

Bartow, which is in central Florida, in Polk County, and I said to these business leaders: Could you live off what you had in 2007? They all shook their heads affirmatively because they had more money in 2007 than they have today.

So now that we have gotten past the stimulus and that big bulge in our spending, hopefully, is over, why can't we go back to 2007 levels, before the economy declined? Remember, it was not until December of 2007 that the recession started. Why can't we go back to that robust year and say: This is our baseline. We took in \$2.7 trillion that year. That is more than we expect to take in this year by $\frac{1}{2}$ trillion. Why can't we live on that level? Guess what. Then we would have to come to the floor of the Senate—and our colleagues would have to do it in the House of Representatives—and have a discussion about priorities: Do we need to spend as much money as we are spending today in our various agencies? Are we getting bang for the buck?

When is the last time a Cabinet Secretary, an agency head went inside their department and said: I want you to find cuts of 10 percent, 20 percent. I want you to use technology to create efficiencies. Let's impose a hiring freeze until we can figure out whether we can do more with less.

American businesses have been doing this for the past 3 years during this recession. They have been cutting in order to make ends meet. Government is going to have to do the same. And I guarantee you that there are hundreds of billions of dollars of waste and inefficiency and fraud in the system; that if we spent as much money and attention and time focusing on that as we do on creating new programs, we could right our fiscal house.

So I have offered this legislation to bring us back to 2007, really just to have a debate, have a focus and a structure to talk about it every year for 50 hours on the floor of this Chamber and in the House so that we can begin to focus on what matters; that is, putting our fiscal house in order so that our children have the same opportunities we have because, frankly, that is our solemn obligation in this country. Our obligation is to make sure our children have equal or greater opportunities than we had. Everything else that we do, by comparison, will not measure up if we fail to meet that solemn and sacred vow.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. SHAHEEN.) The clerk will call the roll. The bill clerk proceeded to call the roll.

Mr. SANDERS. I ask unanimous consent that the order for the quorum call be rescinded.

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

FINANCIAL REFORM

Mr. SANDERS. Madam President, my understanding is, our Republican

colleagues have been on the floor and have expressed their concerns about financial reform and their desire to work in a bipartisan way. I welcome that. I am going to lay out some ideas I hope could have Republican support. I am not sure they will, but I would love to see it because the vast majority of the people in our country are profoundly disgusted with the behavior on Wall Street, the greed, the recklessness, the illegal behavior which has led us to the terrible recession we find ourselves in today. I wish to tick off a couple issues I hope my Republican colleagues would be interested in working with me on.

Every week I receive—and I suspect others do as well—telephone calls and letters and e-mails from people in my State who are outraged by the kind of interest rates they are forced to pay, interest rates which are nothing less than usury, usury which has been condemned by every major religion in this world, which has been condemned throughout history by some of our great philosophers and writers who have basically said it is wrong and immoral to force desperate people who are in need of loans to pay outrageous interest rates.

Yet today more than one-quarter of all credit cardholders in this country are paying interest rates above 20 percent and, in some cases, as high as 79 percent. That is not providing credit. That is loan sharking. That is doing precisely what criminals do when they lend people money and then break their kneecaps if they don't pay it back on time—except the loan sharks who are doing this now wear three-piece suits. They don't break kneecaps, but they destroy lives by forcing people to pay outrageously high interest rates when people are using their credit cards to buy groceries, to fill the gas tank to get to work, to pay for basic needs their families have.

Millions of credit cardholders have received letters from Citibank, Bank of America, Wells Fargo, and JPMorgan Chase notifying them that their interest rates are going up, in some cases to 30 percent. A point that has to be made is that these four large banks, the four largest banks in America, issue two-thirds of the credit cards. These four banks are ripping off the American people from one end of the country to the other. It is time that outrageous behavior ended.

I hope my Republican colleagues who have come to the floor expressing concern about Wall Street, I hope what they are saying is more than just rhetoric, that they truly want to do something. If they want to do something, I hope they will join me when I offer an amendment as part of financial reform to cap credit card interest rates at 15 percent. That is the same statutory cap that has been in existence for 30 years at credit unions all over the country. Credit unions are doing just fine, but by law, they cannot ask for more than 15 percent, except under certain circumstances, when it can go up

to 18 percent. If that is good enough for credit unions, it should be good enough for Citibank, Bank of America, Wells Fargo, JPMorgan Chase, and other large financial institutions.

If my Republican friends are sincere, I hope they will join me in supporting efforts to bring transparency to the Federal Reserve. An amendment I intend to offer will do that. What we need to do, among many things, is to understand which financial institutions during the bailout received over \$2 trillion in secret taxpayer-backed loans virtually interest free. Who are they? Last year, as a member of the Budget Committee, I asked Fed Chairman Bernanke that simple question. He said, no, he is not going to tell me which financial institutions, he is not going to tell the American people which financial institutions received trillions of taxpayer dollars. I have a problem with that. I believe the American people do. We are going to offer an amendment as part of financial reform in order to understand what, in fact, is happening, to demand transparency there.

In April of last year, the Senate voted 59 to 39 on an amendment I offered with Senators WEBB, BUNNING, and FEINGOLD to the budget resolution calling on the Fed to release this information. Yet as of this day, the Fed has refused to do so. In August of last year, Federal U.S. district judge Loretta Preska, nominated by President George W. Bush, ordered the Federal Reserve to release this information. The Fed appealed that decision and last March the U.S. appeals court in Manhattan upheld that decision. Yet the Fed has still not disclosed this information. Over 300 Members of Congress have cosponsored legislation calling for an independent audit of the Fed. In other words, we now have 59 Senators, over 300 Members of Congress, a U.S. district court judge, and a U.S. appeals court that have said to the Chairman of the Fed, Mr. Bernanke, in no uncertain terms, that the American people have a right to know the names of the largest banks that have received over \$2 trillion in taxpayer-backed loans from the Federal Reserve.

If my Republican friends are sincere, if they truly want to take on the greed and the recklessness of Wall Street, if they want to give the American people transparency as to what is happening on Wall Street, I certainly hope they will support that amendment.

I also hope we can receive support to address the issue of too big to fail. In that regard, I have offered legislation which is pretty simple. It says the Treasury Department would provide a list to Congress of all the too-big-to-fail banks in this country within 90 days of passage of that legislation and break them up within 1 year so they can no longer threaten to bring down the economy if, once again, they get into trouble. Quite amazingly—and I think most people don't understand

this—under the leadership of the Bush administration and Fed Chairman Bernanke, the largest financial institutions since the bailout have not gotten smaller; in fact, they have become larger.

In 2008, the Bank of America, the largest commercial bank in the country, which received a \$45 billion taxpayer bailout, purchased Countrywide, the largest mortgage lender in the country, and Merrill Lynch, the largest brokerage firm. In other words, what we are seeing in at least three out of the four largest banks is, since the bailout, they have become even larger, becoming an even greater threat to the financial stability of the country if, once again, they are ever in a position to fail.

The issue of large banks is not only that they are a threat to the stability of our economy, if they are about to fail. The other aspect of the problem is the concentration of ownership that currently exists. When we have four large financial institutions that issue two-thirds of the credit cards in the country and half the mortgages, we have a very dangerous and noncompetitive type of situation. Given the fact that we have seen these financial institutions issue esoteric and not understandable financial instruments whose only goal is to secure more money and profits and compensation packages for the CEOs of these institutions, we need to start breaking them up and have financial institutions that understand that their role is to provide credit to the productive economy, the businesses that actually produce real products, provide real services, and create real jobs. In other words, we need to break them up to create a new Wall Street which becomes part of the United States, part of our economy, not an isolated island whose only goal in life is to issue worthless financial instruments in order to make outrageous short-term profits. That is a huge issue that we have to deal with.

If my Republican colleagues are, in fact, sincere, if they want to do more than follow pollster Frank Luntz's playbook and throw out certain words they think will work for them politically, I look forward to their support for real financial reform.

The Bottom line is, we cannot continue to do what we have done for a number of years. We have to summon the courage, and it will take courage because Wall Street is enormously powerful. In order to get the deregulation that led us to the financial disaster we experienced a year and a half ago, over a 10-year period, Wall Street spent the unbelievable sum of money of \$5 billion on campaign contributions and lobbying. Frankly, I don't even know how one can spend that kind of money. But nonetheless, it certainly worked. Against my vote, when I was in the House, they got the deregulation they wanted. Lo and behold, once they were deregulated, not to my surprise, they went out and did all kinds of

strange things, reckless things, illegal things, which brought us to where we were a year and a half ago.

What we need is real financial reform. We need a cap on interest rates so Wall Street cannot continue to rip off ordinary Americans. We need transparency at the Fed. We need to know which financial institutions are receiving trillions of dollars of taxpayer money. We need to begin the process of breaking up these huge financial institutions, not only from a too-big-to-fail concern but also from a concentration of ownership issue because we are going to need a lot more competition in the financial industry than we have now.

We will find out soon enough whether our Republican friends are doing more than reading from a pollster's playbook or whether they are serious about taking on Wall Street. I have my doubts, but I hope I am wrong. I hope we will gain their support in bringing real reform to our financial institutions.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

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

CONTINUING EXTENSION ACT OF 2010—Continued

Mr. DURBIN. Madam President, for those who are following the Senate activities today, we are considering the extension of unemployment benefits. It is a debate which has gone on repeatedly. I see the chairman of the Senate Finance Committee has come to the Chamber and has been sitting patiently on the floor trying to work this through, and I think we may be close to a vote on this matter very shortly.

If I am not mistaken, if we are successful in passing this extension, it will extend unemployment benefits to the end of May. I hope we do not face this again between now and then because not only does it tie up the Senate for a lengthy period of time, but it creates real uncertainty across America.

Madam President, 212,000 people had their unemployment benefits cut off in the United States last week because we were gone and the benefits expired; so this week another 212,000 people. In my home State of Illinois, 16,000 people a week lose their unemployment benefits because of the decision by the Senate not to move forward and extend those unemployment checks.

An unemployment check in my home State is about \$300 a week. Some have come to the floor and argued we should not give unemployment benefits because it makes people lazy. If they are getting \$300 a week, they will not go looking for jobs. I wonder when it was, if ever, that a Senator tried to live on

\$300 a week. I think it would be very difficult, in most cases impossible, for those who are used to a lifestyle that is much more expensive.

So extending these benefits, in my estimation, is not only humane, it is good economic judgment. The money given to people out of work is money that is spent immediately for the necessities of life. It is not saved or invested. They go out and spend it on what they need, whether it is on utility bills or rent or food or clothing—whatever it might be. So it is money that is injected straight into the economy.

When Republicans come to the floor, they say: Wait a minute. At some point, with our national debt, we have to pay for this. I say to them: How would you pay for it? They say: We pay for it by cutting spending on projects that create jobs. Wait a minute. If you cut spending on projects that create jobs, there are more people unemployed. More people unemployed need more benefits. We cannot end the recession until we focus on getting people back to work.

One of the key areas Senator BAUCUS on the Senate Finance Committee has worked on is putting money into small businesses across America. Many of us believe small businesses are going to be the engine that brings us out of this recession. So when Senator BAUCUS and the Finance Committee create tax credits for businesses that hire the unemployed or reduce their payroll taxes for those who hire the unemployed or have new deductions for expensing and the purchase of capital equipment, we are doing everything we can to put money into those small businesses. The argument that we should stop spending on those things will mean the recession goes on longer.

I hope we can reach a point soon where we put the question of unemployment behind us. There should be a debate on the national debt, and there will be. I do not know if it is a great honor, but Senator REID, the majority leader, has appointed me to the Deficit Commission. I met today with Erskine Bowles, who was the head of the Small Business Administration under President Clinton, as well as Alan Simpson, a former U.S. Senator from Wyoming, who chair this commission.

We are going to start, in a couple weeks, our inquiry and debate on what to do about our national debt. It is one that is long overdue. But I think if we are honest about this, we realize it will take some thoughtful consideration and some time to come up with an approach that really deals with the debt in a humane and sensible way, but does not stop our recovery in this recession. So we are tasked with doing that.

Senator BAUCUS is a member of that commission as well. We will spend some time together talking about it, I am sure. We have to report by the end of the year. In the meantime, we will be watching the appropriations bills that come through here to cut the waste out of the spending if there is