

threat to the financial system and to the broader economy. The legislation also comes in response to a broad consensus among many leading financial experts, including Paul Volcker and others, who believe that compensation structures played a role in the financial crisis of last year.

I also want to talk about investor safeguards. One of the things that financial reform will bring forward are safeguards for people who invest. Now, some people might say, you know, I don't trade stocks, but if you have a 401(k) or if you have a pension, you actually do so indirectly. As a matter of fact, recent events, such as the massive \$65 billion—with a "b"—Madoff Ponzi scheme and the \$8 billion Stanford financial investment fraud, highlight the need for comprehensive reforms of the regulatory system that failed so many investors.

To better safeguard investors in the future, the bill will enhance the SEC's enforcement powers and funding by doubling its authorized funding over 5 years. That means it is going to have more people to do the job—more policing, more cops on the beat. This will enable the SEC to obtain the tools needed to better protect investors and police today's markets.

The financial reform bill will also create a whistleblower bounty program with incentives to identify wrongdoing in our securities markets and with rewards for individuals whose tips lead to successful enforcement actions. With a bounty program, we will effectively have more cops on the beat for security regulation. The failure to detect the Madoff and the Stanford financial frauds demonstrate deep deficiencies in our existing securities regulatory structure. The bill also calls for an independent, comprehensive study of the entire securities industry to identify reforms and to force the SEC and other entities to improve investor protection.

The Madoff fraud also revealed that the public company accounting oversight board lacked the powers it needed to examine the auditors of brokers and dealers. In addition, it exposed the fault of the Security Investor Protection Act, SIPA, and the law that returns money to customers of insolvent, fraudulent broker-dealers. The bill closes these loopholes, and it fixes these shortcomings. So investor protection is an important part of financial regulatory reform—reforming Wall Street.

So whether we're dealing with too big to fail, whether we're dealing with exploitive and abusive predatory lending practices, whether we're addressing issues with regard to investors or whether we're addressing other markets and consumer protection in general, this financial reform bill is important. It is important for people to know what good it is going to do them and the difficulties that it will present in the future for people who want to keep the status quo.

As for the people who want to keep the status quo, we have already talked about them. There are massive amounts of money being spent to stop regulatory reform. What we need is real reform, consumer protection and financial stability. We need a dissolution authority for too-big-to-fail banks. We need executive compensation reform, say-on-pay. We need investor protections, and we need something called "regulation of derivatives."

Now, when AIG first hit the news, a lot of people were asking, What is a "derivative"? AIG, American Insurance Group, is a huge insurance company. A unit of this huge insurance company actually was issuing these derivatives known as credit default swaps. In simple language, a "credit default swap" is like insurance. It's not insurance, but it's kind of like it. What it means is that you can buy it as sort of like an insurance policy if the value of interest you expected to receive or the value of the bond is not coming back to you in the way that you thought. So you could buy credit default swaps. If the value of this mortgage-backed security drops, then I am going to collect on an insurance policy that can cover me if this happens.

The only problem is that I say it's like insurance, but it's not. If it were insurance, you would have an insurance regulator who would require that the company would have to have enough capital in its books to cover losses and claims based on losses.

□ 1715

But in this particular situation, that kind of reform was not in place. That kind of regulatory control was not in place. So when mortgage-backed securities began to decline and people who bought credit default swaps to hedge the risk against them, those people came to make claims, and AIG did not have the money to meet those obligations, which then put the United States taxpayer on the hook, and now we own essentially AIG as well.

This is not a good thing. The market is not supposed to operate like that. And derivative reform is an important part of what we need. Derivatives are an important financial instrument. They will be traded on an open market; and whenever they are not or are not amenable to be traded on an open exchange, they will be required to be reported to the authorities so that there is some transparency and some real information about what is going on in the derivatives market.

THE FINANCIAL BAILOUT BILL

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

Mr. GOHMERT. Madam Speaker, it has been an interesting week. It's been an interesting time. And there are

things that we agree on between our parties.

I heard my friends across the aisle talking about we need to have an audit of the Federal Reserve, and that is certainly something that I agree with and everybody on my side I know agrees with. We ought to have an audit of the Federal Reserve. As Newt Gingrich has said repeatedly, if transparency is good enough for the CIA, it ought to be good enough for the Federal Reserve. We need to know what they are committing us to. We need to know what they're doing, how much trouble are they getting us in. Those are things that need to be known. So I am delighted to hear my friends across the aisle join us in our cry for an audit of the Federal Reserve.

The difference between friends on this side and friends across the aisle is that my friends across the aisle have the numbers, they have the power to get an audit done of the Federal Reserve. There are a number of things that can be done when you control the House and the Senate and the White House. And even if the White House doesn't agree, which they very well may not because of all the shenanigans that have been going on in the financial realm, the Congress still controls the purse strings. And there are things that can be done in this House and down the hall in the Senate that would bring this to a head and would have the Federal Reserve crying uncle, uncle, all right, we will go ahead and allow the audit. It ought to be done. Enough of the shenanigans, blaming one side or the other.

Well, the majority party has such a massive majority, it's a real easy thing to get done, and I would be delighted if we had colleagues across the aisle that would come together with us on this side and require that audit of the Federal Reserve so we would know what has actually been going on so we could set some goals and go about fixing this economy, fixing this broken financial system so we could get it back on a road that makes some sense.

Now, I have heard my friends across the aisle talking down here today and as well yesterday evening about the financial bailout, and I was rather disappointed. I know some, like my friend MARCY KAPTUR, have been adamant about the problems going on in the financial system going back to the fall of 2008. And she and I, there are many things we don't agree on, but we are both for complete transparency—she has been there all along—and demanding full responsibility and accountability in the financial sector. And I have been so pleased with things she said in the last couple of years on this issue since the TARP bailout in September, October of 2008.

But then hearing other colleagues across the aisle talk about Republicans are trying to stop financial reform because Republicans are so closely aligned with Wall Street? I mean, that theme has been played long and loud

for years. And the Heritage Foundation finally had enough and said let's see what the truth is. So they did some research. And the fact is anybody in America can go on Huffington Post or look at some of these Web sites where you find out who contributed to what, and you find out the real truth. And the real truth is that Wall Street donates to the Democratic Party and to now President Obama about four to one over the Republicans.

Now, you can go to Goldman Sachs and find an officer who has made a maximum donation to Senator Obama and a maximum donation to Senator McCain; but you do a little more research and you check that address and you find out, well, gee, the wife and all the children, though, made maximum donations to Senator Obama and to the Democratic Party. And you find out, gee, there is a financial link here that there have been completely misleading statements about for years. And the truth is now in black and white. Let's forget the misleading statements about who is in bed with whom and just follow the money, and that's all you have to do. And you find out in some cases some of the Wall Street firms, it may be three to one, some it may be five to one, but average about four to one donations from Wall Street firms to the Democratic candidates, including Senator Obama, now President Obama.

So once you know that is the relationship that exists financially and has for years, then it causes you to look at all this talk about financial reform and making these people accountable. We're going to bring them to bear. We're going to make them account for all of these things, and we're going to make it so that they can't do this and they can't do that. But once you know that the people that are doing this so-called financial reform, what amounts to another bailout bill, once you know that relationship, then you have to look at the bill being proposed more carefully.

Now, I know we have friends that come here to the floor and, just like they did on the "crap and trade" bill, made statements on the floor that this bill will not cause one single person to lose their jobs, that this is going to be a job creation bill. And they got their talking points and they dutifully came to the floor, and they talked about how the crap and trade bill was going to be so wonderful and it was going to create jobs.

And I was able to come to this very spot on the floor and pull out that bill. Of course, we didn't get that last 300 pages until—it seems like it was around 3 in the morning or so. And then actually we did not have a complete bill when that bill passed. Up there at the Clerk's desk, I kept asking for a copy of the full bill assimilated, and we found out there wasn't one. It was in the process of being assimilated; so nobody on this floor could see a complete bill assimilated and know what all it meant together. And yet that got rammed through.

But just on the original about a 1,000-page crap and trade bill, if you went back to 900-and-something in the pages, I was able to point out there was a fund there created in the bill that obviously my colleagues were not aware of because I know they wouldn't come down here and intentionally mislead people, but whether it was the liberal left wing groups that wrote that bill—we know that we had a chairman or two that said they didn't know what was in the bill even though it was coming through their committee. Somebody knew. So since it wasn't the committee Chair, the Members of Congress that were on the committee, since it wasn't Members on the floor because they weren't sure—they were making statements about the bill like nobody losing their job that obviously wasn't true because there was a fund created that would pay people who lost their jobs as a result of that bill.

So whatever liberal left wing group or whatever special interest groups wrote that bill for the Members of Congress that was rushed in here, so much of it, at 3 in the morning when people couldn't read the assimilated bill, whoever wrote that bill knew people would be losing their jobs as a result of that bill, pure and simple. They were losing their jobs.

There was even a fund in there that would provide some remuneration for people who lost their jobs as a result of the bill and had to move to follow the job. But, unfortunately, in that bill, the crap and trade bill, there was no provision to pay for travel to India or China or Argentina or the other places that those jobs were going to likely be going; so they weren't going to be able to follow the bills. The one good thing for those who voted for that disastrous bill here in the House is that I still feel strongly that once people find out what all was in that bill that they voted for, then they will lose their jobs. Many of them will lose their jobs in here as a Member of the House as a result of that bill. So it looks like the good news for those that vote for the bill and lose their job as a result of it is that there's a built-in provision that may provide them with some compensation and travel expense when they lose their job as a result of voters finding out what all is in that bill.

But that is the kind of thing we have dealt with here, people meaning well, getting their talking points, thinking they were telling the truth, coming in here and passionately proclaiming what was put before them, but not reading the bill. That is so important. So when we apply this cynicism, once you know that the people that are pushing this bill are the ones that have benefited four to one in contributions from these very firms that will be so-called "reformed," then you take a more skeptical look at what's in the bill and we get to find out a little bit more about what is in it, because obviously some of my friends have not looked at it thoroughly enough to

know what is in it and to know that it's really not the financial reform bill that they thought it was.

It's more of a financial "deform" bill, more of another bailout bill, or I would say perhaps we could rename it the Goldman Sachs monopoly bill. A friend across the aisle had a blowup of some of the monopoly pieces. It applies. That's a perfect, perfect display for this financial bailout bill because it's going to allow certain firms to have monopolies. This bill is going to create some monopolies.

□ 1730

One of the truths about this bill is that there are backdoor bailouts. Despite the rhetoric, there are backdoor bailouts in this financial deform bill, or the Goldman Sachs monopoly bill. The Dodd bill from the Senate, it codifies these backdoor bailouts that were used by the Federal Reserve to pump money into Bear Stearns. It also was used by the Federal Reserve to pump money into AIG, into Fannie Mae, into Freddie Mac.

And then this thing that troubles me so deeply, systemic risk council. It's in the bill, a systemic risk council. I was hoping 2 years ago, as we got into the TARP business, and some of us actually read that disastrous bill and could see that this was just not something that should be done in America, some of us hoped, well, since we have seen that Secretary Paulson is completely sold out to Goldman Sachs, it's an effort to bail out the buddies at Goldman Sachs, yes, we are bailing out AIG apparently, he wanted to do that, and lo and behold billions of dollars turn around and go straight from AIG to Goldman Sachs. So it did help his friends. But some of us had hoped that Mr. Bernanke might be the level head in all of this.

But having been in meetings with Mr. Bernanke, and having watched him closely on television and read so many of his comments, it appears that he has been caught up as well in this power grab, in this lofty ivory tower he has been placed in with this incredible amount of power without accountability. It was Stalin who said, "With power, dizziness." And we have seen some of that dizziness in the way these financial markets have been handled by people at the top.

But it appears from the things Mr. Bernanke has been saying that he has bought in hook, line, and sinker into this systemic risk business because he could get to say, you know what, this is who I'm naming a systemic risk. And when the Federal Government says this firm or this bank, this company is too big to fail, that means the Federal Government will not let them fail. That means they can go in the red and run their competition out of business, knowing the Federal Government will not let them fail, but their competitors don't have that assurance.

That's why you might as well call it a monopoly bill, because it's going to

allow firms to become monopolies. And we saw after the TARP firm, boy, Goldman Sachs got to be a bank in addition to being everything else to all people.

One of the things that concerned me as I read through the TARP bill, when I got toward the end where it said that it was raising the debt ceiling by \$1.3 trillion, and we knew that it was a \$700 billion bill, well, why would you need to raise the debt ceiling \$1.3 trillion if it is a \$700 billion bill? And of course we know there was \$100 billion added to the bill in order to buy enough votes to get it to pass. So it's an \$800 billion bill and yet it raised the debt ceiling \$1.3 trillion. Well, there's a half a trillion dollars there for some reason that was built into that.

So I went back through and I reread the bill, and I kept pleading and begging with other colleagues, Please, just read the bill. You'll see we don't do this in America. We don't give one man \$700 billion and say, go play with it and fix this and make us better. We never have done that in America since we've had a Constitution. With that qualification.

There was a man in American history that had that type of power that was given by the Continental Congress by a bill that was passed December 27, 1776. His name was George Washington. This was a humble man. This was a man who made the statement, "People unused to restraint must be led. They will not be drove." And so like in the Battle of Trenton or in that 1755 disastrous ambush that the British walked into and didn't listen to Washington, who was in his early twenties, we have seen pictures over and over painted by those there that Washington didn't do as I was taught in the Army, that commanders are normally supposed to stay at the back and command from the back and coordinate things. Washington in some of the worst battles knew he needed to be out front so people would see him and do the right thing.

There was one soldier after the Battle of Trenton that wrote home talking about how afraid he was with so many people dying. He said, "But when I saw bullets flying around that priceless head of our great general, encouraging us as he went, sir, I thought not of myself." Now that was a leader. Not Hank Paulson we're talking about. That's not a leader. We're talking George Washington.

And when the Continental Congress was afraid that the people who had signed up for 6 months' enlistment around July 4th, around the time of the Declaration of Independence, when their enlistment was coming up, they got word these guys may not reenlist. So they passed a bill basically giving Washington the power to make whatever contract, pay whatever he needed to pay. We didn't have a Constitution yet. But they knew this man and said, "You fix it." And they sent a cover letter that in essence was saying that we know you well enough to know our lib-

erty is not at risk. And when you have no further need of this power, you'll give it back. And he did, like no man has ever done before or since in history.

But in 1787 we got a Constitution. Since that Constitution we have never allowed one man to do what Hank Paulson and now Tim Geithner are being allowed to do, and with Bernanke's assistance. It's a disaster. Systemic risk council. We are going to decide who wins and who loses in America? And you want us on this side of the aisle to vote for this bill? And you call it a financial reform bill? It isn't. This is not reforming things. This is taking us away from the free market principles from which we have been running for far too long.

That TARP bill took us away from it. And some of us prayed that we would have a chance to get back on track, and we have run farther and farther. And it gives no comfort when people on the other side of the aisle say, well, your President started this with a TARP bailout. Yes, and it was wrong then and it's become even worse of a nightmare.

Stop already. Return liberty and freedom back to people. I'm not talking about unregulated financial markets. We have the regulations. Just like we have regulations that would have allowed the President, the executive branch, the administration to monitor more carefully what was going on in the Gulf of Mexico, to monitor more carefully what Madoff was doing, what Goldman Sachs was doing, how the credit default swaps were allowed to be insurance without putting money in reserve to insure against that insurable event out there they were supposed to be taking premiums for.

This is not a financial reform bill. And to stand here on the floor and say Republicans are standing in the way of this, you betcha. I don't want a Goldman Sachs monopoly bill being passed into law and signed into law simply because they gave four to one more money to the Democratic Party than they did to the Republicans. I don't care if they gave four to one to Republicans, it is wrong to give them the kind of monopoly that they have been given through TARP and in the year-and-a-half since. It's got to stop. And this bill is not the bill that will do that.

So don't come to the floor and talk about how this is going to reform things and create accountability because it gives unrestricted leeway to give any nonbank financial company "too big to fail" status. What a disaster for this society, for this incredible gift of a country we have been given.

Now we are not blessed in this body and in this country because of what we ourselves who stand as elected officials today have done. We are not blessed because of what we have done. We have been blessed because of the sacrifices of the Founders and those over the years

that worked so hard to make this country into the greatest Nation that has ever existed in the history of mankind. And now we have people that are peeling back the very principles that made this such an incredible place to get to live in.

Well, let's look some more at this financial bailout bill, financial reform bill, whatever you want to call it. There is a 100 percent bailout for creditors in this bill. So a failed firm's creditors and counterparties could recoup far more of their investment, potentially 100 percent, than they would if they went through a normal bankruptcy proceeding.

We have seen enough of the corruption of the bankruptcy system. The provision for the bankruptcy system was put into the Constitution by those people with such incredible foresight. Unfortunately, it was into the early 1800s before they actually passed laws creating the bankruptcy courts that allowed people to avoid debtors' prisons like the financial backer of the Revolution, Mr. Morris.

But this bill that's being touted as such a great financial reform bill will also allow the FDIC to guarantee debt obligations of failing Wall Street firms without limitation and without congressional approval. You want us to vote for a bill that allows debt guarantees for failing Wall Street firms without this body approving of them and you call that a financial reform bill?

Also under this so-called financial reform bill, what's really more of a financial reform bill, the Secretary of the Treasury is authorized to purchase debt without any limit. You know, Washington gave back the power as soon as the Revolution was won. Four years later we got the Constitution, and we have never allowed this kind of insanity since then.

And yes, Secretary Paulson under a Republican President created this monstrosity and bailed out his buddies effectively, but it's got to stop. It's got to stop. And this bill is just more and more and more of the same.

On May 5, 2010—for people keeping track that is yesterday—Freddie Mac requested an additional \$10.6 billion in bailout funds. Between Fannie Mae and Freddie Mac, the taxpayers have already lost \$126.9 billion bailing out Fannie Mae and Freddie Mac. And now it appears that is just bottomless. It's got to stop. Don't ask us to come in here and pass another further power extension to those who are already dizzy with too much power and no accountability. It's got to stop.

This financial so-called reform bill, this Wall Street future bailout bill is a disastrous mistake. And, heaven help us, we should not pass this bill. We have lost enough rights and power to Wall Street already.

So I hope and pray this Day of National Prayer that those who have been getting the four to one contributions over Republicans from Wall Street firms will say, sorry, guys on Wall

Street, we started playing this game and saying Republicans are in bed with you. Oh, yeah, yesterday one of our friends across the aisle said that, gee, these Wall Street firms are having closed-door meetings with Republicans. They may have been. And you can imagine what's being said. They've cut their deals with the people that they've been giving four to one to over Republicans. They've cut their deal. They know they are going to be sitting so pretty, they're going to have monopolistic ability like never before in history.

□ 1745

So they want to meet privately with Republicans and say, Look, you don't have to worry. We're really getting serious oversight from these Democrats, the ones we give four-to-one over Republicans to. We're really getting serious oversight here in this bill. We just need you to come on board. No telling what kind of things they're telling Republican Senators behind the scenes to try to get them on board with this terrible financial reform bill.

But let me point out something that I did find as I went back through and tried to figure out, well, where could that other \$500 billion, between the \$800 billion designated in the TARP bill and the amount that the debt limit was raised, what loopholes may be in this bill? As I went back through it, one of the things I found was this provision. The all caps title of this little section, title 1, section 101(c)(1), Public Law 110-343. It says:

The Secretary is authorized to take such actions as the Secretary deems necessary to carry out the authorities in this act, including, without limitation, the following:

One, the Secretary shall have direct hiring authority with respect to the appointment of employees to administer this act;

Number two, entering into contracts, including contracts for services authorized by section 3109 of title 5, United States Code;

Number three, designating financial institutions as financial agents of the Federal Government. Such institutions shall perform all reasonable duties related to this act as financial agents of the Federal Government;

Four, in order to provide the Secretary with the flexibility to manage troubled assets in a manner designed to minimize cost to taxpayers, establishing vehicles that are authorized subject to supervision by the Secretary to purchase, hold, and sell troubled assets, issue obligations;

Five, issuing such regulations and other guidance as may be necessary or appropriate to define terms or carry out the authority or the purposes of this act.

Holy cow. What a blank check the Secretary of the Treasury received. When President Obama nominated Timothy Geithner to be Secretary of the Treasury, even though he signed

and certified he would pay the taxes that were designated 4 years in a row and he couldn't bring himself to actually pay those, he is in charge. We were told at the time, Yes, but he worked so closely with Paulson on the bailout that he knows what needs to be done and he will be able to continue the same thing. Some of us said, That's a reason not to confirm the guy. Good grief. But he has all this power.

Well, is it any wonder that the firm that donated four-to-one to President Obama and his party had the biggest profit year in their history last year? That's right. Goldman Sachs, while the rest of America has been hurting and struggling, trying to get back on its feet, Goldman Sachs is on its feet and made a bigger profit than ever, which brings me back to this.

So I have been trying to look for things to see, well, they had the biggest profit year in history. Could that be because the Federal Government is paying them all this taxpayer money to do the things that the Federal Government told America we will do, but actually they farmed it out and paying no telling how much money to Goldman Sachs to do this stuff?

Well, I did find one contract here—this amended and restated investment management agreement between the Federal Reserve Bank of New York and Goldman Sachs Asset Management. The first whereas is: Whereas, the Open Market Committee has approved the purchase by the System Open Market Account of Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), and Government National Mortgage Association (Ginnie Mae). So they approved this deal, and in the first paragraph it points out that this is between the Federal Reserve Bank of New York and Goldman Sachs Asset Management, LP, designated as manager.

Then you go through and find out they're appointed to manage, supervise, direct the investment portion and appointed as the Federal Reserve Bank of New York's agent in fact. It's just amazing what all power they're given on behalf of the Federal Reserve Bank of New York. It does point out that they're going to get some nice fees here.

It says that this agent here, this manager, can hire firms to help them carry out their duties. But you have to look at attachment C to see who on exhibit C is authorized to act on behalf of this manager, Goldman Sachs Management, LP. So you flip over and you find exhibit C to this agreement. Well, my goodness, there's Goldman Sachs & Company is authorized counterparty to act on behalf of Goldman Sachs Asset Management, LP. Isn't that wonderful. Because they probably know each other. Well, doesn't that work out well?

Those were good investments they made in this last election, and yet people still continue to come to this floor

and talk about how Republicans are in the pocket of Wall Street, even though the Democrats received four-to-one over the amount that the Republicans got.

Well, I know there are people in this body—it doesn't matter what kind of contributions they got—they're going to vote what is appropriate under their conscience. Unfortunately, we've got groups on Wall Street that are awfully powerful in their persuasiveness and convincing people that giving Goldman Sachs their biggest profit year in the Nation's history, in their history, is the thing that needs to be done. That's the kind of stuff we're talking about. And Republicans are getting blamed for this, for trying to stand in the way of more monopolies on Wall Street.

And if you look at the bailout of the automotive industry with TARP funds—and the truth is, I signed on to all those letters where we said we never intended for TARP to be used to bailout the automotive industry. I signed on to those because I agreed that was not the intent. The trouble is I read the bill, and so I knew that it could be used for whatever the Secretary of the Treasury wanted to use it for, basically. Incredible power given under that bill. And now we're going to follow that up with this new financial reform bill, this new bailout bill.

That's why you've seen Wall Street firms sign on to this business of taking out the \$50 billion bailout fund. That's been done in the last few days. Why would the Wall Street firms sign on to that? Well, if you look at the bill, you find out why. They've still got the potential to be named as systemic risk by the Systemic Risk Council, Mr. Bernanke leading, and get too-big-to-fail status.

And I heard my friends. I couldn't have agreed more when they said we have got to stop this business of creating too big to fail. AIG should have been allowed to file bankruptcy. That's what the bankruptcy laws were for. They should have been allowed an opportunity to reorganize. Goldman Sachs should have been given a chance to reorganize under the bankruptcy laws, not the way they were perverted and destroyed and turned upside down with regard to the automotive industry, but followed the way they're supposed to be.

It didn't happen with the automotive industry, and it didn't happen on Wall Street, as it should have. The firms should have been allowed to go through and try to reorganize. The pain would have been so much more quickly over than when we exacerbate it. But for folks to come in and say, I want to stop this too-big-to-fail business, that's why we've got to pass this bill. They've got to read the bill. It's in there. It's still going to allow that to be going on. It's got to stop. It's in the bill.

So you wonder why you have Republicans standing in the way of the financial reform bill. Well, take out the Systemic Risk Council, take out the

too-big-to-fail designation, take out the bailout for firms without going through regular bankruptcy proceedings. Take that out. The automotive industry should have showed us that this is not what you do. You don't turn the law and the Constitution upside down.

People might wonder, Well, how could that have happened? You've got Congress, the executive branch, and you've got the judiciary. These are supposed to be checks and balances. But it didn't happen. The checks and balances didn't work. So you had an auto task force that was appointed by the President. And then the auto task force met in secret and refused to come up here and tell Congress exactly what was going on in those meetings. They said later, Well, we didn't really pick which dealerships would go out of business. We just told them, basically, how many had to go out of business. Why? Why was it their job?

When a firm, a company, an industry goes through bankruptcy, an effort at reorganization, you have to have a plan. And the debtor can propose the plan and you can have creditors come in and propose plans. You have secured creditors that come in and they get first choice. That's the law. That's the law as allowed under the Constitution.

We had an auto task force that put together this plan, and they said, No, we're turning the law upside down. We don't care what the law says. So we're going to take the secured creditors and we're going to give them pennies on the dollar for their secured claims, despite the law saying they get first shot, and unsecured creditors may get little or nothing. They took the unions and said, You know what? You're unsecured under the law. You may get little or nothing. And we made them like secured creditors, the auto task force did, so they own a big hunk of the company, just like the Federal Government does.

You say, Well, how could that be? Well, bankruptcy judges don't sit for life terms. They depend on the good graces of others to appoint them so they can continue to be bankruptcy judges. And many of them aspire to be district judges, where they have lifetime appointments. Who makes lifetime appointments of Federal judges? The President does. So if you're a bankruptcy and you want to one day be a Federal district judge with a lifetime appointment and somebody from the White House says, Here, sign this. It will save you months of hearings, even though the law requires them, and it does kind of turn the Constitution upside down, but just sign here. Things will be good for you in the future. Well, that remains to be seen. But it sure wasn't good for the country.

Despite the head of GM going on TV and saying, We paid back our loans, with interest, ahead of time, I know everybody else in America who has loans would love to have taxpayers loan you money and then take taxpayer money

to repay the loans. But to some of us, that doesn't really feel like a clean payback of this little area because we still own a big interest. You hadn't paid back the Federal Government for all that was put in there to save this so-called company.

□ 1800

Ruth Bader Ginsburg, bless her soul, she put a 24-hour hold on one deal and it gave some of us hope that, okay, Congress completely failed in its duty as a check and balance on the abuse of power from the executive branch, but maybe the judiciary, that third check and balance, they're coming through. Thank goodness Justice Ginsburg did that. But then, apparently, the Justices were persuaded that if you extend this stay more than 24 hours the deal will be gone and this will all go away and everybody will lose their job. You can't extend the stay.

And I'm betting there are Justices who are now saying we should never have allowed them to talk us into just allowing them to turn the law and the Constitution upside down just because maybe this deal with Fiat might not go through. Fiat had no business owning the American company unless they could do it properly, without turning our laws upside down. So the third check and balance went away, and nothing protected the Constitution, nothing protected the laws as they were passed. It's got to stop. It's got to stop.

And yet we see a bill brought before the House and Senate and, lo and behold, the Federal Government is going to take over all student loans. We're taking over the student loan business. Well, I am so grateful that my youngest daughter is graduating within the next 2 weeks. We had to do student loans to do it. My wife and I cashed out all our assets except our home in order to run for Congress, so we had to use student loans to get our girls through college. And to think that anybody in this country might have to be beholden to whoever is in the executive branch, whichever political party is controlling the executive branch is who we have to hope and pray will be kind enough to extend a student loan to us in the future? Do Democrats really want to have to depend on Republicans for their student loans based on who is in the White House? Should Republicans have to rely on who is running the executive branch in hopes that their kids will get student loans? It's the wrong way to go.

And now with the Federal Government having taken over Freddie and Fannie, we've taken over such a big part of the housing, the home mortgages, does either party or independents or tea party or progressive liberal party, do you want to be beholden to another political party in power in order for you to get a home loan or a student loan? This is where we've come. It's got to stop.

I know that in the minority we're a voice crying in the wilderness, but it's

got to stop. There are people on the other side of the aisle that know that, who say this. And to my friends, Mr. Speaker, I would hope that they would all go back and read these bills, particularly the "financial reform bill," and find out that it is not as the talking points have represented. It does create the too-big-to-fail problem, and it's got to stop. I hope we will have some Democratic friends who will help us. It's tragic.

I was in a Bible study with a hero of mine, Chuck Colson, a little over 1 year ago. He pointed out that this society is resting on three legs: one is morality, one is economic stability, and one is liberty. And throughout history, as long as you had morality, you could have economic stability. But when you lose morality, it always leads to economic chaos. You have too many Madoffs out there that think it's okay to just live high and wild lives off other people's money that they've stolen. Then you have people get elected that think some people have made too much money, so I want to steal their money. But since I'm in power, I can pass laws that allow me to take their money and spend it the way I want and it won't be called stealing because we'll legalize the stealing because we have the power. And, yes, the power resides in this Congress to legalize stealing of people's money. The power rests here, but the moral authority does not.

And when I hear friends say, well, Christians ought to be helping those who can't help themselves, helping the widows and orphans, Jesus did talk about those things. Even as you have done to the least of these, my children, you have done to me. And we should be doing those individually. But He never said use and abuse your taxing authority to legalize theft of other people's money so you can give to your favorite charity. He was saying, you do it yourself with what you have. You do it. You help individually. Don't go corrupt a governmental system that was put in power, as Romans 13 talks about. If you do evil, be afraid, because God doesn't give the government the sword in vain. The government is not supposed to become a part of doing immoral acts; it's supposed to protect those entrusted to its care, and we've gotten too far away from that.

During the revolution, so many were heard to quote Voltaire—some say he said it, some said he didn't, but he was quoted as saying, I disagree with what you say, but I will defend to the death your right to say it." So many of us heard that, learned that in school. What a noble, moral concept: I disagree with what you say, but I will defend to the death your right to say it, even though it offends me. And look how far we've come.

To some of us who look at the Ten Commandments and say, you know what? Conduct outside of those, all of us are going to break the commandments because no one—but I believe one—is perfect, but that offends. But

people here have the right to, in some cases, lie, in some cases commit adultery, in some cases some of these things are illegal, but that has been changing. And we've changed this society from one in which the Founders said, I disagree with what you say, but I will defend to the death your right to say it, and we've turned it into one where what you say offends me, and not only am I not going to defend to the death your right to say it, I'm going to force you out of your job, I'm going to do everything I can to cause you to lose all of your assets, I am going to do all I can to make your life nothing but misery from now on. How did we get so far from the founding that we would want to destroy people's lives because what they have said offends?

When the Pilgrims came over, when so many of the groups that came over to what they called the New World, they were fleeing from the kind of persecution that has now started. This was a National Day of Prayer, and yet we had Franklin Graham—what a great, great man—he was uninvited from speaking to our military. We had Tony Perkins not long ago uninvited from speaking to the military at Andrews Air Force base even though he served this country's uniformed military services for 6 years because there were some who said in the administration we disagree with what you say and we're going to ruin you and try to do all we can to keep you from speaking.

The military is fighting for people's right to say what they want, and yet we're denying people the right to come speak to the military while they're fighting and dying for the right to speak freely under the First Amendment? How did that ever happen?

From 1800 to 1860, and again intermittently until 1880, there were church services held right down the hall, non-denominational Christian church services. I was asked earlier by a CNN reporter, how do you reconcile the separation of church and state with a group reading through the entire Bible in 5 days over here at the west side of the Capitol? Well, I reconcile it because I know where the phrase "separation of church and state" came from. It came from Thomas Jefferson in his letter to the Danbury Baptists.

There was nothing about preventing people from having church or having religion or praying in Jesus' name, or doing any of those things, or speaking to the military. To the exact contrary. Thomas Jefferson used to ride down Pennsylvania, according to CRS, most of the time—the Congressional Research Service, they've authenticated this—most of the time when he came to the church service every Sunday here in the Capitol he liked to ride his horse down here, down Pennsylvania. He's the one that codified the phrase "separation of church and state" because it's not in the Constitution. It's so unfortunate that so many of our judges over the years have been so poorly educated about our history.

And then you've got James Madison as President who came to church most every Sunday he was in Washington here in the Capitol, in the House of Representatives, but according to CRS, he was different from Jefferson. Jefferson liked to ride a horse and usually Madison liked to ride in a coach drawn by four horses to come to church in the Capitol. Jefferson—who coined the phrase "separation of church and state"—sometimes brought the Marine band to play hymns for the non-denominational Christian worship service here in the Capitol.

The Constitution's First Amendment was never about discriminating against Christianity as this administration has done by uninviting people to speak to the military who are fighting and dying for the very beliefs that the people were denied the right to come talk to them about. And yet we have people who are so politically correct they're afraid to say that a guy who makes very clear about what he screams before he shoots these other servicemembers, that this is an act of a crazed jihadist, Islamic jihadist.

Thank God that the vast majority of Muslims are not jihadists of that type, but you need to recognize the ones that are and that they're out there and they want to destroy our way of life. And you can speak to moderate Muslims—many of them are afraid to speak out openly because they've become targets—but you speak to moderate Muslims, they know. They're some of the first to be killed when the crazed jihadists take over. They don't like moderate Muslims.

But the Nation was founded on principles such that the church, the Christian church, was at the heart the Declaration of Independence. Over one-third of those who signed the Declaration of Independence were not just Christians, they were ordained Christian ministers, had churches. And the church was behind the effort to abolish slavery because they, just like John Quincy Adams, knew it was so wrong. And as Adams, for about a year and a half, took a young, tall, slender, not very handsome man under his wing down the hall, as Christians, they became so close in that short time, John Quincy Adams affected him so he knew as a Christian that slavery had to end because we could not continue to be blessed by God if we were treating brothers and sisters by putting them in chains and bondage.

And he preached that sermon over and over and over just down the hall. And the churches were preaching—some weren't, but many were—that was the heart of that movement. And what was Martin Luther King, Jr.? Dr. King was an ordained Christian minister. The church has been behind the great movements here in America, and now we're discriminating against it? We're saying what you believe in a Christian church so offends us, not only are we not going to fight to the death for your right to believe what

you believe and say what you want to say, we're going to destroy you and keep you from doing anything publicly that you want to do in observing your religion. How did we go so wrong?

□ 1815

How did we go so wrong? Abraham Lincoln struggled with this terrible war that was going on because he believed in a just God, and yet this thing was going on and so many brothers and sisters were dying and it was a terrible thing. And that is why he said in his second inaugural, How do you reconcile this? He said, Both read the same Bible and pray to the same God, and each invokes his aid against the other. But he goes on and he says, If we shall suppose that American slavery, and you might substitute in there abortion, American abortion, abortion is one of those offenses of which, in the providence of God must needs come but which, having continued through His appointed time, He now wills to remove and that He gives to the North and South this terrible war as the woe due to those by whom the offense came. Shall we discern therein any departure from those divine attributes which the believers in a living God always ascribe to Him. Fondly do we hope, fervently do we pray, said the President, that this mighty scourge of war may speedily pass away. Yet if God wills that it continue until all of the wealth piled up by the bondsman's 250 years of unrequited toil shall be sunk and every drop of blood drawn by the lash, or by the abortion doctor's hand, as was said 3,000 years ago, so must still be said today, Lincoln said, the judgments of the Lord are true and righteous altogether, as he quoted scripture.

We are told it may not be appropriate for the military to hear from somebody who believes the things that Jesus taught. So you have Tony Perkins cancelled. You have Franklin Graham cancelled because they believe the things Jesus taught. You have others who we have been hearing about the last couple of days who have been uninvited to speak to military. And yet I was given by my aunt a Bible that was given to an uncle in World War II. It has this metal front, May the Lord be with you. And inside on the first page, it says at the top: The White House, Washington. As Commander in Chief, I take pleasure in commending the reading of the Bible. That is signed by Franklin D. Roosevelt.

We all need to pray that God will continue to bless America.

TAX CUTS

The SPEAKER pro tempore (Mr. ADLER of New Jersey). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, I appreciate the privilege to be recognized here on the floor of the House, and I appreciate my colleague from Texas