

Mr. UDALL of Colorado. Madam President, due to ongoing efforts to address the impacts of one of the most destructive Colorado fires in decades, I was unable to cast a vote for rollcall No. 230, the nomination of Jane Branstetter Stranch to be United States Circuit Judge for the United States Court of Appeals for the Sixth Circuit. Had I been present, I would have voted "yea" to confirm the nominee.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent that the Senate proceed to morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

JOB CREATION

Mr. BROWN of Ohio. Madam President, last Wednesday, September 8, was a great day for Youngstown, OH, for my State, and for our country. On that day, the Chevy Cruze, a new car by General Motors—a high-mileage, medium-priced, lower priced car from Chevrolet—came off the line at the General Motors plant in Lordstown, OH.

To understand the significance of that and to understand how the news is so good, in spite of what the naysayers have said, let's turn the calendar back a little more than a year. Auto sales were down, about a year and a half ago, 40 percent. One million jobs were at risk of being lost on top of the 8 million jobs that had already been lost before President Obama took office. We remember that we were losing 800,000 jobs a month when President Obama took office. The auto industry was similar to the financial industry—about to collapse, including GM, Chrysler especially, and Ford was in some trouble. General Motors and Chrysler were especially in trouble.

Conservative politicians—many in this body and many in the House—said: Let the market work. Let the free marketplace work. If General Motors and Chrysler declare bankruptcy and go under, so be it—so be it for the car dealerships in North Dakota, Louisiana, Washington, Nevada, and Ohio; so be it for all the supply chain that feeds into the auto industry throughout the Midwest and the South and all over the country; and so be it for GM, Ford, and Chrysler and the hundreds of thousands of people who work for those companies—not to mention the retirees who depended on the viability of these companies.

In spite of the naysayers, the conservative politicians who said just let it collapse, let the market work, and let the auto industry collapse, President Obama and the Democrats in the House and Senate stood firm and invested billions of dollars in Chrysler and General Motors and some into the tier 1, the top suppliers—the level 1 suppliers that supply these industries.

Look what happened last Tuesday. Last Wednesday, on September 8, in

Lordstown, OH, some 1,300 people were hired for the third shift. They are now working three shifts. Auto plants and the component manufacturers all over the Midwest are now beginning to hire and beginning to put people back to work.

If we were to let this industry collapse, if we didn't do the right thing and help and invest in these companies, we would have been in a depression. I don't think any serious economist would dispute that. Because we did the right thing—the government—GM is starting to pay back the government for the investment so taxpayers will get most or all of their money back. People are going back to work, retirees are getting mostly what they are entitled to, and the suppliers at tier 1, 2, and others are being made whole.

The week before I was at the Chrysler plant in Toledo. Jeep Wranglers were coming off the line. Jeep Wranglers, 2 years ago, were only 65 percent domestic content. That meant only 65 percent of the components in the Jeep Wrangler were American made. Today, 79 percent—almost four-fifths—of Jeep Wranglers assembled in Toledo are coming from U.S.-made auto parts. That is what our recommitment to manufacturing means.

Thirty years ago, 30 percent of our GDP was in manufacturing, and only 11 percent in financial services. Today, that is almost flipped. We know what that led to—the financial collapse. Senator DORGAN has been on the Senate floor warning us about it for 10 years. It meant a decline in the middle class and in wages because manufacturing creates wealth, and manufacturing pays better wages. When we make the contrast on policies where we care about manufacturing and policies where we care about the middle class versus policies where we simply give tax cuts to the wealthy, we know what happens.

In the 8 years of President Clinton's Presidency, 22 million jobs were created—new jobs—and incomes went up. We had the largest surplus in the history of our country at the end of the Clinton Presidency.

President Bush left us, in 2009, with the largest budget deficit in American history. Some in this body say let the auto industry die and let the market work. Let's give more tax cuts to the wealthy and go back to the Bush philosophy, which got us into this situation.

In closing, I will read two letters from people in that part of Ohio. Brandon, from Poland, OH, wrote:

I am one of hundreds of thousands of auto-workers. But there are millions more Americans among suppliers, dealers, retirees and communities that depend on my industry for their livelihood and well-being.

Our industry is the real economy that runs through Main Street. When we emerged stronger and more competitive, we will have a stronger economy and a more competitive America.

We stood up for Randall, from Warren, OH, who wrote when Congress and

the administration were first considering how to save the auto industry:

I have been employed at General Motors Lordstown for over 31 years. My father, brothers, brother in law and father in law have all been employed by General Motors. My son is pursuing a degree in engineering partly financed by GM.

So many lost jobs would be a huge drain on the resources of government agencies, not to mention how bad it will make our country look in the eyes of the rest of the world.

Randall wrote this while the naysayers were saying let the market work and let GM and Ford collapse. He said:

My father said 30 years ago that "if GM ever goes under, America goes under." My greatest fear is that I will see this come true. Please support the auto industry. Our future [the future of our workers] is in your hands.

It is easy to say no, let the market work and don't do anything. When the cost of inaction is even more job losses than was brought on by the years of deregulation of Wall Street and cutting taxes for the rich and not paying for any of this—a political strategy built on saying no is more than just unproductive, it is unconscionable and simply wrong.

Mr. DORGAN. Will the Senator yield for a question?

Mr. BROWN of Ohio. Yes.

Mr. DORGAN. It is interesting to me that nobody—or very few—would know the statistics and the new jobs that the Senator from Ohio has described, largely because of the old adage that bad news travels halfway around the world before good news gets its shoes on. Nobody talks about the jobs being created, but the Senator from Ohio talks about the consequences of a country that would have lost its automobile industry.

I ask this question: Does anybody here believe we will long remain a world economic power without world-class manufacturing? Isn't that what the Senator is talking about when he talks about the tough decision to try to save this auto industry, when a number of people here said let them go, we don't need them, it is fine if they go under. Does the Senator believe—and I think I know the answer—that we would remain a world economic power if we decided that we didn't need an auto manufacturing capability in America?

Mr. BROWN of Ohio. There is no question if the auto industry had failed and gone under—and it was close to that happening, as we all know—and if the conservative politicians in this body and down the hall had their way, it would have collapsed and it would have meant disaster to our future way of life in terms of manufacturing.

Manufacturing creates wealth more than any other segment of our economy. It is the \$20- and \$30-an-hour jobs. It is the supply component, the suppliers and all the people who serve the industries, including the restaurants and the hardware stores around these companies. It is the truckers bringing

materials in and taking materials out. It is the building trade—the carpenters, pipe fitters, plumbers, and sheet metal workers who modernize the plant and get it ready for a new line of production. It is all of those things. All of that would have suffered job loss if we had followed the naysayers who said just let the market work.

Mr. DORGAN. Isn't it interesting, when the Senator talks about a plant that is hiring new people that will produce a new automobile, which is putting people back to work, there is no social work in this country as a good job that pays well. That makes everything else possible. That is good news, but I haven't heard it. I haven't heard about the new plant in Ohio.

What have I heard in the last week or two? About some nut in Florida wanting to burn the Koran. All the news organizations in America decided that is the big news—a minister with a congregation of 50 who decides he wants to burn the Koran. That is bad news, I guess, but it is sensational news of dysfunctional behavior. If you hold it up to the light, would you say this is ugly? Yes, but it is not America; it is just a nut.

The good news somehow never gets covered. When a new plant is created to produce an automobile in this country from a company that probably would not exist today unless the people had the courage to say we need it, it seems to me that is good news. We seldom ever see it covered.

I thank the Senator from Ohio. We have both written books about trade and are trying to stop the movement of jobs overseas and trying to invest in and create good jobs at home, make things that say "made in America" on the label.

I appreciate the Senator from Ohio talking today about some progress and some good news because not enough people have decided good news is worth trumpeting.

Mr. BROWN of Ohio. Madam President, I thank the Senator from North Dakota.

I will close. I wish Senator DORGAN had said there would have been more attention to the fact that the Lordstown plant, which has been there for 30 years, has added a shift of more than 1,000 workers and all that means for the supply chain and all the other jobs created.

But I wish more than that they could have heard the stories of individual workers and what it meant to be called back to work, what it meant to get this new job, what it meant so their house would not be foreclosed on, that they now have health insurance, that they now are able to send their kid to college. Those are the stories that matter—1,100 people in good-paying industrial jobs, plus thousands of other supporting jobs, and those peoples' lives are a whole lot better because people in this body had courage to stand up to the naysayers and say: We need to in-

vest in this industry, invest in American manufacturing and make this country strong.

I thank the Presiding Officer. I thank especially Senator LANDRIEU, who will take the floor in a moment, for her leadership on this small business bill. We know that two out of three jobs are created by small business. No one has worked harder on that than the senior Senator from Louisiana, Ms. LANDRIEU.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Madam President, I thank both Senators from Ohio and from North Dakota who have been two of the most effective and passionate leaders for ending this recession, creating jobs for the middle class, jobs focused on Main Street as opposed to Wall Street, and because of their leadership, it is starting to happen.

The Senator from North Dakota is so right. I do not know what it takes to get some of this good news being heralded by either news reporters or through the many channels open on the Internet for people to understand that actions taken by this Congress, led by Democrats but joined by a few—not many, only a few—Republicans helped to save the domestic auto industry.

While those are big businesses—and I am going to talk about small businesses in a minute—the Senator from Ohio is exactly correct when he says the help to save the domestic auto industry was not just about saving big auto, it was about saving the thousands of small suppliers and small businesses that are part of this manufacturing chain. That would have been lost.

Everything we have tried has not worked as well, but the things we have put into place are starting to have some benefit and some evidence-based data to support the efforts that have been made.

The Senator from Ohio raises one very good example. I would like to talk about something complementary to this issue today.

Access to capital equals job creation. The Democratic Congress is leading the effort to pass a bill targeted to the small businesses of America that are truly the engines of economic growth. We know big companies supply many jobs around the world and in our country, whether it is big oil, big insurance, big finance or big auto.

Right beneath that surface of all those big names we hear all the time, whether it is General Motors or Goldman Sachs, ExxonMobil, there are millions of small businesses. To be exact, 27 million small businesses in America; 20 million people are self-employed and 7 to 8 million small businesses that hire fewer than 500 people, many of them hiring less than 250 and the majority of them hiring less than 50.

Madam President, you are on the Small Business Committee. We do not hear those names the way we should, whether it is Casey Tubing or whether

it is Big Al's Sandwich Shop or whether it is Mandina's restaurant in New Orleans, where I just ate last week. That is one of the best restaurants in the world, and I had the privilege of eating there in my hometown. Whether it is the restaurants, small manufacturers or entrepreneurs building different technologies to support the big businesses of the world, now is the time to focus on them.

We have done some things—tax cuts, tax credits, and support—over the last year and a half, but the small business bill that is on the floor today, tomorrow, and this week, will, if we can get 60 votes to pass this bill, send a real shot of hope and optimism across the country to build on the successes of the strengthening of the auto industry, to build on the successes of the stabilization of the financial markets, if we can take that next step—investment in infrastructure from the stimulus fund—and now take the next step to provide access to capital, through a very strategic, well-thought-out, and fully funded bill, I might add—which equals job creation.

The Members have heard me speak about a particular business. I continue to speak about them because they are a great example of what we are talking about when we say that small businesses with great promise, a great product, and very strong leadership are having difficulty getting access to the capital they need to hire workers and expand.

I again use the example of Georgetown Cupcake. I should have brought a box with me to the floor because they are very recognizable. Not only is this a growing, popular, exciting business in the DC area, it also has its own reality television show called DC Cupcakes. The real name of the business is Georgetown Cupcake.

It was founded by two sisters who leveraged their entire savings, borrowed here and there to try to start a very interesting and counterintuitive concept to start a cupcake company in the middle of a recession. Who would think it would work? Lines out the door early in the morning, late at night in the sticky heat or the cold of winter. You can go by Georgetown Cupcake and there is a long line. One of the more popular gifts to give when you go to a dinner party now or when you want to acknowledge the good work of a friend is to send them a dozen cupcakes from Georgetown Cupcake.

Do you know they went to bank after bank—with lines out the door, with a product that was obviously popular to even the casual observer—and they were turned down until finally a community bank, Eagle Bank, one of the largest lenders to small business in this region, stepped up and said yes. We need others to start saying yes to small business and that is what our bill does.

We need to start saying yes to Main Street. We have done enough saying yes to Wall Street. That is what our

bill does. It says yes to Main Street. This bill establishes a \$30 billion strategic partnership with healthy community banks, not troubled banks. This bill is not for banks. It is for small businesses. But this bill, in its principle, trusts community banks with their know-how and their understanding of their neighborhoods. This bill recognizes rural communities in America that are starving for capital and says: We want to work in partnership with you. We think that \$30 billion, according to the experts who have looked at this bill, will leverage \$300 billion in affordable loans and credit to businesses just like Georgetown Cupcake.

Today they are hiring—not just the two owners who started it—125 people now work for Georgetown Cupcake, from 2 to 125, with a future without limit based on the product and their model of service.

I know in Louisiana and Texas and Mississippi, along the gulf coast, in New Hampshire, North Dakota, and Ohio, there are thousands of small businesses that with just the right partnership with a community bank to get more capital out to Main Street—not Wall Street—combined with \$12 billion of tax cuts in this bill—not for big business, not for businesses that take their jobs and their products overseas but for small businesses right here on the main streets in our communities, \$12 billion of targeted tax cuts, and, in addition, some strengthening of the core SBA programs that eliminate borrower's fees, increase the guarantee from 75 percent to 95 percent, and also strengthens some of the export provisions, both in the SBA and in the Commerce Department, so we can encourage our small businesses to look other places for their markets, not just in the United States, not just down the street or downtown but look to Beijing, look to other countries around the world for markets.

I just had a life-altering trip to Ethiopia, one of the poorer countries in the world, and spent time in the capital and a small town, Batu. Their future also lies in their ability to create the beautiful products we saw and their ability to export to other parts of the world.

There are beautiful products and services produced right here in America that could be absolutely used around the world. The opportunity for trade builds friendship but also builds prosperity. It is very difficult for small businesses to go through all the maturation and gyrations of figuring out how to trade in some of these markets. But the Commerce Department and many States have set up technical centers for consultation to small businesses at many of our universities. Our bill funds and supports those efforts. I am very excited about that.

I wish to show the export chart. This is where we have the potential for growth. If a consultant came in and looked at America, where are our weak

points and where are our strong points, I promise this would be a strength, this would be growth potential. Less than 1 percent of small businesses are exporting. The market is overseas. Yes, we have a strong market in America, but the majority of the market of the world, the purchasing power is not in America, it is outside America.

A lot of small businesses want to grow. They not only have to sell their products around their neighborhoods, cities, and in our country, but they have to export. Our bill lays down a marker for exporting.

Overall, I have to say it is quite a balanced, well-put-together, well-thought-through bill that has been built with excellent contributions from Republican Senators and from Democratic Senators. We tried to take a lot of people's views as we have shaped this bill. We are now this week very close to passage.

Over the break, there were a lot of wonderful articles and editorials written about the bill. I wish to add to the RECORD an updated letter, dated September 13, from the Independent Community Bankers of America, to say again to the leadership:

On behalf of the nearly 5,000 members of the Independent Community Bankers of America, I write to express our strong support for the Small Business Jobs Act (H.R. 5297). . . .

And the addition of the small business lending fund in the Senate.

I have a list of additional endorsers. One can see, it is hundreds and hundreds of very powerful organizations that absolutely know this is the step we must take now if we want this recovery to reach Main Street, if we want this recovery to be about jobs—which is the whole point. That is why I am so proud of the Senator from Ohio. All you have to do is look into the face of someone who has been offered a job where they know they can save their home, they can send their children to college, they do not have to literally go live with a relative or inquire about a homeless shelter. Middle-class families are shocked with some of the options that are presented to them when they have no hope for a job.

A job, that is what the Democratic leadership has been focused on—jobs for middle-class Americans, jobs for Main Street. We are making our way slowly but surely, and this bill will move us a great distance down that road.

I ask unanimous consent to have printed in the RECORD the list of endorsers and the updated letter from the Independent Community Bankers of America. Also, I have another endorsement letter from the executive vice president of congressional relations and public policy for the American Bankers Association, another strong organization. They wanted to reiterate that while many of them cannot support TARP—this organization did not support TARP—they do support this because this is a program for healthy

banks, not for troubled banks. This is a strategic partnership with community bankers who know the businesses in their community.

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

LIST OF ENDORSERS

Agricultural Retailers Association (as part of the Small Business Coalition for Affordable Healthcare); American Apparel & Footwear Association; American Bankers Association

American Farm Bureau Federation (as part of the Small Business Coalition for Affordable Healthcare); American Foundry Society—California Chapter; American Hotel & Lodging Association (as part of the Small Business Coalition for Affordable Healthcare); American Institute of Architects (as part of the Small Business Coalition for Affordable Healthcare); American International Automobile Dealers Association; American Veterinary Medical Association (as part of the Small Business Coalition for Affordable Healthcare); Arkansas Community Bankers; Associated Builders & Contractors California; Associated Builders and Contractors (as part of the Small Business Coalition for Affordable Healthcare); Associated General Contractors; Association of Ship Brokers & Agents (as part of the Small Business Coalition for Affordable Healthcare); Association of Small Business Development Centers; Association of Women's Business Centers; Automotive Aftermarket Industry Association; Automotive Recyclers Association (as part of the Small Business Coalition for Affordable Healthcare); Bowling Proprietors' Association of America (as part of the Small Business Coalition for Affordable Healthcare); California Association for Micro Enterprise Opportunity.

California Association of Competitive Telecommunications Companies; California Bankers Association; California Cast Metals Association; California Chapter of the American Fence Contractors Association; California Employers Association; California Fence Contractors Association; California Hispanic Chamber of Commerce; California Independent Bankers; California Metals Coalition; California Public Arts Association, Inc.; Commercial Photographers International (as part of the Small Business Coalition for Affordable Healthcare); Communicating for America Inc.; Community Bankers Association of Alabama; Community Bankers Association of Georgia; Community Bankers Association of Illinois; Community Bankers Association of Kansas; Community Bankers Association of Ohio; Community Bankers of Iowa; Community Bankers of Washington.

Community Bankers of West Virginia; Community Bankers of Wisconsin; Conference of State Bank Supervisors; Consumer Bankers Association; Council of Smaller Enterprises (Ohio); CTIA-The Wireless Association; Engineering Contractors Association; Entrepreneurs Organization Los Angeles; Fashion Accessories Shippers Association; Flasher/Barricade Association; Florida Bankers Association; Florida Minority Community Reinvestment Coalition; Florida Small Business Development Centers; Golden Gate Restaurant Association; Greater Providence (RI) Chamber of Commerce; Healthcare Leadership Council; Heating, Airconditioning & Refrigeration Distributors International; Heavy Duty Manufacturers Association; Hispanic Bankers Association of Texas; Independent Bankers Association of Texas.

Independent Bankers of Colorado; Independent Community Bankers Association of

New Mexico; Independent Community Bankers of America; Independent Community Bankers of Minnesota; Independent Community Bankers of South Dakota; Independent Electrical Contractors, Inc (as part of the Small Business Coalition for Affordable Healthcare); Independent Waste Oil Collectors and Transporters; Indiana Bankers Association; International Council of Shopping Centers; International Franchise Association; International Housewares Association (as part of the Small Business Coalition for Affordable Healthcare); International Sign Association; Kansas Bankers Association; Kitchen Cabinet Manufacturers Association; Louisiana Bankers Association; Louisiana Marine and Motorcycle Trade Association; Main Street Alliance; Maine Association of Community Banks; Marin Builders' Association; Marine Retailers Association of America; Maryland Bankers Association.

Massachusetts Bankers Association; Michigan Association of Community Bankers; Missouri Independent Bankers Association; Montana Bankers Association; Monterey County Business Council; Motor & Equipment Manufacturers Association; Napa Chamber of Commerce; National Association for the Self-Employed; National Association of Development Companies; National Association of Federal Credit Unions; National Association of Government Guaranteed Lenders; National Association of Health Underwriters; National Association of Manufacturers; National Association of REALTORS; National Association of Theatre Owners (as part of the Small Business Coalition for Affordable Healthcare); National Association of Wholesaler-Distributors (as part of the Small Business; Coalition for Affordable Healthcare); National Association of Women Business Owners—Inland Empire; National Association of Women Business Owners—Los Angeles.

National Automobile Dealers Association; National Bankers Association; National Community Pharmacists Association (as part of the Small Business; Coalition for Affordable Healthcare); National Congress of American Indians; National Cooperative Business Association; National Council of Chain Restaurants; National Council of Textile Organizations; National Federation of Filipino American Associations; National Federation of Independent Business; National Gay & Lesbian Chamber of Commerce; National Marine Manufacturers Association; National Ready Mixed Concrete Association; National Restaurant Association; National Retail Federation (as part of the Small Business Coalition for Affordable Healthcare); National Small Business Association; National Tooling and Machining Association (as part of the Small Business; Coalition for Affordable Healthcare).

Nebraska Independent Community Bankers; Nevada Bankers Association; New Jersey Bankers Association; North American Die Casting Association—California Chapter; North Carolina Bankers Association; Northeastern Retail Lumber Association (as part of the Small Business Coalition for Affordable Healthcare); Northern California Independent Booksellers Association; Northern Rhode Island Chamber of Commerce; NPES—The Association for Suppliers of Printing, Publishing and Converting Technologies; Oakland Metropolitan Chamber of Commerce; Oregon Small Business for Responsible Leadership; Original Equipment Suppliers Association; Peninsula Builders Exchange of California; Pennsylvania Association of Community Bankers; Plumbing-Heating-Cooling Contractors of California; Precision Machined Products Association (as part

of the Small Business Coalition for Affordable Healthcare); Precision Metalforming Association (as part of the Small Business Coalition for Affordable Healthcare).

Printing Industries of America (as part of the Small Business Coalition for Affordable Healthcare); Professional Golfers Association of America (as part of the Small Business Coalition for Affordable Healthcare); Professional Photographers of America; Publishing and Converting Technologies; Recreation Vehicle Industry Association; Recreation Vehicle Dealers Association; Rhode Island Small Business Summit Committee; Sacramento Asian Chamber of Commerce; San Francisco Builders Exchange; San Francisco Chamber of Commerce; San Francisco Small Business Advocates; San Francisco Small Business Network; Service Station Dealers of America and Allied Trades (as part of the Small Business Coalition for Affordable Healthcare); Small Business and Entrepreneurship Council (as part of the Small Business Coalition for Affordable Healthcare); Small Business Association of Michigan (SBAM); Small Business Association of New England (SBANE); Small Business California.

Small Business Majority; Small Manufacturers Association of California; Society of American Florists; Society of Sport and Event Photographers (as part of the Small Business Coalition for Affordable Healthcare); South Carolina Small Business Chamber; Spa and Pool Industry Education Council of California; Specialty Equipment Market Association (as part of the Small Business Coalition for Affordable Healthcare); SPI: The Plastics Industry Trade Association; Stock Artists Alliance (as part of the Small Business Coalition for Affordable Healthcare); Tennessee Bankers Association; The Financial Services Roundtable; The Hosiery Association; Tire Industry Association (as part of the Small Business Coalition for Affordable Healthcare); Travel Goods Association; Tree Care Industry Association Urban Solutions—San Francisco; U.S. Chamber of Commerce; U.S. Conference of Mayors; U.S. Hispanic Chamber of Commerce.

Virginia Association of Community Banks; Western Growers Association (as part of the Small Business Coalition for Affordable Healthcare); Women Impacting Public Policy; Wyoming Bankers Association; Bankers Association for Finance and Trade; Chamber Southwest Louisiana; City of New Orleans; Council of State Governments; Greater New Orleans Inc.; Lafayette Economic Development Authority; Louisiana Business Incubation Association; Louisiana Small Business Development Centers; Small Business Exporters Association; State International Development Organization Mid Tier Alliance; National Associations of Small Disadvantaged Businesses; National Center for American Indian Enterprise Development; The ARC of Northern Virginia; United States Black Chamber of Commerce.

Association for Enterprise Opportunity; Associated Builders and Contractors; Business and Professional Women's Foundation; El Paso Hispanic Chamber of Commerce; Latin American Management Association; Minority Business RoundTable; Morris County Hispanic Chamber of Commerce; National Association of Hispanic Contractors; National Association of Small Business Contractors; National Black Chamber of Commerce; Native American Contractors Association; Small Business & Entrepreneurship Council; Small Business Legislative Council; Small Business Television; U.S. Pan Asian American Chamber of Commerce; U.S. Women's Chamber of Commerce; Women Presidents' Organization; Women's Business Enterprise National Council.

INDEPENDENT COMMUNITY
BANKERS OF AMERICA®,
Washington, DC, September 13, 2010.

Hon. HARRY REID,
Senate Majority Leader, U.S. Senate, Washington, DC.

Hon. MITCH MCCONNELL,
Senate Minority Leader, U.S. Senate, Washington, DC.

Hon. MARY L. LANDRIEU,
Chairwoman, Committee on Small Business and Entrepreneurship, U.S. Senate, Washington, DC.

Hon. OLYMPIA J. SNOWE,
Ranking Minority Member, Committee on Small Business and Entrepreneurship, U.S. Senate, Washington, DC.

DEAR MAJORITY LEADER REID, MINORITY LEADER MCCONNELL, CHAIRWOMAN LANDRIEU, AND RANKING MEMBER SNOWE: On behalf of the nearly 5,000 members of the Independent Community Bankers of America, I write to express our strong support for the Small Business Jobs Act (HR 5297), and its core component, the Small Business Lending Fund (SBLF). ICBA believes that the SBLF will spur the flow of additional small business credit. The Tier I capital banks receive can be leveraged to provide as much as \$300 billion of new credit to small business. The legislation's Small Business Administration loan program incentives will also allow community banks to expand lending to deserving small business borrowers.

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 business credit.

Thank you for your consideration.

Sincerely,

CAMDEN R. FINE,
President and CEO.

SEPTEMBER 13, 2010.

To: Members of the United States Senate.

From: Floyd E. Stoner, Executive Vice President, Congressional Relations & Public Policy.

Re H.R. 5297, the Small Business Lending Fund Act

On behalf of the members of the American Bankers Association (ABA), I am writing to express our support for H.R. 5297, the Small Business Lending Fund Act. As proposed, Treasury would invest in community banks through a new program that would be separate and apart from the Troubled Assets Relief Program (TARP). This legislation would authorize another tool for community banks to meet the needs of small businesses in their communities, and we urge the Senate to pass this legislation.

There are many areas of the United States that struggle under the weight of the severe downturn the economy has experienced. Since banks are a reflection of their communities, they are suffering with the communities they serve. Yet even in areas beset by poor economic conditions there are strong borrowers.

Meeting the needs of these borrowers has been made more difficult as regulators pressure many banks to increase their capital-to-asset ratios. Given the slow recovery and 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. H.R. 5297 provides an option for banks to avoid that result and continue meeting the needs of their communities. With an improving economy and public investments, such as those proposed in H.R. 5297, lending can increase faster in some

of the hardest hit areas of the country. Community banks, which are the life blood of many communities, can provide the needed capital.

ABA also supports language in the Senate bill that would increase the maximum loan sizes for the 7(a) small business loan program from \$2 million to \$5 million, with a temporary 90-percent guarantee through December 31, 2010. The 7(a) program has historically been a critical lending tool for traditional banks to help meet the credit needs of small businesses. The enhancements provided in this legislation are critically important and will help lenders provide loans so that small businesses can create jobs in their communities.

We encourage the Senate to support community banks by supporting H.R. 5297.

Ms. LANDRIEU. Let me respond to one point. I realize that part of the problem is the way the regulators are coming down a little harder than they probably need to in some instances with our community banks in an effort to prevent the banking system from reaching the excesses reached to cause all of us very serious financial loss and worldwide financial panic. I realize there have to be some adjustments to those regulations. This bill recognizes that. It doesn't address it because we don't have the jurisdiction in our Small Business Committee. That comes out of the Banking Committee. But I believe the members of our committee will very soon send to the Banking Committee a very strongly worded letter based on some of the testimony we have received—and the Presiding Officer has been in many of those meetings—from our bankers, who want to do more, who want to lend to credible, reputable businesspeople, but they say the regulators are coming down too hard on them. So we have to fix that.

We also have to focus on the balloon notes coming due on commercial real estate lending in this country, because we have to handle that very deftly or we could see a setback. This bill will not solve all problems, but I promise it will get us on the right road and headed in the right direction. Then with some appropriate modifications on the regulatory side for the community banks, to make sure they are operating with full integrity but that they are also being given the latitude to do what they are supposed to be doing, which is lending affordable credit to businesses, and with some additional other steps, I believe we can have this recession on the run. That is my goal, and I know that is a goal that is shared not only by the President of the United States but by Members of Congress as well, and I hope of many people in the world. We are all working on that as hard as we can.

I know some of my other colleagues are going to come and speak about this bill. We will be taking up one amendment on this bill, and it is a very important amendment that needs to get a resolution on the 1099 section of the small business reporting obligations. We need to have some significant changes. I hope we can get that done this week. There are plans underway to

have it addressed, and we will be debating that this week on the floor. But whatever the outcome of the arguments about that amendment—because that provision doesn't go into effect until 2012, and it is September 2010 right now—we have some time to work that out. We may work it out this week. We may get the 60 votes on either the Nelson or the Johanss amendment, and the issue will be addressed either completely or partially. But if not, we have time to work that out, and the business community has my commitment to do so.

It is very important that this bill be passed this week. I see Senator MERKLEY and Senator CANTWELL on the floor, and I am going to yield time to both of them. They have been leaders on this issue. I will mention that Senator BOXER talked to me a minute ago on the floor. She said to me: Senator, please, let people know that as I traveled through California that was the main topic of conversation; and that she herself went to 15 or 20 small businesses that couldn't wait for this bill to pass because they know there is real help for them.

This bill was built for them. It wasn't built for business and small businesses just to get the crumbs that fall from the table. This bill has been built with them in mind. We know they are the engines to get this economy started again. We can't wait to get it passed. We can't wait to get it to the President's desk. We believe it will have an immediate and substantial impact on their ability to hire new workers and to create the kind of economic activity that will lead this country and, frankly, the world out of this very troubling economic time.

I yield for the Senator from Oregon, who has not only been a lead supporter but a designer of many of the pieces of this bill, and I can't thank him enough for his tireless efforts on behalf of small business, not just in Oregon but around the country.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MERKLEY. I thank Senator LANDRIEU very much for her leadership as chair of the Small Business Committee. She has put in countless hours working with the national small business community and asking what the key obstacles are and how can we help to address them. The result is a list of endorsements from I would say about every organization in the United States.

This list has grown as we have been debating this bill. This list has grown while we were out talking to our small businesses back home. I was astounded when my staff put it into my hands today because it is no longer one page, as it was earlier in our conversations, it is no longer two pages, but page after page of fine print of every organization from the U.S. Chamber of Commerce, the U.S. Women's Chamber of Commerce, the American Bankers Association, the Hotel and Lodging Asso-

ciation, the American Farm Bureau, the National Association of Realtors, the National Federation of Independent Business, the National Restaurant Association, to the Independent Community Bankers of America. If you know of an organization that works with small businesses in America, it is on this list. It is phenomenal.

Why have all these groups—more than I have ever seen on any bill—said they support this small business jobs bill? Well, I will tell you why. Because this bill is targeted at putting small business back in gear as the job factories of America.

I was just back home, and I completed my annual set of townhalls in 36 counties, so I have been all over the State of Oregon. I have heard from independent businesses, small businesses on the coast, I have heard from businesses in central Oregon and southern Oregon and the valley, and everywhere people said: We need access to credit. We can't seize a business opportunity that is right in front of us because we can't get the credit necessary to seize that opportunity. And they want to know what is going on.

In some cases, perhaps a bank is a little bit nervous, having gone through and weathered this national economic meltdown. But in many cases our Main Street banks are at the limit they are allowed to lend based on their current capitalization, and so they will say: Well, the FDIC is enforcing the rules on leverage and we can't do additional lending.

Well, this bill addresses that. This bill, through the Small Business Lending Fund, increases the capitalization of Main Street banks. Those are healthy Main Street banks. It allows them to basically increase lending to small business on a 10-to-1 ratio. So that means that \$30 billion in recapitalization for Main Street America can climb to \$300 billion of lending to small businesses and they can then seize those opportunities and put America back to work. That is the power of the Small Business Lending Fund that is in this bill.

But that is not all that is in this bill. There is in this bill the ability to have 100 percent of capital gains written off so you can basically move your assets to seize another opportunity without having to pay a tax on the sale of the assets you have right now. This has a 5-year carryback on business credit so that if you can't use those credits this year because your business is down, you can use them against earlier profits, and that means a reduced tax bill. This has an extension of bonus depreciation, which is very helpful. This bill has the Jumpstart Act, which says if you are a small business, just getting started, then your original startup cost deduction is doubled.

Taken together, this bill is about putting small business to work in America. I can't imagine why we wouldn't have 100 votes on the floor of this Chamber, 100 votes to put small

business back on track. Sometimes legislation is regional—we will do a little bit that affects an industry in the Northwest or in the South or maybe it is for the west coast—but there is nothing regional about this bill. Last I checked, small businesses are the heart of every town, city, and rural area of the United States. So this puts people back to work and strengthens the economy in every part of America. That is why the list of endorsements goes on page after page after page.

My colleague from Washington State is going to continue to share her observations, so I will yield, but I want to conclude by saying this is the type of problem-solving legislation that is needed in America, where rather than looking to an election down the road and political positioning, we do the hard work of investigating the obstacles and then we proceed to design legislation to remove those obstacles, and that puts a job back in every community in America. That puts a lot of jobs back in every community in America, and every job is the foundation for a family.

I can tell you that the unemployment rate in Oregon is absolutely unacceptable. Families are hurting, with the loss of a job on top of a loss to the value of their house and often the loss of their retirement savings. This starts to turn America around. It is time to pass this act, and I encourage all my colleagues to vote early, vote yes, and let's put America back to work.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Madam President, I rise to join my colleague, the Senator from Louisiana, the Chair of the Small Business Committee, and my colleague from Oregon, Senator MERKLEY, to talk about the very important issue that, frankly, you could say you probably heard a lot about from us before we left. But along with my colleague, Senator MURRAY, and I am sure others, such as Senator BOXER, we all went home and heard from our constituents about this issue and we heard about how critical it is that we pass this legislation.

I find it interesting that the pundits are all debating whether this will have a political effect on the election. I can guarantee you the focus of this legislation has not been, for any of us, about the election but about helping small business. When Wall Street imploded nearly 2 years ago—2 years ago—is when small business needed our help and support, and many of us have been arguing literally this entire legislative calendar year to pass this legislation, only to have hurdle after hurdle put in front of us or naysayers who say it can't be done. So I truly hope we are on the precipice of passing this legislation because it is so critical for job creation in America.

I know my colleagues have gone over these numbers, but to be specific about it again one more time, because this is from the Department of Commerce,

small businesses account for 60 to 75 percent of new job creation. So we can talk about all the ideas we want to have about how to get out of this economic nightmare, and we can talk about various policies that are going to help us stimulate the economy, but the bottom line is that job growth by the private sector is going to help our economy, and that has to have a focus on small business.

What has happened to us instead, as you can see by this chart, which shows small business lending basically from 2008 to 2009, is that we had an economic crisis. We know that lending in general went down, but we see that small business lending went down even more dramatically. The consequence of that has been our engine of economic growth for job creation—small business—has been cut off. We have seen lending from large banks to large institutions, and some of those institutions are doing the hiring, but they are not the basic driver of job growth in America. So this is what we are trying to right. We are trying to correct the fact that these small businesses have not had access to capital.

I know my colleague Senator MURRAY and I went to a restaurant in Seattle, a pizzeria that is very popular, and met with many small business people there. But this particular owner, Joe Fugere, who has a wonderful business, basically had opened four restaurants and then went to get more capital during this downturn and basically was told no, it is too big of a risk. He said:

Honestly, I was shocked and deeply offended. I had a healthy profitable business, a blemish-free history of paying all my loans on time, in full. And now I was being told that I was risky. . . .

After the decisions that were made on Wall Street and their risky activity.

In the end, Joe did everything he could with personal appeals. He worked with community bankers, and finally got his loan and then opened his new restaurant which now employs 75 people.

Joe was not the risk. Joe did not participate in risky derivative activities on Wall Street. He did not cook up this scheme. Yet here we are, 2 years later, finally coming to the aid and support of small businesses.

I heard many stories of this when I was at home, many small businesses that basically said I hope people on the other side of the aisle can set aside their differences and help get this legislation passed; that we need to do more. I know many of you may have seen today the report that was put out by the Joint Economic Committee, "Small Business Employment: Bank Lending Restrains Job Creation." Basically the summation of this, and I will read from the report, is that it found that as a result of "tight lending standards facing small businesses, hiring at small firms continued to decline in 2009 and the early part of 2010, while hiring by largest establishments, which

had wider access to credit, began to pick up. . . ."

It is clear that small business hiring still remains flat. The question is what are we going to do about it? It is not about November 2, it is about whether you support giving access to capital to small businesses that had capital choked off from them because of the activities of Wall Street.

I clearly support and respect the engine of our economy that small businesses represent. I hope people will put their differences aside. I appreciate my colleague from Ohio, Senator VOINOVICH, for his leadership, for his advocacy, for listening to the facts on this issue and understanding that these are the people who will help us out of this situation and certainly were not the ones who got us into it.

I hope we will move forward on this legislation and this week we will pass it. I do not expect things to change overnight but I do expect this: for this Congress—the Senate, for the House—to say where our priorities are and to say where leveraged access to capital can stimulate job growth in our economy.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONFIRMATION OF ELENA KAGAN

Mr. INOUE. Madam President, I rise to speak in support of Solicitor General Elena Kagan.

Solicitor General Elena Kagan is widely regarded as one of the Nation's leading legal scholars. Her public service and legal experience, work as a teacher, service as a White House and Senate aide, and representing the government as the Nation's Solicitor General, have contributed to Ms. Kagan's intellect, judgment, and independence.

As the first woman to serve as dean at Harvard Law School, Ms. Kagan was highly respected for her ability to build consensus among diverse groups. She diversified the political discourse on campus by hiring professors from a wide political spectrum. While working as a White House aide, Ms. Kagan was known to reach across the aisle to work with both Democrats and Republicans on issues like restricting tobacco companies from targeting ads at children. As the daughter of a public school teacher and a housing lawyer, Ms. Kagan understands that decisions made by the Supreme Court have an impact on the lives of Americans. As Solicitor General, she has argued cases to protect consumers, prevent elections from being taken over by special interests, and protect our national security. Ms. Kagan recognizes the extraordinary role of the Supreme Court to