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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, thank You for being our strength and shield, for we trust You to guide our steps. Bring unity to our lawmakers so they will be a force for good for the American people and the world. Refresh their faith, renew their vision, and rekindle their courage so that they can find common ground and glorify You in the living of their days. Lord, stir their hearts with the presence of Your spirit, preparing them to be instruments of Your will.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 21, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM UDALL, a Senator from the State of New Mexico, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will be in a period of morning business for 1 hour. During that time, Senators will be able to speak for up to 10 minutes each. The majority will control the first 30 minutes; the Republicans will control the final 30 minutes.

Following morning business, the Senate will turn to executive session to debate the nomination of Christopher Schroeder to be an Assistant Attorney General. There will be up to 3 hours for debate prior to a vote on confirmation of this nomination.

Upon disposition of the Schroeder nomination, the Senate will consider the nomination of Thomas Vanaskie to be U.S. circuit judge for the Third Circuit. There will be 3 hours of debate prior to a vote on confirmation of the Vanaskie nomination.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HONORING ROBERT J. O'MALLEY

Mr. REID. Mr. President, every one of our servicemembers deserves the unqualified appreciation and admiration

of the Senate and our entire Nation. Today, I wish to salute the service of one such soldier, a man who first answered his country's call in World War II and has not stopped.

Bob O'Malley served our Nation with distinction in the 10th Mountain Division in combat in Europe. He was a sergeant and a squad leader who led his men bravely and with honor. He put his life on the line on many occasions to protect his men and to fight for freedom against Nazi Germany and was recognized with his squad's admiration, the Combat Infantry Badge and, because he was wounded, a Purple Heart.

But he has not stopped serving his country. Bob came to Washington in 1965 and worked for Congressman Robert Sweeney before starting a 27-year career with the Doorkeeper of the House of Representatives. That is where I first met him, as a young Member of Congress. The Doorkeeper, Mr. Molloy, and Mr. O'Malley, had a suite of offices and it was kind of a hangout for Democratic Members of the House; especially it was a way for new Members of the Congress to become acquainted with what was going on over there. They were very caring about new Members and always pointed us in the right direction. I have always remembered those two men for all the good deeds they did on my behalf.

His was a 27-year career with the Doorkeeper. As I indicated, that is where I met him. By the time the war in Afghanistan started in 2002, Bob had retired from service in the House of Representatives. Most retirees are content to seek a well-earned life of leisure, but Sergeant O'Malley did not. He signed up for a new and worthy mission, waking every day to serve our Nation's wounded warriors. When the war started, he went back to work as a volunteer—again a volunteer—supporting and caring for the men and women of the 10th Mountain Division, his old unit. He has made countless visits to Walter Reed, this great medical center

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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where these wounded warriors come to recuperate. On all these visits to Walter Reed, he spent countless hours talking and sharing stories about the Division and taking his fellow veterans to ball games and other events, including the sharing of meals on many occasions. When many of these wounded warriors could not make it home for the holiday, Bob would reach into his own pocket and pay for Thanksgiving, Christmas, and New Years dinners for soldiers and their families at some of the finest eateries in the Washington, DC, area. Bob says that helping soldiers recover from their war injuries has added years to his life. We know it has added years to the lives of those he helps.

Bob O'Malley would be the first to tell you this is not a one-man mission. He has had help from many different areas. When he decided to help those wounded on the battlefield, for example, he enlisted the help of another veteran, Dom Visconsi, Sr., an original member of the 10th Mountain Division in World War II. He asked Dom to help and Dom was happy to help entertain and support these troops. Many of Bob's friends soon joined the cause as well, and they are a constant presence for the soldiers, whether here or at home. Our Army would not be the best place in the world without the work of veterans such as Sergeant O'Malley, whose life has been synonymous with service, sacrifice, and selflessness.

He is an inspiration to me, our Armed Forces, and our country. He is a hero, and I am proud to call him a friend.

Would the Chair announce morning business now.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the majority controlling the first 30 minutes and the Republicans controlling the final 30 minutes.

The Senator from Rhode Island is recognized.

SALUTING OUR WOUNDED WARRIORS AND BOB O'MALLEY

Mr. REED. Mr. President, first, let me join Majority Leader REID in saluting these incredible Americans who are with us today, wounded warriors and Bob O'Malley. As someone who served 12 years in the U.S. Army, my appreciation is profound for what you have done and continue to do. Thank you very much.

I have a circuitous connection with the 10th Mountain Division. My classmate, Buster Hagenbeck, commanded the 10th Mountain Division in Afghanistan, and I was there to visit those great soldiers several times. Thank you for your service and thank you for your inspiration.

FINANCIAL REGULATORY REFORM

Mr. REED. Mr. President, I am here today not only to salute these great Americans but also to talk about the urgency of bringing the issue of Wall Street reform to the Senate for open debate and final passage. We have weathered and witnessed the worst financial crisis in the history of the country. We have seen wealth, trillions of dollars of wealth, evaporate because of this financial crisis. To hear people now talking about, well, this is not a good bill—the question is not whether we should delay further or go forward. The question is going forward with purpose, amending the bill on the floor, if necessary, in an open and transparent way so the American public can see we are moving forward on perhaps their No. 1 priority related to the economy, and economic recovery and financial reform are integrated key elements. We cannot have long-run economic success without fundamental financial reform.

We are here today essentially to urge that the anticipated vote on Monday to proceed to the bill be affirmed overwhelmingly to send a message to the American people we are on the job for them, we are doing the work we have to do. We have to deal with a complex and significant legislative measure—but we have to do it now. The time for discussion, the time for consideration privately, has passed. Now we have to act.

I think we have to act because we should recognize the status quo is unacceptable. Those on the other side who have been saying: Not now, not now, not now, essentially are defending the status quo. We have to ask several questions. Who does the status quo favor? It favors the remaining big banks and other financial institutions. We have seen, over the last several days, that these banks are reporting record profits, mostly based on trading. Here is another irony. Because of the system we have today, we are in desperate need of economic activity at the local level, the infusion of capital, lending—all those things. Where are the banks making their huge profits? On trading, essentially taking their money and other people's money and not investing in new productive capacity, but betting on financial products. That is not, in my view, what we should be doing at this moment. We have to recognize that if we do nothing, the banks will continue to operate as they have.

That, I think, has to be corrected. The second question is, what activities are protected by the status quo? I will

tell you. Exotic derivative trading. We saw this week where the Securities and Exchange Commission has made allegations against Goldman Sachs. Now, that will be determined in a court of law.

However, the complexity of the transaction engaged in by Goldman and others, the creation of a synthetic collateralized debt obligation, to translate, was essentially picking out some representative mortgage funds and then betting on them. Somebody took the side that said they would still pay; some would take the side that they would default.

What did that add to our economic capacity? In fact, one of the ironies of this whole crisis is there was such a proliferation of these toxic mortgage bonds that they no longer could sell them at a profit, so they started essentially creating virtual or synthetic securities.

Again, what has it added to the economic productivity of the United States? Not much. In fact, some would argue nothing at all. We have to have a financial sector which performs one of the essential functions of any financial sector, the allocation of capital to productive uses: highways, buildings, education support, all of those things that not only return a profit to the investors but also build up our economic capacity and build up our wealth over the long term.

Other activities that will be protected by the status quo include not only derivatives trading, but dark pools of capital, huge private equity funds that are shadowy in terms of their investment strategy, even to regulators, and the credit rating agencies. They are continuing to operate, and, frankly, we have to say their performance in the last several years was disappointing, and that is being very diplomatic. But they will continue to operate as they have in the past because we will not get the reform that is so necessary.

Of course, the Wall Street salary structure, the incentive compensation, also will continue to be unaffected. So for all of these activities, if you are comfortable with them, then vote against the motion to proceed on Monday evening. If you are uncomfortable with them, if you do not want to see the remaining banks continue to operate as they have, then you have to vote, in my view, to move forward to debate this bill and engage on this issue.

Now, the third question we have to ask is, what does the status quo do for consumers and taxpayers? The answer is very little, if anything at all. We saw in this whole situation consumers who were in some cases misled. In some cases it was obvious they could not afford the credit arrangement they were signing on to, but the incentive on the other side was not to look behind the veneer of the borrower but simply to get the loan closed and then sell it off for securitization profits.