KLEIN of Florida. Absolutely.

Mr. BRALEY of Iowa. I think there is a big misperception that our trading partners and our competitors in the global economy don't have any "buy Chinese" trade policies or "buy Japan" trade policies; is that true?

Mr. KLEIN of Florida. Absolutely.

We all understand the real game here, and it's not just about what they call "tariffs." You may have heard of a "tariff." That's a tax. If you bring something into a country, there is a tax to make it less competitive. Well, there are a lot of other ways to stop our wonderful American goods from going to other countries. They have lots of obstacles. It goes on in the auto industry all the time with emissions and lots of things that just make it practically impossible for us to sell.

Now, we can't force someone in Korea to buy one of our cars, but we should give him that choice. If we have the best products, consumers will buy our products, just like some products come into this country, and consumers make a choice. Right now, there are a lot of things going on to stop our products from going to other countries.

Mr. KAGEN. Will the gentleman yield for a question?

Mr. KLEIN of Florida. Sure.

Mr. KAGEN. In Wisconsin, we have got a number of companies which have run into problems with regard to "buy American." We have buy American clauses in our government contracts today. Yet Miller Electric Company, which makes the finest welding apparatus in the world, put in a bid for a shipbuilding company, a government contract for the Navy. This foreign-owned shipbuilding corporation down in the South decided, instead of buying American, they would use a loophole, and they bought something from a competitor from Germany.

Can you explain how this bill, this Buy American Improvement Act, would close the loopholes in these contracts?

Mr. KLEIN of Florida. That's exactly what it will do. I thank the gentleman for that example.

I have an example in my community, a company called Cross Match. It's a technology company. They make fingerprint equipment and things like that. They were bidding for a census contract, and a company that was sourcing it through a Korean company came in with all sorts of—not machinations—I would say, loopholes. This bill closes the loopholes, and I think that's exactly what we are all interested in.

The second thing I want to touch on, if I can, which the gentleman from

Iowa (Mr. BRALEY) just talked about, is something which, I think, we all understand—the lifeblood of our economy. That is access to capital, to bank loans—to small business loans.

One thing I can say about this Congress is that I am really proud of the efforts that have been brought about through this Congress to make SBA, Small Business Administration, loans much easier to get. At this point, they are 90 percent guaranteed by the government. If you are a qualified veteran, 95 percent is guaranteed. These are good quality loans, but these aren't loans that are made by the government. They are made by banks, and they are guaranteed by the government.

We need to get our banks to start focusing on making these loans and other commercial loans. We are not asking banks to make ridiculous loans like some of those that took place before which were not properly collateralized. Yet, for good, credit-worthy people, there are loads of small businesses that have long histories in our local communities. They know the loan officers at the banks, and they can work together and make loans happen.

One of the ideas being suggested is to take some of the payback money from some of the big banks that paid some of this money back and start bringing it down to the local level—to Main Street, to small banks, to community banks. We're not just talking about giving them the money like it happened before. Instead, it's an incentive to make the loans. If they make the loans, then they get discounts on the interest rates. This is what we have to do.

Mr. BRALEY of Iowa. Will the gentleman yield for another question?

Mr. KLEIN of Florida. Absolutely.

Mr. BRALEY of Iowa. One of the things that is frustrating to many Americans is they just don't understand how their government can actually help stimulate economic development.

One of the best examples of this is, when I first came to Congress, I served on the Small Business Committee. I was fortunate enough to chair the Contracting and Technology Subcommittee, and this is when the previous administration was in control of the executive branch. As I talked to people on the committee, it shocked me to learn that the former administrator of the Small Business Administration saw it as his job to bring about the end of the Small Business Administration. Many of the policies were designed to contract the agency whose sole purpose was to try to stimulate small business growth and development.

So, when we are talking about how we create capital and provide economic incentives for small businesses, we have come a long way in 3 years to get to the point where this agency is trying to fulfill its basic purpose, and I think that is going to be critical for

achieving the types of results you've just talked about.

I hope you can enlighten us further on this.

Mr. KLEIN of Florida. I'll just conclude. There is so much more that everyone wants to say here, and there is so much to add. That's what's getting exciting about this work we're doing here.

Small businesses are the lifeblood of our economy. I mean many parts of our country do not have a lot of Fortune 500 companies. Those are great companies, and they add a lot of value to our country, but small businesses are going to be the businesses that get us out of this downturn, and we are beginning to see some good things. Bank lending is better than it was, but we need to encourage and find ways to make sure that the banks are lending so our small businesses can buy up some inventory, can buy up that capital equipment they need—a little deferred maintenance—and hire more people. That's the bottom line.

I just want to thank the gentleman for having this "spur job creation" because, I think, this is a huge part of how we are going to get our country back on track.

Mr. BRALEY of Iowa. Well, I think one of the things we know is that, in order to spur job creation, you have got to be able to have revenues that will help people create jobs through incentives that will help them take that risk.

One of the important things that the Populist Caucus' Blueprint for Recovery does is it talks not only about how you change behavior through the policies you implement but also how you transfer some of the burden from Main Street, which has been suffering so much in this recession, to the very speculators whose wild gambling, which is what most economists call what they were doing, drove us over the cliff.

That is why one of the key elements of this "ending speculation" piece is one of the bills introduced by another vice Chair of the Populist Caucus, Congressman PETER DEFazio, who introduced his Let Wall Street Pay for the Restoration of Main Street Act. This is a very simple concept that existed in this country for almost 60 years, and it worked very successfully, including during the Great Depression.

What it says is that, if you are trading in excessive transactions on Wall Street, we are going to ask you to pay a small transaction fee on those high-volume trades so that we will have an incentive to keep you from engaging in excessive speculation that puts all of us at risk. His transaction fee is estimated to create somewhere between \$100 billion and \$150 billion in new revenues that can be used for two basic purposes:

One is job creation, which is what we all agree is going to create a huge emphasis for an economic recovery, because when people go back to work,

they not only pay Federal taxes and reduce our burden at the Federal Treasury; they pay State and local taxes, too, to help relieve the burden on our States and cities. This is how you create economic incentives to change corporate behavior from excessive speculation, and this is also how you provide new revenues to stimulate economic development and help to reduce the deficit.

I am going to ask one of our newest members and youngest members of the Populist Caucus, our good friend from Virginia, TOM PERRIELLO, to talk about the importance of having a bill like this to guide us in a new direction for economic recovery and what that means to the people in his district of Virginia.

With that, I'll yield to my good friend.

Mr. PERRIELLO. Well, thank you very much for that news and for the news from our friends in the house of lords—I mean the Senate—that has just come this way. It's very, very exciting because we, as a caucus, have been fighting so hard to shift the focus from speculation on Wall Street to job creation on Main Street. We understand that two out of every three new jobs in this country are coming from small business. Now, they may not make the headlines. It may mean you have lots and lots of small businesses, but that's the engine of our growth.

One thing we still do better than any other country in the world is innovate. We are better entrepreneurs. We are really good at this. It's within our small businesses that we see this innovation taking place, and we need to make sure that we are giving the kind of support that small businesses need, whether that's through direct lending, whether that's through the suspension of capital gains tax for small business to bring nontraditional lenders in, or whether that's providing the infrastructure and the workforce development that allows those small businesses to flourish. We also need to understand that the phrase "buy American" should not be seen as bad language.

I think it's timely that we look at this extension because, while there are many policies out there which may seem fancy, sometimes we have to get back to the basics. We are within weeks of the new building season's beginning, the spring building season leading into the summer building season. There are thousands of small businesses around this country that have held on and have taken losses for 2 years, whether it has been the construction firms, the engineering firms, the supply stores that have supplied those guys, or whether it has been the diners where folks have gone to eat. If we are not building anything in this country, we will not continue this path of recovery that we have worked so hard to lay out.

This is a chance, and we need to act here in Washington with the same ur-

gency that the previous Congress did when Wall Street was in trouble. Well, Main Street is in crisis, and we need to understand that we can rebuild this country. We may not see housing start to pick up this summer in the way that some would like, but we can rebuild our infrastructure, and we can reinvest in the existing building stock, whether that's municipal, commercial, or residential, through major retrofit programs.

It puts people to work in rebuilding America's competitive advantage, because what you understand, Mr. BRALEY, from your experience in Iowa and around this country is that we have to reinvent America's competitive advantage. We will outcompete the world, but we cannot do it solely through supporting the financial sector. We have to start building things, making things, and growing things again. We can still do that better than anyone in the world, but we need a trade policy, and we need a workforce development strategy. We need an economic development strategy that understands that those are things we can still do. There are sectors, like the energy sector, in which we can outcompete the world, but everyone else is not playing for second place. They are looking to do the same thing we are trying to do, but we can do it better.

This is our time. This recession right here, that we are starting to crawl out of, is an opportunity for us to reinvest, to rebuild that competitive advantage and to reemploy America in the work that so many in this room have worked so hard to do. There are families out there right now who are proud, hard-working people who are looking for jobs. We can work together across the aisle to make this happen, but we must have that commitment to basic commonsense things, like making sure we don't miss this summer's building season. We have that time, and we must have a deep sense of urgency because I know people out on Main Street do.

Mr. BRALEY of Iowa. I appreciate the gentleman's comments about investing in infrastructure because most of what I learned about the need for infrastructure improvements came when I was working for the Poweshiek County Secondary Roads Department to help pay my way through college.

One of the things that I learned was that, as you try to create opportunities for transportation improvements that are going to move goods, services, and people, you see a lot of trickle-down that happens from the Federal Government, to the State government, to the county government, to the city government as right-of-ways are transferred after they are abandoned for bigger and better infrastructure improvements like four-lane highways.

□ 2130

One of the cornerstones of our blueprint for recovery that deals with job creation is a bill introduced by Con-

gresswoman ROSA DELAURO and co-sponsored by one of the vice chairs of the Populist Caucus, our friend from Minnesota, KEITH ELLISON, the National Infrastructure Development Bank Act.

What it does is it creates an opportunity to take advantage of existing infrastructure needs by identifying about 47,500 jobs and \$6.2 billion of potential economic activity that are currently ready, willing, and able to be acted upon, but because we have not had the opportunity to marry private development with public infrastructure projects, we are missing an opportunity to stimulate job growth through this National Infrastructure Bank.

So I would ask my colleagues who support investments in infrastructure improvements that cross the spectrum from expanding access to energy created by wind in the Midwest, by building out our ability to transfer that energy and electricity throughout the country, by building out our world broadband, by investing in roads, bridges, and public improvements, how this type of an investment development bank would make a difference in their districts.

I am going to yield to my friend from Ohio.

Ms. SUTTON. I thank the gentleman for yielding.

Infrastructure creates such ripple effects in our economy and spurs economic development and opportunity for the people that we represent. Every time I go home, people beg, Please, please, invest in our Nation's infrastructure. We know that the need is tremendous.

One of the bills, in addition to the National Infrastructure Bank bill, which I think we should talk about more, but you mentioned Representative DEFazio's bill, the bill entitled Let Wall Street Pay for the Restoration of Main Street Act. I think this is also a bill that deals with infrastructure, because when we get the money from those transaction fees of those risky trades that are something that we would really like to have cut back on, we are going to use it to invest in infrastructure and all the good that goes with it.

But we also have in that bill, and I think it is important to tell people, that part of the revenue that would come in in addition to that huge amount going to invest in Main Street, you know, Main Street, after all, is who bailed out Wall Street, and we didn't do it because we were fans of their behavior. We did it so they would start lending. As we discussed, they didn't start lending, so we need to continue to push until things are right. But also in that bill, there is a part of the revenues raised that are going to go to deficit reduction. So we often hear this argument that it is all about the deficit.

Well, it is about jobs and the deficit. In order to get rid of the deficit, people do have to have jobs. Frankly, obviously people need to have jobs, because

this is the United States of America, and that is the American dream, having a job and raising your family and aspiring to a quality of life that is second to none across this country. So, in that bill, in addition to putting money into infrastructure, we also take a piece of that money and let Wall Street help to pay down some of the deficits that were created by helping Wall Street get out of the mess that they were in.

So, back to the other bill that you mentioned, which is critically important, and you asked how important it was back in Ohio, in my district. It just can't be overstated. Just yesterday, I received a whole list of infrastructure projects that are ready to go that need funding.

The thing about infrastructure is that we all know that it can't be ignored indefinitely, right? But oftentimes we come to a place where we don't address it until a crisis occurs. And that doesn't make any sense either. So if we can put people to work doing that work that we know has to be done and spur greater economic development and recovery, why wouldn't we do that?

This National Infrastructure Bank legislation is a critical component of taking the idea, the concept that we all know makes sense, and really maybe that is what the Populist Caucus represents more than anything; it is about the common sense. People know what we need to do for our country, to strengthen the middle class and put people to work rebuilding our infrastructure. Other countries are building their infrastructure. They are investing massively in their infrastructure, because they know the value that it creates beyond the jobs that are put forth just in doing the construction.

With that, I yield back to the gentleman.

Mr. BRALEY of Iowa. I think that is a great opportunity to talk about the importance, because when I served on the Transportation and Infrastructure Committee in the 110th Congress, our chairman, the legendary JIM OBERSTAR, always reminded us that our global competitors are investing massive amounts in infrastructure development.

The European Union had a 5-year, \$1 trillion infrastructure development plan. You look at China, which has just passed the United States as the leading consumer of automobiles, and you look at the ribbons of concrete that have been poured in that country to respond to growing consumer and commercial demand for transportation.

If we are competing with these people in a global market, Dr. KAGEN, we have to make similar types of commitments so that our infrastructure system can make us competitive. I know from visiting your district in northeast Wisconsin, it is a very spread out and remote area in some parts of your district, yet the constituents that you represent in those areas depend just as

much on an infrastructure system as the people here in our Nation's Capital.

I yield for your comments.

Mr. KAGEN. I thank you. I will just summarize what everyone here on the House floor understands. We are about \$2.1 trillion to \$2.2 trillion behind in our investment in our infrastructure, our roads, our bridges, our schools, our wastewater treatment plants. What good would it be if we generate several million jobs, even 10 million jobs, when we manufacture things and then we don't have the railroads or have the highways and the water infrastructure to transmit our goods to the world's marketplace? So we are indeed several trillion dollars behind in our infrastructure development.

I will just point out one of the facts about the American Recovery and Reinvestment Act that few people realize. Apart from the fact that it was the largest tax cut in American history, little known is the fact that the transportation and infrastructure investment, which was only 4 percent of that amount of money we invested in America, generated 25 percent of the jobs.

Nearly 900,000 people are working because of that American Recovery and Reinvestment Act of 2009. It put people back to work in our infrastructure. And that multiplier is significant. For every person working in transportation, that money turns over many times over.

So let me just see if I get this straight, if I understand where we are going with our ideas about rewarding people or encouraging people with the taxation code.

If you are sitting in a boardroom on Wall Street and you are rewarding yourself for your failure with the taxpayers' money, according to the Populist Caucus, we would like to put a significant tax on that bonus and use that revenue and put it back into the American economy to generate small business activity through the SBA, put it back into people's hands.

We do believe that people are more important than profits. We should in fact reward work rather than wealth. If I understand the transfer tax on Wall Street speculators, it is one-quarter of one penny of each dollar being traded on nanosecond trades. This is not going to be a fee or a transfer tax placed on those who are speculating for the long-term investment. It is going to exclude any tax-favored retirement accounts, any HSA, Health Savings Account, any Education Savings Account, and would exclude the first \$100,000 of your income generated from your investment in America's future on our American exchanges.

Some people have pushed back against that Wall Street transfer fee by saying then people will trade overseas. In London, which is the most active trading floor in the world, they do have a transfer fee twice what we are suggesting.

So, again, the idea is we want to use the Tax Code to reward people for their

good activity. And, most especially, we want to use existing structures like our community banks, our credit unions, and regional banks to find the finances and credit necessary for small businesses once again to have access to the credit they need to generate the economic activity and generate the jobs.

Don't think for a minute that the Federal or State government can employ you and work our way through this recession with government-sponsored jobs. We can't do that. So it is the role of government to set up a system wherein you are rewarded for your work rather than your wealth. By focusing on our transportation and infrastructure needs, we can begin to generate millions and millions of jobs to do just that. We want people to stay in their own homes once again, rather than have this foreclosure crisis come back and bite us.

Mr. BRALEY of Iowa. I appreciate those observations. I want to engage a couple of my colleagues in a conversation about behavior modification on Wall Street. I am going to start with my friend from Vermont, because he served on the Oversight and Government Reform Committee in the last Congress when we had the hearing with the CEOs of AIG, trying to explain why they stood by and watched as their London financial services division drove this economy off a cliff by engaging in excess and speculative trading in high-risk credit default swaps and complex derivatives.

Now, one of the things we learned during that hearing from the economic experts who study those high-risk investments was that long before any of us came to Congress, Congress was confronted with the issue of how we provide some type of oversight of this highly complex and evolving marketplace, which at that time in the late 1990s was a small fraction of the \$100 trillion marketplace it has become.

But what was most shocking to me as they testified was when they said Congress was trying to decide what are these products. In a way, they are like an insurance product, because they are an agreement to pay upon a contingent future event. But they are really not insurance, because otherwise we could regulate them through the State insurance commissioners. Then they said, Well, these are kind of like stock trading, so we can have this regulated by the Securities and Exchange Commission. But it is really not a stock transaction.

So, what is it? Well, about 10 percent of these products, those experts testified, if you remember, Mr. WELCH, were real insurance products. And these economists testified the other 90 percent were pure gambling, people trying to make money by turning over transactions, betting on the come that at some point when those commitments came due, they would be able to generate a profit without adding anything of value, other than risk and a possible payment in the future.

So, why is it necessary, when we are talking about ending excessive speculation, to get to the very core, not only of how you do that with a tax policy and with a transfer fee, but also how you deal with the financial oversight of the marketplace to make sure this never happens again?

Mr. WELCH. Well, I appreciate that. You know, really what it is about is whether banking is going to be an activity that is about lending money to businesses, small businesses, families, to buy their first home, or it is going to be a mechanism for financial speculation. And it is really two totally different models.

I want to just take up on what you were saying. We need a banking system. We need a strong banking system. We need local bankers who are actually engaged in their community, who can make judgments about who is good for a loan. I want to give you an example of the local bank and the Wall Street operation.

In St. Albans, Vermont, we have a small bank, People's Bank. The president of that bank, Rick Manahan, his desk is in the entry of the bank. If you walk in, you see all the teller windows. There is a big vestibule area, the public area. His desk is there. People do not have a hard time asking Rick what is going on. He knows the folks in his community.

His bank and his board of directors see a good day's work when, at the end of the day, they have been able to authorize a loan to a local business—it might be a retailer, it might be a construction company—knowing that that business is going to use that money to help create a local job. Or it is a young family getting started. They have to make a tough underwriting decision. But they know that family, and they know they are going to do their level best to be good for it. At the end of the day, a house has been sold, a family has got a new place to live, and they go home and sleep pretty good at night, knowing that they have made a real contribution in the community.

The other model, just to give you an example, one of our most esteemed Wall Street banks, is Goldman Sachs.

□ 2145

They have the best and brightest of folks doing the work there. But here's one of the things that they did—and it was very successful for them making money. They bought a mortgage origination company in the South. They hired 26, 30-year-old young people to go out, knock on doors, and sell mortgages. Generally, subprime mortgages that people couldn't afford and didn't need. They then brought those mortgages back to New York, and they bundled them into products that they then sold.

But before they sold them, they got the best and brightest MBAs to knock on the doors of the rating agencies and persuade the rating agencies that these toxic instruments were AAA. Then

they went to their sales department and had them contact trusted investors, pension funds, and said, We've got some AAA products here. You ought to buy them. It's going to be a good return for your pensioners. And they sold them. Then they went to their trading room and they said, You know what? These are junk. How do we know? We sold them. And they bet short against the instruments they'd just sold long.

That would not happen at People's Trust in St. Albans, Vermont. They couldn't even imagine doing that, selling something that wasn't worth investing in. They couldn't do it. And I know that every single one of us, Republican and Democrat, have local bankers who've met that standard, where the goal is to serve the community. And they know that their responsibility with this trust that they have of depositor money is to put it to good work to build the economy.

Wall Street has a different point of view. Not that they're not necessary; they obviously are. But when they are helpful, they see that the work that they do should be in service of the work that Main Street does. You know, that's why with the reforms that we must implement, whether it's a bonus tax, whether it's a Consumer Product Safety Commission, whether it's tightening up on the lending regulations and derivative trading, all of that, the bottom line is really very simple: Is the banking system going to be there to serve us, or are we going to be there to serve the financial engineering of the banking system? That's the question that this Congress faces and America wants an answer to. I yield back.

Mr. BRALEY of Iowa. I thank the gentleman for your comments. We are just about out of time so I'm going to ask my friend from Florida for some closing comments, especially on this critical issue that affects the middle class homeowners, and that's the mortgage foreclosure crisis.

Mr. KLEIN of Florida. I want to thank the gentleman. Just sort of as an add-on to what we're talking about, we all know that homeownership in the United States is crucial. It's crucial for people knowing where to plant their investment. They're working hard over the years to make sure they have a place to live, and hopefully it will increase in appreciation. But that same description that Mr. WELCH just gave us about banking practices, in some cases resulted in, unfortunately, a whole lot of people getting in way over their heads, a whole lot of lending that shouldn't have never been lent in the first place, and the foreclosure situation is really bad in many places.

I witnessed something over the weekend in West Palm Beach. In the West Palm Beach Convention Center a group came into town and said, We are going to bring together the lenders who, in many cases, have not been answering the phone, the line is busy or people haven't been getting answers, along

with people that are having these real big problems, they can't make their mortgage payments. It's not like they're totally out of it. They may have had a job that was earning \$50,000 a year, and they lost it, and now they're earning \$35,000. Or, maybe a two-income household that they want to stay there. And we, as Americans, want them to stay there, if they can. We don't want abandoned houses. It just puts more pressure on the local streets and the local community.

At this event over the weekend—it was running for 5 days, 24 hours a day—and all the major lenders were there, except for one. It was really interesting; 5,500 people were in this building at one time. I'd never seen anything like this. And they had the lenders sitting across the table, here to here, and they were actually ironing out one after another. One guy had an 11 percent mortgage. It was reduced to 5½ percent. His payment went from \$2,100 to \$1,300. And I asked him, Can you make do? He said, Yes. I'm keeping my house. I'm sleeping tonight. My children know they have a place, a roof over their head tonight.

Well, this has been frustrating, but help is on the way. Help is on the way. And I think that the model has now been created. It's working in different parts of the country. But I'm really gratified to see that some people in south Florida were given that opportunity. There's a lot more to work through in all of our communities, but I'm starting to see some success, and that's part of how our recovery is going to happen, by putting the necessary pressure for people to get together and make this work.

Mr. BRALEY of Iowa. And that's why the Blueprint for Recovery we've been talking about that the Populist Caucus has put forward—real solutions, concrete solutions, that are going to help us get out of this mess, by ending excessive speculation on Wall Street, making sure that we have a fair compensation system for the people who have gotten us into this mess, and spurring job creation with things like the Wall Street Bonus Tax Act, the National Infrastructure Development Act, the Make Wall Street Pay for the Restoration of Main Street Act, and the Buy American Improvement Act.

These four commonsense bills will make an enormous impact on the quality of life for middle class families. They also represent true populist policies that are about building America up, not tearing it down. It's about giving voice to the legitimate concerns of the American people who made this country great.

With that, I thank my colleagues, and I yield back the balance of our time.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without