

### WHY SHOULD TAXPAYERS GET THE LEFTOVERS?

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, I commend Warren Buffet on his confidence in American business, but his recent combined investment in Goldman Sachs and General Electric was not a charitable donation. He is not purchasing toxic securities; he is buying preferred stock. Why should American taxpayers get anything less? Why does he buy the preferred, and we buy the leftovers?

I share my neighbors' concerns about the impact of some in Washington hitting the panic button on their retirement, their home, or their business. But when markets are poisoned, you demand the best antidote—Not yield to another of President Bush's take-it-or-leave-it demands.

### AUTHORIZING THE SPEAKER TO ENTERTAIN MOTIONS TO SUSPEND THE RULES ON TODAY

Ms. ZOE LOFGREN of California. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to entertain motions to suspend the rules on the legislative day of Thursday, October 2, 2008, relating to the following measures: S. 3197; S. 3641; and H.R. 7221.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

### NATIONAL GUARD AND RESERVISTS DEBT RELIEF ACT OF 2008

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3197) to amend title 11, United States Code, to exempt for a limited period, from the application of the means-test presumption of abuse under chapter 7, qualifying members of reserve components of the Armed Forces and members of the National Guard who, after September 11, 2001, are called to active duty or to perform a homeland defense activity for not less than 90 days.

The Clerk read the title of the Senate bill.

The text of the Senate bill is as follows:

S. 3197

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "National Guard and Reservists Debt Relief Act of 2008".

#### SEC. 2. AMENDMENTS.

Section 707(b)(2)(D) of title 11, United States Code, is amended—

(1) in clauses (i) and (ii)—

(A) by indenting the left margin of such clauses 2 ems to the right, and

(B) by redesignating such clauses as subclauses (I) and (II), respectively,

(2) by striking "testing, if the debtor is a disabled veteran" and inserting the following:

"testing—

"(i) if the debtor is a disabled veteran",

(3) by striking the period at the end and inserting "; or", and

(4) by adding at the end the following:

"(ii) with respect to the debtor, while the debtor is—

"(I) on, and during the 540-day period beginning immediately after the debtor is released from, a period of active duty (as defined in section 101(d)(1) of title 10) of not less than 90 days; or

"(II) performing, and during the 540-day period beginning immediately after the debtor is no longer performing, a homeland defense activity (as defined in section 901(1) of title 32) performed for a period of not less than 90 days;

if after September 11, 2001, the debtor while a member of a reserve component of the Armed Forces or a member of the National Guard, was called to such active duty or performed such homeland defense activity.".

#### SEC. 3. GAO STUDY.

(a) COMPTROLLER GENERAL STUDY.—Not later than 2 years after the effective date of this Act, the Comptroller General shall complete and transmit to the Speaker of the House of Representatives and the President pro tempore of the Senate, a study of the use and the effects of the provisions of law amended (and as amended) by this Act. Such study shall address, at a minimum—

(1) whether and to what degree members of reserve components of the Armed Forces and members of the National Guard avail themselves of the benefits of such provisions,

(2) whether and to what degree such members are debtors in cases under title 11 of the United States Code that are substantially related to service that qualifies such members for the benefits of such provisions,

(3) whether and to what degree such members are debtors in cases under such title that are materially related to such service, and

(4) the effects that the use by such members of section 707(b)(2)(D) of such title, as amended by this Act, has on the bankruptcy system, creditors, and the debt-incurrence practices of such members.

(b) FACTORS.—For purposes of subsection (a)—

(1) a case shall be considered to be substantially related to the service of a member of a reserve component of the Armed Forces or a member of the National Guard that qualifies such member for the benefits of the provisions of law amended (and as amended) by this Act if more than 33 percent of the aggregate amount of the debts in such case is incurred as a direct or indirect result of such service,

(2) a case shall be considered to be materially related to the service of a member of a

reserve component of the Armed Forces or a member of the National Guard that qualifies such member for the benefits of such provisions if more than 10 percent of the aggregate amount of the debts in such case is incurred as a direct or indirect result of such service, and

(3) the term "effects" means—

(A) with respect to the bankruptcy system and creditors—

(i) the number of cases under title 11 of the United States Code in which members of reserve components of the Armed Forces and members of the National Guard avail themselves of the benefits of such provisions,

(ii) the aggregate amount of debt in such cases,

(iii) the aggregate amount of debt of such members discharged in cases under chapter 7 of such title,

(iv) the aggregate amount of debt of such members in cases under chapter 7 of such title as of the time such cases are converted to cases under chapter 13 of such title,

(v) the amount of resources expended by the bankruptcy courts and by the bankruptcy trustees, stated separately, in cases under title 11 of the United States Code in which such members avail themselves of the benefits of such provisions, and

(vi) whether and to what extent there is any indicia of abuse or potential abuse of such provisions, and

(B) with respect to debt-incurrence practices—

(i) any increase in the average levels of debt incurred by such members before, during, or after such service,

(ii) any indicia of changes in debt-incurrence practices adopted by such members in anticipation of benefitting from such provisions in any potential case under such title; and

(iii) any indicia of abuse or potential abuse of such provisions reflected in the debt-incurrence of such members.

#### SEC. 4. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect 60 days after the date of enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall apply only with respect to cases commenced under title 11 of the United States Code in the 3-year period beginning on the effective date of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. CONYERS) and the gentleman from Utah (Mr. CANNON) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

#### GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on S. 3197.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

The consumer bankruptcy overhaul signed into law 3 years ago adds a means test that presumes a debtor is abusing the law if he or she has income

that exceeds a modest threshold, and thereby forces the debtor into a multiyear repayment plan.

This bill, S. 3197, exempts qualifying National Guard and Reserve members from that presumption of abuse. We have the gentlewoman from Illinois (Ms. SCHAKOWSKY) to thank for this.

With half a million members of the National Guard and Reserve called to Iraq and Afghanistan since 9/11, many serving multiple tours of duty, the financial toll on their families has been severe.

□ 1230

It's estimated that up to 26 percent of National Guard members deployed experience money problems as a direct result. And so the measure before us makes an exception-to-the-means test presumption of abuse for National Guard and Reserve members who serve 90 days since September 11, 2001, and for a year and a half after they leave service. I'm heartened to know that we now have the opportunity to provide this modest but important relief to these brave men and women in the service.

I also commend Ranking Member LAMAR SMITH of Texas who has helped make this a bipartisan endeavor.

I reserve the balance of my time.

Mr. CANNON. Mr. Speaker, I yield myself such time as I may consume.

I'm happy that the House is able to complete today the Congress' consideration of this bipartisan legislation. As we have stated at every turn, Republicans strongly support the mission and appreciate the sacrifice of our dedicated Reservists and Guardsmen. We continue to agree that Reservists and Guardsmen who are plunged into bankruptcy by the demands of their service should be given a helping hand under the Bankruptcy Code.

Earlier this session, Judiciary Committee Republicans labored long and hard to achieve a workable compromise that would help these willing warriors. The merger issue for us was simple—that the bill respond to bankruptcies attributable to a Reservist's or Guardsman's service. The Senate has returned a bill to us that preserves the balance that we struck. The Senate has added one amendment, but it is technical in nature and was sought by the Administrative Office of the United States courts.

I urge all Members to support the passage of this legislation, and I look forward to the bill's implementation as law. I also look forward to the results 2 years from now of the GAO study contained in the bill. This study will tell us for sure whether Reservists and Guardsmen are using the relief granted by the bill when it is their service that leads to bankruptcy—not other factors. With this study in hand, when the bill reaches its 3-year sunset, we will know for sure whether it's being abused in

cases lacking the necessary link to service. If it is being abused, we will be able to address that abuse at the time that reauthorization is considered.

In light of these considerations, I'm pleased to support passage of the bill.

I would also like to thank others who have worked on this bill, in particular Congressman ROHRABACHER from California. I made, as the chairman of the Subcommittee on Commercial and Administrative Law that has oversight of the Bankruptcy Act, a promise that we would reconsider this bill that was done some years ago. Mr. ROHRABACHER has done an amazing job, given leadership and determination to bring this bill to where it is today and, by doing so, has redeemed my promise and his and that of many other people.

I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I am pleased to recognize the Chair of the California delegation, ZOE LOFGREN, for as much time as she needs.

Ms. ZOE LOFGREN of California. Thank you, Mr. Chairman.

Mr. Speaker, I rise in support of this bill. It is obviously important that we make sure that any of our armed servicemembers who have suffered a financial loss because of their service have access to relief through the bankruptcy courts. That's the least we can do to assist these fine men and women.

But I rise also to say that there are other things that are not yet before us in the bankruptcy arena that we, I believe, are gaining some bipartisan support for.

Many of us have expressed concern that lacking in the recovery package that we will be voting on tomorrow is any provision that deals with the primary mortgage, mortgage on a primary residence, that might be one of many tools to deal with the underlying crisis that has created this worldwide economic instability.

I would have preferred that such a measure be in the recovery package, but it is not essential that the measure be part of the package. It is possible to move such a measure separately.

We were here earlier in the week. I complimented my colleague from Utah saying that it was unlikely we would be on the floor together again because he is not returning, but here we are. And I would just like to compliment him for the hard work and discussions that he has put in behind the scenes over the last several weeks to see if disagreements can be resolved and if parties can come together in the interest of the country. I can't say that we have accomplished that yet, but I think that we have an opportunity, and I actually am quite optimistic that we will be successful in that effort that would be very important for our country.

I see the gentleman standing there. I wonder if I could yield to him, if he wishes to make a comment.

Mr. CANNON. I thank the gentlelady.

The American people are enraged by this bailout, or rescue as we're now calling it, and I think justifiably so. And they ought to be enraged that the real cause here—or the real cause of what I think should be the rage is that this has been done in a way that has been mandated, directed, expected that we would respond without much involvement. The rage of the American people reminds me of a bull often goes after the cape rather than goring the toreador. And what we need to do here, I think—I hope the American people recognize the opportunity to demand a transparent government.

There was no reason why the administration couldn't have made its three-page proposal available not as a legislative demand but as an outline of what the discussions should have been. There is no reason why we here in Congress have not done an open rule and had a debate on this. We could easily have taken this measure, debated it openly, amended it, adjusted it, and done things that make some sense.

Now the problem as I see the bailout—and the gentlelady and I have talked about this at some length—is that it pumps liquidity into banks and takes paper. That paper we hope is good. We hope it will be more valuable than what we have spent on it.

Ms. ZOE LOFGREN of California. I wonder, I did yield, but we have other speakers. So I wonder if—and we can have this further discussion—but whether on the mortgage, primary residence mortgage issue, you think there is further opportunity to make progress between Republicans and Democrats, conservatives, and non-conservatives?

Mr. CANNON. I thank the gentlelady. We have plenty of time on my side. If the gentlelady would like to yield back temporarily, I would be happy to use my time to talk about that point.

Ms. ZOE LOFGREN of California. I will do so because I don't want to take advantage of the chairman's yielding me unlimited time when there are other speakers.

But I would just say in the discussions that we have had that have been very honest and very practical—and I think totally bipartisan, I would even say nonpartisan—trying to find common ground in the interest of the American people in this. I have a sense of optimism that we can do something important on the mortgage bankruptcy issue aside from this recovery package that is coming.

Having said that, I will yield back to the chairman of the committee, and perhaps Mr. CANNON will use some of his time to further explore this.

Mr. CANNON. I thank the gentlelady, and if she wishes to remain, perhaps we can have a colloquy at some point.

Let me make a couple of points. We have had a long and intense discussion

about what we can do to help solve, not the problem of the banks with their toxic loans which we hope we will buy at a reasonable price in a reverse auction, but what we do on the other side of this problem, which is homeowners who can't afford the loans that they got on property that was often misappraised or appraised fraudulently and therefore left in a box without being able to pay, with mortgages that are resetting at higher interest rates, sometimes with higher balances because of the way the mortgages were arranged.

So how do we help Americans stay in their homes in a reasonable fashion? And we've talked about bankruptcy as one way to do that.

Now in the bill that we did not pass here in the House recently, the Secretary had wide authority. I'm expecting that authority to be continued; and what I would hope is that the Secretary will not just put \$700 billion into paper which may or may not be useful, but also something like \$50 billion or \$100 billion into funds that are intended to help people stay in their homes by creating the opportunity to buy mortgages at a discount, then renegotiate those mortgages with the people who are in those homes or others, and thereby avoid the downward spiral of housing costs.

I don't know that we're going to be able to do much with bankruptcy if this bill that passed the Senate passes the House today, I don't know that we're going to be able to deal with it. But I think that we ought to demand as the House that the Secretary recognize that this is not just a matter of buying paper and saving banks, but it's rather a matter of keeping a downward spiral on housing prices from continuing so that Americans can maintain the value on their homes, can keep their homes, and we can get this economic crisis behind us and perhaps even save some money.

I recognize the gentlelady is standing there. I would be happy to yield to her. Ms. ZOE LOFGREN of California. Thank you for yielding.

I would just note that in fact in the rescue package there is a provision requiring the Secretary to renegotiate loans and that will actually, I think, be of tremendous value in dealing with the foreclosure crisis that we face when the government owns the whole mortgage, all of the mortgage. But because securities are being purchased because the credit markets are frozen, we won't necessarily own all of the mortgages in every case. And half of the subprimes have second and third mortgages that will be able to defeat any effort to renegotiate.

So I think that moving a narrowly crafted, for-subprime-only primary residence mortgage measure either later in this Congress or early next might be something that could avoid the \$2.1

trillion in mortgages that are set to reset and certainly are at risk of default in the next 18 months.

I am just stating here today, I think we have an opportunity to accomplish that working across the aisle and working across ideological barriers because really we're all in the same place. We want Americans to be safe and secure in their homes. If they are able to meet their obligations, we should go the extra mile to allow them to do that.

I just want to say once again how much I have appreciated working with you, Congressman CANNON, over these years. And I said this earlier this week, but if you look at your voting record, you've got one of the most conservative voting records in this Congress, and as I mentioned, I do not. But that has never prevented us from working together to find solutions for the American people.

I really think you're a remarkable legislator, someone whom I respect a great deal, and I thank you for your service to our country.

Mr. CANNON. Reclaiming my time, I thank the gentlelady. The nice thing about being clear in your principles is that it's possible to negotiate and come up with compromises that work. It's been a pleasure to work with the gentlelady and also the chairman of the full committee who is also here with us, Mr. CONYERS. It's not possible to be farther apart on the political spectrum than I think Mr. CONYERS and I are, but we have had a very pleasant, and I think profitable, working relationship on many issues where because of his clear principles, and I hope my clear principles, we've been able to reach compromise.

Going back to what the gentlelady was saying, I fervently hope that I will not be part of any further negotiations on bankruptcy. I hope that we solve this problem today or tomorrow, I suppose, and then make the American people more safe by us being out of town and then letting the next year's crop of people come back and deal with the issue.

Let me just reiterate a couple of things the gentlelady has said. \$2.1 trillion of subprime and Alt-A loans are in trouble. If we don't do something about that, those loans, as they fail—to the degree that they fail, and many are likely to fail—are likely to draw down to create a suction that will pull down the prices of all the other houses in America, creating chaos in our market.

It's imperative that the Secretary recognize his authority under, I think, the current language, and make it clear that he intends to do something not just about the paper because, as the gentlelady has pointed out, we don't own all of the fractions of the interests in these mortgages, and therefore we don't have the ability, by pumping money into paper, to solve

the underlying problem. You have to do that in another way. And certainly where you have a second or a third, there is no ability by the Treasury, under the current program, to deal with that suction on prices.

□ 1245

So I am hoping that the Secretary of the Treasury will today make it clear that he intends to use part of this bailout money for which he has I think the discretion. I think it is important that he be clear that he has that discretion, that he intends to use the money that way so we can create a floor not just under the banks but also under the prices of our homes.

With that, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield to the author of this bill, JAN SCHAKOWSKY, who is a sterling member of the Energy and Commerce Committee, as much time as she may consume.

Ms. SCHAKOWSKY. I thank the gentleman for yielding to me and for his support on this legislation.

I rise to proudly support S. 3197, the National Guard and Reservists Debt Relief Act. This legislation is the Senate companion to H.R. 4044, legislation that I authored, along with my friend and colleague, Congressman DANA ROHRBACHER, which passed the House unanimously on June 23. S. 3197 was introduced by my very good friend and colleague from Illinois, Senator DICK DURBIN.

Since 9/11, more than 460,000 Reservists and Guardsmen have been called to active duty in Iraq and Afghanistan. These men and women have left their families and their jobs to selflessly serve their country, often with little or no notice to get their finances in order. Many servicemembers are small business owners who have to put their businesses on hold while they serve their country, and some are forced to sacrifice those businesses altogether. And, of course, some may face losing their homes when they return because of their financial distress.

Many servicemembers face unexpected extended tours of 15 months or longer, leaving them with almost no way to prepare financially.

S. 3197 would simply allow National Guard and Reservists to file for bankruptcy without the burden of the means test that assesses their eligibility for bankruptcy protection. H.R. 4044 allows members of the National Guard and Reservists to file for chapter 7 bankruptcy without the added paperwork burden and obstacles of the means test.

This is why: when veterans face the means test, it has a particularly adverse impact on them. That is because the combat pay of soldiers in Iraq or Afghanistan is often higher than their salaries at home, and they have fewer

expenses overseas, if any. The problem is when they return home, these individuals return to face lower incomes and higher expenses, and because the means test factors in a person's income and expenses for the 6-month period preceding the bankruptcy filing, a veteran's income is artificially inflated and their expenses seem disproportionately low. As a result, they risk failing the means test and facing chapter 11 or 13.

This bill is narrowly drafted to apply to servicemembers who have served in the Armed Forces for more than 90 days since 9/11 and would grant them an exemption from the test for up to a year and a half after they return home. The legislation also requires a GAO report that will help us quantify the hardships our veterans face when they return home by tracking how many apply for bankruptcy protection.

With unemployment at the highest levels in 7 years and the credit crisis and recession squeezing the budgets of families across the country, we must give these returning heroes any relief we can. Eighteen percent of veterans recently back from tours of duty are unemployed. Twenty-five percent of those who have been able to find work earn less than \$22,000 a year. There are currently 1,500 veterans of the wars in Iraq and Afghanistan who are homeless. And thousands of veterans return from the war with physical and mental injuries which make returning to work difficult or impossible. We should all be outraged at those statistics.

Simply put, the men and women who have risked their lives to protect us deserve protection from us in return. These selfless individuals should not face harsh bankruptcy procedure if they are in financial distress when they return home. When the changes to the bankruptcy law were made in 2005, Congress exempted disabled veterans from the means test. It is time to include the Guard and Reserves as well.

The legislation that we're considering once again today is virtually identical to the one we passed unanimously, with minor, five-word, technical, clarifying corrections added during consideration in the Senate Judiciary Committee; and like H.R. 4044, the bill passed the Senate with unanimous support. I urge its support in the House once again today so we can send it to the President for his signature.

I'd like to thank Chairman CONYERS, again, for working with me to pass this legislation, as well as Subcommittee Chairwoman LINDA SÁNCHEZ for her commitment to this bill. And I want to thank the staff on both sides of the aisle who helped, particularly my legislative director, Daniel Penchina. And, again, I thank my colleague, Congressman ROHRABACHER, who has been a formidable and effective partner in moving this legislation through the House this year.

The SPEAKER pro tempore. The Chair will note that the gentleman from Utah has 11 minutes remaining, and the gentleman from Michigan has 8 minutes remaining.

Mr. CANNON. Mr. Speaker, I noted earlier that the gentleman from California (Mr. ROHRABACHER) had worked diligently on this bill, and I talked about his intelligence and determination and the fact that he has redeemed his promise and mine by bringing this bill to the floor today. I would like to yield as much time to him as he may consume.

Mr. ROHRABACHER. Mr. Speaker, I rise in strong support of S. 3197.

I am pleased that we are finally about to provide this benefit to our veterans, but I am troubled that it has taken us so long to do so. On April 14, 2005, the House considered S. 256, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, which was a much-needed and very responsible reform. Then in the minority, my colleague Ms. SCHAKOWSKY introduced a motion to recommit so that the bill would allow a targeted exemption from our stricter means test for those National Guard and Reservists who had been called up after 9/11.

At the time of the floor debate, I was told by the Republican floor manager that the Schakowsky motion was redundant, that there was already such protection for our National Guard and Reservists under the Servicemembers Civil Relief Act. Because of this, I voted against the motion, and it failed on a party-line vote, 200 yeas to 229 nays.

I soon found out, however, that I and other Republican Members had been misinformed, apparently to prevent the then-minority from having any legislative success. When I found out there was no adequate protection for our returning Reservists and Guardsmen, I pledged to work with my colleague, Ms. SCHAKOWSKY, to make it right.

Subsequently, I introduced legislation to amend the bankruptcy law. This measure, of course, isn't costing any—well, maybe it costs a few, but probably not any Federal dollars—new Federal dollars. There is no big spending involved in this. There is no massive appropriation needed. All it is is a consideration for these people who have risked their lives for us and are coming home. But my party couldn't get itself to provide consideration for our homecoming heroes, even though there wasn't a major cost involved. Thus my legislation didn't ever get to the floor.

In the meantime, party control of the House changed, and Ms. SCHAKOWSKY and I have been working diligently to get this legislation to the floor and get it passed into law. The Senate passed the bill by unanimous consent on Tuesday, and we are now considering this bill under suspension, which means it's

pretty well recognized that this has widespread support, and it should have been voted on and accepted a long time ago.

S. 3197, introduced by Senator DURBIN in the Senate, has bettered the bill in several ways. Often, it will take several months for a servicemember to gain an understanding of his or her financial situation after returning home. So this bill expands the time of eligibility to a year and a half after the servicemember has been released from active duty.

And because more information is needed, this bill requires the Comptroller General to study and report to Congress on the number of Reservists in the Armed Forces and National Guard members who will be using this exemption and the number of servicemembers who are substantially or materially involved in bankruptcy cases because of their service.

I encourage my colleagues who voted "no" on the motion to recommit 3 years ago to vote in favor of this legislation today. This bill is not a wedge to reopen the bankruptcy rules. Rather, it is a narrow, targeted change modeled after existing exemptions for disabled veterans who are America's heroes. This is targeted at those American heroes throughout our country who are called up for deployment and are now returning home.

This bill will ensure that America's heroes throughout our country, who have often been called up for deployment, and these deployments have been far longer than they ever initially thought they would ever be called up for, this bill is intended that they will not pay a high personal cost for their absence and their willingness to step forward and defend our country.

As my colleague, Ms. SCHAKOWSKY, put it, these servicemembers have put their lives and livelihood on the line for us, and we owe them a great debt. This is one way that we can show our deep appreciation for the service that these people have given to us, protecting our families and the service they've provided our country.

Now is the time for us to repay that debt in a very bipartisan way, which should have been in play on this floor in this House all along; and when it wasn't 3 years ago, Ms. SCHAKOWSKY and I have finally made up for that bit of partisanship at the expense of our homecoming heroes that happened over 3 years ago.

So, today, I ask my colleagues to join Ms. SCHAKOWSKY and myself. I thank all of those involved who helped us along the way, and I ask my colleagues to support this measure.

Mr. CONYERS. Mr. Speaker, how much time remains?

The SPEAKER pro tempore. The gentleman from Michigan has 8 minutes remaining. The gentleman from Utah has 5½ minutes remaining.

Mr. CONYERS. I yield now 7 minutes to the distinguished gentleman from Ohio, a Member not always heard on the floor, DENNIS KUCINICH.

Will the gentleman yield to me briefly?

Mr. KUCINICH. I certainly will.

Mr. CONYERS. We keep saying that the gentleman from Utah is on the floor for the last time, but the last time always becomes one more time.

I want him specifically remembered for the cooperation and leadership he gave in the committee and on the floor in terms of broadband legislation, the credit card interchange consideration, the very complex issues of immigration, on literally all of the civil liberties issues that have come before us, and Internet gambling. He's given us his attention and helpfulness. We appreciate it so very, very much, CHRIS.

I thank the gentleman for yielding.

Mr. KUCINICH. I thank the gentleman for his generosity with the time, and thank my colleagues on both sides of the aisle for their support of S. 3197, which will help those who served this country save their home and save what they work a lifetime for.

It is very poignant that we could come to this bill at this moment, when we understand the importance of helping those who have served this country save their homes.

□ 1300

Because, actually, it does lead to that larger question because we are all in tune now with the fact that millions of Americans—including those who serve this country—through no fault of their own are finding their homes at risk, millions of Americans. And unfortunately, despite the best efforts of people on both sides of the aisle, the House will have delivered to it a bill from the Senate that does not directly address that question. Because unless this country takes a controlling interest, unless the Secretary of the Treasury would take a controlling interest in these mortgage-backed securities so they can negotiate on behalf of the homeowners to reduce their exposure to losing their home, this bill will be for naught.

Let's keep in mind that a central premise of the American Dream is owning a home. We understand that for our soldiers, and we should do something here. And we also need to understand that all over this country there are people who are watching these debates and wondering, are we going to do something to help them save their home? Because that's what we ought to be doing. And the way that we can do it, Mr. Chairman, is that instead of taking a strategy that assumes that the trickle is going to get down from the top by giving \$700 billion to Wall Street, we instead focus on creating a solution for the homeowners and know that then the money will begin to per-

colate up to the banks and back to Wall Street instead of assuming the government gives the money to Wall Street, goes to the banks, and it gets to the people. Not under the bill that the Senate is sending over here.

So, while we want to do everything we can for our soldiers—and we should—we need to understand that looming here is one of the biggest challenges we've seen in American history to the concept of homeownership: Home is core, home is central, home relates to everything that we're all about. But home is in jeopardy here in the United States of America. Millions of mortgages are headed towards default. Millions of Americans are in danger of losing their home. And this Wall Street bailout, unfortunately, does not address it.

Now, Mr. Speaker, I sent a letter over to our Speaker yesterday pointing this out to her, telling her that we need to create a change that will enable the Secretary of the Treasury to focus in on this and to give him the ability to get a controlling interest in these mortgage-backed securities because, as has been pointed out by my colleagues, we don't have that right now. And unless you address that, all this is going to be for naught. You might see the market go up for a day if the House passes the bill, but you know what's going to happen: You're still going to see millions of Americans losing their homes.

Mr. CANNON. Will the gentleman yield?

Mr. KUCINICH. Of course I would yield to my friend.

Mr. CANNON. Thank you.

We're now at a point where we're going to be voting very quickly on this bill. I think you heard the colloquy between the gentlelady from California and myself. I'm wondering if the gentleman can be satisfied if the Secretary takes a position publicly that he is going to use some of this bailout money under the discretion that he's given in the bill to do what I suggested earlier, which is, to put money into funds that would buy mortgages and keep people in their homes. Is that the kind of thing that we can do—

Mr. KUCINICH. Taking back my time, the bill has language which might be discretionary, but we in the House understand the difference between something that's discretionary and mandatory. And we also know that the way the bill is structured, unless you have a controlling interest in these mortgage pools, there's no way you can do anything because then you have to talk with 20, 30 other interests in order to be able to come to resolution. That's not going to happen.

So we need to be real about this; and, unfortunately, that isn't always the case in our Congress. And when we get real about it and connect to people's aspirations to save their homes with a

real solid legislative structure to deliver on that, then the American people and then our economy can celebrate the wisdom of the Congress. Right now, that jury is still out.

I yield to my friend.

Mr. CANNON. Recognizing the gentleman's limited time, we have I think more time on our side, and I would be happy to yield some to Mr. CONYERS if he would like more.

Would the gentleman yield for a colloquy on this issue?

Mr. KUCINICH. I would.

Mr. Speaker, may I inquire as to how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Ohio has 30 seconds remaining.

Mr. CANNON. Mr. Speaker, I would yield 2 minutes to the gentleman at this point.

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 2½ minutes.

Mr. KUCINICH. I yield to my friend.

Mr. CANNON. The problem we're facing, or course, is the urgency of what's going on. And the gentleman has heard my concern with the failure of the administration to have this aired transparently; but that said, we do have some urgency. If the Secretary is very clear in what he says, can we move forward, as opposed to, say, amending the Senate's bill—which will come over to us—and then sending it back to the Senate for further votes. Personally, I don't think that that is likely to happen; it's your leadership that will control the Rules Committee. But I suspect that we're not going to get the perfect here with the good, that is, a commitment by the Secretary that is clear and open and patent.

Would that serve to resolve the gentleman's concerns?

Mr. KUCINICH. To my good friend from Utah, the clarity of the Secretary will not trump the language of the legislation. And the language of the legislation does not permit him to be able to have an effective role in saving people's homes. It talks about encouraging, it talks about "may do," but it is not mandatory. And he doesn't have the additional power because there is no mechanism in there to give us a controlling interest so that we can actually create a fix.

I yield to the gentlelady from California.

Ms. ZOE LOFGREN of California. If I may, I think the Secretary has the authority to acquire all mortgages. We fear that he may not. I frankly think if the Secretary—or his successor, starting in January—were to make that a priority, we would solve more of this problem than if it was just done in the natural course of events. I personally believe we need another remedy that I pledge to try and move separately from this package having to do with the bankruptcy primary residence mortgage issue that we have discussed at tremendous length.

Mr. KUCINICH. Reclaiming my time, and thanking the gentlelady and the gentleman, I would say that the legislation doesn't fix the problem; that is the central point. It doesn't empower the Secretary to be able to get controlling interest of the mortgage-backed securities. And that is the central flaw of the policies that we're pursuing. And millions of Americans who are in danger of losing their homes are not going to be helped.

I want to conclude by thanking Mr. CANNON for his service to the United States Congress.

The SPEAKER pro tempore. The gentleman from Utah has 3½ minutes left. The gentleman from Michigan has 1 minute remaining.

Mr. CANNON. Mr. KUCINICH, if you would like to continue, we don't disagree, and I think by having a further colloquy, I think we actually can come to an understanding.

As I understand your concern, the Secretary does not have the ability—or it would be difficult for him to buy up all the fractionated interests in any given mortgage, and therefore, he is incapable, in his current position—unless he does something remarkable and spends more money than we intend him to spend, he can't provide relief on individual mortgages.

What I'm suggesting the Secretary has the authority to do is to put money into private funds that can then go to the servicing agent of a nonperforming loan, where the person is in an anti-deficiency State, or otherwise can walk away from that loan without recourse to the bank. At that point, the servicing agent has the ability to sell a mortgage, or a package of mortgages. In that event, what I suggest is that if the Secretary will pump some significant resources into the private sector to buy mortgages from servicing agents, and from banks and others, in a market where we are having deterioration of prices, that would tend, dramatically, to solve the problem. It goes a long way toward, I think, the gentleman's concerns.

Ms. ZOE LOFGREN of California. If the gentleman would yield, as we both know, because we were on the same conference call with one of the foremost authorities in the United States on this subject, the expectation is, in the natural course of events, that about 20 percent of the acquisition of securities would result in owning all of the rights in order to do a negotiation.

So when you look at the entire package, it's not what we want, but it's not nothing either. I mean, if you could actually renegotiate 20 percent of the reset, it would have a market impact. What you're suggesting, I think, makes sense. And I think, also, that the bill that's coming back would allow the Secretary to actually do what you have suggested because there is that discretion in the measure.

If we did what you've suggested, if the experts are correct that we will have 20 percent of all ownership to renegotiate as provided for in the bill, we're still going to need an additional tool which we're not going to get in this bill, but to do a narrow carve-out for the subprime markets to be able to—for judicial intervention for those areas that we cannot get the rights for. I thank the gentleman for yielding.

Mr. CANNON. Reclaiming my time, let me just say the gentlelady is absolutely accurate in her portrayal of the problem. Let me just clarify one thing, because a lot of people listening to us today don't understand what a reset is.

You have mortgages that are at a fixed rate which will then pop up to a market rate in the future. It is that pop up that is a problem. If you have a mortgagee who is behind in his payments, he may be able to stay in the mortgage when it goes up, but he may not be able to afford it. If he's behind, he can't refinance. He's stuck in a world where he can't get out of that mortgage, and the market will drive him. And the bank that wants him to renegotiate can't do it because of the fractionated ownership of that mortgage.

Ms. ZOE LOFGREN of California. If the gentleman would yield.

If I may, I'm glad you did that explanation. And for people listening who don't have a subprime, it's going to affect them as well. Because if you have a prime mortgage but every neighbor in your entire neighborhood has had their property values collapse, your property value is also going to collapse. So this is everybody.

Mr. CANNON. Reclaiming my time, I thank the gentlelady because she has made exactly the point. What we're trying to do here is avoid the collapsing values of houses.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CONYERS. Mr. Speaker, I yield 15 seconds to the gentleman from Ohio.

Mr. KUCINICH. And that's all I need.

When you look at the difference in the debate here, hear these words, "we may save the world" or "we shall save the world"; "we may save people's homes" or "we shall save their homes." I want a bill that says "we shall save their homes." And that's not what the bill is that we're being sent by the Senate.

Mr. CONYERS. Mr. Speaker, I yield the balance of my time to the gentleman from Indianapolis, Indiana, Mr. ANDRE CARSON.

The SPEAKER pro tempore. The gentleman is recognized for 45 seconds.

Mr. CARSON. Mr. Speaker, I come to the floor today in support to H.R. 7221 in honor of my late grandmother, Congresswoman Julia Carson.

My grandmother was a huge proponent of increasing homeless assistance to displaced families. Last year,

she introduced the Homeless Emergency and Rapid Transition to Housing Act. She introduced this bill for children and families in need of assistance. This bill sought to implement more effective strategies for preventing homelessness and increasing emergency assistance for families in need.

This bill before us today reflects a compromise between my grandmother's legislation and the Senate legislation. While I wish we could have gone farther in expanding the definition of homeless, this bill will provide critical assistance to families and children neglected by current law.

I urge support of this bill and commend Congresswoman WATERS, Congresswoman MOORE, Congressman DAVIS, Congresswoman BIGGERT, Congressman CONYERS and their staffs for their hard work on this legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. CONYERS) that the House suspend the rules and pass the Senate bill, S. 3197.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CANNON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### NATIONAL CRIME VICTIM LAW INSTITUTE REAUTHORIZATION

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3641) to authorize funding for the National Crime Victim Law Institute to provide support for victims of crime under Crime Victims Legal Assistance Programs as a part of the Victims of Crime Act of 1984.

The Clerk read the title of the Senate bill.

The text of the Senate bill is as follows:

S. 3641

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. REAUTHORIZATION.

Section 103(b) of the Justice for All Act of 2004 (Public Law 108-405; 118 Stat. 2264) is amended in paragraphs (1) through (5) by striking "2006, 2007, 2008, and 2009" each place it appears and inserting "2010, 2011, 2012, and 2013".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. CONYERS) and the gentleman from Utah (Mr. CANNON) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members