fraud. One may say: Why? Why would they do that? They are doing it for a couple of reasons: One, it is more profitable; two, it is less likely they will get caught; and, third, if they do get caught the penalty is less. They say: More profit, less chance of getting caught, less punishment. I think I ought to go into Medicare fraud. That is what they are doing.

What does the Actuary say when he looks at the new bill? He estimates the fraud provision in the law will save only about 2 percent, only $1 out of every $50 of Medicare fraud.

As we look at this, it is no surprise the American people want a second opinion about this bill. It is no surprise the American people are saying it is time to repeal and replace the bill. That is why I come to the floor of the Senate with my second opinion, with 25 years of practicing medicine.

On the way over, I picked up USA Today. It is so interesting, a big story in the paper today: ''Next Phase In Health Care War: Applying The Law.'' The subheadline is ''Cabinet''—we are talking about the President's Cabinet, the Cabinet of the United States—''Cabinet Braces For Lobbying Blitz By Industry Advocates.'' The Cabinet is bracing for a lobbying blitz. I thought the President of the United States said he did not want lobbyists in the White House, did not want lobbyists impacting on his Cabinet. They are weighing right in. Absolutely.

The President did have them in the White House, obviously behind closed doors, cutting the deals. That is the way we ended up with a health care bill that is bad for patients, bad for providers, and bad for payers, the American payers, the taxpayers of this country, and the people who are paying for their health care. That is why I come to the floor to say it is time to repeal this legislation and replace it with legislation that is actually patient centered, that gives more responsibility and opportunities for individual patients, just what I tried to do through the Wyoming health fairs where we give people more information so they can use that information to get their cholesterol down, get their blood pressure under control, find out if they are diabetic and if they are, get their blood sugar under control, give people incentives to stay healthy and keep down the cost of their care.

We need a patient-centered health care bill. We sure do not have one. We need a health care bill that allows people to buy insurance across State lines. That increased competition will drive down the cost of care.

The University of Minnesota did a study: 12 million more Americans would have insurance today without this bill if all we did was allow Americans to buy insurance across State lines and allow small groups to join together to get better opportunities to buy insurance to get the cost down.

Then, of course, we need to deal with abusive lawsuits that exist in this country which drive up the cost of care for patients because all the tests that doctors routinely order are not to help the patient get better but to make sure the doctor does not miss something.

That is why I come here today to tell you, Madam President, that there are things that will work to get down the cost of care. There are things that will work to provide additional treatment for more people in America; more patients, better care. But they are not in this health care bill that passed the House, passed the Senate, and was signed into law by the President.

That is why today I offer my second opinion that it is time to repeal this bill and replace it with what will work.

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

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3217, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 3217, a bill to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end ''too big to fail,'' to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

The PRESIDING OFFICER. Under the previous order, all time until 12:30 p.m. and from 2:15 to 4:30 p.m. will be equally divided and controlled between the two leaders or their designees.

The Senator from Pennsylvania is recognized.

Mr. CASEY. Mr. President, I rise today to talk about the business we have in front of us here in the Senate, financial regulatory reform. But I did want to note that we meet in an hour of real economic trauma for many families across America and across the Commonwealth of Pennsylvania.

I know the Presiding Officer sees this as well in his home State of New Mexico. We have lots of people out of work. And although there is no question in my mind that our economy has begun to recover, and has recovered substantially, we still have a way to go. So even as we debate financial reform and the intricacies of that, it is important that we remember there are still a lot of people out of work.

The latest numbers nationally are that 15 million people are without work across America, and in Pennsylvania it is 582,000 people. I was looking at the numbers for the month of March, region by region in Pennsylvania. We have 14 labor markets, the numbers of which are charted on a monthly basis. Looking at the areas of the State where it is above our unemployment rate, we have several parts of Pennsylvania where, if it is not 10 percent, it is very close to that. In Erie, PA, up in northwestern Pennsylvania, it is a 10-percentage point unemployment. I realize for some States they have been in double-digit figures for a while, but for places such as Erie, it is 10 percent.

The Lehigh Valley, on the eastern side of our State, is getting close to 10. It is 9.8. My home area of northeastern Pennsylvania is 9.8. Johnstown's numbers, an area in southwestern Pennsylvania, which has always had higher numbers of unemployment, are getting close to 10. So throughout our State the numbers are very high.

When people in any State see those high numbers and they see the joblessness, they see people who have lost their homes or job or both, when they see that people have lost their hopes and dreams in this process, when they see all that around them, either in their own lives or the lives of their families and neighbors, they look to Washington to see what we are doing about it. They want to know: How can you respond to that? How can you take action to help us?

I think we have, in some measure, but this Wall Street reform is going to be part of it as well. We passed the Recovery bill, which is having an impact. We passed the HIRE Act a couple of months ago, and that is having an impact, and will have more of an impact as time goes by. So there have been a series of jobs bills that have helped substantially, and will continue to help, but one of the most urgent priorities and questions most Americans have is, who is going to be on our side? Who will fight for us when it comes to whether we will empower local communities to create jobs and have some security?

Will we continue to empower Wall Street and the dealmakers, the scam artists who have ripped people off to make a profit? And not just a profit, what we used to think of as a lot of money—$1 million. We are talking about profits we cannot even begin to comprehend. A very small number of Americans, a very small number of institutions, such as these megabanks, are getting these profits purely out of greed and purely out of a willingness to cast aside people's lives and their futures, without worry as to whether the actions they take on Wall Street will cause people to lose their jobs. That is what people across the country, who are not on Wall Street, are asking us to consider.

Of course, part of that is happening in this debate. But I think it has become more apparent to the American people on this question of whose side we are on, that there is one side—this side of the aisle—that is trying not only to get the policy right and get a bill prepared, but that we are trying to move that bill forward. One of the ways we move a bill forward is to have a debate. Why shouldn't the Senate be having a debate, unless there is a question about whether you are on one side or the other?

I think our friends on the other side of the aisle are going to have to ask themselves whether they are on the side of the people; if they are on the side of communities and small businesses, who are telling us to get something done about these Wall Street problems that have caused 15 million people to lose their job—and in Pennsylvania we have lost 582,000, as said I before. People are wondering, whose side are you on? If you are not on the side of debate and getting the bill passed, then you are on the side of Wall Street. It is very simple. I know some of the policy gets complicated, but this isn't complicated at all.

If you are on the side of the megabanks and Wall Street, here is what you are on the side of: You are on the side of continuing what has happened for a generation now, with our usual and more familiar banking system that has been altered in a way so that it has become almost unrecognizable to people who used to walk down the street, figuratively, but almost literally, or walk or drive not too very far in a community and go to a bank. They knew the institution. They knew the people who worked there. They knew who was in charge. They dealt with a banker in a very personal way.

A lot of that is gone. If we do the right thing here, I think we can bring some of that sense back. But at a minimum, put the brakes on, put rules in place to govern what the scam artists on Wall Street do every day of the week to make a profit, to rip people off, and to destroy our economy and to cause record-high unemployment.

In that scenario I talked about before, what we used to have was that people knew their bankers. They knew each party was invested in the other. The banker wanted to make a good loan, obviously. That was part of his or her business. But he or she knew that making that loan had to be on good terms, in a way that borrower could pay it back. Obviously, the borrower—going to the local bank as a local business, to people they knew—was invested in their success as well. The borrower wanted the bank to do well. It was part of their community. But now we have a system where, if you enter into a mortgage transaction, that flies off to Wall Street, and then on Wall Street they slice and dice it so a lot of wealthy people make record profits, and they laugh—laugh all the way to the bank, not worrying about whose life was destroyed back in that community.

These megabanks have prospered in ways we cannot even begin to describe or appreciate. We continue, so to speak back home, grappling with the results of that, the aftermath of that: high unemployment—record-high numbers—and a ballooning deficit. Why are we even having a debate—trying to have a debate, I should say, if our friends get to the point of allowing us to have a debate—why are we having this debate? Because Wall Street put the American people into this position.

We need to reinvent this megabank model, change it substantially, and move it toward a system of smaller banks and more competition. I thought that is what our friends were for. I thought they were in favor of competition.

Many people know community bankers. The Independent Community Bankers of America say there are almost 8,000 community banks operating across the country. Even with this problem we have with megabanks and Wall Street, those 8,000 community banks are still 97 percent of our banks. That is the good news, that that number is high. These institutions, as we know, have boards of directors made up of people in the community, as it should be, who are invested in the community and the success of those borrowers. They are also institutions that are a lot smaller in terms of size. In terms of asset size, 91 percent of community banks have assets of less than $1 billion. They are nowhere near a big bank and nowhere near, obviously, a megabank.

The largest of our megabanks is Bank of America, which, by September 2009—and I am sure the number is much higher today, but as of September 2009, it had assets of $2.3 trillion. It is hard to describe that. That is most of the Federal budget. We have a Federal budget that is several trillion. That is a big share, if you equate it to the entire Federal budget—not the full budget but certainly a big share of it, $2.3 trillion.

Consumers do not reap huge benefits from these banks. We know that. If anything, they are harmed by the unchecked power of these banks.

As I said last week, three of our largest megabanks have cut participation in a key Small Business Administration lending program by between 85 percent and 90 percent from one year to the next. Just at the time we have a bad economy—that they caused, in large measure—and just at the time we need help for small businesses, these same big banks that got the benefit of all of that wealth and all of that scam artistry and fraud, in some cases, are not helping us create jobs in small business. To say that is perverted and disturbing does not even begin to capture the sentiment. But I will not dwell on that.

Then we get to the question of fees, bank fees. We have heard a lot about these. We all have experienced it. Fees for checking accounts and other services are lower at community banks than at the megabanks, the big institutions. According to research by the Federal Reserve Bank of Dallas, in one quarter last year, the four largest megabanks raised fees related to deposits by an average of 8 percent. In the same period, community banks lowered their fees by an average of 12 percent. So in one quarter last year, the four big banks raised their fees by an average of 8 percent and the smaller community banks lowered those same fees. That is another reason community banks make a lot more sense for most Americans.

The reason for the big difference in fees charged by the smaller community banks versus the big mega Wall Street banks is not just that they want to try to be consumer or customer friendly, it is because there is competition injected into the system of community banks. Economist Simon Johnson said:

> With low interest rates, the [big] banks could raise money from depositors virtually for free; they could borrow cheaply from each other; they could borrow cheaply at the Fed's discount window; they could sell bonds at low interest rates because of FDIC debt guarantees; they could swap their asset-backed securities for cash with the Fed; they could sell their mortgages to Fannie and Freddie . . . and so on.

It is like dot, dot, dot. We have heard all about this. They had all the opportunities in the world. Their plate was full: I am a big megabank, and I need a little extra help here to make some more millions for this guy or that guy or to make billions for the bank or for individual bankers. I need a little help, so I will go to the Fed discount window. That was one option. I just charge a little more over here.

They had all these options to make more money—because of the generosity of the Federal Government, by the way, in large measure. The Federal Government helps a lot of institutions every day of the week, including banks. The same folks who complain about government want bankers to get all the help in the world from government.

The big banks had all these options at their disposal if they got into a period where they needed a little extra help. What about the borrower who got into a bad mortgage because some local scam artist or maybe a scam artist on Wall Street put them into a mortgage they couldn't afford? What happens when they can't pay their mortgage? What happens when they lose their job and then can't pay the mortgage and lose health care? Do they have a menu, a list, a full plate, or a full table of options? No. They have very few options. For a lot of Americans who lost their job because of Wall Street or who lost their house because of what Wall Street was doing or lost their livelihood because of some fraud on Wall Street or some scam artist on Wall Street, they have very few options. But the big banks have lots of options.

This is not just about what is fair and what is right and making sure we have competition in our banking system. It is more than that. It is about a gross disparity of power residing on Wall Street and injuring the ability of people just to make ends meet, just to have a job, or just to be able to borrow money in a way that will allow them to purchase a house or do something else in their lives.

What this means is, despite offering better and cheaper consumer products, our community banks at the local level are struggling to get by, while their big brothers, their megabank brothers are on Wall Street making more money than we can even compute or comprehend. The community banks, which used to be the foundation of our system and the place where people could go to borrow, are having trouble, are struggling to get by.

One of the ways to confront this is not just to pass a bill that sounds good here and there and looks like reform but to have a final product after debate. Again, I hope our friends will get to the point of debating this bill. It makes sense that if something is very important and the American people say do something about it, you ought to debate it and pass it—just a little free advice to the other side.

But we have to do more than just pass something; we have to pass something that works. We have to pass something that will be meaningful in the lives of real people. If we allow these megabanks to retain their power and their influence and their wealth, to the detriment of working families, small businesses, and our economy in general—if we allow them to have that power, it will be nice to pass a bill, but we will not be getting to the root cause or one of the root causes of our problem.

That is why I and Senator KAUFMAN, Senator BROWN, and others are supporting the SAFE Banking Act. I thank those two Senators for their work on this over a long period of time. This will be an amendment to the act we are working on, the Restoring Financial Stability Act of 2010. This part of it, this will be a new element to it if we can get the amendment agreed to—I think we can—to the SAFE Banking Act. This is what it will do—basically, four things. I will go through them quickly. First of all, impose a 10-percent cap on any bank share of the total deposits of government-backed depository institutions, so placing a cap on that. Place a 2-percent-of-GDP limit on all nondeposit liabilities, so limiting and circumscribing what these megabanks can do. Third, place a 3-percent-of-GDP limit on all nondeposit liabilities, including any off-balance-sheet provisions as well as any systemically significant nonbank financial institution. Fourth, we would put into law a 6-percent leverage limit for bank holding companies and selected nonbank financial institutions.

So instead of leaving size limitations in the hands of regulators—and I know regulators work hard and they always try to do the right thing in almost every instance—this amendment would at long last put some clearly defined rules in place about the size and the leverage of financial institutions. We can't just say: OK, megabank, you can do whatever you want, you can get bigger and do whatever you want, and after the fact we will have some regulators try to mitigate the damage you are causing or try to rein you in a little bit. Sometimes that works, but our recent history tells us it is not going to work the way it should. So we need some clearly defined rules that apply to these megabanks and would only impact a handful of institutions, a very small number of institutions—these large megabanks that are at the heart of the problem.

The alternative to placing these limitations on the big banks, on their size and the leverage they have, is a continuation of the system we have right now, the so-called too-big-to-fail system. So a bank gets so big and has so many tentacles out into our economy and across the world that we say: Gosh, if they are in trouble, we can't let them go. They are too big and have too much of an impact if they fail. We have to help them.

In addition to passing a law that ends bailouts, we also have to end this too big to fail. It is kind of a straitjacket our system has been in: it does not allow us much freedom, but it gives a soft landing to a lot of these megabanks that really should be cut down in size. We know we need to change that.

I commend the efforts to increase the ability of regulators to oversee and enforce discipline, but candidly—and I think our history shows this—it is not enough. It is not enough to just give regulators more power or more resources. We need to pull apart or deconstruct in some measure these megabanks because they are too big, too powerful, and they have caused too much damage. Having a regulatory system in place will not be enough. That is why we need the SAFE Banking Act.

We also need to take other steps to address this root cause as well as other root causes. We know community banks are banks that are better for families and for small businesses—the two parts of our society, the two parts of our economy, our families and our small businesses. They are saying to us: Do something that is real. Do something that not only makes sense in terms of policy but will help at the local level in terms of improving our economy.

So more banks mean more competition, and they also mean more customer-friendly products. It also means more loans for small businesses that get them from community banks and will continue to if we do the right thing. It means a retail banking system that more closely resembles our Nation's community banks than the Wall Street model that has indeed failed us—and that is an understatement—and failed us significantly.

So that is why I encourage my colleagues on both sides of the aisle to support the SAFE Act amendment to our financial reform legislation. It is about that we took a step that has real meaning and real impact on one of the biggest problems we have in America, where you have megabanks that are doing quite well, and if we allow them to continue to do well, they will have a few individuals in a few institutions across America who will benefit from that.

But most of the rest of us, most people, especially those out of work, most small businesses, will not benefit from these megabanks. We need to change this, and we need to do it in the course of this debate.

I would once again say to my colleagues, if we debate it, it will tell us very clearly whose side we are on. If you continue to hold up debate, I think the American people know whose side you are on. It is not their side.

I ask unanimous consent that any time in quorum calls on the motion to proceed to S. 3217 during today's session be divided equally between both sides.

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

Mr. CASEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

UNANIMOUS-CONSENT AGREEMENT—S. 3217

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that any time spent in quorum calls on the motion to proceed to S. 3217 during today's session be divided equally between both sides.

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

Mr. BROWN of Ohio. I thank the Chair.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:33 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BEGICH).

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from New Hampshire.