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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mrs. ELLMERS).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC.

December 15, 2011.

I hereby appoint the Honorable RENEE L. ELLMERS to act as Speaker pro tempore on this day.

JOHN A. BOEHNER,

Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 5, 2011, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 1 hour and each Member other than the majority and minority leaders and the minority whip limited to 5 minutes each, but in no event shall debate continue beyond 11:50 a.m.

UNEQUAL BANKRUPTCY LAWS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

Mr. BLUMENAUER. Madam Speaker, James Surowiecki outdid himself in the current issue of *The New Yorker's* financial page as he contrasted the decision of American Airlines to take bankruptcy versus the expectation of American business for how homeowners should behave. It wasn't that American Airlines couldn't pay its bills with its \$4 billion in cash. It's just that it would be in a stronger position if it

took advantage of the bankruptcy laws, where working with a bankruptcy judge, it could restructure union contracts, pension plans, and bank loans to its advantage.

For example, it's perfectly acceptable and legal for a judge to reset the current value of an asset and to permit loans with higher interest rates to be set at lower current market rate. Unfair as it may seem to people who made the loans, it was part of the principle of bankruptcy, to allow people to not be mired hopelessly in debt but to start again under existing market conditions. It's part of what keeps our economy vital, keeping people not tethered to mistakes of the past or bad luck, even if those mistakes were self-inflicted.

Contrast this with what business expects from the 25 percent of homeowners whose mortgages are underwater, where the financial institutions have argued about the responsibility of homeowners to avoid the stigma of defaulting, that it was their duty and obligation to pay, even if it was financially irrational and extraordinarily difficult. He pointed out that the Mortgage Bankers Association, at the same time it was exhorting homeowners to hang in there and keep paying their loans even if their mortgage was underwater, that it walked away from a loan on its headquarters, sticking the lender with a \$34 million loss on a short sale.

But he missed the real outrage: The expectation where homeowners, under bankruptcy, simply cannot do what American Airlines and other American businesses can do. Homeowners under law cannot take bankruptcy and have a judge reset the loan value of their residence to conform to what the current value is and to reduce the interest rates to reflect today's record low rates. That would have been the onerous "cram-down provision" so vigorously resisted by banks and financial institutions when we were discussing

bankruptcy reform. Do as we say, not as we do.

As a result, we have what I think is truly an insane situation where a speculator could buy six units in a condominium building and have a bankruptcy judge reduce the loan's amount and interest rate on each one of the speculator's six units, but the poor soul who bought his unit just to live in it cannot have that same privilege.

If there was bankruptcy equality for homeowners, I don't think we ever would have had the financial bubble in the first place. You can bet that the masters of the universe that poured billions of dollars into securitized mortgage instruments would have been more careful if they knew that homeowners would have been treated the same way as businesses and could have had onerous provisions modified under bankruptcy.

This is one of the reasons why the Occupy Wall Street people are so outraged, this dual standard, telling homeowners to stay the course while large businesses don't, fighting for change of the law under the guise of reform which made it impossible for homeowners to be treated as well as speculators.

If some of our friends on Wall Street are perplexed about the frustration and the outrage, they might look in the mirror. Maybe, just maybe, this is something that the Occupy Wall Street and Tea Party advocates can agree upon.

BILL OF RIGHTS' 220TH ANNIVERSARY

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia (Mr. BROUN) for 5 minutes.

Mr. BROUN of Georgia. Madam Speaker, today I rise to commemorate the 220th anniversary of the adoption of the Bill of Rights to our U.S. Constitution. Some of our most basic freedoms and governing principles are laid

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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out in this precious document. The amendments listed were meant to protect our individual liberties and our private property. They serve as a constant reminder that our Nation was meant for its citizens to have liberty, with very little government intrusion into their lives.

Today's modern government has, sadly, strayed very far away from the vision that our Founding Fathers had when they ratified the Bill of Rights. It seems like every day we lose a little bit more of our freedom to the ideals of Big Government and to the standards of socialism.

In Hosea 4:6, God says, "My people are destroyed from a lack of knowledge."

We have a tremendous lack of knowledge in this Nation about the principles that our Founding Fathers gave us in the U.S. Constitution and the Bill of Rights, and we are being destroyed because those foundational principles are being eroded day by day here in Congress, by Presidents, and by the Federal court system.

Please read the U.S. Constitution. Read the Bill of Rights. Teach them to our children and to our grandchildren so that we can come together and demand a constitutionally limited government, as our Founding Fathers intended. We need to begin to rebuild the principles that have made this Nation the greatest in history, the greatest political experiment in the history of mankind. Those principles are what have made this country so great, so powerful, and so successful; and the only way that we will retain that is if we become knowledgeable and start demanding a constitutionally limited government, as our Founding Fathers meant it.

So please read the Constitution. Please read the Bill of Rights. Read what our Founding Fathers said about it. Demand that kind of governance from our elected representatives all across this country, at all levels of government. Our freedom and liberty depend upon it.

Thank you. God bless you. God bless America.

□ 1010

REAUTHORIZE NEW MARKETS TAX CREDIT PROGRAM

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts (Mr. NEAL) for 5 minutes.

Mr. NEAL. Madam Speaker, I want to talk about a program that is set to expire at the end of the year if Congress does not act, and it's the New Markets Tax Credit program. I have fought for this program since its enactment in 2000 because it's a cost-effective way to create jobs and drive investment in communities with high rates of poverty and unemployment. I've seen the amazing results of this initiative first hand back home in Mas-

sachusetts, and today I want to highlight one of those Massachusetts projects, the Colonial Theater in Pittsfield, Massachusetts.

Let me tell you a little about the New Markets Tax Credit. The program was designed to stimulate investment and economic growth in low-income communities that are traditionally overlooked by conventional capital markets. The New Markets Tax Credit program attracts capital to low-income communities by providing private investors with a 39 percent Federal tax credit for investments made in businesses or economic development projects located in certain areas where the individual poverty rate is at least 20 percent or where median family income is low.

According to the Government Accountability Office, 88 percent of the New Markets Tax Credit investors said they would not have made the investment in a low-income community without New Markets Tax Credits.

Every project or business financed by New Markets Tax Credits is located in a low-income community and/or benefits low-income individuals. The vast majority, over 90 percent of investment dollars generated through New Markets, has gone to communities with levels of economic distress that far exceed the minimum requirements of the law; and 60 percent has gone to communities with very high unemployment rates that are at least 1.5 times the national average.

Through 2009, New Markets cost the Federal Government, in terms of lost revenue, less than \$4 billion. That \$4 billion should be treated as a government investment because it has resulted in \$50 billion in capital projects in those low-income communities and created or retained an estimated 500,000 jobs. According to the Treasury Department, every \$1 of foregone tax revenue under New Markets leverages \$12 of private investment in distressed communities. That's results, in my opinion.

Unfortunately, New Markets is a temporary program and unless Congress acts this month, it will expire on December 31. I am, and have been, the lead Democratic sponsor of legislation to extend this program for 5 years; and I have been leading the charge for years to make this a permanent initiative. I once again call on our colleagues to extend New Markets.

Let's talk about the success of New Markets in Massachusetts. Over 170 businesses in Massachusetts have received New Markets financing: Hot Mama's Foods in Springfield; the River Valley Market in Northampton; the Holyoke Health Center; and now the High Performance Computing Center in Holyoke as well.

But I want to focus today on the Colonial Theater in Pittsfield, Massachusetts. Pittsfield is a city in western Massachusetts with a population of about 42,000 people. It's the largest community in that region of the State.

It has struggled with unemployment and urban blight. The Colonial Theater is a rare architectural gem and one of the greatest acoustical houses in the world, located in the heart of Pittsfield. It was built at the turn of the century, and it was closed for more than 50 years. Periodic attempts to redevelop the theater failed for lack of money and sustained public support.

However, thanks to New Markets Tax Credit, financing of \$16.7 million of a total project cost of \$21 million, this 70,000 square foot theater and adjacent building were magnificently restored. With 823 seats, the theater reopened in 2006 and now features an impressive lineup of plays and musical shows. James Taylor is currently performing at the Colonial Theater as part of the cast of "A Christmas Carol." Since its renovation, the theater has hosted Arlo Guthrie, the Four Tops, and Bob Weir of the Grateful Dead will perform this spring. Recent musicals and plays at the Colonial Theater include "The Who's Tommy," "The Producers," "The Wizard of Oz," and "Rent."

After the first 2 years of operation, the independent research firm Center for Creative Community Development estimated that the Colonial Theater sustains a direct economic impact of \$4 million annually and 100 full-time jobs in the Berkshire area.

The Colonial Theater is a symbol of the re-emergence of Pittsfield as an economic and cultural center of the Berkshires. Anchoring the city's comprehensive strategy for downtown revitalization, the restored and vibrant Colonial Theater—along with six-screen Beacon Cinema Complex, also financed with New Markets Tax Credits—has created jobs, attracted new businesses, spurred residential development, and added vitality to this city. Widespread street-level vacancies in downtown Pittsfield has been virtually eliminated and 45 new businesses and restaurants have opened. The restoration has helped attract an estimated 400,000 new visitors to the downtown Pittsfield area each year.

Let's rejuvenate the New Markets Tax Credit program.

WELCOME HOME, COMPANY C

The SPEAKER pro tempore. The Chair recognizes the gentleman from West Virginia (Mr. MCKINLEY) for 5 minutes.

Mr. MCKINLEY. Madam Speaker, today I am happy to announce that Company C, 150th Aviation United of the West Virginia National Guard is on the way home to their families and should arrive this afternoon after serving our Nation for the past 12 months in Kosovo. Truly, there could not be a better Christmas present.

Company C is based in the First District of West Virginia in my hometown of Wheeling and was deployed 1 year