NEED FOR BOLD ACTION

Mr. BURRIS. Thank you, Madam President.

For the past 2 years, this country has been held in the grip of an unprecedented economic crisis. The housing market collapsed, the bottom dropped out of Wall Street, and for the first time in generations many Americans felt their hard-earned economic security begin to slip away.

Here in Washington, Members of the House and Senate were faced with a bipartisan majority. For regulators and policymakers alike had fallen short of their responsibilities. A divisive political process drove them to duck the tough issues and kick the can down the road time and time again.

This failure of regulation and the absence of political will allowed Wall Street fat cats to let their greed get the better of them. They gambled with our economic future. They designed complicated financial products and placed high-stake bets against them. In short, they built a house of cards, and when it finally came crashing down, the American economy lay in ruins.

There can be no quick fixes after a disaster of this magnitude. But under President Barack Obama’s leadership, our elected leaders finally took the bull by the horns and did what was necessary to stop the bleeding and set our country back on the road to recovery. I was pleased to join many of my colleagues in supporting the American Recovery and Reinvestment Act—a landmark stimulus bill that helped reverse the rising tide of economic misfortune. Thanks to this legislation, we have made some significant progress, though we still have a very long way to go. But this is an election year, and that means partisan bickering is in the air and it is on the rise. So I believe my colleagues and I have a decision to make: We can focus our attention years in Washington—or we can reach for something better. We can tune out the partisan fights, reject the failed policies that got us into this mess, and prove to the American people that we have the will to make tough decisions.

Our recovery is far from complete. I believe if we fail to continue the bold policies that pulled us back from the brink of disaster, if we shrink away from difficult decisions that will move this recovery forward, then we place our economy at grave risk of slipping back into a recession. This is a time for bold action, not pointless ideological battles that usually consume election years in Washington—or we can reach for something better. We can focus on winning the next news cycle—pit them against each other and falling into the same tired political battles that usually consume election years in Washington—or we can reach for something better. We can out of partisan bickering is in the air and it is on the rise. So I believe my colleagues and I have a decision to make: We can focus our attention years in Washington—or we can reach for something better. We can tune out the partisan fights, reject the failed policies that got us into this mess, and prove to the American people that we have the will to make tough decisions.

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The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

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

Mr. BURRIS. Madam President, I ask unanimous consent to speak as in morning business.

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

Mr. BURRIS. Madam President, we are on the small business bill; is that correct?

The PRESIDING OFFICER. The Senate is still conducting morning business.
We should start by increasing our support for small businesses, especially those disadvantaged and minority-owned businesses. These companies foster progress and innovation. They have the power to create jobs and direct investment to local communities, where it counts most. Indeed, small businesses form the backbone of our economy, but in many ways they have suffered the most as a result of this economic crisis.

That is why I have filed an amendment that will improve and expand the Small Business Administration’s (SBA) Program. This measure would increase the continued eligibility amount from the current $750,000 net worth to $2.5 million so more small businesses could benefit from this assistance.

It is no secret that minority-owned businesses, particularly those in poor or urban areas, have been hit hardest by the current economic downturn. That is why these are the areas we should target for our strongest support. By expanding the existing (SBA) program, we can increase its economic impact without having to reinvent the wheel. We can rely on a proven initiative to inject new life into disadvantaged communities.

I ask my colleagues to support my amendment when it comes up for a vote, as well as the underlying Small Business Lending Act as a whole, which we will be debating shortly on the floor. I ask them to reject the tired politics that got us into this mess and embrace the spirit of bipartisanship that can lead us out.

On behalf of small and minority-owned businesses, I call upon this body to take action in that regard. Our economic future may be uncertain, but with my proposal, the Small Business Lending Act, we have the rare opportunity to influence that future. So let’s pass these measures to guarantee some degree of relief for the people who continue to suffer the most. Let’s renew our investment in America’s small businesses and rely on them to drive our economic recovery. Let’s do it now. We need no more rhetoric, no more politics. Let’s move forward and help small businesses in general, minority- and women-owned businesses in particular.

I yield the floor and suggest the adjournment until tomorrow as 2:30 p.m. The PRESIDING OFFICER (Mr. Burr). Without objection, it is so ordered.

Mr. UDALL of Colorado. Mr. President, I ask unanimous consent that the order for the call of the roll be suspended.

The PRESIDING OFFICER (Mr. Burr). Without objection, it is so ordered.

Mr. UDALL of Colorado. Mr. President, we are working here on the floor of the Senate to encourage a strong economy, and we have made clear that too many Americans are unable to find work. We know small businesses are the real job engines in our economy, so I am particularly pleased that the Senate is right now debating a small business lending bill.

I rise today because I would like to further improve the bill through an amendment that would take a simple step to safely increase our small business lending. We do this mainly by getting government out of the way so that credit unions can increase their small business loan portfolios.

Today, in every single State of the United States, there are credit unions that have cash on their balance sheets, and they are ready to respond with loans for more money. There are many worthy small businesses in communities across our country, in Colorado and Illinois, that need the loans, but because the Federal law currently prohibits Federal credit unions from fully helping our entrepreneurs. Especially in this economy, we need to change that. We know small business expansion is what is going to pull us out of this recession. Small businesses are the job engine of our economy. In the last 15 years, small businesses have generated nearly two-thirds of all new jobs created in our country, and they currently employ more than half of all Americans.

I traveled across Colorado this year and last year, as you have in your State, Mr. President. I constantly visited with scores of small business owners, and they continually ask me: Where are the banks? Are the banks supposed to start lending again?

I have gone back to the banks, listened, and I feel so strongly about this that I am proud to introduce a new compromise that will safely and soundly increase small business lending by credit unions without costing Americans a dime. Best of all, this legislation could lead to large-scale job creation in my home State of Colorado and all around our great country.

If the Members would indulge me, I wish to explain what is in the compromise. In response to questions about the safety and soundness of allowing credit unions to expand their small business lending all at once, our new proposal institutes strict eligibility criteria. Under this amendment, the credit union must first be well capitalized. Second, it must have offered small business loans for at least the last 5 years; third, proof they have sound underwriting and strong historical management practices; and, fourth, it must show they have been running up against their previous loan cap. Credit unions that meet all of those strict criteria then go to the NCUA, their regulator, and apply to increase their small business lending. Then when they are approved, that cap would increase slowly from the current 12.25 percent to a maximum of 27.5 percent, and even that transition would be overseen by regulators to ensure it is done in a measured and prudent fashion.

Nobody can argue that this is irresponsible. I would challenge anybody to tell me this is not a sound and surefire way to grow our economy by increasing credit unions’ capacity to lend to small businesses. The Credit Union National Association estimates that these sensible reforms would increase small business lending by over $10 billion a year, including—and let me talk about Colorado—an increase of $200 million in my home State of Colorado.

This new access to credit is also paid for. The conservative costs of creating more than 100,000 new jobs nationwide. I think everybody would agree this is the sort of pro-business, pro-jobs policy we need.

The small business community, led by the National Small Business Association, the National Association of Realtors, and even chambers of commerce such as those in Texas have even gotten behind our effort and are now asking the Congress to pass this important legislation.

We all know what shape our economy is in today. Small businesses continue to struggle to access credit, as large
banks have significantly cut back on Main Street lending.

Mr. President, you have been here the last 18 months and you have noted, I know, that the 22 banks that received the most funding through the Troubled Asset Relief Program, or TARP, have cut their collective small business loan balance, and then America’s community banks which, by and large, did not receive any Federal bailout funds, are still struggling to fill that Main Street credit vacuum that was created by these large financial institutions.

We need to do better. Small businesses are counting on us all across our country. I mentioned earlier we have all met small business owners. One Coloradan I was particularly compelled by is Stacy Hamon. Stacy is a small business owner in Thornton, CO, who started her own business, the 1st Street Salon. Initially she went to a bank only to Denver. She had a need to expand her business, the 1st Street credit vacuum that was created by these large financial institutions.

Another Coloradoan, because this is about people who are eager to build their business, is Lisa Herman. She e-mailed me a story about a loan she secured from a credit union to expand her business, called Happy Cakes Bakeshop. It is in the Highland Square area of Denver. She had a need to expand her business since 2007. Despite a tough economy, her revenue has been up by about 25 percent since the summer of 2008. She has booked over 20 weddings a month, and her retail operation has expanded so much that she needed to build and move into a new shop.

Her traditional bank lender could not expand her credit, but her local credit union could. She went on and expanded her business. This meant more jobs and future prosperity. I visited her business. I was impressed. She hired more workers. She created real American jobs. Her story is a shining example of the economic expansion that awaits us if we will increase the amount of lending that credit unions can undertake.

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I am very appreciative of the fact that we have two Republican colleagues joining with us to stop a filibuster, but as the Presiding Officer knows, the filibustering is not over yet. We need one more Member to come forward to join us, not to get a majority to pass unemployment benefits—we have a majority—but we do not have a supermajority. That has now been required on every single issue that has come before the Senate in order to try to get things done for the American people.

When I was home last week—of course I jump on a plane every Friday and come back on Monday; I view this as a long distance commute to work—I heard over and over concerns from families who have been employed all their life, had good middle-class lifestyles, have had the ability to take care of their families, have had not only the ability to have a home but to build and move into a new shop. So darn tired. But I knew with the help of this Congress of the United States has undertaken and stepped up to extend unemployment benefits. In the midst of every other initiative being stalled, the folks on the other side of the aisle who have been dubbed the party of no have, in fact, been saying no to everything, including no to families who are now, where it is literally about whether they will have a home, whether they can pay their bills and put food on the table, whether they can go to school—as we have all said, we will go back to school and get retraining. People are doing that.

But they are taking that small amount, that $250 or $300 a week, that is certainly different—between being able to stay in school with their roof over their head or having to drop out and not be able to start a new career.

I wish to share a few letters of thousands of letters I have received. I am sure the Presiding Officer receives them as well. But these are people who are asking us to stop the politicians for 5 minutes and understand what is happening to people in this country, and step up and do the right thing.

Kim from Bellmont, MI, wrote me:

Thank you for trying your best to extend unemployment benefits. My husband worked 24 years in a factory and then he was laid off. I have a hair salon I run from my home. We were a happy middle-class family. But now life has been turned upside down, to put it mildly. I now work three jobs. Two are very low paying. I never see my kids or my husband. So darn tired. But I knew with the help of unemployment and my husband applying for a job, and his going to back to school, we could sustain ourselves until something came along.

Only 6 months have gone by. Now along with his job loss, we will lose our home, which means my business also. I do know you have tried. Please keep trying and keep things going while your husband goes back to school so he can get another job.