and I yield back my remaining time.

Mr. Corzine, as I'm sure everyone is aware, had a very long and distinguished career on Wall Street. During his time, he was the chief executive at MF Global, which was a major player in the credit derivative markets. MF Global had a portfolio of European sovereign debt with a significant amount of exposure to Italy, Ireland, and other troubled European nations. This exposure was a result of the firm's strategy to finance the purchase of risk-free assets like government bonds through securities借贷.

However, when the European sovereign debt crisis arose, it became evident that MF Global had taken on significant risks. The firm's chief executive, Mr. Corzine, was initially hesitant to acknowledge the extent of the exposure. He personally met with the regulators to report the European debt exposure to his firm, and the firm's auditor, Michael Roseman, was uncomfortable with the situation. They pushed Mr. Corzine to seek Board approval from the board if he wanted to expand the firm's European debt holdings.

But the size of the European position was making some senior managers, including Michael Roseman and Talha Chaudhry, increasingly uncomfortable by late 2010. People familiar with the situation pushed Mr. Corzine to seek approval from the board if he wanted to expand the firm's European debt holdings.

At the outset of 2012, MF Global's auditor, Michael Roseman, was uncomfortable by late 2010, according to people familiar with the situation. They pushed Mr. Corzine to seek Board approval from the board if he wanted to expand the firm's European debt holdings.

Within MF Global, Mr. Corzine welcomed discussion about his bet and his reasons for it, though some senior managers said they feared confronting such a prominent figure. Those who did challenge him recall making little progress. One senior trader said that each time he addressed his concerns, the chief executive would nod with understanding but do nothing.

These concerns were only internal at first because, while MF Global had disclosed the size of its European sovereign debt holdings, it did not report the extent to which it was used to finance the purchase of European debt. The firm bought its European sovereign bonds making use of an arcane transaction known as repurchase-to-maturity. Repo-to-maturity allowed the company to classify the purchase of the bonds as a sale, rather than a risky bet subject to the whims of the market. That called to mind an earlier era of trading when firms used repo-to-maturity to finance the purchase of risk-free assets like United States Treasuries. Mr. Corzine's specialty at Goldman many years earlier.

"It's like a bond trader from 15 years ago went into a shop and suddenly awoke to trade these trades," one regulator who later reviewed the transactions remarked to a colleague.

Eventually, MF Global's auditor, PricewaterhouseCoopers, asked Mr. Corzine to report the European debt exposure to his investors. He personally met with the accountants in December 2010, two people said, and it was agreed that the transactions would be mentioned in a footnote in the firm's annual report, which was filed on May 20, 2011.

Mr. Speaker, I thank you very much for the time tonight. I thank my colleagues and those who are listening, and I yield back my remaining time.
CONGRESSIONAL RECORD — HOUSE

December 14, 2011

HAFTZLER, Mr. SHUSTER, Mr. AUSTIN SCOTT of Georgia, Mr. ROONEY, Mr. ROGERS of Alabama, Mr. TURNER of Ohio, Mr. PLATTS, Mr. BROOKS, Mr. RAHALL, Mr. WATERS, Mr. CONNORAY, Mr. FLEMING, Mr. MILLER of Florida, Mr. LAMBORN, Mr. KLINE, Mr. RIGELL, Mr. WILSON of South Carolina, Mr. YOUNG of Ohio, Mr. LOBRONOVSKY, Mr. FRANKS of Arizona, Mr. PALAZZO, and Mrs. BLACKBURN:

H.R. 3662. A bill to amend the Federal Energy Policy, and Government Reform, and Ways and Means, and in addition to the Committee on Appropriations, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HURT (for himself, Mrs. HAFTZLER, Mr. LUIJKMEYER, and Mr. LANKFORD):

H.R. 3663. A bill to amend the Federal Energy Regulatory Commission to minimize infringement on the exercise and enjoyment of property rights in issuing hydropower licenses, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BILBRAY (for himself and Mr. COHEN):

H.R. 3664. A bill to provide local communities with tools to make solar permitting more efficient, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. DE LAURO (for herself, Mr. RUSH, and Mrs. BOEHLERT):

H.R. 3665. A bill to require the Commodity Futures Trading Commission to impose fees and assessments to recover the cost of appropriations to it; to the Committee on Agriculture.

By Mr. HULTGREN (for himself and Ms. KAPITTO):

H.R. 3666. A bill to direct the Secretary of Transportation to establish a program to assist veterans to acquire commercial driver's licenses, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mrs. MCMORRIS RODGERS (for herself and Mr. THOMPSON of California):

H.R. 3667. A bill to provide for a Medicare primary care graduate medical education pilot program in order to improve access to the Medicare program for primary care physicians in rural areas, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MEEHAN (for himself and Ms. SANCHEZ of California):

H.R. 3668. A bill to prevent trafficking in counterfeit drugs; to the Committee on the Judiciary.

By Mr. RENACCI (for himself, Mr. QUIKLEY, Mr. BUCSHON, Mr. SCHAFFER, Mr. OWENS, Mr. CARNEY, Mr. WINTER, Mr. VIGILANTE, and Mr. WEIXLER):

H.R. 3669. A bill to improve the accuracy and transparency of the Federal budget process; to the Committee on the Budget, and in addition to the Committees on Rules, Oversight and Government Reform, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLUMENAUER:

H.R. 3658. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution, to "provide for the common Defence and general Welfare of the United States."

By Mr. CARNAHAN:

H.R. 3660. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution, to "provide for the common Defence and general Welfare of the United States."

By Mr. TIBERI:

H.R. 3661. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution.

By Mr. McKEON:

H.R. 3662. Congress has the power to enact this legislation pursuant to the following: The constitutional authority on which this bill rests is the power of Congress to "provide for the common defense," "raise and support armies," and "provide and maintain a navy," as enumerated in Article I, Section 8 of the United States Constitution.

By Mr. HURT:

H.R. 3663. Congress has the power to enact this legislation pursuant to the following: The constitutional authority on which this bill rests is the power of Congress to "provide for the common defense," "raise and support armies," and "provide and maintain a navy," as enumerated in Article I, Section 8 of the United States Constitution.

By Ms. DE LAURO:

H.R. 3664. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 of the Constitution of the United States.

By Mr. BILBRAY:

H.R. 3665. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8 of the U.S. Constitution reads in part: To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Ms. DELAURO:

H.R. 3666. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clauses 1 and 18 of the United States Constitution.

By Mr. HULTGREN:

H.R. 3667. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8 of the U.S. Constitution reads in part: To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mrs. MCMORRIS RODGERS:

H.R. 3668. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clauses 3 and 18 of the United States Constitution.

By Mr. MEEHAN:

H.R. 3669. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution.

By Mr. PAULSEN:

H.R. 3659. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution, to "provide for the common Defence and general Welfare of the United States."

By Mr. CARNAHAN:

H.R. 3660. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution.

By Mr. TIBERI:

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By Mr. McKEON:

H.R. 3662. Congress has the power to enact this legislation pursuant to the following: The constitutional authority on which this bill rests is the power of Congress to "provide for the common defense," "raise and support armies," and "provide and maintain a navy," as enumerated in Article I, Section 8 of the United States Constitution.

By Mr. HURT:

H.R. 3663. Congress has the power to enact this legislation pursuant to the following: The constitutional authority on which this bill rests is the power of Congress to "provide for the common defense," "raise and support armies," and "provide and maintain a navy," as enumerated in Article I, Section 8 of the United States Constitution.

By Ms. DELAURO:

H.R. 3664. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 of the Constitution of the United States.

By Mr. BILBRAY:

H.R. 3665. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8 of the U.S. Constitution reads in part: To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Ms. DELAURO:

H.R. 3666. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clauses 1 and 18 of the United States Constitution.

By Mr. HULTGREN:

H.R. 3667. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8 of the U.S. Constitution reads in part: To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mrs. MCMORRIS RODGERS:

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By Mr. MEEHAN:

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By Mr. PAULSEN:

H.R. 3659. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution, to "provide for the common Defence and general Welfare of the United States."

By Mr. CARNAHAN:

H.R. 3660. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution.