

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. GOODLATTE) is recognized for 5 minutes.

(Mr. GOODLATTE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. REICHERT) is recognized for 5 minutes.

(Mr. REICHERT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

IMPROVING ACCESS TO CREDIT FOR SMALL BUSINESSES

(Mr. KLEIN of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLEIN of Florida. Mr. Speaker, this week, we took important action to address a critical issue in south Florida and around the country, to improve access to credit for small business owners.

Small businesses generated more than 70 percent of the new jobs every year for the past decade, and even beyond that. And they will fuel our economic recovery, both where I live in south Florida, and nationwide.

I recently visited Uniweld Products, a family-owned business in Fort Lauderdale. This small business has been operating for 60 years, yet because of the frozen credit markets has been unable to secure vital loans and has been forced to lay off a quarter of its workforce in recent months. The plan announced by the administration this week will help businesses like Uniweld access the credit they need to keep their doors open and to thrive.

I strongly support this aggressive and immediate action and look forward to continuing to work with entrepreneurs and community leaders in south Florida to support our small businesses as they lead our way toward economic recovery.

AIG, SMALL BUSINESSES, AND THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Florida (Mr. KLEIN) is recognized for 60 minutes as the designee of the majority leader.

Mr. KLEIN of Florida. Mr. Speaker, it is, once again, an honor and a privilege, as a Member of Congress, to talk to the Members of this House and the American people about the kinds of things that are on their minds right now. And we are doing so with a group of us who were elected in 2006 and have the opportunity, from all parts of the United States, to represent our great country and work toward the solutions that are necessary to get our country back on track.

I am joined by Mr. YARMUTH from Kentucky, Mr. COHEN from Tennessee, and a number of others.

What we are going to talk about tonight are a couple of things; and these are the things that really are a great focus to all of us. One is AIG. Another one is, of course, the small business initiatives that I was just discussing a few minutes ago and will discuss them in greater detail. And the third is the budget. The budget, of course, is the framework by which we govern ourselves as a country, the kind of money we put into our government, and the kind of resources and commitments that we take out.

And particularly at this moment in time it is absolutely essential that we are not only thinking about the short term, but we have a unique opportunity to think about the long term, about how we are going to put ourselves in a very, very strong position so that when we recover, we will have the best workforce, the best technologies, the best businesses, the most competitive environment to prosper for generations to come.

I am just going to start, if I can, with the gentlemen that are with us tonight and the gentlewoman from Ohio that is going to join us about AIG.

I have to tell you, it is hard to even imagine the kind of thought process that the people at AIG came up with in allowing these decisions to be made to allow the \$165 million in bonuses to go forward.

Now, we understand that AIG is a large insurance company. They came to this government, under President Bush, and asked for a massive bailout. It was given to them once before, twice, and it is now at about \$180 billion.

One of the frustrations I've had—even before we get to the bonus issue—is the fact that AIG operates in 100 and some countries around the world. It is a very, very large insurance company. By the way, the insurance part of it—which is regulated in the United States by our State insurance commissioners, as I understand there was testimony before a committee today—is doing fine. Those people who have AIG policies, those are policies that will stand, and that's all good.

Unfortunately, some very creative people did a lot of things that they are now telling us they didn't even understand and put at risk a massive—I think it's \$1.3 trillion of resources and investments into what they are calling "exotic" investments. You have already heard the terms "credit defaults," "swaps," and a whole lot of other things. And it is just extraordinary that, when it comes to this—and we recognize this is a worldwide issue—United States taxpayers, they have already put a lot of money into this, but if this is such a calamitous risk—which it obviously is very serious—why is it that the hundred and some other countries that are also under this same calamitous risk if AIG

were to fall apart, why aren't they stepping forward and putting some money on the table? Why aren't they putting billions of dollars into AIG to make sure it survives if that is such a necessary thing?

Obviously, I think all of us—Democrats and Republicans, American taxpayers—feel very strongly that, if we are in it, we understand what the risks are, but at the same time, everyone needs to be in it. And the rest of the countries, Europe and Asia, that have played in this also need to put some money on the table.

But more particularly, what really got under people's skin, rightfully so—it has certainly gotten under my skin—is this idea that bonuses that were committed last year are all of a sudden something that had to be paid in this last number of weeks. I don't get it. And I hear them say the story is, well, they were committed, they're contractual. We're going to get sued. Well, I heard a very interesting story today. One of the members of our committee, when Mr. Liddy was testifying, asked a question, well, it's very interesting, insurance companies, by definition—and I will just stereotype for a minute—their tendency, when a claim is made, is to say no; that is just the sort of business as it is. And they like to fight over it. Obviously many companies pay legitimate claims, but a lot of the strategy is they hire lawyers, and lawyers say no, and you have to sue them before you can get the money. Well, that seems to be the typical way many insurance companies operate. Why is it, in this moment in time, we are told by the executives of AIG that, well, if we don't pay it, we're going to get sued? Since when is that such a defense when that is their strategy normally? I would have said don't pay it, they don't deserve it, the American taxpayers' money needs to be protected. And if somebody is so upset about it and they think they have a contractual right, let them sue.

But the reality is—and I will just make it real simple—the reality is, if this is a performance budget—and presumably it's performance based on a successful company that has profits at the end of the year—and if this company can't even survive on its own without our taxpayer money going into it, that seems to be a pretty strong case to say there is absolutely no basis for a payment of a bonus to a group within an organization that is failing or is really not in a profitable position.

As Americans, we understand success. We reward success, as President Obama says. If a company is successful, the shareholders, I think, are usually very comfortable with rewarding the management for good work—to a point. But when you are failing, I mean, I can't imagine any company in the United States feeling real strongly; and if they are doing it, if I am a shareholder, I am not supporting that kind of deal.