ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes left in the vote.

□ 1520

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title of the resolution was amended so as to read: ''Directing the Clerk of the House of Representatives to ensure that cost estimates prepared by the Congressional Budget Office are available to the public.''.

A motion to reconsider was laid on the table.

Stated for:

Ms. MCCOLLUM. Madam Speaker, on June 9, 2010, I was detained and missed the vote on H. Res. 1178. I would have voted ''yea'' for this resolution.

MOTION TO INSTRUCT CONFEREES ON H.R. 4173, WALL STREET REFORM AND CONSUMER PROTECTION ACT OF 2009

Mr. FRANK of Massachusetts. Mr. Speaker, pursuant to clause 1 of rule XXII and by direction of the Committee on Financial Services, I move to take from the Speaker's table the bill (H.R. 4173) to provide for financial regulatory reform, to protect consumers and investors, to enhance Federal understanding of insurance issues, to regulate the over-the-counter derivatives markets, and for other purposes, with the Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The motion was agreed to.

Mr. BACHUS. Mr. Speaker, I have a motion at the desk.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Bachus of Alabama moves that the managers on the part of the House at the conference on the disagreeing votes of the 2 Houses on the Senate amendment to the bill H.R. 4173 be instructed as follows:

(1) To disagree to the provisions contained in subtitle G of title I of the House bill.

(2) To disagree to section 202 (relating to the commencement of orderly liquidation and the appointment of the Federal Deposit Insurance Corporation as receiver) and section 210 (relating to the powers and duties of the Federal Deposit Insurance Corporation as receiver) of title II of the Senate amendment.

(3) To not record their approval of the final conference agreement (within the meaning of clause 12(a)(4) of House rule XXII) unless the text of such agreement has been available to the managers in an electronic, searchable, and downloadable form for at least 72 hours prior to the time described in such clause.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Alabama (Mr. BACHUS) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

This motion to instruct directs the conferees to insist that this legislation end the possibility of taxpayer-funded bailouts once and for all by stipulating that bankruptcy is the only available option for liquidating a failed financial firm. The motion also requires that the conferees and the public, by extension, have at least 72 hours to review the contents of the conference report before its final approval.

We've heard time and time again that the Democrats ''resolution authority'' to wind down systemically significant financial institutions ends the too-big-to-fail doctrine and protects taxpayers. That's an outrageous and false claim. Read the bills. Both the House and the Senate let the FDIC do the following: lend to a failing firm, purchase the assets of a failing firm, guarantee its obligations to creditors, take a security interest in its assets, and even sell or transfer assets that the FDIC acquired from it.

And while the House establishes a $150 billion bailout fund to pay for the resolution of a failing firm, with an extra $50 billion line of credit with the Treasury if the original $150 billion is exhausted and cannot fully fund the bailout, the Senate approach is no better. The Senate would allow the FDIC to potentially provide trillions of dollars from the Treasury in order to pay off a failed firm's creditors and counterparties in the aftermath of its failure with the hopes that the funds can be recouped at some later date. But only a hope.

The Senate bill institutionalizes backdoor bailouts that have so infuriated the American people by conferring on the FDIC the exact same tools that were used to rescue the creditors of Bear Stearns, AIG, Fannie Mae, and Freddie Mac with the taxpayer price tag today of over a trillion dollars. This would continue the misguided too-big-to-fail bailouts that allowed U.S. regulators to pay Goldman Sachs and other large European banks 100 cents on the dollar at the expense of hundreds of smaller institutions and companies which were considered too insignificant or small to save or to pay.

The Democrats like to call their plan a ''death panel'' for large financial firms, but if you read the bill, in reality, it is nothing less than the taxpayer-funded life support to pay off the creditors of the failed institutions but not necessarily all of the creditors. They could pay some of the creditors and let others hang out to dry. We saw that with AIG and other bailouts.

And don't forget the so-called too-big-to-fail institutions have only grown larger and more dominant through the regulator-directed but taxpayer-funded bailout process, a process this legislation institutionalizes.

The better, more equitable approach to dealing with failed nonbank financial institutions—the only way to make sure taxpayers are protected from paying for Wall Street mistakes—is bankruptcy, first proposed by House Republicans. Unlike the FDIC, which can funnel unlimited amounts of taxpayer cash to a failing firm's creditors as part of a so-called resolution, a bankruptcy court has neither the authority nor the funds to make creditors whole. Bankruptcy is an open, transparent process administered according to clear rules and settled precedent and preferences, preferences that, in this bill, could be disregarded.

By contrast, the resolution authority proposed by the Democrats would be carried out entirely behind closed doors with no guarantee of adequate stakeholder participation and protection and without a bankruptcy judge to ensure a fair and equitable outcome. The Democrats have been careful to include in their bill a provision that explicitly states that taxpayers will bear no losses from the government's exercise of resolution authority. But that promise, like the promise we heard in Fannie and Freddie, is an empty one, not worth the paper it is printed on.

You will remember, on this floor we heard the Secretary of the Treasury say, $300 billion that will never be used. It was used, and almost another trillion dollars more was guaranteed.

The only way to ensure that the pockets of taxpayers will not again be picked by Wall Street and government bureaucrats with the help of this Congress—a coalition which sometimes I refer to as the reckless and the clueless—is to insist that failing firms be resolved through bankruptcy.

In conclusion, let me remind my colleagues that for 99.9 percent of core companies and all individuals who find themselves unable to meet their obligations or their creditors, bankruptcy—not a government bailout—is the only alternative. It ought to be the alternative for failing too-big-to-save corporations as well.

□ 1530

This motion to instruct would eliminate the two big to fail/too small to save double standard in the Democrat bill that has so infuriated the American people and makes bankruptcy the only option for the systemically significant firms, many of which created the crisis our economy and the American people face today. I urge my colleagues to support it.

I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have just seen an elephant stick wielded on the floor of the House. The elephant stick refers to the man who's walking around the Mall here in Washington carrying a big stick, and people say, Why do you have that big stick. He said, Well, I've got to keep away all the elephants, and the people say to him, Well, there aren't any elephants here, and he said, Right, my stick works.

My friend from Alabama is determined to prevent from happening what's not going to happen, what's not authorized in the bill. It is true that we had bailouts, and of course, what we also have here is the latest in a series of stunning repudiations of the Bush administration by its former loyal followers. All the bailouts the gentleman mentioned, of course, happened under the administration of President Bush, and I believe President Bush's administration did the best they could with weak tools at the time to deal with the problem.

What we have are ways to avoid that from happening. There is reference to too big to fail. No institution will be too big to fail under this bill. They will fail. The question is, will their failure lead to consequences that you should have some ability to deal with.

We do model some of this after the FDIC. The FDIC, run by a very able appointee, Sheila Bair, a former aid to Senator Dole and a Republican appointed to the job by President Bush, had a major role in helping us decide how to do this, and it is to say, first of all, the institutions that get too far into debt will die.

My Republican colleagues were actually right in the wrong place earlier this year, which is better than their usual average, when they talked about death panels. We are legislating death panels this year but for financial institutions, not elderly women. We don't have them in the health care bill. We have them in the financial bill. There is no too big to fail institution.

I will say in the instruction motion some things that were done were not done as well as they should have been—that's why we go to a final conference—and to the extent that there are suggestions that some of these institutions might survive, we will clean them out. The Senate bill has some provisions I don't like, and section 202 of the Senate bill I hope to change.

On the other hand, the notion that in this very complex system that we have, with the debts that are out there, to only do bankruptcy is simplistic. By the way, if my Republican colleagues really believe that bankruptcy was the only way to deal with these institutions, they would have an amendment or would have had an amendment to do away with the dissolution authority in the FDIC. The major exception of bankruptcy right now is in the Federal Deposit Insurance Corporation. We don't have simple bankruptcy for banks. We have a method given that particular relevance in the society on how you wind them down.

So, there are many things in here that I agree with. As to the conference report being open, again here I welcome my Republican colleagues as converts to the cause of openness and interbranch negotiations. When the Republicans controlled this institution for 12 years and had the Senate for most of that time, conferences were so rare that I've had to explain to Members who came during the years of Republicans how a conference works. Now they have become great advocates of an openness they never implemented themselves.

We will have a conference, which I announced was my intention last year, last fall. It will be open. Things will be presented. They will be debated. They will be subject to amendment. They will be voted on. I was asked if they were going to be televised. Now, I am not the editorial director of C–SPAN. I hope it will be covered. I hope TV will be there. I hope it will be widely covered, and I think it probably will be given the interest.

So, when they talk about a 72-hour requirement, I expect that we will beat that. The timetable I am hoping for will have this bill done in a couple of weeks, and it should be reported out, if we can work this out by a Thursday, and not come to the House until Tuesday which is more than 72 hours. One never knows whether there is going to be some emergency, what might happen. This will be a fully debated bill.

So there are aspects of the instruction report that I agree with. There are aspects with which I disagree. Of course, we have to go to the Senate. That's why instruction motions are not binding. But I do disagree with two points.

First of all, the entirely enacted allegation that this perpetuates bailouts, they have us confused with the situation that occurred in 2008. I don't blame the Bush administration for these bailouts in part because I think some of them could have been conducted more sensibly and better and with more concern for the impact on the average citizen, but they didn't have the tools. This gives them tools that first the Bush administration and now the Obama administration has asked for, not to keep institutions alive but to put them to death in a way that does not cause great perturbation in the rest of the economy. There will be no taxpayer money expended under here. That's already done. I do not doubt that years from now they will take credit for what we had already decided to do.

The instruction motion, in other words, is a mixed bag. Some parts of it I hope we will act on. The ex-ante fund we talk about of $150 billion, recommended to us again by Chairwoman Bair of the FDIC, many of us thought that made sense. The Senate and the administration were opposed to it. It will not survive the conference. People know that. So, to that extent, that's going to disappear anyway.

But saying that you only have bankruptcy and nothing else that helps you buffer the consequences of the failure of these institutions—and failures they will be, they will be hard to fail and will be dissolved—I think is reckless.

So I plan to vote against the motion to instruct, and given that it is such a mixed bag of things and given that it's not binding, I will predict that the outcome is likely to be very similar no matter how this goes. That is, there are some things we are going to do, some things we have to negotiate with the Senate. We haven't got the power to order. So I think this will be a useful discussion, but I will go back to just the last central point.

There will be no taxpayer funds, and there will be no institutions that are not allowed to fail. There will be an effort—and this has to be negotiated—to work with the Senate so that we do not simply say that the consequences are of no interest, and I would repeat again. Those who genuinely believe that only bankruptcy should be used have made a major concession by not applying those rules to the banking system. If only bankruptcy should be used, then where was the amendment during the process to convert the FDIC dissolution process on which this is modelled to a bankruptcy model?

I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, at this time I yield 4 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, the question before us, with apologies to William Shakespeare, to bail out or not to bail out, that is the question. The motion to instruct by the ranking member says no more bailouts. Quite simply, it cannot be said any other way. Unfortunately, whether you're dealing with the House bill or the Senate bill, they are still identifying firms that in their view are too big to fail. Now the phrase that is used is systemically significant, systemically risky, but they are identifying firms for a specific regulatory scheme, and in the House version, as the distinguished chairman of the Financial Services Committee pointed out, is a prefunded bailout fund. In the Senate version, they drop their prefunded, but there is an infinite line of credit that the FDIC can draw upon with respect to the Treasury. Again, if you have firms, Mr. Speaker, that are too big to fail, then you are saying they can't fail. If they can't fail, then at some point you're going to bail them out.

Now, I've heard the distinguished chairman of the Financial Services Committee, the gentleman from Massachusetts, on many occasions say no taxpayer funds will be used. I heard him say it seconds earlier and I know he believes it and I know he means it, but unfortunately, the track record for him and many of his colleagues on that side of the aisle in predicting such is really not very good.

The distinguished chairman was the same one who told us he didn't believe that taxpayers would be called upon to bail out Fannie and Freddie. Well, approximately $150 billion later, we know that Fannie and Freddie did have to be bailed out, that rolling the dice was not a good strategy.

These are the same folks who also told us that the National Flood Insurance Program would never go broke, the crop insurance program, Medicare will never go broke. We've heard it before, Mr. Speaker. To somehow believe that ultimately taxpayers were not being called upon to have to bail out these firms is asking us frankly to ignore history and to suspend disbelief. Again, it is time to end the bailouts, and the motion to instruct would do that. Too big to fail becomes a self-fulfilling prophecy. Again, in many respects, the bill ought to be renamed the Perpetual Bailout Act of 2010. It has the wrong scheme. Bankruptcy is the proper scheme.

Now, I know the chairman has told us, well, we have death panels for these financial firms. Well, what happened on Chrysler and GM on their so-called death panels? Well, we know that Washington decided to play favorites. Certain creditors were benefited at the expense of others. Unsecured creditors, particularly the UAW, United Automobile Workers, somehow they jet to the front of the line. Secured creditors, they go to the back of the line. It creates avenues for political favoritism in Washington, D.C. It will again lead to Washington picking winners and losers.

We know how this ends. We know that AIG refused to make counter parties whole. CIT was designated too big to fail. They got billions of dollars. They failed anyway but it was resolved quickly. It is time to end the bailouts. The Nation cannot afford to be on the road to bankruptcy. It is time to end the bailouts, Mr. Speaker, and it is time to approve this motion to instruct.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

I would like to yield to any of my Republican colleagues who will tell me why during this process they never moved to require bankruptcy as the way of dealing with failing banks. If bankruptcy is the only way to do it, why have the Republicans never proposed that we substitute for the current FDIC proposal bankruptcy? Well, I'm used to being unanswered when I ask hard questions. I think that proves the point.

I will yield to the gentleman from Texas.

Mr. HENSARLING. Well, I would say to the distinguished chairman that depositors are very different from investors, and when we have taxpayer money specifically at risk, it calls for a different regime.

Mr. FRANK of Massachusetts. Well, the gentleman is wrong about that because, yes, depositors are different than investors and depositors are insured, but we have deposit insurance. If you on the other side generally believe this, Mr. Speaker, they would provide deposit insurance and then bankruptcy. The gentleman's incorrectly answered the question. Deposit insurance takes care of the depositors, but there are other things that are done to try and reduce the cost to the government. So bankruptcy and deposit insurance has not been the method.

Mr. HENSARLING. Will the gentleman yield?

Mr. FRANK of Massachusetts. Yes.

Mr. HENSARLING. Is the distinguished chairman suggesting that we need deposit insurance for firms like Citigroup and Goldman Sachs? Is that what the gentleman is suggesting then?

Mr. FRANK of Massachusetts. I would take back my time to say that's even by the standards of this debate wholly illogical. No, I'm not remotely suggesting that. What I'm suggesting is the glaring inconsistency between saying bankruptcy is the only way you put an institution out of business and the failure to apply that to the banking business.

By the way, I don't mean to be rude but the gentleman mentioned Citicorp. There's a bank there that has deposit insurance. So maybe the gentleman wasn't aware that the bank there has deposit insurance.

□ 1545

Mr. Speaker, there is another error in the comments. This is that the bill designates institutions too big to fail as systemically important. That is misleading as stated.

In fact, the bill in the House does not designate any institution as being systemically important. The only way an institution would be designated as systemically important is if it was found to be troubled. So there would be no situation in which an institution would have that label and go out and be able to do things with it.

Under the bill that we have, only a finding that the institution is in difficulty triggers a systemic importance designation, and it is accompanied with restrictions on that institution. It is exactly the opposite of this being a badge to get more loans. It is publicly identified as a troubled institution.

The last point I would make is this. Yes, there was flood insurance, Medicare, a number of things. None of them have the language we have in this bill. This bill has very specific language banning those things because we have learned from experience.

We have learned from the experience of 2008, with all those bailouts. And, again, remember, every single bailout activity was initiated by the Bush administration. And I say that not for political purposes but to indicate the inherent difficulties here.

And it was the people in the Bush administration who first said to us, ''Give us different tools. We have to be able to deal with putting these institutions out of business, but not ignore the consequences.''

So, with that, Mr. Speaker, I reiterate: This bill very explicitly prevents bailouts. It designates no institution as systemically important. It says that regulators may step in when they find an institution to be troubled. And if they think that that troubled institution could cause damage, they don't just designate it, they put severe restrictions on it.

So it is exactly the opposite suggestion that some will be too big to fail. They will be on notice that they have to increase their capital, decrease their activity. And people will be told that if that institution does fail under this bill, those who have invested, et cetera, will be wiped out.

Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield 4 minutes to another gentleman from Texas (Mr. PAUL).

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this motion to instruct. I think it is a good idea that we don't have the taxpayers bailing out eternally institutions that are bankrupt.

But there is an important thing to remember, that when an economy gets out of kilter, the marketplace demands a correction of that. And that's usually called the recession. Of course, we are not discussing here today exactly how we get into the excesses, but we do. And, unfortunately, debt gets too high and mal-investment gets too excessive, and the market wants to correct this.

Now, it's essential that this excessive debt be liquidated. It can be liquidated in two different ways. It can be written off by inflationary currency and paid off with bad money, or it can be liquidated actually through the bankruptcy process.

So I am in strong support of this, but I also want to make a point here and a suggestion to the conferees that they pay attention to the provision in the House version of our bill dealing with the Federal Reserve. And that provision is called H.R. 1207, which deals with the auditing. And there is a difference between the Senate version and the House version.

So, although we are not talking about that specifically, to me it's important, not only for the issue of oversight and transparency, but there is also an opportunity for the Federal Reserve to provide bailout provisions for certain organizations, as well. We are talking about taxpayers' funds, the appropriated funds, TARP funds and others. But when we come to extending loans, in a way this very much is a bailout.

So I would like to suggest that we look at that and stand by the House provision. We do have 319 cosponsors of this provision.

Mr. FRANK of Massachusetts. If the gentleman would yield, as you know, I was for some form of that. And I guarantee, because the Senate has acted, we will have tough auditing provisions of the Federal Reserve in the final bill.

And I do want to note to my friend from Texas that, when the Republicans offered a motion to recommit to the bill, they would have wiped out a number of things, including his audit provision. So despite the fact that my friend from Texas temporarily abandoned his audit provision to the perils of a recommittal provision, I will join with him in reviving it.

And, as he knows, we have in our bill a severe limitation on this power under section 13(3) for making these loans. What they did with AIG will no longer be possible. There will be no more loans to individual institutions.

But he has been the leader on the audit situation, and I intend to continue to work with him to make sure it is well done.

Mr. PAUL. I thank the chairman.

And I would just like to reemphasize that it is the responsibility of the Congress to commit to oversight of the Federal Reserve, something that we have been derelict in doing. I think the mood of this House and the mood of the Senate and the mood of the country is more transparency and more oversight.

The provision in the Senate version is not adequate for an audit of the Fed. So I am encouraged that we are getting more attention because, ultimately, it is necessary that we understand exactly how the business cycle comes about and how the Federal Reserve participates in this.

Because, under the circumstances of today, on what we are doing, we are prolonging our agony. And someday I would hope to see that our recessions—and now we are talking about depressions—are minimized and shortened. And I am concerned that the programs that we are working with today are prolonging those changes.

So the most important thing that we can do is make sure that we exert our responsibilities, have oversight of the Federal Reserve, commit to these audits of the Federal Reserve, and not to endorse the idea that the Federal Reserve is totally secret, can do what they want, can bail out other companies and banks and foreign governments and foreign central banks without fully knowing exactly what they are doing.

Once again, I thank the chairman of the committee for his support for auditing the Fed.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield such time as he may consume to the chairman of the Subcommittee on Financial Institutions, the gentleman from Pennsylvania (Mr. KANJORSKI), who had a major and constructive role in this bill and was pushing for things like reform of the Volcker rule before it was popular in other quarters.

Mr. KANJORSKI. Mr. Speaker, I rise maybe to make a suggestion. I know it may drop on deaf ears, but, you know, we are about to undertake an historic event, both in this institution, the Congress of the United States, and in the United States of America, and that is to enact laws by a democratic society through their elected representatives that will cause occasions to happen that may actually save the economy of this Nation or the economy of the world.

It seems to me at this first preparation date we are awaiting the appointment of our conferees here on the House side, that we are already indicating that there will be a political flavor to this conference as opposed to an attempt by both sides of the aisle to find what is best for America and what is best for the economy of this country.

Now, I suggest, and I will concede, having worked with the chairman and Members on the other side, the ranking members and others, for these last 15 or 16 months, that this is not a perfect bill or a perfect solution. I wish it were. But I think we will all have to wait until another day of a higher order to get to perfection.

All we are trying to do here is to work in the regular order of the legal process to see if we can make certain that we don't bring down our economy or our government or the world's economy or the world governments. And that's what we are attempting to do.

Now, you know, we have all these titles, and I am probably as guilty as others, ''too big to fail.'' And we talk about that like that's an easily definable entity. Well, in reality, it isn't.

The fact of the matter is, some things are so interconnected and intertwined and involved in our economic system that, for all intents and purposes, they would appear not to be a risky organization, but that when you examine them and you see the tentacles that they send out through our society and other organizations throughout the world, that their failure can precipitate a failure of the economic system of the world.

That's what we experienced in an organization known as AIG. You know, an organization in excess of 100,000 people, working in tens of countries around the world, had a little organization in London, England, called AIG Financial Products. Those 400 people were able to take a name, AIG, American International Insurance Group, and utilize that to get into the derivative business to the tune of $2.8 trillion without the support of adequate assets to meet their counterparty positions.

And what happened? It started to fail to meet its counterparty positions and immediately would have put at risk most of the major banks of not only the United States but of the world.

Now, when that was happening—and that occurred after other failures in the United States had occurred—we had several choices. We could have sat by and said, ''Well, the market will cure all things.'' And I guess if you are a purist, that's not a bad position philosophically to take, because it is correct. I will concede to that.

But I am one of those people that favor affecting the market and taking the actions that will, in some instances, short-circuit the effects of the market when the effects of the market will be so severe on our population that it warrants such action. And that's exactly what happened at AIG.

If we had sat back and allowed that to occur and the ripple effect around the world, we would have collapsed the economy of the United States and the world, probably, some of our best economists in the world indicated, within 72 hours. We would have been in a position of no one knowing what the world's economy would have looked like.

We were called upon to take certain actions, and that was way back in September or October of 2008. And many of us came back to Washington just before our vital elections that year, and we went to work and we created something.

Can I reconstruct for you gentlemen what it was about? We didn't come back to the Obama administration. We didn't come back to a situation——

PARLIAMENTARY INQUIRY

Mr. ISSA. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore (Mrs. HALVORSON). The gentleman will state it.

Mr. ISSA. Mr. Speaker, doesn't our House rule require that the address be made to the Speaker and not to each other?

The SPEAKER pro tempore. Members are reminded to address their remarks to the Speaker.

The Chair recognizes the gentleman from Pennsylvania.

Mr. KANJORSKI. It is certainly a pleasure to address the Speaker, and I will. I am sure we should adhere to the decorum of the House and the rules of the House, and I will definitely do that.

I wouldn't think of calling the attention of my observations to my colleagues on the other side. That could be frightful if we did that because they may have to respond to those observations. So we won't call those observations.

I was going through how we got here and why we are here. And how we got here was we met in rooms around this Capitol for a number of weeks, 2 or 3 weeks, as I recall. And the President of the United States, George W. Bush, in his last year of presidency, or in the last several years of his presidency, indicated that his Secretary of Treasury and the Chairman of the Federal Reserve were his designees to work with Congress to see what we could do to prevent the potential meltdown or catastrophe to the world's economy. And we went to work to do that.

Now, as I recall—and I sat in some of those meetings, not all of those meetings—we would periodically tune the conference telephone to economists, Nobel Prize-winning economists around the world, of all political persuasions and philosophical positions. And, to my best recollection, there were several dozen. And to a man, or woman, not one of them disagreed that what we were facing was total meltdown and that precipitous action had to be taken.

And the precipitous action that was taken was to provide a rescue package, giving unusual, incredible authority to the executive branch of government, to be utilized by the Secretary of the Treasury, to do what we could to prevent a meltdown in the United States.

□ 1600

Now, at all times, as I recall, those eminent economists were telling us that it was their opinion that even if we did these strange and unusual activities of empowering the President and the Secretary of the Treasury to borrow monies, use monies, buy assets, do all kinds of things, the chance of success was rated at about 50/50.

As I recall, we worked for about 2 or 3 weeks crafting what originally was a three-page bill that ultimately became a 400-page bill and became known as the ''rescue'' bill. We brought it to the House floor, if all of you will recall, and it failed. And the day that it failed, the hour that it failed, the half hour that it failed, the New York Stock Exchange dropped 900 points. And finally, there was a realization across the country and across the world that if this rescue package was not passed, we probably were looking at the beginning of the failure of the American economic system, and we went to work to see if we could put a coalition together to get it passed, and that took another week, if I recall.

Now, we did those things in the midst of an election. We did those things with a Republican President and a Democratic Congress, and it seems we did it pretty successfully. And we didn't call it a ''bailout'' bill. That became a political terminology so that people could be misinformed, misdirected, and have a visceral reaction to what the Congress has done when they really didn't understand it. And what occurred? Well, that prevailed. Rather than calling it a ''rescue'' bill anymore, it became known as the ''bailout.''

I want to correct that because I've heard that term used here at least a dozen or two dozen times. I asked the question, what did we bail out? We made extensive commitments to banks in the United States. To the best of my knowledge, all those banks have now repaid those commitments to the Treasury or to the Federal Reserve. What was the success of that? Most of them did not fail and our economic system did not fail, in totality, so it was pretty good, but we were losing employment and falling like a rock, the economy, to the tune of, in January, when the new President of the United States was sworn into office, this Nation lost 750,000 jobs and had been losing jobs at that rate for several months before and it continued several months after. And we started to get into, as opposed to discussing economics, free market situations and legalities of how we handle this problem. We got into a political ramble that has continued to this day. I think that's what I got up to address.

If we stay on this course and this direction, the only thing that's going to happen at this conference committee—and ultimately the bills that are enacted into law and signed by the President—will be very limited-capacity pieces of legislation that will not nearly accomplish what could happen. On the other hand, I say to my friends on the other side and the Members and colleagues of this Congress, if we can put our personal prejudices, our political advantages to the side and spend the next 2½ or 3 weeks in an honest effort to get the best bill possible to reform the financial markets of the United States, and indeed the world, we can do something that is so historic in nature that we place the stability of our economy for the next 75 years as it was ably put together in the 1930s.

If we don't accomplish that, what we're going to end up with is a temporary solution to a disastrous problem, fighting a lot of silly political questions which will long disappear before most of us do from the face of the Earth, but not accomplishing anything for the American people.

So I just end this dialogue with saying this—to the gentlemen on both sides of the aisle, so I'm not charged with directing it towards one side—let's put our disagreements aside for the next 2 or 3 weeks. Let's listen to the chairman of the House committee and the ranking member. Let's listen to the chairman of the Senate committee and ranking member and the other 30 participants of this conference committee, with the commitment of doing the best we can within our powers to prevent this from happening, certainly in the near future, or potentially ever again. If we fail to do that, we will have failed our job.

Mr. BACHUS. May I inquire of the Speaker as to how much time is remaining on each side.

The SPEAKER pro tempore. The gentleman from Alabama has 16 minutes remaining, and the gentleman from Massachusetts has 7 minutes remaining.

Mr. BACHUS. Madam Speaker, I yield 4 minutes to the very able ranking member of the Oversight Committee, Mrs. JUDY BIGGERT.

Mrs. BIGGERT. I thank the gentleman for yielding.

I rise in support of the motion to instruct.

Madam Speaker, taxpayers are tired of paying for the mistakes of others and fed up with bailouts. It's time for Congress to recognize that financial managers that drive their firms into insolvency should be met with bankruptcy and not bailouts.

Unfortunately, both the House and Senate financial regulatory reform bills allow the government to take over any financial business Washington bureaucrats deem as ''too big to fail.'' In other words, if Federal regulators like Treasury Secretary Geithner fail to do their job, then these same regulators can simply take over, dismantle, or prop up any financial institution that they choose at taxpayers' expense, and that's what I would call a bailout. That's the government picking winners and losers in the marketplace. That's the same reckless approach that caused the markets to undervalue risk, inflated the bubble, and left taxpayers to clean up the mess when it burst. And it must end.

House Republicans say ''never again,'' and we have developed a responsible alternative—bankruptcy. It's a fair and unbiased process, insulated from inappropriate political pressures, and removes taxpayers from the equation. During a recent hearing, Federal Reserve Bank of Kansas City President Thomas Hoenig agreed, calling enhanced bankruptcy ''a process that assures everyone that the largest institutions will be dismantled if they fail.'' And he continued, ''I prefer a rule of law that takes away discretion from the bureaucrat or from the policy person so that in the crisis you don't have that option to bail out, so that you have to take certain steps to control, to prevent a financial meltdown.''

Madam Speaker, I couldn't agree more. Effective financial reform must end the bailouts and prevent the next financial meltdown. Bankruptcy is central to the solution. It will give certainty to the marketplace, discourage risky practices, and eliminate taxpayer liability and political interference.

The bottom line is that stronger, nimble and more coordinated regulators must do their job, exercise strong oversight, and bar excessive, risky, deceptive and fraudulent marketplace behavior. Washington shouldn't control the market; it should regulate it.

Through smarter regulation and enhanced bankruptcy rules, we can prevent the next financial meltdown. Millions of American businesses and families that work together every day to play by the rules and invest wisely deserve nothing less.

I support the motion, and I hope we will have a great conference and come up with a bill; but I think this is an important motion to instruct to consider before that.

The SPEAKER pro tempore (Mr. JACKSON of Illinois). The gentleman from Alabama has 13 minutes remaining. The gentleman from Massachusetts has 7 minutes remaining.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 30 seconds to say that I'm intrigued. We were talking about bankruptcy, now we have a new concept—enhanced bankruptcy. We were told earlier that it should just be plain bankruptcy like everybody else. Now, apparently, there is something special so we get enhanced bankruptcy. Maybe we will have enhanced bankruptcy explained to us. And if bankruptcy is good for everybody, why does enhanced bankruptcy need to be done here, and what is it? Is it another name for doing more than bankruptcy?

I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield 3 minutes to the ranking member of the Government Oversight Committee from California (Mr. ISSA).

Mr. ISSA. I thank the gentleman for yielding.

Mr. Speaker, 3 minutes is all I need because we're going into a process, one in which I would like to be optimistic, one in which I will have 72 hours to pore over a 2,000-page bill to see where we can make it better.

Mr. Speaker, I, too, like the gentleman from Pennsylvania, remember 2008. I remember helping lead the charge against a wholesale bailout, a slush fund for then-President Bush to pass around $700 billion and to pass on to the next President a piece of that left over to spend it, and if you happen to get paid back, to spend it again.

Mr. Speaker, the American people are tired of endless bailouts of the select few. When the gentleman spoke of AIG, AIG still owes us $100-plus billion we'll never see back, in spite of the fact that much of that money went outside the country.

I'm part of a Congress that saw the Bush administration make mistakes. I'm fortunate that I voted against it and I'm happy that I voted against it. As we go into this financial reform, I would hope that we remember Milton Friedman once said, Capitalism is a profit and loss system: the profits encourage risk-taking and the losses encourage prudence.

Mr. Speaker, we must have freedom to fail in this country. We cannot have ''too big to fail.'' And more importantly, we cannot have the politicalization of the process by picking and choosing people like Freddie and Fannie to get $6 trillion worth of full-faith funding from the American people in order to guarantee what ultimately was to a great extent their fault. We went into a financial collapse because when homes became unaffordable, gimmicks were produced. The American people watched their government create most of those gimmicks, and even today the American Government continues to fund a 3.5-percent-down form of financing as though homes will only go up in price. So I look forward to working on a bipartisan basis to get this bill right in conference.

Mr. FRANK of Massachusetts. I yield 3 minutes to the chairman of the Oversight Committee of the Financial Services Committee who has been a major force for stability in this system, the gentleman from Kansas (Mr. MOORE).

Mr. MOORE of Kansas. Mr. Speaker, I rise in opposition to the Republican motion to instruct but in support of the work the House and Senate Conference Committee will begin in crafting a final bill on Wall Street reform.

For most of last year, my colleagues on the House Financial Services Committee, under the outstanding leadership of Chairman FRANK, along with other committees, worked hard to produce the Wall Street Reform and Consumer Protection Act. The work was bipartisan; over 50 Republican amendments were accepted along with over 20 bipartisan amendments. This package contains ideas put forward by Democrats and Republicans, as it should, creating a better and more thoughtful bill.

While the bill is large and complex, it does some very important things: it ends ''too big to fail.'' It ends the need for bailouts and fully protects taxpayers, and it has tough new consumer investor protections that will better protect families' retirement funds, college savings, and small business owners' financial futures from unnecessary risks by Wall Street vendors and speculators. And something we were careful to do in the House bill was to make sure this new financial oversight system would focus on the true problems that created the financial crisis and not responsible actors like most community banks and credit unions.

While the bill provides needed new oversight to the $600 trillion derivatives market, it is well balanced, allowing farmers and small businesses in Kansas to conduct good risk management and hedge their business risks in a responsible manner.

I commend the Senate for also passing a tough financial overhaul bill last month.

The conference committee should take the best ideas from both bills and combine them into one final bill that our colleagues can support and that will finally restore our constituents' trust in our financial system. I urge my colleagues to oppose this motion to instruct that serves as a distraction to the need for a well-balanced, strong financial reform package.

□ 1615

Mr. NEUGEBAUER. It is now my pleasure to yield 2 minutes to the ranking member of the Judiciary Committee, the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. I thank my colleague from Texas for yielding me time.

Mr. Speaker, as Congress weighs the question of Wall Street reform, the answer the American people want us to give is clear: ''No more bailouts.'' We should give that answer by passing legislation that sends any failing financial institution to bankruptcy, not to a Federal agency that might bail it out.

The Democratic Senator who guided this legislation through the Senate agrees that bankruptcy must be our primary response to failing institutions. Bankruptcy is fair. Its rules are clear. It is administered transparently by impartial courts. It has existed for generations because of one unmistakable truth: Free enterprise without the possibility of failure is free enterprise without the possibility of success.

The Senate improved the House bill by recognizing a role for bankruptcy, but it failed to give the bankruptcy courts what they need to make that role meaningful. As a result, the legislation's escape hatch from bankruptcy, one that allows agency takeovers of firms, threatens to become the first option under the bill.

When agencies take over firms, we all know that they will bail them out. Let's finish our work. Let's close every loophole that invites a bailout.

Mr. Speaker, I urge my colleagues to support this motion.

Mr. FRANK of Massachusetts. Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. At this time, Mr. Speaker, I yield 4 minutes to the vice ranking member of the Financial Services Committee, the gentleman from Texas (Mr. NEUGEBAUER).

Mr. NEUGEBAUER. I thank the gentleman for yielding.

I rise in support of the motion to instruct.

Mr. Speaker, the American people want financial reform. They don't want a financial reform replay. Financial regulatory reform is something we can all agree is needed, but we owe it to the taxpayers, who have picked up the tab for the endless bailouts, to get it right.

The House and Senate bills both lead us a long way from getting it done right. Both the House and Senate bills give the government permanent authority to continue these AIG bailouts of failing firms. Both bills let the government continue to pick winners and losers by deciding which financial companies will get on the too-big-to-fail list and which will benefit from government backing. As it stands right now, these bills give the very same regulators, who, by the way, failed to get the job done right in the first place, more authority and more power. These bills don't provide real reform. They only make bailouts and government protection for failure explicit and permanent, leaving taxpayers on the hook indefinitely.

These bills reduce choices and increase the cost of credit. At a time when small businesses all across the country are having a hard time getting credit, we are going to take action now that will reduce the ability for them, leading to fewer jobs and to more unemployment in our country.

Finally, these bills fail to address the two companies that have cost the taxpayers the most: Freddie Mac and Fannie Mae. $175 billion, to date, of the taxpayers' money is already invested in these two entities. Yet this bill fails to make any attempt at any kind of reform of these two entities.

Our motion instructs conferees to fix the biggest problems with this bill by removing all of the new and permanent bailouts. Our motion says that financial companies that fail should be allowed to fail and to use the rule of bankruptcy law, not backroom deals, which give some creditors more preference over others and which give different treatment to different creditors. Our motion says that the regulators should be held accountable, that they should not being given free rein to pick winners and losers and to decide who is too big to fail. The taxpayers want the financial regulatory system fixed, but they don't want it fixed with permanent bailouts.

Support the motion to instruct to remove the bailout provisions from this bill and insist on real protections and reforms for the taxpayers, for our financial system, and for our economy. Mr. Speaker, the American people want reform. They don't want another replay of bailouts. Support the motion.

Mr. FRANK of Massachusetts. I yield myself the balance of my time.

Mr. Speaker, I remember when the gentleman from Texas was a little less harsh on Fannie Mae and Freddie Mac when an important amendment that he offered was adopted over the objection of the Secretary of the Treasury, but we've all tended to evolve some on some of these issues.

I want to repeat the central theme here: History is one of bailouts initiated by the prior administration. Some have been supported by this Congress. Some have died by the administration on its own. This bill prevents that legally.

The gentleman from Texas who just spoke referred to the AIG bailout by the Federal Reserve or the Federal Reserve's picking one company or another. The power that the Federal Reserve has had for over 75 years to do that is repealed in this bill. The Federal Reserve is allowed, if there are solvent institutions that are liquid and have a 99 percent chance of repayment at least, to advance money based on their paper, but there can be no more AIGs under the Federal Reserve's authority.

The gentleman said, Well, they can get on the list of too big to fail. There is no such list. There is literally no such list. This is a hard-held myth by the Republicans. What there is is this: If the regulators have been given more power to watch you and if you say the regulators have failed, well, they were a different set of regulators. The SEC today is not the SEC under the prior administration, which looked the other way at Madoff. This is a different and tougher SEC. What they do is say to an institution that's now being much more carefully monitored, You need to be reformed. You need to be restrained. You must have higher capital requirements. You must reduce the amount you are doing.

So there is a tight limitation on what these entities can do. So the privilege of being named important is—and it's not called ''important.'' It says you're going to be subject to stricter standards. People are on notice that the authorities are worried about you, and then it says explicitly in the bill there can be no bailouts. There have been prior cases of bailouts on all sides—the Congress, the President, both parties—but they never had this language. There is no example of this explicit antibailout language being flouted, because it never existed before, so there are no too-big-to-fail institutions.

The question between us is this: When an institution that has gotten overly indebted is put out of business, as this bill requires it to be, do you simply do that and ignore the consequences or should there be some capacity in the Federal Government to look at the consequences?

Now, again, my colleagues have not applied their own logic to the FDIC, and I hope that the final speaker will explain what ''enhanced bankruptcy'' is. Remember, we started out being told that bankruptcy was the answer. Bankruptcy got enhanced somewhere, and we still haven't heard what that ''enhanced bankruptcy'' is. We insure the depositors, but that's not all. The depositors are taken care of, but then there are costs outside of the deposit, and the FDIC is told to follow the least cost method, and that will sometimes mean spending some money to wind it down in a way that diminishes the impact.

So, apparently, even my colleagues on the other side aren't quite as devoted to bankruptcy as they think. They are not prepared to put it into the FDIC proposal. It's a form of enhanced bankruptcy, and I hope, in their remaining time, they will explain it. When they offered a recommittal motion on this bill, Mr. Speaker, they didn't say, Let's fix bankruptcy or let's do this. They said, Let's kill every single form of consumer and financial reform.

The gentleman from Texas was alluding to the consumer agency. They wanted to kill an independent consumer agency. They wanted to kill a fiduciary responsibility for broker-dealers. They wanted to kill a requirement that leverage can never go more than 15–1. This is a little piece of what they are trying to do. They remain opposed. Their view is that the regulators in prior years didn't do a good job—regulators, yes, who followed the nonregulatory philosophy of the prior administration—and they have been opposed to any single form of reform. They are cloaking that in an argument that they are stopping bailouts which are already made illegal by this bill.

Now, the instruction motion has some things in it that Members should support, and it has some things that Members should not support. It is obviously done in a way that, I think, will have an ambiguous impact, and it isn't binding in any case. So what the vote is is less important than what the message is, and let's be very clear about the message: There are no bailouts allowed under this bill.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BACHUS. Mr. Speaker, at this time I yield 3 minutes to the ranking member of the Capital Markets Subcommittee, the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. I thank the gentleman for yielding.

Mr. Speaker, would that it be true that there are no more bailouts in this 1,400- or 1,500-page bill that Congress is about to be considering in conference. Would that it be true that the American taxpayer is potentially no longer on the hook, as it has been over the last year and a half under this administration and past, as far as the bailouts that are costing the taxpayers literally tens of billions of dollars. Would that it be true that we pass a piece of legislation and be able to keep in place the laws of this country for the last 200-plus years to protect private property rights and to protect the rights under the Bankruptcy Code so that investors and institutions know exactly what they are going to get when they invest in a company, more importantly, when you are a secured creditor, that that name would actually mean what it says: You are secured by the assets of the company.

We certainly saw that that was not the case in the Chrysler situation. You had a situation where the administration basically stepped in, using taxpayer dollars, and used the system of saying, We're not going to go through bankruptcy court—as Members of this side of the aisle would suggest should have occurred—but we are going to act in an extracurricular manner and allow the secured creditors to be tossed aside and the assets of the company to be divvied up willy-nilly as the administration and others decided they would have.

Now, that's, in essence, what we will be perpetuating with this piece of legislation that's before us. What happened in that situation?

Well, in that situation, you had the unions, which basically had no interest in that company whatsoever, end up with basically a 55 percent interest in the company at the end of the day, basically a gift valued at $4.5 billion, and Fiat was given a 20 percent stake for free to take it over. At the end of the day, the secured creditors who thought that they should have been at the front of the line, well, ended up at the end of the line. Instead of getting, maybe, 43 cents on the dollar, they ended up getting some 29 cents on the dollar and said, You should be happy about it.

Why do I bring up that case? Because, basically, at the end of the day, Mr. Speaker, we're going to be perpetuating that same sort of ability for regulators to be making those same decisions going forward. Yes, maybe they won't be able to give it to their friends again at the unions like they did in this case. Maybe they will. We're really not sure.

Yet, at the end of the day, we'll be perpetuating the ability to say to secured creditors, secured creditors, you want to make an investment in a company, thinking that you are secured and that if the company were to fail and to go into bankruptcy that you would be first in line. Guess what? That is not going to be the case.

We are going to put into statute a system to say that an unelected bureaucratic regulator is going to say, Maybe not. Not so fast, secured creditor. Not so fast, investor. We're going to put someone else ahead of you.

You know, that actually happened to real-life people in the case of the Chrysler situation where three Indiana pension funds—representing who?—policemen, firemen, what have you, thought they were secured creditors. At the end of the day, they said that they were stripped of their rights by a system that this bill will perpetuate. This is what we were trying to do.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BACHUS. I yield the gentleman 1 additional minute.

Mr. GARRETT of New Jersey. I appreciate the gentleman's yielding.

We have the idea that the ''rule of law'' should mean something in this country, and it has meant something for the last 200-plus years, and the Bankruptcy Code is part of that law.

You know, an article published in the UCLA Law School said, ''What happened'' over this last year and a half ''was so outrageous and illegal that, until March of this year, 2009, nobody even conceptualized it.''

The judge in that case that I was referring to commented from the bench that the poor pension manager from Indiana, who was representing the teachers and the firemen and the like, was kind of like the gentleman in Tiananmen Square when the tanks came rolling over.

Well, Mr. Speaker, I do not want the investors in this country, whether they be firemen or policemen or other senior citizens down in Florida or in other places around the country, to feel like they did in that case. I want them to know that their rights are protected by the rule of law through the bankruptcy process and not by some politically appointed bureaucrats or regulators who can strip them of their rights. That is what Republicans stand for, and that is why we are opposed to this language in the majority's bill.

Mr. BACHUS. Mr. Speaker, may I inquire as to the time left on both sides, knowing that I have the right to close.

The SPEAKER pro tempore. The gentleman from Alabama has 3 minutes remaining. The time of the gentleman from Massachusetts has expired. The gentleman from Alabama has the right to close.

Mr. BACHUS. Mr. Speaker, we heard the gentleman from Pennsylvania say that there were really no bailouts. I think, if you submit that statement to the American people, they would tell you that there were bailouts because, in fact, there were bailouts.

The majority has made a statement on the floor of the House in defense of this bill that it has all been paid back. Well, in fact, it has not all been paid back, and I think, on further examination, Mr. Speaker, we would all have to remember the inconvenient fact that AIG still owes the American people about $150 billion and that Freddie and Fannie not only owe hundreds of billions of dollars but that the President, back on December 25, guaranteed their obligations, which could run in the trillions.

Now, in addition to all of that, a few statements by the chairman, Mr. Speaker.

The chairman says that they have to be troubled, that instead of going through bankruptcy, they will go through this thing where you can guarantee their obligations, where you can take a security interest in them, where you can purchase their assets, where you can lend money to them. They have to be troubled.

Well, who decides that?

Well, according to the bill, the Secretary of the Treasury sits at the head of a small group. I think the Senate bill includes Ms. Elizabeth Warren, but it includes the OCC.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. BACHUS. Yes, I will yield.

□ 1630

Mr. FRANK of Massachusetts. The statement that the Senate bill includes Elizabeth Warren is breathtaking. I do not believe the Senate bill refers to Elizabeth Warren.

Mr. BACHUS. Well, I will withdraw that statement. I am glad to hear that it does not.

Now, let me ask you this. This bill, and I'm going to quote from section 210, it says that the FDIC is authorized to borrow up to 90 percent of the fair value of the failed firm's total consolidated assets. Ninety percent of the total consolidated assets.

Now, Mr. Speaker, I would ask the chairman, maybe he can give us this figure or review my figures. But the largest corporation in America, Bank of America, which would qualify under this program has total assets of $2.34 trillion. That means that the FDIC could borrow $2 trillion.

Now, I would ask this: Where do they borrow it from? But, more importantly, if they borrow $2 trillion to allow Bank of America to go into this process, if they are not paid back, who pays it? And the answer is: the taxpayers, a $2 trillion investment right there.

The SPEAKER pro tempore. All time has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BACHUS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to instruct will be followed by 5-minute votes on motions to suspend the rules with regard to House Resolution 1330, H.R. 5278, and H.R. 5133, if ordered.

The vote was taken by electronic device, and there were—yeas 198, nays 217, not voting 16, as follows:

[Roll No. 343]

YEAS—198

Aderholt
Akin
Alexander
Austria
Bachmann
Bachus
Bartlett
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boucher
Boustany
Brady (TX)
Bright
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Camp
Cantor
Cao
Capito
Carter
Cassidy
Castle
Chaffetz
Childers
Coble
Coffman (CO)
Cole
Conaway
Connolly (VA)
Courtney
Crenshaw
Culberson
Davis (KY)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Djou
Dreier
Duncan
Edwards (TX)
Ehlers
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Goodlatte
Granger
Graves
Griffith
Guthrie
Hall (TX)
Halvorson
Harper
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Hodes
Hunter
Issa
Jenkins
Johnson (IL)
Johnson, Sam
Jones
Jordan (OH)
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kline (MN)
Lamborn
Lance
Latham
LaTourette
Latta
Lee (NY)
Lewis (CA)
Linder
LoBiondo
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Manzullo
Marchant
Markey (CO)
McCarthy (CA)
McCaul
McClintock
McCotter
McIntyre
McKeon
McMorris Rodgers
McNerney
Mica
Miller (FL)
Miller (MI)
Minnick
Mitchell
Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes
Olson
Owens
Paul
Paulsen
Pence
Perriello
Peterson
Petri
Pitts
Platts
Poe (TX)
Posey
Price (GA)
Putnam
Radanovich
Rehberg
Reichert
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (OH)
Ryan (WI)
Scalise
Schauer
Schmidt
Schock
Schrader
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Space
Spratt
Stearns
Sullivan
Taylor
Teague
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden
Wamp
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Young (AK)
Young (FL)

NAYS—217

Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boccieri
Boren
Boswell
Boyd
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
Chu
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Critz
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Driehaus
Edwards (MD)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah

Filner
Foster
Frank (MA)
Fudge
Garamendi
Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Hastings (FL)
Herseth Sandlin
Hill
Himes
Hinchey
Hinojosa
Hirono
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Kagen
Kanjorski
Kaptur
Kildee
Kilroy
Kind
Kissell
Klein (FL)
Kratovil
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Luján
Lynch
Maffei
Maloney
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McMahon
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor (AZ)
Payne
Perlmutter
Peters
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Slaughter
Smith (WA)
Snyder
Speier
Stark
Stupak
Sutton
Tanner
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Welch
Wilson (OH)
Woolsey
Wu
Yarmuth

NOT VOTING—16

Barrett (SC)
Berkley
Calvert
Campbell
Davis (TN)
Harman
Higgins
Hoekstra
Inglis
Kennedy
Kilpatrick (MI)
Kosmas
McHenry
Miller, Gary
Quigley
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1702

Ms. FUDGE, Messrs. HOLDEN, CRITZ, PETERS, Ms. BEAN, Mr. FARR, Ms. RICHARDSON, Messrs. BUTTERFIELD, DONNELLY of Indiana, WILSON of Ohio, Mrs. MALONEY, Messrs. TIERNEY, CARSON of Indiana, MARSHALL, COOPER, FATTAH, ANDREWS, AL GREEN of Texas, Ms. WASSERMAN SCHULTZ, Messrs. SCOTT of Georgia, PAYNE, ROSS, BERRY, ELLISON, BISHOP of Georgia, SHERMAN, DRIEHAUS, LANGEVIN, CLYBURN, Ms. SLAUGHTER, Mr. WELCH, Ms. SUTTON, Messrs. WEINER, SCOTT of Virginia, and RUSH, and Ms. ESHOO changed their vote from ''yea'' to ''nay.''

Messrs. SULLIVAN, RODRIGUEZ, CONNOLLY of Virginia, and BOEHNER changed their vote from ''nay'' to ''yea.''

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WORLD OCEAN DAY

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution (H. Res. 1330) recognizing June 8, 2010, as World Ocean Day, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. CHU) that the House suspend the rules and agree to the resolution, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. ANDREWS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 369, noes 44, not voting 18, as follows:

[Roll No. 344]

AYES—369

Ackerman
Aderholt
Adler (NJ)
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrow
Bartlett
Bean
Becerra
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Boccieri
Boehner
Bonner
Bono Mack
Boozman
Boren
Boswell
Boucher
Boyd
Brady (PA)
Braley (IA)
Bright
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Buyer
Camp
Cao
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Castle
Castor (FL)
Chandler
Childers
Chu
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Critz
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Deutch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Djou
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Flake
Forbes
Fortenberry
Foster
Foxx
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Garamendi
Gerlach
Giffords
Gingrey (GA)
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harper
Hastings (FL)
Heinrich
Heller
Hensarling
Herseth Sandlin
Hill
Himes
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Hunter
Inslee
Israel
Issa
Jackson (IL)
Jackson Lee (TX)
Johnson (IL)
Johnson, E. B.
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kildee
Kilroy
Kind
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Luján
Lungren, Daniel E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCollum
McCotter
McDermott
McGovern
McIntyre
McKeon
McMahon
McMorris Rodgers
McNerney
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Polis (CO)
Pomeroy
Posey
Price (NC)
Putnam
Radanovich
Rahall
Rangel
Reichert
Reyes
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shea-Porter
Sherman
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Welch
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (FL)

NOES—44

Akin
Alexander
Barton (TX)
Bishop (UT)
Blackburn
Boustany
Brady (TX)
Broun (GA)
Burgess
Burton (IN)
Cantor
Cassidy
Chaffetz
Coffman (CO)
Conaway
Davis (KY)
Duncan
Emerson
Fleming
Franks (AZ)
Garrett (NJ)
Hastings (WA)
Herger
Jenkins
Johnson, Sam
King (IA)
Lamborn
Linder
Luetkemeyer
Lummis
Moran (KS)
Neugebauer
Nunes
Paul
Poe (TX)
Price (GA)
Rehberg
Roe (TN)
Scalise
Shadegg
Shimkus
Tiahrt
Westmoreland
Young (AK)

NOT VOTING—18

Barrett (SC)
Berkley
Calvert
Campbell
Davis (TN)
Gohmert
Harman
Higgins
Hoekstra
Inglis
Johnson (GA)
Kennedy
Kilpatrick (MI)
McHenry
Meek (FL)
Miller, Gary
Quigley
Watson