The second important thing to notice about this green line is that it will never get back to the level under a Republican Congress. The highest deficit level under a Republican Congress was 3.5 percent in 2004. Under President Obama's budget, we will never get back to that level, even though it includes several, what most people would conclude are optimistic assumptions about future employment and economic growth. Even under those rosy scenarios, it will never get below 4.1 percent of gross domestic product. Once it gets there, the deficit continues to rise indefinitely.

Some of my colleagues have said they want to make this election in November about a choice. That is fine with me. To me, the choice on fiscal discipline comes down to this: Do we want deficits that are getting lower such as the red line we see here, dropping from 3.5 percent down to 1.2 percent, or do we want deficits to get higher, such as the dark green line we see here, all the way up to 9.9 percent? The truth is the dark green line is not just an inferior choice, it is an unsustainable choice.

Last month our national debt topped $13 trillion, up $2.3 trillion since President Obama took office. The CBO reported that our public debt will reach 62 percent of gross domestic product by the end of this year and will be 90 percent of our economy in only 9 years. We are on a budget path that will add $9 trillion in additional debt over the next decade.

While some of my colleagues want to let the tax relief we passed starting 10 years ago expire on January 1, we simply cannot tax our way to fiscal solvency. Again, according to the Congressional Budget Office, if spending is off the table—in other words, if we wanted to eliminate the deficit just as a result of tax increases—we would need to raise taxes by 25 percent to create a sustainable fiscal path for the next 25 years. Can Members imagine what a 25-percent increase in taxes would mean to hard-working American families, small businesses, what that would do to job creation, what that would do to the 9.5 percent unemployment rate we see today? It would make it worse, not better.

Tax increases alone don't solve the problem of trillions of dollars in unfunded liabilities in our entitlement programs either. They don't deal with the fact that Medicare is $38 trillion short of its promised benefits and now is expected to go insolvent by 2016. Social Security will pay out more in benefits than it receives in payroll taxes this year.

Yet the CBO has also estimated that individual income tax rates would have to rise by 70 percent to balance the budget while financing the projected spending growth in Medicare and Medicaid. That is assuming no other tax increases or spending reductions in the budget. That is based on our budget outlook for 2007, which has obviously deteriorated since that time. That is based on a pretty optimistic estimate on how fast spending will grow in these two programs, just 1 percent higher than the gross domestic product growth, even though these programs have averaged growth of about 2.5 percent more than gross domestic product over the last 40 years.

I do have some good news about our fiscal situation. The American people get it. That is why they believe spending and debt are two of the most important issues they want the Federal Government to address. The American people also understand intuitively the importance of keeping taxes low and what this huge tax increase that would occur, the largest in American history unless Congress acts, would do to the fragile economy and to high unemployment and to slow job creation.

According to a CBS News poll last week, when asked whether government spending or tax cuts would be better in terms of getting the economy moving, Americans preferred tax cuts by 53 percent to 37 percent. That is a 16-point deferential. Independents actually favored tax relief by 20 points.

My conclusion is, we need to listen to the wisdom of the American people. We need to stop lecturing them. We need to make permanent the tax provisions we passed in 2001 and 2003, not to advantage individuals but to continue economic growth, to continue our ability to reduce the deficit, because people are working and paying taxes and our economy is growing.

The most important message we can send to the small businesses and the job creators in America, when unemployment is at 9.5 percent nationally, is we are not going to increase their financial burdens in addition to the health care bill that was passed and other onerous burdens which have actually constrained job creation and create more uncertainty. We are going to actually encourage job creation by keeping taxes within reasonable limits while at the same time exercising some financial restraint by cutting spending and dealing with this burgeoning debt and burden on the American people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Thank you, Madam President.

SMALL BUSINESS LENDING FUND ACT OF 2010—Resumed

The PRESIDING OFFICER. If the Senator will suspend, the clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 5297) to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

Pending:

Reid (for Baucus) amendment No. 4499, in the nature of a substitute.

Reid (for LeMieux) amendment No. 4500 (to amendment No. 4499), to establish the Small Business Lending Fund Program.

Reid amendment No. 4501 (to amendment No. 4500), to change the enactment date.

Reid amendment No. 4502 (to the language proposed to be stricken by amendment No. 4499), to change the enactment date.

Reid amendment No. 4503 (to amendment No. 4502), of a perfecting nature.

Reid motion to commit the bill to the Committee on Finance with instructions, Reid amendment No. 4504 (the instructions on the motion to commit), relative to a study.

Reid amendment No. 4505 (to the instructions (amendment No. 4504) of the motion to commit), of a perfecting nature.

Reid amendment No. 4506 (to amendment No. 4505), of a perfecting nature.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Thank you, Madam President.

We are now on a very important bill, the small business jobs growth bill. It is a bill that actually many of us on both sides of the aisle—from the Small Business Committee to the Finance Committee, to Members who are not members of either one of those committees—have contributed immensely to the building of a bill that we think holds a great deal of promise for small businesses throughout our country that have been beaten and battered. But amazingly, in many places, these businesses, despite all the odds, are hanging on and they are looking for some help.

That is what this bill attempts to do—to build strong partnerships with the private sector, to use the resources that are already out there, most notably, our community banks, our small banks.

There are over 8,000 of them. We have not heard a lot about those banks. I see the Senator from Florida in the Chamber who is going to speak in just a minute. We have not heard a lot about community banks on this floor. All we have heard about are Goldman Sachs, Lehman Brothers, AIG. We have heard about Wall Street and big banks. We have not heard about small community banks and small businesses—the 27 million of them that are struggling in America today.

This bill finally—finally—has reached the floor of the Senate. The House has already passed a very strong bill. It has finally reached the floor of the Senate to give us an opportunity to debate what we can do to help small business and what we can do to strengthen and support our healthy community banks in all our States.

It is an exciting time. I say to the Presiding Officer, I thank her as a member of the Senate Small Business Committee for being a part of this effort. Again, the Small Business Committee, in a bipartisan way, and the Finance Committee, in a bipartisan way, have contributed to this legislation, and we are moving to the final hours of this debate now.

AMENDMENT NO. 4500

The Senator from Florida, Mr. LEMIEUX, and I are offering an amendment which is pending before the Senate now. It is a very important amendment to the underlying bill. The pending amendment is the LeMieux-Landrieu amendment. It has many other cosponsors whom I will submit for the record in a moment. But this amendment that is pending now is a small business lending fund amendment that actually makes $1.1 billion for the Treasury. It earns that much over 10 years. It does not cost the Treasury anything. It earns $1.1 billion. It uses the power of the private sector. It uses the power of our community banks that are on Main Streets—whether it is in Tallulah, LA, Lake Charles, LA, or right down Canal Street in New Orleans or some of the main streets in Florida and other States.

It uses the power of those banks—their knowledge of the small businesses in their communities—and it leverages that powerful relationship to help end this recession. But we have to be about job creation, and the people who are going to create the jobs are small businesses.

(Mr. BURRIS assumed the chair.)

Ms. LANDRIEU. As I turn the floor over to the Senator from Florida to speak about our small business lending amendment, let me say, again—I could not say it any more clearly—small firms—and this chart is from 1993 to 2009—small firms in America, those between 1 employee and 499 employees, created 65 percent of the jobs. Only 35 percent of the jobs were created by large firms. These numbers on this chart pertain to the last decade.

I say to the Presiding Officer, you used to be a banker in Illinois. You have a great deal of expertise here, and I think your own experience would tell you if we updated this chart—which we do not have the figures to do—I think this 65 percent would be increased substantially because the people out there creating jobs are small businesses.

We have seen news article after news article, just in the last couple weeks—the front page of the Washington Post, the front page of the New York Times—headlines: Big Firms Hoarding Cash; headlines: Big Banks Hoarding Cash. I guess so. They have gotten a lot of cash from this Congress. But it is the small businesses out there that are struggling to get capital to create jobs, and it is the small, healthy community banks that are out there battling with them to create jobs to revitalize their communities and increase demand.

So let's keep our eyes on this chart, and let's keep our minds focused on one clear fact: Small business in America is the most powerful job-creation engine, and right now we have to put a little fuel in that tank. That fuel is capital to healthy community banks that can then leverage the power of those healthy community banks to get money to small businesses at reasonable rates—not credit card rates at 24 percent, 16 percent, not payday lender rates that are at 30 percent, sometimes 50 percent but at reasonable rates—with reasonable terms so they can create jobs.

That is why the Senator from Florida and I are on the floor. I would like to yield the next 10 or 15 minutes to the Senator from Florida, Mr. LEMIEUX, the cosponsor of this amendment.

The PRESIDING OFFICER. The Senator from Florida.

Mr. LEMIEUX. Mr. President, I wish to thank my colleague from Louisiana, Senator LANDRIEU, the chair of the Small Business Committee, who has been a great leader on this topic. It has been my pleasure to work with her on this measure to try to help our struggling small businesses.

I think Florida, maybe more than any other State, relies and depends upon its small businesses. We are the fourth largest State in the country, but we are a State that grew so fast, so quickly, that even though we have 18.5 million people, we do not have a lot of big businesses.

The businesses in Florida—nearly 2 million of them—are small. Not one Fortune 100 company is headquartered in Florida. Now we are trying to get there—we have a couple that are on the cusp—and we will. But Florida had this meteoric rise in population over the past 20 or 30 years. It was built on construction and growth and tourism and all the reasons why people want to come to our beautiful State.

But the jobs that have been created over the years are from small firms. They are the restaurant, the local diner, the beach shop, the tailor, the laundromat, the auto mechanic. These are the businesses that are creating the jobs in Florida. Many of them are centered around the service economy.

We are doing a lot to diversify our economy. But the truth of it is, they are the mainstream of Florida's economy, and they are struggling. This is the worst recession in anyone's memory in Florida, even worse than the recession we had in the 1970s.

Our unemployment rate peaked over 12 percent. It is still at 11.5 percent. While this sounds strange, 11.5 percent may not be better than 12 percent in this circumstance because what happens on unemployment rolls is that after a certain amount of time, people drop off and are no longer even looking for work. The truth of it is, if you are walking down the street in Florida and you see another adult walking down the street who is not retired, there is a one in five chance that person is unemployed or underemployed.

Times are tough. There are some signs of life. Some things are getting better. But for Floridians, this is the most difficult economy we have ever experienced. We have the second highest mortgage foreclosure rate. I read recently that our folks are No. 1 in the country in being behind in their mortgage payments.

So our small businesses, the creators of jobs, the folks who, as Senator LANDRIEU said, create 65 percent of the jobs nationwide—I bet you that number is much higher in Florida—need help. This bill is going to help those small businesses. It is not going to cure the problem overnight. Let's be realistic. But it is going to help.

The base bill does a lot of good things for small businesses. There are a lot of tax cuts in this bill. It is going to exclude small business capital gains by 100 percent. The bill will temporarily increase further the amount of the exclusion from the sale of qualifying small business stock. It is going to help something on carryback interest. It means a lot to small businesses. It will extend the 1-year carryback for general business credits to 5 years for certain small businesses. This alternative minimum tax hurts our small businesses. This bill will allow certain small businesses to use all types of general business credits to pay less taxes. When they purchase equipment, it is going to allow them to accelerate that depreciation. When small businesses get to keep more of their money, they get to keep more of their employees, and they get to hire new ones. That is just in the base bill.

This amendment Senator LANDRIEU and I and others are working on is going to put money into our local community banks that will be lent to small businesses. There has been a lot of confusion about the bill, and some of my friends and colleagues on my side of the aisle do not like it. I hope they are going to come around. There is a concern that this is going to be similar to what happened in the TARP bill. But these two bills are very different, and this amendment is very different. Let me explain why.

TARP went to the big banks that were failing at the end of 2008, a lot of which were selling mortgage-backed securities and other exotic investments they should not have been selling, and they put their assets at risk and, therefore, put the American economy at risk.

This has nothing to do with that. These are small banks. This is the banker you know down the street, the banker who is at your rotary or at your Kiwanis, whom you see at church or synagogue. This is not some Goldman Sachs banker. This is your local community banker who loans to the laundromat, the tailor, the construction business—the folks who employ people in your hometown.

This program is optional. No bank has to take it. If they are a small bank, though, if they have assets under $10 billion, they will get an ability to get some more money they can lend out to small businesses that create jobs.

That is not a partisan issue. We all should support that. The money that comes back in is going to be repaid, and not only are we not going to increase the deficit or the debt, as my colleague from Louisiana just said, the

Federal Government will actually make money. That is not something we hear a lot about in Washington.

So it is not going to increase the deficit. It is not going to increase the debt. It is not going to increase taxes. It is going to lend money to local banks, to loan that money to small businesses, to help them in this difficult time.

When I drive down the streets of Florida—whether it is in Orlando, Tampa, Pensacola, Jacksonville, Fort Lauderdale, Naples, all across the State—we have a lot of strip shopping centers. It is the way Florida was built. It is nice. You get to park in front, go in, buy your goods or services, and go home. But you can see them from the roads. When I drive down these main thoroughfares and I look over, what I see are empty buildings—empty buildings—because our small businesses have gone under because they no longer can pay their rent, because they no longer have the customers they used to have, and because they no longer can get lending from their bank.

What is particularly of interest to Floridians about this bill—I am sure this is true in other States, such as California and Arizona and Nevada, other States that had this big real estate-based economy that boomed in the past years—what happens to your local businesses is that a lot of times the loans they are getting now are tied to real estate they own. They may own a small parcel in a small building where they operate their business. They have a mortgage against that property. They are paying their payments, but the asset, the real estate, has fallen in value tremendously. So now, when the regulators come in and look at the bank's books to make sure the banks are operating OK, they say: Wait a minute. The mortgage that Joe's business has is technically in default because the asset their loan is against has fallen in value by 50 percent. I have business owners coming to me all the time telling me their banks are putting them in technical default because of the depreciation of the asset which is being held against the loan, which is their real estate.

So this is an extreme and an enormous problem in Florida. This bill will put more money in the small banks to help lend to businesses to help them bridge the gap until this economy recovers.

I also wish to speak a little bit about another amendment to this bill I have been working on with Senator KLOBUCHAR that talks about export promotion—another issue that is not partisan. We all want more exports. Exports in Florida are a big deal. They are a huge part of our economy, being the gateway to Latin America. We sell our goods overseas. But small businesses, and even medium-sized businesses, whether they are in Illinois or Louisiana or any other place in this country, often don't know the services the Federal Government—the Department of Commerce—can give them to open the doors of trade and allow them to sell their products overseas.

So what Senator KLOBUCHAR and I are doing with this amendment, with export promotion—and she has done a tremendous job on this issue—is putting more resources into the Department of Commerce to go back to 2004 levels—because we have had to make a lot of cuts there—in order to provide more folks who can then go out and show businesses how they can sell their wares, to create more sales, so they can grow their business and hire more people.

That is good for everybody's economy. I am not a big believer in government spending, but when we are spending to help businesses pursue their economic and entrepreneurial opportunities, that is good for America. In fact, when the Department of Commerce spends $1 million on export promotion, their estimated return is $57 million—a 57-to-1 economic return. So that is just another very good part of this bill.

I hope we have an opportunity to vote on this bill. We may even have an opportunity to vote on this bill and this amendment today. Our leadership is working on some other amendments. I hope those opportunities will be provided.

This is a bill we all should agree upon. It is a bill that should have 70, 80, or more votes in this Chamber, and we should get it done because it would be good for the small businesses, the job creators of our country, in their time of need.

I wish to thank my colleague from Louisiana who has been a great leader on this issue. I wish to thank her for working with me in order to lend my efforts to this bill to help to improve it in ways that I thought would be important for this country and for my home State of Florida. I also wish to recognize my colleague, Senator KLOBUCHAR, who is here. She has done such great work on the export portion of this bill.

With that, I will turn back my time to my colleague from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank my colleague from Florida for his excellent explanation using real stories and terrific visuals because he just painted a picture for us about what those empty shopping centers look like. We have seen those in our own States as well. He is absolutely correct. If we don't do anything, the problem is, they are going to stay empty. We just can't wish it to change. We have to act in a way that will help it change. That is what this bill is about.

Again, this is not a big government solution. This is a potential solution that holds a lot of promise based on strengthening relationships that already exist that are basically in the private sector. That is what this effort is. It is exactly as the Senator from Florida outlined.

He spoke about—and he is right—one of the arguments we have heard which we can't seem to understand. If there is somebody who can explain this, they should come to the floor and help us. We keep hearing: This is like TARP. So I wish to take just 1 minute to explain the differences in as simple a way as I can.

TARP stands for Troubled Asset Relief Program. It was $700 billion. It was a program that George Bush fashioned initially and was continued through this administration to give money to big banks that were getting ready to fail. I wish to say that again: $700 billion, fashioned first by the Bush administration, available to big banks that were failing and that many people were opposed to. This program is not $700 billion, it is $30 billion. It is not going to big banks on Wall Street; it is going to small banks on Main Street. The TARP money went to banks that were failing. This is going to healthy banks that are trying their best to lend; that want to help their communities to revitalize. So if anyone thinks this is like TARP, please come talk to me because I could explain how it is not anything like TARP.

I can show my colleagues many letters and many documents, starting with one, and then I will turn it over to the Senator from Minnesota. One of the main reasons it is not like TARP is because there were a lot of bankers who were opposed to TARP. They didn't like the government intrusion. They didn't like the rules and regulations. One could argue it was necessary, but many bankers weren't for it.

This letter I am holding—and I will have it blown up—is from the Independent Community Bankers of America. They represent 5,000 independent banks—5,000. I am just going to read the first paragraph of this letter that they sent to HARRY REID and MITCH MCCONNELL. This is a letter they sent to Leader REID and to MITCH MCCONNELL, minority leader of the Senate. It reads:

> On behalf of the nearly 5,000 members of the Independent Community Bankers, I write to urge you to retain the Small Business Lending Fund in the Small Business Jobs Act. The SBLF is the core component of this legislation and the provision that holds the most promise for small business creation in the near term. Failure to even consider the SBLF in the Senate would be a missed opportunity that our struggling economy cannot afford.

Let me go on because this is important:

> The Nation's nearly 8,000 community banks are prolific small business lenders with community contact, underwriting expertise. The SBLF is a bold, fresh approach that would provide another option for community banks to leverage capital and expand credit to small business.

I can't understand one reason to not support this. This is the core of this bill. The bill will be somewhat empty without it. This is the core of the bill.

So we are going to put this on this bill, and we are going to urge our colleagues to then understand that the bill will then be whole and we can all join together and vote for this very important bill and this very important amendment.

I am going to specifically answer the arguments raised by the minority leader on the floor in his very brief comments this morning. He made four arguments, and I will try to address each and every one in just a moment. Before I do, I will ask the Senator from Minnesota, who is a cosponsor of this lending provision and an actual designer and creator of one of the key components of it—because Minnesota, like Louisiana—we may be in different parts of the country, but our businesses depend on exports. Whether you are at the head of the Mississippi River or the foot of the Mississippi River, which we both represent in this Nation, and we often talk to each other about how narrow it is up in Minnesota and how wide and wonderful it is in both places, both north and south. But it really does connect us because it is all about exports and trade.

So I wish to recognize my friend, the Senator from Minnesota, who will talk about the export provision of this amendment and why it so crucial.

The PRESIDING OFFICER. The Senator from Minnesota.

Ms. KLOBUCHAR. Mr. President, I wish to first commend Senator LANDRIEU for her great leadership. It is true we share this river, and when you see all the barges go down the river every day, you see the trade and the export firsthand that we are talking about. I am focused on the export end, but I wish to give my support to the lending part of this. It is so important, and Senator LANDRIEU, as head of the Small Business Committee, has worked on it incredibly hard.

When we discussed this idea last year of small business lending, I went around to a number of my small businesses and I heard time and time again how much this would be helpful for them. I think it is summed up by a letter I got from Bertha, MN. My colleagues may not have heard of it. It is not exactly a metropolis. This letter is from a guy named Harry Wahlquist of Star Bank in Bertha, MN. This is what he wrote just a few weeks ago. He said:

> I am a banker and need capital to continue serving my nine Minnesota towns. Please pass the small business lending bill now. You gave money to Wall Street. How about Main Street in Minnesota?

I think it has been said that Wall Street might have caught a cold, but Main Street got pneumonia. There are still many issues out there, and a lot of it could be helped to create private sector jobs by simply allowing credit out there and more loans.

The other piece of this which Senator LANDRIEU and my other great colleague from the Commerce Committee, Senator LEMIEUX, mentioned was exports. I became very interested in this because my State is now seventh in the country for Fortune 500 companies. We are 21st in population, but we have a strong and thriving business community that believes in exports and believes in innovation. We brought the world everything from the Post It note to the pacemaker. While all of these things did not start at the big companies, these big companies started in garages—companies such as Medtronic, in Two Harbors, MN, or little sandpaper companies such as 3M. They all started small. Sixty-five percent of the jobs in this country are due to small business. Yet these small businesses, which now see this world of opportunity out there for them—95 percent of the jobs in America—95 percent of the customers for America, for American businesses, are outside of our borders.

Unlike 3M or Medtronic, great Minnesota companies—or Best Buy—that can have people working internally on these issues to identify markets, a little company in Benson, MN, isn't going to be able to have a full-time person looking at where they can sell their products. They still have managed to do it, and a lot of them have been able to do it by working directly with the Commerce Department. These are not little companies that necessarily are big government guys. These are people who are conservative businessmen or businesswomen who went out there and said: Well, how am I going to figure out where I can sell my product around the world when I don't speak the languages. I don't have a trade person.

My favorite example is a company called Matt Trucks in northern Minnesota, population 900, the moose capital of our State.

A little second grader named Matt was in school and he came home to his dad and he drew a picture of a truck. The truck had wheels and he put a bunch of tracks on each of the wheels of the truck. His dad said: Matt, that is really cute. But as you have seen on TV, the tracks go between the wheels.

This little kid said: No, Dad. This would be a lot better because you can put the tracks on the wheels and take them out and use it as a regular truck.

His dad is a mechanic. He went into the shop and created this truck and these tracks. Then he started a company that he called MATTRACKS, after his second grader. They have about five employees. They are chugging along.

One day the dad went to Fargo, ND, which is the region of the Commerce Department that serves part of Minnesota, and he talked to a woman named Heather. She is with the Federal Government. He went to her for help. She looked on her computer and identified some markets and called the embassies where he could sell this truck. Now, due to exports, due to the fact that they are exporting to dozens of countries, from Kazakhstan to Carlton, MN, they have 55 employees, all because of exports.

We have seen this all over our State. That is why Senator LEMIEUX and I came together to introduce a bill to focus on exports for small- and medium-sized businesses.

Do my colleagues know that 30 percent of small- and medium-sized businesses would like to export more, but they simply don't know how to do it? Well, this amendment helps to fill the gap and assist U.S. businesses that are looking to export their products but do not have the resources or the knowhow to find new international customers.

The program focuses on locating and targeting new markets, the mechanics of exporting, including shipping, documentation, and financing, and the creation of business plans. This amendment is projected to create 43,000 jobs. It would do this by making sure this U.S. and Foreign Commercial Service, which assists small- and medium-sized businesses, is able to carry out its mission to work with these businesses by having adequate staff.

Secondly, it expands the rural export initiative, which helps rural businesses develop international opportunities. As noted by my Republican colleague, Senator LEMIEUX, the numbers are clear. Every dollar invested in this program creates $213 in rural exports.

This part of the small business amendment that Senator LANDRIEU is putting together allows the Department of Commerce to identify known exporters that have a capacity to grow their international sales. A business that has already been exporting to Canada or Mexico something like 50 or 60 percent of its business only exports to those countries—it allows them to look for other countries. It provides matching grants to industry associations and nonprofit institutions to underwrite a portion of the startup costs for new export promotion projects.

This is real jobs. We all know that we helped our country from going off the financial cliff. We did that with the stimulus package and by building new roads and bridges. The way out of this economic slump will be with private business expanding and with jobs. The way you do it is look across the borders and see where you can sell your goods. They have been selling goods to us, right? I want the United States to be a country again that makes goods and sends our goods to other countries. That is what this piece of the bill is about.

I am grateful to Senator LANDRIEU and for the leadership she included in this package. I thank Senator LEMIEUX for his leadership on this amendment. I hope we pass this bill. It is incredibly important.

I now turn to my other colleague, who has chosen to wear bright pink today, the Senator from Louisiana.

I yield the floor.

Ms. LANDRIEU. Mr. President, I thank my colleague for the beautiful stories she shared from her State. It makes this all so real. It is. It seems as if sometimes it is not when we debate these bills on the floor. But it is so real—the outcome of what we do on the ground in the States that we represent, and in these small towns. I will remember Matt's story. I am going to share the speeches that I give around my State, and how incredible it is that a young child would present an idea to a father and the father is smart enough to recognize what a good idea it was and took it and built a business, and through a great strategic partnership with the father, a private business owner, and a very willing Federal employee, found a program that works to build his business, now with up to 55 employees.

That happens all over the country. It happens in Louisiana. Speaking about Louisiana, I will read what our bankers at home—the bankers in my State—say about this program. I read the letter to MITCH MCCONNELL and to HARRY REID, delivered by the 5,000 community banks in the Nation that are strongly supportive of this small business lending fund—community banks that know these businesses. They are standing there watching them and, in many instances, suffering and not able to give them the support they need because of the credit constraints that were so beautifully expressed by Senator LEMIEUX, as falling real estate values have put the original capital that was their collateral in the bank in some jeopardy, or it has to be scored in a different way. This bill will help. That is why bankers all over the country are supporting it.

Let me say what my bankers, who are normally a more conservative group—they don't agree on everything this Congress has done, either when Republicans or Democrats are in charge; they tend to be more conservative. They don't like big government and a lot of regulation and intrusion. This is what they have said on behalf of their small businesses:

> On behalf of the members of Louisiana bankers, I am writing to express our support for the small business lending fund. Treasury would invest in community banks from this program that would be separate and apart from the Troubled Asset Relief Program. This legislation would serve as another voluntary tool for community banks to meet the needs of small business. Meeting the needs of these borrowers has been more difficult as regulators pressure many banks to increase their capital-to-asset ratios.
>
> Given the severity of the downturn, it is difficult, if not impossible, for community banks to find new sources of capital. Thus, the only option for many banks is to shrink, which can mean making fewer loans. This lending provision would allow banks to avoid that result, continue to meet the needs of their communities. With an improving economy and public investment, such as those proposed, lending can increase faster in some of the hardest-hit areas of our country.

The Louisiana bankers would know about this, because we are in one of the hardest hit areas. Not only is the recession affecting us like everybody else, but if we haven't noticed lately, there is a lot of oil out in the gulf because of a tragic, unprecedented accident. The Gulf Coast community is struggling almost more than any other region of the country because of it. Now because we have constrictions on drilling—which I don't agree with but which are in place—we are finding employment harder to come by and businesses struggling even more. So our Louisiana bankers know this. They have sent letters to myself and to the junior Senator from Louisiana, Senator VITTER, asking us to please be supportive of community banks, saying you have done a lot to help the big banks and Wall Street, so please help us. That is what this amendment is about.

I am going to yield the floor for a few moments. I will come back within the next 30 minutes or so and continue this debate this afternoon. We are on the small business bill. The pending amendment is the LeMieux-Landrieu-Nelson from Florida-Merkley-Boxer-Cantwell-Murray-Whitehouse, and other Members are joining us as cosponsors of this amendment. Senator BURRIS from Illinois is also joining us on this amendment.

We are picking up support as organizations express themselves today to Senators, saying how important this small business lending fund is. It could leverage $30 billion. It will earn a billion dollars for the taxpayers, which is an attractive characteristic. It doesn't cost anything and it actually makes money, as any smart banker and business wants to do. It doesn't cost money—well, it costs a little on the front end but makes it back on the back end. It is supported by a growing number of Senators, we hope, on both sides of the aisle.

As we continue this debate today, I look forward to answering some of the concerns raised and will try to put those to rest so we can have a very strong vote on this amendment on the underlying bill.

I yield the floor and 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. ENSIGN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

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

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

ISRAEL

Mr. ENSIGN. Mr. President, I rise today to address a relationship between the United States and our ally Israel. I was glad to see that President Obama took some time over the July Fourth recess to sit down with Israeli Prime Minister Netanyahu and discuss the rocky path which U.S. and Israeli relations have taken over the past 2 years.

Israel is, by far, our strongest ally in the region. This close relationship and friendship is built on a bedrock of common democratic values, religious affinity, and perhaps most importantly national security interests. We are both nations that face threats posed by radical Islam.

While we have been able to take the fight to the enemy, as we fight al-Qaida and Taliban refinements in Afghanistan and Iraq, Israel has not been so fortunate. They face an existential threat. This threat to their existence is not just Hamas and Hezbollah, who attack Israel with suicide bombs and rocket attacks, but also from radical nations such as Iran and their allies.

When one nation says to another, ''We are going to wipe you off the map,'' we need to take that threat seriously. This is especially true when that nation says it over and over again, as Iran has. As an ally, Israel should be able to count on us for support. This support is not limited to financial and military support but also diplomatic and moral support. So when Iran says they are going to wipe Israel off the map, the United States needs to stand up and say, ''No, you will not.'' We cannot send mixed messages. That is why what happened at the 2010 Nonproliferation Treaty Review Conference worries me so much. For when we fail to stand up for our allies on the smaller issues, they begin to question our resolve when it comes to the large issues, such as their existence.

Under the Nonproliferation Treaty, there is a conference every five years to seek ways to strengthen the treaty and advance the goals of nuclear nonproliferation. At this conference, Secretary Clinton opened by stating that:

> Iran will do whatever it can to divert attention away from its own record and attempt to evade accountability. . . . But Iran will not succeed in its efforts to divert and divide.

Additionally, a White House official was quoted in the Washington Post at the beginning of the conference summarizing: ''This meeting is all about Iran.''

Based on these comments, one would expect to see some reference to the fact that Iran and Syria are both flagrantly violating their treaty obligations. One would expect to hear that Iran has threatened the existence of another sovereign nation. One would expect to hear how Israel was forced to destroy a North Korean nuclear facility located in its backyard. We did not see anything of this sort in the final document. What we did see instead was the name ''Israel'' appearing. I am a little bit confused. Why would we agree to a document that does not mention Iran or Syria but does single out our strongest ally in the region? This is even more puzzling considering this is a consensus document. That means that we, as a nation, had to sign off on it. Essentially, we threw one of our closest allies under the bus, in exchange for what? I do not believe there is a good answer to this question. What type of message does this send not only to Israel but to our other allies? It says:

We will not hesitate to throw you overboard in exchange for a political tic mark that gets us nothing.

In closing, I believe that based on what Secretary Clinton was hoping to achieve and what we actually did achieve—the alienation of an ally—this conference has to be considered an utter failure.

Some over at Foggy Bottom, at the White House, and in Congress need to realize how important our relationship with Israel is and start taking steps to strengthen that relationship instead of taking steps to weaken it, as we did at the recent Nonproliferation Conference.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Ms. LANDRIEU. Mr. President, I ask unanimous consent to speak for the next 10 minutes.

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

Ms. LANDRIEU. Mr. President, I know Members are busy around the Senate today on various committees and special caucus lunches, talking about many aspects of not just this bill but other things that are pending. I thought I would come to the floor while we had this time to make a few general remarks about the small business bill and also specifically about the Small Business Lending Fund which is the amendment that is pending.

The Small Business Lending Fund amendment is a bipartisan amendment by Senator LeMieux of Florida and myself. It is also sponsored by the senior Senator from Florida, Mr. Nelson, Senator Merkley from Oregon, Senator Boxer from California, Senator Cantwell, Senator Murray, Senator Whitehouse, Senator Burris from Illinois. We added Senator Hagan just a few minutes ago as a cosponsor, and we are getting calls regularly, throughout the day, from Senators who want to be a sponsor of this amendment. We believe we have great support on the floor of the Senate, and that support is growing as this debate goes forward and as more people begin to understand that this Small Business Lending Fund is really the core of the small business bill.

There are three pieces of the small business bill. One piece that came out of the Finance Committee on a very strong bipartisan vote, I understand, was a $12 billion targeted tax cut for small businesses in America. There should be listed, I hope on my Web site and other Web sites of the Finance Committee, a list of all those tax cuts. One or two I am very familiar with would be a real advantage to anyone in America who wants to invest in a small business over the course of the next 6 months to a year. You will pay no capital gains if you hold that investment for 5 years; you will pay zero capital gains because that is one of the strategic targeted tax cuts in this bill. In addition, there is accelerated depreciation for small businesses—not for big businesses but for small businesses—so small businesses in America, defined as those businesses with under 500 employees, can write off some of the investments they are making to try to grow their businesses in these difficult times. We want to help them do that. So one important part of this bill is $12 billion in tax cuts to small businesses. This is a very important component.

The other important component came out of the Small Business Committee with a bipartisan vote. It strengthens the core programs within the Small Business Administration. It strengthens the 7(a) Program. It strengthens the 504 Program. These are programs that allow lending to small businesses for commercial real estate. They allow lending for the capital needs of those businesses—for businesses to purchase inventory, to purchase other goods and services necessary to operate their business.

These are longstanding programs that are very well supported on both sides of the aisle and that we find have worked so well we want to double the limits, we want to eliminate the fees, and we want to increase the guarantee from 75 percent to 90 percent. When we did this under the stimulus program a year ago on an emergency basis, we saw the number of loans go up dramatically. That time came to an end, and so in this bill we are reinstating that very successful program that works. Senator Snowe, the ranking member, and I are very supportive of that provision, and that is in the bill.

There are three main pieces. I have talked about two. The third piece is what this amendment represents. The third piece, according to the National Bankers Association, is really the core of the bill. That is according to the community banks, not the big banks on Wall Street but the community banks on Main Street. They have written letters to all of us—to the majority leader, to the minority leader—saying: Please support the Small Business Lending Fund. It is not like TARP, it is completely different, they say, and they are right.

As I said earlier this morning, a little bit of opposition we are hearing even from the minority leader, Mitch McConnell, indicated that one of the reasons that maybe some of the Republicans might not be for this is because this is like TARP. The TARP was a $700 billion bailout to big banks. This is a $30 billion partnership with healthy community banks. TARP was a $700 billion bailout for failing, unhealthy big banks on Wall Street. The small business lending program is $30 billion—much smaller, strategic private sector partnership with small community banks that are on Main Street to keep all of our small businesses open and operating and growing so we can get out of this recession.

I hope the arguments that this is TARP-lite or TARP, Jr., will go away because the facts are so completely different from one program to the other. This is a strong strategic partnership that could have been defined as a bailout. It was a bailout. Some of us think it was necessary, some think it was unnecessary, but it was a bailout. This is not a bailout. This is only going to healthy banks that, because of the falling value of collateral they are holding behind some of those loans because the regulators are looking at it a bit more, giving more scrutiny to banks everywhere—some of that is good and some is a little bit heavyhanded, but nonetheless it is happening—banks are having a hard time generating the capital to have those ratios correct when the regulators come in, and so they are cutting back on lending.

If we want banks to lend to small businesses, we need to help them, and they want us to help them. They are for this. The independent bankers have sent us letters. The community bankers have sent us letters, as well as the American Bankers Association. That is unlike TARP, where there were many banks, even some that received money, that didn't like the program. They didn't like it because there were lots of strings attached. They didn't like it because they thought it would ''ruin their reputations.'' They didn't like it because they didn't want to have to go through stress tests. I understand that. I think the program has worked pretty well, but that was that program. That was 2 years ago. This is now. It is a different initiative. It is not even really a government program; it is a private sector partnership between the Federal Government and taxpayers and their community banks that they know and they trust. They see these bankers at the Rotary Clubs and Kiwanis clubs. They see them in church, they see them in the synagogues, they see them on Main Street. These are the bankers who know their businesses and want to lend to their businesses. They know the businesses that have the potential to grow and those that potentially might not be able to grow. They know the businesses that have readjusted for this economy, this tough economy. We can trust our community bankers.

I am the chair of the Small Business Committee. I have had the most extraordinary opportunity as chair of this committee—on which you serve, I say to the Presiding Officer—to listen to small business owner after small business owner pleading, saying to me things like: Senator, I never missed a payment. Senator, I always sent in my money, and they cut my line of credit. Senator, we are desperate out here. We do not have access to credit. Please help us.

One argument I have heard some others make is based on a study that came out from the National Federation of Independent Business, the NFIB. I am going to try to get that study in just a minute because I want to respond to that. The NFIB study is quoted sometimes in this debate. Here it is here, the ''Small Business Credit in Deep Recession'' study. It is waved around on the floor by some people who are not sure how they might vote on this amendment because they have heard things. They are not sure, but they say: According to the NFIB, the National Federation of Independent Business, 40 percent of the banks say credit is not a problem. And there is some data here that is going to show that 40 percent of the banks say they were able to get all the loans they needed; 10 percent said they could get almost all the loans they needed. But the rest of the study is what is important. It is about 60 percent who say they could not get it, from the National Federation of Independent Business. Their own study showed that 60 percent of their businesses said they could not get the collateral from the banks that they so desperately need.

I know there is this little argument out there that there are no good businesses to lend to.

We all know that is not true. There are businesses in all of our districts. We are hearing from them. They cannot get credit because of new regulations, because of tightening capital ratios. This is a partnership with banks that has absolutely nothing to do with TARP, big banks, Wall Street, unhealthy banks. It has everything to do with community banks that are less than $10 billion. Those are the only banks that can even apply to be a part of this. It is completely voluntary.

If a community bank in Illinois or Louisiana—and I have talked to some—said, Senator, we are healthy; we have a lot of capital to lend, I have said to them, that is wonderful. Then you do not need to apply for this. But if you want to grow your bank in these times, then it is completely up to you. This will be available to you. You know what, they brighten up. They say, well, we did not realize that. We thought it was going to be something forced. Absolutely not. It is completely voluntary.

So for the NFIB and the 40 percent of their businesses that said they could not get collateral, this is a solution. I am very proud to offer this solution in this way. I also want to say we have letters from, I believe, almost 20 Governors who have said, please help us. We are trying to do everything we can in our State to stimulate growth and development. We are trying to do what we can. So they have sent letters, both Republican and Democratic Governors. A letter I have that I will submit to the RECORD is from February, from Christine Gregoire, the Governor from Washington State. She writes a very strong letter to Dr. Romer, our economic adviser for President Obama, to Tim Geithner, to Chairman Sheila Bair, saying, this small business lending program is what the State of Washington needs. We are full, she says, of small businesses that are knocking on our doors at the State capital that cannot get credit. We must open the opportunities for them.

If we want our States' economies to grow, which we do, whether it is Washington or California, I say to my good friend from Arizona, or from Tennessee, or from Massachusetts, the way they are going to grow is through small business.

Look at this. From 1993 to 2009, in the last 16 years—I think these numbers would be updated and it would even show more—65 percent of all new jobs in America are created by small business. When we have letters such as this from Governors who say their small businesses cannot get credit, what are we going to do? Sit here and do nothing? I do not think so. I think we should act.

One of the best ideas that has come forward from Republicans and Democrats that has been scrutinized and looked at and torn apart and put back together is a $30 billion small business lending fund that will not create a new government program. This is not lending by the government, this is lending by the private sector.

This is not lending by big banks, who do not lend—by the way, we have seen the bank lending, big bank lending to small business has declined in the last four quarters by 8.1 percent. Think about that. The banks that got all of the money in the last year of the Bush administration and the first year of the Obama administration, the banks that got all of the money, the reports show, cut lending to small business by 8.1 percent.

The banks that did not get any help, the healthy community banks in our States, even in these times have increased the lending to small business because, A, it is smart for them to do so, because when they do it right they make money, which is the whole point of them being in business, and because many of them also believe strongly in the communities in which they have built their business.

They helped build these towns. They do not want to see them take bankruptcy. They helped build the businesses on Main Street. Do you think they are happy to sit there and watch these businesses close up?

But we spent the last 2 years, the last year under Bush and the first year under Obama, bailing out Wall Street. When it comes to helping Main Street, it gets very quiet around here. I wonder why.

That is what this amendment does. We know small business creates jobs. We know there are credible small businesses in all of our States. Even according to the NFIB, even according to their own survey, 40 percent of the businesses said, we did not get all of the credit we need. If we could get it, if we could get credit from our banks, if we could borrow money from our banks, we could grow, even according to this study.

We are very proud of this lending provision in this bill. I think the whole bill is very good. Maybe there are some other amendments that need to be included, that could come from Finance or that might come from someone else. But the core of the bill, the $12 billion in tax cuts for small business, the strengthening of the small business lending programs and contracting programs and surety bond programs, which many of our Members have worked on, and this lending piece is absolutely crucial. It is one of the best things that we could do as a Congress to help small businesses find their footing, to help them get more certainty about the future.

They are the ones that are going to take the risk. We have seen the headlines in the last couple of days. If you are reading the Washington Post, if you are reading the New York Times, if you are reading your hometown newspaper, what do those headlines say? I will tell you what they say: Big business hoarding cash. Big banks sitting on $1.6 trillion in profits. They are sitting on it. They are holding it. They are not lending it.

Do you know who is lending? Do you know who is still lending, or they are trying to lend? The community banks of America. They are desperately trying to lend. And what are we doing? Sitting here not listening to them or not helping them. We must listen to them. I have letters here I have submitted to the RECORD, independent bankers, community bankers, American bankers: Please help the healthy small banks in America to do the job we want to do for you and end the recession.

When we vote on this amendment, I hope we get a strong vote. I hope people in this Chamber will not turn their backs on the small businesses in their districts and the healthy community banks that have been there for a long time. If we act responsibly, and if we join in partnership with them, and we rely on the private sector savvy that is out there, I think we can make some real headway. That is what I am hoping.

There is no silver bullet. I am not 100 percent positive this is going to work in the way that we think. But I am very confident that it has a great chance of working. Shouldn't we give the benefit of the doubt to our own small businesses and community bankers? A lot of people did not know if TARP worked. A lot of people do not think it worked today. But nobody was saying, oh, well, we are not sure; we should not do it. We rushed on out there and gave billions of dollars to Wall Street, billions of dollars to big banks.

Now when it comes to giving our community banks the benefit of the doubt, when it comes to giving small business people who have risked everything the benefit of the doubt, we are having some trouble. I do not understand that.

As the chairman of the Small Business Committee, I promised them I would follow in the good footsteps of the former chairs of this committee: Senator SNOWE has been an outstanding chair; Senator KERRY has been an outstanding chair; Senator BOND has been an outstanding chair. They have been very strong advocates for small business in America.

When this program came across my desk, I wish I could say I designed it. I would love to take credit for it. But I did not. It was designed by other Senators. But when I saw it, I thought to myself, now this could work. When I heard the President speak about it, I thought, this makes a lot of sense. I thought, my goodness, this sounds like a good idea. The more I looked into it, I became convinced, it is not a good idea, it is an excellent idea. I am not going to leave it on the cutting room floor because of some political argument that makes no sense to me, and it should not make sense to anybody in this Chamber.

I see other colleagues are on the floor to speak. I have exhausted my 10 or 15 minutes. I am happy to yield the floor. And then, of course, I will come back to the floor, to come back to speak about this amendment. I want to say I am very proud of the support of Senator LEMIEUX, as well as a growing list of other Senators who have come forward to support this amendment and to speak on the bill.

I see the Senator from Arizona and I will yield the floor at this time.

The PRESIDING OFFICER. The Senator from Arizona.

HEALTH CARE

Mr. KYL. Mr. President, I rise simply to insert into the CONGRESSIONAL RECORD two very interesting pieces from the Arizona Republic. The first is an op-ed, a column, by Bob Robb, who is one of the most erudite columnists I have ever read. He comments on the financial regulatory reform bill saying, among other things, that this new financial stability oversight council that is created under the legislation will have total control over what a lot of banks and businesses do.

He describes this as being able to tell a company not only what capital it needs to maintain, but what products or services it can offer. It can even order a company to divest some of its holdings or lines of business, and even take over the company with the intent of completely liquidating it, and in many cases even without the ability to contest these decisions in court.

He laments the fact that there will be no rules-based regulation of capital markets anymore; predicts it will be doomed to failure, and also talks about the beginning of the end for an independent Fed, which has significant responsibilities under this law, which he believes, and I agree, are inconsistent with its primary task, the entity in our country that is supposed to take care of the monetary policy of the country.

The other piece is an article in the Arizona Republic of July 21. I will quote from the first three paragraphs:

State and university employees with families can expect to see their monthly health insurance costs rise as much as 37 percent next year, depending on the type of plan they choose.

It goes on to say:

The Department of Administration—

That is to say, of the State of Arizona—

cites Federal health reform as the reason the State's health plans will carry greater expenses and higher premiums for its members.

This is the latest example of the effect of the health care reform legislation on insurance premiums which are going to be rising around the country. But I did not expect them to rise 37 percent on our State employees next year.

I ask unanimous consent that the column by Robert Robb and the newspaper article dated July 21 in the Arizona Republic be printed in the RECORD.

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

[From the Arizona Republic, July 21, 2010]

AN END TO RULES-BASED CAPITAL MARKETS

(By Robert Robb)

The financial market reform legislation enacted by Congress last week ushers in a new era in the relationship between capital markets and the government.

If the country decides it was a mistake, unwinding it will be very difficult.

Until now, regulation of capital markets has been primarily disclosure-based. Investment firms were largely free to offer whatever products they wanted. The role of government was principally to ensure that there was adequate disclosure so that potential investors could make informed decisions and not be hoodwinked. Who made or lost money wasn't the government's concern, except at tax time.

The primary exception was banks whose deposits were insured by the federal government. Since the government was ultimately on the hook, it oversaw the prudence with which these banks did their business.

The conventional wisdom is that this system failed in the financial market turmoil of 2008. Financial institutions subject to lighter prudential regulation took on too much bad risk with too much leverage. These firms had become big and interconnected enough that their failure threatened the collapse of the entire U.S. financial system.

Now, I happen to believe that this narrative overstates the threat that existed in 2008. But I am part of a very small and uninfluential minority on the matter. So, for purposes of discussion, let's assume that the narrative is correct and the goal of reform should be to prevent a reoccurrence.

There are several things that Congress could have done to address the perceived threat directly. If financial institutions of over a certain size represent a systemic threat, Congress could have prohibited companies from becoming that large. In the past, the U.S. got by with smaller banks and it could again.

If excessive leverage is a systemic threat, Congress could have limited it directly.

Instead, Congress decided to vastly expand the federal government's discretionary, prudential regulation of capital markets.

A new Financial Stability Oversight Council and the Fed are authorized to prescribe individualized requirements for any company they deem to pose a potential systemic risk. The new council of wise men can tell a company not only what capital it needs to maintain, but what products or services it can offer. It can order a company to divest some of its holdings or lines of business. The federal government can even take over a company with the intent of completely liquidating it.

In many cases, the company has no ability to contest these decisions in court. Where there is judicial review, it is limited to whether the regulatory decision was arbitrary and capricious.

So, there is no real rules-based regulation of capital markets anymore. The council of wise men will make it up as they go along. Companies of the same size in the same lines of business may have entirely different rules they must follow.

There will no longer be a capital market regulated by an arms-length federal regulator, setting the same rules of the game for all competitors. Instead, there will be symbiosis between government and financial institutions, interacting continuously with one another to determine what any particular financial institution can and cannot do at any particular point in time.

This approach is doomed to failure. No group of regulators has the wisdom required to do what this new legislation requires.

Once the symbiosis is established, however, unwinding it will be very difficult. The politicization of the allocation of capital tends to be addictive.

This bill is also probably the beginning of the end of an independent Fed. The Fed cannot play this large of a role in the conduct of every major financial institution in the country without politicians seeking to get into its knickers. The role of primary systemic risk regulator is simply incompatible with that of an independent monetary policy maker.

President Obama and Democrats regard this legislation as monumental. I don't think they even partially understand how right they are.

[From the Arizona Republic, July 21, 2010]

STATE TELLS EMPLOYEES HEALTH INSURANCE WILL ROCKET

(By Ken Alltucker)

State and university employees with families can expect to see their monthly health-insurance costs rise as much as 37 percent next year, depending on the type of plan they choose.

Figures provided by the Arizona Department of Administration show that health plans for families and single adults with children will shoulder the most-expensive monthly premium increases beginning Jan. 1, while individuals will pay modest increases.

The Department of Administration cited federal health reform as the reason the state's health plans will carry "greater expenses and higher premiums for members," according to a June 30 letter sent to about 135,000 state and university employees and their dependents.

The letter named two provisions that the state expects will drive health-insurance costs higher. One is a requirement that insurance plans provide coverage for dependent children up to age 26. The other is the federal legislation's ban on lifetime limits, an insurance-industry practice that cuts coverage once an individual's medical expenses exceed a set amount over their lifetime.

Because the state is one of Arizona's largest providers of health insurance, its estimates could provide an early glimpse of how large employers will pass along health-reform costs to their employees.

Industry analysts say it is too early to tell how much health reform will impact the cost of insurance. Some estimates expect the initial impact on overall cost will be less than 2 percent. Many analysts agree that the true impact won't be known until 2014, when health-insurance exchanges are established to extend coverage to the estimated 32 million Americans who now lack health insurance.

"I don't know if anybody really knows what the (impact) on costs will be," said Don Mollihan, a broker and consultant with Arizona Benefit Consultants. "The entire (health-insurance) industry is trying to react to the reform as regulations are implemented. That is where the rubber meets the road."

One example is the Obama administration's requirement, unveiled this month, that all health-insurance plans cover preventive care free of charge. Such no-charge preventive care ranges from autism screening to colorectal-cancer screening for adults over age 50 to folic-acid supplements for pregnant women.

"The preventive-care requirements could add some costs, but a lot of (insurers) are already providing those services as part of their core" plans, said Patricia "Corki" Larsen, a principal with human-resources consultant Mercer in Phoenix.

Alan Ecker, Department of Administration spokesman, said health reform is "responsible for all increases for employee premiums" next year.

He noted that federal health reform passed after the Legislature approved funding for next year's state's health plan, so with no money left in the state coffers to cover the mandated changes to health insurance plans, the state opted to shift costs to employees.

VARYING IMPACT

The state pays for most of the premium costs, with the employee picking up a portion of the premium costs. Also, changes in premiums do not reflect other cost-shifting measures, such as increases in co-payments that people must pay when visiting a doctor or filling a drug prescription.

University and state employees who get state-sponsored coverage just for themselves won't see much of an increase in their premiums: about $1 each month under three plans offered by the state.

Increases in employee premiums for plans that cover couples and families will range from $22 to $43 a month. Single adults with children will see those premiums increase 37 percent for an Aetna insurance plan that includes a health-savings account. The Aetna family plan and the Aetna plan for two adults will also each rise more than 20 percent. Employees who choose the state's EPO and other plans similar to an HMO for families and adults with children also will see their monthly payments rise more than 22 percent.

DISPUTE OVER LETTER

Yet, even as Gov. Jan Brewer's administration cited health reform as the chief reason for cost increases, the state's health-insurance premiums for employees have increased at even faster clips in the past.

In fact, employee premiums for five of eight plans next year will increase at a lower rate than they did this year.

Some lawmakers questioned the Brewer administration's decision to send out a letter that blames health reform for the premium increases.

Rep. Kyrsten Sinema, D-Phoenix, who sat on President Barack Obama's health-reform task force, blasted the Department of Administration's letter as politically motivated.

"The Department of Administration is implying that entire increase is a result of the new health-care law," Sinema said. "It is clearly a politically motivated letter that is just not factually accurate."

Ecker, of the Department of Administration, denied any political motivation. He saw no political undertone in the letter, which was drafted by the Department of Administration's benefits-services staff and approved by the agency's director.

"It is simply designed to let members know that rate increases are coming and the reason for those increases," Ecker said in an e-mail.

The PRESIDING OFFICER. The Senator from Rhode Island.

NATIONAL ENDOWMENT FOR THE OCEANS

Mr. WHITEHOUSE. Mr. President, I know my friend and colleague, Senator SNOWE, is about to deliver some remarks. I ask unanimous consent that I be recognized at the conclusion of her statement. I wish to take a moment to thank her for her work with me on the bill I am going to be talking about. She will be talking about something else, but I will be discussing the National Endowment for the Oceans. While we are in the Chamber together, I express my gratitude for the collegial, thoughtful, helpful way we worked together on this bipartisan piece of legislation.

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

The Senator from Maine.

Ms. SNOWE. Mr. President, I express my profound gratitude to the Senator from Rhode Island for his leadership on this initiative. It will have far-reaching implications and importance to our most vital resource, the oceans, and all they represent. I look forward to working with him to transform this legislation into a reality that will protect the oceans in perpetuity and understanding and amassing all the resources that are essential to the preservation of the oceans and what they represent to our environment and to the ecosystem and, of course, to the fisheries that are so important to our respective States and to the country. I thank him for his visionary initiative. I am pleased to join him in that effort. Hopefully, we can bring it to fruition in this Congress.

There are a number of issues with respect to the small business legislation pending before the Senate, although pending in a way I would prefer otherwise, given the fact that it addresses the foremost issue facing the country today; that is, jobs and the status of the economy. The economy is not creating the jobs the American people deserve. That is why I joined across the aisle in extending unemployment benefits, because we have a very high unemployment rate of 9.5 percent, with 8 million people having lost their jobs and more than 15 million either unemployed or underemployed. We have not seen the kind of economic growth that will produce the jobs the American people deserve and create the kind of security they deserve as well.

From that standpoint, I thought it was important to extend unemployment benefits. I ultimately think it is important to do what we can for small businesses, as the chairman of the Small Business Committee indicated, the job generators in America. Frankly, I would have hoped we could have considered this legislation long before now. It is certainly long overdue. We are in July. I have been urging from the outset of the year, in January, that we should address this most profound issue when it comes to creating jobs. We clearly have to be concerned about the well-being of small businesses.

The legislation before the Senate has a number of good provisions that will go a long way in creating incentives and helping and buttressing this key component of America's economy. I regret that we are in a position where we have not been able to reach agreement allowing the minority to offer amendments, which is confounding and perplexing as well as disappointing. After all, I know the majority rules. But certainly the traditions of the Senate accommodate minority rights as well. That should mean, on the foremost issue facing the country today, the economy and jobs, that the minority would be allowed to offer a few amendments. That is all we are asking. After all, this issue has been languishing for the last 6 months. It should have taken the highest priority back in January, as I indicated; It is that important to the American people, as reflected in the historic low approval ratings of Congress. We are not addressing the key issues facing America today, and that is how we will turn this economy around and create jobs for the American people.

Here we are today in a deadlock because we are not allowed, on the minority side, to offer a few amendments. As I look back on the calendar, we had 78 days we were not either in session or voting. We could have spent all that time considering amendments for the key issue confronting America. In fact, over the last 2 weeks, since this bill has been pending, not one amendment has been offered or allowed to be offered to the small business bill. We have wasted all this time when, in fact, we could have been considering amendments. Last night on the unemployment benefit extension bill, we were able to vote on six different amendments. We had six votes last night on issues. The process worked well. That is the way it should work in the Senate, where we are supposed to accommodate a variety of positions and build consensus on the key issues facing America.

I know today we are lacking patience, when it comes to governing and legislating and reviewing issues and working with people with whom we disagree. That is regrettable. The American people understand what is happening here in Washington these days, where it is an all-or-nothing proposition. I hope we can turn the corner on this issue above all else because it does matter to the American people. It matters to people what is happening on Main Street. That is as true in my

State of Maine as it is true across the country. It is no wonder more than 70 percent of the American people think the country is going in the wrong direction when it comes to the economy—understandably so. Because they go down on Main Street and see what is happening. They see businesses closing, the anxiety that permeates not only the main streets but communities and households all across America because of the lack of job security, financial security, personal security, all of which has created a picture of anxiety and desperation on the part of so many, wondering where the next job will come from, if they lose their jobs, or whether they will get a job having lost a job. That is what it is all about.

I can't understand why we couldn't come together in the Senate, consistent with the tradition of this body, which is to consider a variety of ideas across the political aisle, build consensus, and support. The more ideas, the better. It will make the legislation certainly much improved because we will have a variety of ideas that are important when it comes to improving our economic status in America. It is disconcerting when we know that the Federal Reserve has adjusted their growth rates for the economy, lowering them because of what they anticipate in the future in terms of economic growth, unemployment, the lack of investments being made by companies today either in hiring or capital equipment. The combination has created a much more pessimistic picture for the future in terms of our economy.

Then, of course, we have the uncertainty emanating from Washington, from Congress, in terms of a variety of policies, whether it is health care, whether we are talking about increased taxes or increased regulation, as we saw with the tax extender bill, having subchapter S and increasing Medicare payroll taxes and, in fact, applying them for the first time on retained earnings which is the greatest source of capital for a small business investment. Yet we want to tax that as well. We are seeing all that uncertainty.

People say: Businesses are not sitting on their cash. Businesses won't sit on their cash, if they think they are going to make money. That is the point. They would invest. They would make the investments, if they thought the economy was going in the right direction. But they have to be more conservative, if they don't know exactly what is going to come out of Washington in terms of policies and more regulation.

I have talked to numerous business people in my State, including bankers. They all say the same thing. We don't know what is going to come out of Washington in terms of the types of policies that are going to add to the cost of business. I was talking to one individual who is in charge of a big corporation in America, making an adjustment of one facet on the close to 1,000 regulations in the health care bill. He said one adjustment already has cost him $5 million. Multiply that, and it grows exponentially. The point is, it is a challenging picture for the private sector in terms of taking steps or taking the risky steps in investing in the future for their company. They want to make sure they are making the right decisions, the prudent decisions to make money and not to lose it. That is where we come in, in terms of creating certainty with respect to our policies, not adding more in terms of taxes and spending that adds another overlay to the cost of doing business. Because they are going to be far more reluctant to take those steps that we think are necessary to turn this economy around.

That gets to the point of the pending legislation and, in particular, an amendment I know has been offered by the chairman of the committee, Senator LANDRIEU, with respect to the lending facility. It is a provision I have had a great deal of concern with respect to, this lending capacity that would be created that would extend from the Treasury to banks across the country. I know the majority leader has taken this provision out of the underlying bill, and I certainly appreciate that because I do think it is important that this facility is not included in the overall legislation. First, it has not had a single hearing with respect to the issue. In my view, it certainly does resurrect the controversial TARP that we just terminated in the bill that passed last week in the Senate and was signed by the President which is, of course, the financial regulatory reform bill. It is definitely a facsimile of that approach and that program that has created a great deal of concern.

The lending fund was debated in the House, certainly on the House floor in the House Financial Services Committee, where significant concerns were raised about the program's similarities to TARP. In stark contrast to the Small Business Committee provisions in the substitute amendment we are now considering, many of these measures certainly are going to add a great deal of concern in terms of whether we should be extending more than $30 billion to banks across the country. I hope we will rely on the key provisions in the underlying legislation; for example, raising the 7(a) guarantee rate from 80 to 90 percent and increasing and also reducing certain lenders' and borrowers' fees in the 7(a) and 504 loan program.

I am pleased those measures that were included in the stimulus plan that we passed last year resulted, as this chart indicates, in a 90-percent national increase in SBA lending since Recovery Act's passage and a 236-percent increase in Maine. It is a strong indication of the value of increasing the guarantee rate, which we have now done in the underlying legislation because those provisions expired in May. That is certainly one way of extending the lending capacity of the Federal Government through existing models that have been proven to be effective and workable, and that is a 7(a) guarantee program. As a result, in June the SBA approved $647 billion in 7(a) guarantee loans, a 56-percent decrease from May's $1.9 billion, because we allowed those provisions to terminate that were included in the stimulus bill. Had we allowed them to extend, we would have seen continuity of lending to small businesses in this country.

That is why I think those measures are extremely effective. They have already demonstrated their efficiency and their workability across the country. That is what will work for small businesses, if we were to increase those guarantee rates and reduce the lenders' and borrowers' fees. That is why I am pleased the majority leader included in his substitute a modified version of my amendment that provides $505 million in funding to reinstate the fee waivers and increase guarantees through the remainder of this year. The SBA has estimated that the reinstatement of these provisions could leverage $13.2 billion in SBA lending. This is precisely the type of effect we could have for the taxpayers that maximizes the efficiency and the return on the dollar rather than reincarnating the speculative nature of TARP. These appropriations, coupled with the SBA lending provisions in the substitute amendment, will raise the maximum 7(a) and 504 loan limits from $2 million to $5 million and the maximum microloan limit from $35,000 to $50,000, which play an invaluable role in providing affordable credit to small businesses.

Obviously, when it comes to expanding access to capital, Congress must work in tandem with the administration and the Treasury Department. Let me begin by noting that I appreciate the hard work of individuals in the Department of the Treasury in trying to develop methods to spur small business lending. I understand how complicated it can be to devise workable, strong initiatives. The department has certainly attempted to do so. Unfortunately, I continue to have significant reservations with the lending fund for several reasons.

First, regardless of what the proponents will say about this lending fund, it is essentially an extension of TARP, known as the Troubled Asset Relief Program, which, as I said earlier, has been terminated in the financial regulatory reform legislation the President signed into law just yesterday.

But let's look at what some of the experts have to say on this particular issue. In a May 17, 2010, letter that Mr. Barofsky—who is the special inspector general of TARP—wrote to Members of the House of Representatives, he states:

> . . . in terms of its basic designs, its participants, its application process, and, perhaps its funding source from an oversight perspective, the [small business Lending Fund] would essentially be an extension of TARP's CPP program. . . .

Moreover, in its May Oversight Report, the bipartisan Congressional Oversight Panel for TARP states that the Treasury lending fund ''substantially resembles'' the TARP program. They say:

. . . it is a bank-focused capital infusion program that is being contemplated despite little, if any, evidence that such programs increase lending.

''An extension of TARP'' and ''substantially resembles'' TARP—that is how the experts of all things TARP—TARP's IG, the inspector general, and the bipartisan Congressional Oversight Panel—characterize this program. So obviously we are talking about the experts who are the watchdogs of the TARP, and they say that regardless of how you want to describe this program, it is what it is. It is an exact duplicate of TARP. That is what it is.

In addition to characterizing the Treasury lending fund as TARP, we had three Democrats and two Republicans on the Congressional Oversight Panel who also laid out a series of substantive concerns with the program. I would like to outline these for my colleagues as well.

First, the panel explained that the Treasury lending fund will be ''less relevant if declining business sales play a larger role in lending contraction than banks' rejections of loan applications.'' What does that mean? Well, it means that although lending contraction remains a significant concern, the root cause of that contraction may primarily be a lack of demand because borrowers are not as interested in taking on debt until their sales increase as opposed to banks' mere unwillingness to make loans they otherwise should be making. As the NFIB has long maintained, ''What small businesses need most are increased sales, giving them a reason to hire and make capital expenditures and borrow to support those activities.''

Secondly, according to the bipartisan Congressional Oversight Panel, the program will likely be branded with a TARP stigma, which will diminish banks' willingness to participate.

Third, additionally, the Congressional Oversight Panel has also concluded that the Small Business Lending Fund may reward banks that would have increased their lending even in the absence of government support, as the fund's incentive structure is calculated in reference to 2009 lending levels, which were low by historical standards.

I know the proponents of the lending fund may try to disagree with Mr. Barofsky and the bipartisan Congressional Oversight Panel's comments, but in doing so they will be arguing against the experts established to oversee TARP in the first place.

Moreover, it is not as if we are talking about partisan entities here. Again, the Congressional Oversight Panel is comprised of three Democrats and two Republicans, who have collectively agreed to include these statements in their report.

There are other unintended consequences that may result from Treasury's Small Business Lending Fund, which certainly raises a red flag for me. It is possible that instead of promoting quality loans, the proposal could encourage unnecessarily risky behavior by banks. The Treasury Department proposes to lend funds to banks at a 5-percent interest rate, which then can be reduced to as low as 1 percent if the institutions in turn increase their small business lending. However, if the banks fail to increase their small business lending, the interest rate they would pay could rise to a more punitive rate of 7 percent. Well, this could lead to an untenable situation where banks would make risky loans to avoid paying higher interest rates—a behavior known as ''moral hazard.''

Some have argued that the banks will not engage in risky behavior because they will remain liable for the underlying debt. We know that certainly was not the case with the mortgage crisis that got us into this economic mess in the first place. So in the final analysis, the possibility that this program could lead to poor lending decisions is something that, in the long run, will not help borrowers, lenders, or our overall financial system.

Incidentally, proponents of the lending fund highlight that several major banking associations support this initiative. Well, that would not be surprising. Who would not support receiving millions upon millions of dollars from the Federal Government at a 5-percent interest rate that could be reduced all the way to 1 percent? While I am in no way questioning the bankers' motives, I do point out that they are not viewing this from a perspective of objective third parties.

Moreover, it does not alleviate my concerns, and that is, obviously, the public's interests when it comes to issuing more than $30 billion of taxpayer funds.

Another key concern of mine is about the cost of the administration's lending fund. I am very apprehensive about whether Congress has taken into full consideration the program's true cost to the taxpayers. The previous scores for the Small Business Lending Fund are convoluted, to say the least. I say this because there are three different methodologies that the Congressional Budget Office has discussed when scoring various versions of the lending fund—specifically, the Federal Credit Reform Act of 1990 estimates, cash-based estimates, and fair value basis estimates. So those are the three different methodologies.

In the House version that was reported by the House Committee on Financial Services, the lending fund was scored by the Congressional Budget Office as costing taxpayers $1.4 billion. That level was determined by using the Federal Credit Reform Act of 1990 scoring. That Federal Credit Reform Act methodology is used when there is a disbursement of funds by the government to a non-Federal borrower under a contract that requires the repayment of such funds. In other words, the Federal Credit Reform Act methodology is used when scoring loans.

After this score was released, the House modified the lending fund to eliminate a requirement that the funds be repaid. Of course, there is every intent that the funds will be repaid, and in an effort to make this certain, the dividend rate that banks pay rises to a punitive 9 percent after 4½ years. But there is no absolute requirement to repay the loan.

Well, this change had two effects: First, it allowed the banks to treat the money it receives as an investment as opposed to a loan and therefore to count the funds as tier 1 capital, the core measure of the bank's financial strength. Second, it allowed Congress to claim that these are not loans, although for all intents and purposes they are, so that the bill can be scored under a more favorable cash-based estimate.

Once these adjustments were made, CBO issued another score that examined the lending fund as revised. The lending fund provision we are discussing today remains virtually identical, for scoring purposes, to how it was in that revised version that passed the House. That score is based on a cash-based estimate rather than the Federal Credit Reform Act because the funds were no longer considered as loans. Under a cash-based estimate, CBO listed the official score for the lending fund as raising $1.1 billion over 10 years. So this is the official score that has been touted by proponents of the lending fund. However, what they fail to mention is that very same CBO score stated that ''Alternately, the potential costs of the [Small Business Lending Fund] under [the House legislation] can be measured using procedures similar to those specified by [the Federal Credit Reform Act] but adjusted for market risk—as is specified by law for estimating the cost of the Troubled Asset Relief Program.'' This was referring to a fair value basis estimation. CBO goes on to note that when measured in this manner, the score would be a $6.2 billion loss.

Incidentally, to ensure accurate accounting, the legislation that created TARP required that it be scored using a fair value estimate. So in that case, it would cost—if you were to use the same estimate—it would be a $6.2 billion loss as opposed to a $1.1 billion gain in revenues, as the pending amendment suggests.

So putting this all together, we have the Federal Credit Reform Act score which highlights that if these were treated as loans—which for all intents and purposes they are—this program would cost taxpayers around $1.4 billion. But because of a change to not technically or officially require that the funds be repaid, it is now scored under different methodology, on a cash basis, as a $1.1 billion revenue raiser, which is what the underlying pending amendment does. Moreover, CBO expressed that if it were scored on a fair value basis, the program would score as costing taxpayers $6.2 billion.

What does CBO state about which of the three scoring methods is more comprehensive? In the score, it states:

Estimates prepared on a ''fair-value'' basis include the cost of the risk that the government has assumed; as a result, they provide a more comprehensive measure of the cost of the financial commitments than estimates done on a [Federal Credit Reform Act] basis or on a cash basis.

So I ask the question, when I hear colleagues claim this is a $1.1 billion revenue raiser, is that accurate? Shouldn't we be concerned that this may not truly be the investment they are claiming? And critically, has all of this been taken into consideration when weighing the effects of this program on the Federal budget and when evaluating the efficacy of this program and utilizing it as an offset in the underlying legislation?

So I am concerned with various aspects of this pending amendment that creates this lending facility for more than $3 billion. In my conversations with Treasury officials, I stressed how critical it was to reach out to colleagues on both sides of the political aisle prior to having introduced this piece of legislation and before advancing and championing it here on the floor of this Senate to obtain input on how to devise lending funds in a way that would address the concerns I have raised and to structure it in a way that could achieve broad bipartisan support. Unfortunately, that did not happen, and this, of course, produces the amendment that is pending here today.

Also in my conversations with Treasury officials, I was under the impression this was going to be addressed through the Senate Banking Committee. That was the other issue I raised. I think, after all, given the fact that this is a banking initiative—it is the lending of more than $30 billion to commercial banks across this country—clearly the Senate Banking Committee should have been involved in examining this issue, that it should have been thoroughly reviewed and vetted and whatever objections existed on both sides of the aisle could have been examined and hopefully resolved. I would have been happy to have had an opportunity to discuss this issue in a way that could have alleviated and addressed these concerns.

Let's not forget this is a brand new program, the nature and magnitude of which is more than $30 billion, which justifies a thorough evaluation and certainly those that have been raised by the Congressional Budget Office in the variety of methodologies that can produce either a $6.2 billion loss or a $1.1 billion revenue increase.

The point is we are not using a true, accurate estimate of what this lending facility will ultimately cost the American taxpayers. If you would use a similar methodology as they did in TARP—which this is a TARP facsimile in terms of duplication and a reflection of TARP—then clearly you have to use the same method of addressing how this legislation either is costing the taxpayers money or is raising revenues for the taxpayer.

It is clear, if you use the fair cash basis estimate, the fact is, it would lose the taxpayers money because you have to take into account all the risks that will be involved during the life of the loan, and that is totally excluded on the estimate and the analysis of the method that was used in the pending amendment.

I outline all of these concerns because I do think it is important for my colleagues to consider very carefully the implications and the ramifications of this lending facility. It is a new program. It is similar to TARP. And it is not just my saying so; as I said, it is the inspector general who oversees TARP, the Congressional Oversight Panel that oversees TARP, which have all expressed that it has similar and equivalent features to the Troubled Asset Relief Program that we have just terminated in the financial regulatory reform program. It is a concern, and again, it is what the TARP experts call an extension of TARP. They call this lending fund an extension of TARP because it has all of the components of TARP.

So I think we should be very circumspect and hesitant about utilizing a similar program at a time in which we have to minimize the expansive nature of government programs in the spending that occurs here in the Senate, in the overall Congress, and on the part of government. I think it is important.

I have heard that when it comes to the TARP program, that money was distributed to small and medium-sized institutions. But according to the Congressional Oversight Panel, by December 31, 2009—which was the deadline for Treasury's capital purchases—20 percent of all TARP funds did go to small and medium-sized institutions and 98 percent of all recipient institutions were small and medium-sized institutions.

It is not whether a bank is good and that is why we should lend this money. Obviously, there are excellent community banks that do a great job; they did not contribute to the problem all across America. It is really a question as to whether this is good policy. That is the bottom line. Is this good policy? It raises a number of questions. It raises the specter that we are really recreating TARP in another manner; it is just directed to different institutions. I think we have to be very careful and cautious and prudent at this time.

Is there another way to extend the lending capacity of the Federal Government? Yes, there is. It is through the small business lending programs which I talked about earlier, and the majority leader has included some of the provisions that I and the chair recommended, which is to increase the guarantee rates that have demonstrated their effectiveness, that have demonstrated their workability. They work. They have increased lending across this country by more than 90 percent and, in my State, 236 percent. It has demonstrated its capacity for working. So why not use those models we have adopted in the past and that have proven their effectiveness?

I think that is what it is all about. How much can we do? Well, we know we are limited in terms of what we have as far as deficits and the national debt is concerned. So I think we have to be very prudent about how we extend taxpayer dollars.

I have a great deal of concern in terms of, No. 1, not only spending the $30 billion but the cost to the taxpayers if we use an accurate, realistic measurement similar to what CBO had indicated and similar to what was used in TARP; and, No. 2, how that legislation works because it creates a perverse incentive. It increases the interest rates to those banks that don't increase their small business lending but decreases it for those that do. So we do encourage the prospects of moral hazard and the likelihood that poor, risky loans might be made because of the fact that their interest rates will be reduced as a result. So I think we have to be circumspect about that.

I hope we do not accept this lending facility because I do believe it does raise serious and significant concerns and that it is duplicative of TARP. I think we need to be moving in a different direction in this country. Also, there are a number of issues that have been raised that cannot be addressed. I hope we could, rather, build upon the underlying amendment, the substitute amendment to be offered by the majority leader; allow for some amendments from both sides of the political aisle so we can strengthen the legislation that is before us with respect to providing incentives, tax breaks, and tax relief to small businesses that rightfully deserve those initiatives so we can incent them to create jobs and to feel certain about their futures as well as this country.

So with that, I yield the floor.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Rhode Island.

Mr. WHITEHOUSE. Mr. President, I have the floor by virtue of a previous unanimous consent, but I understand the Senator from Louisiana wishes to say something briefly while Senator SNOWE is still on the floor. So I would be happy to yield. I would be happy if I could have the floor returned to me at the conclusion of their exchange.

Ms. LANDRIEU. Thank you, Mr. President. I will just be 30 seconds.

I will respond to the comments made by my ranking member. She and I have worked so closely together, and we just have a difference of opinion about this one particular piece of this bill, which is an important piece, so I will respond to her comments in a minute.

I do agree with one thing she said, which is there could be other amendments offered to maybe make this bill better. But I wish to ask my ranking member through the Chair: This amendment is pending. We are going to vote on this amendment. This amendment could potentially get 60 votes plus. If this amendment is voted in by the will of this Senate, even though she has reservations about it which she has beautifully outlined—as she always does—but if this amendment is on the line and let's say other amendments are offered and some pass and some fail, is she inclined to vote for the bill? This is the only question I am going to ask her.

I will restate it. I said to the Senator from Maine, with whom I have worked very well—we have worked together, but we have a different view about this particular program.

This is an amendment. I agree with her that amendments should be offered on this bill. I am hoping our leadership can work that out. If this amendment is agreed to by 60 plus—we may get 70 votes for this amendment; we don't know. We are picking up support for it. Although some people are opposed, we are getting a good amount of support for it. Does the Senator from Maine believe she could then vote for the bill?

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Mr. President, first of all, I hope that we could offer other amendments as well in addition to this. I think that is critically important, first and foremost. Just as you have had an opportunity to offer an amendment, our hope is that on our side of the aisle, we would have the ability and the prerogative to offer amendments as well, and then we would look at it at the end of the day. Obviously, I know the Senator from Louisiana feels very strongly about this amendment. Obviously, I have some deep concerns. I certainly hope to support this legislation without this amendment, but if it is the will of the Senate, then obviously I will continue to support it and hopefully we can move forward.

But I just think it is critically important with respect to this particular initiative that a number of these issues have to be addressed. In the final analysis, when we are talking about $30 billion, we can't do that lightly. Certainly, there are a number of issues that have been raised, ones that I have raised today, that clearly would have to be resolved in my estimation.

So I think from that standpoint I would have considerable concerns if it were left in that manner because I think it raises the costs to the taxpayers indisputably.

Secondly, as to whether it is going to create risky behavior on the part of banks that are assuming this legislation, and if it does add costs to the taxpayers, we have to think about that very carefully because, as my colleague knows, it does raise $1.1 billion, at least according to your projections. But if we use a true realistic analysis, as we did with TARP, it would cost the taxpayers $6.2 billion.

Ms. LANDRIEU. Mr. President, I thank the Senator for those comments. She has left a window of opportunity open for, hopefully, some compromises as we move through the amendments on this bill.

I yield back the floor to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. WHITEHOUSE. Mr. President, into this arena of discord and division, I rise to bring happy news. But first I ask unanimous consent to speak as in morning business.

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

(The remarks of Mr. WHITEHOUSE pertaining to the introduction of S. 3641 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I appreciate the opportunity to get back to the issue at hand, which is the small business bill, a job creation bill for America. It is something that many of us have worked on now for over a year.

This bill has been developed by the work of many committees, both in the House and the Senate, over a long period of time—primarily the Small Business Committee and the Finance Committee, but also members from the Banking Committee and other committees that have been very much giving their input into this final product, which is in its final stage of passage.

This bill passed the House recently with these major components—a very strong, targeted tax cut for small business. The Chair knows how important that is to small businesses in Minnesota that are watching additional regulations come upon them—some for good reasons and some not for good reasons. They are looking at an increased cost of capital. They need tax relief. This bill provides that because of the good work that has come out of the Finance Committee. Out of our Small Business Committee, as the ranking member so eloquently expressed and outlined, came some key measures in the bill that will improve the core programs of the SBA—an agency that is well supported here, particularly on the Democratic side, and even with some Republicans who are supportive of that agency. We believe that by strengthening their programs, we can be of some help to small business in America.

The debate right now is on the small business lending fund. I have the greatest respect for my ranking member. We have a disagreement on this particular provision. I want to respond specifically to some of the criticisms of the program.

First of all, in her arguments against the program—but before I go into that, I want to say how pleased I was to hear—and I believe that the transcript will show this—that she said should this amendment get on with 60-plus votes, and other amendments are potentially offered, she is supportive of the bill. She has some specific suggestions as to how this program could be made better, in her opinion. Maybe we can come to some terms on that. I believe that, in good faith, on major bills such as this we should consider amendments, if we can. This is one of them. This is the first amendment, a bipartisan amendment. Senator LEMIEUX and I are sponsoring this amendment along with over a dozen other colleagues. Senator CANTWELL has been a tremendous advocate of this program, as have Senator MERKLEY from Oregon, Senator MURRAY from Washington, Senator KLOBUCHAR from Minnesota, Senator NELSON from Florida, and Senator SCHUMER. They will come to the floor later this afternoon.

We have a growing list—bipartisan list—with Senator LEMIEUX and myself and others supporting this small business lending program.

Let me try to answer specifically some of the concerns the Senator from Maine expressed. She said there have not been any hearings on this program. There were two House hearings on this initiative. I am going to get the date for the record. But there were two hearings on this specific small business lending program. In one of those hearings, which I will submit—the House markup—there were more than 16 amendments discussed and debated and offered. So I don't want to leave anyone with the impression that this small business lending program did not receive congressional hearings. It has.

This has also received the attention of the Nation, because the President himself spoke about it in probably one of the most highly publicized speeches a President can give, which is the State of the Union. He spoke to the small businesses of America and to the small healthy banks, and said we are going to try to craft a program to be your partner, to work with you, to get jobs created in America. So this has been discussed in hundreds of press conferences, two congressional hearings, and any number of Senators—particularly I want to say, Senator MERKLEY, Senator BOXER, and Senator CANTWELL have spent hours and hours and hours of their time—days, weeks and months—on this provision, trying to work through any particular arguments that others might have.

I want to put that argument to rest. There have been hearings. I have conducted in my committee probably a dozen hearings on related subjects. I could fill this desk with paper, which I will not do and burden the clerk, with letters and comments and e-mails and testimony from hundreds of business owners who say they can't get capital. Our small businesses need help. We want to work with our community banks. They ask: Why are you sending all of this money to Wall Street? We need some help right here on Main Street.

Also, the second argument the Senator from Maine made—and again, I have the greatest respect for my ranking member, and she is a good friend—is that she is concerned because the ''watchdog'' does not like this program and thinks that it might be like TARP—the congressional watchdogs. I don't know those watchdogs. I haven't met those watchdogs. I have seen their report, which is here, the May oversight report. I could give you a few summaries from this—that they are not sure this program would work, but maybe we should give the benefit of the doubt to our community bankers, whom we know and trust, and our small businesses.

Ms. SNOWE, the Senator from Maine, for whom I have a great deal of respect, was speaking earlier about this provision that is pending before the Senate. It is a small business lending fund. Those of us offering this amendment believe it is time for us to get a focus on Main Street, to take our eyes off Wall Street for a minute and start focusing on Main Street, our small community banks that are trying to do their best to not only stay in business and make money, but they helped in many ways to build the towns and communities, and they are watching the businesses they lent money to close their doors. We would like to be a better partner with these community banks, in a strategic partnership, to help get money to Main Street businesses.

Senator SNOWE is saying she has some reservations about this provision, and she outlined about five or six reasons she is not enthusiastic to support it. She said, one, that there were not enough congressional hearings or were not any congressional hearings. For the record, there were two hearings on this issue in the House. They were on May 18 and May 19. There were amendments offered. There was full testimony and full debate. There have been congressional hearings on this proposal. It is a relatively new proposal. It has been changed since it was first talked about over a year and a half ago. In my view, it has been greatly improved, greatly strengthened. There have been congressional hearings.

As I said, there has been a tremendous amount of attention on this issue. The President himself spoke about it in his State of the Union Address. It has been debated in many different ways over the last year.

No. 2, the Senator said her analysis is that this bill will not save $1.1 billion; it will cost $6 billion. I do not know the analysis she conducted. I have great respect for her ability to analyze numbers and understand details. She is one of the best around here. All I can tell my colleagues is, the group we go to, the agency, the authority on scoring that both Republicans and Democrats acknowledge as the authority on scoring has said this bill will save $1.1 billion over 10 years. That is the official CBO score that I am going to submit for the RECORD. Other people can do a different analysis. That happens around here sometimes. But when it comes down to the bottom line, the Congressional Budget Office is the only score that matters—Mr. President, you know that—and it says this bill earns, saves over 10 years $1.1 billion.

The third argument the Senator made is that the congressional watchdogs are not sure this program will work. This is their report. It is the May oversight report, ''Small Business Credit Crunch and the Impact of TARP.'' She put up a chart that said TARP-like. This is where that came from.

The congressional oversight report said this program, in their view, might be like TARP, and they are not sure there are any creditworthy businesses in America. That is what this watchdog said. They are not sure there are any businesses in America that are creditworthy to lend. That might be their opinion, but I am a Senator from Louisiana. I am listening to my small businesses. I see my small businesses. Many of them are creditworthy, and they most certainly, with a little bit of help from local community banks infusing capital into their business, could grow and expand.

Don't take my word for it. Let's see what Chairman Bernanke says. Chairman Bernanke said—and this was on July 12, 2 weeks ago:

> It seems clear that some creditworthy businesses, including some whose collateral has lost value but whose cash flow remains strong, have had difficulty obtaining credit that they need to expand.

This is what the Chairman of the Fed says. He is obviously in a position to see what banks are lending, what banks are not, what he is hearing, he is listening, he is traveling. Maybe there are a few watchdogs and appointees in Washington who are having a little difficulty figuring this out. But if you go to the real streets, if you go to the Main Streets, if you get out of Washington and out of the beltway, you are going to hear many hundreds, thousands of small businesses—and the Chairman himself said there are many creditworthy businesses out there that are having a hard time getting capital. That is what the small business lending program does.

Mr. President, you have heard it yourself. In all our States we are hearing that. Those were some of the arguments the Senator made. I was pleased to hear her say that should the Senate vote on this amendment and get 60-plus votes—which, as we all know now is the way the Senate operates, not by a majority but by a supermajority—if 60 Senators say this is something they want to do to help Main Street, to help small businesses—this is not about Wall Street, it is not about bailouts, it is not about troubled assets, it is not TARP, it is a small business lending fund, a strategic partnership with community banks—if 60 of us say that, then she could be persuaded, if that is the will of the Senate, to pass the bill because there are other portions of this bill that are extremely important as well.

I reiterate the important support we are picking up and to state for the record again the testimony by many business owners. This one comes from Steve Gordon, president of INSTANT-OFF, Inc, in Clearwater, FL, not from Louisiana but from Florida. He writes:

> I am the owner of INSTANT-OFF. We make water-saving devices for faucets. INSTANT-OFF replaces the aerator on any faucet, and each unit can save up to 10,000 gallons a year. Our market potential in the U.S. is estimated at 50 million units and globally between 100 million and 200 million. We can create 25 green jobs now. Twenty-five percent of those jobs will be people with disabilities. None of these jobs will be created without capital if I can't get the loan.

This is a common refrain, whether it is businesses in Florida, Minnesota or Louisiana. All they have are their credit cards which are maxed out. All they have are their credit cards that charge them 12, 16, 18, 24 percent. All these small businesses have is equity in their houses or they did have some equity in their homes to borrow against to start or maintain their businesses. They have seen their home equity diminish considerably. The bank calls them and says: Joe, your house was worth $400,000. We had it as collateral backing up your $200,000 line of credit or $300,000 line of credit. Now your home is half the value. I need to call your line of credit.

Are we not listening?

This small business lending fund, $30 billion, is going to help healthy small banks of $10 billion or less. Goldman Sachs cannot even apply for this money. AIG cannot apply for this money. National banks cannot apply for this money. These are community banks that we know, as the Senator from Florida said, are at our Rotary Clubs, they are at our Kiwanis Clubs, they are at our business owners banquets and luncheons. These are the community bankers we know and trust and they know the businesses in their areas and we know them in our districts and in our States.

The question is: Will the Republicans stand with a majority of Democrats and vote for small businesses? This is the New York Times. This is terrible. I see my friend from South Dakota in the Chamber. This is a terrible headline for his party: ''Senate Democrats' Plan to Aid Small Businesses Hits GOP Resistance.''

This is CQ Today: ''Democrats Plan to Make Republicans Vote on Small-Business Lending Fund.'' We did not have to have this vote. We have been forced to have this vote. Why would we even want to have a vote? After everything we have done to bail out Wall Street, we now come to a plan to lend money to Main Street and I have to hear from Republican leaders who say no.

''Senate Set to Pass Small-Business Bill.'' The reason we are in this deadlock is because Republican leaders, such as my good friend, have decided that we cannot, after all this, after TARP that was designed by President Bush, extended by President Obama to bail out Wall Street and large banks, now we have to hear: I don't know. We have either run out of energy or run out of will to help Main Street and small businesses.

Mr. BEGICH. Will the Senator from Louisiana yield? I ask the Senator to yield for a minute.

Ms. LANDRIEU. Yes.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. BEGICH. Mr. President, I wanted to come to the Chamber. I was watching on the floor last night, and I watched the Senator a little bit ago as I came out of a meeting. I am not scheduled to be here. But as a small businessperson all my life—my first business license was at age 14. My next big venture was at age 18. I have been in the vending business, the real estate business, the developing business. I have been a restaurant owner. I can go through a shopping list. My wife owns four retail stores, a small business woman. She started her business selling smoked salmon on a street corner in downtown Anchorage. She now employs 30-plus people, multiple stores, and works to engage other young, small business people to move forward.

There is no question that the legislation the Senator from Louisiana has been working on—the broader issue on small businesses but specifically the loan fund—is critical. She is right.

The Senator's point about how the big banks got theirs and left the small business community literally, not on Main Street, not even close to Main Street—they were kicked off Main Street. I thank Senator LANDRIEU for making this a big issue, pushing forward on it, and also working with Republicans to try to bring them over. It sounds as if she got one so far. I think he has made the right decision. He has seen the impact on small businesses in his communities.

The Senator from Louisiana was on fire last night, I have to say. She was making the point that this is the time to stand for small businesses because they are the ones that are going to rebuild this economy, they are the ones that are going to hire people not next year, not 3 years from now because they want to hoard their profits. They are going to, as the economy recovers, hire immediately.

The small businessperson who has two or three people working for them and their business increases 10, 20 percent, the odds are they are going to hire someone the next day.

That is the power of this lending act, this amendment that is critical. I want to emphasize that point and thank my colleague because, as one of the few small business people in this body, one who has had to knock on those bankers' doors to try to get a few dollars out of them to take a dream and make it reality, or one who has seen small business and helped them expand, I again thank you. This is going to have the biggest bang. As to the $30 billion, no one is forcing it onto these community banks either; it is an option. If they want to help small businesses—I know many come to your office, come to my colleagues on the Democratic side—$30 billion leverages to $300 billion. This is a real economic boon and a real opportunity, and is going to build small businesses.

I thank my colleague for giving me these couple of minutes. I thank the Senators from Florida for teaming up and also recognizing the value of this.

Mrs. LANDRIEU. I thank the Senator from Alaska. I am extremely grateful to both Senators from Florida, Senator LEMIEUX and Senator NELSON, for their support. We all come here as members of political parties. Some of us come as Independents. But at the end of the day we are here to represent our States. We are here to represent the people who sent us. These Florida Senators are moving around Florida, as my friend is moving around Alaska, as I am moving around Louisiana. We know you cannot go anywhere in this country, from Alaska to Florida—and that is about as far as we can get, from Alaska to Florida—and not hear of the pain and the fear. It is not just pain, it is downright fear on the part of a small businessperson who does not know when their next paycheck will come.

Every Monday morning they go to their small business with three or four employees, they turn the lights on, they crank up the computer, and they look in the eyes of people with whom they have worked shoulder to shoulder and they are thinking, Can I pay them this week?

Is anybody not hearing this? I am hearing it. The Senator from Alaska is hearing it. The Senators in Florida are hearing it.

What are we going to do, close our ears and walk away, go home for the August recess and say I am sorry, we can't do anything, after we have spent a year and a half since President Obama has been elected, sending billions of dollars to Wall Street, billions of dollars to the automakers, and now it comes time to spend $30 billion—not $700 billion, like TARP, not the billions that went to the automobile dealers—$30 billion? It is a lot of money, but not relative to that—to our community bankers whom we know by name. Clyde White was in my office yesterday. Bob Tailor was in my office yesterday. I know these men and women. I trust them. These are healthy banks. They did not have derivatives in their portfolios. They did not lend to people they did not know. They did not do the subprime lending.

Now it comes time to help them and I have to hear from Republicans that we cannot go there because it might look and smell like TARP. Are they afraid of their own shadows? I don't care what it feels like. It is what it is. This is not TARP.

The newspapers are starting to say, ''GOP Resistance.'' I am not even sure why the Republican Party would be against this. Someone said to me: Mary, maybe it is because they don't want anything to succeed so things will be so bad.

I said I can't imagine that.

We have to do what we can. I understand other people say the other parts of the bill are very good, they are very important. Let me tell you about the big picture. There are two other parts of this bill. One is a $12 billion tax cut part. The other is at the most, if the programs that Olympia and I put together, and we did it as a team—if they work, the experts, say that it will leverage $30 billion in lending—$30 billion. So we have $12 billion in tax cuts, $30 billion—that is $42 billion. That is a lot of money, two parts.

This part, if this part works—which is why I am fighting for it—it is $30 billion but it will leverage $300 billion. This is a big part of this bill and I am not going to leave it on the cutting room floor without a real hard fight.

Yes, there are three parts. There are two important but small parts and then there is one core big part. For some reason the Republican Party leadership is saying we don't like this big core part. We want you to go with these two parts.

I am saying, you know what, I am not going to do that without a fight, so this is the fight. This is the debate.

I want to say I am very thrilled to hear we are winning because we just got a statement from GEORGE VOINOVICH, who was not on the amendment, that says:

> There is real need out there to provide some money to some of these businesses and get the banks back involved. We've got to start doing something. Voinovich dismissed claims by fellow Republicans, including Snowe and Republican Leader MCCONNELL, that the lending program resembles TARP because it involves Treasury Department loans to banks. Republicans have named it TARP, Jr. ''I don't buy that,'' Voinovich says. ''It's just messaging.''

Thank goodness we have some Senators who can cut through, who are not afraid, who are very direct. VOINOVICH is one of them.

I think we are going to win this fight. I don't know when the vote is going to be but I believe we are going to win because the facts are on our side.

Having said that, I want to go back to some things that Senator SNOWE said because she is one of the most studious and reliable people. People do follow her. She gave a very good presentation—even though I am opposed to her position.

I want to say there were three arguments. There were six she made. There were three I want to counter right now. She said there were no congressional hearings. There were two in the House.

She said her estimate was it would cost $6 billion. That might be fine, I don't know. But the only estimate that counts is from CBO and it is $1.1.

She said the report of the watchdog—whoever they are, and I am going to find out, May oversight watchdog, said they are not sure the program is going to work. But the Chairman of the Fed, who should know—he is following this pretty closely—said—and I will provide that to the RECORD—said that it is clear, on July 12, ''it seems clear to me that some creditworthy businesses, including some whose collateral has lost value but whose cash flow remains strong, have difficulty obtaining the credit they need to expand and in some cases even continuing to operate.''

Those are three rebuttals to specific criticism.

I also want to say I am happy to hear that if this amendment does get on the bill—there will be other Senators coming down to talk about this later this afternoon—that there might be a willingness, if potentially other amendments could, potentially, be offered, to keep this in this important bill. This is an important piece of this bill. It is not something that we should leave on the cutting room floor. The House has already voted on this. The President spoke about it in the State of the Union. Every small community banking organization, as well as the ABA, the American Bankers Association, supports it.

They didn't support TARP. They didn't even like TARP. They lobbied against TARP.

The big banks liked TARP because they got all the money, but the community banks—my community bank hated TARP. They didn't want anything to do with it. Do you think they would write me letters of support? They were furious with me when I voted for it. Do you think they would write me letters of support, which I have, saying they are for this program if it was like TARP? I don't think so.

I trust my community bankers. I trust my small business people. I don't know what to say about a congressional oversight group that says they are not sure it will work. Heavens, maybe we should give them the benefit of the doubt.

That is what we are talking about. Again, I hope this will be a bipartisan bill. ''Community Bankers Support Small-Business Jobs Bill.''

''Senate Set to Pass Small-Business Jobs Bill.''

These are headlines this morning. This headline, ''Democrats plan to make Republicans vote.''

I didn't want anybody to have to vote on this. I didn't believe we should vote on it because it makes so much sense, but, because the Republicans want us to vote on it, we are going to vote on it. I wouldn't want to vote against small business if I were them, but maybe they do.

''Senate Democrats Plan Aid to Small Businesses Hits GOP Resistance.''

These are not good headlines for the other side. But we will see how debate goes. And let me put up the independent bankers. These are 5,000 community banks. We have them in all of our States: Independent Community Bankers of America.

Senator MCCONNELL came to the floor today and said he doesn't like this program. He thinks it might be like TARP. I think I have explained that today, why it is not like TARP. But let's see what the letters to Senator MCCONNELL's office are saying. This is a letter to Majority Leader REID and Minority Leader MCCONNELL from the Independent Community Bankers of America:

On behalf of the nearly 5,000 Members of the Independent Community Bankers of America, I write to urge you to retain the Small Business Lending Fund in the Small Business Jobs Act. The SBLF is the core component of this legislation and the provision that holds the most promise for small business job creation in the near term. Failure to even consider the SBLF in the Senate would be a missed opportunity that our struggling economy cannot afford.

The nation's nearly 8,000 community banks are prolific small business lenders with the community contacts and underwriting expertise to get credit flowing to the small business sector. The SBLF is a bold, fresh proposal that would provide another option for community banks to leverage capital and expand small businesses credit. The $30 billion fund could be leveraged to provide as much as a $300 billion line of credit.

We have letter after letter. Let me say one thing because I anticipate my good friend from South Dakota is going to be here to speak against it so I want to say this so he can hear me. If the Democrats had taken the same $30 billion—which we had some support on our side to do direct lending. You know the difference. We could have given $30 billion to the Treasury through SBA. We could have done direct lending. There is a lot of support for that. I have letters in my office that say don't give it to the banks because we are not even sure we trust the small banks. We know we don't trust the large banks. Nobody is giving us money. We think the government could give us money.

I said, as a Democrat I might be open to that but I don't think I could get one Republican vote if we did a direct lending program because they will stand up and say: There you go again, giving money to the government to lend.

So I say to my people who are dying for this direct lending: No, we can't do direct lending because I don't think we could get one Republican vote.

I said: You know what might work is if we let the private sector do the lending because they worship at the altar of the private sector on every bill, every day. So I say to the people over here: I know that you think direct lending would be better. It might be better. I have letters from business owners who are actually mad at their community banks because their community banks are pulling, so they are saying, ''Senator, don't give the money to the community banks,'' but I am trying to find a compromise. So I think, OK, we will structure the program so we go to the private sector to lend.

They still come to the floor opposed to it. So the only conclusion I can come up with is they don't want to lend money to small business because they either don't think small business needs it, they don't trust their community bankers to do it, they don't trust the private sector to do it, or they don't think there is any demand out there. I am going to point again to the NFIB study, which is the most conservative organization in America, that says in their own study that 45 percent of the businesses—their own members report—are not able to get all their capital.

I don't know what else to say. Maybe that headline is correct: ''GOP, Temporarily Lost Their Way.'' I don't know.

I see my colleague from New Hampshire on the floor. Since I have the floor, I want to engage her in a colloquy on this in a moment, because this is a very important issue. She has been extremely helpful as a member of the committee.

While she is getting ready, I want to go back to this argument again before others come to the floor. Maybe they want to speak against it. Again, let me ask people listening: What would you do? How would you fashion a bill if you have one group of people who hate the government so bad they won't let the government do anything and you have some people over here who want the government to do everything? So we crafted—Senator CANTWELL, Senator KLOBUCHAR, myself—something in the middle, that says OK, we will use the SBA. We will go through the private sector. We have to help our small businesses, and we can't build the kind of coalition we need.

So I guess the opponents just say we should not do anything, that we should just sort of go home and everybody go get ready for the election and pat ourselves on the back for sending money to Wall Street, sending money to big banks. But when it came to helping our Main Street banks and our small businesses, we just walked away.

Now, again, this bill has three components. It has a small business tax cut, $12 billion of tax cuts. It is not the estate tax cut. It is not the top rate tax cuts. But it is zero percent—you pay zero percent on capital gains earned if you invest in a small business. It accelerates depreciation for small businesses. It is $12 billion directly in the pocket, not of General Motors, not of General Electric, not of IBM, not big companies all over the world and countries, but small companies, $12 billion dollars of tax cuts.

So I do not want to hear anybody from the other side saying Democrats are not for tax cuts. We have $12 billion in this bill. We have strengthened some government programs. I know the people on the other side do not think government can do anything well. But government can do some things well. The Small Business Administration is well run and well resourced and supported. It can do very good work for our people.

But there is a private sector component. There is a private sector component; that is, depending on our community bankers, that we know. We know their names. We know where they go to church. We know where they live. They know the people in our communities. We can do a private sector approach, giving $30 billion that will leverage $300 billion to get out to America to create jobs.

So I hope we will take this opportunity. The Senator from South Dakota has been patient, and he deserves his time to speak, even though he will be on the opposite side. So I am going to relinquish the floor for a few minutes and reserve the right to come back.

Let me inquire of the Senator, how long might you need?

Mr. THUNE. Well, let me, if I might through the Chair, inquire from the Senator from Louisiana, is there any sort of a time agreement for this discussion?

Ms. LANDRIEU. There is not. But we could enter into one, if you would like. I would be happy to yield up to 10 or 15 minutes.

Mr. THUNE. Well, I do not think—if there is no time agreement, then our side, I presume, would have an opportunity to speak. I do not think there would be any limitation on that.

Ms. LANDRIEU. Then I will continue to speak since I have the floor.

I am going to just continue to talk about the bill. I see other colleagues who are coming down to speak about it. I would just like to read some of the letters that have come to my office supporting the provision.

This is from the National Bankers Association:

Dear Senator Landrieu: I write this letter to you and the Members of the United States Senate in support of the LeMieux-Landrieu amendment. In no segment of the U.S. economy is the need for lending to small business more urgent than in the distressed communities that our banks struggle to serve every day. This recession has hit these communities the hardest. The number of home foreclosures has wreaked havoc on these communities. The small businesses that are the engines for economic activity desperately need access to capital. The U.S. economy will begin to see real growth when small businesses get access to the capital that creates the opportunities for prudent lending. This bill, with your amendment, is a vitally important piece of legislation.

I would like to say that again, underlined. They do not have to write letters like this to me. But it says: This bill, with your amendment—it could have just said: This bill without your amendment, or, this bill with no reference to the amendment. But they go to the effort to say:

This bill, with your amendment, is a vitally important piece of legislation. Its swift passage will send a powerful message through the U.S. electorate that Congress is aggressively working with small business to create real economic opportunities and to spur job growth where it is needed the most.

Why would they write letters like this? Do you think I sit in my office and draft them and then ask them to send them to me? I do not write these words. My staff does not write these words. They are writing them themselves because what they are saying is, people in America are not hearing anything from Congress about small business and small banks.

All we hear about every single day is big business and big banks. This bill gives them hope that we are hearing them, that we are listening, that we are not isolated, and we are trying. This program may not be perfect. But, heavens, it has gotten two congressional hearings. It has gotten a positive score. It has gotten endorsements from every bankers association and almost every small business association we have.

I see my colleague is here. Let me just read one more letter. I know she may have a question or two for me.

This is the National Association for the Self-Employed. We talk a lot about small business. Let me be very clear with people listening. There are 27 million small businesses in America. If anybody wanted to know, there are 27 million small businesses; 20 million of that 27 million are self-employed. That means there is just one person—it could be a self-employed lawyer, doctor, accountant, et cetera, et cetera, self-employed fisherman, self-employed social worker, or psychiatrist.

The small business self-employed, they really struggle because it is just them. So these small businesses we are talking about literally are just from one person, the self-employed; 5 people, 10 people, 20 people. We lose sight of them. They are the ones creating the jobs. They are the ones taking the most risk. They are the ones that have hocked their house, their boat, their car to start the business. They are the ones that depend on this business to work because if it does not, none of their kids go to college. Do you understand that risk? These are the businesses I am fighting for.

In these difficult economic climates in which traditional lending institutions have clamped down, the self-employed and microbusiness communities have been hit particularly hard, left without essential sources of operating capital.

Now more than ever, America's self-employed community, representing 78 percent of all small business in the United States, needs access to additional credit to weather this economic storm and to grow their business.

The National Small Business Association, America's oldest small business advocacy, urges us to support the small jobs bill of 2010 and the LeMieux-Landrieu small business lending fund.

After bailing out our big banks and Wall Street, Congress finally has the opportunity to help Main Street. We are going to have opposition from some people on the other side? The small business lending fund is not a bailout for sinking banks. It is a lifeline to small business owners struggling to stay afloat in turbulent economic seas.

It is not TARP 202. The small business lending fund is not aimed at helping small banks. It helps the small businesses themselves. The fund is designed to help strong community banks. There is a strength test to participate. The program is not designed to prop up failing firms; it makes loans to solid small businesses struggling to get credit. If we cannot do that in this Congress, I do not know what to do.

I ask the Senator, my good friend, perhaps she has some stories or she can think of some things that she could add to this debate to help me try to explain and to get through because, obviously, we are not——

Mr. THUNE. Mr. President, I object to the yielding of time to another Senator. This Senator has been waiting for 45 minutes to speak.

The PRESIDING OFFICER (Mr. SCHUMER.) The Senator from Louisiana can only yield for a question. So if the Senator from New Hampshire has a question, she may ask the Chair.

Ms. LANDRIEU. Through the Chair, I would like to ask the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for a question to the Senator from Louisiana.

Mrs. SHAHEEN. I would like to begin by thanking the Senator who is chair of the Small Business and Entrepreneurship Committee for her leadership and her work to put together, with Senator LEMIEUX, this $30 billion small business lending fund. I know the Senator made some reference to this, but I just wanted to point out and ask her because there has been a lot of criticism about this fund as being so-called, the son of TARP.

I voted against TARP because I did not think we ought to be doing that. I think this is not another Wall Street bailout, that this is an effort to help small businesses. I would just like to ask Senator LANDRIEU whether she agrees with me that this is not a bailout; that, in fact, this is an effort to help Main Street not Wall Street; and that we need to do this so we can make sure our small businesses get the credit and the capital they need to operate?

Ms. LANDRIEU. I thank the Senator for that question. I would like to respond. I do want to be courteous to the other Members who are on the Senate floor, and if we could get some kind of timeframe, then I would be very open to that.

But let me respond to this question. It is an important one because the Senator did not vote for TARP. The Senator from New Hampshire did not vote for TARP. Yet she is here as a cosponsor of this amendment. So it gives us some idea that Members who did not vote for the Troubled Asset Relief Program understand this is completely different. It is for healthy banks, not failing banks. It is for small banks, not large banks. It is for Main Street, not Wall Street.

So the Senator is absolutely correct. I know she wants some additional time to speak on the bill. So I would like to ask my good friend from South Dakota, what is his intention? If we can get—I would like to ask unanimous consent that we just go back and forth, 10 minutes each, if that would be OK?

Mr. THUNE. I would say, through the Chair, to the Senator from Louisiana, I do not have an objection to some sort of a time agreement. But the Senator from Louisiana has been speaking now since I have been here, for close to an hour. It would seem to me that if we are going to do this in an equitable way, some speakers on our side would have a comparable amount of time to make our points with regard to the amendment of the Senator from Louisiana.

Ms. LANDRIEU. That would be fine. No one was down here except you have been waiting for a while. So I am perfectly happy, through the Chair, to say, if we can come to some agreement, maybe the next 20 minutes on their side, then 10 minutes here, and another 20 there, until we catch up, would be fine with me for the next hour. So 20 minutes, 10 minutes, 20 minutes, 10 minutes, and then we will continue.

The PRESIDING OFFICER. Is there objection to the proposal? The Senator from South Dakota.

Mr. THUNE. If I can say through the Chair, to the Senator from Louisiana, I was just conferring to see what speakers we have on our side. I think Senator SHELBY is coming down. I do not know long he intends to speak, but I would like to speak for up to 15 minutes or thereabouts. My assumption is that he would want to speak for a good amount of time.

So we might want to expand the amount of time the Senator has suggested in terms of the agreement.

Ms. LANDRIEU. Fifteen minutes each? Through the Chair, may I suggest that we just go back and forth 15 minutes each, until the leadership decides how they want to proceed. I think that would be fair. I know I have been speaking.

The PRESIDING OFFICER. Is there objection to the proposal made by the Senator from Louisiana? The Senator from South Dakota.

Mr. THUNE. Let me just say, if I could, to the Senator from Louisiana, I do not have any objection, I think, if we got back on a 15-minute—the ping-ponging back and forth one side to the other. I do think, however, the Senator from Louisiana has spent a good amount of time talking for nearly, since I got over here, an hour. If we might have an opportunity to catch up a little bit.

So perhaps we could have a half hour for our side, and then if there are speakers who want to come down after that, they could go 15 and 15.

Ms. LANDRIEU. I would agree to that. If the Senator wants to have 30 minutes now, then we will alternate, through the Chair, 15 and 15. That is fine. But I would say that this Senator has been on the floor of the Senate all morning. I have given up a lot of other meetings that I could have been at because this issue is very important.

There was no one else on the floor most of the time when I was speaking. So I appreciate that. But I think this issue is important enough. I ask unanimous consent, the Senator has said 30 minutes on their side right now, and then we will go 15, 15 for the next couple of hours.

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

The Senator from South Dakota is recognized for 30 minutes.

Mr. THUNE. I do appreciate the effort that is being made by the Senator from Louisiana to assist small businesses around this country. Frankly, there are many provisions in this bill I think people on both sides agree with.

I have, as a member of the Small Business Committee, a number of these provisions that I have supported in the past. I think many of my colleagues probably have as well. So to suggest for a minute that the Republicans are somehow standing in the way of passing this small business bill is just wrong. There is clearly a lot of Republican support for many of the provisions that are included in this bill.

In fact, I will mention the increased loan size and guarantees for SBA (7)(A) and 504 loans; temporary fee reductions for (7)(A) and 504 loans, updates to SBA's outdated size standards, and much needed tax relief through measures such as bonus depreciation, section 179 expensing, and allowing business credits against the alternative minimum tax, those are all things that there will probably be large bipartisan support for in the Senate. The issue we are having a debate about now is whether the Senator from Louisiana should be able to amend the underlying bill with a provision that would create a small business lending fund.

The point has been made by the Senator from Louisiana that somehow it is just Republicans who are opposed. The fact is, there were objections to that provision on both sides. That is the reason it is not in the base bill. It was originally in the base bill. It was dropped from the base bill at the request of the majority leader and the chairman of the Finance Committee, it is my understanding. This particular provision is not only objected to by Republicans; there is Democratic opposition as well, which is why it was once in the base bill and is now no longer in the base bill and is being offered as an amendment to the bill by the Senator from Louisiana.

I rise in opposition to the amendment. I, in all likelihood, depending on how it plays out, may very well end up supporting the bill. There are many provisions in here with which I agree. This particular provision, however, is going to make a lot of Members uncomfortable. We can say this isn't TARP, but if it walks like a duck, talks like a duck, and acts like a duck, it is a duck. This is TARP. Anybody who thinks for a minute they are voting for something that isn't TARP when they vote for this is, again, flat wrong. This is structured precisely the way TARP was structured. It is designed to avoid that label to encourage participation by banks, which I understand. I don't think there are many banks that would want to participate if they knew they were getting into TARP. But this is essentially TARP. It has been relabeled and renamed, but we can't get away from the basic fact that it continues to be an extension of TARP simply to small businesses or to smaller lending institutions, the assumption for which the TARP was made available.

As to the capital purchase program under TARP, reading from the quarterly report of the special inspector general for TARP, it says that of the 707 lending institutions that participated in the original TARP, 625 had assets of less than $100 million. I realize $100 million is still a lot of money. There are a lot of banks in my State that have nowhere close to that amount of assets. But if we take the total number of lending institutions that participated in TARP, which is 707, 625 of those or more than 80 percent were banks with less than $100 million in assets. There was participation by smaller banks. It wasn't only the big multibanks that were participating in the program. It was a lot of these $100 million and smaller banks that were participating originally in TARP.

The other point that has been made is that somehow this is different in the sense that this is going to actually raise revenue for the Federal Government. The TARP, projections are, will cost Federal taxpayers $127 billion when it is all said and done. We hope that is not the case. We hope that number is smaller, but that is what the estimates are with regard to how much TARP will cost Federal taxpayers. This particular $30 billion reincarnation of TARP, created specifically for smaller lending institutions, it has been estimated by the CBO, will actually generate a budget savings of $1 billion. How do they come at that? CBO, at the request in the House of Representatives, where this originally passed, used a different accounting method in determining the cost or the budgetary impact of this version of TARP versus the original version.

The CBO also noted that if the accounting conventions that were used to consider the budgetary impact of the original TARP were applied to this $30 billion TARP carve-out, it would cost Federal taxpayers or would score $6 billion. Again, it is because this scored differently. If this fund were scored as they scored TARP, which was on a fair market basis adjusted for a market-risk basis, then it would cost $6 billion. This is being scored on a cash basis as raising over $1 billion. That is what the CBO is saying. If they used the same accounting conventions applied to the original TARP, this program would have a budgetary impact of $6 billion, rather than the $1 billion savings being reported by the proponents of the legislation.

I make that observation to point out that when people who are voting for this think there may not be any consequence with regard to the fiscal impact this could have, they are not taking into consideration the full picture. There was a change made in the way CBO scored the original TARP and the way they have scored this particular program. If we use the same convention or the same accounting conventions applied to the original TARP to this TARP, we would be talking about a $6 billion cost to taxpayers as opposed to $1 billion in savings.

It strikes me that there is great effort being made to convince people this is not a TARP program. I wish to point to the White House's talking points that admit that the ''program would be separate and distinct from TARP to encourage participation'' and that ''the Administration's proposal would encourage broader participation by banks, as they would not face TARP restrictions.''

These restrictions include executive compensation rules, warrant requirements, and a variety of other things. But my point is, this is the same flawed structure. This is the same basic mechanism used to create the TARP. Most people here, Members on both sides, have great apprehension about how TARP was used. Again, to Members who will be voting for this particular reincarnation of TARP, if they didn't like voting for TARP the first time, they probably should not be voting for this. We are essentially doing the same thing, but we are purposely removing some of the very safeguards created under the TARP.

There are better ways of helping small businesses. We have 9.5 percent unemployment. We are trying to encourage small businesses to create jobs. Yet here we are talking about going back to the old playbook and trying to somehow make this look better and sound better and put different lipstick on it and say this is a new program, when it is essentially something we are all familiar with. If we want to help small businesses, we should get our foot off their throats. Let's get Washington's foot off the throats of small businesses.

Everything being done here in terms of public policy in the last year or year and a half is going to make it more difficult for small businesses to create jobs. We have passed a $1 trillion expansion of health care which imposes new mandates and taxes on small businesses. We have passed a $1 trillion stimulus bill which has done very little to help small businesses. If we had been having this debate when the stimulus debate occurred, there might have been more support. But at the time, a very small fraction of the total amount, about one-third of 1 percent of the amount that was spent under the stimulus bill to try and grow the economy and create jobs, was actually directed at small businesses. It was a nonfactor in the debate during the stimulus. We spent $1 trillion, most of which has been used to create jobs in Washington, DC, in the Federal bureaucracy. We haven't done anything to provide the incentive for small businesses to create jobs.

It is going to get worse because, as we all know, next year, the 2001 and 2003 income tax cuts expire, at which time, if no steps are taken, the rates are going to go up on small businesses. The other side will argue that we will insulate and protect people under $250,000 from these tax increases, $250,000 for a married couple and $200,000 if one is single. The point Members of this body need to remember is, 50 percent of small business income is taxed at those top two marginal income tax rates. When we raise those top marginal income tax rates—the 35 percent rate up to 39.6 percent and the 33 percent rate up to 36 percent—we are imposing tax increases on small businesses. That is what small businesses have to look forward to next year. It is no wonder small businesses are not creating jobs. We continue to pile these new mandates, new taxes, new compliance and regulatory burdens on them. We expect them to go out and create jobs.

Look at the proposal for energy, the cap-and-trade proposal. It would put a punishing new energy tax on small businesses. At every turn what we see is Washington, DC, and the Congress taking steps detrimental to job creation and making it more difficult for the very small businesses that are the economic engine of our society to create jobs.

There are some things in this legislation that are good. There are some tax incentives for small businesses. We are talking about a provision now, an amendment that would be added to this bill, a $30 billion mini TARP which we have all seen work in the past. I don't think anybody here would want to go down that path again, if they knew that is what they were voting for. That is why this incredible effort is being made to relabel what this is. That is why they are changing the language in describing this. But the fact is, we are talking about the same thing.

I wish to read some quotes from the TARP congressional oversight panel, which is headed by the administration's rumored choice to head the new Consumer Financial Protection Agency, and that is Elizabeth Warren. She has expressed skepticism that it will be effective in increasing small business lending, the fund we are currently debating. She says:

> The small business lending fund looks uncomfortably similar to TARP. Like the capital purchase program under TARP, the small business lending fund injects capital into banks assuming that an improved capital position will increase lending, despite the lack of evidence that the capital purchase program did.

That is a direct quote from this report by the congressional oversight panel. She goes on to say that ''such a fund runs the risk of creating moral hazard by encouraging banks to make loans to borrowers who are not creditworthy.''

We have a lot of folks who have followed very closely what happened with TARP who are expressing reservations about this particular lending program and how it might impact the Federal budget. If we use the same scoring conventions applied to the original TARP, it comes in at a cost of $6 billion as opposed to a savings of $1 billion. When we completely throw away the accounting manual and use a different accounting convention, we get a different result. But the risk still exists. The CBO has made that clear in their analysis. When we look at what the congressional oversight panel says with regard to how this will resemble TARP, the risk they recognize inherent in that, as well as the limited effectiveness of the original program in encouraging banks to participate, this is a path down which we should not go.

There are things in this bill that are good. There are things that will attract bipartisan support in the Senate that Members on both sides are in favor of. But the reason this provision was stripped out wasn't because Republicans alone objected. There were Democratic objections as well. It was taken out of the base bill. It is now being offered as an amendment for that reason. It is not Republicans who are trying to stop us from doing things that will help small business. The best thing the Senate can do to help small business is to quit putting new mandates, new taxes, and new regulations on them. Then they will see the kind of certainty they need to create jobs and get the economy growing again.

I yield the floor.

The PRESIDING OFFICER (Mrs. SHAHEEN). The Senator from Alabama.

Mr. SHELBY. Madam President, who controls the time?

The PRESIDING OFFICER. The Republicans control another 14 minutes 50 seconds at this point.

Mr. SHELBY. Madam President, I rise to oppose the Landrieu amendment. Only 1 day after the President signed the Dodd-Frank financial regulation bill into law, at that time proclaiming an end to taxpayer-funded bailouts, we find ourselves debating another bailout bill on the floor of the Senate. Just last week, we were told by the majority that the mere passage of Dodd-Frank would help revive our damaged financial system.

The bill was heralded as a thoroughly considered and comprehensive piece of legislation that would restore confidence in our financial system and revive our economy. What a difference a day makes.

If Dodd-Frank is really going to revive our economy, why do we need this bill? I think the answer is clear: The majority knows the Dodd-Frank legislation is going to reduce lending and undermine economic growth by imposing more regulations and taxes on banks. They know, I believe, that Dodd-Frank will do nothing to increase the availability or reduce the cost of loans to small businesses. But, rather than create a new regulatory system to strengthen our private sector, the majority decided to expand significantly the old system, thereby increasing the regulatory burden on American businesses—small, medium, and large.

I believe this is the same old song and dance: expand the reach of the heavy hand of government, increase taxes and the cost of doing business, and then complain that the private sector is not working. We have heard this before. Once the American business owner is sufficiently encumbered, the only alternative must be a brandnew big government program, such as envisioned here. How do we pay for this new ''necessary'' government program? We borrow money from future generations. Does that sound familiar to people here in the Senate?

This amendment is intended to help small businesses—a goal we can all support. Yet, in practice, the legislation would create a second TARP. Remember TARP? A lot of people wish they had not voted for it. Like TARP, this program does not lend money directly to small businesses. It would have the government take ownership interest in hundreds of banks and then require that they make loans. This is TARP II. In fact, banks could replace original TARP money with funds received from this program.

As I said, just 1 day after the enactment of Dodd-Frank, which contained a provision to speed up termination of TARP, we are voting on an amendment to extend TARP for at least another 10 years.

To force banks to participate in this program, this legislation would subsidize bank financing. Banks would generally pay dividends on the government equity investments at rates ranging from 1 to 5 percent. The current market yield on such investments, however, is between 7 and 8 percent. Hence, any bank that chooses not to participate could find itself at a competitive disadvantage. Moreover, this legislation forces taxpayers to what? Subsidize banks once again. In effect, we are taxing small business owners to pay banks to lend to small businesses. Even worse, the government's equity investments would be subordinated to all of a bank's existing debt. As a result, if a bank fails, existing creditors would get paid before the government, and taxpayers again would take the hit. I believe American taxpayers have lost their appetite for bank bailouts.

Finally, I also want to note that the legislation appears to exempt loans made under this program from existing underwriting regulations. The bank regulator would then have the authority to decide what types of underwriting standards apply to these loans. I believe this raises at least two issues. First, if the multitude of regulations required by Dodd-Frank are really necessary, why does this bill provide a carve-out for loans made under this program? Second, what statutory protections are there to ensure these loans are underwritten in a safe and sound manner so we do not create hundreds of new Freddies and Fannies? The answer, sadly, is none.

This legislation would continue the majority's assault on American business by having the government dictate how and to whom loans are made. Each participating bank would have to provide the government with a business plan for review. Rather than having loans approved based on the creditworthiness of a borrower, politics will now play a role. We should let the market, not bureaucrats, decide which businesses get loans. Unfortunately, the majority party is once again sacrificing our core economic values for a short-term economic gain.

The lack of credit for small business is a problem that needs to be addressed. I fully support the Banking Committee examining the issue and hope Chairman DODD would consider holding a hearing on this issue. I think it is very important. It is relevant, and it should come out of the committee. I do not, however, believe we should try to solve this problem with another expensive and bureaucratic government program. TARP II is something we do not need and I hope will not be supported in the Senate.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. Madam President, how much time is left of our allotment?

The PRESIDING OFFICER. Eight minutes 8 seconds.

Mr. THUNE. Thank you, Madam President.

I thank the Senator from Alabama for his eloquent remarks as a key member and the ranking Republican member of the Banking Committee, as someone who is very knowledgeable of the impacts these decisions we make here in Washington have on our financial institutions across this country. I think he is someone who has gone through, as many of us have, this experience with TARP, and his comments are particularly on point. So I thank him for being here and for speaking to this issue.

As my colleague from Maine also noted earlier today, I think there is pretty broad opposition to this particular amendment, notwithstanding the support many of us have for the underlying bill. As I said before, there are tax incentives in the underlying bill, along with some other changes that are being made in some of the Small Business Administration lending programs, that I think will get widespread support in the Senate. But I believe this particular provision, for many of the reasons I have mentioned and others have mentioned on the floor, is going to find a considerable amount of opposition, and I would expect that to be bipartisan opposition.

In the few minutes I have remaining, what I would like to do, if I could, is wrap up with a couple of basic observations.

I know the Senator from Louisiana and others have talked about the discussion they have had with lenders in their States and some of the various associations that represent their States. I also had the opportunity a couple days ago to visit with a number of my bankers in South Dakota, most of whom believe this legislation is unnecessary because they think it is not an issue of having funds to lend, that there are funds to lend out there, and the question really is trying to find the types of deals, the types of borrowers who could make payment in a timely way. Hopefully, there will be more borrowers who are qualified.

One of the reasons I think they do not qualify is because there is so much uncertainty about what the rules of the game are going to be going forward. If you are a small business in America today, you do not know what is going to happen on the estate tax, the death tax. I hear that all the time from farmers and ranchers and small businesses. You do not know what is going to happen with regard to taxes on income, on capital gains, on dividends. All those things are set to go up next year if steps are not taken by Congress to prevent that from happening. You have the new health care mandates which many of the small businesses are still trying to react to and figure out—when this gets implemented, what impact is this going to have on my small business and my cost structure? You have the prospect looming out there of a new energy tax under some sort of cap-and-trade or climate change proposal that continues to be discussed here in Washington, DC. So there is this cloud of uncertainty surrounding businesses in this country and I think also lenders who are looking at businesses in this country and wondering whether these businesses are going to be viable in the future if they are hit with all these new taxes, new regulations, and new mandates.

So I think the better course for us to take is to look at ways we can liberate small businesses from regulations and taxes and mandates and enable them to go out and do what they do best; that is, create jobs. But, frankly, I do not believe, notwithstanding the arguments that are being made by the other side, that going down the path toward another TARP—again, $30 billion is a significant amount of money. It is tax dollars we put at risk.

Again, the reason the CBO scored this at a $1 billion savings is because they did not take into consideration, with the methodology they used in scoring it this time, market risk. They did when they scored the original TARP. If they used the same accounting conventions in making their analysis of the budgetary impact of this particular provision as they did with the original TARP, it would not result in a $1 billion savings; rather, it would result in a $6 billion cost to the Federal taxpayers. I think that is important to point out in this debate going forward.

Let me, I guess just to close, at least temporarily, while other speakers perhaps come down to talk about this, say that the White House's talking points, as I mentioned earlier, make it abundantly clear that this really is a TARP. They are trying to disguise it and call it something else because they want bankers to participate and they know bankers will not participate if they think they are getting into a TARP.

These are the talking points from the White House which admit, again, that the ''program would be separate and distinct from TARP to encourage participation.'' It goes on to say that ''the Administration's proposal would encourage broader participation by banks, as they would not face TARP restrictions.'' Again, as I said, these restrictions the White House is referring to include restrictions on executive compensation and warrant requirements, to name a couple.

So this really is—if you look at the way this breaks down and you compare it side by side with how TARP was structured, it very much is the same thing.

We can call it something different. We can label it something different. We can disguise it. We can try to make people feel better about voting for it. But what you see is what you get, and what you get and what you see here is TARP by another name.

So I do not think it is necessary for us to be going down this path again. We have tried that once. When we did try it the last time, of the total number of banks—707—that participated in the capital purchase program under TARP, 625 had assets of less than $100 million. So this is something that has been tried, and it certainly does not seem, in my view, something we ought to be trying again. There are a lot of other ways to provide incentives for small businesses to create jobs. Some of them are in this bill, and for that I congratulate the Senator from Louisiana. I worked with her as a member of the Small Business Committee on some of those provisions. But this one really is a bridge too far. It is not something we need to be doing. It is not something the taxpayers of America need us to be doing. I would argue, as well—and this is based, again, on conversations I have had with lenders in my State of South Dakota—this is not something they think is necessary when it comes to making more credit available to small businesses in this country.

So I would, with that, reserve whatever time we have. I guess I yield back the remainder of my time—I assume it is about gone—and will wait for some other speakers to come down.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Madam President, before my colleague leaves the floor, I want to say I did not realize he was such a fan of Elizabeth Warren. I was really under the impression that he and some of the leaders on that side had some objections to her style of leadership. But they surely have quoted her today because she was the author of this oversight report to which they keep referring. So I am so happy to know that the Senator from South Dakota and the other Senators who have spoken think so much of Elizabeth Warren because she is the one who wrote this report that said this might look like TARP II.

Now, that is what Elizabeth Warren says, and evidently my good friend from South Dakota really appreciates the leadership she is giving on this subject. Because the community bankers—not Elizabeth Warren, not bureaucrats in Washington, whom the Senator from South Dakota is defending—his own community bankers—yes, in South Dakota, his community bankers—wrote to HARRY REID and MITCH MCCONNELL, his leader, on behalf of the nearly 5,000 members of the Independent Community Bankers. A Communist group, a very liberal group this group of independent community bankers is. A big government group independent community bankers are. They have written a letter to the Senator from South Dakota. Evidently, he did not open his mail today.

Madam President, they write:

> I urge you to retain the Small Business Lending Fund in the Small Business Jobs Act. It is the core component of this legislation.

Mr. THUNE. Would the Senator yield?

Ms. LANDRIEU. No, I will not yield.

I will say one thing to the Senator from South Dakota. If I took out the words ''big government,'' ''taxes,'' or ''regulations,'' neither the Senator from South Dakota nor most of the Members on the other side could finish a sentence, because they can't debate a specific. He gets up and starts talking about higher taxes and more regulations. This bill has tax cuts in it. This bill doesn't have any regulations in it. This is a small business lending program. My good friend, the Senator from Alabama, read the statement written by the political operatives beautifully. I am sure I will hear it on the Rush Limbaugh radio program today.

I don't need a speech to read. I have hardly read one thing except the thousands of letters that are pouring in, asking us to help small business. I will say with as much respect as I can to the ranking member of the Banking Committee, because I know I heard him say this bill didn't go through the Banking Committee: I wish to agree, and thank God it didn't. Because you know the last two bills that did? One was TARP I, which nobody likes. Then TARP II came through that committee, and then the big bank regulatory bill came through that committee. So I hope the ranking member isn't trying to convince me or the Republicans that that committee has produced great legislation. I say that with respect to the chairman of the committee. I know he is going to hear this and be aggravated. But to stand up and say because the small business lending bill didn't go through the Banking Committee, which has been roundly criticized by their side for too much regulation, is more than I can stand.

Thank goodness, this didn't go through the Banking Committee. It came straight from the hearts of bankers in our communities and small businesses who don't need any committee in Washington to tell them what is going on at home. They don't need any lobbyists to tell us what is going on. They can't get money. We have given out money to Wall Street. We have given out money to the big auto companies. When it comes to giving out a small $30 billion to our own community banks, the Republicans say no.

Then I have to hear the Senator from Alabama and the Senator from South Dakota—and I want whoever is listening to hear this: They say this is a big government program. The money doesn't even go to the government; it goes to the community banks. It is a voluntary program to community banks, and it then goes to business.

I will say again that there were Democrats who came to me and said—I am the chair of the committee—Senator, we don't trust the private sector. We don't think that if we give them this money, they will lend to our small businesses. Can't you do a direct lending program? There is a lot of support for a direct lending program. But knowing the GOP the way I do, I said to my friends, my colleagues: You know, if I thought I could get one or two or three Republicans for a government direct program, I might do that because it would be more efficient, but they are so mad at the government right now and they have everybody all riled up, so let's do it through our community bankers whom we know, whom they know and support. So we craft the program to be a voluntary private sector lending program to healthy banks, and they want to say no, because, they say, it is like TARP.

Well, let me tell my colleagues one Senator who is a Republican who doesn't think it is TARP, and that is Senator LEMIEUX from Florida. Another Senator who doesn't think it is TARP is the good Senator from Ohio, GEORGE VOINOVICH, who says it is not TARP.

But the Senator from South Dakota, who came to talk about how we can't help small business, actually voted for TARP. The Senator who just spoke against this provision voted for TARP, to give money to banks and big banks with no strings attached. Yet he comes to the floor and now he can't help our community banks in their efforts to help small businesses. Every community bank, independent bankers, ABA, they are all supporting this. They didn't support TARP; many of them did not. They were afraid of it. They didn't like it. They still complain about it. This isn't TARP.

I know my colleague is here from the State of Washington. How much more time is remaining?

The PRESIDING OFFICER. There is 8 minutes remaining.

Ms. LANDRIEU. Madam President, I wish to yield the 8 minutes to the Senator from Washington, who was extremely instrumental in designing this program. Perhaps the Senator knows I am evidently having some difficulty explaining to some of the Senators from the other side how this is not like TARP. Maybe the Senator from Washington can do a better job than I have been able to do. I wish to thank her for coming to the floor. I yield 8 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Madam President, I thank the chair of the Small Business Committee. I see my colleague from Washington is already here on the floor. Did she wish to say a few words?

Mrs. MURRAY. Madam President, I am happy to yield to the Senator from Washington to go first and then I will follow her.

Ms. CANTWELL. I thank my colleague from Washington. I know she too has been very active in this issue and has spoken on it and has urged our leadership, in signing a letter, I believe probably 6 months ago, that we pass this legislation. I wish to thank again the chair of the Small Business Committee for her advocacy.

This literally is an issue about Main Street versus Wall Street. This is about whether we are going to help Main Street in tough economics times, or whether we are going to continue to say that Wall Street gets the ear of Congress.

I am someone who didn't vote for either of the TARP pieces of legislation. I know my colleague, Senator SHELBY, the ranking member of the Banking Committee, was here speaking about this. I can assure my colleagues that this legislation is focused at the problem that was caused by Wall Street. Many people across America are asking when we are going to stand up for small businesses in America and help Main Street recover from this economic disaster.

How did we get into this situation? We got into this situation when large banks failed because of their active participation in things such as credit default swaps and other derivatives that weren't truly backed by financial commitments and basically became a house of cards, and they brought down our entire economic system.

So what was our response to that? Our response to that was to bail out the big banks and give them assistance.

What happened to the community banks? As deposit insurance basically was paid out in various forms, that said to those community banks: You now have to have higher capital standards. Can my colleagues imagine that? Can my colleagues imagine that? We had big banks such as Goldman Sachs and others that basically had imploded and we gave them taxpayer money and, basically, then said to the community banks: You need to have more capital within your banks. That is what we said.

So what did those community banks do when regulators told them they had to have higher capital requirements? They did what many of them only had one choice to do, which was come up with situations to either get more capital or stop their lending. The consequence is that there was a lot of lending that was done to small businesses that suffered as a consequence of those actions. Imagine that. The practices of the larger banks of investing in credit default swaps and derivatives that had no basis ended up costing small businesses their access to capital because capital requirements were put on small businesses through their banks at the same time large banks were given a bailout.

So no, no, this is not a bailout. This is about a lending program for small business to save Main Street and save our economy, because this Senator believes that job creation happens from small business. That is a proven fact. Seventy-five percent of the increase in jobs comes from small business, but right now they can't get access to capital.

Here is a letter from one of my constituents:

> In unprecedented times I am writing to you to express and urge relief for small business owners who are struggling to survive and who can be one of the key factors to improving the U.S. economy. We have been a small business for over 9 years and have 5 restaurants in Washington State and we currently employ 150 people between five operations. Until September of 2008, our business was stable and we were expanding and adding jobs and tax dollars to the State and Federal coffers. But then in September of 2008, after signing a 20-year lease for our first Arby's project—

that is a restaurant—

> our lender pulled our financing due to economic conditions. This was the same lender that just 3 months earlier had refinanced over $3 million of our business debt. And even though we had excellent personal and business credit, two business properties as collateral, good cash flow, we were forced to take high-interest equipment leases, advances from credit cards, as well as cash advances with an almost, yes, 50 percent interest rate from finance companies with an 18-month term.
>
> We tried going directly to the bank to finance the company, but we were told we had no options. Instead, the same bank charged an almost 50 percent interest rate through the finance company.
>
> There is nothing worse to an entrepreneur than to have the foundation and determination of their survival caused by this economic calamity and then to feel that State and Federal agencies would rather see your doors shut than work with you. We are honest, hard-working Americans who want to pay all our debt, but these agencies are uncompromising and missing the human factor.

Missing the human factor. Why is it that the other side of the aisle thought it was such a priority to bail out Wall Street, but now a well-crafted piece of legislation that is a lending program that is voluntary—banks don't even have to participate in it if they don't want to; it is not like TARP which was mandated on the banks to participate—why is it the other side doesn't want to see the success of these small businesses?

As my colleagues have said, this program is a well thought out program to help recapitalize the community banks as more requirements were put on to them as it related to the economic crisis of 2008. Imagine that. No questions asked to the big banks; they were given a bailout. Small banks got new capital requirements. They cut thousands and thousands—probably millions—of lines of credit; that is, performing loans to businesses across America were cut out from under them.

The voices are loud and clear across America. They want us to help restore this kind of stability through access to capital for small businesses. This is a program that can generate $1.1 billion to our economy and reduce our Federal deficit. It will help stabilize in a way that these other programs have not been able to do, and it will create the job growth we need to see in America.

I hope my colleagues will support this important legislation. I know some on the other side of the aisle want to name this some other legislation. But the truth is that this is about Main Street, whether one's perspective is that Main Street is going to help us. I believe Main Street will be that job creator. I hope my colleagues on the other side of the aisle will think about this and the consequence of the votes they have already taken. It is so important for us to say that we understand their plight, just like the gentleman's letter that I read. It is important for us to say we understand the frustration they have been through; that we are on their side in making sure small business gets access to capital; and that we believe our economy isn't about the big banks. It is about those millions and millions and millions of entrepreneurs every day who go out there and are hard working and who have been told no, no, no—told even on their lines of credit, no, you can't have access anymore. We need to right that wrong that happened over the last year and a half and get capital flowing again to small businesses.

I thank the Chair, and I thank the chairwoman of the Small Business

Committee. I see my colleague from Washington, who has been outspoken about this since January, the importance of getting this done, and has written many letters to try to emphasize how critical it is to our Washington State economy.

The PRESIDING OFFICER. The Senator from Washington should know that the 15 minutes for the majority has expired.

Mrs. MURRAY. Madam President, I ask unanimous consent to speak for 10 minutes.

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

Mrs. MURRAY. Madam President, I ask unanimous consent that the next Democratic Senator to speak be the Senator from New Hampshire, the Presiding Officer.

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

Mrs. MURRAY. I wish to thank Senator CANTWELL, Senator LANDRIEU, and all of those on our side who have been working so hard on this issue for so long.

As all of us know, small businesses are not only at the heart of our communities, they are at the heart of our economic recovery. They provide secure, stable jobs. They drive the innovation that provides economic growth and expands opportunity for all. They are the foundation on which we build our economy.

But we also know that this economic downturn has hit our Nation's small businesses particularly hard. Lines of credit have been cut off, businesses that were expanding and hiring suddenly slammed on the brakes, employees have been let go, and inventive and original ideas have been put on hold.

In communities throughout our country, our small businesses have been left to fend for themselves.

A large part of why this has happened can be explained by looking at the health of our community banks, which provide the capital that drives business growth and job creation.

The fact is, help has come much too slow for our community banks. Because of that, we have seen these banks fail one after another, lending has dried up small businesses, and job growth has suffered.

While Wall Street institutions such as AIG and Goldman Sachs were deemed too big to fail, the collapse of our community banks has apparently been too small to notice. In communities across my State and across the country, the loss of their hometown banks has certainly been noticed. In my State of Washington, just in the past year, there have been 10 community banks that have failed. Believe me, their communities have felt the loss of these banks.

Earlier this year, the FDIC closed American Marine Bank, a small bank that serves small communities in my State, including Bainbridge Island. It was a bank that had served small businesses and families in the community since 1948. It was the first bank that allowed the people who lived there to do their banking without having to take a ferry ride all the way to Seattle.

Over the years, American Marine provided the capital that allowed Bainbridge Island and other areas of our Olympic Peninsula to grow into self-sustaining economies, to grow from very sparse farm areas into suburbs that included thriving small businesses and family-wage jobs.

An article that ran in the hometown Kitsap Sun newspaper after the collapse captured what the bank's failure meant for local businesses and families.

In the article, Larry Nakata, president of a local grocery chain, said American Marine had been his bank since the day his store opened and noted that over the past 52 years he has gotten repeated loans from American Marine over time to build new stores, expand, and hire new workers. In that same article, Mary Hall, a local business owner, talked about how a former CEO of American Marine believed in her enough to give her a loan to start up her paint company back in 1984, which still serves the community today.

Jeff Brian, a movie theater owner there, talked about how American Marine provided the loans he needed to buy new land and open new theaters. He said:

> They were there for us from the very, very beginning.

Madam President, it is not just that community banks are failing, it is that they simply don't have the capital to lend to even very successful small businesses in their communities.

This is something I have heard repeatedly talking to small business owners in every community of my State.

In Vancouver, WA, I heard from Tiffany Turner, who, with her husband, owns a growing inn. She told me they have grown close to 10 percent, despite the economic recession. But they have now been told by their bank that ''we are not lending in your sector.''

In Seattle, I heard from Dani Cone, the owner of a local coffee company, whose credit ran dry and has been forced to borrow money from family members to keep her business afloat.

I heard from a bookstore owner who had taken out $60,000 on her own personal credit card to keep her business afloat.

I heard from a husband and wife who opened a local restaurant about how they finally had to close up shop for good.

I heard from people who were driven by their passions, who wanted to grow their business and wanted to hire but have been stymied by the lack of credit flowing from their banks.

Obviously, at a time when we are now relying on our small businesses to drive job growth, this is unacceptable. Right now we ought to be doing everything we can to make sure small business owners have the credit they need to grow and hire.

That is, in fact, why last year I introduced the Main Street Lending Restoration Act, which would direct $30 billion in unused TARP funding which was supposed to go to Wall Street, back to our community banks that are under $10 billion, so they can unlock the vaults and start to lend to small businesses in their communities again.

It is exactly why I spoke to Secretary Geithner and President Obama about this directly—and why I have been pushing so hard to make small business lending a priority.

I have felt strongly that we have to be more focused on community banks if we are going to make progress and bring true recovery to Main Street businesses again. It is why I am so proud to stand here today and support this amendment that will create the small business lending fund and State small business credit initiative.

The small business lending fund takes a most powerful idea from my Main Street Lending Restoration Act and sets aside $30 billion to help our community banks—those with under $10 billion in assets—to help them get the capital they need to begin lending money to our small businesses again.

It would reward the banks that are helping our small businesses grow by reducing interest rates on capital they receive under this program.

It would help support small business initiatives run by States across the country that are struggling now due to local budget cutbacks.

My State of Washington is one of the most trade-dependent States in the Nation. So I am very glad this amendment also includes the Export Promotion Act, which would provide support and resources to small businesses that are trying to ramp up their exports.

Small businesses are the lifeblood of our economy, and this amendment will help them get back on their feet, expand, and, importantly, add jobs to our communities.

I grew up working in a small business. My dad was the manager of a five-and-dime store in Bothell, WA. As a kid, I did everything from sweeping the floor, to working the till, to taking out the trash. I remember how our little businesses and those around us on Main Street were the cornerstones of our community and how, in fact, they were actually the cornerstone of our local economy.

My experience is certainly not unique. For many decades, the defining strength of our financial system has been our small businesses and their ability to access credit at affordable rates, grow beyond their walls, and provide good-paying jobs.

It is time for us to get back to ensuring that our small businesses are the backbone of our economy. This amendment is a very important step in that direction.

I thank Senator LANDRIEU for her outstanding leadership on this issue. I am here today to urge all of our colleagues to support this amendment, and let's get Main Street back to work again.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

SUPPLEMENTAL APPROPRIATIONS

Mr. MCCAIN. Madam President, very soon, we will be voting to move to consider the House-passed version of the 2010 supplemental appropriations bill.

I will vote against proceeding to the bill for one simple reason: It is not fully offset and now has a pricetag of $80 billion. When will the spending stop?

When the Senate considered the supplemental in May of this year, the bill totaled nearly $60 billion. Again, I opposed it because our version was not paid for, and it added to the ever-growing deficit for future generations. Those who say we oppose small business and all the motherhood and apple pie provisions of this bill, all we want to do is have it paid for.

Dr. COBURN and I had two reasonable amendments to fully offset the cost of the bill when it was $60 billion. I am sure we could find offsets for this $80 billion bill—if amendments were in order.

Our amendment would have saved taxpayers a combined total of nearly $120 billion by freezing raises, bonuses, and salary increases for Federal employees for a year; collecting unpaid taxes from Federal employees, which is $3 billion; reducing printing and publishing costs of government documents; eliminating nonessential government travel; eliminating bonuses for poor performance by government contractors, which is $8 billion. The list goes on and on. It also includes cutting budgets of Members of Congress, which would save $100 million; disposing of unneeded and unused government property, which would save $15 billion.

In other words, the size of government has doubled since 1990. Surely, it is time we started paying for these spending bills.

Our efforts failed. The majority, once again, succeeded in preventing the elimination of a single dime of wasteful and unnecessary and duplicative spending.

I remind my colleagues that in April of 2009, well over a year ago, the President wrote to Speaker PELOSI and said this:

> As I noted when I first introduced my budget in February, this is the last planned war supplemental.

That was in April of 2009 when the President said last year, April, was the last planned war supplemental.

He went on to say:

> Since September 2001, the Congress has passed 17 separate emergency funding bills totaling $822.1 billion for the wars in Iraq and Afghanistan. After 7 years of war, the American people deserve an honest accounting of the cost of our involvement in our ongoing military operations.

I could not agree more. That is why I am disappointed to see yet another supplemental spending bill—designated as an emergency—and without offsets.

Now the majority leader wants us to take up the House-passed bill, which exceeds the cost of the Senate version by $22 billion—nearly $23 billion. The House added $10 billion for an education jobs program and $4.9 billion for Pell grants. Other items added by the House include $80 million for energy loans, $142 million for the gulf oil-spill—the list goes on and on. Many of these are very worthy causes, very worthy items. But it should not be added to a must-pass bill to fund our troops, and it should be fully offset. That is what this debate has been all about for a long time—not whether these are worthy items, not whether we should have $10 billion for an education jobs program—although I seriously question that one—but the question is, Are we going to pay for it?

When are we going to stop mortgaging our children's and grandchildren's future and start balancing the budget and reducing and eliminating spending? Our soldiers and their families are making tremendous sacrifices. Why don't we make some sacrifices? Why don't we forego the earmarks and the special interests and the special deals that continue to characterize our behavior?

I don't need to remind my colleagues that we are fighting two wars. But the House has proposed reduced defense spending for this fiscal year and prior year funding by $3.2 billion to help pay for the $22.8 billion added by the House for domestic programs.

Subsequent to House action on the supplemental, the chairman of both the House and Senate Appropriations Committees further reduced the Defense Department's fiscal year 2011 discretionary base allocations below the President's request by $7 billion and $8 billion, respectively.

In other words, we are increasing domestic spending, larding it on this, by some $60 billion, and at the same time we are cutting defense.

One issue of concern is a provision contained in the Senate-passed bill to provide funding for the Secretary of Veterans Affairs to exercise his authority to expand the number of service-related illnesses presumed to be connected to exposure to Agent Orange. The cost of that provision is $42 billion over 10 years and will most assuredly have a detrimental impact on the ability of the VA to process current and backlogged claims in a timely manner.

Perhaps the most controversial provision added by the House is the $10 billion for an education jobs fund. This money would be used to supplement State budgets to pay the salaries of teachers, administrators, janitors, and other school personnel.

I fully support the goal of saving teachers' jobs, but this certainly isn't the way to do it. In fact, the government should be incentivizing districts to make crucial reforms so that effective teachers are rewarded.

The proposed Education Jobs Fund would continue the archaic seniority system that many say rewards bad teachers instead of the most effective teachers.

Additionally, the House proposed $800 million in spending cuts to help offset the cost of this $10 billion fund—an act which quickly drew a veto threat from the President. The bill proposes to cut $500 million from the Race to the Top Fund. I don't know of a better educational incentive in recent years than the Race to the Top Fund. Yet they are going to cut $500 million from it.

The bill proposes to cut $200 million from the Teacher Incentive Fund that supports creation of pay-for-performance programs and $100 million from the Charter Schools Program. All these are proven ways to help education in America, so they are going to cut them.

They are going to cut the Charter Schools Program. In my State, charter schools have worked and have provided competition to the public school system. If the cuts to the Charter Schools Program in the House-passed bill are enacted, as many as 200 fewer charter schools could start next year and approximately 6,000 charter school employees could be in jeopardy of losing their jobs. There are 420,000 children on charter school waiting lists nationally. Now is not the time to stop supporting the growth of new charter schools.

I could go on and on about what this bill does. Of interest is the House decreased by $27 million the funding for the hiring of additional Border Patrol agents for the southwest border, decreased by $63 million the funding for the acquisition of unmanned aerial vehicles and helicopters, and decreased by $1 million the construction of forward operating bases for use by the Border Patrol. Every one of those programs that have been cut are effective in securing our border.

Even more egregious is that the House cut $100 million more than the President requested from the account that funds the construction of and repairs to the border fence. I support the President's request to rescind $100 million from the failed virtual fence project, but this money should go toward increased Border Patrol and Customs agents and technology. I do not support the House's effort to cut an additional $100 million in funding that is currently available and being used to complete construction of the border fence and repair the constant damage done to the fence by those trying to illegally cross into our country.

In summary, in the past 2 years, America has faced her greatest fiscal challenges since the Great Depression. When the financial market collapsed, it was the American taxpayer who came to the rescue of the banks and big Wall Street firms. But who has come to the rescue of the American taxpayer? Not Congress.

What has Congress done? We have saddled future generations with trillions of dollars of debt. Since January

2009, we have been on a spending binge, the likes of which this Nation has never seen. In that time, our debt has grown by over $2 trillion. We passed a $1.1 trillion stimulus bill. Has anybody seen any good things from that? We spent $83 billion to bail out the domestic auto industry. We passed a $2.5 trillion health care bill. We now have a deficit of over $1.4 trillion and a debt of $13 trillion. That amounts to more than $42,000 owed by every man, woman, and child in America.

This year, the government will spend more than $3.6 trillion and will borrow 41 cents for every $1 it spends. Unemployment remains around 9.7 percent. According to forbes.com, a record 2.8 million American households were threatened with foreclosure last year, and that number is expected to rise to well over 3 million homes this year.

Now with this bill, the majority wants to tack on another $80 billion. When is it going to end? It may end next January. It may end next January because the American people will not stand for this continued crime we are inflicting on our children and our grandchildren.

The greatness of America is that every generation has passed on to the next generation a better one than that generation inherited. I cannot say that about the next generation with the debt with which we have saddled them. This kind of legislation has to be soundly rejected.

I yield the floor.

The PRESIDING OFFICER (Ms. LANDRIEU). The Senator from New Hampshire.

Mrs. SHAHEEN. Madam President, I am pleased to be on the floor this afternoon to join the Senator from Louisiana, who has been such a champion for small business in America, to join my colleagues from the State of Washington who were here earlier, to support the proposal that is before to address an issue that I have been hearing about in New Hampshire for months now. This is something that all Senators have been hearing about in their home States for the last 18 months if they are willing to be honest about it.

That issue is that creditworthy businesses, small businesses are frustrated because they cannot access the capital they need to expand their businesses and hire new workers.

Wherever I go in New Hampshire, small businesses tell me they are having trouble accessing the credit they need to either stay afloat or to expand their businesses. While the community banks have increased their lending in New Hampshire, they can only do so much.

As my colleagues have outlined so eloquently, they have been affected by the financial crisis that struck this country. We have an opportunity to address this issue with the Landrieu-LeMieux amendment that will create a Small Business Lending Fund to put capital into the hands of small businesses.

This $30 billion Small Business Lending Fund will help our community banks put over $300 billion of capital into the real drivers of our economic recovery and give to the small businesses that will make that happen.

I wished to be on the floor today, as we discussed earlier, because I have heard some of my colleagues—and we heard it earlier this afternoon from the Senators from South Dakota and Alabama—criticize this fund as being like TARP. It has been called the son of TARP. I voted against TARP. Let me say this as clearly as I can, something the Presiding Officer has said in her remarks, something we heard Senators CANTWELL and MURRAY say: This program is not TARP. This is not another Wall Street bailout.

I am going to support this fund because it is about helping Main Street, not Wall Street. Small banks and businesses in our communities did not cause the financial crisis in this country, but they have too often suffered the terrible consequences of the reckless behavior of Wall Street. Credit on Main Street has been extremely tight since the financial collapse, and that has devastated too many small businesses across this country.

One of the reasons our economy has not been able to emerge from the recession fully is that larger banks that benefited from TARP have decreased their lending. I heard from one small business owner in New Hampshire. He owns a sheet metal manufacturing company. The company had its line of credit pulled by a large national bank that had been a TARP recipient. This sheet metal company was a creditworthy business. It had never missed a payment. It had never defaulted on its mortgage. Losing that credit line was devastating for this business.

Similar to so many small businesses, it needed a line of credit to buy new equipment so it could make a transition and increase its productivity. But with the credit line gone, this business had nowhere to turn. It is companies such as the sheet metal manufacturing business in New Hampshire that this bill will address.

This proposal provides community banks, which have stepped up their lending but can only go so far, with the support they need to increase lending to small businesses.

Unlike TARP, this program has strong taxpayer protections to ensure the fund serves its purpose. The very structure of the program ensures that community banks that participate in this program will use the capital for small business lending. Only banks that do a vast majority of their lending to small businesses are eligible for this program, and unlike TARP, there will be terms and conditions for repayment. Taxpayers will not be on the hook.

This fund will not add to the Federal deficit. In fact, it is estimated to raise $1 billion over 10 years. The terms of the program will ensure that taxpayers will not be put at risk.

Let me say this one more time because there has been a lot of misinformation thrown out on the floor: The terms of this program will ensure that taxpayers will not be put at risk.

At the end of the day, this proposal is about standing for small businesses in this country. We have all heard from small businesses in our home States that have suffered from a recession they had no part in creating. This is our chance to stick up for the millions of creditworthy small businesses across this country that need capital to operate or grow but that have been shut out.

It is also about turning our economy around. Over 75 percent of new jobs in America are created by small businesses, and since the financial collapse, the majority of jobs lost have been with those small businesses.

If there is one place we should be able to agree to invest, it is our small businesses. If we do not extend credit to them, they will not be able to get the capital they need to expand and create the jobs that will finally get us out of this recession.

This is not TARP. Saying this program is like TARP is just a red herring. This fund is what we should have been doing in the first place—providing capital to community banks so they can extend credit to the small businesses that need this capital to create jobs on Main Street.

I urge my colleagues to join me in supporting the Landrieu amendment to include this critical investment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

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

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

Mr. SCHUMER. Madam President, I rise in strong support of the bipartisan amendment to the small business bill offered by Senators LANDRIEU and LEMIEUX. The amendment would make $30 billion of capital available to community banks across the country, incentivizing them to lend several times that amount to small businesses in desperate need of credit.

There is no question about it: Small businesses are the great engines of growth in our economy. They employ over half our workers. In the past two decades, they have created over two-thirds of the Nation's new jobs.

Our economy is starting to show signs of life again, but we still have a long way to go. The HIRE Act, especially the payroll tax cut Senator HATCH and I authored, has been a good success, saving businesses billions in taxes. I recently introduced a bill to extend the tax cut for 6 months.

Congress should be focused like a laser on bringing unemployment down and getting the economy humming on all cylinders again. The bill before us today is an important part of that ongoing effort. It is a targeted bill that will help small businesses expand and hire.

The small business lending fund was once a part of the legislation. Actually, it was not merely part of the legislation, it was the heart of the legislation.

There are many worthy ideas and programs in this bill from bonus depreciation to increasing the loan limits on the SBA's flagship programs to providing grants to help States expand innovative small business initiatives.

These provisions will encourage entrepreneurs to start new businesses and help existing businesses prosper by reducing taxes and streamlining some of the burdens on small businesses.

But a core mission of this bill was always to jump-start lending. When I travel around New York and talk with business owners about creating jobs, the No. 1 thing they bring up is they do not have access to credit.

In his testimony before the Banking Committee yesterday, Ben Bernanke noted that while big businesses can borrow money by accessing the capital markets, small businesses must rely on bank loans and are having a much harder time. The Landrieu-LeMieux amendment goes to the heart of this problem. According to Bernanke, in a series of 40 meetings the Fed conducted with community banks and small businesses from coast to coast, participants expressed unambiguous support for the $30 billion lending fund.

There are several explanations for why small business lending is down. Small businesses blame the banks for not lending and banks in turn blame the regulators for not letting them lend. But one thing is certain: Lending is down, and that is bad for our economic recovery.

I hear from small businesses across my State, businesses that want to expand and cannot because they cannot get credit. For us to stand here and twiddle our thumbs and play politics by saying that this is the TARP? That is wrong. That is wrong, when millions are unemployed and the public is demanding get the economy going.

There are strong provisions in the underlying bill that will help spur lending, including an extension of the successful provisions from the Recovery Act that increased SBA loan guarantees and waived SBA loan fees. I believe the lending fund is a much needed complement to these programs. It will be a shot in the arm for small businesses across America, greatly increasing credit. The fund has been structured to maximize lending by directly tying the dividends rate participating banks pay to the Treasury to their lending performance. The rate starts at 5 percent and goes down 1 percentage point for every 2.5 percent increase in lending over the 2009 levels. Therefore, a bank that increases lending by 10 percent or more will be rewarded with rates as low as 1 percent.

In addition to this carrot, there is the stick. The dividend rate increases for banks that do not increase lending. Banks that attempt to sit on funds will be penalized with rates as high as 7 percent.

Another great feature of this amendment is that it targets small Main Street banks, banks that are especially committed to lending to small local businesses. To participate, banks or thrifts must have less than $10 billion in assets. In New York, banks such as Elmira Savings Bank in the Southern Tier, the Bank of Smithtown on Long Island, and the Oneida Savings Bank in the Mohawk Valley will be eligible for capital infusions, and all this will be done with no cost to the taxpayers.

Let me say that again: All this will be done with no cost to the taxpayers. In fact, the nonpartisan Congressional Budget Office estimates the lending facility would save taxpayers money. They calculate that the lending fund would decrease the deficit by over $1 billion.

Congress needs to do everything in its power to push a growth agenda, a jobs agenda. An integral part of this agenda is to increase lending to creditworthy small businesses. That is why I support the Landrieu-LeMieux lending fund amendment and that is why I also strongly support MARK UDALL's bill to increase the arbitrary cap on the amount credit unions can lend to their member businesses.

Here is the bottom line. Small businesses will be the tip of the shovel that digs us out of these difficult times but that will only happen if we get them the resources they need, and what they need is the Small Business Lending Fund in the Landrieu-LeMieux amendment.

I urge my colleagues to support this very important amendment and, before I yield the floor, I want to pay a great compliment to my colleague from Louisiana, who has spearheaded this drive. We all talk about small business lending. This is the best, most logical, most cost-effective way to do it and she is the reason we are here debating this bill. I want to take off my hat—hundreds of thousands of small business people across the country would do the same—to the Senator from Louisiana.

I yield the floor.

The PRESIDING OFFICER (Mrs. SHAHEEN). The Senator from Louisiana.

Ms. LANDRIEU. Madam President, I thank the Senator from New York for those very kind words. But I wish to say again I am humbled, actually, to be able to present this amendment because it is quite unusual. Normally a chairman or a chairwoman presents amendments in bills that they themselves wrote. That happens here all the time. This is a very unusual situation.

As I said earlier today, I did not write this provision. I didn't know very much about this provision. It was written by Senators such as Senator MURRAY, Senator CANTWELL, and Senator MERKLEY. They started working on this idea. They are not even members of the Small Business Committee. They started working on this idea and it picked up momentum and the President spoke about the need to get capital to small business.

Then all the small business organizations, most all of them, stepped up and said, yes, this is what we need. Then the community bankers and the independent bankers stood up and it snowballed.

It has gotten to have a great broad base of support. I am pleased this is a bipartisan amendment with the Senator from Florida—both Senators from Florida have been strong advocates. Senator LEMIEUX joined me in offering this amendment because, for some inexplicable reason, this was going to be left on the cutting room floor.

We managed to get huge bills out here for Wall Street. We managed to get huge bills out here for the automobile companies. But when it came to lifting this smaller bill for small business, it started running into some political rhetoric, some bumper sticker slogans for the next election, some hogwash.

I think our small businesses deserve more than bumper sticker slogans, hogwash, and electioneering chatter. So it got me mad. I said, you know what, I didn't write this provision. I am going to learn about this provision, though, because I am not going to have it stomped under by the same people who voted for TARP, voted for the big banks, voted to bail them out but, when it comes to helping small business, want to say there is something wrong with this. That is why we are fighting.

I see the Senator from Oregon, who helped draft this provision.

The Senator from South Dakota came here and said none of his people are for it. He must not be reading his mail. We have right here the South Dakota Independent Small Bankers—Independent Community Bankers of America, State Community Bank Associations. There are any number of them. I checked. Here we have Independent Community Bankers of South Dakota.

The Senator from South Dakota was just here and said no one in South Dakota is for this. He might want to go check his in-box or e-mail or his mail. The bankers of South Dakota I don't think are a very liberal group, I would guess. They are a pretty hearty bunch out there in South Dakota. I don't think they like big, fat government programs. But the reason they are for it is because it is not a government program. It is a Main Street program. It is for small businesses in South Dakota. That is why we are fighting for it. We are not going to go down without a hard fight.

I am going to recognize the Senator from Oregon in a minute, but the other thing the Senator from South Dakota said was that he loved this report. He said it. He quoted it. The May Oversight Report, ''Small Business Credit

Crunch And The Impact Of TARP.'' The person who wrote this report is a good friend of his, Elizabeth Warren. So he is supporting this report in which Elizabeth Warren said in her view she is not sure this program will work. That is what this report says: She is not sure this program will work. She is entitled to that opinion. But I don't listen to Elizabeth Warren. I don't listen to Washington bureaucrats. I am listening to the small business associations of America. I am listening to the Taco Sisters Restaurant in Lafayette. I know it is a silly name, but it is a very important business to them. I don't care what anybody says about their name, Taco Sisters Restaurant. Katie and Molly Richard dreamed about opening a restaurant. For 24 years they dreamed this dream. Molly convinced her sister Katie to move back home from New Hampshire. She leased a small restaurant on Johnson Street in December of 2008 and opened in February. The restaurant smokes fresh gulf fish and shrimp. When we could actually fish for our shrimp and get our fish, they got it from the gulf.

Their restaurant was voted best new restaurant in Acadiana and best lunch spot in Acadiana. Do you know how hard it is to be the best in Louisiana when all of our restaurants are good? These little girls, these women, worked hard.

I want to tell the Senators from Alabama and South Dakota, they said:

> We have good credit, a good business plan, but we have had trouble finding capital to grow our business. I was surprised credit would be so tight for a business like ours . . . [because we are the best.] Our business has seven employees and would like to keep growing. . . .

We need capital.

And this troop over here wants to tell me that the amendment that Senator LEMIEUX and I are offering is a government program? This is for community banks. Because they want a bumper sticker to run on in this election they are going to throw the small businesses under the bus? Over my dead body.

The National Bankers Association, another very liberal group:

> In no segment of the U.S. economy is the need for lending to small business more urgent than in the distressed communities that our banks struggle to serve every day.

This recession which they did not cause—let me go back here. I feel like I am in Alice in Wonderland. The Senator from Oregon is being patient. Let me get this straight. Big banks, some big banks on Wall Street traded derivatives and entered into major risky finance deals that almost wrecked the entire economy of the world. They, on that side, ran all around themselves when George Bush was President to throw money at them, to help them, and we have restaurants in our districts begging for $10,000 to keep their doors open and they are going to stand there and tell this Senator that my amendment is a government program? This isn't a government program. This is trying to get money to Main Street.

If they want to vote against it, go right ahead. This is very clear. You can't hide behind this. There are no 100,000 pages of this bill. It is a very simple program—$30 billion to community banks that are healthy. It is voluntary. All you have to do is lend it to the Taco Sisters Restaurant in Lafayette so they can continue to be the best restaurant, despite the fact of the moratoria so there is a shutdown so there are no more fish in the gulf that we can fish for. These businesses are still trying.

Did you hear Senator CANTWELL read a story from some small business in her State that had to take out $60,000 on a credit card on which they had to pay 50 percent interest? Do we not hear them? We are trying to give the private sector a solution to put capital in community banks so that small businesses can get a loan at a decent rate and I have to listen to the ranking member of the Banking Committee say he is against it because it didn't go through the Banking Committee.

The last couple of things that came out of the Banking Committee have been a little bit problematic for me and many people, so I am glad this didn't come out of the Banking committee.

I see the Senator from Oregon. This is in large measure because of the design he has come up with, this idea, with several of my colleagues. I wish I could say I did it, because it is a good one, but I have adopted it because I am not going to leave it on the cutting room floor without a fight. It passed the House. Three Republicans voted for it in the House. Interestingly enough—of course all three of them are up in tough elections and I don't think they wanted to explain how they could vote for TARP, vote for Wall Street, but not vote for small businesses. This could be an interesting debate on the campaign trail.

The Senator from Oregon is here. Since he helped to actually write the program—as I said, maybe it is something I am not explaining well. Senator CANTWELL is quite the expert. Senator MERKLEY is quite the expert. Let me turn it over to the Senator.

I see Senator BURRIS from Illinois. Let me ask unanimous consent for the two of them to speak for the next 10 minutes as in morning business, and if a Republican comes we will swap back and forth.

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

The Senator from Oregon.

Mr. MERKLEY. Madam President, I wish to start simply by recognizing the tremendous work the chair of the Small Business Committee is doing in championing commonsense strategies to assist our small businesses in being the job factories that they can be if they have access to credit. That is where the genesis of this bill comes from. The question we have heard in each of our States is: How can I, as a small business, gain access to credit when the credit markets are frozen?

We have done precious little to assist them. So often, we need to indulge in far less partisanship and a lot more problem solving. If one investigates what is going on in the credit markets for small business, one finds that the businesses have gone to their banks, and the banks have said, we are cutting your credit line in half or we are eliminating it.

The small business said, well, we have always made every payment. Yes, but we are in a land of frozen credit and we cannot extend the same amount of credit. When we give you that line of credit, it counts against our leverage, and we have to increase our capital holdings to meet the leverage requirements. So we are taking away or cutting in half or cutting by 90 percent your line of credit.

At that point, the small businesses go to other banks and find out the other banks are in the same position. These are community banks where often the principals know each other, they have worked together, the banks want to lend, the small business wants to borrow, they can see it is a profitable arrangement, but the banks are constrained by their leverage limit.

If there were not a credit crunch in this Nation, the bank would be able to recapitalize and then make additional loans. That is where we had a period of irrational exuberance, now we are in a period of irrational fear, and people do not want to recapitalize community banks, even when they are healthy.

Through much discussion with many thoughtful people from various parts of the country, various parts of the credit system, it became clear that the chokepoint was the capitalization of healthy community banks. This is why what this provision does is it provides for the recapitalization of community banks. Community banks will have to pay that money back.

A lot of questions were raised about this point, and I want to clarify some of them. The first question was: What happens if a bank that is going under is seeking a bunch of money to recapitalize? Will this program help them? Answer: No, it will not. Because only banks that have CAMEL ratings—those are ratings of how healthy they are—of one, two or three qualify. The banks have to be healthy, because this is ultimately not about saving banks, this is about getting capital into the hands of small business.

The second question that many have raised is: Well, will banks not just sit on the funds, and not make loans? Will they not hoard funds in case they have better opportunities as the economy recovers? And the answer is probably not. Because the program was designed so that when a bank recapitalizes in this fashion, they pay dividends. If they do not lend out the money, then they pay a high dividend of 7 percent. They are not going to make money sitting on funds in their bank and paying

7 percent. But if they make loans, then they pay a 1-percent dividend, so that puts them in a situation where they will make money if they make loans. So they will not even ask for the money if they do not intend to lend it. That was a thoughtful question for some of my colleagues to ask, would banks sit on these funds. It is important that we design this program so that they do not. And we did.

A third question came: Well, does this not put taxpayer funds at risk? The answer is, actually it does not, because we are not lending to unhealthy banks, we are capitalizing healthy banks. The Congressional Budget Office estimates that this will make $1 billion, over $1 billion for the U.S. Treasury. That estimate does not include the taxes that individuals will pay on the wages they earn because small businesses are able to hire. That estimate does not include the taxes that small businesses will pay on their profits which will be higher when they are able to expand. So that is a bottom-line positive return that could be far larger when you take into account the impact on employment and the success of small businesses.

Other folks have asked another question: Why get lending into the hands of our small businesses through the hands of community banks? Why not create some government organization to do it? Well, very simply, banks are on Main Street. It is their business to know what works and what does not work. They know the principals involved. They know the local market dynamics. You do not want to set up a government agency to distribute loans when you can have the power, the knowledge, the wisdom, of community banks making smart decisions.

Then finally an additional question was asked: Well, will banks not make loans that maybe are not a good bet if they have this additional capitalization? Well, actually, no, they will not, because, first, they are not required to be recapitalized in this fashion. And if they do make loans through this system, they are not guaranteed loans.

When you have a guaranteed loan, you are saying to someone: You bear no risk. But these loans are not guaranteed. This is a bank doing its standard lending. In that standard lending, they make money if they make good loans, and they lose money if they make bad loans. So they have absolutely no incentive to lend, because if a loan goes under, the bank is hurt. It is all the power of a smart path to getting capital into the hands of our small businesses.

I guess my request to all of my colleagues is to ask yourselves if we are going to ever get out of this recession if we do not unleash the power of small business in America to create jobs. Please ask yourself, is it possible to unleash the power of small businesses if the small businesses do not have access to credit, and, therefore, if you believe in small business, if you believe in job creation, if you believe in strengthening communities through successful businesses and employed families, then this plan makes a lot of sense.

I will close with this thought: Let's bring commonsense problem solving to the challenge of putting America back on track. Let's set partisanship aside, let's set thoughts about the November elections aside, and let's engage in commonsense bipartisan problem solving, and this program makes all the sense in the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. BURRIS. I want to echo the sentiments of the distinguished Senator from Oregon. His comments are very well taken.

I also rise to support the distinguished Senator from the great State of Louisiana in her efforts to deal with this amendment to add to the small business legislation, of getting this $30 billion out to the community banks so they can put those dollars in the communities.

For the past 2 years, this country has been held in the grips of an unprecedented economic crisis.

The housing market collapsed. The bottom dropped out of Wall Street. And for the first time in generations, many Americans felt their hard-earned economic security begin to slip away.

Here in Washington, Members of the House and Senate were faced with a harsh reality: For decades, regulators and policymakers alike had fallen short of their responsibilities. A divisive political process drove them to duck the tough issues, and kick the can down the road, time and time again.

This failure of regulation, and the absence of political will, allowed Wall Street fat cats to let their greed get the better of them. They gambled with our economic future. They designed complicated financial products and placed high-stakes bets against them. In short, they built a house of cards, and when it finally came crashing down, the American economy lay in ruins.

There can be no quick fixes after a disaster of this magnitude. But under President Obama's leadership, our elected leaders finally took the bull by the horns and did what was necessary to stop the bleeding, and set our country back on the road to recovery.

I was proud to join many of my colleagues in supporting the American Recovery and Reinvestment Act—a landmark stimulus bill that helped reverse the rising tide of economic misfortune. Thanks to this legislation, and to the landmark legislation that was signed into law just yesterday, that created the most sweeping reform of Wall Street since the Great Depression, we are on the road to recovery. But as anyone in this chamber can tell you, the real key to a full recovery is jobs. And no sector of this economy creates jobs more effectively than small businesses.

Long before I ever entered public service, I was a banker. I know firsthand what it takes to support our small business community because I have done it.

This is a time for bold action. Not pointless ideological battles. This is a time to move forward, not back. So I call upon my colleagues to seize this opportunity. Let's keep America on the road to recovery and restore the hard-earned security of ordinary folks and small business owners who are in desperate need of help.

We should start by increasing our support for small businesses, especially those owned by disadvantaged and minority individuals. These companies foster progress and innovation. They have the power to create jobs, and direct investment to local communities, where it can have the greatest impact.

Small businesses form the backbone of our economy, but in many ways, they have suffered the most as a result of this economic crisis. It is no secret that minority-owned businesses, particularly those in poor or urban areas, have been hit hardest by the current economic downturn. That is why these are the areas we should target for our strongest support.

We can rely on a proven initiative to inject new life into disadvantaged areas. So I would ask my colleagues to support the Small Business Lending Act. I would ask them to reject the tired politics that got us into this mess, and embrace the spirit of bipartisanship that can lead us out.

On behalf of small and minority-owned businesses, I call upon this body to take action. Our economic future may be uncertain, but with the Small Business Lending Act, we have the rare opportunity to influence that future.

So let's pass this measure, to guarantee some degree of relief for the people who continue to suffer the most.

Let's renew our investments in America's small businesses, and rely on them to drive our economic recovery.

And let's do so today.

I have financed them from scratch. They would walk in to me and say, look, I got an idea. I love to do this. Let's get a business plan together. Where do they get the capital from to create the jobs that are needed? They get it from the bank giving them credit, taking some equity from them, getting some investment from them. That is what I have done.

I stand on this floor, with successful lending from banks to small companies. It created jobs. Some of them are still in business today, some 40 years later. Some of them have been sold off and bought off by big Fortune 500 companies. They were able to start from scratch.

I know what it takes in a small community to lend to small businesses. Now we are up here talking about, we are not going to put in resources. This is not going to cost us any money. The taxpayers are due to support these types of efforts. That is what we are here for. The purpose of government is to do for those which they cannot do for themselves.

Now we are debating on this floor whether we are going to put the money into helping small businesses, give it to the banks to lend to the small businesses, so they can then go out and hire people. This ought to be a no-nonsense vote. It makes no sense what we are doing on this floor, debating this issue at this time, when this economy is in this condition.

So having lent money to small businesses, having been a banker, where your stripes depended on many good loans you made, I have been there, and I support this legislation 100 percent. If we can put those resources into those banks, that will then put them into the community, the banks are not going to be out there giving this money away. This is not charity. It is going make money for us. So let us wise up. Let us make sure we support this amendment, pass it now, and get on to the business of helping small businesses.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. CORKER. Madam President, I rise to speak about the vote that is coming up soon, the Landrieu-LeMieux amendment to the small business bill that is before us.

First, I want to say that I respect tremendously both Senators. I have enjoyed working with them on so many issues. Many of us in the Congress have worked over this last year to end the TARP that went in place during a time of a financial system meltdown. I supported that, as did many in this body. Seventy-four Senators voted during a time of critical stress in our country's financial system to put that in place.

I also have pushed hard to end that program as soon as it was unnecessary, and many of us have tried to end it. Finally that was done when the financial reform bill that passed a couple of weeks ago, or this last week passed and became law yesterday.

A lot of times around here we go through this process of erosion; that is, an idea will come up, and it is embraced for one issue, and then, over time, as happened with TARP, as a matter of fact. TARP was there to rescue our financial system so that small businesses, people all across our country, could continue to get payroll checks and do those things our financial system provides.

Then it became perverted. Industrial policy was embraced after that, something that was not the intention of TARP. Now we have another perversion of that by virtue of this amendment that has been put forth. Many of us were very concerned about the steps that were taken under TARP during that crisis. We felt it was a crisis and it was necessary. But in many ways, this is more insidious, because not only is the government making an investment in final institutions across this country, it then is telling those institutions what to do with that money.

I know that small businesses across this country are hurting. I have been a small businessman most of my life. As a matter of fact, I still am a small businessperson. I still have small business interests. I understand what it means to be a small businessman. I understand what it means to not have access to credit, to have difficulties during crises such as this. I lived through one in 1990 and 1991, and had great difficulties, as so many people are having today.

We have had a tremendous explosion in government involvement in the private sector, something I do not think many Americans ever expected to see. I think the last thing we need to do now, as Americans are retrenching, as the economy is beginning to grow, is to take another step back in this direction.

I cannot more strongly object to the LeMieux-Landrieu amendment, even though I respect them very much. I urge Members who believe in our market system and want to see us move ahead with a healthy economy, I urge all such colleagues to vote against this amendment. It is another step in a direction that the majority of the country wants to move away from.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. I appreciate the comments of the Senator from Tennessee. I couldn't agree with him more that this amendment should not be adopted, should not be added to the small business bill. We have had a number of people coming to the floor to speak on the amendment. The Senator from Louisiana made a couple of observations after I spoke in opposition to the amendment, one of which was that Republicans have evidently some newfound affection for Elizabeth Warren. I don't think that is the case. In fact, she is the rumored choice of the administration to head the new Consumer Financial Protection Agency. The observation I was making was that she, who most of us perceive to be somewhat more on the liberal side, had made strong statements about this particular small business lending finance program and compared it to TARP. She also pointed out that the capital purchase program under TARP had very mixed results with regard to whether it encouraged banks to participate and lend. It also carries with it, as TARP did, an inherent risk that taxpayers may be left on the hook.

It has been that this will be a revenue raiser, that this, the $30 billion TARP, is going to actually generate a $1 billion budget surplus. The Congressional Budget Office was directed to score this differently than they were the original TARP. If the same accounting conventions were used and applied to this particular program and the calculation including market risk, we would have a $6 billion cost attached to this $30 billion TARP rather than a $1 billion budget savings.

There was the suggestion that there isn't any risk to taxpayers. Anytime we are putting $30 billion out there, granted, it may be well intended, but we all saw what happened with TARP. The expectation with TARP is that it will lose about $127 billion for taxpayers. We hope it is less, but that is the estimate today. It is fair to point out again that people who come into the Chamber and believe they are voting for something other than TARP are misleading themselves. If we line this up with the way the TARP was structured, side by side, it is check, check, check, right down the line. This is the same essential thing. To call it something else is all fine and good, but that is what it is. This is a TARP. It is a reincarnation of TARP, intended for small businesses and smaller banks, which is all fine and good, but make no mistake. If we vote for this, we are voting for a TARP. That poses risk to taxpayers.

There was the suggestion that somehow I don't know what my bankers in South Dakota think. I think most of us who represent our States try to stay informed about the views of our constituents. I sat down with a number of my bankers 2 days ago. They were clear this is not something they are advocating for nor do they need. They had other issues they wanted to talk about. We have not had contacts in our office advocating for this. Most of us represent our States in a way that we have a pretty good idea of what the views of our various constituencies are. At least where South Dakota is concerned, this is not something South Dakota bankers are asking me to do for them. They do have concerns about the financial services reform bill passed last week and signed into law. That is something they have deep concerns about. But this is certainly not something they are advocating for.

Inasmuch as we all want to do the right thing for small businesses, the best thing we can do for them is get off their backs, quit putting taxes and mandates and regulations on them. They are looking at the prospect next year of a huge tax increase, when tax rates go up. They are looking at a potential new energy tax, if a cap-and-trade bill were to pass. They are trying to figure out what is going to happen with the estate tax. They already have a new health care mandate that will put no cost burdens on them and raise the cost of doing business. Those are the types of things that will impact small businesses' ability to create jobs. Those are the things we ought to be focused on. Creating a new TARP is not going to be the answer that many of my colleagues who support this amendment think it is.

I urge colleagues to vote against this. I suggest we look at the things we can do that do impact small businesses.

Most of what we are doing in Washington right now is detrimental to economic growth and job creation.

Mr. CORKER. Will the Senator yield?

Mr. THUNE. Certainly.

Mr. CORKER. I was listening to the Senator. The fact is, this carries, in many ways, a greater risk. I would call this son of TARP. This carries a greater risk than the original TARP because the terms under which this money is given to banks is at a lesser rate. So that means the money that is paid back, there is less margin to cover losses. In addition, banks can continue to lower the cost of that capital by putting money out quickly to small businesses. Again, we like to see small business credit expanded, but we like to see it done in a market and healthy way. I hope Senator DODD will have hearings. My guess is he will over the next several months. But in many ways it is more risky because the rates are lower. The more money we put out, there is going to be a perverse incentive for banks to put money out quickly in ways that could be at a higher credit risk. This is far riskier than the first program.

Again, I know there are good intentions. All of us want to see small business thrive. All of us know that 80 percent of the new jobs are created through small business. I know the Senator and I have done as much as we could while we have been here to try to get government off the backs of small business.

What I would say to small businesses—and I don't think many of them support this, but to those that do—be careful what you ask for. Once the U.S. Government gets involved in our financial system in this way, putting money out and then directing where it goes, we know how the camel's nose under the tent works in government. We understand what it means for the Federal Government to get more involved in our community banks. I know I had one in particular, when I was in Tennessee, say he wanted me to look at this because he wanted to use these funds to replace TARP funds they had not been able to pay back yet. I don't think this is a good step. I don't think there are many people who support it. I know this probably has some political mileage in this body because it does address an issue we care about, small business. But it is a bad idea directed at something we all support; that is, small business growth. Again, I urge rejection of this amendment.

Mr. THUNE. Mr. President, to the Senator's point about this perhaps acting as an encouragement for lenders to get money out the door quickly, perhaps with assuming more risk than perhaps they should, I wish to point out, again—and because I am quoting Elizabeth Warren, somehow there was an implication earlier that Republicans have a newfound affection for her, but she is someone whom the Democrats look to extensively when it comes to advice on these issues. As the head of the congressional oversight panel, in their assessment of TARP, particularly with regard to this specific program, the small business lending fund, they said it "runs the risk of creating moral hazard by encouraging banks to make loans to borrowers who are not creditworthy."

This is not something that many of us are making up. Clearly, there are those who are very concerned that this could become not unlike what we saw with the original TARP, which there are still a lot of concerns about. Many of us who voted for that the first time around thought it was going to end up as something different than it was. I don't think we need to go down that path again.

Mr. CORKER. Elizabeth Warren is a smart person. There are things I agree with her on, and there are things I disagree with her on. But on that point, I absolutely agree. If we think about the moral hazard issue, that means a business that wants to run its business the way America generally has run business—on their own, they don't want to be involved in government support—they would be at a disadvantage. That is the other moral hazard. An institution in Tennessee or South Dakota that wants to go out and lend more money to small business and goes out and raises equity to do so, that equity is going to cost more than this. So a bank that chooses to take advantage of a government program actually has an advantage over a company that wants to run itself the way most Americans want to see small business and companies run. There are all kinds of moral hazards. I know the notion of small business attracts a lot of people. I hope people on both sides of the aisle will think about this, realize how insidious this is, think about the next idea that comes after this. Again, it is another government investment into the private sector.

We have gone from systemic risk to auto companies, to suppliers of auto companies. Now we are looking at going into small business. We sure have gone the gamut here. It is time to go the other way. Tennesseans have spoken loudly about the fact that they don't want to see any more government involvement in the private sector. It is time to stop it now. We thought we had it killed last week with financial regulation when TARP ended. Now it is raising its head again.

Mr. THUNE. I hope we will defeat this today because there is moral hazard associated with it. We want to do the right thing by small businesses. I have named several things small businesses are concerned about—cap and trade, more government takeovers, more Federal spending and debt and higher taxes and more mandates through the health care bill passed earlier this year. It is important to keep in mind in this debate the taxpayers. Anytime we talk about a program such as this, there are inherent risks. Again, to use the accounting methodology that CBO used when they scored the original TARP, if they used that accounting convention which takes into consideration market risk, this program would be a $6 billion cost rather than a $1 billion savings, as proponents of the amendment advocate.

This is about taxpayers as well as small businesses and small banks. This is not the correct way to help them. I hope our colleagues in the Senate will reject the amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BURRIS). Without objection, it is so ordered.

BUDGET DEFICITS

Mr. DORGAN. Mr. President, there has been a lot of discussion on the floor of the Senate in the last couple of days about small business legislation and various things dealing with jobs, and clearly we need a lot of jobs in this country. We have gone through a very steep economic decline that has victimized lots of Americans. Because of that, we have a lot of people who are waking up in the mornings without work and wondering what to do next. They feel helpless and hopeless and are trying to get their feet on the ground. But they need some help from this Congress; that is, we do not create jobs, but we do create conditions under which jobs can be created by the private sector.

So I want to talk a little about the issue of what might give the American people some confidence because confidence is everything. If they are confident about the future, it means our economy can expand. If people are not confident about the future, our economy will contract. It is that simple.

There is no question that this country now, having gone through the biggest economic downturn since the Great Depression, has the largest Federal budget deficits we have ever had. In the last couple of years there have been enormous budget deficits. In fact, the budget was in deficit by $1 trillion by the end of June in this fiscal year.

But our colleagues—some of whom voted for all the war funding over these last years and voted for the big tax cuts to reduce the government's revenue, and all of those issues—are now rushing to the floor with everything but suspenders and proclaiming that now the deficit is a big problem.

Well, I will tell you why it is a big problem. It is a big problem because 10 years ago a lot of folks in here decided to cut the revenue steeply, and cut taxes mostly for wealthy Americans, and cut them in a very significant way. So the government had less revenue. They did that because they believed we had budget surpluses that were going to exist for 10 years.

We had not had a budget surplus for 30 years in this country. We ran deficits for 30 years. Then, all of a sudden, at the end of the Clinton administration, we had a budget surplus of a couple hundred billion dollars. I am pleased about that because I voted for the economic plan that helped create that. We put that in place in the middle 1990s, and we got to a budget surplus.

When that happened, in the year 2000 we had a bunch of folks say, when a new President came into office in 2001: Do you know what? We have a budget surplus. We have a bunch of hotshot economists telling us we are going to have budget surpluses as far as the eye can see. We are going to have budget surpluses for the next 10 years.

Then Alan Greenspan, the Chairman of the Federal Reserve Board, said he could not sleep because he was worried we were going to have surpluses too large and we were going to pay down the Federal debt too quickly. That is right. I know it sounds like a joke, but the Chairman of the Federal Reserve Board worried we would pay down our debt too quickly.

So the President came to town in 2001 and said: Let's have very big tax cuts, and I and others said: Let's probably not do that because at this point we don't know what is going to happen for 10 years. We had economists who could not remember their telephone number for 3 hours telling us what was going to happen for 10 years.

So they said: We are going to have 10 years of surpluses. Let's have very big tax cuts. So the President constructed very big tax cuts, mostly for the wealthy, and here we are. What happened as a result of that? Well, almost immediately we were in a recession in 2001. Then we had a terrorist attack against this country in September of that year. Then we were at war in Afghanistan and at war in Iraq and in a war against terrorists.

So we sent hundreds and hundreds and hundreds of thousands of soldiers abroad, and we rotated them in and out for 8 years and never paid for a penny of it because the President said: We are going to spend emergency funding, which means we do not pay for it; we just put it on the debt. We did that for a decade.

Now, all of a sudden, all the people who voted for the same things—that is, tax cuts for the wealthy and deciding to send soldiers to war without paying for it—now we hear all this bloviation about how the debt is important. Well, yes, it is important. It was important when they voted to cut taxes for the wealthy as well. It was important when we decided to fight two wars and not pay for a penny of it. The fact is, it is unsustainable now, and we have to find ways to fix it.

It is interesting, yesterday, I came to the Senate floor because one of my colleagues came to the floor and said the priority is to eliminate the estate tax. That is the priority. He did not say that. He said ''eliminate the death tax'' because a clever pollster said: If you say ''death tax,'' it invokes a lot of passion. So we are going to eliminate the death tax—not understanding, apparently, or not caring, perhaps, that there is no such thing as a death tax.

When you die, there is no tax on your death. In fact, had I been on the Senate floor when my colleague mentioned that—I know my colleague is married—so I would have asked: God forbid something should happen to you. But if it did, tell me what would happen to your estate because I know the answer.

The answer is, his spouse would inherit the estate, no matter how large, tax free, because we have a 100-percent spousal exemption. So that Senator's death would have, obviously, been nontaxable.

So where is the death tax? We do not have a death tax. We never had a death tax. We have a tax on inherited wealth. That is what we have. So my colleague said, the most important thing at the moment, while we are deep in debt in the country—and with a growing debt and a need to control the debt—the most important thing at the moment is to get rid of the death tax, which means you want to provide tax breaks for billionaires.

I did not vote for the proposal in 2001 that put us on a course of changing our tax system with very large tax cuts for the wealthy and reducing the estate tax obligation so that it came down to having zero estate taxes in 2010 and then spring back to a higher estate tax in 2011. I did not vote for that. I thought it was about half nutty. But it passed. Enough people thought, apparently, it was OK, so they voted for it.

So now, last year, we had an estate tax that had an exemption of $7 million for husband and wife—$3.5 million each—and a 45-percent rate.

This year, the estate tax went to zero; that is, nobody has to pay any estate tax. So we have had four billionaires die this year. The late George Steinbrenner died, the owner of the Yankees. So his estate will not be taxed—well over $1 billion.

I have said, this is the ''throw mama from the train year.'' You know the movie ''Throw Mama from the Train.'' This is the year—if somebody has to go, I guess, especially billionaires, they get to pay no taxes this year. Then the estate tax is supposed to spring back to a $1 million exemption, husband and wife, and a 55-percent rate.

So my colleague and others now say the highest priority for them is to eliminate the death tax. This year, we will have lost about $15 billion in revenue because there is no estate tax. That is just this year. Over 10 years, it is a very substantial amount.

Who is going to benefit if you eliminate the estate tax? Well, if under last year's law you had to have $7 million in total assets to pay an estate tax, how many people would pay it? Very few, less than 1 percent. In fact, I think it is three-tenths of 1 percent of the American people would ever pay an estate tax. Now we are told the highest priority is to eliminate the estate tax, which means that America's billionaires are going to be given a tax break, and those who want to do it say we want to do that because they should not be taxed twice. Well, they are not taxed twice.

That estate, in most cases, has never borne a tax. Most of it is growth appreciation from stocks or bonds or property and has never borne the tax that most people have to pay.

A lot of people get up in the morning and put on their clothes and go to work, and they work at a manufacturing job all day—although there are fewer these days because we are moving those jobs to China—but they get up and go to work and then they come home and they have withholding on their paychecks and it says they paid taxes. They have to pay taxes for kids to go to school and to build roads and to pay for the police and to pay for the Defense Department and so on—the Centers for Disease Control. They have to bear a burden as an American citizen to help pay for the things we have together.

But if we eliminate the estate tax, we say to, for example, Bill Gates—when Bill Gates expires—that $50-some billion or $60-some billion of yours, most of which has never had any kind of a tax burden at all, we believe it ought to be tax free. That is the highest priority?

I used the word ''nutty'' before. Let me state again that is just nutty. What are you thinking?

Here is something I quoted yesterday from Will Rogers. Will Rogers, 80 years ago, had it right, and it certainly applies to some in this Chamber for sure. Will Rogers said:

> The unemployed here ain't eating regular, but we'll get around to them as soon as everybody else gets fixed up OK.

Well—do you know what?—go back about 18 months and just figure out who got fixed up in this country, who got fixed up OK. Do you think the folks at the top of the economic ladder get fixed up? Yes, yes. In fact, the lowest unemployment rate in America is those at the top of the economic ladder.

There is a pretty low unemployment rate actually in the Senate, now that I think of it. We all get up in the morning and put on a white shirt and a suit and a tie, and we all eat three meals a day.

But the people at the bottom of the economic ladder—those 5 million Americans who have lost the manufacturing jobs, the people who are looking for jobs and cannot find them, when we are 20 million jobs short; the people who have been laid off, professional people who, in many cases, were laid off and have been searching for work for 2 years and cannot find it—they are the people who seem somehow forgotten.

So now we have a priority by some in this Chamber of saying we have to get rid of the death tax—a tax that does not exist. In a bill they filed that would only benefit largely billionaires in this country. It is unbelievable. It is just unbelievable.

I do not know, maybe the people who are out of work need to change their names. There are names that signify wealth, at least it sounds like they are from a family that inherited wealth. But it just seems to me to be something that is pretty much in sync with what Will Rogers said a long time ago in terms of what is happening here. The people at the top get fixed up pretty well, and the rest do not matter much. That is a pretty pathetic set of priorities, in my judgement.

TRIBAL LAW AND ORDER ACT

Mr. President, I want to say a word about a piece of legislation the Senate has passed and the House has passed and ought to make all of us feel as if we have done something very admirable and something that is going to save lives. So let me do that in a very positive way.

The Tribal Law and Order Act, which we passed—I passed, along with a lot of help from the Indian Affairs Committee, and the Senate passed—now the House has passed that legislation. That will now be signed by the President into law.

Why is that important? Well, let me give you an example. On the Standing Rock Sioux Indian Reservation—that straddles North Dakota and South Dakota—the rate of violent crime is not double or triple the national rate of violent crime. That would be pretty tough to live in a neighborhood where you have double or triple the national rate of violent crime. It is eight times the rate of violent crime for the rest of the country.

Live in that circumstance. Be a young child going to school or be an elder trying to get along and live in a neighborhood, live on a reservation, live in a circumstance where the rate of violent crime is eight times the national average. The stories we have heard at the hearings we have held are unbelievable.

On the Standing Rock Sioux Indian Reservation—it is almost the size of the State of Connecticut—they had nine full-time police officers to patrol over two million acres of land. It is not possible to do a good job with so few officers. In one area of that reservation, a violent sexual rape, a crime in progress, a robbery, and a call to the police might get someone there later that day, or it might be the next morning, or days later—nine police officers to patrol that land 24/7. That does not work.

We have passed a piece of legislation that I think is very good, the tribal law and order bill. It is bipartisan. I am proud of that. Senators JON KYL and JOHN BARRASSO worked with me to get this legislation through the Senate. Let me mention cosponsors JON TESTER, MAX BAUCUS, MARK BEGICH, MICHAEL BENNET, JEFF BINGAMAN, BARBARA BOXER, MARIA CANTWELL, MIKE CRAPO, AL FRANKEN, TIM JOHNSON, JOE LIEBERMAN, JEFF MERKLEY, LISA MURKOWSKI, PATTY MURRAY, DEBBIE STABENOW, JOHN THUNE, MARK UDALL, TOM UDALL, RON WYDEN—so many. But there are so many who worked so long to try to respond to these problems.

The legislation deals with cross-deputization of law enforcement officers on Indian reservations and those off the reservation. We deal with the tribal court system and a wide range of provisions that we put in this legislation that are going to make a very big difference.

I have said on the floor previously that violence against American Indian and Alaska Native women has reached epidemic levels. We have heard it in the hearings and the testimony. One in three American Indian and Alaska Native women will be the victim of rape during her lifetime—one in three. That is an epidemic of violence.

We held 14 hearings in the Committee on Indian Affairs, which I chair, relating to public safety on Indian lands over the past 3 years. I had staff go across the Nation consulting with tribal governments and local law enforcement. Based on those consultations, we put together a piece of legislation that I think will make a very big difference. It strengthens the tribal justice system. It provides tools to law enforcement officers on the Indian reservations.

It will require the U.S. Attorney's Office to do its job. Violent crimes on Indian reservations are to be prosecuted by the U.S. Attorney's Offices, and in most cases those offices are many, many miles away from a reservation. Crime on Indian reservations becomes just a part of the backwater of work in those offices. We have information that 50 percent of murder cases on Indian reservations are declined for prosecution. They call them declinations. Think of that. In 50 percent of the cases, there is a declination of prosecution for the charge of murder. Nearly three-fourths of the cases for sexual assault are declined to be prosecuted. That is not fair, it is not tolerable, and we shouldn't stand for it.

We had a hearing with Chairman Herman Dillon of the Puyallup Tribe in Washington, who testified about the gang activity crisis on their reservation. There are 28 active gangs on that reservation, with members as young as 8 years old. The gangs are involved in drug trafficking, weapons sales, and turf wars where innocent bystanders are injured. This piece of legislation is going to increase the number of law enforcement personnel on reservations and provide better law enforcement training for those personnel.

I won't go through the stories we have heard, but they are unbelievable. There are a whole lot of victims out there living in Third World conditions on Indian reservations where they have inadequate health care, housing, and education. We have worked on all of those issues.

I am proud to say we passed the Indian Health Care Improvement Act earlier this year. It is now signed into law. We did that this year. It is the first time in 17 years that the Congress has dealt with those issues.

Now we have passed the Tribal Law and Order Act. This is the most significant of policy changes and legislation affecting the first Americans that has been passed in decades. I want to say to my Republican and Democratic colleagues who worked with me to accomplish this that I believe lives will be saved because of this legislation. I believe this will make a profound difference across this country in addressing these critical issues.

We have had hearings about Mexican drug cartels now running drugs through Indian reservations. I just described the circumstances of gangs.

There is so much that needs to be done. Finally, at last—at long, long last—we start down the road of improvement by having passed this legislation. I talked to President Obama yesterday and mentioned the passage by the U.S. House of our bill. He campaigned on this issue. It was very strongly supported legislation, and I know he will take great pride in signing it.

Finally, with all of the competition and tension, sometimes, between the House and the Senate, let me say how much I appreciate the work the House of Representatives did on this legislation.

Let me make one final point about Indian policy as I complete my statement. There is one other issue that is out there that I think desperately needs to be resolved, and that is something called the Cobell lawsuit. It has been languishing for 15 years. Last December, there was an agreement reached between the U.S. Government and the Indians in the Cobell case. We were given 30 days in the Congress to approve the settlement, and it has not happened. We must, must, must find a way to make that happen soon.

I showed a picture of a woman living on an Indian reservation with oil wells that were hers that she could see from her house, and she lived in a very small house. Why is that the case? Because she didn't get the money from the oil wells she owned. The U.S. Government created trust accounts for Indians, and manipulated those trusts, stole from those trusts, lost the records from those trusts over 150 years, and that is what resulted in this lawsuit called the Cobell lawsuit. It has gone on for 15 years, and a good many Indians have died while that lawsuit has gone on who should have benefitted from that lawsuit.

There was a settlement agreement reached last December between the parties. We were given 30 days by the Federal court to approve the agreement, and now it is 6 months later and nothing has happened. The first Americans don't deserve this treatment. I hope very soon that the Cobell settlement will be a part of a piece of legislation that is passed by the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I don't think we are under any time agreement. I think the leadership is coming to talk about how we might vote tonight because we have a couple of very important votes to make tonight, if I could speak for the next 10 minutes.

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

Ms. LANDRIEU. Mr. President, before I speak about the underlying amendment, the small business amendment——

Mr. DORGAN. Mr. President, will the Senator yield for a question?

Ms. LANDRIEU. Yes, I will.

Mr. DORGAN. I apologize for interrupting the Senator. I didn't catch what she said about votes. Has there been a decision made about votes?

Ms. LANDRIEU. I don't have the final details, but I understand we will be voting sometime tonight, in the near future, on several different amendments that have to do with potentially the supplemental bill and potentially the small business bill, but the good Senator might wish to check with somebody a little above my pay grade.

Mr. DORGAN. Well, that is actually fairly specific, though. It was sometime later about some things. I appreciate the Senator for responding to me.

Ms. LANDRIEU. I am just in charge of one amendment, but I thank the Senator.

Mr. DORGAN. I understand.

Ms. LANDRIEU. Mr. President, I have spent the better part of this day on the floor with many of my colleagues speaking about the small business jobs bill that is so important, and I would like to give credit to some of my Republican colleagues. They have worked very hard on portions of this bill, and I am very grateful. A portion of it came out of the Small Business Committee with a lot of bipartisan support; a portion came out of the Finance Committee with bipartisan support; and this amendment I am offering is a bipartisan amendment. Senator LEMIEUX, the Senator from Florida—in fact, both Senators from Florida have been extremely supportive. The Senator from Florida and I are the lead sponsors of an amendment that has over a dozen cosponsors. The Presiding Officer, a member of the Small Business Committee, is a cosponsor of our amendment, and I am so grateful to the Senator from Illinois for his input into the bill.

This is a very important amendment to the small business package. The House has already voted on the package of the small business bill. They had a strong vote, and it was a bipartisan vote. Three Republicans voted in the House, including my own Congressman from the city of New Orleans, and the Congressman from Delaware and the Congressman from North Carolina also voted for the small business package with the three components: the $12 billion tax cut for small business—and they most certainly need it—the other part which strengthens the Small Business Administration's programs, and they voted for the Small Business Lending Fund.

So that bill, of course, has come over here. Because there was really inexplicable opposition from many of the Republicans, we have had to go into a little different strategy, offering the lending fund amendment separately. I am very confident we will have the 60 votes because Senator LEMIEUX has stepped up from Florida. I see the other great Senator from Florida on the floor, who has been a great supporter of this amendment. What they know, what I know, what Senator CANTWELL knows, what Senator MERKLEY knows, what the Presiding Officer knows is that without this amendment, small businesses throughout America are still going to have a very difficult time getting the capital they need to expand and grow.

Small businesses did not cause this economic meltdown. Our community banks did not cause this economic meltdown. The ripoffs, the meltdown, the dysfunction of our financial system was caused by big banks that took risky positions on instruments they couldn't explain, and then they made up more, and the system collapsed like a house of cards. But do we know who is paying the price, unfortunately, besides the taxpayers? Small businesses and our community banks.

Hundreds and hundreds of letters have come from the community banks. This one we will put up said:

> Majority Leader Reid, Minority Leader McConnell, on behalf of 5,000 members of the Independent Community Bankers, I write to urge you to retain the Small Business Lending Fund in the Small Business Jobs Act. The Small Business Lending Fund is the core component of this legislation and the provision that holds the most promise for small business job creation in the near term. Failure to even consider the SBLF in the Senate would be a missed opportunity that our struggling economy cannot afford.
>
> The Nation's nearly 8,000 community banks are prolific small business lenders.

A report I submitted for the RECORD earlier said this: We gave—and many Republicans in this Chamber gave—lots of money to the big banks. Do my colleagues know what they did? They cut their lending to small business. These small banks that hardly got anything from TARP tried to keep lending the best they could. But then we sent them more regulations, their capital is getting squeezed, and if we don't provide additional capital to healthy banks, we are not going to get lending to small business. That is what these community bankers are saying.

The opposition has come to the floor and said this is TARP II. Let me say again, this is for Main Street. We have a Main Street sign. This is for Main Street. This is for small business. TARP is the Troubled Asset Relief Program, $700 billion for big banks on Wall Street. This is a Main Street program for healthy banks to lend to small businesses that are on Main Street. It is a $30 billion program that will earn, according to the CBO, $1 billion. It doesn't cost the taxpayer as TARP did; it saves the taxpayer money, and it actually puts $1.1 billion into the Treasury at the end of 10 years. That is what the CBO score said.

Two people came down—one, Senator SNOWE, for whom I have a lot of respect, and the other, the Senator from South Dakota—both came down and said: But our estimate is that it will cost $6 billion. I appreciate their estimates, but the only estimate we go by in this Chamber is CBO. They are entitled to their own estimates, but I want people to know that the only score that matters is the official CBO score. We have the official CBO score. It doesn't cost money; it makes $1.1 billion. They are entitled to their opinion.

So it is not TARP, it does not cost the taxpayer money, and it most certainly is not a bailout for banks. It is a help to small banks.

The other thing I heard—and I see the Senator from Michigan, and I know she wishes to speak on this as well, and potentially the Senator from Florida—the other amazing argument I heard from the Senator from South Dakota was that this is another Democratic government program. I told the Senator from South Dakota—with all due respect, through the Chair, I said: If we had to take out the words "big government," "taxes," and "regulations," nobody on the other side could finish a sentence. This is not a government program; this is a program to give capital to community banks.

As the Presiding Officer knows, there was a version of this that came to my attention, as the Senator from Michigan will know, that said: Let's not go through community banks. Let's do the direct lending. Let's just give it to the Small Business Administration, $30 billion, and let them lend to small businesses because some banks are lending, some banks aren't. Small businesses are so desperate. All they have is high-interest-rate credit cards. Let's do direct lending.

And silly me said: You know, we really want bipartisan support for this, and I just don't think I am going to be able to convince one Republican—even though I think it might work, I don't think I am going to be able to convince them to go through a direct lending program for the government.

So I had to go tell about 10 Democrats who were very upset: I am sorry, I don't think we can do that. But I do think we can do a private sector lending approach that might work.

So I have to sit here and listen to some Republicans come to the floor today and say to me that this is not a private sector approach. It is ludicrous. It is, on its face, a private sector approach.

These are not banks run by the government. These are private sector banks, run by our friends in our communities. We see them at the Kiwanis, Rotary, in church and synagogues; we talk to them every day. But the Republicans don't want to help community banks and small businesses.

The same Senator, from South Dakota, who came down here to say this was like TARP, voted for TARP. This isn't TARP. This is a program to help small business.

I see the Senator from Michigan—and we are going to vote in a minute.

Mr. NELSON of Florida. Will the Senator yield for a question?

Ms. LANDRIEU. Yes, I yield to the cosponsor of the amendment.

Mr. NELSON of Florida. I would like the Senator from Louisiana to underscore the fact that the $30 billion put into this lending program, which will inure to the benefit of small business, is going to end up multiplying like the fishes and the loaves; it will end up being worth, over that 10-year period, $300 billion.

Ms. LANDRIEU. Yes.

Mr. NELSON of Florida. Would the Senator also agree that when you look at the list of all the institutions that support this lending facility, they are some of what we would think of as the most conservative organizations, and they are very much in favor of this?

Ms. LANDRIEU. Absolutely.

Mr. NELSON of Florida. Including the Florida Bankers Association, including the Community Bankers Association—because they know what it is. They got dissed on the big TARP—which some of us voted against—even when we tried to carve out little portions for small business, and it never worked because the banks would not lend the money; and now we are going to create a program specifically targeted to help small business through community banks.

Ms. LANDRIEU. Absolutely. The Senator is correct. He refers to this long list, which I have read several times on the floor. It is quite lengthy. These are not liberal organizations. They are not even Democratic or Republican organizations. They are business organizations, including the American Apparel and Footwear Association, the Arkansas Community Bankers, American Bankers Association, the Marine Retailers—these are conservative-to-center organizations. This isn't the Sierra Club. These are conservative organizations that are supporting this.

This is a private sector approach. It is $30 billion that will multiply to $300 billion. We have boxes of letters from small businesses saying all they have—as the Senator from Michigan knows—is the credit cards that they have to pay 16 to 20 percent on. Senator CANTWELL almost choked me up when she said that one of the businesses in her State had to take out a loan at 50 percent. How do you make money when you are borrowing money at 50 percent interest?

We have a program where they can walk down the street and go to their community banks and borrow not from the payday lenders but from the community bank. The Republican caucus wants to tell us this is like TARP so they can put a bumper sticker on their car for the election.

The Senator from Florida is correct. There are any number of conservative organizations from all of their States that are supporting this.

Ms. STABENOW. Will the Senator yield?

Mrs. LANDRIEU. Yes.

Ms. STABENOW. I thank the Senator from Louisiana for her tireless advocacy and leadership in getting us to this point, because this is absolutely critical for small businesses, certainly in Michigan and across the country. I know we talked about it before.

Isn't it true that when we look at job growth—and this is a jobs bill, I am sure the Senator agrees—small businesses are creating the jobs? Would she not agree, as well, that when we look at manufacturing in my State, the suppliers are small businesses? So what we are talking about here is growing jobs. Would the Senator agree and speak about the fact that this is about jobs, about the fact that the majority of the jobs are coming from small business, and these are the folks who didn't cause the financial crisis, and they didn't create the recklessness on Wall Street? They got hit by it, along with our community bankers who didn't cause it; would the Senator agree?

Ms. LANDRIEU. Absolutely, this is a jobs bill. The Senator from Michigan represents a State that has been one of the hardest hit States, the automobile industry. She has firsthand experience there. She knows these numbers as well as I do: From 1993 to 2009, 65 percent of jobs have been created by small business, and only 35 percent of the jobs were created by big business.

If some people are wondering why this recovery seems to be a jobless recovery, it is because it is. Big businesses have a lot of profit right now. Has anybody noticed that the stock market is going up? They are sitting on their cash. Has anybody noticed what Goldman Sachs reported lately? They did very well out of this.

If you want a recovery with jobs, where people can actually go to work, earn a paycheck, and pay taxes to help us get out of this deficit, and stimulate demand, you better support this. I am so tired of hearing the other side, I say to the Senator from Michigan, when they come down here and say: But the NFIB says that there is no demand.

First of all, the National Federation of Independent Business did not say that. So to their credit, I want to say on their behalf—although they have not come out strongly in support, they are not opposing, they are neutral—their own survey said that 40 percent of NFIB'S membership—a very conservative organization—said they didn't need any money. But that leaves 60 percent who said they could not get the loans they had asked for.

So this whole argument that says there is no demand—I want the Senators who vote against this to go back and try to give a speech on Main Street. I challenge you, all of you who might consider voting "no" on this amendment, I want to see you go home and stand on any Main Street and try to say to your people—look them straight in the eye and say: We know down here there is no demand. Nobody needs any money because nobody is selling anything, and there is no demand.

Mr. NELSON of Florida. Will the Senator yield for another question?

Ms. LANDRIEU. Yes, I yield for that purpose.

Mr. NELSON of Florida. I ask the question to underscore what the Senator from Louisiana has just said, which is that small business, which is the mainstay of the economic engine in so many of our States—certainly, that is true with Florida, as a matter of fact—the technological ingenuity of America often comes out of small business firms. How many times have we heard in our townhall meetings or in meetings with elected officials back in our States, the people who are being starved to death are the small businesses, because the banks won't lend? The big banks don't give them a break, and they are going out of business. They could have hired or doubled their employment. The community bankers want to lend, but they feel that the regulators have clamped down on them and this program—if it can multiply to $300 billion of lending for small business over the next 10 years, at a minimum, isn't that the kind of jumpstart we need to provide jobs and get this economy moving again?

Ms. LANDRIEU. Yes. It will create many jobs, and maybe we can then have a recovery that has jobs associated with it. That is the effort. We have fashioned this so that it is going to make money for the Treasury. It is not related to TARP funding. It is only for community banks. It is only for small business.

I see the Senator from Michigan. I wish to yield time to her, if she wishes to speak, and then the Senator from Oregon and the Senator from Washington wish to speak as well.

Ms. STABENOW. Mr. President, I thank the Senator, the chair of the Small Business Committee, for her leadership and her passion.

I could not agree more. We have to focus on jobs. When you support small business, both the underlying bill and the changes, in terms of tax cuts for small business, as well as this provision, this is a great opportunity for us to support small businesses in this country, where the majority of jobs are created.

Every time I go home, as the Senator from Florida mentioned, I am approached by small businesses that cannot get capital and cannot get the loans they need or get their line of credit extended. This is absolutely critical for us.

In addition, I thank Senators KLOBUCHAR and LEMIEUX for their export promotion piece, which is equally important. When we look at opportunities for small business and the opportunity to support their efforts to sell their products overseas in a global economy, this is also about creating jobs. I had the opportunity not long ago to be in Beijing, China, at the global auto leaders summit. I heard from people with the Foreign Commercial Service that they needed more assistance. If they had more staff, they would be able to support more businesses being able to sell into China.

We want, in this global economy, to be exporting our products, not our jobs. So focusing on exports and supporting what the President has called for—doubling exports in the next 5 years—creates jobs as well.

I again thank Senators KLOBUCHAR and LEMIEUX for their efforts on exports, and I thank Senator LEMIEUX and Senator LANDRIEU for the amendment as it relates to the lending authority. All of this adds up—all of this together, the underlying bill, with tax cuts, support for small businesses, which have seen collateral depreciate, and the efforts that we can provide to be able to support them to get loans through a collateral assistance program, the loan program, which is, in my judgment, a core provision, and then adding exports—all of it together is a jobs bill.

This is a fundamental jobs bill for small businesses all across the country. I urge colleagues to come together. I can't think of anything more bipartisan or anything that should be more bipartisan than a focus on American small businesses. This amendment is at the heart of that.

I strongly urge a very strong bipartisan vote.

I thank the Chair.

Ms. LANDRIEU. Mr. President, I see several Members on the floor. I am going to speak for 2 minutes, and then Senator KLOBUCHAR for 1 minute, and Senator MERKLEY for 10; and if somebody else comes, we will put them in the queue. Senator LEMIEUX may want to add a word.

I ask unanimous consent for that.

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

Ms. LANDRIEU. This says: Is small business credit in a deep recession? This is the NFIB. They are one of the most conservative business organizations. I want to read to you their executive summary. It says:

> Forty percent of small businessowners attempting to borrow in 2009 had all of their credit needs met.

Forty percent.

> Ten percent had most of their needs met.

Let's say that 50 percent had most of their needs met. That means that 50 percent of the 27 million small businesses in America did not have their needs met.

This is not the Sierra Club here. This is the National Federation of Independent Business, one of the most conservative business groups. I don't know who wants to come to the floor and say they don't know what they are talking about. I think they do on this subject, and on others. I don't agree with them on everything, but they are very legitimate when it comes to what their members say. They said that 50 percent did not get their needs met. The financial institutions extending lines of credit during 2009, when the country was operating at a high level—the same survey—a few years earlier, before the recession, said that 90 percent of businesses were finding the credit they needed. That is why we were having great economic times, because small business could get credit.

This is economics 101. This is not complicated. Right now small businesses have credit card debt up to here. They are paying 16 and 24 percent. Maybe that makes the other side happy. They have no equity in their homes to borrow, and here we have a provision trying to give community banks some capital, healthy small banks to lend to small businesses.

We know there is a need. Fifty percent of NFIB's own membership says they cannot get the money they need, and we have to fight?

I see the Senator from Minnesota. She has a very important part of this amendment. I would like to turn the floor over to her.

Ms. KLOBUCHAR. Mr. President, I thank Senator LANDRIEU for her great leadership on this bill.

What I have heard over and over from small businesses in my State is they want to know how come Wall Street is doing OK right now and they are still struggling. Somebody once said that it is like Wall Street got a cold and Main Street got pneumonia. They are still having trouble. Yet 65 percent of the jobs in this country come from small businesses.

When I look at the big businesses in Minnesota, such as Medtronic, it started as a little business in a garage. The Mayo Clinic started with two doctors starting a practice together. 3M started as a sandpaper company up in Two Harbors, MN. Big businesses start as small businesses, and we need to help them.

I support all the work that is done with getting the credit out there. I did want to note the important part of this amendment that was put together by myself and Senator LEMIEUX to help with exports. Ninety-five percent of the customers of this country right now are outside our borders, and 30 percent of small businesses say: If we could export, we would love to do it. We just don't have the people who speak the language who work for us. We only have five employees or we don't have the contacts to export our goods to Turkey. We don't have a full-time trade person.

Having some help for them so they can talk with people at the Commerce Department to figure out are these real customers, simply get on the computer and call our embassies. Those embassies should be their embassies, not just for big business. They should be the embassies for small and medium businesses too.

We are hopeful. This is a bipartisan amendment with a lot of support. It is going to help jobs in America. I hope we can get this passed because it is incredibly important to small- and medium-sized businesses.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I appreciate those remarks. A portion of the LeMieux-Landrieu amendment is to step up exports.

The Senator from Oregon has been one of the key designers of this program. He is going to speak about a very important point that we have been debating today. That point is this oversight report that was written by Elizabeth Warren, who now seems to be a very good friend of the other side. She wrote this report, and they held it up saying we have to listen to Elizabeth Warren. It is very interesting because I think they have had some problems with what she has been doing. Nonetheless, they think this report bolsters their argument.

I ask the Senator from Oregon to comment about this report because I think it has been misrepresented. I am confident it has been misrepresented. It basically says it is inconclusive. They are not sure this program is going to work. I will tell you who is sure this program is going to work: our community bankers, our small business associations that have written thousands of letters. Is anyone opening their mail?

I am not going to listen to a bunch of bureaucrats up here who are not sure something is going to work. I would like to listen to the hometown folks, and that is what this amendment is about.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MERKLEY. Mr. President, I came to the floor earlier to talk about a number of concerns that had been raised and how those did not actually fit the bill. One of those concerns was that banks would simply sit on the funds, which is not the case because there is incentive to lend. Another concern is there would be capitalization of failing banks, which is not the case because ratings are being applied so that capitalization only goes to healthy banks.

The point is not to save banks. The point is to get lending, to get capital into the hands of small businesses. I went through a number of those concerns.

Since I left the floor, there were three more issues that were raised by those who have concerns about the program. I wished to come back and address those issues.

One issue that was raised by a colleague is he said this program will have the government saying where to send money, what businesses will get money. In fact, no, not at all because similar to any capitalization of a small bank, the bank decides where to send money. That is the beauty of this public-private partnership; we are channeling, we are connecting to the power and wisdom of the small banks that understand the economy on their Main Street, that understand the reputation and capabilities of the folks who are asking for the loans, that understand the local economic dynamics. That is the duty. It is small banks that do what they do very well, which is decide where it is smart to invest and not invest.

A second concern that was raised since I last left the floor was that this would create a rush to lend. I think maybe the speaker had some picture in his mind that the moment a small bank got capitalized, they would immediately be judged on how much they had loaned out and that their rate of dividends would be set on that and, therefore, they would just throw the money out the door.

I wanted to make sure folks understood the basic mechanism in this bill. It works like this: For every 2.5 percent incremental increase in loans made by small and medium banks, the dividend would be reduced by 1 percent. This is the key phrase: The enumerated loans would be monitored for a 2-year period, starting on the date of the investment. Based on the lending rate at the end of that 2-year period, the dividend rate would be locked in and the bank would benefit from this attractive rate for the next 3 years.

If a bank seeks some funds to be recapitalized, it has a full 2 years to get loans out the door and needs to do so only at a rate of 2.5 to 1; whereas, we know a lot of banks will leverage that at 10 to 1. This is a modest standard and certainly nothing that would impel a rush.

The third critique that was raised said this report—I hold up the cover, the ''May Oversight Report, Small Business Credit Crunch and the Impact of TARP,'' said there was a moral hazard in the structure of a small business lending fund. Let's find the language in the report and analyze what was actually being said. We will find it on page 77. Feel free to look it up.

In this report, it is going through a series of issues and saying: OK, this is something worth considering. That is why we value these kinds of reports because they point out the challenges we might be facing and allows us to design legislation to work better.

This report notes:

A capital infusion program that provides financial institutions with cheap capital and a penalty for banks that do not increase lending runs the risk of creating moral hazard by encouraging banks to make loans to borrowers who are not creditworthy.

Then it goes on to answer that critique:

Although, in the legislation, the carrot . . . is arguably stronger than the stick. . . .

It is an incentive system rather than a penalty system.

Then it goes on to note further, and it received feedback from Treasury:

. . . the SBLF was designed to minimize the chances that banks will use the capital to make risky bets.

Why is that?

The program does not shift risk away from the banks that receive the capital: any institution that receives funds under the SBLF is obligated to repay that money to Treasury and therefore will lose money if it makes a bad loan.

I made this point earlier that unlike a guaranteed loan program where it does not matter if you make a bad judgment, in this case, it is the banks themselves putting at risk their own profits, utilizing their best judgments.

I think it is appropriate that folks come to the floor and say: I want to oppose this bill because it has this problem and this problem. That is the value of debate. Others can come to the floor and say: Actually, it is not designed like that; actually, it has been addressed because it has gone through months of people wrestling with the best design to harness the power of small banks, to address the challenges of small businesses in getting loans.

We will not get out of this recession if we do not empower our small businesses. There is only one other approach that has been brought to this floor as an alternative, and that alternative is to tell the small business to run up its credit card. I don't know about in my colleagues' States, but in my State, running up your credit card is not a viable option for small businesses to succeed.

We have the power, the wisdom of Main Street banks helping Main Street small businesses. Let's put that power to work.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I see the cosponsor of this amendment. I will ask unanimous consent for him to be recognized. But before I do, I wish to ask a question of the Senator from North Carolina. Senator HAGAN is on the floor. I would like to pose a question, if I may, because she was a banker, I understand. I would like to ask her if, in her view as a banker—I think it might be interesting to hear from somebody who was actually a banker. Senator BURRIS was a banker. He spoke—what does she think about this program.

If she was still a banker, would she be interested in accessing this capital from the Treasury and how it might help small businesses in the communities she used to lend to, if she would be so kind as to answer that question.

The PRESIDING OFFICER. The Senator from North Carolina.

Mrs. HAGAN. Mr. President, I applaud the Senator from Louisiana for putting forward this amendment with the Senator from Florida. I think banks would be interested in lending this money. I think small local, community banks know their client base, know their customers. They are the ones to which these funds are going to be made available. It is not going to be the big banks. This is going to go to banks with $10 billion assets or less. There is nothing forcing these banks to take this money.

I highly recommend we move forward with this bill. I echo so much what Senator LANDRIEU has been talking about on the floor today. The small business lending fund is an absolutely critical component of the small business package we are moving through the Senate. Small businesses are the backbone of our economy and, in particular, in the State of North Carolina. In fact, small businesses represent over 98 percent of the State's employers in North Carolina and close to 50 percent of the private sector jobs.

Having spent the last year and a half meeting with small business owners all across North Carolina, I have seen firsthand the power of their determination and innovation. I know that the small businesses will be the catalyst that we need right now for our economic recovery.

In North Carolina, we have over 455,000 people unemployed—455,000. We need to be doing all we can in Congress to help this recovery. Small businesses cannot begin to grow and expand and hire until they have access to credit and capital to invest. The small business lending fund does a lot to address that problem by giving banks a powerful incentive to increase lending to small businesses.

I have heard my colleagues in South Dakota and Alabama speak today about this bill, comparing it to TARP, implying that banks will not participate because the fund too closely resembles TARP. Nobody is making a bank participate. This is totally voluntary. The small business lending fund is not another TARP. It is not another bailout. This fund goes to Main Street banks, our local community banks, not the big ones, not the ones with $10 billion assets or larger.

These are provisions targeted at providing money to the banks that are the healthiest and most capable of increasing lending. In fact, the measure contains provisions to ensure that the funds only go to the banks that are healthy and viable.

In North Carolina, which is one of the biggest banking States in the country, our bankers have offered their endorsement of this proposal.

I am focused on creating a better climate for businesses to add jobs in North Carolina and across the country. I think this is a sensible proposal that will help small businesses to hire and grow.

I thank the Senator from Louisiana, as well as the Senator from Florida, for putting forth this amendment.

Ms. LANDRIEU. I thank the Senator from North Carolina, and I ask unanimous consent to yield the next 15 minutes to the Senator from Florida.

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

The Senator from Florida.

Mr. LEMIEUX. I again thank my colleague from Louisiana and all my other colleagues. I see the Senators from Washington and Minnesota, who have worked on this bill are here. I think this is a very important piece of legislation, and that is why I have worked in a bipartisan way with my friend from Louisiana, who has been a leader on this bill and has put this bill together.

I know this is not without controversy. Some of my colleagues were here earlier, and they do not support this bill. I have enormous respect for my friends from South Dakota and Tennessee, and I appreciate their perspective, but I respectfully disagree with it. I think it was Ronald Reagan who said that if we agree on something 90 percent of the time, that means we are friends, and we are friends. I have tremendous respect for their views. But this bill does not bring with it, I believe, the problems my friends pointed out. This legislation helps small businesses, and in my State of Florida, that really matters because while we are the fourth largest State in the country, we are a small business State, not a big business State. We do have our share of big businesses, and we will grow more in the future. But because of Florida's meteoric rise in population over the past 20 or 30 years, we don't have those Fortune 100 companies headquartered in our State as other States do. Instead, we are a collection of small businesses, for the most part—nearly 2 million small businesses in Florida.

But during this recession—the worst recession Florida has seen in anyone's recent memory—those small businesses have been hurting. When I drive down the interstates and the State roads of Florida and I go past the small strip shopping centers and small buildings that house those small businesses that employ so many Floridians, unfortunately I now see a lot of dark and vacant buildings because these businesses have not been able to make it through this recession. Our unemployment in Florida is nearly 12 percent, and it may be worse than that because many no longer seek employment. If you figure the underemployed along with the unemployed, one in five adult Floridians who are able to work either doesn't have a job or doesn't have enough of a job. We are No. 2 in mortgage foreclosures, and we are No. 1 in the country in being behind on our mortgage payments. So Florida is hurting. There are signs that things are getting better, but we are struggling. And more than perhaps any other State, our small businesses need help.

This bill does that in a commonsense way, and let me explain why. The bill provides $30 billion for local community banks. This isn't Goldman Sachs, this isn't AIG, this is the banker down the street—the one you see at church or synagogue, the one in your Kiwanis or Rotary, the one who shops in the same stores you do. This is not some Wall Street banker but your local banker. So the bill provides $30 billion for local banks to make loans to small businesses.

The first reason it is not like the other program that was passed to bail out Wall Street is it is optional. The Treasury Secretary and the Chairman of the Federal Reserve are not going to get a bunch of local banks in a boardroom one night and pressure them into taking this money, as was done with TARP. It is voluntary. If they do not want it, they do not have to take it.

Second of all, this isn't going to increase the deficit. In fact, unlike most programs here in Washington—and my friends on the other side know I come to the floor all the time worried about the way we spend money in this Congress, worried about our debt and deficit, worried about what it will mean for our kids and our future—this piece of legislation is actually going to return more than $1 billion to the Treasury over time—so not a deficit, a surplus.

Again, the program is voluntary, it doesn't create a debt or deficit, and it doesn't create big government. It puts the money in the hands of community bankers to lend to small businesses, the folks who create jobs. My friend from Louisiana had a chart up earlier reflecting that 65 percent of all jobs are created by small businesses. I believe that number is far greater in my home State of Florida.

So who supports this amendment on which we have been working? Well, in Florida, the Florida Bankers Association does. Alex Sanchez, the president and CEO, wrote me and said:

> This bill will help create jobs for Floridians by increasing the loans to Florida's economic engine: Small businesses.

Who else supports it? Camden Fine, the president and CEO of the Independent Community Bankers of America. He said:

> This legislation is a positive for our community banking sector and to our small business customers who are vital to job creation and the economic recovery.

Robert Hughes, National Association for the Self-Employed, says:

> The National Association for the Self-Employed, on behalf of our 200,000 member businesses, strongly supports creating the Small Business Lending Fund, which we hope will alleviate the funding and credit freeze faced by small businesses by expanding loan resources.

Barney Bishop, president of Associated Industries of Florida, which represents businesses throughout Florida, says that this act moving through the Senate right now will help small businesses and ''lead to jobs, jobs, and more jobs.''

David Hart, executive vice president of the Florida Chamber of Commerce, says:

> Their ability to access capital is critical for economic recovery and job growth. The Florida Chamber of Commerce Small Business Council believes the Small Business Lending Fund will enhance the ability of small business owners to create jobs and transition Florida to a new and sustainable economy.

Javier Palomarez, president and CEO of the Hispanic Chamber of Commerce, writes in support of this bill:

> The United States Hispanic Chamber of Commerce, which represents more than 200 local Hispanic chambers and serves as the national advocate for nearly three million Hispanic-owned businesses in our country, supports passage of the Small Business Lending Fund Act.

These are Main Street groups. These are business groups that support this bill. So with all due respect to my colleagues who spoke before, this is good for business, and it is done in a measured and focused way that empowers the private sector. This is not big government. This doesn't run a deficit and it doesn't increase taxes.

In fact, to my friends who are supporting the base piece of legislation but may not want to support the amendment, they should know that our amendment cuts $2 billion in taxes out of the base bill. So we are going to cut taxes. The base bill has a lot of other cuts in taxes for small businesses, and I talked about that when I spoke earlier today.

This is going to be good for Floridians and Americans by getting needed capital to these small businesses that are struggling. That is why I support it. And I hope my friends on this side of the aisle will look at this bill seriously. I hope they think enough of me to look at it and give it a thorough evaluation because I know it is sort of a strange position I am in here. There may not be a lot of support for this on this side of the aisle, but my job representing Florida is to do what is right by the people I represent and to do what is right for the people of this country, and I believe this bill will do just that. It is not a perfect bill. No piece of legislation is. It will not solve the entire problem. No piece of legislation can. But I believe it will help. It will help in Florida, and it will help across the States of this great country, and that is why I support it.

In conclusion, Mr. President, I hope we can vote on this bill. I know the leadership is going back and forth trying to figure out a way to have some more amendments on this bill, and I believe that is the only obstacle to voting on this bill. I believe amendments should be allowed on this bill—a reasonable number—so we can get to it and we can pass it. Let's pass this thing before the weekend. Let's not wait until next week. Let's consider it, let's get it done, and let's help these small businesses.

Mr. President, I yield the remainder of my time to the Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank the Senator from Florida for his outstanding remarks and for his ability and his willingness to stand for the people of Florida because his State has had a great deal of difficulty, not unlike the State of California.

I see the Senator from California and the Senator from Illinois are on the floor and they want to speak. I would like to turn the next 5 minutes over to the Senator from California, but before I do, I want to respond to something the Senator from Florida said.

The Senator from Florida may not be the only Republican to vote for this amendment because today Senator GEORGE VOINOVICH said he would support the amendment. He is quoted today, if this quote that was reported in the paper is correct, as saying there is a real need out there to provide some money to some of these businesses and to get banks back involved.

He said:

> We have got to start doing something. Voinovich dismissed claims by fellow Republicans, including Snowe and Minority Leader McConnell, that the lending program resembles TARP because it involves Treasury Department loans to banks. Republicans have nicknamed it TARP, Jr. ''I don't buy that,'' Voinovich said. '' That is just messaging.''

As I said, my good friend from Florida may not be the only Republican to stand up and vote for this amendment, and I hope others will because this could mean a great deal to small businesses throughout America. This is for small business, it is for jobs, it is to get this recession over. We have to focus on Main Street.

Mr. President, the Senator from California would like the next 5 minutes.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I wish to thank the Senator from Louisiana, the chairman of the Small Business Committee, for her impassioned remarks. I have worked with MARY LANDRIEU on many issues. Sometimes we are on opposite sides. I don't like those times. I like these times. And I thank the Senator from Florida for his strong support.

Here is where we are. We are coming out of the worst recession since the Great Depression, and I don't sugarcoat it when I go home because everybody knows where we are. And I remember back to those days at the end of the Bush administration when we were bleeding hundreds of thousands of jobs every single month, and at that time, as we all looked at the situation, we realized who the job creators had been for the past 15 years. They had really been the small businesses. They created 64 percent of the new jobs. So when we talk about jobs, when we talk about turning this recession around, we have to focus on small businesses because they are the job creators. We have seen big corporations' profits return to prerecession levels, and they are sitting on their cash and they are not hiring.

We know small businesses are asking us to work with them so they can get credit. This is about healthy community banks being able to lend to healthy small businesses. This is not about toxic assets and toxic investments. This is such a strong program, the small business lending program, that the CBO estimates that we will make back $1.1 billion as the banks and small businesses pay back the fund.

Mr. President, I am going to spend the rest of my time reading into the RECORD the organizations and the businesses that support this bill:

The American Apparel and Footwear Association; the American Bankers Association; the American International Automobile Dealers Association; the Arkansas Community Bankers; the Associated Builders and Contractors; California Independent Bankers; Community Bankers Association of Alabama, Georgia, Illinois, Kansas, Ohio, Iowa, Washington, West Virginia, and Wisconsin; the Conference of State Bank Supervisors; the Fashion Accessory Shippers Association; the Financial Services Roundtable; the Florida Bankers Association; the Governors of Michigan, Ohio, Colorado, Connecticut, Illinois, Massachusetts, New Mexico, New York, North Carolina, Oregon, Washington, and West Virginia; Heating, Airconditioning and Refrigeration Distributors International; the Independent Bankers Association of Texas, of Colorado, and of New Mexico; the Independent Community Bankers of America, of Minnesota, and of South Dakota; the Indiana Bankers Association. It goes on and on. The Maine Association of Community Banks; the Maryland Bankers Association; the Massachusetts Bankers Association; the Michigan Bankers Association; the Missouri Independent Bankers Association. It goes on and on. The National Association for the Self-Employed; the National Association of Manufacturers; the National Bankers Association; the National Council of Textile Organizations; the Marine Manufacturers Association; the National Restaurant Association; the National RV Retailers Association; the National Small Business Association; the Nebraska Independent Community Bankers; the Pennsylvania Association of Community Bankers; the Printing Industries of America; Small Business California; the Small Business Majority; the Tennessee Bankers Association; the Travel Goods Association; the Virginia Association of Community Banks; the Hispanic Chamber of Commerce; and the Women Impacting Public Policy.

This is a list that reflects America. This is a list that reflects economic activity. This is a list of organizations in States that are struggling to get to good times.

This idea, that I have to say originally came from a Merkley-Boxer bill embraced by Senators LANDRIEU and CANTWELL and LEMIEUX, made better as it went down the legislative road, deserves to get 60 votes. It deserves to get, frankly, 100 votes. Because if we are serious about jobs, then we need to show it with our votes. It is not enough to get on the floor and complain and say, Where are the jobs? This is legislation, an amendment to a very important bill, that will leverage $30 billion into $300 billion. That is what we are talking about, the kind of a jolt to this economy that we need. And it makes money for the taxpayers.

Talk about a win-win, that is what this is. I am going to yield the floor and I am going to say one more time to the Senator from Louisiana, Senator LANDRIEU, thank you for your leadership. Thank you for your passion. This is about jobs, jobs, jobs, and anyone who votes no on this, in my opinion, don't say that you are for jobs because this is a proven job creator. We know it. Small business creates the jobs, 64 percent of the jobs. They need access to credit. They are not getting it from big banks. This allows us to get it from our community banks and it brings a very good marriage together—helping community banks, helping small businesses, and job creation.

I yield the floor.

Ms. LANDRIEU. Mr. President, I see the Senator from Illinois. I will ask unanimous consent for him to speak for 2 to 3 minutes. But before that, I wish to thank the Senator from California. The Senator from Illinois would know this, but this issue, this provision came originally from an idea that Senator BOXER and Senator MERKLEY had. She deserves a tremendous amount of credit.

Of course, she represents the largest State in the Union. Of course, she represents one of the States that has high unemployment. Of course, she listens to the people of her State and they are saying: Senator, where is the money to create the jobs?

I will submit this for the RECORD. The Senator from California does not need to see this because she knows it: Jobs lost by small business. Do we want to know why this recession is happening? I wish I had this blown up: 81 percent of the job losses come not from big business, not from Wall Street. I understand Wall Street is having fancy lunches. They had a lot of fancy lunches on Wall Street today. Do you know who is not even eating lunch, there is no brown bag to put it in? Small business. The Senator from California is a great Senator, fighting for her State. She has one of the highest unemployment rates in the country. The Senator from Illinois knows this as well. I thank her for putting this provision forward. I am happy to pick it up and try to carry the ball a little way down the field.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Are we under controlled time or seeking unanimous consent?

The PRESIDING OFFICER. We are not.

Mr. DURBIN. I ask unanimous consent to speak for 5 minutes.

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

Mr. DURBIN. I thank Senator LANDRIEU, who chairs the Small Business Committee. Not only does she have the facts, she has the tenacity and ferocity to take on these issues. You always want MARY LANDRIEU on your team. Like Senator BOXER, there are times when we are not on the same team. Thank goodness they are rare. But when we are together I know it is going to be a spirited fight and I am glad to join her in this effort. I thank her and Senator CANTWELL, but I also acknowledge, as she has, that Senators MERKLEY and BOXER were involved in the early formulation of this idea.

The idea was so obvious, it was so obvious that we knew when we spoke to small businesses the struggle they were having. They couldn't borrow money. Even good, reputable small businesses with great records could not borrow money. When they couldn't borrow money, it was impossible for them to sustain their business growth and to hire people.

In America, as we have lost 8 million jobs, with all the hardship and heartache that comes with it, we faced some hard choices. This week, the Senate and the House finally, after weeks of filibustering, came through with unemployment benefits for the millions of Americans who are struggling to feed their families during these hard times. That to me is the safety net. But if we are going to go beyond the safety net and create the jobs to put people back to work and get beyond this debate on unemployment benefits, we have to look to small business.

I heard the Senator from Louisiana talk about her view of small business and job creation. This bill that is before us, this amendment that Senator LANDRIEU brings before us today, is one that will create jobs in my home State of Illinois.

There were over 258,000 small business employers in Illinois in 2006, led by professional service and construction firms. These small businesses accounted for over 98 percent of the employers in my State. These small businesses added 93,000 jobs in 2006, more than three times as many as those by companies with more than 500 employees. Another 850,000 people worked for themselves in 2006, meaning the number of people working for small businesses was that much larger.

I am concerned about every firm losing jobs, but I know if we do not address the fundamental challenge facing small business, we are not going to turn this recession around quickly and that is what we all need to do and want to do.

What I struggle to understand, I will say to the Senator from Louisiana—perhaps she can answer this question: Where is the opposition to this? Where is the opposition? The Senator has read comments from the National Federation of Independent Businesses, a conservative business group. I have worked with them. Many times we lock horns but we have worked together on health care and things. So where does the opposition to this come from?

Don't we know if we take this money and loan it to small businesses it will be repaid? It has a leverage, a multiplier in terms of what it can mean to our economy, creating jobs, which means more taxes being paid, more people earning money with paychecks. I am trying to understand. Have people come to the floor on the other side of the aisle and explained why we would not want to provide credit for small businesses in the middle of a recession to help create jobs? I wish to ask the Senator if she would respond, through the Chair.

Ms. LANDRIEU. We have had three Senators come to the floor. The Senator, the ranking member of the committee is here now, Senator SNOWE. I have the greatest respect for the Senator. She outlined a few points that she has concerns about. I will come back to that in a minute.

There were only two other Senators who came to the floor—the Senator from Alabama and the Senator from South Dakota. From what I could gather, they think—the Senators said they thought this was sort of like TARP.

I tried to explain to them that, first of all, TARP was a $700 billion fund for banks that had troubled assets. This is a $30 billion fund for healthy banks to lend to small business. There were lots of bankers opposed to TARP. I tried to say to them in this case every banking organization that we know of, national organization, and the majority of the State bankers—not all; I want to be clear—the majority are all for it. So we are having a difficult time.

There may be some questions about the cost. It gets into a lot of detail. The Senator from Maine raised that issue. Our score, I said, is what I go by. The Senator knows it will generate $1.1 billion for this program.

Mr. DURBIN. If I can reclaim my time—I have a limited amount of time—thank you, because that addresses the issue. The fact is that this money will generate money to the Federal Treasury so it is not adding to our debt, it is creating jobs, helping businesses, reducing our deficit, and I might add—I am glad you made a reference to TARP. According to the Treasury Department, the 22 largest recipients of TARP dollars, banks, decreased their small business lending by $12.5 billion between April and November of 2009.

Here we are in TARP sending money to bail out the biggest banks and they are reducing their loans to small businesses as a result of it. What the Senator is saying, as I understand it, what this amendment is, is take this money, give it to healthy banks with the understanding it will be loaned to small businesses, they will prosper, create jobs, more taxpayers, fewer people on unemployment, and a net gain to the Treasury?

Ms. LANDRIEU. Yes.

Mr. DURBIN. This does not sound like TARP at all to me.

Ms. LANDRIEU. It is not. The Senator is absolutely correct. That is why I spent the majority of this day trying to be responsive to the several arguments that have been raised against it. I thought the Senator from Oregon did a beautiful job, much better than I did, explaining the nuances of this report that has been used to criticize this program.

But again, it is a private sector approach which the other side usually likes. It is community bankers whom we know, to small businesses that we know need the help. I cannot quite understand where this opposition is coming from. I said earlier, if you are looking for a bumper sticker for the election, go look elsewhere. Don't put a bumper sticker on the backs of small business in America. They don't deserve it. The letters are heartbreaking. The letters from Illinois are heartbreaking.

Women who have waited for 20 years while they raised their children finally start their business and I have to hear from the other side they don't like the bumper sticker? This is not about bumper stickers. We have waited a year and a half to get on a bill for small business. The House has already passed this bill.

It is laughable, to try to go home to your district. I don't care whether you are in Arizona or South Dakota or Alabama, you will be laughed out of the townhall meeting if you go home and try to explain that you don't think small business should get money from their local bank. They don't have the money to buy a train ticket to New York.

I mean, this is not funny. So unless somebody comes down here and gives me a relatively good argument—and I have the greatest respect for the Senator from Maine. We have never argued about anything on our committee. This didn't even come to our committee so we never argued about it. We have not argued about one thing because we feel so strongly. But for some reason this has become a political football. She did not make it that way and neither did I. Somebody did, but neither one of us did.

Mr. DURBIN. If the Senator from Louisiana will allow me to reclaim my time and finish and yield the floor at this point, I thank her for her passion and commitment. Around here we go through so many issues and debates, it sounds as if people are reading telephone directories and don't care, but there occasionally comes along an issue where it does touch you. You can tell from the Senator from Louisiana, she feels this issue—as she should. These are real people, who put their all into a business, who are about to lose it. These are real people who think their businesses can grow with a little bit of help and hire some people. Instead, what we hear from the other side is we are afraid somebody is going to twist this into a bumper sticker that will look bad.

I used to have a friend of mine named Mike Synar, from Oklahoma. We used to laugh when Members of the House of Representatives would say, ''Man, I hope we don't have to vote on that tough issue again.'' He said, ''If you don't want to fight fires, don't be a firefighter. If you don't want to come to Congress and vote on tough issues, get another job somewhere else.'' I think he was right. He is still right. If these people are afraid of helping small businesses for fear that somebody is going to dream up a bumper sticker and a 30-second ad, think about another job. Because if we can't face issues this important in the middle of a recession and help small businesses with the Landrieu amendment, then we have lost our way.

I am glad to support the Senator, and I yield the floor.

Ms. LANDRIEU. Mr. President, I see other Members on the floor. Senator BURRIS had spoken earlier. I wish to say there was an organization we failed to mention, but the Minority Bankers of America also have given their support to this. We are getting constant letters of support in.

I can speak for a few more minutes. I don't know if anyone else is interested in speaking. We still do not have a vote on this, so I will continue, I guess.

Mr. LEVIN. Will the Senator yield?

Ms. LANDRIEU. Yes, to the Senator from Michigan.

Mr. LEVIN. Mr. President, one of the arguments I have heard against the Senator's amendment—as the Senator from Illinois said, this is a replay of the TARP battle. I want to explore that for one moment with my friend from Louisiana.

Before I do, I must say about the Senator from Louisiana, her passion and commitment to small business, reflected in her chairmanship on the Small Business Committee—and I am honored to serve with her on it—has been nothing short of breathtaking. I thank her for that leadership.

On the TARP issue, those of us who voted for TARP have been criticized back home because it didn't result in a lot of credit flowing. We would have loved to have had the time so we could have taken some steps so we could have connected credit flow with what we were doing to try to save this economy from totally going under.

We did not have the time to do it at that time. We have been criticized, and to some extent I think fairly, for not connecting some kind of requirement on the part of banks that are being helped through TARP with some commitment to lend out that money, to get credit flowing again.

The issue we have heard more than anything about back home, I would say, in terms of businesses and why they are not adding jobs, is that even the businesses that have paid all their bills, that have folks out there who are willing to buy their products, cannot get the regular lines of credit that they have relied on, mainly because the assets that those credit lines have been based on have gone down in value, the way our homes have gone down in value.

So they have the same accounts. They have never missed payments they owe the banks. They have sales they can make. But in terms of the ratio that the banks follow because of the regulators, those banks are unwilling to extend the traditional line of credit because the assets of the companies have gone down in value, although their business sales have not gone down. So we have creditworthy businesses waiting for credit.

What this amendment does is—and I wish to ask the Senator if this is correct—this really is something—we are filling a gap TARP did not fill. A failure that TARP, I am afraid, legitimately is criticized for, we are trying and the Senator's amendment is trying to correct, to fill a gap which we did not fill in when we passed the TARP.

So there are incentives in this amendment to extend credit. That is the point of the amendment; that is, we will get credit flowing again. So the TARP reference, to me, is totally inappropriate. I wish to ask the Senator if that is correct.

Ms. LANDRIEU. The Senator from Michigan is absolutely correct. That is why this is so flabbergasting to me, because the Senator is correct. The TARP, some of us voted for it, some of us did not, but there are some legitimate criticisms of it. I mean, it went to a lot of the big banks, bigger banks. It did go to some middle-sized banks, I will concede that to the opponents. They have pointed that out, that it went to some middle-sized banks.

But what we did not do was connect it to lending. They took the money and they cut the line of credit. We are trying to fix that. This is an amendment to fix what we did not do correctly. This is an amendment supported by bankers, by small businesses. It does not go to big banks. They are not even eligible. It is voluntary. They do not have to take it.

If any Senator wants to vote against this and go home and say: Look, I can only give you credit cards with 16 percent interest—your people in Michigan cannot survive that, the Senator knows. They cannot survive it.

Mr. LEVIN. One last thing. This is what our local banks have been pleading for.

Ms. LANDRIEU. Yes.

Mr. LEVIN. I wish to thank the Senator for her leadership on so many other parts of this bill. This is a critical bill. It is a critical amendment that is now being offered.

We are at yet another moment in this ongoing economic crisis at which we have to choose, choose between taking action to help lift our country and its people, or failing to act to alleviate their struggles. Too often, in the face of opposition from many of our Republican colleagues, we have been delayed in making these choices. The legislation before us today is no exception: This bill has been on the Senate floor for 10 legislative days.

That is sad, because every day of delay on this bill has been another day that small businesses, businesses our Republican colleagues repeatedly commend as America's job-creation engines, lack the access to capital they need to continue to operate or grow. As the financial system recovers from the damage done by the greed and speculation of some on Wall Street, local banks that small businesses have depended on, and in many cases worked with for years, are not providing them with the capital to finance their inventories, meet their payrolls, operate their factories or add new products.

This legislation seeks to bridge that gap. If passed it will give thousands of American business owners a chance to keep current workers or hire new ones. It is the sort of thing we should rush to do in this economy.

Let me outline a few of the ways in which this legislation will help. This legislation would establish the State Small Business Credit Initiative, an effort that I have been working on for many months along with several of our colleagues here in the Senate, leaders in the House of Representatives, and the administration. Building on successful efforts in Michigan and other States, the initiative would provide crucial funding to State and local programs that expand capital access for small businesses.

These programs help businesses escape one of the traps that continues to hold back our economy: The fact that just as the recession has damaged the value of our homes, it has also damaged the value of the real estate, equipment and other items these businesses offer as collateral to secure loans, making it harder to get those loans and therefore harder to keep or hire workers, feeding a downward spiral that stunts growth.

This bill also includes a series of efforts to boost small-business lending that will create thousands of jobs without adding to the deficit. For instance, inclusion of the Small Business Job Creation and Access to Capital Act, which raises Small Business Administration loan limits, will increase small-business lending by as much as $5 billion. It also includes an Intermediary Lending Pilot Program, a proposal I offered which allows SBA to make loans to nonprofit intermediary lenders, who can then loan that money to growing businesses.

Other provisions of the bill will help more small businesses sell their products overseas or win government contracts, and provide much-needed assistance to SBA's women's business centers and microloan programs that help businesses in underserved communities.

The substitute amendment now before us does not include one provision which I support, but which hopefully we will now add. The Small Business Lending Fund would have provided $30 billion in capital support to the Nation's small banks. It is similar to the Bank on Our Communities Act that I and many others have supported.

Some of our colleagues objected to this provision, ostensibly on the grounds that it was a reprise of TARP. But unlike TARP, in which most of funds went to the largest institutions, this program targets the community banks that actually make the vast majority of small business loans. While many of the financial institutions receiving TARP funds failed to use that support to make the business loans needed to boost our economic recovery, this program's whole purpose would be to increase small-business lending. Community banks would be rewarded for increasing their small business lending, and penalized if they do not, This program would not cost taxpayers. Instead, it would raise approximately $1.1 billion. At a time when some in this chamber say the deficit is such a problem that we cannot even afford extended benefits for the jobless, why would we not support a program that would not only help create jobs, but reduce the deficit by $1.1 billion?

While I strongly support the Small Business Lending Fund, I believe it is an urgent priority to get small businesses the help they need. Even without the Small Business Lending Fund provision, this legislation represents a much-needed effort to provide more capital to businesses in need.

New access to an SBA loan or to support from a State capital-access program can be the difference between expanding or contracting, between growing or going out of business. These businesses and their workers should not have to wait for help any longer, and we can provide it, today, by approving this bill.

Ms. LANDRIEU. I see the Senator from Maine. In all fairness, we have had a lot of time. I want to yield 1 minute to the Senator from Minnesota. Then I will be happy to yield. We have no time agreements. There are no scheduled votes. I am most certainly not holding up this vote. The leadership is not here. I am not sure when we are voting. I know Members want to leave. I am not holding up the vote. We are ready to go to the vote at any time, but we do not have any agreement to go to the vote.

Ms. KLOBUCHAR. I thank the Senator from Louisiana. Again, I thank you for including the piece of this bill on exports because we have waited so long to include it. This is something that came out of the Commerce Committee. So I appreciate the Small Business Committee being willing to put this amendment in there, a bipartisan amendment.

It went through the Commerce Committee unanimously, with the sole focus of helping small- and medium-sized businesses, people who do not have the resources, that when they want to send their products, 30 percent of them say they want to export. They look at the world, and it looks like one of those ancient maps where you do not see all the countries.

They do not have contacts out there. They do not know someone in Kazakhstan or someone in Turkey or someone in Morocco, but yet someone there wants their product. So the whole idea was to have some resources, some tools, so they can access those markets. We all know that if we are going to get out of this economic slump, we can do some of it by selling products in the United States, but a lot of it has to deal with us selling our products abroad because we have to become a country again that makes stuff, that thinks again, that sends things to other countries, that creates jobs in America, so you turn over something when you go in a store and it says: ''Made in the USA.''

The way we do that is by selling things in our own country but also selling things to all those customers, all those millions and millions of customers who are starting to get buying power in other countries. But it should not be just for the big businesses; the small- and medium-sized businesses should be able to access those markets as well.

That is why this amendment is so incredibly important, an amendment that came, this piece of it, unanimously through the Commerce Committee. It boggles my mind that anyone would be voting against it.

I yield the floor.

Ms. LANDRIEU. Mr. President, I am hoping we can vote right now, if possible. I know the Senators all have schedules. The Senator from Maine was very kind to say she could even speak after the vote. I appreciate that everybody has been so patient today. We have had a good debate. We are trying to get to a vote on this bill. We are waiting for the leadership, but people are going to have other appointments. The Senator from Maine has agreed to speak after the vote, which is very nice.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. REID. I ask unanimous consent that at 8 o'clock tonight, the Senate proceed to vote on the motion to invoke cloture on amendment No. 4500; and that if cloture is invoked, notwithstanding rule XXII, the Senate then proceed to the House message to accompany H.R. 4899, as provided in this order; that if cloture is not invoked, the majority leader then be recognized to enter a motion to reconsider the vote by which cloture was not invoked; and the cloture motion on the substitute amendment and the bill be withdrawn; further, that the Senate proceed to the House message regarding H.R. 4899, supplemental disaster relief/summer jobs; that the Senate move to concur in the House amendment to the Senate amendment to the bill; and vote immediately on the motion to invoke cloture on the motion to concur in the House amendment to the Senate amendment to the bill; that if cloture is invoked, then the Senate proceed as provided under rule XXII; that if cloture is not invoked, then the motion to concur be withdrawn, and the Senate then move to disagree to the House amendment to the Senate amendment to the bill, and that the motion to disagree be agreed to, and the motion to reconsider be laid upon the table; that no further amendments or motions be in order to the House message to accompany H.R. 4899, except the following specified here: Lincoln amendment to the motion to concur, with an amendment to the disaster assistance/child nutrition; Reid amendment to the motion to concur with an amendment on the subject of border security; Specter amendment to the motion to concur with an amendment on the construction of ocean-going vessels; Reid amendment to the motion to concur with an amendment on the Federal Lands Transaction Facilitation Act, and the following amendments on the motion to concur with respect to the class action settlement negotiated involving African-American farmers and American Indians, jobs for teachers, and public safety employer-employee cooperation; that no debate be in order with respect to any amendment covered in this agreement; that each be subject to an affirmative 60-vote threshold; that if they achieve that threshold, then the amendment be agreed to; if the amendment does not achieve the threshold, then it be withdrawn and the motion to reconsider be laid upon the table, with no further amendments or motions in order as provided above except the motion to disagree.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Reserving the right to object.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, I object to the Lincoln amendment. I object to the Reid amendment, and with regard to the issue of border security, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3170; that all after the enacting clause be stricken, and the substitute amendment at the desk, which is a fully offset border security provision, be agreed to; that the bill, as amended, be read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. McCONNELL. Mr. President, I have a further unanimous consent request. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4853; that all after the enacting clause be stricken, and the substitute amendment at the desk be agreed to; that the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table.

Before the Chair rules, I would like to clarify that the amendment includes provisions that do the following:

One, make permanent the $1,000 child tax credit; two, make permanent the deduction for State and local sales tax; three, make permanent the expired research and experimentation credit; four, repeal section 9006 of the Patient Protection and Affordable Care Act, the small business 1099 paperwork mandate; five, add a sense of the Senate on the recess appointment of Dr. Donald Berwick, based on the Roberts amendment No. 4512; and extend the alternative minimum tax patch for 2009 permanently, adjusted for inflation.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, those are laudable goals. I look forward to working with my friends on the other side of the aisle to come to conclusion of these matters. But at this stage, I think it is pretty late at night, and we have had little opportunity to talk to our committees. In fact, it would just not work at this stage. So I object.

The PRESIDING OFFICER. Objection is heard.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. BARRASSO. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4853; that all after the enacting clause be stricken and the substitute amendment at the desk, which would add the previously requested lawsuit settlement language, modified with a rescission of unobligated stimulus funds to cover the costs and modified to reflect Barrasso amendment No. 4313, be agreed to; that the bill, as amended, be read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, we have been through this before. This is a ''beat up the lawyer'' amendment. We will not agree to that. I object.

The PRESIDING OFFICER. Objection is heard.

The Republican leader.

Mr. McCONNELL. Mr. President, it is my understanding there has been an objection to everything but the cloture vote on the supplemental.

Mr. REID. And small business.

Mr. McCONNELL. And the small business bill.

The PRESIDING OFFICER. Without objection, the request has been modified.

The Senator from Arkansas.

Mrs. LINCOLN. I would like some clarification on that last comment, please, from the minority leader. There is no objection now on the UC?

Mr. McCONNELL. There has been an objection to all of the add-ons.

The PRESIDING OFFICER. It is the Chair's understanding that the entirety of the agreement has been agreed to except the amendments of the motion to concur to the supplemental.

Mr. REID. Mr. President, I think it is fair to the Senator from Arkansas that there is an understanding that an amendment that passed this body at least 6 months ago, that was bipartisan in nature, that gave emergency funding for a number of States because of agricultural disasters, the question is, Is that being objected to?

Mrs. LINCOLN. That is not my question.

Mr. REID. I am sorry then.

Mrs. LINCOLN. My question is what is the pending issue and is the question on whether there is an objection to the supplemental; is that correct?

The PRESIDING OFFICER. It is the Chair's understanding that the majority leader's request, as amended, is agreed to.

Mr. REID. I don't want any misunderstanding. If anyone is objecting to our moving forward on the supplemental, this is the time to speak.

Mr. McCONNELL. Mr. President, it is my understanding the only thing in order is the vote on cloture on the motion to concur on the supplemental.

Mrs. LINCOLN. I would like to wage my objection until I can further discuss it with the majority leader.

The PRESIDING OFFICER. Objection is heard.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered.

Mr. REID. Mr. President, I renew my earlier unanimous consent request with the exception of those exceptions.

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

Mr. REID. I ask unanimous consent that the Monday quorum be waived with respect to the House message.

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

Mr. REID. Mr. President, I appreciate very much the inordinate amount of time that everyone has waited. I am sorry we had to do that. But Senators LINCOLN and CHAMBLISS have been real professionals. They have done a lot of talking. But I think we are at a point now where we can finish our business tonight.

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the LeMieux-Landrieu et al. amendment No. 4500 to the Reid-Baucus substitute amendment No. 4499 to H.R. 5297, the Small Business Lending Fund Act of 2010.

Harry Reid, Mary L. Landrieu, Sheldon Whitehouse, Byron L. Dorgan, Roland W. Burris, Richard J. Durbin, John D. Rockefeller, IV, Robert Menendez, Carl Levin, Daniel K. Akaka, Debbie Stabenow, Patty Murray, Jack Reed, Maria Cantwell, Dianne Feinstein, Daniel K. Inouye, Bernard Sanders.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on amendment No. 4500 to amendment No. 4499 to H.R. 5297, the Small Business Lending Fund Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Vermont (Mr. LEAHY) is necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT) and the Senator from Missouri (Mr. BOND).

Further, if present and voting, the Senator from South Carolina (Mr. DEMINT) would have voted ''nay.''

The PRESIDING OFFICER (Mr. BURRIS). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 60, nays 37, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—60

Akaka	Gillibrand	Murray
Baucus	Goodwin	Nelson (NE)
Bayh	Hagan	Nelson (FL)
Begich	Harkin	Pryor
Bennet	Inouye	Reed
Bingaman	Johnson	Reid
Boxer	Kaufman	Rockefeller
Brown (OH)	Kerry	Sanders
Burris	Klobuchar	Schumer
Cantwell	Kohl	Shaheen
Cardin	Landrieu	Specter
Carper	Lautenberg	Stabenow
Casey	LeMieux	Tester
Conrad	Levin	Udall (CO)
Dodd	Lieberman	Udall (NM)
Dorgan	Lincoln	Voinovich
Durbin	McCaskill	Warner
Feingold	Menendez	Webb
Feinstein	Merkley	Whitehouse
Franken	Mikulski	Wyden

NAYS—37

Alexander	Coburn	Graham
Barrasso	Cochran	Grassley
Bennett	Collins	Gregg
Brown (MA)	Corker	Hatch
Brownback	Cornyn	Hutchison
Bunning	Crapo	Inhofe
Burr	Ensign	Isakson
Chambliss	Enzi	Johanns

Kyl	Risch	Thune
Lugar	Roberts	Vitter
McCain	Sessions	Wicker
McConnell	Shelby	
Murkowski	Snowe	

NOT VOTING—3

Bond	DeMint	Leahy

The PRESIDING OFFICER. On this vote, the yeas are 60, the nays are 37. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

MAKING SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the House message to accompany H.R. 4899, which the clerk will report.

The assistant legislative clerk read as follows:

Resolved that the House agree to the amendment of the Senate to the title of the bill (H.R. 4899) entitled ''An Act making supplemental appropriations for the fiscal year ending September 30, 2010, and for other purposes,'' and be it further resolved that the House agree to the amendment of the Senate to the text of the aforesaid bill with an amendment.

CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4899, an act making supplemental appropriations for the fiscal year ending September 30, 2010.

Daniel K. Inouye, Tom Harkin, Christopher J. Dodd, Patrick J. Leahy, Max Baucus, Richard J. Durbin, Charles E. Schumer, Al Franken, Patty Murray, Benjamin L. Cardin, Jack Reed, Roland W. Burris, Dianne Feinstein, Mark Begich, Amy Klobuchar, Byron L. Dorgan, Mark Udall.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4899, the Supplemental Appropriations Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Vermont (Mr. LEAHY) is necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT) and the Senator from Missouri (Mr. BOND).

Further, if present and voting, the Senator from South Carolina (Mr. DEMINT) would have voted ''nay.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 46, nays 51, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—46

Akaka	Gillibrand	Murray
Baucus	Goodwin	Nelson (NE)
Bingaman	Hagan	Nelson (FL)
Boxer	Harkin	Reed
Brown (OH)	Inouye	Reid
Burris	Johnson	Rockefeller
Cantwell	Kaufman	Sanders
Cardin	Kerry	Schumer
Casey	Klobuchar	Shaheen
Conrad	Kohl	Stabenow
Dodd	Lautenberg	Tester
Dorgan	Levin	Udall (NM)
Durbin	Lincoln	Whitehouse
Feingold	Menendez	Wyden
Feinstein	Merkley	
Franken	Mikulski	

NAYS—51

Alexander	Crapo	McCaskill
Barrasso	Ensign	McConnell
Bayh	Enzi	Murkowski
Begich	Graham	Pryor
Bennet	Grassley	Risch
Bennett	Gregg	Roberts
Brown (MA)	Hatch	Sessions
Brownback	Hutchison	Shelby
Bunning	Inhofe	Snowe
Burr	Isakson	Specter
Carper	Johanns	Thune
Chambliss	Kyl	Udall (CO)
Coburn	Landrieu	Vitter
Cochran	LeMieux	Voinovich
Collins	Lieberman	Warner
Corker	Lugar	Webb
Cornyn	McCain	Wicker

NOT VOTING—3

Bond	DeMint	Leahy

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 51. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Under the previous order, the motion to concur is withdrawn.

The motion to disagree to the House amendment to the Senate amendment to H.R. 4899 is considered made; the motion to disagree is agreed to; and the motion to reconsider is considered made and laid upon the table.

Mr. MCCONNELL. Mr. President, today, tomorrow and the next day marines and soldiers will patrol the streets of places like Marja and Garmsir and assist Afghan policemen in the areas around Kandahar.

They are well trained, they are intent on accomplishing the mission they have been given, and they are supported by loving families here at home.

For their sacrifice, they ask little. They ask that they be well led, prepared, and to have clear-cut missions and guidance. They ask that their families be cared for.

We have become so used to their sacrifice in the days, months, and years since September 11, 2001, that it may become easy to take the extraordinary service rendered by this All-Volunteer Force for granted.

So easy, it seems, that the funding request submitted by Secretary Gates in February to fund combat operations has languished here in the Congress for months.

As a Senate, we should not take this sacrifice for granted.

Secretary Gates spoke to my Republican colleagues and me about the need to pass the defense supplemental so the training and pay of our military would not be at risk.

He has also written to the majority leader and asked that we finish this supplemental before the August recess so that he will not be forced to furlough thousands of civilian employees at the Department of Defense.

It has taken until this late date to now vote once again on funding for our All-Volunteer Force. With each passing day we approach the end of the fiscal year and Secretary Gates loses the ability to shift funding from other activities in the Defense Department to the training of our forces scheduled to deploy.

I am afraid we are losing sight of the purpose of these war supplemental bills. These bills are not for forward-funding domestic programs. They are not for funding projects that won't pass elsewhere.

It would be irresponsible to give the House any further reason to shirk the responsibility of getting this funding to our fighting forces.

We need to pass this supplemental tonight, send it back to the House and reject any delaying tactic or additional matters that can wait for future consideration in this session.

Mr. FEINGOLD. Mr. President, I voted to end debate on the House amendment to the supplemental appropriations bill because that amendment addresses important domestic priorities for Wisconsin and this country without adding a penny to the deficit. The amendment provides $10 billion to help school districts around the country facing funding shortfalls due to the ongoing recession, all of it paid for. It also provides almost $5 billion in fully offset funding to help ensure that the millions of low income students who receive Pell grants do not see reductions in their awards.

The House amendment also includes a provision to give public safety employees, like firefighters and police officers, collective bargaining rights. While Wisconsin and other States already protect public safety employees' collective bargaining rights, there are still several States that do not. Police officers, firefighters, and other public safety officers are on the front lines of protecting our communities and we should ensure that these hard working professionals have the ability to bargain for better wages and working conditions.

However, I continue to oppose funding for a massive, open-ended war in Afghanistan. This war funding will add tens of billions to our deficit without contributing to our national security.

MORNING BUSINESS

Mr. BEGICH. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.