

a stockholder or the owner of a community bank, because regulatory requirements increase the cost of capital, will decide there is a different way to earn a living, a different place to invest that capital. So, in short, these burdens prevent a community bank from serving the community, and they avoid, therefore, the resulting job creation that comes when a community bank invests at home.

All of the regulations being piled on community banks might be justified if the failure of a community bank could pose a serious risk to our Nation's financial system, but that is clearly not the case. It was not the failure of several hundred community banks that left our economy in such poor condition; it was the financial condition of a handful of the largest firms in America that grew so large and so complex that their failure or bankruptcy could not be tolerated and the consequences would affect every American. We need a tailored approach to regulation.

Ross Wilson, one of my constituents in LaCrosse, KS, a banker, wrote to me. He says his bank will no longer make home loans, real estate loans. This is his quote:

As a community banker, I really hate this decision, but the complexity of the new regulations have forced us to make this decision. It appears that the powers that be in Washington don't understand the importance of a small community bank.

When your hometown bank won't make a home loan to one of its customers not because the loan won't be repaid but because the regulatory costs are far too significant, our regulations have far exceeded their value.

How does the Communities First Act that I have introduced change this trend and restore some level of sanity to our financial regulations? This bill would strip away outdated and unnecessary regulations, such as the Gramm-Leach-Bliley annual privacy notice requirement. Under current law, every bank and credit union is required to disclose their privacy policies on an annual basis even if that bank's policy has never changed during the year. So you can have a customer of a bank who has been a customer forever, and the bank has a policy in place that never changes, but every year the bank has to send out a significant mailing to every customer explaining their policy in regard to privacy. While that burden maybe doesn't sound too significant, it is a costly requirement of questionable benefit.

Blake Heid of the First Option Bank in Paola, KS, tells me:

Very little of what the regulations have us do is productive or helps us take care of our customers better. Just the privacy notices alone cost our small bank in excess of \$13,000 annually. We haven't changed it . . . we never sold our customer information, and we still don't.

The Communities First Act would also address an issue regarding SEC registration by community banks. The number of shareholders which triggers a registration has not been updated in

a long time and remains a burden that discourages community bankers from raising capital and making loans.

The Communities First Act would also reform which banks are required to comply with the costly burdens of Sarbanes-Oxley. Current law exempts banks with market capitalizations under \$75 million from compliance under section 404. The benefits of that section do not appear to be worth the cost, so my legislation raises that threshold.

Another commonsense provision would encourage Americans to save by reducing the tax on longer term certificates of deposit. It would also allow for individuals under the age of 26 to invest in Roth IRAs without regard to their income level. We desperately need Americans to save money for their long-term retirement benefits.

The Communities First Act would also reform the new Consumer Financial Protection Bureau so that the National Credit Union Administration, the FDIC, the Federal Reserve, and the other regulators would have a meaningful role in the creation of consumer protection rules. Dodd-Frank provides these regulators insufficient input, and review of the CFPB and the results of poorly written regulations could mean less credit and, again, fewer jobs.

There seems to be some disagreement here in Washington, DC, today about the effects of burdensome regulations on our economic recovery. But back in Kansas, Jay Kennedy of the First National Bank of Frankfurt indicates:

Our staff of 7½ people are busy taking care of our customers and serving our communities. The extra burden from things like tracking escrow payments, sending privacy notices, and filing call reports that take a month to complete all create undue stress and busy work for us.

Kansans don't know what the words "busy work" mean.

The relief of those three things alone would allow us time to teach financial literacy that our schools can no longer afford to do and create new products to better serve our customers.

The provisions of the Communities First Act are just a first step in unleashing the ability of small banks to do what they do best—provide capital that results in jobs.

Congress has created a regulatory monster, and I urge my colleagues to join me in removing unnecessary burdens from our financial system and co-sponsor S. 1600, the Communities First Act. While this legislation may directly benefit our Nation's community banks—our small financial institutions—the real beneficiaries are the entrepreneurs, the Main Street small business men and women, and farmers and ranchers who, with access to credit, can help put Americans back to work.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry: Are we in morning business?

The PRESIDING OFFICER. We are.

BOEING CONTRACT EXTENSION

Mr. HARKIN. Mr. President, I have come to the floor this evening to congratulate the president of the International Association of Machinists union, Tom Buffenbarger, and Boeing's CEO, Jim McNerney, on their agreement today to extend their current contract for 4 years. This is a good deal. It reflects a strong and commendable commitment by Boeing to continue having their top-quality products made by top-quality workers. It provides real job security and fair treatment for the company's valued employees. It will also resolve the current labor dispute between the company and the union that is pending before the National Labor Relations Board. This settlement is a step forward for a great company—Boeing—a step forward for a great union—the machinists union—and a step forward for our great Nation. Again, I commend the CEO of Boeing, Mr. Jim McNerney, and the president of the machinists union, Tom Buffenbarger, for working out this agreement.

This agreement is also a compelling demonstration of the fact that the NLRB—the National Labor Relations Board—process works for all concerned. When an alleged unlawful activity happens, a charge is filed with the NLRB. That is what is supposed to happen. While the NLRB's process was playing out, the parties were able to sit down, negotiate, and strike a deal, which they announced today. As a matter of fact, that is what happens to most unfair labor practice charges filed at the NLRB. It is all a part of the process at that independent agency. Just as in our court system, cases settle to the benefit of both parties. That is what happened here. It also settled to the benefit of our Nation.

What should not have happened was the unprecedented level of political and congressional interference in this case. It wasn't just that Republican elected officials attempted to try this case in the press, they went far beyond that. House Republicans attempted to eliminate the board's funding entirely because of this case. Senate Republicans have blocked the nominees for the board and the General Counsel of the NLRB. House Republicans tried to subpoena the prosecutor's case file so they could obtain documents that the company had been unable to obtain in the litigation. A Member of this body called the NLRB Acting General Counsel, Mr. Lafe Solomon—an independent prosecutor and a 30-year career veteran of the agency, not a political appointee—a Member of this body called him and threatened to come after Mr. Solomon "guns ablazing" if he brought charges against Boeing. I am informed that the House Oversight Committee actually threatened to try to revoke the bar licenses—the bar licenses—of

individual career attorneys at the National Labor Relations Board because of this case.

I have never, in all my years in public office, seen such a brazen and inappropriate interference with the business of an independent agency, and I hope to never see it again. The time and attention that House Republicans have devoted to their attack campaign against the National Labor Relations Board is nothing short of astonishing.

What is even more absurd and shameless is the fact that they claim this attack campaign was intended to save jobs. What saved jobs was the negotiations between the great company, Boeing, and the great union, the machinists union. That is what saved the jobs.

I am mystified by the suggestion by some Republicans that gutting the NLRB would somehow revive our economy. In survey after survey, business leaders agree about what is hurting the economy. It is not government. It is not regulation. It is not the NLRB. It is the lack of consumer demand. Workers don't have enough money to buy things, and the economy won't pick up until they do. Weakening workers' rights and taking away their ability to speak up for fair treatment will only make the problem worse.

Attacking American workers and the agency that protects them is a poor substitute for a real job-creation strategy. Americans know that the National Labor Relations Board is not remotely responsible for our country's economic woes. Incapacitating this agency will not put food on people's tables, help them keep their homes, find jobs, or send their kids to college. It will, however, send a strong message to those few—few—unscrupulous employers who want to take advantage of this bad economy to mistreat hard-working people. Fortunately, that is not the case with Boeing. Without the NLRB, there would be no watchdog, and it would be open season on workers' rights. At a time when decent jobs, good wages, and fair treatment are getting harder and harder to find, this would be a step in the wrong direction for our country.

The National Labor Relations Board is an independent Federal agency charged with an important mission. In fulfilling that mission, the dedicated professionals at the board are doing their jobs as the law intended.

Now it is time for the Republicans in the House and the Senate to do the same. Instead of continuing to pursue this pointless and distracting partisan crusade to dismantle and do away with the National Labor Relations Board, it is time to put this episode behind us. It is time to recognize the NLRB is doing its job, that companies and unions will sit down and work things out and settle things out without the Senate and the House and Governors—and Governors—of other States trying to interfere and make it a political football.

Again, I congratulate the Boeing Company and the International Asso-

ciation of Machinists in doing what is best for America.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

EXTENDING THE PAYROLL TAX CUT

Mr. HELLER. Mr. President, I thank you for the opportunity to spend a few minutes here on the Senate floor. And I want to thank the previous speaker, Senator MORAN from Kansas, for his timely comments, specifically regarding housing, the ability for small institutions, community banks to be able to produce the capital they need to help these small businesses and these homeowners, but, specifically, for the ability to create jobs. It dovetails into what I want to talk about today; that is, solutions, solutions for the American people.

This week, Congress has an opportunity to come together to help hard-working Americans, those taxpayers, and extend the payroll tax cut holiday. No State needs Congress to put aside political bickering more than the great State of Nevada.

Right now, as a percentage, more Nevadans are looking for jobs than in any other State. Right now, more Nevadans are having difficulty holding on to their homes than in any other State. And right now, more Nevadans are filing for bankruptcy than in any other State.

There was a report released yesterday that named Nevada the toughest place in the country to find a job.

Our No. 1 priority in this Congress should be to turn this economy around and get people working again. Yet here I am standing on the U.S. Senate floor today trying to convince the majority not to raise taxes on small businesses.

I am proud of my State. I am confident that, with the right policies in place, Nevadans can find job opportunities and overcome these difficult times. But in order for that to happen, Congress must put partisanship aside and come together to pass meaningful legislation that benefits Americans who need help in this tough economy and expand opportunities for employers looking to hire.

Extending the payroll tax cut will allow Americans to hold on to wages they worked hard to earn. Under my plan, hard-working American taxpayers will not see a tax increase. Under my plan, we will prevent a tax increase on those already receiving the payroll tax credit. And under my plan, employers can continue to invest in their businesses, so they can grow, expand, and hire more workers without the fear of a tax increase.

Americans need jobs desperately. Congress should be focused on policies that create jobs and drive long-term economic growth. The legislation I have proposed allows Congress to responsibly extend the payroll tax cut and treat taxpayers' dollars appropriately.

There is no question Congress should extend the payroll tax cut. Republicans, Democrats, Independents, everyone agrees on that. But we should not do it by turning around and raising taxes on employers everywhere.

Nevadans are looking for jobs. Increasing taxes on small businesses in Nevada is bad economic policy, and taking away the capital they could use to invest makes little sense.

Rather than finding a solution for hard-working Americans, the majority has chosen to go down a path that is engineered purposely to fail. They know there is little chance a tax increase on hard-working American taxpayers and their businesses will pass the Senate, and they know there is no chance their tax increase will pass in the House. So instead of success and reaching bipartisan agreement, the majority has chosen to focus on failure and scoring political points.

Honestly, these are the games the American people are tired of: the "my way or the highway" mentality, proposals that have no chance for success, bickering at the expense of our economy.

We have a divided Congress. That means to ensure 160 million Americans receive an extension of this tax cut, we need to move beyond petty politics of this majority.

As a Senator from the State that is leading the Nation in unemployment, I am particularly disturbed by this determination to play the political game rather than focus on solutions that work for all Americans.

With a little common sense, we can pay for the payroll tax cut without raising taxes on job creators, we can reduce government spending where it is no longer needed, and require the richest Americans to pay higher premiums for Medicare. This will allow us to strengthen and preserve Medicare for those Americans who rely on the program the most. And since my colleagues on the other side of the aisle frequently talk about how the richest Americans should be doing more, I believe this is an approach that both Democrats and Republicans can support.

By voting for this alternative plan, Congress can put political gamesmanship aside and support a workable solution for all Americans. The bipartisan veterans jobs bill, along with the 3-percent withholding bill Congress passed earlier this month, is proof that when Congress has the will to work together, we can find a pathway forward.

My proposal provides Congress with another opportunity to break the political gridlock here in Washington, DC, and vote for a solution that can pass Congress and be signed into law. I am hopeful Congress can work together to extend the payroll tax cut and preserve opportunities for job growth. It is past time Congress put aside politics and focused on policies that work for Nevadans and all Americans already struggling in this difficult economic environment.