

tied to our national interests. We have seen in the past that when autocratic governments feel they are losing legitimacy among their people at home, they try to demonize others, both in their country and beyond it, and redirect their public's anger against imaginary enemies. We have seen how the Putin government has done this in the past. We have seen its attempts to paint the United States and our NATO and other allies as enemies of Russia and to lash out against us in the hope of mobilizing public support at home. This is why the growing pattern of confrontation from the Russian Government that we have seen in recent months—over missile defense, resupply efforts into Afghanistan, and other issues—should be so concerning to us and why we must understand that the actions of the Russian Government cannot be separated from its character. In fact, as Russia's Government grows less tolerant of its own people's rights at home, we should not be surprised if it treats us the same way.

As I have said before, I believe we need greater realism about Russia, but that is not the same as pessimism or cynicism or demonization. I am ultimately an optimist, and I often find sources for hope in the most hopeless of places.

One year ago, after languishing in prison for 7 years and facing the near certainty of enduring many more, Mikhail Khodorkovsky spoke before his sentencing about the hopes of the Russian people as they watched his trial. He said:

They are watching with the hope that Russia will after all become a country of freedom and of the law. Where supporting opposition parties will cease being a cause for reprisals. Where the special services will protect the people and the law, and not the bureaucracy from the people and the law. Where human rights will no longer depend on the mood of the tsar, good or evil. Where, on the contrary, the power will truly be dependent on the citizens and the court, only on law and God. For me, as for anybody, it is hard to live in jail, and I do not want to die there. But if I have to, I will not hesitate. The things I believe in are worth dying for.

That there are still men and women of such spirit in Russia is cause for hope. And eventually—maybe not this year or next year or the year after that but eventually—the Russian people will have a government that is worthy of their aspirations, for equal justice can be delayed and human dignity can be denied but not forever.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUE. Mr. President, I thank my most distinguished friend from Arizona for his generous, warm, and friendly remarks. They mean a lot to me. I will never forget them. I thank the Senator very much.

Mr. AKAKA. Mr. President, I rise today in observation of the surprise attack that the Empire of Japan launched on the U.S. military bases in Hawaii 70 years ago. The attack was

concentrated on the Pearl Harbor Naval Base, where over 2,400 courageous sailors, soldiers, and marines lost their lives. Each year, close to 1½ million people from across the country and around the world visit the memorials at Pearl Harbor to remember the events of December 7, 1941, and how the world was changed forever on that day.

As the Sun rose over Pearl Harbor today, solemn prayers were offered and large crowds gathered to honor the sacrifice made by so many of our brave young men and women.

The National Park Service and the Navy Region Hawaii are hosting the 70th Anniversary Pearl Harbor Day Commemoration at the Pearl Harbor Visitor Center to recognize those who bravely survived the attacks and to remember the thousands more who gave their lives in service to their country that day.

Representative CHARLES WILLIAM "BILL" YOUNG from Florida will be representing Congress at the commemoration ceremony accompanied by William Muehleib, the president of the Pearl Harbor Survivors Association, and approximately 100 survivors of the attacks, including 8 who were aboard the USS Arizona, which lies enshrined at the bottom of Pearl Harbor today. The USS Oklahoma, BB 37, Memorial Executive Committee will dedicate a rose granite memorial marker at the National Memorial Cemetery of the Pacific at Punchbowl to honor the memory of the approximately 355 USS Oklahoma sailors who perished but were never individually identified. The remains of two servicemembers will be interred at the USS Utah and the USS Arizona so they may again join their shipmates in accordance with their wishes. And the Hawaii Air National Guard will fly F-22 Raptors over the memorial sites at Pearl Harbor and Hickam Air Force Base in honor of the fallen.

I want to recognize and thank the National Park Service and Navy Region Hawaii for their diligent work and dedication to ensuring that the legacy of the thousands of servicemembers who perished that day lives on through the memorials that stand solemnly at Pearl Harbor. They have done an outstanding job conveying the unwavering spirit of those who, in the face of perilous odds, stood their ground and fought back against the Japanese attack to save the lives of their brothers in arms. The efforts of these organizations have helped to make sure that our country will never forget the tragic loss that all Americans felt as news of the attack spread across the Nation.

We must continue to remember the acts of heroism, bravery, and sacrifice that followed the attack. Our country fought in the name of justice to preserve our Nation's sacred freedoms. And we must also recognize and thank the courageous men and women of our Armed Forces today who are still fighting in the name of those same freedoms. I urge the citizens of this Nation

to recall that it was the collaboration of a country and the sacrifices made by ordinary men and women who rallied in defense of freedom, liberty, and the great promise of our democracy that preserved our Nation's freedom and liberty. It is in that spirit of coming together to save our country that has always produced the strongest results and made our country great.

Mr. President, I ask my Senate colleagues to join me in prayer and remembrance for the men and women who died in Pearl Harbor and those who are still fighting overseas today. May God bless all of those who have served to protect our shores, and God bless America.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

(The remarks of Mr. SANDERS pertaining to the introduction of S. 1960 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SANDERS. With that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

FOR-PROFIT COLLEGES

Mr. DURBIN. Mr. President, in the school year 2009–2010, the U.S. Department of Education provided \$132 billion in grants and loans to students. That was up from \$49 billion in 2001—a dramatic increase in Federal aid to education. A large part of the increase can be traced to one particular type of school: enrollment at for-profit colleges. That has grown faster than any other sector.

Currently, about 10 percent of the students pursuing education after high school attend for-profit schools—for-profit colleges and different training schools that offer certification in certain skills and certain professions, 10 percent. But that 10-percent portion of students in America account for 25 percent of all the Federal aid to education. In other words, dramatically more money is going to those students than those attending other schools after high school.

When it comes to the student loan defaults, where college students borrow money to go to school and then fail to pay it back, for-profit school students account for 44 percent of the student loan defaults in America. Again, 10 percent of the students, 25 percent of the Federal aid to education, and 44 percent of student loan defaults are attributable to for-profit schools.

The industry is dominated by 10 publicly traded for-profit companies. Of those 10 companies, they enroll almost half the students in for-profit schools.

So it is dominated by the big players. The largest, of course, the Apollo Group, University of Phoenix, at one point had over 450,000 students enrolled nationwide, more than the combined enrollment of all the Big Ten colleges and universities—a big player when it comes to higher education and a big player when it comes to Federal aid to education. The Apollo Group, University of Phoenix, receives more money than any other college in America, far and away. None are even close. The next two schools, when it comes to Federal aid to education, are also for-profit colleges.

While Federal spending on student aid has seen a huge increase, there has been very little accountability when it comes to these for-profit schools. Worse yet, almost no information has been available about whether the students are actually learning and finding work in their respective fields after graduation.

In June of last year, Senator TOM HARKIN—who has joined me in this effort to look closely at for-profit schools across America—added his name to a letter we sent to the Government Accountability Office to study the outcomes for students attending for-profit colleges. The report has been formally released. For-profit colleges serve—and one could argue they target—primarily low-income, nontraditional, and minority students.

For-profit colleges often claim the reason more of their students can't find jobs and the reason more of their students default on student loans is because they are trying to provide education to students whom others will not accept. That is their explanation for higher debt levels and higher default rates and poorer student outcomes. Senator HARKIN and I wanted to ask the Government Accountability Office straight out to take a look at the different students in terms of their income and background and compare outcomes—for-profit schools versus public universities and private schools. Our question was: What does the research show about graduation rates, employment outcomes, student loan debt, and default rates for students at for-profit schools compared to those at nonprofit and public schools, taking into consideration different student backgrounds.

When looking at student debt, one study by the GAO found that 99 percent—99 percent—of for-profit college students took out loans, almost all of them. What is the comparison? Seventy-two percent of those attending public colleges took out loans, with 83 percent of those attending private, nonprofit colleges.

When it comes to student loans, the for-profit colleges lead all types of schools and universities in the number of students who are taking out loans. The GAO found that for-profit college students have higher rates of unemployment when it is all over. When it comes to loans and debts, students at

for-profit colleges fare much more poorly than their peers attending non-profit or public institutions. Students at for-profit colleges took out more student loans and they generally had higher loan debt.

Let me tell you about one of those students who contacted our office. His name is Jacob Helms. He attended a for-profit, online school to earn a bachelor of computer science degree in videogame design. When he enrolled, he was a little bit apprehensive because of the cost. You see, this for-profit, online school told him he had to take about nine classes a year and each class would cost him \$1,500. Jacob was concerned about the cost, but the school told him: Don't worry about it. The loans you have to take out will cover your entire education.

With that assurance, Jake enrolled 4 years ago. After about 4 years of attending courses year-round, Jake reached the maximum direct loan amount for independent undergraduate students. He had borrowed \$57,500. The problem was, he wasn't finished. He hadn't completed his required courses. He had just run out of the ability to borrow any more money from the government. Jake is \$57,500 in debt. He has no degree and no job prospects. He says all he wants to do is move forward and start a career—his original goal. Jake says the school will provide him with no assistance or alternative other than to drop out with a debt, no diploma, and no job.

In fact, Jake didn't even know he had reached the maximum level on his Federal direct loan limit. He was withdrawn from online classes with no explanation and finally determined that since he could no longer borrow money from the Federal Government—he was at the top, with \$57,500—they didn't want him. When he inquired, the school told him he had run out of money. With an annual income of less than \$25,000 and no other way to pay the tuition, Jake dropped out. He says the school's attitude was very clear: We got our money; we are done with you.

Jake is not alone. Student debt has outpaced credit card debt. Imagine that. In October of last year—13 months ago—for the first time in history, the total amount of student loan debt is greater than credit card debt in America. In 2009, the average debt nationally for students at for-profit colleges was well above those who attended other institutions. Students at for-profit colleges graduated with an average debt of \$33,000. At public universities, the average was \$20,000. At private nonprofits, the average was \$27,600.

There are very few penalties for schools where students incur huge amounts of debt and can't repay their loans. More than three in four—that is 76 percent—of young adults say college has become harder to afford in the past 5 years. Nearly as many—73 percent—say graduates have more student debt than they can manage.

It was interesting to see with this Occupy movement—which had many different causes, in many different cities—that the one recurring theme, particularly from the younger people who were there, was we have to do something about student loan debt. Students across America, those who have attended colleges and universities, understand that debt and the burden it places on their lives. These students have to put off buying homes, starting families, and other major life decisions because of their debt.

Sadly, many students are not informed about the loans they are taking out. They do not know the difference between a direct loan and a private loan, but they should. The one critical difference is this. It wasn't that long ago in America where people could borrow money from the Federal Government to go to college and beyond and then declare bankruptcy, so we changed the law. We said: That is not fair. They can't borrow this money from the Federal government and then refuse to pay it. So student loans from the government were no longer dischargeable in bankruptcy.

I thought there was some sense and justice to that decision. We had cases that were reported of students literally finishing medical school and declaring bankruptcy before they went into practice so they didn't have to pay their student loans. That was unacceptable and unfair and it can no longer be done. Just a few years ago, we changed the law again and said private college student loans—those are loans from the university and not from the government—were also not dischargeable in bankruptcy. What does that mean? It means, if a student has incurred a debt or if one has signed on to their son or daughter's college debt, they are on the hook. They will have to pay that off or else.

We asked some of the Federal agencies: Are you concerned about student loan default? They gave a very cold answer. They said: No. We will get our money because we will be watching for the rest of that person's life. Every time they think they are going to receive a Federal income tax refund, we will take the check. If necessary, we will take their Social Security checks too. That shows this student loan debt can haunt them for a lifetime.

We recently had an e-mail from a young man. It was heartbreaking. He told a story of going to one of the for-profit colleges in the Chicago area and he ended up coming out of college with \$90,000 in debt, a worthless diploma and no job. His parents signed a note. Because of the penalties and interest which accumulated after he had finished his education, his debt was now up to \$124,000. Both his parents had decided they could no longer afford to retire, as they had planned. They had to keep working to pay off their son's student loan for an education that turned out to be worthless.

I wish that was the only example I knew of, but we have been receiving

more and more examples just like it. There is no way in this circumstance for this student to consolidate loans, lower interest rates or pay off the balance.

Sadly, many students are not informed about the loans they take out. They do not know the difference between direct loans and private loans. They do not know this aspect of nondischargeability in bankruptcy. Private loans are even more burdensome. You see, when a person takes out a government student loan, after a period of time—because of some of the decisions made by President Obama and by this Congress—they can be at least limited in their exposure of how much they have to pay each year, 10 percent of their income, with certain qualifications—10 percent, no more. After 10 years, should they take a job as a teacher or nurse, some of their government student loan debt can be forgiven.

This is not true on the private side. The money loaned to a student by the school, for example, or by some other institution other than the government is not subject to these benefits or limits. Students wrack up unmanageable amounts of debt, then can't repay their loans or discharge their private student loans in bankruptcy.

In September, the Department of Education released the fiscal year 2009 national student loan default rates. It is a measurement of how many students default on their student loans, and it gives us a view of the overall burden of college on students. The rates of students attending for-profit colleges continue to soar well above the rates for students at private and public colleges—4.6 percent of students who attend private schools defaulting on their loans. But students who attend for-profit schools default at a rate almost 3½ times as high, at 15 percent. That is dramatically higher if they attend for-profit schools. Because their debt is higher, their likelihood of a job is much less.

This says more about the institutions than it says about the students. Yet there are no repercussions for schools with high default rates, unless—under new regulations from this administration—they have 25 percent default rates for 3 consecutive years. This is unacceptable.

The recent GAO study recognizes we have few measures to determine the quality of education students receive. One measure we do have is that students at for-profits continue to go deeper and deeper into debt even though most of them don't graduate. Of students who began their education at for-profit schools in the 2003–2004 school year, only 15 percent had obtained a bachelor's degree by 2009. Again, for-profit schools, over a period of 6 years, graduate 15 percent.

What about other schools? Sixty-four percent of students at public colleges graduated in that 6-year period of time, and 71 percent at private colleges ob-

tained a bachelor's degree. That is a huge difference. A 15-percent graduation rate at for-profit schools means students, many of them, are deeply in debt by a margin of almost 6 to 1 are not graduating. They don't end up with a diploma. They have the debt, they have no diploma, and some of them end up with a worthless diploma.

The recent Department of Education regulations are starting to work. They are cracking down on aggressive recruiting practices. Students are thinking harder about where they enroll in schools. In some cases, students are avoiding for-profit colleges. Every high school student in America should read the summary of the Government Accountability Office report on for-profit schools before they even consider enrolling in one of those schools.

Some of the schools are starting to ask questions on their own about the way they do business, and they have come to me—many of these schools—pleading with me, saying: You are just talking about the bad guys. We are the good guys.

Well, prove it. Prove it. Make certain that students are getting an education that is worthwhile. Don't sink them with debt. Stand by them when it comes to finding a job or at least be mindful of what that debt means to their lives.

More needs to be done to educate families, high school teachers, and high school counselors about the choices students face. I hope these companies will continue to examine their practices, and I hope the Department of Education is going to continue monitoring the schools and the way they operate.

Let me tell you about one such operation, the Career Education Corporation. I know about this school because its former CEO came and met with me in my office in Chicago and then appeared at a hearing, pleading with me to give special consideration to his for-profit schools, which were different and better and shouldn't be lumped into the category of these schools that are exploiting young people coming out of high school. I listened to him and basically said: Well, I will pay attention to the way this turns out.

This gentleman, whose name is Gary McCullough, resigned as the CEO of Career Education Corporation on November 1 after it was reported that his school had misrepresented its placement rates for its graduates.

Career Education Corporation is an Illinois-based company with over 100,000 students nationwide. If you have not heard of Career Education Corporation, you may have heard of some of the names of its schools. I saw one of them on a bus in Chicago advertising for more students, and it is a familiar name to people who have followed the culinary side of business for a long time: Le Cordon Bleu. They bought that name, and they named one of their schools Le Cordon Bleu. We will teach you how to be a superchef, an

Iron Chef, whatever chef you want to be. But it turns out that they were not only failing to educate and train the students, but the students couldn't get jobs, and the students were deep in debt.

When Mr. McCullough ended up resigning as CEO of Career Education Corporation, they found out that only 13 of their 49 health, education, and art design schools—13 of 49—met the 65-percent minimum placement rate for the reporting period. They had falsified their numbers, and now they are under investigation. They should be. We need to get to the bottom of it. If they are lying to the students, something has to happen.

First, they shouldn't be qualified for Federal student loans or Pell grants. If they are not graduating students into jobs, then they ought to be held to higher standards. And the students shouldn't be misled into believing that if they can get a Federal loan at a school, it has to be a good school.

Secondly, there has to be some standard for accreditation. There obviously is little or no accreditation accountability at this point. You can't expect a high school student or his parents to be able to look at a school from the outside or look at the Web site and decide whether it is any good. There have to be some standards for performance and excellence when it comes to these for-profit schools—for every school, for that matter.

Finally, if this school loses its accreditation, particularly in the programs where it has failed to graduate students, I think this school and this corporation should be held accountable for the student loans that have been incurred by these students. They didn't know they were signing up to go to an unaccredited school. Their debt is very real; their diploma is a phony. So it is time for these schools to be held accountable.

I am sure there are many for-profit schools that offer a good education, but there are certainly many that are exploiting students today. They are so good at marketing, you can't avoid them, whether it is on the Internet or television. They are everywhere, everywhere you turn, particularly in low-income communities. They are offering "college" to many students who can't get into a regular college or university. These students feel they are finally going to get their chance. Little do they know that all these for-profit schools are looking for is the money they can bring to them. When it is all over, they are deep in debt with no job and no place to turn.

What is our responsibility? Remember, we put \$132 billion a year into Federal aid to higher education. It is time for us to make sure the schools that receive them for the students are real schools, are graduating students and preparing them for a good life and a good job.

NOMINATION OF RICHARD CORDRAY

Mr. DURBIN. Mr. President, experts blame credit default swaps and collateralized debt obligations for the financial crisis. The fact is, these complicated financial products were based on mortgages sold to families who couldn't afford them, credit cards with hidden fees, and loans targeted to low-income individuals with up to 400 percent interest rates. The financial regulators ignored their responsibility to protect consumers from these predatory practices. Because there was not one regulator solely responsible for consumer protection, the financial regulators pointed their fingers at the other guy when the system collapsed. Consumers lost \$17 trillion in household wealth and retirement savings almost overnight.

That is why a bipartisan group of 60 Senators voted last year to consolidate consumer protection authority into one agency: the Consumer Financial Protection Bureau. The CFPB was given new responsibilities to oversee nonbank actors who deal in payday loans, prepaid cards, student loans, and credit reporting.

Mr. President, 200 million Americans rely on credit reporting agencies when they make a big purchase and sometimes when they apply for a job. An estimated 20 million people use payday lenders to make ends meet. I wish they didn't, but they do. Many of them face up to 400 percent interest rates to obtain these short-term loans. Four million Americans have prepaid debit cards. As more companies use these types of products instead of checks or direct deposit, it is expected that over \$670 billion will be loaded into prepaid cards in the next few years. More than \$10 billion in private student loans is given to students, who then face up to 15 percent interest rates. I talked about a few of them in an earlier statement.

Tens of millions of Americans relying on nonbanks for their financial needs will go without protection unless the Consumer Financial Protection Bureau has the resources it needs to help American consumers and a Director.

Earlier this year, President Obama nominated Richard Cordray to be Director of the Consumer Financial Protection Bureau. He was recruited to lead the Enforcement Division and now is being asked to move up and take over the directorship. Before joining, he served as Ohio's attorney general, recovering billions of dollars in pension funds on behalf of retirees and taking on the predatory lenders. Mr. Cordray saw firsthand how the failure to enforce Federal consumer protection laws related to mortgages affected Ohio residents. He has a strong grounding, working with both consumer advocates and the financial sector. He is an excellent choice, and I strongly support his nomination.

Unfortunately, Mr. Cordray is asking to head up a consumer protection agen-

cy which, to paraphrase a former colleague on the floor, the banks hate like the devil hates holy water. The idea that we would give authority to an agency to watch these financial institutions—payday loan operations and the rest—to make certain they don't exploit American consumers drives these banking interests wild. They have done everything they can to stop him from becoming Director and to cut the money available for his Bureau. They don't believe there should be consumer protection. Let the buyer beware. They don't care, at the end of the day, if innocent people suffer across America. But they should.

My colleagues claim there won't be any real checks on his power if Mr. Cordray is given this position, but he is subject to an annual audit by the GAO; he has to report to Congress biannually; is subject to private sector independent audit; monitored by the inspector general of the Federal Reserve; the Comptroller General is required to annually audit the financial transactions of the Bureau; and is subject to the Regulatory Flexibility Act, the Paperwork Reduction Act, the Congress Review Act, and the Administrative Procedures Act, to name a few. The Financial Stability Oversight Council that includes members from across the financial sector can review and overturn CFPB regulations. No other agency is subject to having regulations under its own jurisdiction overturned. But that isn't enough for the special interests that hate the Consumer Financial Protection Bureau. These are the same players who helped create the financial crisis that devastated our economy.

Despite all these measures to ensure congressional oversight, those who couldn't kill the CFPB outright are determined to destroy its ability to act. And now, as we finally start to recover from this economic crisis, the same special interests are protesting efforts to require the disclosure of credit card fees, for example. The same banks that made billions from selling homes to families who couldn't afford them are refusing to modify mortgages so families can stay in their homes. They don't want to change the structure of the CFPB; they want to destroy its ability to protect America's consumers and families. They want to go back to the days of "heads I win, tails you lose," back to the days when we didn't have to worry about a regulator enforcing consumer protection laws.

The CFPB structure is similar to other financial regulators. The Office of the Comptroller of the Currency has been led by one individual with congressional oversight for over 100 years, for example. The Federal Housing Finance Agency, which oversees Fannie Mae and Freddie Mac, is also led by a single Director with congressional oversight. Yet both financial regulators have avoided the political outcry we are hearing about the Consumer Financial Protection Bureau.

Really, what we are seeing, I am afraid, is a partisan effort to block a well-qualified nominee. Many intelligent, decent, and hard-working Americans volunteer to contribute as appointed public servants. They are well qualified, but all too often these days, they can't get through the Senate. This has serious consequences on all Federal agencies and our judiciary.

Yesterday, we saw an incredibly astonishing Republican filibuster of the nomination of Caitlin Halligan to serve in the DC Circuit Court of Appeals. The fact is, those voting against her nomination couldn't come up with a good reason. She had been found by the ABA to be unanimously "well qualified," she had an amazing resume, and she was rejected on a filibuster initiated by the Republican side. That is unfortunate.

I would just say to my Senate Republican colleagues that I think Richard Cordray has the background and experience to lead this agency. He should be given a chance. I know the banks aren't happy that anybody is watching them. These financial institutions—payday lenders and the rest—would rather do their business without anybody looking over their shoulders.

Holly Petraeus is the wife of General Petraeus. She has been working with the Consumer Financial Protection Bureau to stop the exploitation of men and women in military service. She came by my office to talk about what this agency is doing to protect these families. Sadly, some of these families are exploited so badly that they are forced out of the military and have to be discharged. We don't want that to happen. We don't want it to happen to American families who unsuspectingly find themselves lured into financial arrangements that are totally unfair.

Richard Cordray is competent, qualified, and an honorable public servant. He deserves an up-or-down vote. We are going to have that vote probably tomorrow, and I hope he will be confirmed and given an opportunity to lead this important agency.

Mr. President, I yield the floor.

Mr. THUNE. Mr. President, I ask unanimous consent that when I complete my remarks, the Senator from Wyoming, Mr. BARRASSO, be allowed to follow me.

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

KEYSTONE XL PIPELINE

Mr. THUNE. Mr. President, the President of the United States has said repeatedly that he makes jobs his top priority, he wakes up every morning thinking about what he can do to create jobs and how he can create jobs. Yet we have the greatest shovel-ready project in the country right in front of us, and when it comes to that particular project, for some reason the President is suddenly not interested. I think we have to ask the question of why that is. I think there are probably