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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.

Lord, save us from our disappointments as we realize You can transform setbacks into stepping stones. Remind our Senators that in everything, You are working for the good of those who love You, who are called according to Your purpose. As they persevere through the darkness of challenges, enable our lawmakers to see the stars of Your providential work and to know that nothing can separate them from Your love. Strengthen the Members of this body by Your love. Make them strong in the broken places so that they can become instruments of Your glory. We pray in Your strong 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, May 19, 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 any leader remarks, there will be an hour of morning business with Senators permitted to speak for up to 10 minutes each. The Republicans will control the first 30 minutes; the majority will control the next 30 minutes.

Following morning business, the Senate will resume consideration of S. 3217, the Wall Street reform legislation.

The cloture vote on the Dodd-Lincoln substitute amendment will occur at 2 p.m. today. As a reminder, the filing deadline for second-degree amendments is 1 p.m. today. Votes may occur on amendments prior to the cloture vote if agreements can be reached.

UNFINISHED BUSINESS

Mr. REID. Mr. President, we worked late last night trying to take care of some of the final discussion on this legislation before cloture today. The reason we have an hour of morning business is to give Senators some time to say whatever they want to say as well as to give Senators time to look at the proposed consent agreement that was arrived at last night between the majority and the minority. I hope Senators will allow this agreement to go forward. If people look at what is in it, I think there is a series of amendments

that will be accepted by the two managers of the bill. If someone doesn't like something in the consent agreement, be sure and talk to the two managers. It would be good to get some of these matters out of the way. We have had a number of Senators who have waited a long period of time to have their matters resolved. For example, Senator HARKIN last night. We were able to arrive at a conclusion of an amendment that he felt was appropriate. It is an amendment I support and others support it. I just think it wouldn't be—for lack of a better word—fair to not let some of these amendments go forward, but Senators have the right to make whatever decision they feel is appropriate.

As far as the cloture vote, I don't think anyone can criticize our having taken time on this legislation. There are a number of amendments the proponents of which worked to perfect the language on and it took a while for them to do that. There comes a time, however, when we have to put this thing to rest. We have been on this bill for a month. As of tomorrow, it will be 1 month. We have another step we have to go through and that is conference. People have all kinds of opportunities there to make whatever decisions they think are appropriate to make this bill better. It gives both sides all the adequate protection they want when the bill comes back in its conference form.

I hope we can move forward. We have a few hours before cloture. I hope cloture will be invoked. If it isn't, we will continue working until we finish this legislation. As I have told everyone and I will say again, we have to finish this legislation, Wall Street reform; we have to do the supplemental. I wish to get the supplemental started sometime tomorrow. Then we have the extenders we have to do. We have parts of that extenders bill that are essential to the economic recovery. There are many aspects that are important, but one is the tax credit for research and development. Businesses absolutely need that.

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



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The uncertainty of it is hurting the overall economy.

We have to do those before we take the Memorial Day break. We can't let the troops go unfunded and we can't let those provisions expire.

RECOGNITION OF THE MINORITY LEADER

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

FINANCIAL REGULATORY REFORM

Mr. MCCONNELL. Mr. President, as I stand here this morning, the U.S. Government is in dire fiscal condition, with the Federal debt now about to break \$13 trillion for the first time in history, a level that was unthinkable a few years ago. Meanwhile, Democrats in Washington seem to think there is some law out there that will somehow prevent us from experiencing the same kind of crisis that is currently engulfing Europe.

The fact is, Washington can't even pay its bills. Yet over the last 16 months it has taken over banks, insurance companies, car companies, the student loan business, and health care. Now it has its sights set on anyone in America who engages in a financial transaction. The arrogance of this approach to governing is truly astounding.

Everyone recognizes the need to rein in Wall Street to prevent another crisis, but the bill the majority wants to end debate on today does not do that. Instead, it uses this crisis as yet another opportunity to expand the cost and size and reach of government. It punishes Main Street for the sins of Wall Street. Worst of all, it ignores the root of the crisis by doing nothing whatsoever to reform the GSEs.

But all this should sound very familiar to anyone who followed the health care debate. Remember that the problem with health care was that it cost too much and the administration's solution was to spend even more money on it. This time, the Fed, the SEC, and Treasury all missed the housing bubble and the irresponsible risk-taking that led to the financial crisis, and the administration's solution to this is to hire more of these people to give them even more authority than they had before. So we have been down this road before.

The administration used the cost crisis in health care as an excuse to force a government takeover on a public that didn't want it. Now it is using the financial crisis as a way to intrude into the lives of people and businesses that had absolutely nothing whatsoever to do with the problem, and to hire thousands of government employees and spend billions of dollars in taxpayer money to pay for it all. At the outset of this debate, Republicans argued that getting on to the bill would be a mistake since Democrats had no intention

of improving it. As it turns out, we were right. Not only does the bill still contain a massive new government agency with broad new powers over consumer spending and Main Street businesses, it does nothing—nothing—as I indicated, to rein in Fannie Mae and Freddie Mac, the main protagonists in the financial meltdown. This is absolutely worse than irresponsible. It is the legislative equivalent of wrongful conviction.

What is more, Democrats even opposed putting these two government-sponsored companies that were behind the housing crisis on the Federal budget and accounting for the billions they got from taxpayers in bailout funds.

Republicans tried to address the concerns we have been hearing from Main Street, many of them targeted at this new Federal agency that would regulate all aspects—all aspects—of a consumer's life, but Democrats rejected them. We offered an amendment that would sunset this agency if it led to unwanted government intrusion. They rejected it. We offered an amendment that said banks that fail should go bankrupt rather than giving their Wall Street creditors a bailout. They rejected it. We offered an amendment that would have strengthened lending standards. They rejected it. We offered three amendments to rein in Fannie Mae and Freddie Mac. They rejected them.

They can call this bill whatever they want, but there is no way—no way—it can be viewed as a serious effort to rein in Wall Street or to address the problems that caused the crisis. How do you explain to the average American—the average American—that a bill that was meant to rein in Wall Street can be supported—supported—by Goldman Sachs and Citigroup but opposed by car dealers, dentists, florists, furniture salesmen, plumbers, credit unions, and community banks?

Let me say that one more time. How do you explain to the people of this country a bill designed to rein in Wall Street that is supported by Goldman Sachs and Citigroup but opposed by car dealers, dentists, florists, furniture salesmen, plumbers, credit unions, and community banks? How do you explain how a bill that was supposed to target Wall Street now threatens to subject manufacturers to a broad new financial regulation and new layers of government bureaucracy? How do you justify new costs and regulations on small businesses struggling to dig themselves out of a recession, while the biggest banks—the ones that caused it—don't seem to mind it? How do you explain how a bill that was supposed to end bailouts will be used to collect financial data on Americans?

Look, the only thing we need to know about this bill is that a bill that was meant to rein in Wall Street is now being endorsed—now being endorsed—by Goldman Sachs and is opposed by America's small business owners, community banks, credit unions,

and auto dealers. A bill that was supposed to rein in Wall Street is opposed by the Chamber of Commerce but supported by Citigroup.

Small businesses don't like it, but the biggest beneficiaries of the bailouts support it, because regulations never hurt them as much as they hurt the little guys. Our friends on the other side are happy as long as they pass something called reform, and the administration is happy because it is bent—absolutely bent—on expanding government at any cost.

But the American people are watching, and they are not happy. They are astonished at the arrogance of elected leaders who seem to do more to create problems up here than to solve them: Health care costs too much, so let's spend more on it. Regulators missed the housing crisis and the financial panic; hire more of them.

The Federal Government has doubled in size over the past decade, and yet every day this administration devises some new way to make it bigger, costlier, and more intrusive. In my view, the administration has lost all perspective about the limits of government and, frankly, it is losing the confidence and the trust of the American people.

Americans look at what is happening in Europe. They feel as though they are seeing the same movie playing out right here. They feel as though the one way to avoid this crisis from spreading across the Atlantic is to stop the spending and the government expansion that led to it; and they feel as though the administration doesn't see any of this and is so bent on its government-knows-best solution to everything that it can't even see when the government itself is the problem.

The goal of legislating is not to say we have solved the problem when we haven't. It is to prevent or alleviate real hardships and expand opportunities for the people who sent us here.

But until the administration actually delivers on that promise, Americans cannot and should not be expected to endorse its plans for even more government because, for most Americans, what all these crises reveal is not a need for more government but a need for less government. I will vote against this so-called reform bill, and I urge my colleagues to do the same.

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 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 Republicans