and leverage requirements for the largest financial institutions could help prevent the next financial crisis and prevent future bailouts.

Unfortunately, the Basel Committee—named after a city in Switzerland—responsible for the Basel III international capital rules adopted a mere 3-percent leverage ratio.

In 2007, the investment banks Bear Stearns and Lehman Brothers were leveraged 33 to 1 and 31 to 1, respectively. These institutions would have been compliant with the Basel III international leverage ratio, and yet each would have become insolvent, or nearly insolvent, if the value of their assets declined by as little as 3 percent. That meant they only had sort of 3 percent protection, and if their assets declined by more than 3 percent, they would be what you call underwater. They simply would be a failing, unsustainable institution or bank.

I am pleased to say that this week regulators finally went beyond these inadequate rules and proposed a 6-percent leverage ratio for insured banks. I said earlier, Senator VITTER and I had argued for this and were pushing the banking regulators to do what they, in fact, did this week.

The move is a necessary step in the right direction. It shows how far this conversation has gone in a short time. But there is more work to be done. Let me explain several things we can do now.

First, the number needs to be higher. The Wall Street Journal editorial board—not a group of people with whom I often agree or with whom I see eye to eye very often—wrote this morning about these rules:

> [O]ur preference would be to go north of 6 percent.

To be higher.

> Why not approach the capital levels that small finance companies without government backing are required by markets to hold, which can run into the teens?

They are required by markets. For the megabanks, the market does not quite respond the same way because of their economic and their political power.

Second, I am still concerned that banks can use risk weights and their internal models to game capital rules. This amounts to the banks determining for themselves—this is not some government body or some unaligned group of economists—this amounts to the banks determining for themselves how risky their assets are, thereby setting their own capital requirements.

The Financial Times said today the biggest banks plan to use ''optimization'' strategies—not more equity—to meet the new leverage ratio.

> ''We're going to be able to pull a lot of levers,'' said an executive at a large US bank on Wednesday. . . . Analysts at Goldman Sachs noted in research for clients that ''banks have a lot of options to mitigate the impact.''

That is why we need simpler rules that cannot be gamed by Wall Street, and this rule cannot be watered down by Wall Street lobbyists.

There is no reason agencies should not finalize these rules and begin implementing their rules tomorrow—not go through the long rules process. We cannot wait. Small businesses and families cannot afford to wait, neither can our economy.

Finally, there is more work to be done to rein in Wall Street megabanks. Senator VITTER and I have a bill that would do this—the bipartisan too big to fail act. It would restore market discipline by raising megabanks' capital requirements and limiting the Federal safety net that supports them.

I have also proposed legislation called the SAFE Banking Act to cap the amount of nondeposit liabilities that any single megabank can have.

The regulators have begun to do their jobs. It is time for Congress to do its job. This week was a good week. It was a step in the right direction, but it is time to finish the job. It is time to end too big to fail once and for all.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

(The remarks of Mr. MCCAIN and Ms. WARREN pertaining to the introduction of S. 1282 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

SAFE RETIREMENT ACT

Mr. HATCH. Mr. President, I ask unanimous consent to have printed in the RECORD the following seven letters expressing support for S. 1270, the Secure Annuities for Employee, SAFE, Retirement Act of 2013: Committee of Annuity Insurers, Great American Life Insurance Company, Insured Retirement Institute, Investment Company Institute, Metropolitan Life Insurance Company, National Association for Fixed Annuities, and the National Association of Insurance and Financial Advisors.

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

DAVIS & HARMAN LLP,
Washington, DC, July 3, 2013.

Re SAFE Retirement Act of 2013.

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: On behalf of the Committee of Annuity Insurers[1] I am writing to express the Committee's appreciation of your effort to further the retirement security of American workers by introducing the SAFE Retirement Act of 2013. As the Act recognizes, Americans face many obstacles in preparing for and living in retirement. Prior to retirement, they must attempt to accumulate adequate savings while also understanding that at retirement they will need to convert those savings into an income stream that will last the rest of their lives.

There is no one approach that will fully address these challenges. Rather, Americans need a number of options to help them achieve their retirement goals. The introduction of legislation such as the SAFE Retirement Act is an important contribution to the current and future public dialogue on retirement security.

Of course, a key element of retirement security is guaranteed lifetime income. Life insurance companies and the annuities they issue pool the longevity risks of large groups of individuals and thereby provide guaranteed lifetime income to those individuals. Annuities can also help individuals accumulate retirement savings in a manner that suits their personal approach to saving. As a result, annuities are, and should remain, a key means of assuring retirement security, as the SAFE Retirement Act recognizes.

The Committee of Annuity Insurers commends you for your efforts on the SAFE Retirement Act, and we look forward to working with you and your staff to improve the retirement security of all Americans.

Sincerely,

JOSEPH F. MCKEEVER,
Counsel to the Committee of Annuity Insurers.

[1] The Committee of Annuity Insurers is a coalition of 28 of the largest and most prominent issuers of annuity contracts, representing approximately 80% of the annuity business in the United States. The Committee was formed in 1981 to address federal legislative and regulatory issues relevant to the annuity industry and to participate in the development of federal tax and securities policies regarding annuities.

GREAT AMERICAN
LIFE INSURANCE COMPANY,
Cincinnati, OH, July 3, 2013.

Re Safer Pension Act of 2013

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: After participating in a NAFA call with Preston Rutledge on July 3, I am writing to express that I appreciate your effort to further the retirement security of American workers by introducing the Safer Pension Act of 2013. As the Act recognizes, Americans face many obstacles in preparing for and living in retirement. Prior to retirement, they must attempt to accumulate adequate savings. After they retire, they must address the challenge of assuring that the savings they accumulated while working will provide them with income for the rest of their lives.

There is no one approach that will fully address these challenges. Rather, Americans need a number of options to help them achieve their retirement goals. The introduction of legislation, such as the Safer Pension Act, is an important contribution to the current and future public dialogue on retirement security.

Of course, a key element of retirement security is guaranteed lifetime income. life insurance companies and the annuities they issue pool the longevity risks of large groups of individuals and thereby provide guaranteed lifetime income to those individuals. Fixed annuities can also help individuals accumulate retirement savings in a manner that suits their personal approach to saving. As a result, annuities are, and should remain, a key means of assuring retirement security, as the Safer Pension Act recognizes.

The National Association for Fixed Annuities and its member companies commend you for introducing the Safer Pension Act and we look forward to working with you and your staff to improve the retirement security of all Americans.

Sincerely,

MALOTT W. NYHART,
Divisional President, Single Premium/Financial Institutions Division.

INSURED RETIREMENT INSTITUTE,
Washington, DC, July 3, 2013.

Re SAFE Retirement Act of 2013

Hon. ORRIN G. HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: The Insured Retirement Institute (IRI)[1] commends your leadership on increasing retirement security of American workers by introducing the SAFE Retirement Act of 2013. The current state of retirement savings readiness in America is at crisis levels and the need for Americans to insure against the risk of outliving their assets has never been greater.

Seventy-nine million Baby Boomers today face immediate and unprecedented retirement income challenges—challenges that simply did not exist in earlier generations. Research shows nearly half of Boomers, over 30 million Americans, are ''at risk'' for inadequate retirement income, not having sufficient guaranteed lifetime income. These challenges have been created by the shift from defined benefit plans to defined contribution plans, longer life spans, increased medical costs, and inadequate savings rates. In fact, for a married couple both age 65 now, a 60 percent chance exists that one spouse will live to age 90, and a 30 percent chance exists that one will live to age 95.

As a result of these needs, the public policy focus on enhancing retirement security in America has never been greater. Along with other retirement security legislative and regulatory initiatives, the SAFE Retirement Act is an important contribution to efforts to enable Americans to achieve financial security in their retirement years.

Annuities offered by IRI's insurer, broker-dealer, and bank members provide retirees guaranteed lifetime income and should remain a key component of retirement financial planning, as the SAFE Retirement Act recognizes. While many Americans are at risk for having inadequate retirement income, according to IRI research, Baby Boomers who own insured retirement products, including all types of annuities, have higher confidence in their overall retirement expectations, with nine out of ten believing they are doing a good job preparing financially for retirement.

Because annuities help address numerous risks retirees face, including longevity risk and inflation risk, financial advisors and Boomers are increasingly seeing the need for lifetime income provided by annuities, particularly middle-income families who make up the bulk of annuity owners. A number of IRI research reports show that Boomers who own annuities have more confidence in their financial security in retirement and are using more annuities to meet their retirement income needs.

73 percent of annuity owners believe that annuities are a critical part of their retirement strategy.

Baby Boomer annuity owners are more likely to engage in positive retirement planning behaviors than Baby Boomer non-annuity owners, with 68 percent having calculated a retirement goal and 63 percent having consulted with a financial advisor.

Nine out of ten female Boomer annuity owners are confident they will have a comfortable retirement.

84 percent of financial advisors say they are having more retirement income discussions with clients.

71 percent of advisors say they had a client request to purchase an annuity during the last year.

For these reasons, IRI and its member companies commend you for introducing the SAFE Retirement Act. We support improvements to the current employer retirement plan system resulting in greater simplification, increased participation and savings by workers, and access to lifetime income products within retirement plans.

As Congress considers tax reform, we appreciate your continued support of the current retirement security system. We look forward to working with you and your staff to improve the retirement security of all Americans.

Sincerely,

CATHERINE J. WEATHERFORD,
President & CEO.

[1] The Insured Retirement Institute (IRI) is the leading association for the retirement income industry and has been called the ''primary trade association for annuities'' by U.S. News and World Report. IRI proudly leads a national consumer coalition of more than twenty-five organizations and is the only association that represents the entire supply chain of insured retirement strategies. Our members include major life insurers, broker-dealers, banks, asset managers and financial advisors. We currently have over 500 member companies and provide member benefits to more than 150,000 financial advisors and 10,000 home office financial professionals. As a not-for-profit organization, IRI provides an objective forum for communication and education, and advocates for sustainable retirement solutions Americans need to help achieve a secure and dignified retirement.

INVESTMENT COMPANY INSTITUTE,
Washington, DC, July 9, 2013.

Hon. ORRIN HATCH,
Ranking Member, Committee on Finance, U.S. Senate, Hart Office Building, Washington DC.

DEAR RANKING MEMBER HATCH: I am writing to applaud your ongoing efforts to strengthen the U.S. retirement system. You have championed throughout your career public policies that help Americans save for their retirement years. Nearly two decades ago, you authored, along with Sen. David Pryor (D–AK), the Pension Simplification Act of 1995. More recently, you strongly supported retirement savings plan improvements, including provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 and the Pension Protection Act of 2006, which made permanent the increased contribution limits for IRAs and other qualified plans, including 401(k)s. Building upon the system's tax incentives, plan regulations, and innovation, these improvements have helped Americans accumulate $20.8 trillion for retirement, including $11.1 trillion in defined contribution (DC) plans and individual retirement accounts (IRAs).[1] More than 80 million U.S. households have accumulated retirement savings under employment-based retirement plans and IRAs.[2]

We understand that you plan to introduce the SAFER Pension Act, which aims to build on the strengths and successes of the U.S. retirement system, so that it works even more effectively to help American workers and their families prepare for secure retirements. While we are still reviewing the draft language that was recently shared with us, we note that your bill targets several key areas for improving the system, such as: making it easier and more cost effective for small business owners to offer 401(k) retirement plans to their employees; encouraging employers to enroll workers automatically at higher levels of savings and to escalate the savings more substantially than is perceived appropriate under current law; and enabling greater use of electronic delivery of plan information and tools to help workers understand their savings options and make sound decisions.

We look forward to working with you and sharing our ideas for further improving these and other provisions in this important piece of legislation, to ensure their effectiveness and the product neutrality that has helped create our flexible and innovative retirement system.

Thanks to the strengths of our system, successive generations of American retirees have been better off than previous generations.[3] The Institute stands ready to assist you in continuing this trend by promoting greater retirement savings opportunities for American workers. With very best regards.

Sincerely,

PAUL SCHOTT STEVENS,
President & CEO.

[1] See Investment Company Institute, ''The U.S. Retirement Market, First Quarter 2013'' (June 2013), available at www.ici.org/info/ret__13__q1__data.xls.

[2] See Holden and Schrass, ''The Role of IRAs in U.S. Households' Saving for Retirement, 2012,'' ICI Research Pespective 18, no 8 (December 2012), Figure 1, p. 3, available at www.ici.org/pdf/per18-08.pdf.

[3] See Brady, Burham, and Holden, The Success of the U.S. Retirement System, Investment Company Institute (December 2012), pp. 10–14, available at www.ici.org/pdf/ppr__12__success__retirement.pdf.

METLIFE,
Washington, DC, July 8, 2013.

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: MetLife applauds your introduction of the Secure Annuities for Employee (SAFE) Retirement Act of 2013. In introducing this bill, you have highlighted the importance of guaranteed income throughout retirement for millions of Americans. We agree this is of critical importance.

The SAFER Pension Act also serves to increase attention to a number of key challenges, including the importance of stable pension benefit funding, the importance of lifetime income to retirement security, and the importance of regulatory simplification for plan sponsors, all of which strengthen the foundation of our overall retirement system.

For many Americans, worries about their financial future are intensified by weakening employer-based and public safety nets—and by inadequate levels of personal savings and retirement income protection. MetLife believes that policymakers, insurers and employers all play an important role in revitalizing and establishing programs that can provide certainty in today's uncertain world.

In 1921, MetLife became the first life insurance company to develop and offer a group annuity contract to fund defined benefit plans and provide guaranteed income to employees at retirement. We have continued this tradition of innovation more recently with group annuity contracts designed to provide guaranteed income for defined contribution plans. We appreciate that the SAFER Pension Act has helped to highlight the positive role annuities can play, and look forward to working together in this retirement security reform effort.

Sincerely,

PETER R. PASTRE,
Vice President.

NATIONAL ASSOCIATION FOR FIXED ANNUITIES,
Milwaukee, WI, July 5, 2013.

Re Secure Annuities for Employee (SAFE) Retirement Act of 2013.

Senator ORIN HATCH,
Hart Office Building,
Washington, DC.

DEAR SENATOR: NAFA, the National Association for Fixed Annuities, applauds your efforts to provide a safe and reliable pension plan for employees and supports the goals of the ''Secure Annuities for Employee (SAFE) Retirement Act of 2013.'' Thank you, too, for recognizing the valuable role fixed annuities play to insure retirement. Our nation's retirement security depends upon commitments like yours so that America's workers can look forward to the retirement of their dreams with a guaranteed and steady income.

Providing state and local governments a fixed annuity option issued by an insurance company not only guarantees lifetime income, but the industry's record of strength and solvency also insures that pensions are protected from market crises and cannot be underfunded. In addition, the effective and vigorous regulation of the annuity industry by the state insurance departments has been demonstrated day after day and year after year by high consumer satisfaction and the ever increasing purchase of fixed annuities. The fixed annuity industry already secures the future for millions of American's and continues to be one of the most reliable and steady financial services sector throughout this country's history.

NAFA looks forward to continue working with your office as the bill progresses. NAFA members represent over 84% of the fixed annuities sold through independent distribution and its Board of Directors is pleased to support retirement income security for all Americans.

Sincerely,

KIM O'BRIEN,
President & CEO.

NATIONAL ASSOCIATION OF INSURANCE AND FINANCIAL ADVISORS,
Falls Church, VA, July 2, 2013.

Re SAFER Pension Act of 2013.

Hon. ORRIN HATCH,
Hart Office Building,
Washington, DC.

DEAR SENATOR HATCH: The National Association of Insurance and Financial Advisors (NAIFA) applauds your continued leadership to encourage retirement savings. We look forward to working with you on the ''Secure Annuities for Employee Retirement Pension Act of 2013'' and other initiatives to improve the savings programs available, for both public and private employee participants.

Founded in 1890 as The National Association of Life Underwriters (NALU), NAIFA is one of the nation's oldest and largest associations representing the interests of insurance professionals from every Congressional district in the United States. NAIFA and its members recognize the importance of individuals and families planning and saving for retirement and the significance of employer sponsored plans as a necessary component of that planning, along with life insurance and annuity products. We also are supportive of efforts to assure that middle market investors continue to have access to professional services and advice and they have a choice of financial products that will meet their financial needs and objectives.

NAIFA looks forward to maintaining a continued dialogue with you, and members of Congress on both sides of the aisle, to assure employees, employers, and our members who provide services to them can effectively and affordably save for their retirement needs.

Thank you again for your leadership.

Sincerely,

ROBERT O. SMITH, J.D.,
CLU, CHFC, LIC,
President.

50TH ANNIVERSARY OF THE ''GAME OF CHANGE''

Mr. COCHRAN. Mr. President, I am pleased to join the distinguished Senator from Illinois, Mr. KIRK, in submitting a resolution celebrating the 50th anniversary of Loyola University of Chicago's historic season as National Collegiate Athletics Association men's basketball champions. The season is also remembered for the historic matchup with Mississippi State University in the NCAA Tournament, which helped end racial segregation in college athletics.

The Mississippi State and Loyola teams, along with their coaches and school administrators, led with courage and sportsmanship and a love of the game of basketball. That contest a half century ago helped to move my State and our Nation forward in addressing the inequalities of our society.

I appreciate the legacy and inspiring example of these teams, and am pleased to cosponsor the resolution introduced today by Senators KIRK, DURBIN, and WICKER.

I ask unanimous consent to have printed in the RECORD a copy of the Clarion Ledger newspaper article from March 18, 2013, titled, ''As March Madness nears, so does 50th anniversary of MSU's 'Game of Change'.''

AS MARCH MADNESS NEARS, SO DOES 50TH ANNIVERSARY OF MSU'S ''GAME OF CHANGE''

(By Jerry Mitchell)

Loyola captain Jerry Harkness shakes hands with MSU captain Joe Dan Gold before the historic 1963 game.

As March Madness nears, so does the 50th anniversary of the ''Game of Change,'' where the all-white Mississippi State University basketball team dodged a judge's injunction and the governor's wrath to play the integrated Loyola University of Chicago.

Those across the nation know more about Texas Western's 1966 defeat of Kentucky, becoming the first champion with five African-American starters (depicted in the 2006 film, Glory Road).

While that game, once and for all, settled the question of race on the court, MSU's game against Loyola also played a critical role. The blog, The '60s at 50, quotes from the March 25 edition of Sports Illustrated:

''Literally out of hiding to play Loyola the night before had come Mississippi State, the team that saddened the hearts of segregationists everywhere by agreeing—eagerly—to participate in a tournament open to Negroes. On the eve of his team's departure from Starkville, Coach Babe McCarthy got word that a sheriff was out with a court order that could keep the team in Mississippi. Like Little Eva skipping across the ice ahead of the bloodhounds, McCarthy skipped into Tennessee. University President Dr. D.W. Colvard vanished, too. Early Thursday morning an assistant coach verified that the coast was clear at the airport, hustled the team into a plane and away it flew on a modern underground railroad in reverse.''

McCarthy had faced a series of frustrations as MSU's basketball coach. His teams had dominated nationally, winning the SEC championship in 1959, 1961 and 1962—only to watch Kentucky represent the league in the postseason because Mississippi authorities prevented them from playing any integrated teams.

Former Clarion-Ledger sportswriter Kyle Veazey (currently with The Commercial Appeal) has penned a new book on the subject, Champions for Change: How the Mississippi State Bulldogs and Their Bold Coach Defied Segregation.

He was stunned to find out no one had written the story and decided to write it himself.

When the question of playing an integrated team arose in 1959, MSU's president at the time, Ben Hilbun, received mail 3-to-1 in favor of keeping the team at home.

Four years later, the mail ran 3-to-1 in favor of playing, Veazey said. ''Sports helped personalize the integration issue when it was so often being characterized by polarizing figures.''

He suspects the 1959 and 1962 teams could have won the national championship if permitted to go.

In the 1962–1963 season, the Loyola team, with four African-American starters, faced its own difficulties, encountering vitriol and jeering from some fans during games in the South.

Before leaving for the big game in March 1963, Loyola players received hate mail from the Ku Klux Klan, according to ESPN.

Photographers snapped the legendary picture of Loyola captain Jerry Harkness and MSU captain Joe Dan Gold shaking hands at half court. (Harkness told USA TODAY he decided to play basketball his senior year after a visitor to the Harlem gym urged him to play. That visitor? Baseball legend Jackie Robinson.)

Loyola defeated MSU 61–51 on the way to winning the national championship in a game watched in person by a little-known boxer named Cassius Clay.

Throngs of MSU fans surrounded their team arriving at the airport, and a survey afterward found that Mississippians overwhelming favored letting MSU play the game.

Sports began to change hearts in a way that laws couldn't, Veazey said. ''It was an example of Mississippi doing something right when it was doing so many other things wrong. It showed Mississippians that progress could happen, that men like Babe McCarthy and (MSU President) Dean Colvard could be courageous—and successful.''

MAINE FIREFIGHTERS COMMEMORATION

Ms. COLLINS. Mr. President, every day across this country, firefighters quietly put their lives on the line in order to protect the communities in which they serve. Few firefighters better exemplify the selfless qualities that