class, that is not how the legislative process should work.

We want to bring our bill to the floor so we can discuss it, debate it, amend it, and improve it. We want to do it in the open. After all, if we are not debating, if Senators refuse to let the Senate do its job, what are we doing here?

It is very interesting, Mr. President, that the Republican Senators are willing to talk about financial reform with press conferences and other media events. Why weren't they willing to talk about it here on the floor?

What purpose does the Senate serve? Why do we have rules for debate and the opportunity to offer amendments?

President Kennedy once said:

> Let us not be afraid of debate or discussion—let us encourage it.

That is what he said. So I ask my Republican colleagues, why are you afraid? What are you afraid of? All we want to do is move to the bill.

If something untoward happens after the bill gets to the floor, they can still stop us from getting 60 votes. There are 41 of them. Why in the world can't we go to the floor and debate this bill? They have that protection.

The right response to disagreement is not dismissal; it is discussion. For far too long, there has been too much secrecy and too little transparency on Wall Street. The American people have paid the price in their job and their life savings, and they demand we fix what is broken. As long as Republicans insist on secrecy and resist transparency here in the Senate—and if they do not let us address the problems we were sent here to resolve—we will never fully recover.

Remember, this debacle on Wall Street took place starting more than 2 years ago. Why aren't we here debating the issue? Because the Republicans want more negotiations. They refuse to legislate.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I am sorry I did not have a chance to tell the Republican leader, but I think he understands we have the opportunity to have a vote today. I think we will have it at 4:30 today.

Mr. McCONNELL. Yes, that is fine.

Mr. REID. So I ask unanimous consent that today, when the Senate resumes consideration of the motion to proceed to S. 3217, all time until 12:30 p.m. and from 2:15 to 4:30 p.m. be equally divided and controlled between the leaders or their designees, with the time from 4:15 to 4:30 p.m. equally divided and controlled between Senators DODD and SHELBY or their designees, with Senator DODD controlling the final 7½ minutes; that at 4:30 p.m., the motion to proceed to the motion to reconsider be agreed to, the motion to reconsider be agreed to, and the Senate then proceed to vote on the motion to invoke cloture on the motion to proceed to S. 3217.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mrs. SHAHEEN). The Republican leader is recognized.

FINANCIAL REGULATORY REFORM

Mr. McCONNELL. Madam President, last night the Democrat majority forced a vote on a bill that was not ready for prime time. We know this because every day it seems another one of its flaws comes to light. And it is noteworthy that there was bipartisan objection to going forward with the bill last night in its current form.

You have every single member in my conference—from one end of the party spectrum to the other—united in calling for more bipartisan talks. We have heard from a couple of Democrats who think we should make some improvements as well.

You had the National Federation of Independent Businesses yesterday saying the bill hurts America's small business job creators. We heard from the organization that represents military officers yesterday expressing their concerns about the impact the bill will have on nearly 400,000 Active-Duty, retired, and former servicemembers, their families, and survivors. Community bankers from across the country say this bill, as currently written, hurts Main Street. The New York Times this morning reported that the maker of M&M's and Snickers is concerned about the bill's impact on the cost of sugar and chocolate. Harley-Davidson is worried about the effect it is going to have on business, and eBay is worried about the consequences for its business.

Clearly, this bill is not ready. It falls short of our constituents' demands to prevent future bailouts, and it is expected to hurt America's job creators at a time when we need jobs most. Does anyone really believe the people who make Harley-Davidsons and Snickers bars are responsible for the financial crisis? Does anyone think that? Then why would we want to punish them in our effort to hold Wall Street accountable? These are just the kinds of unintended consequences you get from rushing legislation. If we are aware of them, why wouldn't we want to address them? In many cases, all it would take is a simple fix. The Military Officers Association says all it would take is a simple tweak in the language to address their concerns. In other places, we just need to close a loophole. Unfortunately, the Democratic majority seems less interested in fixing this bill than in some political win they think they are scoring by not fixing the bill. It is a total waste of the people's time.

Americans do not understand why we would vote on a bill that does not meet the basic test of reform. They do not see the point. In what other line of work is it acceptable to show up to a big meeting with an unfinished product? Don't we have an obligation to make sure the bill we bring to the floor is in good shape before we vote on it? Isn't that just basic? This bill is not ready yet. It needs work. That is what last night's vote was about.

This morning, I saw that the junior Senator from Virginia—a Democrat and a man who knows what it is like to create jobs—is acknowledging what Republicans have been saying all along. This is what he said:

> There are parts that need to be tightened.

That is certainly true. So let's stop the show partisanship and fix the bill. Let's tighten the parts that need to be tightened, as Senator WARNER suggests. Let's get back to the business of reforming Wall Street and proving to the American people that the days of Wall Street bailouts are indeed over.

Madam President, I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. 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 time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The Senator from Michigan.

FINANCIAL REGULATORY REFORM

Ms. STABENOW. Madam President, I rise today to urge my Republican colleagues—to urge the Republican leader—to drop their filibuster of the Wall Street reform bill.

I wish I could say this is the first time we have seen efforts to block moving forward to even debate a critical issue before the Senate, but, as the Presiding Officer knows, the party of no has now 171 different times either filibustered or threatened to filibuster critical legislation that is important for moving America forward. Historic—171 times; never heard of before.

With all due respect, the idea that the bill has to be perfect before we begin to debate it makes absolutely no sense. There have been numerous times, because of the importance of a piece of legislation, that I have supported and everyone on this floor has supported moving forward to proceed to a bill knowing it would need to have changes before we would support the final outcome of the bill. We do that all the time.

Personally, there are changes I want to see and will work hard for in the legislation that is before us. There are provisions, there are amendments I will support in order to make sure this does not have unintended consequences. I would guess the majority of us are in that situation. But to simply say: No, we will not proceed to the bill—and just to make that clear for everyone, this is not a vote on final passage; this is a vote on whether to proceed to the bill—says to the American people that changing the unregulated, unaccountable practices on Wall Street is not worth even bringing up, to get to the floor to debate. That is what this says. That is what is so shocking to me.

I have to say, on behalf of the people of Michigan, who have been hit so hard by the gambling and unregulated processes, I am extremely concerned that we are seeing another filibuster. We will have an opportunity to change that today, tomorrow, the next day. I hope colleagues will decide that rather than just blocking the ability for us to fix this problem, they will join us and that many of us will join together in amendments that will make sure this bill is the right kind of bill moving forward.

But we have seen what happened when Wall Street did not have accountability and oversight. I can tell you, the people of Michigan cannot afford to go through that again. Eight million Americans, many of them—too many of them—in my great State of Michigan, have lost their jobs, through no fault of their own, because of the secret, unregulated deals on Wall Street. We have seen small business owners, who had worked so hard to build their part of the American dream for their families, forced to close their doors because they did not have access to capital. This has to stop. Families around my State have watched as money in their pension funds and 401(k)s vanished before their eyes because other people were gambling with their money. The most heart-wrenching time for us in Michigan was GM and Chrysler being forced into bankruptcy because of the economic crisis caused by Wall Street's recklessness.

So I am shocked and deeply concerned that my colleagues on the other side of the aisle would choose to filibuster this bill, which puts in place commonsense regulations and puts consumers back in control of their finances. I am deeply concerned for our community bankers, who have also been victims of the crisis, who need help so they can get credit flowing again back to our small businesses and our manufacturers to create jobs. But mostly I am deeply concerned for the hard-working men and women in my State who work hard every day, who play by the rules, and who were hurt by the reckless behavior on Wall Street and who want to know this will not happen again.

The bill we have will hold the big banks accountable and put consumers back in control. It is time to stop the unregulated gambling on Wall Street of other people's money. I strongly urge colleagues to stand up to the special interests and the lobbyists, to drop the filibuster of this bill, to work with us to make sure it is done right but, most of all, to make sure we put in place rules and accountability for our families, our small businesses, and our manufacturers so they can have the capital they need and the accountability and the trust in the system they need to move forward and create jobs and create investment in this country.

Again, 171 times—unprecedented—more than any other time in our history we have seen efforts to block and to filibuster. It has to stop. Too much is at stake, and certainly the people in my State have gone through too much to allow this to continue.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Madam President, I appreciate my colleague from Michigan being out here, as she has been repeatedly, to talk about how our process oftentimes breaks down and what the consequences are because there is probably no bigger consequence than what has happened to the State of Michigan, and she fights every day to make sure we are aware of what will help our economy and help Main Street. So I thank her for that. I thank her for being out here to urge us to get off of a filibuster and on to important legislation that I think will help our country.

I am here also to talk about something that I wish to make sure, as we enter this floor debate, people aren't confused about; that is, that we have made choices in the past that have helped accentuate the situation we are in, and if we are going to get out of this situation, we have to be honest with ourselves that this is a time when we need to do our job and make sure we understand the opportunity to make sure consumers are protected.

I wish to start by talking about the Commodities Exchange Act. There has been a lot of debate about what various committees have oversight and what the important issues are. For me, there is no more important issue than making sure the Commodities Futures Trading Commission, which has oversight of financial indexes, has the authority to regulate what are called derivative markets. The reason I say this is so important is because of the fact that we allowed legislation to pass in 2000—the Commodities Futures Modernization Act—that literally deregulated these derivatives. More specifically, it prevented us from regulating. We had a Commodities Futures Trading Commission Chair, a woman named Brooksley Born, who saw what damage was happening in 1998 with these derivatives because they were unregulated. She tried to do something about it. She tried to do something about it because the Commodities Exchange Act provided oversight to deter and prevent price manipulation or any other disruptions to the market and to ensure financial integrity of all transactions and avoid systemic risk and to protect participants from fraudulent or abusive practices.

That is what their charge was. When she saw in the marketplace that there were these products that were being used that basically thwarted this act, she proposed regulating derivatives. That is in the 1998 timeframe. So this problem has been around for a long time.

As we saw the demise of long-term capital management and incurred a financial crisis at that time, she said: Let's make sure we are regulating these products. What happened was, she was basically run out of town for her views. She was the Chair of the Commission at the time, and a bunch of people, basically influenced by Wall Street, came down to Washington, DC, and said: That is the wrong idea. We don't need to do this. This issue isn't going to be a problem for us. So not only was she prohibited as the Chair of the Commodities Futures Trading Commission to fulfill this act, to make sure we regulated this market—not only that—legislation was passed by the Congress prohibiting us from regulating these derivatives. Imagine that. You actually had the Chair of the Commission doing her job; you actually had her calling out a problem in the market, fulfilling her responsibilities of oversight, and not only was she told she couldn't regulate those, Congress prohibited her from doing that in the Commodities Futures Modernization Act.

How did we get to that situation? I get it because I had to live through the Enron crisis in our State and a lot of people cooked up off-book accounting and people said: Oh, it is a bunch of environmentalists not allowing us to have an energy supply. That is why we have an energy crisis—or people said: Oh, we are having an energy crisis because we don't have enough refineries. We found out it was people manipulating supply and demand with various schemes called Death Star and Get Shorty, a variety of things that all came down to this: off-book accounting. How could you fool the accountants into believing that your scheme was legitimate?

So it should be no surprise that in 1994, in a little retreat effort—some of us go on retreats and talk about our policy issues. Here, some of the titans of Wall Street went down to Boca Raton, about 80 J.P. Morgan bankers, and started to wonder if there was a way to create derivatives that could bet on whether bonds or loans would default. That is what they did. They were down in Boca Raton saying, basically: How can we do off-book accounting to figure out ways in which we can bet on these things?

So that is what happened. That was the start of this. A few years later, Brooksley Born, after she saw them, called them out on it, said: Let's stop it and basically was prohibited from doing it.

So what happened when we prohibited the derivatives from being regulated? Well, one of the CFTC personnel, at that time, basically said all the fundamental templates we have learned from the Great Depression are needed to have markets function smoothly are gone. These are things we had put in place after the last fiscal crisis. We put them in place because we knew we had to protect things.

The other side of the aisle led the charge on that deregulation, led the charge on the deregulation of derivatives and said: Let's keep our hands off. I would say at least four times we have had votes on various derivative measures and the majority of my colleagues on the other side of the aisle have said: No, let's don't reregulate them.

I am all for hearing what they have to say today, but this is an important issue. Let me explain why.

When we look at capital markets, we have to have transparency. If we don't have transparency, people don't know what is going on and products can be manipulated. So after the 2000 Commodities Futures Modernization Act, basically on derivatives we had no transparency, no capital requirements, no prohibition on fraud, no prohibition on manipulation, no regulation of intermediaries. Why are we surprised we ended up in this situation? Because if we basically took what had been the fundamentals of the last fiscal crisis and put them in place in a law and then basically were warned and we deregulated them, why are we surprised we ended up in this situation? Because after deregulation, what it meant if you were doing trading, at least on these derivatives—on other products you had certainty and you had predictability, but on these products—let me be more specific.

We had what were called dark markets and that meant because you couldn't see into these dark markets, you didn't understand what was being done. I know our colleague, Senator LEVIN, is holding a hearing today, and he is going to get to the bottom of exactly what was going on in those dark markets and who was trying to manipulate them. But the fact that they were dark and not traded meant we couldn't see the price that somebody was paying and thereby couldn't understand what was going on in the market. So we had no transparency. We also had no requirement to keep records, no large trader reporting, which would have been things that the CFTC would have looked at and said: Oh, I can look at that and see whether manipulation is happening. We had no speculation limits. Another thing that happens on the stock market or on trades that happen now—we hear about it all the time—is that if somebody thinks somebody is messing around with the market, we can have limits. We can come in and on an exchange—or an agency can come in and say: We are going to stop that kind of trading because we have concerns about what is going on. We also know there was no capital behind these bets as well, which is very alarming to a lot of people. The synthetic CDOs were cooked up and had no capital behind them. I know my colleague, Senator DORGAN, has been on the floor talking about an amendment he is going to be offering on the Senate floor to make sure we close that. But what it created was just a high risk for fraud and manipulation and excessive speculation. That is what happened.

So when we deregulated the derivative market, what happened? Well, it should be no surprise, again, to find out that when we deregulated it, the market exploded. Here is where we were in 1999. There were some derivative products, but now look at it. It peaked at $700 trillion. It has leveled off now somewhere around $600 trillion. A $600 trillion market in derivatives grew because we created a dark market opportunity in which most people couldn't—not everybody could understand what was going on, and certainly the regulators who used to have a day job of overseeing this were prohibited from doing their day job. I should add, not only were the regulators prohibited from doing their day job, in the Commodities Futures Modernization Act of 2000, we also had a provision in there that said States aren't able to use their authority to look into these markets and market activities as well. So we did two things. We prevented the Federal regulators from doing anything and we prevented the State regulators from doing something as well and now we have this unbelievable—unbelievable—unbelievable market of activity.

My colleagues on the other side of the aisle like to talk about innovation. Well, I know a little bit about innovation. I worked for a company that was a startup company. When I look at that issue, I see we have to have financial markets on Wall Street that help those companies get financing through their very early stages. That is what is so important about our financial markets operating effectively. But one can see from this chart—or maybe not. Maybe you can't see from this chart because it is so hard to see, but at the very bottom there is a little yellow line, and that yellow line represents assets. It represents the loans these banks are making, the amount of money that is in loans in capital going to businesses that are the true ideas of innovation. There is a lot of innovation in derivatives. Now we know what it is: dark market derivatives that cooked up things like CDOs and synthetic instruments to basically bet against bonds because somebody had securitized loans to banks that were risky bank loans anyway and then tried to make somebody believe it was a great way to cover them financially. So all of it was just a risky game, and that is what we are doing. So we are not helping the American economy in investing in Detroit or investing in software or investing in other things, not the way we used to. We are basically investing—and people are making a ton of money—in dark market derivatives. So that is why it is so important we fix this in the legislation.

Just to give an idea of where people are making the money—because I know some people like to say: Well, let's get out here and make sure we do something for small business. I think it is incredibly important to do that, but we are not going to get the big banks to make a bunch of loans to small businesses, as that last chart showed us, when they can make money in dark market derivatives. This chart shows the increased profit they have had since 2008. So we have actually had a decrease in lending. We have actually had a decrease in the amount of capital going out to the tune of something like $574 billion and an increase in trading profits. So we know where the money is going. Wall Street is not putting money into Main Street; Wall Street is putting money into Wall Street dark markets, and we have to get on this legislation to fix that.

So what would we do in this legislation? Well, if my Agriculture Committee colleague's mark is put into this legislation, as I believe the leader is going to do, then we have a choice of having an unregulated market or, with this legislation, a truly regulated market with exchange trading. People say: What does that mean, exchange trading? I don't understand. What is that going to solve for us? Well, just as I said how dark the market was and no one knew what was going on, when we have a product that is traded on an exchange, we actually have transparent pricing so people can see what the pricing is, just as this situation is being described right now in the Senate Oversight Committee hearing about how people didn't know what was going on or who was paying what or who was behind what bets. We have to have transparent pricing, and we have to have real-time trade monitoring. Because someone is monitoring those trades, we know exactly what is happening in the market and who is moving what and how they are moving it and we have a transparent valuation.

If my colleagues have time and they read this latest book out by Michael Lewis, ''The Big Short,'' he talks about how people didn't know exactly what was going on with the valuation of this because it was being hidden from them, so they had no way of understanding exactly what the value of these products were. That is why this scheme was able to be perpetrated on people, because they didn't know what the true valuation is. If we have exchange trading, we actually have speculation limits and we have public transparency.

So when we are on the floor debating this—and I hope my colleagues on the other side of the aisle will support exchange trading. I heard one of our colleagues on the other side of the aisle say: Well, I don't think that is the solution. Well, in my book, it is absolutely the solution. It is absolutely the solution, just as it is for the stock market. Who would buy stock on the stock market if we didn't have oversight of the exchange?

If you didn't have these kinds of things—transparency in pricing, real-time trade monitoring, transparent valuation, speculation limits, and public transparency—who would buy stocks? Why do you think derivatives can operate in the dark? They cannot.

The other thing we will be talking about on the floor is that unregulated trading doesn't have any capital behind the trade. If we actually had a clearinghouse—exchange trading and a clearinghouse—then you would have capital behind these trades, and people would know somebody has the ability to deal with this transaction they are betting on. These are the things we need to do. These are the things that are critical to the type of reform we need to get done.

I am concerned that we are not going to get to this legislation, that the dark market is going to continue to operate that way or that people are going to propose loopholes to basically water down this legislation. We have had a lot of conversation about loopholes. One of them is the end-user loophole. Basically, any kind of loophole in the legislation is kind of like water; the money is going to flow where it can. If it is a dark market, that is where it will flow.

We had a hearing of the Commerce Committee in 2008, 6 or 7 months before the big bubble burst, and George Soros came to testify. He said we are basically inside of a bubble and it is going to cause great concern. He knew then, because he knew what kind of activity was going on. He talked in his testimony about how important it was that you apply regulation and apply it to both the regulated and unregulated market. If you don't apply it to the unregulated market, then all the money moves over to the unregulated area.

I appreciated this New York Times editorial that said:

> If [end users] are exempted, potentially trillions of dollars worth of transactions could avoid the exposure—and stability—that comes with exchange trading.

That is what we are going to debate about, whether you are going to have that kind of oversight and make sure that we end up putting the kind of regulations we need in place.

As another New York Times editorial said:

> Strong derivatives reform is a matter of putting taxpayers first—ahead of the big banks and corporate America that are fighting hard for a return to the risky business as usual.

We don't need risky business as usual. We need to reform these markets. Let's get capital flowing again and get innovation in products and services in important areas of our economy and know that having fundamental rules in markets and capitalism is to have transparency, and the legislation we are considering will do just that. Hopefully, the Republicans will say what true reforms they are for and realize that, in the past, they have been against some of the derivatives reforms that would have stopped us from having this crisis.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CMS REPORT ON HEALTH CARE

Mr. BARRASSO. Madam President, I come to the floor as someone who practiced medicine in Casper, WY, for 25 years. I was an orthopedic surgeon for the people of Wyoming, as well as medical director of the Wyoming Health Fair Program, which reached across the State with low-cost health care screenings, aimed at giving people the opportunity to take more responsibility for their own health and essentially keep down the costs and get down the cost of their medical care.

Today, I come to the floor with a second opinion on what this Senate has passed, what the House has passed, and what has been signed into law by the President. I come today because I continue to believe that what is now the law of the land with health care reform is going to be bad for patients, bad for providers, the nurses and doctors, and those who take care of our patients, and bad for payers—the American people—who end up paying the bill for health care in this country—the taxpayers of this Nation, people who pay for their own care. I believe fundamentally, as this bill has been passed into law, it is going to result in higher costs for patients, as well as for taxpayers, less access to care for people all across America, and unsustainable spending at a time when we are running record deficits.

That is not just my opinion. If you ask what the public believes, in polling across the country the American people have overwhelmingly rejected this bill that is now signed into law by the President, because they believe the cost of their own personal care is going to go up and the quality of their own personal care is going to go down. Fundamentally, they believe this bill was not passed for them but for someone else.

The reason I come to the floor today to talk about it is because the report has just come out by the Centers for Medicare and Medicaid Services Actuary, Richard Foster, the Chief Actuary. He has come out with a report to go through methodically, page by page, what is actually in the health care bill. You will remember that when the bill was in front of the House, the Speaker of the House, NANCY PELOSI, said you will have to pass the bill before you get to find out what is in it. In a rush by this body to pass the bill—which to me was irresponsible—they have missed the things the Actuary has outlined now in a very thorough report to the American people. I want to go through that with you.

Fundamentally, this says that health care costs are going to be higher, access to care is going to go down, and the spending is unsustainable. It is fascinating, because this is in light of a speech by President Obama in June of 2009, when he said if any bill arrived from Congress to his desk that is not controlling costs, ''that is not a bill I can support.'' He said it is going to have to control costs.

Well, the Actuary tells us that the bill now signed into law by the President, as well as the additional bill, because there are actually two new laws—one the initial bill and then the fix-it bill—will increase costs, raise Federal spending, threaten access to care for seniors, and will result in higher insurance premiums.

That is not a Republican Senator saying that; that is the Chief Actuary for the United States in charge of Medicare and Medicaid in a well-documented report that came out April 22, 2010.

What is actually in the report? Let's go through it page by page. The first thing is, it says this is going to bend the spending curve—the rate at which we are spending on health care in the country. The President said we want to get the spending cost curve down. This says the opposite, that the cost curve is going to go up. That is on page 2.

Turning to page 4, What about overall national spending on health care over the next 10 years? Between 2010 and 2019, national spending on health care is going to go up by $311 billion. The President said he wanted a bill that was actually going to get the cost of care and spending down on health care.

Turn to page 7. The President said he wants to make sure if you have care you like, you can keep it—keep the care you like. We all heard that. We heard it time and time again. Yet, on page 7 in this report by the President's agency, it says about 14 million people will lose their employer coverage by 2019. Again, the President said if you like what you have, you can keep it. His Actuary, who actually did the numbers on the bill, said, sorry, 14 million people will lose their employer coverage by 2019.

Let's turn to page 8. An estimated 23 million people will remain uninsured by 2019. This is at a time when the President said he wanted to provide coverage for all these people. But even 10 years out, 23 million people will still remain uninsured in the United States. Many of them are going to have to pay a penalty because of that. They will be