

anger of the townhall meetings consumed the country last summer, Senator SPECTER found himself on the frontline. He did not back up a step. He did not give in to the myths and misinformation and never lost his cool. As a senior member and former chairman of the Judiciary Committee, Senator SPECTER played a critical role in the historic confirmation of Justice Sotomayor. I know he will do an equally commendable job this summer when we work to replace Justice Stevens.

I wish to thank my friend for his good counsel, his service to the good people of Pennsylvania, and all he does, both publicly and privately, for the Senate.

The State of Pennsylvania, of course, is home to some of our Nation's most significant political history: the Declaration of Independence, the Constitution was drafted in Senator SPECTER's hometown of Philadelphia. He has recorded some history of his own. No Pennsylvanian has served that State in the Senate of the United States longer than he has.

His moderate voice has been an asset to our diverse caucus, and I look forward to working with him for many years to come.

FINANCIAL REGULATORY REFORM

Mr. REID. Mr. President, I can remember as a boy we moved from Searchlight, and my dad got a job in Henderson, where I was going to high school, and we rented a home there. We had a TV set, the first TV set. I can remember way back then my mother watching a program called "As The World Turns." It was a soap opera. I had never watched it on purpose but passing by, I guess. She watched that anytime she could, anytime she had a TV set.

My wife as a young woman, a young mother, to get away from the chores of taking care of those children of ours, would watch "As The World Turns." This soap opera went from my mother, to my wife. That show is still going on, "As The World Turns." This soap opera is never going to end, I guess. I want everyone in the Senate to know that the negotiations we hear so much about are never going to end.

We have to get on this bill. My friends on the other side of the aisle should understand, we have negotiated in good faith and we have tried and we have to get to this bill. Negotiations are similar to "As The World Turns." Similar to a soap opera, they are never going to end, until we get on this bill.

I would say to my friends, let's get on this bill because we are going to continue having rollcall votes on this matter as long as it takes. I am happy when we get on the bill. I have told everybody, on numerous occasions, publicly and privately, on 90 percent of issues brought to this floor we have had open debate.

We have had the most open debate in many Congresses. I am happy about

that. This issue that is now before us is going to be one where we can amend, offer amendments and have debate and move forward. My friends on both sides of the aisle want to offer amendments. They have told me that. That is what we will do, but we cannot do that until we get on the bill.

I say to my friends on the other side of the aisle, again, let's stop talking about this negotiation. It is going nowhere. We started off months of negotiations with the chairman and ranking member, Senator SHELBY, until they broke it off, and then a Senator from Tennessee thought he would have his try at it. He tried. That failed. We went before the committee. There were a lot of amendments filed by the Republicans. They did not offer a single amendment before the committee. That is why it was reported to the floor.

We need to move on. Republicans and Democrats have held months of bipartisan meetings, negotiations, and consensus. But the time has come to move this conversation from the sidelines to the playing field. It is time this debate happened on the Senate floor where it belongs.

They think all the negotiations, I guess, should happen behind closed doors. They want all the disagreements to end before the discussion begins. I was so disappointed in one of my friends. I heard her on the radio this morning saying: Well, this is a complicated bill, and we have to get it worked out before we are going to let this bill go to the floor. Now that, I say with all due respect, does not make much sense.

They want everything worked out before we get to the floor. Is that the new standard, they want all the disagreements to end before the discussion begins? I wonder what they think the purpose of debate is or why we have an amendment process. Negotiations are not moving forward. It is "As The World Turns." This soap opera never ends.

Well, this is going to end. We have to continue on this legislation. The Republican leadership's insistence we work this out in the backrooms is a stalling tactic. Every day they stall it a day, they say to Wall Street: Keep up the good work.

I have learned a little bit about this debate as we have moved on. I have learned, having been in the past chairman of the Nevada Gaming Commission, which is the gambling commission, we tried to make those games fair so people who came to gamble—and they gamble with their own money—if they lost that money, they lost it fair and square. But one thing they lost was their own money.

The deal on Wall Street is an interesting gamble. They use our money, and then they keep all the profits, and if there are losses, they come to us for help. It has been more than 2 years since the financial collapse and months since these negotiations started. It is

time to move forward on this legislation.

What are my friends afraid of? This is the Senate. We are supposed to legislate. Negotiate? There comes a time when we have to legislate. That time has arrived.

RECOGNITION OF THE MINORITY LEADER

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

FINANCIAL REGULATORY REFORM

Mr. MCCONNELL. Mr. President, yesterday, I came to the floor and noted that an increasing number of businesses large and small have been weighing in on the financial regulatory bill. And what we have seen from these groups is a growing concern about the adverse effect this bill could have on their businesses. Everyone from candy bar companies to motorcycle makers, it seems, is now worried about the impact of this bill.

So this has been a very useful exercise: by giving people time to actually look at this bill and study the details for themselves, we have enabled them to assess not only potential impact of the actual text of the bill itself but also some of the unintended consequences it could have.

As we know, this is something Americans were denied in the lead-up to the vote on the stimulus bill. Democrats insisted we vote on that bill about 18 hours after we got the text. And we have seen how that turned out. This is something Americans were denied again on the health spending bill, which was basically written by a few guys in a room, then jammed through the Senate during a blizzard on Christmas Eve. And we have seen how that turned out: a bill that was sold on the promise of lower costs and lower premiums is now expected to lead to higher costs and higher premiums.

So this time people have actually had a chance to look at one of these massive Democrat bills for a change, and what is perfectly clear to most of them is that this bill needs some work, which is precisely what Republicans have been saying for the last 2 weeks.

Let's just start with the basics. The first thing we had to ensure with this bill is that it did not leave taxpayers on the hook for any more Wall Street bailouts. And that is the first thing some of us on this side of the aisle noticed: the loopholes. So I raised the alarm on that issue, and the two parties have been looking into it.

But there are other problems. In particular there is growing concern that in an effort to hold Wall Street accountable, this bill could catch the little guys up in the same net as the big banks. And this is now a major concern for a lot of people, a concern we need to address head on.

For instance, whether the authors of this bill intended it or not, there is real

concern that this bill could penalize anyone in this country who buys or sells something on an installment plan, as a result of some language in section 1027.

As the New York Times put it this morning, and here I am quoting the Times, "this bill gives broad powers to a consumer protection agency to regulate almost any business that extends credit, meaning that companies like car dealers and professionals like orthodontists who allow customers to pay over time could be subject to a new regulatory and supervisory regime."

Does this mean that some graduate student in Louisville looking to buy an engagement ring would now be required to pay a higher interest rate, or that the jeweler wouldn't do the deal because this bill would create new oversight over any nonfinancial institutions that lend money to consumers? What about the parent trying to spread out payments for their child's braces? Will they now have to pay for it all upfront? Will the orthodontist be willing to expose his or her practice to Federal supervision because they allow patients to pay the bill in more than four installments?

I don't know the answer to these questions. But I do like to have a good answer if one of my constituents asks me about it. Right now I don't. No one can deny that the language of the bill is ambiguous, that it lends itself to broad interpretation. So let's tighten it up. And why shouldn't we? Why shouldn't we tighten up the language to make it crystal clear exactly what this bill means and what it doesn't mean?

The last thing we want is for the little guy to get hurt by a piece of legislation that is intended to rein in bankers on Wall Street. But that is precisely why we have gotten so many letters of opposition to this bill over the last few days from groups like the National Federation of Independent Business, the U.S. Chamber of Commerce, Americans for Tax Reform, and the National Taxpayers Union.

That is also why we have gotten so many letters expressing serious concerns from groups like the United States Automobile Association, the Military Officers Association of America, the National Council of Farmer Cooperatives, the Farm Credit Council, the American Council of Life Insurers, the Housing Policy Council, the National Association of Home Builders, the National Association of Manufacturers, and the Fertilizer Institute. The list goes on.

In fact, the only people who seem willing to come out in support of this bill are the executives at Goldman Sachs, the biggest bankers at the biggest Wall Street firm of all. The CEO of Goldman Sachs was here on the Hill yesterday discussing his firm's role in the financial crisis, and the point he made about this bill is that he agrees with the President, who said last week that the biggest beneficiaries of this bill are on Wall Street.

So the supporters of this bill may have locked up the support of the folks at Goldman Sachs. But Republicans aren't about to rush this bill just to make Lloyd Blankfein happy, and not before there's an ironclad protection against any taxpayer funding of Wall Street firms like his. Americans want to know that this bill will protect them too. And right now, they have got more questions than answers.

I already mentioned concerns about section 1027. How about section 1022? It relates to government collection of information through a new Bureau of Consumer Protection. Here's what that section of the bill says: "In conducting research on the offering and provision of consumer financial products or services." It continues: "The Bureau shall have the authority to gather information from time to time regarding the organization, business conduct, markets, and activities of persons operating in consumer financial services markets."

It continues:

In order to gather such information, the Bureau may make public such information obtained by the Bureau under this section, as is in the public interest in reports or otherwise in the manner best suited for public information and use.

I have a question: Does having a credit card make you a person operating in consumer financial service markets? What if you sell something on eBay and someone pays you with their credit card through Paypal? Does that make you someone operating in consumer financial service market? I am sure it is not the intent of the chairman to give the government the authority to collect personal financial information on Kentuckians who use Paypal. But why not make it clear?

These are just some of the questions people are asking once they have had a chance to look at this bill. And I am just talking now about the unintended consequences. Plenty of other groups have pointed out some of the real, practical adverse consequences of this bill on people who had absolutely nothing to do with the financial crisis.

For instance: I have heard from a number of utilities in Kentucky that use traditional derivatives as a way of keeping prices low for themselves and, by extension, for homeowners and small business owners across my state. General Electric employs more than 5,000 people in Kentucky, so I want to hear what they have to say about this bill. And what they are telling me is that this bill could really hurt them. They have got a lot of concerns. They are concerned this bill will increase the cost of managing foreign exchange risk associated with their vast global supply chain.

They are concerned about the potential cost increases related to the hedging of commodities they use in the manufacturing process. And they are concerned about increased hedging costs related to the financing they provide to suppliers and retail customers

who buy GE appliances like washers and dryers and water heaters that are made in Louisville.

Homeowners and small business owners in Kentucky didn't have anything to do with the financial crisis. I am sure none of the Kentuckians who work at GE in Louisville had anything to do with it either. But because this bill doesn't distinguish between utilities that use derivatives for a legitimate use and those who abused them, ratepayers and others in my State will almost certainly get hit by this bill.

These are some of the concerns people are raising about this bill. And the fact is, those concerns are only magnified by the recent performance of the Democrat majority. I am afraid those who claim that this bill wouldn't do any of the things people are afraid of now have a higher hurdle to cross after the assurances they gave the American people on the stimulus, the debt, and health care. A lot of people took Democrats at their word in those debates, and they got burned. Now they want more than a verbal assurance that this bill doesn't allow bailouts. They want proof.

I don't think anybody really thinks the Fertilizer Institute is responsible for the financial crisis. And I don't think the authors of this bill think Kentucky farmers are to blame for the collapse of Lehman Brothers. But whether they intended to or not, this bill would punish them. And that is not right.

So Americans want a number of things in this bill fixed. And they want more than verbal assurances. At this point, Americans want the supporters of this bill to put a highlighter through the relevant passages and then tab the pages. Americans expect us to prove we are doing what we say we are doing. And after the past few debates, I don't blame them one bit. None of this should be viewed as a burden. After all, isn't that how the legislative process is supposed to work: major legislation is proposed, the American people get to take a look at it, they let us know how it would affect them, and then we weigh those concerns against the various problems at hand? The authors of this bill may believe some of these concerns are misplaced. But they are going to have to prove it.

I yield the floor.

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 be a period of morning business for 90 minutes, with Senators permitted to speak for up to 10 minutes each, and with the time equally divided and controlled between the two leaders or their designees, with the Republicans