

to a period of morning business, with Senators allowed to speak for up to 10 minutes each, with the exception of the Senator from Illinois.

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

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

CHILD SOLDIERS

Mr. DURBIN. Mr. President, in December of 2008, the Trafficking Victims Protection Reauthorization Act became law. The act includes a provision that I put in the bill with Senator SAM BROWNBACK, Republican of Kansas, to address the problem of child soldiers, specifically the Child Soldier Prevention Act.

The goal of this language was simple and straightforward: U.S. military assistance should not go to finance the use and exploitation of children in armed conflict. The law not only expresses American values by rejecting any use of child soldiers by foreign governments, but also provides leverage through our Foreign Military Assistance Program to encourage governments to address this heinous practice.

Moreover, under the Child Soldiers Accountability Act and Human Rights Enforcement Act, it is unlawful to knowingly provide material support to the use of child soldiers. Tragically, according to Amnesty International, hundreds of thousands of children around the world are still being used as child soldiers. These boys and girls wield automatic weapons on the front lines of combat. They serve as human mine detectors. They participate in suicide missions. They carry supplies, they act as spies, messengers, lookouts, and sex slaves. They endanger their own health and the lives of others and sacrifice their childhood in the process.

As chairman of the Judiciary Committee's Human Rights and the Laws Subcommittee, one of the first hearings we held was focused on the scourge of child soldiers. We heard moving testimony from a remarkable young man named Ishmael Beah. Mr. Beah is a former child soldier from Sierra Leone and author of the best selling book, *"A Long Way Gone: Memoirs of a Boy Soldier."*

Some Americans may recall this book because it was featured at Starbucks for a long period of time. You find it at bookstores as well. I will never forget what Mr. Beah told the Human Rights Subcommittee, and I want to quote him. Here is what he said:

When you go home tonight to your children, your cousins, and your grandchildren, and watch them carrying out their various childhood activities, I want you to remember that at that same moment, there are countless children elsewhere who are being killed, injured; exposed to extreme violence and

forced to serve in armed groups, including girls who are raped . . . As you watch your loved ones, those children you adore most, ask yourselves whether you would want these kinds of suffering for them. If you don't, then you must stop this from happening to other children around the world whose lives and humanity are as important and of the same value as all children everywhere.

We have a moral obligation to respond to Mr. Beah's challenge. Children suffer high mortality, disease, and injury rates that are higher in combat situations than adults. The lasting effects of war and abuse remain with them long after the shooting stops. Both girls and boys are stigmatized and traumatized by their experience, and left with neither family connections nor skills to allow them to transition successfully to productive adult life.

Over the last decade, 2 million children have died in armed conflict—10 years, 2 million children died in armed conflict, 6 million injured.

Further troubling is that children have served as soldiers for governments that have in the past received the assistance of the U.S. Government. With the passage of the Child Soldier Prevention Act, my hope was that this practice would come to an end.

Imagine my surprise when I saw on the front page of the New York Times this week that Somalia's transitional federal government, which the U.S. supports financially as part of its larger counterterrorism strategy, is brazenly using child soldiers. Mr. President, I know you have a young son and you probably saw this photograph. But imagine, if you will, two young boys, identified in this photograph in Somalia, 12-year-old Adan Ugas, and 15-year-old Ahmed Hassan, holding automatic military weapons and working for the transitional Federal Government of Somalia.

When I was a little boy, 12, 10, we used to play with guns, but they were all toys. This is the real thing. These are children. As Ishmael Beah said: Try to picture your son or daughter in that situation, their childhood robbed and scarred for life from being drawn into horrific violence.

The fact that they are working for a military financed by the United States is appalling. In fact, according to human rights groups and the United Nations, the Somali Government is fielding hundreds of children on the front lines, some as young as 9 years old. A Somali Government official quoted in the Times article said: We were trying to find anyone who could carry a gun.

I read that article. It talked about these little boys who, the guns were so heavy, they were switching the strap from one shoulder to the next. They were talking about these little boys with these automatic weapons challenging people in vehicles to stop or they would shoot them.

They asked one of these little boys: What do you really love in life? He

said: I love my gun. A Somali Government official acknowledged the fact that this is happening, an official of a government which we are supporting.

I understand Somalia is in a difficult neighborhood in the world, and one of the most dangerous places. It is trying to emerge from years of lawlessness, and the fledgling government does need support. I have met with refugees who have fled the chaos of Somalia in hopes of a better life.

In fact, this last Saturday I met with refugees in Chicago from Somalia. But the law is clear. American tax dollars must not be used to fund the use of child soldiers. Period. I urge the Department of State and the Department of Defense to immediately halt the U.S. support for any such activities and to work with the Somali Government to terminate the use of child soldiers, and reintegrate these children back into a normal, peaceful family life.

I have written our Secretary of State, Hillary Clinton, and urged her to recognize that though the Somali transitional government is trying to bring some measure of stability to their war-torn country, it should not do so on the backs of its most precious commodity, its children, and certainly not with the help of American taxpayers.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter to Secretary Clinton on this topic.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 16, 2010.

Secretary of State HILLARY CLINTON,
Department of State, Washington, DC.

DEAR SECRETARY CLINTON: I write with great concern over a June 14 report in the New York Times that U.S. military financing to the Somali Transitional Federal Government is being used to pay for the use of child soldiers. Such assistance would appear to be in violation of the Child Soldier Prevention provision of the Trafficking Victims Protection Reauthorization Act of 2008 which prohibits U.S. military assistance to governments of a country that use child soldiers. Moreover, under the Durbin-Coburn Child Soldiers Accountability Act and the Durbin-Coburn Human Rights Enforcement Act, it is unlawful to knowingly provide material support to the use of child soldiers.

As you know, the tragic use of child soldiers continues to a problem around the world. Amnesty International estimates that globally more than 250,000 children are fighting in active conflicts. These young boys and girls fight on front lines of combat, serve as human mine detectors, participate in suicide missions, carry supplies, and act as spies, messengers, lookouts, and sex slaves—endangering their health and lives. Quite simply, they are robbed of their childhoods.

Furthermore, the lasting effects of war and abuse remain with them for years—too often for a lifetime. Former child soldiers are stigmatized and traumatized by their experience and left with neither family connections nor skills to allow them to transition successfully into productive adult lives. We should be doing everything we can to not only end military support for governments that engage in this troubling practice, but to also

help such children reintegrate into their families and society.

I recognize that the Somali Transitional Federal Government is trying to bring some measure of stability to that war torn country. However, it should not do so on the backs of its precious children, and certainly not with the help of the American taxpayer.

Thank you for looking into this matter.

Sincerely,

RICHARD J. DURBIN,
U.S. Senator.

INTERCHANGE FEES

Mr. DURBIN. Mr. President, I will be brief because I see my friend from Iowa is on the floor here. I want to give him a chance to speak.

The Federal Government pays interchange fees when people use credit and debit cards to pay for things such as admission to national parks, groceries, at military commissaries, tickets on Amtrak, and copays for VA medical services. In fiscal year 2007, our Federal Government paid \$433 million in credit card fees. The vast majority were interchange fees.

Last year, the Appropriations Subcommittee on Financial Services and General Government, which I chair, asked the Treasury Department to look into how much money taxpayers are paying to credit card companies for the use of credit cards. We got the report this week. It concludes that Treasury could save at least \$36 to \$39 million a year if it did several things, such as negotiating the actual interchange rates charged to the Federal Government.

We had a hearing today, and an employee of the Department of the Treasury came and testified and said the Federal Government of the United States was unable to negotiate an interchange fee with either Visa or MasterCard. The card companies refuse to negotiate. There is \$8 billion in economic activity with the Treasury through the credit and debit cards of these two companies. But they refuse to negotiate with the Federal Government.

We also learned that one major company, MasterCard, charges an interchange fee of 1.55 percent on every government transaction, plus 10 cents, while the going rate on an interchange fee for supermarkets across America is 1.27. It turns out that our Federal Government is paying more to the credit card companies than supermarkets are paying in Illinois, Iowa, or Alaska.

You ask yourself: Well, why is that? Is there a high default rate from the Federal Government? The answer is no. The Federal Government pays. And yet we are being charged a higher rate. But let me say for a moment, it is not "we" who are being charged a higher rate, it is the taxpayers. The taxpayers of this country are subsidizing credit card companies by paying higher fees than commercial businesses for the use of credit cards.

It is inexcusable, it is indefensible. You know the debate we had—I know,

Mr. President, you recall it personally, a few weeks ago—about whether these credit card companies are going to be held to charging reasonable and proportional amounts for the use of debit cards.

What we are finding at Amtrak, at the VA, and at commissaries across America, is our Federal taxpayers are underwriting these credit card companies.

I tried, when I brought this amendment to the floor of the Senate relative to interchange fees, to do everything in my power to preserve the ability of small banks and credit unions to compete with big banks in issuing debit cards. My amendment does nothing to disadvantage those small financial institutions. We specifically exempted any financial institution with a value of less than \$10 billion. As a result, only 3 credit unions out of 1,000 in America were covered by my amendment, and about 80 or 90 banks out of the 8- or 9,000 in this country.

I heard from one of my colleagues on the Senate floor today from the Midwest, who said: The credit unions were in last week. They are frightened by your amendment.

I said: Are they over \$10 billion in value?

No, not even close.

Well, the amendment doesn't apply to them.

They are afraid the big credit card companies, Visa and MasterCard, will reduce their interchange fees on small banks and credit unions if the Durbin amendment passes in the Wall Street reform bill.

It is an indication to all of us of the power of these credit card companies to terrorize credit unions and community banks. They have become the messengers of the big banks and credit cards to kill the amendment we passed in the Senate.

By exempting 99 percent of banks from debit and interchange regulation, my amendment would actually enable these banks to receive more interchange revenue than their big bank competitors. Yet the so-called Independent Community Bankers of America and the Credit Union National Association oppose the amendment. Why? An article out of Reuters came out yesterday that makes it plain.

The article is titled "Small Banks Fight Card Fee Limits Despite Exemption." The article says:

Small banks believe they have no choice but to support Visa and Mastercard in a battle against lawmakers over fees for processing debit card transactions.

Why do the small banks believe this? The article continues:

The Durbin amendment explicitly exempts banks with less than \$10 billion of assets, so smaller banks in theory should not oppose the law. But the exemption is cold comfort to small banks, which say that whatever the law stipulates, Visa and Mastercard will force them to accept the same fees as larger banks.

I want to make it clear what I have said before, last week in a meeting of

the Senate Judiciary Committee, the Antitrust Division of the Department of Justice testified that they are investigating Visa and MasterCard now. Nothing more was said, but they confirmed press accounts that that is being done.

I think it is long overdue. This duopoly, this power in the market, this ability to terrorize credit unions and small banks is an indication of too much power and too little competition. If we truly believe in a free market and an entrepreneurial society, we have to support competition. In this case, merchants, businessmen, small banks, and small credit unions are being terrorized by these powerful interests.

The article quotes Jason Kratovil, vice president of congressional relations for the Independent Community Bankers of America, saying that "Visa and MasterCard have 'probably not directly' told small banks that they will receive lower fees," but that it is "pretty clear, at least for our guys, that it's going to end up with one rate for all issuers."

So Visa and MasterCard are arguing: If we have to lower the interchange fees for the biggest banks in America, then we will lower them for the smallest banks in America—even though they are exempt under the Durbin amendment. Visa has 122 different interchange fees and MasterCard well over 100. To argue they can't come up with two different interchange fees, that it is impossible, is ridiculous.

It is the kind of thing where these credit unions and small banks have been terrorized by Visa and MasterCard. The Independent Community Bankers say Visa and MasterCard have "probably not directly" threatened to voluntarily lower small bank interchange rates, but the message received was "pretty clear." It is obvious what is going on: Visa and MasterCard are making threats if this amendment becomes law, they will use their market power against small banks by voluntarily lowering their interchange rates.

It is a great tactic that scares the small banks and credit unions into lobbying against the amendment which passed in the Senate. I am sure the big banks couldn't have more fun than to watch the smaller banks, exempt under our amendment, do their bidding. The big banks hate the thought of my amendment passing, giving small banks an advantage in the debit card market. The small banks are just being played like marionettes when it comes to their role in this lobbying efforts.

I sent the CEOs of Visa and MasterCard a letter and told them this: My amendment protects small banks, but you are threatening to take steps on your own to disadvantage them. If you collude with each other or with the big banks to disadvantage small banks, you could run afoul of the antitrust laws.

Visa and MasterCard wrote back yesterday and said: No, Senator, we