

process by the Senate Banking Committee. We need that process because the House bill is full of problems for investors. It will create a marketplace where investors can be deeply damaged.

It is our responsibility in this body to make sure that as we produce a streamlined system for small companies and startup companies to access capital that we don't create, basically, a scheme for pump-and-dump operators seeking to defraud American citizens. That is why we need due consideration in committee.

I can't speak to the challenges with all the portions of the House bill, but I can speak to a specific section of the House bill called crowdfunding because I have been working with others, including the occupant of the chair, Senator BENNET from Colorado, and SCOTT BROWN from Massachusetts, to say let's utilize this crowdfunding tool but in an effective manner. Crowdfunding is saying let's take the power of the Internet, just as we have person-to-person lending facilitated by the Internet, let's take that and enable people who see small startup companies seeking capital investments and give them a chance to present their ideas and for folks to invest in those companies. So they might receive thousands of small investments enabling them to take their dream forward for the benefit of the investor and the company.

But what is wrong with the way the House drafted this bill? I will give short examples. It enables companies to raise up to \$1 million by providing no financial information—no financial information. That is not an investment market; that is a scam.

Second, companies do not have to go through a registered intermediary. In other words, you or I, tomorrow, could start up a Web site and say: Companies, sign up; investors, sign up—with no sort of protocol for the registering of information and no system required for the protection of investors. That is a major mistake in this legislation.

Third, under the House bill, a person could say: Here are 10 stocks, 10 potential companies to put your money into. Through that action they could take 100 percent of your annual income in one fell swoop. So as we create this new, this particularly interesting marketplace, full of potential, we don't want it to be a place where no financial information occurs, no rules for the intermediaries, and people can be taken for their whole annual income in one fell glance. That is no way to build this wonderful potential marketplace.

To continue, the House bill lacks any advance public notice. So a company can provide notice to the SEC on the same day they offer the stock, and upon getting 60 percent of the amount they are seeking, the target amount, they can walk away with the investors' cash just like that. In other words, offer it, no chance for the SEC to look at it, collect their \$1 million, walk away, and they didn't provide one ounce of financial information.

If you haven't seen the movie "The Boiler Room," I encourage you to do so because you will see how scams actually not permitted by law were used to defraud honest American families. In this case, we are just paving the path to predatory investing schemes. So that is a problem.

The House bill allows anonymous stock promoters so that it encourages the opportunity for pump and dump. This is a reference to promoters saying how wonderful something is and not identifying themselves to having a connection to the company offering the stock. It doesn't address the issue of delusion.

If you had a chance to get in on the start of Starbucks, when they said they wanted to start up a coffee company, wouldn't that have been great to be in on the ground floor? You say: You bet—and you got 1 percent of Starbucks stock as a result. You would be very rich today.

But what about a company that proceeds to use a strategy of deluding the original investors so that your initial investment is worth nothing when the company actually gets traction as a successful entity? That certainly is an issue. These issues have all been wrestled with and addressed by the bill Senator BENNET, Senator BROWN, and I have put together.

The other sections of the House bill have similar problems. I will not speak to those problems because there are other folks who are much more knowledgeable about it. I will stick to my section and use it as an analogy of why this entire bill should go through the Banking Committee.

Let me read to you a letter from Motaavi. Their slogan is "Investment for Everyone." Isn't that the perfect slogan for crowdfunding, "Investment for Everyone"?

They address their letter:

Dear Senators Reid and McConnell:

We are a crowdfunding intermediary based in Durham, NC. We understand the Senate will take up the [House bill] shortly. We are very concerned about language in title III. While we appreciate the broad exemption written by the House, the language does not protect investors and puts the crowd funding industry at risk of significant fraud. However, more responsible language does exist.

Then it refers to the bill the Senate has been working on. Then they proceed to list many of the flaws I have just listed.

So here are folks out in the private sector who want to see a successful process, and they want to be an intermediary. They don't want to see this potential industry brought to a halt with a terrible reputation because it becomes a predatory industry.

I have another letter from Launch:

This latest bill, the CrowdFund Act [the Senate version] is important because unlike previous bills, for the first time we have a Senate bill with bipartisan sponsorship, a balance of oversight and Federal uniformity, industry standards, investor protection, workable funding caps.

It lays out what this work should be in this bill.

Finally, I want to note the perspective in the New York Times editorial, entitled, "They Have Very Short Memories". It is scathing in its critique of this process we are engaged in:

House Republicans, Senate Democrats, and President Obama have found they support: a terrible package of bills that would undo essential investor protections, reduce market transparency and distort the efficient allocation of capital.

They go on:

Of course, the supporters don't describe it that way. They say the JOBS Act—for Jumpstart our Business Startups—would remove burdensome regulations that they claim have made it too difficult for companies to raise money from investors.

Never mind that reams of Congressional testimony, market analysis, and academic research have shown that regulation has not been an impediment to raising capital. In fact, too little regulation has been the root of all recent bubbles and bursts—the dot-com crash, Enron, the mortgage meltdown. Those free-for-all created jobs and then imploded, causing mass joblessness.

Wouldn't it have been great if, when those deregulatory efforts that didn't deregulate in a positive way, cutting out unnecessary redtape but in negative ways, which created a Wild West marketplace with all kinds of predatory practices, would it not be nice if the Senate stood in and said we are the cooling saucer—I have heard that term ever since I came here, that we are the "cooling saucer."

We cooled our heels for 3 weeks with the Transportation bill on the floor, and we weren't able to consider one single amendment during that 3-week period. That is a deep freeze, not a cooling saucer. Now we have gone from deep freeze to bullet train. We need to slow this train down. We need to have due deliberations to recreate the sort of deregulation that is so important for the future growth of the United States and the future success of American families.

I am going to withdraw my objection, Mr. President, because I wanted to make a point now that, hopefully, will help guide our deliberations over the next couple of days. It is not that we should not be getting to this topic; we certainly should. But we need to do so in a manner that works for American businesses, small businesses, startups, and families, and the House bill doesn't do it.

I withdraw my objection.

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

Mr. REID. Mr. President, I appreciate the work done by the Presiding Officer and the junior Senator from Oregon on this most important piece of legislation, and especially the problems the two Senators I mentioned believe is evident with this legislation. I appreciate the opportunity I have had to work with the two of them today. We will continue to do that.

TRIBUTE TO MR. JIM BOOTH

Mr. McCONNELL. Mr. President, I rise today to pay tribute to someone

who has given so much back to the great Commonwealth of Kentucky—someone who has taken it upon himself to make an investment in the betterment of his community, county, and State for generations to come. I am speaking of Mr. Jim Booth of Inez, KY.

Mr. Booth has kept the town of Inez, located in Martin County, close to his heart his entire life. In this town he graduated from high school, met his wife, Linda, and paid his way through Morehead State University by working part-time in the region's coal mines. So many milestones in Jim Booth's life have taken place in this eastern Kentucky town, it is no surprise that he is so devoted to giving something back to the place that's given him and his family so much.

Jim Booth combined a business administration degree, love for his community and its residents, and hard work to stimulate the local economy across the board. It has been said that there isn't a single growth project in Martin County that doesn't have Jim and Linda Booth's fingerprints all over it. The couple manages a coal company, a Ford dealership, real-estate agencies, convenience stores, hotels, insurance agencies, and a building supply store.

With so many successful projects in so many industries, it may seem that Jim Booth has a lot to brag about. But Jim is a man of modesty and humility. He makes it a point not to boast about his own accomplishments, but the accomplishments others have made from the little push that he gave them. Jim has helped to bring over 2,000 jobs to the area, and he is grateful for the exceptional employees that he has been so blessed with.

Booth's story is one of success in the free market, and a testimony to what can happen when a small business is given room to take root and grow. Mr. Booth bought his first coal mine when he was just 25 years old. At the time, the tax rate was 70 percent, and he remembers having to borrow against his own income for the next year just to pay the business's taxes. "Then, when Reagan became President and taxes went down—BOOM. We're the best story you'll find for how success comes from tax relief," says Jim.

Over the next few years, the business experienced tremendous growth and success. Jim went on to start a building supply company, and from this he put into effect his most important piece of business advice—be your own best customer. Mr. Booth made the necessary purchases from the building supply store to assist in building numerous hotels, convenience stores, and other various buildings and business over the years.

Mr. Booth has a vision of renovating and remodeling virtually the entire city of Inez's local infrastructure at some time or another. He is almost halfway through this process, as he has already made headway providing new facilities for the Martin County Board

of Education and the Martin County Economic Development Board, of which he is the chairman.

The most prized accomplishment of Mr. Booth is the Roy F. Collier Community Center, named in honor of Jim's late friend and business partner who passed away in 2005. The facility houses a movie theater, indoor track, fitness center, arcade, and large meeting rooms available for reservation. The versatile community center provides entertainment to over 200,000 residents of Kentucky from across the state annually.

Along with all of these major improvements to his local community, Jim has also sponsored a local basketball tournament, provided the chance for anyone who is interested to become a certified coal miner, and headed up a campaign that helps combat youth obesity called "Martin County on the Move" with United States Representative HAL ROGERS. While it may seem like Jim has a lot to celebrate, he stays focused on what all of his hard work is really about.

"This is home, Linda and I decided to stay here; build here and improve our community for the next generation," Jim says. Jim is determined to providing as much inspiration and as many opportunities as he can to those individuals who share with him the same "home" of Martin County, KY.

Mr. President, at this time I would like to ask my Senate colleagues to join me in commemorating the accomplishments of this treasured citizen of the Commonwealth of Kentucky.

In 2011, an article was included in a publication released by the Southeast Kentucky Chamber of Commerce that featured the many accomplishments that Jim Booth has been able to generate throughout his life thus far. Mr. President, I ask unanimous consent to have printed in the RECORD that article.

There being no objection, the article was ordered to appear in the RECORD as follows:

[From the Southeast Kentucky Chamber of Commerce, 2011]

JIM BOOTH

COMMITTED TO ECONOMIC DEVELOPMENT

There's an old adage that says "Bloom where you are planted." It's apparent that Jim and Linda Booth have taken that saying to heart. Not only have their family and businesses prospered in Martin County, but they have worked to make the entire county "bloom." You can hardly enter a building, walk a trail, or have a bite to eat in which the Booths weren't involved. A short list of businesses the Booths operate include coal mining, a Ford dealership, convenience stores, real estate, building supplies, hotels, and insurance, but the underlying theme is their dedication to cultural and economic development in their hometown.

"There's no question, we could have gone other places and it would have been easier, and maybe more profitable as far as the retail side goes," Jim explains, "but I really know that someone had to be involved here in our community. There haven't been very many people willing to do that, but I can tell you, the team we've put together has been

able to make our enterprises profitable. Mostly, it has allowed us to employ a lot of people. We employ about 800 in retail and we have around 1,400 coal miners. One way we have made our enterprises work is that we are one of the best customers of about every business we've started. That's given us a base for some sustainability."

"One of the first businesses we started was a building supply, and the next one was a mine supply business, so we were, of course, good customers of both of them. When we built hotels, we used our building supply to furnish the materials. Then we put a team together to build the hotels. I entered into a partnership with my brother-in-law, Kevin Davis, who operates Fast Change Lube & Oil, a chain of Pennzoil Lube Centers. Kevin has done an excellent job in growing our stores, which today we have over 21 lube centers and six car washes. We're a good customer of our insurance companies and, of course, our convenience stores. Even the Ford dealership, we're probably one of the best customers of the dealership. It's not necessarily all been calculated in advance—sometimes opportunities just arise. We entered into the car dealership business in order to keep one here, then we lost the Chevrolet store when the government took over GM. But we still have Ford."

Jim and Linda Booth both graduated from Warfield High School; Linda a year after Jim. Jim started college at Morehead State University and Linda began next year. In order to pay their way through school, Jim became a part-time coal miner. "We drove here (Inez) on weekends," Jim remembers, "and I worked in a service station for my brother. Then, during the day, I worked underground in the mine. Linda and I would drive back to Morehead in time for school. I had Monday through Thursday classes typically, so we could come home on Thursdays. When I graduated, I interviewed for a couple of personnel jobs—I have a business administration degree—and I realized I made more money working part-time as a coal miner than any other offer I was getting at the time.

I said to Linda, 'Let's go back and let me work a little while at the mine,' Jim remembers. "I had a hard time talking her into it but I convinced her," he smiles. "Real quickly I got into management, and by the time I had completed three years' experience, I became a foreman. When I was 25 years old, I got the opportunity to start my own mine. Then, when I was 27, I incurred a hefty sum in income tax! That was when the tax rate was 70 percent. I had a hard time scraping up the money, and then there was no money left for us—it all went to the federal government and I was struggling. I had to borrow money from the next year's earnings to pay the taxes. Then, when Reagan became president and taxes went down—BOOM. We're the best story you'll find for how success comes from tax relief. We would not have survived if the taxes had stayed the same. We bought a brand new set of equipment for our mine. We'd been in business nine years and had not been able to afford new equipment. We had money to use to invest then, and we started growing. We had operated only contract mines until 1988, at which time we were able to get our own operation. We bought an Ashland coal operation in Johnson County, and we began cleaning and washing the coal at the prep plant, marketing the coal—the entire process."

"During that time was when we started to diversify," Jim continues. "We built our first development building—a building that we leased to the post office—it had apartments upstairs. That was the very first investment we completed. We bought the building supply in the early '80s and put the

group together that started using our supplies—we buy from ourselves when we build houses, apartments, hotels, and any other retail developments.”

Jim Booth has many things to be proud of—building an economic conglomerate from scratch, for one—but he is very modest when speaking of his business accomplishments. What he seems most proud of are the jobs and opportunities he’s been able to bring to the local people.

“We started the convenience stores in ’84. The first Fast Lane was in Lovely, KY. We have a really good team—James Mills manages Fast Lane, Fast Lane Tobacco Stores, and Mountain Petroleum, and he does a really good job. Fast Lane has been a great success—not just for Martin County but for the region. Locally, we do tremendous things for the school system. The Fast Lane Classic is second to none—I doubt there is a better pre-season basketball tournament in the state of Kentucky. It’s held at Sheldon Clark High School on the Saturday of Thanksgiving weekend, and some of the best teams in the tri-state participate. UK Wildcat Patrick Patterson participated in our tournament when he played at Huntington High.

“Through our businesses, we’re able to help a lot of these kids get into the workforce,” Jim continues. “They’ll tell me, ‘I got to buy a car because of Taco Bell or KFC’ because that’s where they work. There wouldn’t be those kinds of opportunities here for kids if we didn’t have the retail jobs.

“On the coal mining sector, we’ve allowed anybody from the area who wants to be a miner and is qualified to train and become a certified coal miner. To be honest with you, we need coal miners right now. We have several vacancies in our mining operations. We could hire qualified people right now.”

After Fast Lane, knowing the area needed a hotel, Jim and his team built the Inez Super 8 Hotel. He chose the location because the site had the necessary infrastructure. From there, they moved out from Martin County and began what he refers to as the Interstate Hotels—located in Mt. Sterling, Catlettsburg, and two in Huntington—all on I-64. They’re all doing well.

When asked to describe his business plan, Jim explains it very simply: “We have mostly grown from within based on common synergies. Almost everyone in management has started on the ground floor and worked their way through the system. Most are local residents. We have a lot of families that every member of the family has worked for us. We try to provide all the opportunities this area can support.”

The companies have ventured out of Martin County. Jim’s son-in-law, Jeff Fraley, operates the United States Achievement Academy in Lexington, which is similar to Who’s Who. They do all the printing for the book and have about 100 employees. Two other businesses in Lexington are Southeast Mail, the largest bulk mailer in Lexington, and a Bluegrass branch of Elite Insurance.

Booth Enterprises has gone into Louisa with the new Yatesville Crossing shopping center, containing retail businesses such as Wal-Mart, Appalachian Wireless, and Radio Shack. Plans are to build a medical center on the lower level. As an offspring of the building supply in Lovely, a Surplus Home Center has been opened in Louisa. The company buys oversupply items from different places and ships them to the Center. The buyer is Martin County native Carolea Mills who is also a board member of the Roy F. Collier Community Center.

Jim Booth really lights up when describing the Collier Community Center and its programs. “It is probably the most unique centralized facility Martin County has ever established, and it is highly utilized by the

community,” he says. “Roy Collier was one of my business partners when I started out, and he passed in 2005. I donated the property, so I was allowed to name the building in honor of Roy. The Community Center has four digital 3-D cinemas with surround sound, an indoor walking track, a gift store, a Fun Zone Arcade, a fitness center, video conferencing, a computer lab, and large rooms for receptions or meetings. Over 125,000 people per year make use of it. It’s a real drawing card—people come from surrounding counties—especially for the cinema.”

Jim was also instrumental in working with Morehead State University, where he has served as chairman of the Board of Regents, to bring the “Martin County on the Move” program to Martin County and the Collier Community Center. He and President Wayne Andrews of Morehead State University met with U.S. Representative Hal Rogers to discuss the problem of obesity in young people. The Congressman secured a year’s grant to encourage Martin County kids to be more active and to select healthy food. Although the program is based at the Collier Community Center, the health directors work through the local school system. One year, Jim bought pedometers for all the kids in 6th grade! Started in Martin, the program will progress into other counties, with Lawrence County the next possible choice. “Martin County on the Move” has been hugely successful in creating new health and wellness initiatives in the community.

Jim’s personal involvement throughout Inez is evident by his leadership as chairman of the Martin County Economic Development Board, which has oversight of the new Business Center. The Martin County Board of Education and the office of the Kentucky Health & Human Services were both in buildings that were falling apart around them. Now an open, light-filled, modern building with walls filled with art and the very best in technology stands as a beacon of progress in the community. It is home to both organizations and has additional leasable space as well. Built with coal severance tax money and the support of Judge Kelly Callahan, the county is allowed to keep the revenue to maintain the facility. Christi Brown, executive director of the Martin County Economic Development Authority, spearheaded development of the Business Center and presently manages the Center.

The Martin County Historical Society was also built on property Jim and Linda Booth donated. The Historical Society has a small privately owned gift shop, located on the first floor of an adjoining building, and the rent helps with operating expenses of the Society. Mike Duncan, president of Inez Deposit Bank, allows students from their summer intern program to volunteer at the Society. The students work at the bank, participate in cultural programs, hear business speakers (including Jim Booth), and work on their own family trees at the Historical Society.

Jim transitions seamlessly from recalling the past to looking toward the future. “County Judge/Executive Kelly Callahan wants to build a new courthouse and continue to utilize the existing facility as a re-designed cultural center. We’re also looking at doing some redevelopment on the east side of Inez’s Main Street. We want to remodel or replace most of the buildings, and we hope to make retail space downstairs and office or living quarters upstairs. We’re working with the Appalachian Regional Commission to develop a plan.”

It’s safe to say that whatever Jim puts his efforts into will exceed expectations, will definitely be something to benefit both Martin County and southeastern Kentucky, and will be a source of pride and inspiration.

It’s plain to see that Jim Booth is dedicated to making things happen in Martin County, but why does he put such effort and heart into every project?

“This is home,” he says. “Linda and I decided to stay here; build here and improve our community for the next generation.” That they have done, and they are to be commended for their efforts.

JUDICIAL NOMINATIONS

Mr. LEAHY. Mr. President, yesterday I came to the floor to express my hope that Republicans would join together with Democrats to end the damaging filibusters of judicial nominations. With a judicial vacancies crisis that has lasted years, and nearly 1 in 10 judgeships across the Nation vacant, this is something the Senate needs to do. I hoped that we could work together to ensure that the Federal courts have the judges they need to provide justice for all Americans without needless delay.

Today there are 22 circuit and district court nominations ready for Senate consideration and a final confirmation vote. They were all reported favorably by the Judiciary Committee after thorough review. All but a handful are by any measure consensus nominations. There was never any good reason for the Senate not to proceed to votes on these nominations. It should not have taken cloture motions to get agreement to schedule votes on these qualified, consensus judicial nominations. A dozen of the nominations on which agreement has now been reached have been stalled for months and were reported last year.

These are qualified judicial nominees. They are nominees whose judicial philosophy is well within the mainstream. These are all nominees supported by their home State Senators, both Republican and Democratic. The consequence of these months of delays is borne by the nearly 160 million Americans who live in districts and circuits with vacancies that could be filled as soon as Senate Republicans agree to up-or-down votes on the 22 judicial nominations currently before the Senate awaiting a confirmation vote.

In light of the agreement reached between the leaders, the Senate will finally be allowed to consider the nomination of Judge Gina Groh of West Virginia. Her nomination has been stalled for more than 5 months. We will also finally be able to consider other long-stalled nominations like that of Michael Fitzgerald to fill a judicial emergency vacancy on the Central District of California, which has been ready for a vote for well over 4 months. The delays in confirmations mean justice delayed for millions of Americans.

I went back and checked my recollection of how we considered consensus Federal trial court nominees in President Bush’s first term. Nearly 60 were confirmed within a week of being reported by the Senate Judiciary Committee. By contrast, there have only been two judicial nominees voted on so