

But this \$25 billion fund that banks that are in trouble can borrow from is set up as follows. The banks can borrow money as they need it, and as collateral they put up their securities.

So the President says that is a safe bet. Except, when you read the fine print, you find out that the securities that the banks put up as collateral to borrow money from the American people are not what is called “mark to market.” The securities are not put up at their real value. They are put up at the value at the time they were purchased.

So if you bought a security that was—let’s say, to make it simple—\$20, and it is owned by a bank and it is now worth \$5, you give that \$5 to the \$25 billion fund, and you get credit for \$10. But it is really worth only \$5. I mean, it is a bailout, and I am not going to bubble-wrap it, and I don’t think we ought to try to bubble-wrap it to the American people.

Now, let me say a word about Silicon Valley Bank. All the bank failures were an abomination, but I think Silicon Valley Bank is symptomatic of the problem among all three.

SVB we call it, or Silicon Valley Bank. First of all, Silicon Valley Bank was not broke. It was not an insolvency problem. It wasn’t insolvent. Silicon Valley Bank had a liquidity problem.

I mean, here is what happened. Silicon Valley Bank took in a whole bunch of deposits on which they were paying an interest rate. And then Silicon Valley Bank took that money and went out and bought a bunch of securities, paying a higher interest rate than Silicon Valley Bank was paying the depositors.

You say: That is pretty smart.

There is just one problem. The securities that Silicon Valley Bank bought were very sensitive to interest rates, and, as interest rates went up—and they have—the value of those securities went down if Silicon Valley Bank had to sell them.

And, sure enough, Silicon Valley Bank got itself in the position of having to sell them, because a lot of its depositors got scared about the bank’s position, and other reasons, and said: We want our money back.

And Silicon Valley Bank didn’t have the money because it had to go sell these securities at a loss, and that put it at risk. That is why it had a liquidity problem that could have been fixed. It wasn’t broke.

President Biden’s bailout could have been easily avoided if we had done—let me put that another way—if three things had happened, not all three but any one of the three things I am about to explain.

Let me say that again. President Biden’s bailout could have been avoided if one or more of three things had happened: No. 1, if the management of Silicon Valley Bank had known the difference between a banking textbook and an L.L. Bean catalog, Silicon Valley Bank would have never bought se-

curities that are so sensitive to interest rates without hedging that risk. And it is a very easy thing to do.

Honestly, it is banking 101. If you buy securities to back your deposits that are very sensitive to interest rates, there are other securities you can buy to hedge that risk so you don’t take the risk.

I am appalled. The bankers at Silicon Valley Bank didn’t do it. I mean, it was bone-deep, down-to-the-marrow stupid.

No. 2, OK, Silicon Valley Bank management did it. It was like a rock, only dumber, but they did it. The regulators didn’t catch it. There has been a lot of talk that Silicon Valley Bank wasn’t being regulated because of a bill passed back in 2018 and 2019. That is not true. Silicon Valley Bank was heavily regulated. It had to file regular reports with the Federal banking regulators. It was subject to stress testing. It was subject to liquidity stress testing. All the regulators had to do was read the reports that Silicon Valley Bank was submitting, and they would have seen the problem.

Do you know who solved the problem? Way back in November and October, stock analysts in the private sector that were covering Silicon Valley Bank warned—way back last fall—they said: Do you know what? This bank is setting itself up for a potential liquidity problem.

The private sector knew it. Where were the regulators? Where were they? You couldn’t have found them with a search party. I guess they were asleep. But this whole debacle could have been avoided if the regulators had just done their job and stepped in and said: Silicon Valley Bank, what you are doing is dumb, and you can’t do it anymore. That would have avoided it.

The third thing that could have avoided President Biden’s bailout—I think the bank went under on a Friday, as I recall. The Federal Reserve, the Secretary of the Treasury, the head of the FDIC, and all of the other regulators allowed the bank to go under, instead—instead—of getting on the telephone and calling other banks and saying: I have got a situation here with Silicon Valley Bank. It is not insolvent. It is just illiquid. We want you to buy it.

That is what normally happens, and that is all the regulators had to do.

Now, why didn’t they do that? There has been a lot of talk about, well, they had an auction for the bank and nobody wanted it. That is not true. There were buyers. But the problem was that the people at the FDIC do not like bank mergers.

Some bank mergers make sense. Some bank mergers don’t make sense. In this case, it would have made extraordinary sense.

And so the folks at the FDIC stalled and restalled, and then we had mass panic. Think back to the bailouts in 2008 and 2009. If you are a banker and you get a call from the Secretary of the Treasury, the head of the Federal

Reserve, and the head of the FDIC saying: Can we sit down and talk with you and structure the terms by which you would buy this illiquid but still solvent bank, you are going to take that phone call.

The regulators didn’t do that, and all of this could have been avoided. If we had done any one of those three things—any one of those three things—this mess could have been avoided.

With that, I yield—well, let me make just one last comment. I am going to say it again. In 2016, in America, we had too many undeserving people at the time getting bailouts, and we still do today.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

VOTE ON NEIMAN NOMINATION

The question is, Will the Senate advise and consent to the Neiman nomination?

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. BOOKER), the Senator from California (Mrs. FEINSTEIN), and the Senator from Pennsylvania (Mr. FETTERMAN) are necessarily absent.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Wyoming (Mr. BARRASSO), the Senator from Texas (Mr. CRUZ), and the Senator from Kentucky (Mr. McCONNELL).

The result was announced—yeas 54, nays 40, as follows:

[Rollcall Vote No. 54 Ex.]

YEAS—54

Baldwin	Hickenlooper	Rosen
Bennet	Hirono	Sanders
Blumenthal	Kaine	Schatz
Brown	Kelly	Schumer
Cantwell	King	Shaheen
Cardin	Klobuchar	Sinema
Carper	Lujan	Smith
Casey	Markey	Stabenow
Collins	Menendez	Tester
Coons	Merkley	Tillis
Cortez Masto	Murkowski	Van Hollen
Crapo	Murphy	Warner
Duckworth	Murray	Warnock
Durbin	Ossoff	Warren
Gillibrand	Padilla	Welch
Grassley	Peters	Whitehouse
Hassan	Reed	Wyden
Heinrich	Risch	Young

NAYS—40

Blackburn	Cornyn	Hagerty
Boozman	Cotton	Hawley
Braun	Cramer	Hoeben
Britt	Daines	Hyde-Smith
Budd	Ernst	Johnson
Capito	Fischer	Kennedy
Cassidy	Graham	Lankford

Lee	Ricketts	Sullivan
Lummis	Romney	Thune
Manchin	Rounds	Tuberville
Marshall	Rubio	Vance
Moran	Schmitt	Wicker
Mullin	Scott (FL)	
Paul	Scott (SC)	

NOT VOTING—6

Barrasso	Cruz	Fetterman
Booker	Feinstein	McConnell

The nomination was confirmed. The PRESIDING OFFICER. Under the previous order, the motion to reconsider is considered made and laid upon the table, and the President will be immediately notified of the Senate's action.

CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 65, Eric M. Garcetti, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of India.

Charles E. Schumer, Robert Menendez, Christopher Murphy, Benjamin L. Cardin, Jack Reed, Jeanne Shaheen, Christopher A. Coons, Richard J. Durbin, Tim Kaine, Mark R. Warner, Cory A. Booker, Richard Blumenthal, Chris Van Hollen, Amy Klobuchar, Peter Welch, Alex Padilla.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the nomination of Eric M. Garcetti, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of India, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. BOOKER), the Senator from California (Mrs. FEINSTEIN), and the Senator from Pennsylvania (Mr. FETTERMAN) are necessarily absent.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Wyoming (Mr. BARRASSO), the Senator from Texas (Mr. CRUZ), and the Senator from Kentucky (Mr. MCCONNELL).

The yeas and nays resulted—yeas 52, nays 42, as follows:

[Rollcall Vote No. 55 Ex.]

YEAS—52

Baldwin	Coons	Heinrich
Bennet	Cortez Masto	Hickenlooper
Blumenthal	Daines	Kaine
Cantwell	Duckworth	King
Cardin	Durbin	Klobuchar
Carper	Gillibrand	Lujan
Casey	Graham	Manchin
Cassidy	Hagerty	Markey
Collins	Hassan	Marshall

Menendez	Sanders	Warner
Merkley	Schatz	Warnock
Murphy	Schumer	Warren
Murray	Shaheen	Welch
Ossoff	Sinema	Whitehouse
Padilla	Smith	Wyden
Peters	Stabenow	Young
Reed	Tester	
Rosen	Van Hollen	

NAYS—42

Blackburn	Hawley	Ricketts
Boozman	Hirono	Risch
Braun	Hoeven	Romney
Britt	Hyde-Smith	Rounds
Brown	Johnson	Rubio
Budd	Kelly	Schmitt
Capito	Kennedy	Scott (FL)
Cornyn	Lankford	Scott (SC)
Cotton	Lee	Sullivan
Cramer	Lummis	Thune
Crapo	Moran	Tillis
Ernst	Mullin	Tuberville
Fischer	Murkowski	Vance
Grassley	Paul	Wicker

NOT VOTING—6

Barrasso	Cruz	Fetterman
Booker	Feinstein	McConnell

The PRESIDING OFFICER (Ms. CORTEZ MASTO). On this vote, the yeas are 52, the nays are 42.

The motion is agreed to.

EXECUTIVE CALENDAR

The PRESIDING OFFICER. The clerk will report the nomination.

The bill clerk read the nomination of Eric M. Garcetti, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of India.

Mr. SCHUMER. I ask unanimous consent to complete my remarks prior to the scheduled recess.

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

NOMINATION OF ERIC M. GARCETTI

Mr. SCHUMER. My remarks are very simple. The United States-India relationship is extremely important, and it is a very good thing that we now have an Ambassador.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m. today.

Thereupon, the Senate, at 1:21 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Ms. ROSEN).

EXECUTIVE CALENDAR—Continued

VOTE ON GARCETTI NOMINATION

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the Garcetti nomination?

Mrs. MURRAY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. BOOKER), the Senator from California (Mrs. FEINSTEIN), and the Senator from Pennsyl-

vania (Mr. FETTERMAN) are necessarily absent.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Wyoming (Mr. BARRASSO), the Senator from Texas (Mr. CRUZ), and the Senator from Kentucky (Mr. MCCONNELL).

The result was announced—yeas 52, nays 42, as follows:

[Rollcall Vote No. 56 Ex.]

YEAS—52

Baldwin	Heinrich	Sanders
Bennet	Hickenlooper	Schatz
Blumenthal	Kaine	Schumer
Cantwell	King	Shaheen
Cardin	Klobuchar	Sinema
Carper	Lujan	Smith
Casey	Manchin	Stabenow
Cassidy	Markey	Tester
Collins	Marshall	Van Hollen
Coons	Menendez	Warner
Cortez Masto	Merkley	Warnock
Daines	Murphy	Warren
Duckworth	Murray	Welch
Durbin	Ossoff	Whitehouse
Gillibrand	Padilla	Wyden
Graham	Peters	Young
Hagerty	Reed	
Hassan	Rosen	

NAYS—42

Blackburn	Hawley	Ricketts
Boozman	Hirono	Risch
Braun	Hoeven	Romney
Britt	Hyde-Smith	Rounds
Brown	Johnson	Rubio
Budd	Kelly	Schmitt
Capito	Kennedy	Scott (FL)
Cornyn	Lankford	Scott (SC)
Cotton	Lee	Sullivan
Cramer	Lummis	Thune
Crapo	Moran	Tillis
Ernst	Mullin	Tuberville
Fischer	Murkowski	Vance
Grassley	Paul	Wicker

NOT VOTING—6

Barrasso	Cruz	Fetterman
Booker	Feinstein	McConnell

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is considered made and laid upon the table, and the President will be immediately notified of the Senate's action.

CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The senior assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 2, Ravi Chaudhary, of Virginia, to be an Assistant Secretary of the Air Force.

Charles E. Schumer, Jack Reed, Richard J. Durbin, Sheldon Whitehouse, Martin Heinrich, Tim Kaine, Tammy Baldwin, Ben Ray Lujan, Tammy Duckworth, John W. Hickenlooper, Amy Klobuchar, Jeanne Shaheen, Brian Schatz, Benjamin L. Cardin, Edward J. Markey, Alex Padilla, Margaret Wood Hassan, Catherine Cortez Masto.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.