want to tell the American people these are the rules for financial regulation and tell the world that the United States of America is capable of governing itself and writing its rules and doing it in a bipartisan way, think of the signal that would send to this country and to the world. It might be a tipping point in the recovery from the great recession, that kind of signal from Washington, DC. I can't think of a better one. Yet the vote today is the opposite. It is another ''no'' motion. No to debate. No to amendments. No to working together. No to checks and balances.

I hope we prevail on this motion and I hope we will say yes to more amendments, yes to more debates and yes to checks and balances and I hope the result is a financial regulation bill affecting this country that all of us can vote for—or at least most of us can vote for; that we can proudly give each other credit for. That is the way we like to work. That is why we came to the Senate. When the country sees that, they will have more confidence in us, in this government, in the economy and the world may, too, and we will have taken an important step forward; and the President will be able to say: Look, this is the way I wanted to do it all along. This is what I campaigned on, and I am glad we have worked together to get 70 or 80 votes in the Senate to get a consensus on a financial regulation bill to get this country moving again.

I yield the floor, and I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DODD. Mr. President, what is the business before the Senate?

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3217, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 3217, a bill to promote the financial stability of the United States by improving accountability and transparency in the financial system, to end ''too big to fail,'' to protect the American taxpayer by ending bailouts, to protect consumers from abusive financial services practices, and for other purposes.

Mr. DODD. Mr. President, as I understand it, there is a vote scheduled at 5 p.m., is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. DODD. And the time between now and 5 p.m. will be for general debate on the matter of the motion to proceed, is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. DODD. Mr. President, I see my friend and colleague from Delaware, Senator KAUFMAN. How much time does the Senator need?

Mr. KAUFMAN. About 16 minutes.

Mr. DODD. I yield 16 minutes to the Senator from Delaware.

Mr. KAUFMAN. Mr. President, I thank the Senator from Connecticut for the incredible work he has done on putting this bill together. It is a historic effort. It is the third historic effort he has taken on this year. That is not just a word, ''historic;'' it is putting into perspective the last 40 years. The Senator from Connecticut has been a leader on three truly historic pieces of legislation this year. I have never seen a Member do that. There were credit card reform, bringing up the health care reform bill, and now the financial regulatory reform bill.

I return to the floor to discuss the problem of too big to fail, which I remain convinced is a key issue in any financial reform bill. First, I urge my colleagues to vote yes on the motion to proceed, because these issues are of profound importance to our country and they deserve to be debated and voted upon.

For example, it was over 10 years ago that Congress debated and passed the Gramm-Leach-Bliley Act, which formally repealed the Glass-Steagall Act's sensible and longstanding separation of commercial banking and investment banking. While this landmark legislation passed the U.S. Senate by a 90-to-8 margin, there were some voices who spoke out then that the bill would lead us on a glided path to disaster.

I recently reread the speech given in 1999 by the senior Senator from North Dakota, and I was thunderstruck, truly, by how accurately BYRON DORGAN warned then about the future. There were eight people who voted against the Gramm-Leach-Bliley Act. They were Senators BOXER, Bryan, DORGAN, FEINGOLD, HARKIN, MIKULSKI, SHELBY, and Wellstone. I first came to this body as a staff person in 1973. I have seen times when a few people in the Senate—I don't think either party has a monopoly on it—get together and say the Senate is off in the wrong direction. Those eight people said that on that day. Senator DORGAN deserves a special recognition and award, because he predicted this in 1999, when he said:

We will, in 10 years time, look back and say: We should not have done that [repeal Glass-Steagall] because we forgot the lessons of the past.

He went on to say:

This bill will, also, in my judgment, raise the likelihood of future massive taxpayer bailouts. It will fuel the consolidation and mergers in the banking and financial services industry at the expense of customers, farm businesses, family farmers and others.

That is absolutely amazing. He absolutely totally completely nailed it. He predicted it would lead to ''future massive taxpayer bailouts.'' I think we should listen to Senator DORGAN now and any prediction he makes about what we are going to do today in the Senate.

He also said quite presciently:

We also have another doctrine . . . at the Federal Reserve Board called too big to fail. Remember that term, too big to fail. . . . They cannot be allowed to fail because the consequence on the economy is catastrophic and therefore these banks are too big to fail. . . . That is no-fault capitalism; too big to fail. Does anybody care about that? Does the Fed? Apparently not.

These words would work just as well on the floor today. How many of us thought the term ''too big to fail'' was coined only in this recent disaster? Not Senator DORGAN. He knew and warned about too big to fail in 1999.

He also said:

I say to the people who own banks, if you want to gamble, go to Las Vegas. If you want to trade in derivatives, God bless you. Do it with your own money. Do not do it through the deposits that are guaranteed by the American people and by deposit insurance.

Again, right on point, and perfectly accurate today. BYRON DORGAN and Brooksley Born were warning about derivatives in 1999, but we did not listen, And America suffered a catastrophe of monumental proportions—less than 10 years after these prophetic words were spoken.

Finally, Senator DORGAN said:

I will bet one day [I think we are at that day] somebody is going to look back at this and they are going to say: How on Earth could we have thought it made sense to allow the banking industry to concentrate, through merger and acquisition, to become bigger and bigger and bigger; far more firms in the category of too big to fail? How did we think that was going to help this country?

Well, Senator DORGAN, you were right, and we have arrived at that day. Let me repeat: Did it help our country? Will it help our country in the future? Each Senator has to answer that question.

Senator DORGAN knew that further unbinding the financial industry would accelerate the process of deregulation and lead to far greater risks, ushering in a new era of too big to fail and an ever more casino-like version of financial capitalism. He knew that by lifting basic restraints on financial markets

and institutions and, more importantly, by failing to put in place new rules to deal with the market's ever more complex innovations, that this deregulatory philosophy would unleash the forces that would cause our financial crisis and great recession of 2008.

I could not agree more with Senator DORGAN. Banks and other financial institutions that are too big to fail have become only more so today. They are so large, so complex, and so interconnected that they cannot be allowed to fail because their demise would threaten the stability of the overall financial system.

There are those on the other side of the aisle who propose to simply let them fail. They say the solution is to stand back and let these megabanks follow the normal corporate bankruptcy process. I call that ''dangerous and irresponsible,'' a slogan of an answer, not a real solution. President Bush did not allow that to happen, and no President should be faced with that decision again. When Lehman failed, our global credit markets froze and creditors and counterparties panicked.

We have the opportunity today to restructure our financial industry so that it will be safe for generations. That is what the Senate did in the 1930s when it passed the Glass-Steagall Act, and it withstood the test of time for six decades.

When I look at the current legislative approach, in my view it relies too much on regulator discretion and on a resolution mechanism that is ultimately unworkable for the largest and most complex financial institutions. Under this arrangement, the megabanks will still have incentives to arbitrate their capital requirements, thereby continuing to grow and take on even greater and greater risks.

The six largest U.S. banks have assets totaling more than 63 percent of our overall gross domestic product. Fifteen years ago, the six largest U.S. banks had assets equal to just 17 percent of gross domestic product. In 15 years, it went from 17 percent to 63 percent.

Instead of girding a broken regulatory system, Congress must act decisively now to end the ''doom loop'' Senator DORGAN accurately identified and warned the Senate about in 1999. We need stronger statutory medicine.

I believe the time has come for Congress to draw hard lines and high walls in statute. We need statutory size and leverage limits on banks and nonbanks in order to eliminate too big to fail.

Senator DORGAN said he is working on an amendment to address this problem. I look forward to hearing more from Senator DORGAN about his proposals, and I hope the Senate will listen carefully to him since his credibility on this issue was born in the wisdom he showed in 1999.

Congress, which represents the people who are most hurt by the financial crisis, should not pass the buck to the very regulators who failed to prevent the crisis in the first place. Congress must do it, as it did in the 1930s, by separating commercial from investment banking activities and putting limits on the size and leverage used by systemically significant banks and nonbank players alike. This is a proposal I introduced last week with Senator BROWN and other colleagues.

Of course, there are those who make the argument that the problem is not really about size; that these institutions are not actually too big to fail. Instead, they say institutions such as Lehman Brothers were actually too interconnected to fail based upon interlocking counterpart exposures arising from credit derivatives and repurchase contracts.

But trying to contrast the distinction between too big to fail and too interconnected to fail is a distinction without a difference. The massive growth from the derivatives market, including that for credit derivatives, which intertwine the fates of banks, hedge funds, and insurance companies through side bets on whether mortgages, corporate bonds, or other assets would pay off, moved in lockstep with the runaway growth of the megabanks' balance sheets.

All of these activities interconnected their fates, while also making them far more risky and far bigger, so big, in fact, that the failures would threaten the stability of the financial system.

As Senator BROWN and I emphasized last week, our bill is a complementary idea, not a substitute to the Banking Committee bill.

There are many regulatory provisions in that bill that are designed to make the megabanks less risky and less interconnected, and we strongly support them. But why gamble that the regulators will do a better job now and well into the future when they have the power today to impose a redundant fail-safe solution to limit the size and leverage of our biggest banks? We will not lose out globally, other than in a race to financial destruction. The limits Senator BROWN and I propose would shrink these banks from massively large institutions to only large institutions, at a size well beyond the level at which economies of scale are achieved.

As Senator DORGAN asked in 1999: Why leave oversized institutions in place when they are too big to fail? Instead, we should meet the challenge of the moment and have the courage to act to limit the size and practices of those literally gigantic financial institutions, the stability of which is a threat to our economy. But we can only meet these challenges once the bill reaches the Senate floor. Again, I urge my colleagues to vote yes on cloture and not stand in the way of the debate and collective wisdom from this body that this country so badly needs. If we are to prevent another financial crisis, we must move forward with this debate and act strongly in the interests of the American people.

Mr. President, I yield the floor.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DODD. Mr. President, I suspect sometime over the next hour and a half, Members will come to the floor—including the Presiding Officer—and I will be glad to take a few minutes and share some opening comments and then give him relief so he can be heard on this matter.

I thank Senator WARNER and my colleagues on the Banking Committee, both Democrats and Republicans. We have spent a lot of time together over the last 2 years now—longer, in fact, going back even before the arrival of my friend from Virginia.

When I became chairman of the Banking Committee in January of 2007, I was asked to pick up this issue. We began to look at the issue of the mortgage crisis in the country through all of 2007 and, of course, the following year when events began to unfold, culminating with the disaster we encountered in the fall of 2008.

The members of the committee have worked very hard. We have had literally hundreds of hearings and meetings, listening to people across the spectrum of how best to address these issues, filling in the gaps that led to the near collapse of our economy; what steps we ought to be taking to provide intelligent, thoughtful, commonsense regulation, as well as to see to it, in the process of doing so, we do not stifle the ability of this country to lead in the financial sector globally; as well as provide for the innovation and creativity necessary for our country to grow and prosper economically, the wealth creation that is necessary for our country. It has been a long and arduous journey.

I was speaking with BOB CORKER of Tennessee, with whom I spent a great deal of time, as I know the Presiding Officer has as well. I thank Senator SHELBY, my colleague and former chairman of the Banking Committee, who is the ranking member on our committee. We have spent a lot of time on these issues, including some time earlier this afternoon, and we will be meeting again depending on the outcome this evening one way or the other. We will continue our conversations to try to resolve some of these outstanding matters in a very long and complex piece of legislation.

I will not enumerate every member of the Banking Committee, but suffice it to say, to this juncture, the work they have done has been tremendously helpful and has produced a good and strong bill on financial reform.

Today the Senate faces its first vote on the issue, which will occur in a little less than 2 hours from now, deciding whether we can even go forward and debate the matter. My hope is our colleagues will allow us to debate this issue.

I understand there are differences. There is hardly unanimity in caucuses, let alone in the Chamber, on the way to go, particularly in areas involving systemic risk, dealing with the so-called too big to fail provisions, dealing with the provisions of how we administer the notion of exotic instruments, the derivative community, and the like. Significant discussions have gone on. The assumption we are going to resolve all of those issues prior to debating the issues is somewhat unrealistic if we are trying to reach accommodation on all the various matters that are included in the 1,400 pages of the proposal which we will have before this body.

Today my plea is not so much on the substance of what is here, although I am willing to discuss all of that because it is important our colleagues know what we have tried to achieve and accommodate in our legislation, but a plea to let us get to the debate.

I do not think the American people understand this. Regardless of where you come out on the issues, whether you stand on the various provisions of the bill, I do not know how to explain to people to make them realize how vulnerable we are today in the waning days of April 2010 as we were in the fall of 2008 when we saw what happened to our economy. Nothing has changed except, of course, jobs have been lost, homes have gone into foreclosure, retirement incomes have evaporated, and housing values have declined. Almost $11 trillion in household wealth has been lost. That is what has happened over the last 18 months.

We have yet to stand and address what caused that to happen in our country, to fill in those gaps to provide the regulation, put the cops on the beat, create provisions that would minimize the next economic crisis. And it will occur. There is nothing I have drafted that can protect our country from future economic difficulty.

As certain as I am standing here today, we will face yet another crisis or crises in the future. The question is, Are we going to be better positioned to minimize that crisis so we do not see the collateral damage that has been caused to businesses, individuals, retirement, homes—all of the things that we have suffered because we did not have in place the kind of safeguards that might have put a tourniquet on this problem in its earliest stages, not to have eliminated the crisis but certainly eliminated the damage it caused because we did not have the cops on the beat, we did not have the regulation, and we did not have what is exactly included in this bill to minimize the danger in the future.

I have tried to explain this issue. Obviously, it is complicated when you start talking in these words that are archaic; talking about credit default swaps and derivatives and systemic risk and all the other terminology that is used to talk about financial services. But let me try to phrase this in more graphic terms, if I can.

Imagine coming home from a weekend away. You have been away. You have taken your family out on a trip and you come home to find the front door swinging wide open, flapping back and forth. When you walk in the house, you realize you have been robbed. Your TV is gone, your furniture, your jewelry, important documents, cash, and family photos, all have been stolen out of your home. Maybe worst of all, there is broken glass and shattered pottery. Not only did they steal, but they decided to wreck the house as well. So you are angry and frightened, wondering what is coming next and how much it will cost you to replace your TV and your stereo. Then you find out, at the end of all this, that they have identified the robbers who have broken into your home and stolen everything and, by the way, you have to write a check to them. The very people who caused the damage are now going to get a check written out to them—those who caused the problem in the first place.

Well, that is what happened, in effect, 18 months ago. People came in and robbed our homes, in effect. In fact, they took the home, they took the income, and they took the retirement. They watched jobs go out the window. The very people who were responsible for it, of course, were stabilized because we wrote a check for $700 billion to stabilize those institutions. As we did so, and, of course, we got them back on their feet, the very leaders of these industries began to reap massive bonuses to put themselves on solid footing. So they have benefited from this financially. Yet 8½ million jobs were lost, 7 million homes ended up in foreclosure, there was a 30-percent decline in home values and a 20-percent decline in retirement of working families, all who thought they were protected. All that is gone, and somewhere between $11 trillion and $13 trillion—not ''b'' as in billion but a trillion dollars—in household wealth has been lost in 18 months.

If that is not wreckage of your home—your economic home—I don't know what is. Today, we are as vulnerable as we were 18 months ago. Our house is still unlocked, in a way. What happened 18 months ago could happen again. The difference this time is I don't think there is an ounce of willingness on the part of the American people to write that check again. What they are asking is for us to step up, to think carefully—as we have tried to do over the last year or so as we have gone through this process—and craft some ideas that would minimize that from happening again so there is not a huge part of our economy that is totally unregulated, as we had with real estate brokers who on their Web site had as their first rule to brokers, convince the borrower you are their financial adviser, when they were anything but their financial adviser. So they were luring people into mortgages they couldn't afford and convincing them they could pay for it, knowing full well they never ever could. Of course, the banks themselves were then bundling these mortgages, only holding them for 8 or 10 weeks and then selling them off, branding them AAA to unsuspecting investors, and that created that bubble that ultimately was the major cause of the collapse.

Today, that same problem can exist in the absence of the law we are putting before our colleagues. Maybe I should have said this at the outset, but we hardly claim perfection in what we have written here. Hardly. But we believe they are sound ideas that deal with these very issues that caused the problem in the first place, and what we need to do is to be able to debate those ideas. If my colleagues disagree, as many do—some think I have gone too far, some think I haven't gone far enough, and those are maybe two legitimate points—how are we to resolve our disagreement if we can't bring up the bill and have the debate this Chamber was designed to engage in? What is the point of having 100 seats, coming from 50 States, when a major issue affecting our country cannot even be the subject of a debate?

So I urge my colleagues—I urge them—to let us get to this debate. Let us do our best to resolve these matters as adults, as people who have strong views and feelings, many of which we agree on, by the way. I mentioned my colleague from Virginia, the Presiding Officer. I don't know how long MARK WARNER and BOB CORKER spent—hundreds and hundreds and hundreds of hours—to make sure that in this proposal never again would a financial institution in the United States of America reach such a status that it would be guaranteed implicitly that the Federal Government would bail them out when they engaged in excessive risk and put themselves in great jeopardy. Our bill does that. Without any question whatsoever, those entities, if they reach that point, will fail. They will go into bankruptcy, they will go into receivership, and management gets fired. They don't get a bonus, they get fired.

Shareholders lose their resources or their investments, as well as do creditors, not to mention other problems associated with it. But the idea is, those entities go out of business, and we wind them down in a way that doesn't jeopardize other sectors of our economy.

Nothing could be more clear in our bill than that. If there was one issue I think we all agreed on, it was to make sure that didn't happen. Again, the Senators from Tennessee and Virginia, and there were others, by the way, who were engaged in that debate in writing this bill to achieve that desired result by the American people.

We also said: Look, one of the problems that happened over the years leading to this crisis is that we didn't even know what was going on out there. We heard Bob Rubin, the former Secretary of the Treasury, and we heard Alan Greenspan and others—whether you believe them—who said we didn't understand how this was happening or why it was happening or even that it was happening.

Well, that excuse ought to never occur again. So we create in our bill that early radar system—again, maybe a more graphic description of what the Systemic Risk Council does. This is made up of various Federal agencies, so that there is not just one but a multiple set of eyes with differing backgrounds and experience to deal with the economic issues of our Nation; to be constantly watching and monitoring what is occurring out there and not just in our own country, by the way, but around the world. How many of us have read headlines over the past few weeks about Greece and what problems it may pose to Europe and other parts of our global economy or what happened in the Shanghai stock market a number of years ago, where a decline in value in that exchange put the entire world in a tailspin for several days. So the notion that it is just what happens here at home on mortgages or other issues is not limited, it is also what happens around the world today that can affect us.

Anyway, this part of the bill is designed to be that early warning system—that radar system. Again, I wish to thank my colleague from Virginia and my colleague from Tennessee. One of the provisions in that early warning system is data collection on a daily basis, so we know what is happening economically literally on an hour-to-hour basis. That will be a great value as we sit there and try to make these assessments and pick up on these problems in the earliest stages before they can occur.

Consumer protection. This ought not be a radical idea—to protect consumers from any problems financially. How many of us, of course, read the tragic news over the last few weeks about an automobile manufacturer that had a defective accelerator? What was the first thing you heard? Those cars are being recalled so you would not be at risk in driving them. We hear of recalls all the time on products we buy. You buy that nice TV and it doesn't work, you can send it back, you can recall that product, and you will be protected as a consumer.

What happens when you get a financial product that doesn't work or is defective or certainly producing results that were never intended but are causing major problems? Where do you go to get a recall on a faulty mortgage or a credit card deal that is corrupt or fraudulent or deceptive or abusive? Why shouldn't we deal with financial products that can bring someone to financial ruin? We can do it with a toaster, a TV or an automobile. Well, our bill sets up a Consumer Financial Product Safety Commission or bureau or division that we have established in this bill. So consumers themselves can have someplace to go to get redress.

Rules can be written to protect them against abusive practices. I appreciate my colleague from Delaware mentioning my credit card bill, but we shouldn't have to write a bill every time there is a deceptive or fraudulent practice that does damage to consumers. Why does it take writing a bill every time there is a problem? Why not have regulations in place that would protect consumers?

Let me mention what else that does. It isn't just protecting the consumer from a faulty financial product. One of the most important elements in our economy is consumer confidence—having a sense of optimism and confidence or faith that our institutions will be there to work for them and not against them. One of the great damages to our country—and I don't know how you put a number on it. I can't cite the number on home values lost or wealth lost or mortgages or foreclosures or jobs lost. Tell me what price we put on the loss of the American public's confidence in our financial system. What is that number; that people no longer trust or have deep questions about whether they are going to be protected with their hard-earned dollar with that insurance policy or that stock they want to buy? Not that they ought to be guaranteed a return on it but that there isn't going to be some deceptive, abusive practice that will put them at risk. To me, that is about as important an issue as you can have—confidence of the American people that the architecture of our financial system is one they can have faith in, that they can have confidence in. That reputation has been damaged severely over these last number of months.

I don't claim what we have written in this area of consumer protection solves every problem. But for the first time in our Nation's history, for the very first time, we will have a consolidated consumer protection agency with the principal responsibility of watching out for the consumers of financial products. I think that is a major achievement for our bill.

Lastly, let me mention the old issue of these exotic instruments that I mentioned earlier that have complicated definitions of what they do and how they work. One of the major problems is, of course, it has been an unregulated area. It has been what they call the shadow economy. To give an idea of how the issue has exploded, in 1998, the area of derivatives generated about $91 billion in activity. That is 12 years ago. Last year—I think it was 2009 but the last year we have numbers on this, the amount of activity in this area jumped from $91 billion to almost $600 trillion—$91 billion to $600 trillion in 10 years in unregulated activities, in this shadow economy. It was those activities that also contributed so much to the economic difficulties we are going through.

The Agriculture Committee, run by my good friend from Arkansas, BLANCHE LINCOLN, and the members of her committee and our Banking Committee have worked out a sound and solid proposal on how we can protect the American consumers from these very risky instruments if they are not subjected to some basic rules of margin requirements—capital. Let the Sun shine on them in the exchanges, where people can see the value. The market can determine that. All those things are critical. Derivatives are not a bad thing. They are needed, in fact, to have economic growth and prosperity. The problem isn't using them, it is how they are used and whether they operate in the shadows or in the bright light, where everyone knows what they are and how to value them. That is in our bill as well.

There is a lot more in this legislation, and my intention was not to go through and enumerate every section of the bill—all 12 sections of the bill. My point to my colleagues is: Let us get to this debate. Let us have a chance. If you don't like what I have done on consumer protection, on derivatives, if you don't like what we have done on too big to fail, if you don't like what we have done on other provisions in the bill, then come and bring up amendments. Let's debate them and let's have that ability to at least try to shape this legislation.

At 5 o'clock this afternoon, for the very first time since the crisis hit—other than the credit card bill and a housing bill that we had come out of my Banking Committee—this is the first chance we will have in 18 months, since the worst economic crisis in 80 years—which we are still suffering from. I know the markets are doing better, I know corporations are doing better, I know the stock market is making more money, but for most of us in this Chamber, we know it hasn't

quite reached down yet—the economic recovery—to average citizens who have lost their jobs, who have lost their retirement, who have lost the wealth they built up over the years. All that is gone. For a lot of them it is not going to come back. So what we need to do is step up and try to provide some answers the American public is looking for. A lot of the rage and fury and anger we are seeing around other issues happened in no small measure because of what happened to our economy and because of the failure to have regulatory procedures in place, to have cops on the beat to enforce those regulations, to be able to have the early warning system to identify problems before they spun out of control.

Our bill, we believe, steps up and addresses those issues. Again, give us the opportunity to at the very least debate them. We cannot get to the resolution of these matters if the matter is not on floor. Senator SHELBY and I have been talking. We talked over the weekend. We talked already this afternoon. We will meet again. Even if we get this done and move to the bill, we have to sit down and work out how to manage all of this, so I thank him again for his willingness to do that. I deeply believe Senator RICHARD SHELBY of Alabama wants to get to a bill, as I believe do most of my colleagues here, but we cannot ever get there if we do not have that debate.

I did not mean to speak this long but I wanted at least to let my colleagues know how important I believe this issue is. Frankly, I don't think it serves our interests well to be screaming at each other about who cares more about this issue than the other. I think it unfortunate that a number of my Republican friends who I know care about this very much would be branded that somehow they don't care about it to such an extent that they would not even let it get to a debate. They have ideas on this legislation. They want their amendments considered and they don't want to be told you cannot even do that because we do not have some large, sweeping agreement on a bill here.

Senator SHELBY and I are very close on some issues that we think we can reach an understanding. Basically we are there in a lot of these matters. I had hoped maybe we would get there before this afternoon, but there is no reason to stop all this, in my view, and not get to the adoption of the motion to proceed.

For all of those reasons, I urge my colleagues at 5 p.m. to vote to proceed to this matter and let us take the next few days to consider this legislation.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. WARNER. Mr. President, I rise today to urge my colleagues to support bringing forward Chairman DODD's regulatory reform bill. The chairman has just spoken with great passion about how we got here. I want to take perhaps somewhat of a similar tack and describe, as a new Member, why I think this legislation is so terribly important.

I have had the opportunity today and on other Mondays, as is often noted, to sit in the chair and listen to my colleagues come in and talk about this issue. I heard today my colleagues talk about health care, talk about stimulus, talk about unemployment, as somehow reasons why we should not start a debate about financial regulatory reform. I am not sure I understand the connection.

Candidly, the American people could do with a little less political theater and a little more action. Regardless of what happens this afternoon at the vote at 5 o'clock, I hope—and I honestly believe most of my colleagues on both sides of the aisle hope—that we will get to that agreement in a bipartisan new set of rules of the road for the financial sector that will stand the test of time for not a year or two but for decades to come.

Before I get into a substantive discussion about how we got here and how I believe the Dodd bill takes dramatic steps forward, there is one other issue I need to address. I have sat in the chair as the Presiding Officer and have heard—and I know as Presiding Officer we have to bite our tongues sometimes—colleagues come forward and somehow portray this piece of legislation as a partisan product.

I have only been here for 15 months but in the 15 months I have had the honor of serving this body, I have not seen any piece of legislation that anywhere approaches the type of bipartisan input, discussion, and ongoing dialog that Chairman DODD's bill has. Literally, in the 15 months I have had the honor of serving on the Banking Committee, we held dozens if not hundreds of hearings on the objectives of this legislation, objectives, again, that I think colleagues on both sides of the aisle agree upon: making sure there is never again taxpayer bailouts for mistakes made by too large financial institutions, making sure we have more transparency and, as the chairman said, a return of a sense of fairness to our whole financial product system and, third, that ultimately the American people, the consumers of this Nation, will make sure there is somebody watching out for the financial products that sometimes they have been purchasing without appropriate knowledge or appropriate recourse, when these products explode in their faces.

Again, unlike the Presiding Officer who served around this body for many years, I am a new Member. But I saw where the chairman did something I thought was somewhat unusual with a major piece of legislation. Rather than saying he had all the knowledge and all the input, he actually invited in the members of the committee, junior members, senior members of both parties to set up working groups to take on some of the challenging aspects of this bill—consumer protection, systemic risk, corporate governance, the whole question of derivatives. Let me state absolutely, because I can state from the systemic risk/too big to fail portions, the products we developed that are critical parts of this legislation are bipartisan in nature, bipartisan in ideas, and find that common ground that has been so absent from so many of the previous debates we have had over the last 15 months—I think particularly about the fact of the systemic risk, too big to fail, and resolution authorities Senator CORKER and I worked on. There has been no better partner I could have had than Senator BOB CORKER, grinding through hundreds of hours, recognizing there was no Democratic or Republican response to systemic risk and too big to fail, but we had to get it right. While there may be parts of this bill that can still be tightened and need to be tweaked here and there, and the Senator and I may add a few improvements, on the overarching goal of making sure the taxpayers never again would be on the hook, I believe we have taken giant steps forward.

As you heard from the chairman already, those conversations are ongoing even today. Please, while we kind of get sometimes subject in this body to hyperbole, anyone who makes the claim that this legislation is partisan only doesn't recognize the facts or has not seen the experience of the members of the Banking Committee over the last 15 months.

Let me also acknowledge—and I recognize I have a number of things I want to say and maybe other Members want to come, but let me acknowledge something else about this discussion. Sixteen months ago, when I came to this body, I actually thought I knew something about the financial services sector. I spent 20 years prior to being Governor around financial services, taking companies public. I had some ideas about how we would sort through these issues. I have to tell you what I quickly found was that oftentimes my original idea, or oftentimes the simplistic sound bite solution that I thought might be the solution, more often than not proved not to be the case and that trying to sort our way through this labyrinth of financial rules and regulations in a way that brings appropriate

regulation but maintains America's preeminent role as the capital markets' capital of the world has been challenging.

Again I thank my colleague Senator CORKER. I think we both realize there is no Democratic or Republican way to get this right but we had to get it right. Over the last year we have set up literally dozens of seminars where we invited members of the Banking Committee to come in and kind of get up to speed as well. Fifteen months later, with this legislation now before the floor, I think we have taken giant steps forward in getting it right.

I also want to revisit for a moment, before we get to the substance of the bill, how we got here. I have actually been stunned sometimes, sitting in the Presiding Officer's chair, hearing colleagues come in and try to cite as the causation of the crisis that arose in 2007 and 2008 a single legislative action back in the 1970s or a single individual's activities over the last two decades. The claims are so patently absurd, sometimes they do not even bear recognition or bear rebuttal. But it is important to take a moment to look back on the fact that none of us comes with clean hands to this process of how we got to such a mess in 2008 that we were on the verge of financial meltdown.

Think about the fact back in the early 1990s, back in 1993, Congress actually passed legislation to give the Federal Reserve the responsibility to regulate mortgages—responsibility that we have seen time and again they didn't take up the challenge to meet.

The Presiding Officer spoke very eloquently earlier this afternoon about the actions of Congress in 1999, the Gramm-Leach-Bliley bill, that basically broke down the walls between traditional depository bank and investment banking that had been set up by the Glass-Steagall Act in the early 1930s. Where the Presiding Officer and I may differ now is I am not sure we can unscramble those eggs, but clearly we needed a little more thought back in 1999, as we internationalized our financial markets and turned these large institutions into financial supermarkets, which was one of the precipitating factors in this crisis as well.

Candidly, bank regulators were not given the tools to regulate, and oftentimes regulators of both depository institutions, their bank holding companies, and their securities firms, had no collaboration or coordination.

During our hearings in the Banking Committee when we looked into one of the most egregious excesses in the last few years, the Bernie Madoff scandals, we heard regulators had started down the path to try to find out the source of some of the criminality that took place in the Madoff case, only to find because of our mismatch of regulatory structure they got to a door they couldn't open because that was the purview of another regulator.

Regulators, under our existing rules, were actually prohibited from looking at derivatives. Derivatives, as the Chairman mentioned, in the last decade have gone from what seems like a large number—$90-plus billion—to literally hundreds of trillions of dollars in value.

Responsibility continues, again, in some of our monetary policy. In the early part of the 2000s—and again, not many people sounded the alarm at that point. We overrelied on low interest rates and monetary policy to pull us out of the 2001 recession. But as we came out of that 2001 recession, we left those monetary policies in place, which led to a housing bubble for which we are still paying the price.

I know some of my colleagues on the other side said this bill does not take on the GSEs, Fannie Mae and Freddie Mac. And, yes, to a degree, they are right. And then, in a subsequent action, we will have to make sure we have a new model in place for these institutions. But that should not be used as an excuse to not put in place major financial regulatory reform.

Candidly, if we are going to be really truthful with each other and the American people, we have to acknowledge that everyone—not just the banks but everyone—got overleveraged. Quite honestly, we all, the American people, probably need to take a look in the mirror as well. I think, as we bought those adjustable rate mortgages; took out that second and third loan on our home; ended up getting that deal that seemed too good to be true; moved away from the conventional idea that you ought to go ahead and, before you get a mortgage, be able to put 20 percent down and be able to show you can pay it back, we all got swept up in this ''who cares about tomorrow; let's just borrow for today.''

We also saw innovations, and American capitalism has worked pretty well, particularly in the last 100 years. But we particularly saw innovations in the last 5 or 6 years alone, innovations that originated on Wall Street that were supposed to be about better pricing risks: derivatives and all of their cousins, nephews, and bastard offspring. But these tools that were supposed to be a better price risk we have now found were more about fee generation for the banks that created them and, instead of lowering overall risk, created this intertangled web that, once you started to put the string on, potentially brought about the whole collapse of our markets.

Time and again, we saw, rather than transparency in the market, opaqueness and regulators who never looked beyond their silos.

I think most all of our colleagues want reform. Colleagues on both sides of the aisle want to get it right. But I believe there are two real dangers as we go down this reform path. One is to resort to sound-bite solutions that at first blush sound like an easy way to solve the problem but in actuality may not get to the solution we need.

I know we are going to have a fervent debate on this floor—and I look forward to it—about the question of whether the challenge with some of our institutions was their market cap or was it really putting pressure on the regulators to look at their level of interconnectedness and the level of risk-taking that was taking place. I look forward to that. There are valid points on both sides. When we get to that debate, I will point out the fact that in Canada, where there is actually a higher concentration of the banking industry than in the United States, because there was greater regulatory oversight and actual restrictions on leverage, those Canadian banks didn't fall prey to the same kind of excess we found here in the United States.

I know the chairman and Chairman LINCOLN are working through the question of derivatives, where they should be housed, because they do provide important tools when used properly. And there will be a spirited debate on whether we should break off derivatives functions from financial institutions. I look forward to that discussion. By simply breaking off these products into a more unregulated sector of the industry, we could, in effect, if we do not do it right, create an even greater harm down the road than we have right now.

So the first challenge is to make sure we don't fall prey to the simple solutions and recognize the complexities of these issues.

The other challenge we have to be aware of is the converse. I know the chairman has heard, I know the Presiding Officer has heard—any of us who have tried to get into this issue have had folks from the financial industry come in and talk to us about the unforeseen consequences of any of our actions. Some of those arguments are valid, but oftentimes those arguments are simply—they always start the same: We favor financial reform, but don't touch our portion of the financial sector because if you do this, the unintended consequences would be enormous.

Because the knowledge level and the complexity of these discussions are so challenging, what we also have to fight against in this body is the more easy process to default to the status quo because timidity in this case will not solve this crisis and will not provide the new 21st-century financial rules of the road we need.

We can't be afraid to shine the light on markets or, for that matter, to raise the cost of certain activities, because the unforeseen consequences of the interconnection of these activities, as

we saw in 2007 and 2008, pose grave risk to our financial system—and as we have seen with the 8 million jobs lost and literally trillions of dollars of value lost from the American public.

So what does S. 3217 do to accomplish this? I spent most of my time on the two titles that Senator CORKER and I worked on and the chairman and his staff adopted and changed a bit but that still provide the framework and, I believe, the right structure.

First—the chairman has already mentioned this—we create for the first time ever an early warning system on systemic risk. If there is one thing that has become clear from all of the hearings that have been held, not just at the Banking Committee but under Senator LEVIN's Investigations Committee and Chairman LINCOLN'S Agriculture Committee, it is that there was very little combination and sharing of information between the regulatory silos.

The chairman's bill creates a nine-member Financial Oversight Council chaired by the Treasury Secretary and made up of the Federal financial regulators. This group will bear the responsibility, both good and bad, if they mess up, of spotting systemic risk and putting speed bumps in place because we can never prevent another future crisis, but to do all we can to slow and minimize the chance of those crises. The most important part of this systemic risk council is it will actually share information, so no longer will we have one regulator who is looking at the holding company, another regulator looking at the depository institution, a third looking at the securities concerns and not sharing that data.

We will place increased cost on the size and complexity of firms. The largest, most interconnected firms will be required—not optional but required—to have higher capital, lower leverage, better liquidity, better risk management. Those have all been traditional tools that have already been in our regulatory system, but this systemic risk council will require those large institutions to meet all of these higher costs—in effect, their cost of being so large and interconnected.

But what we are also bringing to the table are three brandnew tools that I think, if executed and implemented correctly, will provide tremendous value in preventing that next financial crisis. Those three tools are contingent debt, our so-called funeral plans, and third, the Office of Financial Research. Since these are new tools, let me spend a moment on each.

One of the things we saw in the 2007, 2008 crisis was that as these firms got to their day of reckoning, it became virtually impossible for them to raise additional capital and shore up their equity. Once they start going down the tubes, the ability to attract new investors, particularly from a management team that sometimes doesn't recognize how far and how close they are coming to the brink, is a great challenge.

So working with folks from the Fed and experts across the country, this bill includes a whole new category within the capital structure of those large institutions: contingent debt. There will be funds within the capital structure that will convert into equity at the earliest signs of a crisis. Why is this important? This is important because if this debt converts into equity, the effect it has on the existing shareholders is it dilutes them. It takes money right out of their pockets. So existing shareholders will have a real incentive to hold management accountable, not to take undue risks, because long before bankruptcy or resolution we will be able to have this trigger in place that will convert this debt into equity, diluting existing shareholders and, candidly, diluting management as well. How effectively we use this tool has yet to be seen, but it will provide another early warning check on these large institutions.

The second new addition to the chairman's bill is basically funeral plans for these large institutions. What do I mean? I mean a management team will have to come before their regulators and explain how they can unwind themselves in an orderly way through the bankruptcy process.

We heard stories—I will not mention the institution—we heard stories in the height of the crisis in 2008 about how certain very large international institutions in effect came before the regulators and said: You have to bail us out because we cannot go through bankruptcy; it is just too hard. Never again should any institution be allowed to be in that position. And if we use this tool correctly—this is an area where I know the Presiding Officer has great interest—if the regulator does not sign off on the funeral plan for this institution, on how it can unwind itself, even with many of its international divisions, through an orderly bankruptcy process, then the regulator can, in effect, make this institution sell off or dispose of parts that can't be done through a regular order of bankruptcy. By doing this, we create the expectation in the marketplace that bankruptcy will always be the preferred option.

Never again will there be an excuse that, we are too big and too complicated to go through that orderly process. Creditors and the market will know there is a plan in place that has to have been approved by the regulator and constantly updated so we have a way out.

The third area—again, I was very pleased to hear the chairman mention this because within the press and the commentary, it has gotten no information or no focus at all—is the creation of a new Office of Financial Research within the Treasury.

One of the things we heard time and again from regulators as we kind of went back and looked at how we got in the crisis of 2007 and 2008 was that the regulators didn't realize the state of interconnectedness of some of the institutions they were supposed to be regulating. No one had a current, real-time market snapshot of all of the transactions that were taking place on a daily basis, so nobody knew what would happen if you pulled the string on AIG, even though it was their London-based office, what would happen if those contracts suddenly all became suspect.

By creating this Office of Financial Research, we will give the regulators and the systemic risk council, on a daily basis, the current state of play across all the markets of the world.

This tool, if used correctly, would be another terribly important early warning system. But as the chairman has mentioned, with all this good work, we still can't predict there will never be another financial crisis. Chances are Wall Street and others, creativity being what they are, will find some way, even with all this additional regulatory structure and oversight. We can never predict there might not be another crisis. So what do we do?

First and foremost, what this bill puts in place is a strong presumption for bankruptcy so that creditors and the market alike will know what happens if they get themselves in trouble. Particularly for these largest institutions that are systemically important, they will have to have their preapproved, in effect, bankruptcy funeral plan on the shelf so that we can pull that off in the event of a crisis and allow the institution to go through an orderly bankruptcy process. Again, bankruptcy will be the preferred option of any reasonable management team because through bankruptcy there is at least some chance they may emerge on the other side in some form or another. They may be able to keep their job, if they are part of management. Some shareholders may still have some equity remaining.

What happens if we have a firm that doesn't see the inevitable and isn't willing to move to bankruptcy? What happens if we have a circumstance where the failure of an institution could cause systemic risk and bring down the whole system?

With an appropriate check and balance—and again, I commend Senator CORKER for his additions—in effect, simultaneous action of three keys: the Treasury Secretary, the head of the Fed, the FDIC, and additional oversight—all of these actions taking place, there then is an ability to say, how do we resolve an institution, in effect put it out of business—unlike in 2008 where the government invested, in effect, in a conservatorship approach that said: We will prop you up to keep you alive because we don't know what to do with you to keep you alive because you are so large and systemically important.

We have created in this bill a resolution process that says: If you as a management team are crazy enough not to go into bankruptcy, but actually allow resolution to take place, you are going out of business. Senator CORKER said: You are toast. Your management team is toast. Your equity is toast. Your unsecured creditors are toast. You are going away.

Again, we are going to put this institution out of business in a way that does not harm the overall financial system. We have to have an orderly process.

We saw during the crisis of 2008 what happens when one of these institutions fails without any game plan. We saw the value of these institutions disappear overnight as confidence in the market, confidence within the market in the institution was lost. So working with my colleagues and experts from the FDIC and others, we said: What you have to do is, you have to have some dollars available to keep the lights on so that you can sell off the portions of the institution that are systemically important and unwind this in an orderly way that doesn't have an effect, the equivalent of a run on the bank or a run on the financial system.

Again, we have heard critiques of the approach Senator CORKER and I came up with in this resolution fund, this ''how do you put yourself out of business in an orderly way'' fund. We actually thought it ought to be paid for by the financial industry, with the ability then to have that fund, in effect, replenished after the crisis is over.

I saw polling today that shows the overwhelming majority of Americans actually think the financial sector ought to bear the cost of unwinding one of these large, systemically important firms. Let me say, if there are other ways to do it—as a matter of fact, some in the administration have suggested other ways—I am sure we can find common ground as long as we do have at least two principles: First and foremost, the taxpayer must be protected, and industry, not the taxpayer, has to take the financial exposure. Second, funding has to be available quickly to allow resolution to work in a way to orderly unwind the process. But it ought to be done in a way—again, this is where some of the judgment comes in—where there is not so much capital available that we create a moral hazard, but a bailout fund is created.

Personally, I believe the House legislation goes too far in creating a fund of that size. I think the chairman's mark strikes a much more appropriate balance. But if there are ways to do this that protect the taxpayer, allow speedy resolution with funds that will be available so we don't have a run on the market, a run on the institution that creates more systemic risk, as long as the industry at the end of day is going to pay for it, I am sure there are other ways and we can find that common ground.

What we did in this process of resolution is we said: Let's take what is working. Let's see what is best from the FDIC process which currently resolves banks on a regular basis. One of the things I have heard from some of my colleagues on the other side—I don't know about their community banks, but my community banks in Virginia; I would bet the community banks in Delaware and the community banks in Connecticut—we don't want to get stuck paying the bills for the large Wall Street firms that bring the system to the brink of financial catastrophe. So, again, one of the aspects of the chairman's bill is to make sure any resolution process does not burden, charge, or in any way otherwise interfere with community banks.

What we think we have struck is a process that puts costs on those institutions that make the business decision to get large and systemically important. We think we have put in place abilities for the regulators, with the funeral plans, to make sure if this interconnectedness is so large that they can't go through bankruptcy, then we can stop them from taking on these new activities. But because we can't always predict eventuality, we have then said: If you need to use a resolution process, let's make sure it is orderly, paid for by industry, and that you have stood it up in a way that no rational management team would ever expect or want to choose resolution.

I know my colleague from New Hampshire has been a great partner in this legislation and is on the Senate floor. I will end with just a couple more moments. There are other parts of this bill that have not received a lot of attention. In this bill, the chairman has included an office of national insurance.

One of the things we saw in the crisis in the fall of 2008 was that nobody knew how entangled AIG's activities were with the whole financial system. This doesn't get to the question of who should regulate insurance companies, but it does create at the Federal level at least the knowledge within the insurance sector of its interconnectedness. The chairman has mentioned that he and Chairman LINCOLN are working to grapple through one of the toughest parts of the bill—again, an area I know my colleague, Senator GREGG, has been working on: How we get it right around derivatives.

Again, there is no policy difference. Both sides agree derivatives are an important tool when used appropriately. Particularly industrial companies need to use the derivative to hedge against future risk within their business. The challenge is, how do we not draw that end user exemption so large that every institution on Wall Street suddenly transforms itself into an industrial end user. Secondly, while these contracts are unique, they have to have more light shown on them in terms of clearing and exchanges.

I know Chairman DODD and Chairman LINCOLN and Senator REID and Senator GREGG will be working through this. One suggestion I would have—because as someone who has seen Wall Street act time and again, I wish them all the luck—part of my concern is that whatever rule we come up with, there is so much financial incentive on the other side that a year or two from now, we may be back because they found a way around it that we again need to give the regulators certain trip wires. I, for one, believe we ought to take the industry at its word. The industry says end users are only going to be 10 percent of total derivative contracts. Then let's put that in as a regulatory goal. If they end up exceeding that, then we can bring draconian consequences to bear. Or if they say, yes, we can make most of these transactions and most of these contracts transparent through clearing or exchange, great; let's accept them at their word.

But if they don't get to those totals, then perhaps some of the actions that particularly Members on my side of the aisle would like to take can be put in place. But, again, folks of goodwill can find common agreement.

Finally, the area around consumer protection, where the chairman and the ranking member have worked at great length to kind of sort this through, everybody agrees on the common goal. There needs to be enhanced consumer protection, particularly for the whole nonregulated portion of the financial industry that now exceeds the regulatory half. Too often it was the community bank that was chasing the mortgage broker on some of the bad financial products because there was no regulation on the mortgage broker to start with. So, again, there will be differences, but I think the approach of the chairman, which is to keep this with the appropriate rulemaking ability but to make sure, particularly for those smaller banks, that we don't end with conflicting information of a consumer regulator showing up on Monday and a safety and soundness regulator showing up on Wednesday, to do that in a combined fashion so there is commonality of message, particularly to smaller banks, that strikes that right balance.

Again, I can only say for the banks in my State of Virginia, those smaller banks who oftentimes have said they didn't cause the crisis—and they didn't—they are the first to say: We need enhanced consumer protection to make sure that our financial products are regulated by the type of product, not by the charter of the institution that issues the product. There may be

ways to improve on this section. But, again, I think Senator DODD and Senator SHELBY are working to get it right.

We have seen, as well, major action on the rating agencies, questions around underwriting. There are tremendous parts of this bill that haven't been the subject of great criticism because they are that common ground that, I think Senator SHELBY has said in earlier quotes, 80 or 90 percent of both sides agree on. Where we don't agree, we ought to debate and offer amendments.

I look forward to candidly working with a number of colleagues on the other side of the aisle on technical amendments to this bill where we think we can make it slightly better. But if we are going to get there, we have to get to the debate.

I hope we move past procedural back-and-forth that, as a new guy, I still don't fully understand. I think it is time to fully debate this bill out in the open. The chairman made mention of what has been taking place in the last few weeks in Greece. I know the Presiding Officer has helped educate me on a whole new activity that is taking place in the financial markets right now around high-speed trading and co-location that could be the forbear of the next financial crisis.

How irresponsible would we be, 18 months after, again, the analogy of the chairman, after our house was broken into, when we haven't even put new locks on the door, if we ended up with another robbery, whether it was caused by internatinoal action or whether it was caused by high-speed trading, because we don't have new rules of the road in place?

In the 15 months I have had the honor of serving in the Senate, I can't think of a piece of legislation that better represents what is good about the Senate, folks on both sides of the aisle coming forth with their ideas, trying to fashion a good piece of legislation. I can't think of an area where there is less traditional partisan, left versus right, Democrat versus Republican divides. I can't think of an applause line better, whether I am talking to a group of liberal bloggers or folks from the tea party, than the notion that we have to end taxpayer bailouts.

I urge my colleagues on both sides of the aisle, let's get through the procedural wrangling. Let's find that common ground that I think we are 90 percent of the way there. Let's pass a bill that gets 60, 70, 80 Members of the Senate and set financial rules of the road that will last not just for the next congressional session but for decades to come.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I rise to speak on the bill. This is such a complex piece of legislation, it is difficult to debate in a sense that is understandable because there is so much of a technical aspect to the bill.

Let's start with the purpose or what I believe the purpose should be. Our purpose should be, one, to do as much as we can to build a regulatory regime which will reduce the potential for another event, the type of which we had at the end of 2008 where we had a massive breakdown in the financial system and, as a result of huge systemic risk being built into the system, which wasn't properly regulated and certainly was not handled correctly by either the financial institutions or by the Congress—the Congress maintains a fairly significant responsibility for the meltdown that occurred at the end of 2008, for the policies that we had running up to that period in the area of housing. That should be our first goal, prospectively, trying to reduce systemic risk as much as possible in the system and putting in place policies which will accomplish that.

The second goal, however, should be that we maintain what is a unique and rare strength which America has, which is that we have the capacity as a country to create capital and credit in a very aggressive way so entrepreneurs who are willing to go out and take risks have access to capital and credit, that creates jobs, and that creates the dynamics of our economy.

We should not put in place a regulatory regime that overly reacts and, as a result, significantly dampens our capacity to have the most vibrant capital and credit markets in the world while still having safe and sound capital and credit markets.

The bill the Senator from Connecticut is bringing forward, I presume, is going to have a lot of different sections in it. I want to focus on one because it has become a point of significant contention, and that is the derivatives section. Derivatives are extraordinarily complex instruments, and there are a lot of different variations of derivatives. They are basically insurance policies on an underlying product that is occurring somewhere in the economy. Their notional value is almost staggering. There is $600 trillion of notional value out there in derivatives, which is a number that nobody can comprehend. But you can understand it is a pretty big issue.

Notional value means, of course, that if everything were to go wrong at the same time, you would have $600 trillion of insurance sitting out there that had to be paid off. That obviously is never going to happen. But the fact is, it shows the size of the market and what its implications are. There are all sorts of different elements to this market. It is not one monolithic market. It is not even a hundred, it is thousands—tens of thousands—of different and various things that are having derivatives written against them, although they divide into pretty understandable categories.

Within the bill that came out of the Agriculture Committee, there was, for lack of a better word, an antipathy expressed toward the entities which presently manage the derivatives market in this country, which are essentially the large financial houses. There was an equal antipathy expressed relative to the entities that use these derivatives, including large amounts of manufacturing companies in this country, people who are dealing with financial debt instruments in this country, people who are dealing with the housing markets in this country.

It was almost as if somebody sat back and said: We dislike these folks, and we are going to put in place a regime which will sort of gratuitously penalize them for the business they do because we do not like it. It is too big. It is too complicated. I think the people who wrote it felt it was not understandable and, therefore, they decided to put forward proposals which would fundamentally undermine the capacity to do derivatives in this country.

Is that bad? Yes, it is very bad because derivatives basically are used for the purpose of making commerce work in our Nation, of making it possible for people to borrow money in our Nation, of making it possible for companies in our Nation to sell overseas, of making it possible for people to put a product in the stream of commerce and to presume that when they enter into an agreement on that product, the price would not be affected by extraneous events, such as the fluctuation of currency costs or fluctuations in material costs. So it is critical we get the derivatives language right.

There needs to be a significant new look at the regulatory regime of derivatives. The essence of the exercise should be transparency, maintaining adequate capital for the counterparties and margins, liquidity. That should be where we focus our energy: trying to make sure the different derivatives products that are brought to the market are as transparent as possible and also have behind them the support they need in the form of collateral, capital, and margin, so if something goes wrong they will be paid off, for lack of a better word.

This proposal, as it came out of the Agriculture Committee, does not try to accomplish that. Rather, it tries to essentially eviscerate the use of derivatives as products amongst a large segment of our economy. It sets up something called section 106, where it essentially says the people who are doing derivatives today, which are, for the most part, financial markets, must spin those products off from their financial houses.

That sounds, in concept, like a reasonable idea, especially if you were in

Argentina in the 1950s and working for the Peron government. But as a very practical matter, it is a concept which will do fundamental harm to the vitality of our economy. Why? Because you will not have a lot of derivative products in this country that will be able to pass the test of being spun off. You do not have to listen to me to believe this. Let me quote from a message that was sent to us by the Federal Reserve, which is a reasonably fair arbiter in this exercise. They do not have a dog in the fight other than the financial stability of our country. This is the Fed talking, not me:

> Section 106 would impair financial stability and strong prudential regulation of derivatives; would have serious consequences for the competitiveness of the U.S. financial institutions; and would be highly disruptive and costly, both for banks and their customers.

That is about as accurate and succinct a statement as to what the effect of this section would be as I could have said. I did not say it. Nobody would probably believe me. The Fed said it. The fair arbiter said it.

Why did they say that? Well, it is pretty obvious if you know anything about the way these products work. But essentially, if you spin off these products, you are going to have to create entities out there to replicate the entities they were spun off of. So if a large financial institution is now doing derivatives, and you spin the derivatives desk off, the swap desk off, from that financial entity, that spun-off event is going to have to replicate the capital structure of the financial institution which was basically underpinning the derivatives desk. That capital structure is estimated to be somewhere in the vicinity of a quarter of a trillion dollars to a half a trillion dollars of capital, which will have to be created.

Well, what is the effect of that? When you start putting capital like that into the system, that capital comes from somewhere—assuming it comes at all—it comes from somewhere, and where it comes from, quite honestly, is the creditworthiness of other activity. It is not new capital. It is taking capital and recreating an event, a freestanding entity here, of which capital is not around.

It will also mean there would be a contraction—and this is an estimate not of the Fed but of the group of entities that actually do this business and, therefore, it can be called suspect, but I think it is in the ballpark, give or take a couple hundred billion dollars—it will also cause a contraction of about $700 billion of credit in this country, to say nothing of the fact that if you are looking for a derivatives contract and you cannot go to the financial houses that usually do it in the United States, and you are a commercial entity or a hedging group, you are going to go overseas and do it because they are not going to have these types of restrictions and you are going to be able to buy that contract in Singapore.

So a large amount of entities, a large amount of business, will move offshore almost immediately upon the passage of this bill, should this section be kept in it.

Is it necessary, is the question. Is it necessary to make the derivatives market work right in this country? Absolutely not. This is punitive language put in out of spite because there is a movement in this country, and in this Congress, unfortunately, which I call pandering popularism, which simply dislikes anything that has to do with Wall Street.

I am sure they did a lot of things wrong and they caused a lot of problems. But if you are going to apply the problems that occurred around here fairly, we should be looking in our own mirror, at ourselves, for some of the problems we caused to the American economy, by forcing a lot of lending in a housing market that could not sustain it. It is penal. That is the purpose of this: punitive. In the end, it is going to cut off our nose to spite our face because it will be our credit that contracts, and business can be done and could be done in a very effective way, here in the United States, overseas.

What should be done here? What should be done rather than this exercise, as the Fed has said, in causing a ''highly disruptive and costly'' effect on banks and their customers, and having serious consequences on the competitiveness of the United States? Remember, we are competing in the world. That may have escaped the attention of the Agriculture Committee when they wrote this language, but we are in a world competition. Derivatives are not a unique American product. They are a world product. So these are jobs that go overseas. This is credit that goes overseas. This is business that goes overseas. This is Main Street that will be affected by this language.

How should it have been done? Well, it should have been done in a rational way, not in a punitive way. We know the derivatives market was not transparent enough. We know there was not enough capital, liquidity, margin—whatever you want to call it—behind the products and the counterparties that were exchanging products in the derivatives market in the over-the-counter system. We know—because we have AIG as example No. 1—a tremendous amount of CDs, especially, were being written with nothing behind them except a name.

We can fix all that. It can be fixed in a way that almost everybody is comfortable with by, first, making sure the exempted products from going on a clearinghouse are only products which have a specific commercial use and are customized and are narrow, and that the people doing those products are not large enough in their business so there are systemic issues. Secondly, we put everybody else in a clearinghouse.

What does a clearinghouse mean? It essentially means there will be a third party insurer or holder of the basket of assets necessary to support the derivatives contracts so we are fairly confident when a trade is made in a clearinghouse, the counterparties have the liquidity in the margin behind their positions to support their trades. At the same time, the clearinghouse itself must be structured in a way that it has adequate capital.

Where is that capital going to come from? It can only come from one place. It comes from the people who trade in these instruments. They are going to have to put up the capital. The regulators—the SEC, the CFTC—will have direct access to controlling and making sure that capital is adequate in the clearinghouses and making sure the clearinghouses are adequately monitoring the contracts.

Then as the contracts become more standardized—and they can and they will; we all accept that—they move over to exchanges where they are basically traded like stock. Then you have absolute transparency, price disclosure, and you do not have the issue of the over-the-counter market that causes so much problem for us. That will happen. That will happen almost naturally, but you could have the regulators stand up and say: Well, we think this group of derivatives is standardized enough and you have to move it to an exchange. We could give that power to the regulators, and that makes sense. But it would happen naturally anyway as these clearinghouses become more effective and standardized in the products, and people become more comfortable with standardized products in these areas.

Of course, there would have to be real-time disclosure to the regulators of what the prices were, if they are OTC prices or clearinghouse prices, so they know what is going on. Then it would be up to the regulators to decide when that information should be disclosed to the markets, depending on how you make these markets. Sometimes you cannot disclose the information immediately; otherwise, you would not be able to make a market; otherwise, you would not be able to do the contracts and, therefore, you would not be able to do the business, which underlies the need for the derivative.

So all of that could be done. All of that could be done, and it does not require creating this entity or these series of entities out there which the Federal Reserve has described as impairing the ''financial stability and strong prudential regulation of derivatives.'' In other words, what the Federal Reserve is saying is, when you go in the direction of what is being proposed from the Agriculture Committee in the area of derivatives and set up

this independent swap desk, you are not making things stronger in our financial structure; you are making them weaker. You are significantly reducing the strength of the regulatory arms that guide derivatives or oversee derivatives. You are also, as I mentioned earlier, creating an almost guaranteed-to-fail situation relative to the need for capital to support these derivative transactions. It is just—it just makes no sense at all.

To begin with, derivatives are, by definition, a bank product, so the idea that they have to be spun out of banks and financial institutions is, on its face, absurd, truly absurd, and counterproductive to the whole purpose of doing derivatives, which are very important. The Congress recognizes that. In Gramm-Leach-Bliley, we called derivatives a bank product. We understood that then. We seem to have forgotten it now.

I have been trying to figure out what is behind this type of language because it is so destructive to our competitiveness as a nation. This is the type of thing, as I said earlier, we would have seen in Argentina in the 1950s, this almost virulent populist attack on entities simply because they are large and because obviously there is a populous feeling against them, which ends up, by the way, significantly impacting Main Street in a negative way. Look at Argentina. In 1945, I believe, or 1937, somewhere in that period, they were the seventh best economy in the world, the seventh most prosperous people in the world. Now they are like 54th. It is because of this populous movement which has driven basically their ability to be competitive offshore. So now we have this huge populous movement here, and I am trying to think what is behind it. What is the rationale here, other than just rampant pandering populism? A vote occurred in the Budget Committee last week, of which I happen to be ranking member, which crystallized the situation. Senator SANDERS from Vermont—whom I consider a friend and I enjoy immensely. He is a great guy. He has a great sense of humor, but we disagree on a lot of things. He runs as a Socialist. I run as a conservative. Senator SANDERS offered an amendment which said that the government—and the government, I assume, would be four or five people down at Treasury or four or five people down at—I don't know where they would be, some new offices somewhere—has the right to break up large corporations. It didn't say break up large corporations which had problems, which had overextended themselves, which everybody agrees should happen. That is what Senator WARNER was talking about. He has done extraordinary work in this area and I am supportive of his efforts on resolution authority, where if a big bank, a big financial house or a big entity gets into trouble, if they overextend themselves or they are essentially insolvent, they get broken up. There is no—the taxpayers do not come in, in any way, shape or manner and support that entity. That is what the Warner-Corker language does, and I believe the Senator from Connecticut has tried to incorporate a large amount of that. That should be our policy. But what the Sanders amendment said was anything—any financial house—could be broken up simply because it was deemed to be big, no matter how resilient or strong it is; no matter if it is a major player for our Nation in being more competitive internationally.

Remember, when an American company goes overseas, they want to use an American bank. They don't want to have to use the Credit Suisse or the Bank of Singapore. They want to use an American bank to follow them around the world, and those banks have to be pretty big to do that. Some of them are quite profitable and quite strong. Well, this language would have said no matter how strong and profitable you are and how robust you are and how much you contribute to the American economic system by giving us one level of financial services—which we need as a country, large financial institutions that can support very complex, sophisticated, international economic activity and domestic economic activity—that they would be broken up because a group of people in Washington didn't like them for social policy, social justice reasons. They didn't lend enough money to some group they wanted them to lend to or they lent too much money to some group they didn't want money lent to. For social justice reasons, we will go in and break up this company, even though it is totally solvent, strong, fiscally responsible.

That is the policy that was proposed in the Budget Committee. Ten people voted for that policy. Ten. Ten out of the twenty-two people who voted, voted for that policy. Incredible. Where does that stop? Where does that stop? Where does this section 106 stop? Do we break up Walmart because they are not union? Do we break up McDonald's because they sell food that some people think makes you too fat? Do we break up Coca-Cola because they have too much sugar in their products? Does anything that is big in this country get broken up because there is an attitude that big is bad, whether it contributes or not? Unless you happen to be big and union, in which case you get saved, of course, as the UAW was able to work out with GM and Chrysler.

That is the essence of this language. This language isn't about fixing the derivatives market at all. You can fix the derivatives market in a most comprehensive and substantive and effective way that keeps America the best place to create these types of products in the most sound and safe way. You can do that, and I have outlined pretty specifically how you would do it, without this section. I will close by reading one more time how the fair arbiter has defined it, the Federal Reserve. This is such a damaging section that it cannot be underestimated the damage to our economy were it to be approved.

> Section 106 would impair financial stability and strong prudential regulations of derivatives; would have serious consequences for the competitiveness of U.S. financial institutions; and would be highly disruptive and costly, both for banks and their customers.

Remember, their customers are the people who work on Main Street for the companies that use derivatives, and almost every company in this country of any size uses a derivative to hedge their risks. Ironically, this is all done in the name of social justice because Wall Street is bad, so we are going to go out and cut off our nose to spite our face.

It is incomprehensible that a nation which has become as strong and as vibrant as we have by promoting a market economy would decide to go down this route, which is the antipathy of a market economy, but that is where we are. That is what has happened here, and that is the direction we are going. It is unnecessary, by the way, as I said earlier; unnecessary, because derivatives can be made safer and sounder by simply restructuring the transparency and the manner in which they are put on clearinghouses, limiting the amount of those that are subject to exemption, and pushing people toward exchanges, to the fullest extent possible and to the extent it will work. All that can be done without this type of language which is so destructive and, as the Fed has said, will have the exact opposite effect of what it is alleged to be doing.

Mr. President, I yield.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague from New Hampshire. We are great friends and have worked together on a number of issues over the years together. In a matter of months, both of us will be former Members of this institution. Let me express my gratitude to him for his service over the years and his commitment to these issues.

He has focused his attention on the particular matter coming out of the Agriculture Committee, of which we are all very much aware. That proposal was supported by Democrats as well as, as my colleagues know, a Republican on the committee. As my colleague from Arkansas pointed out and as I am sure we have heard already, there was at least an appearance of bipartisanship on this bill.

The Senator from New Hampshire raises some very important issues. There are a number of our colleagues who have very strong feelings, different

than those of my friend and colleague from New Hampshire, as we know; otherwise, it wouldn't have come out of the committee with the vote it did, and, therefore, the subject of a debate in this Chamber. I should, of course, begin by thanking him as a member of the Banking Committee for his participation involving our product in the Banking Committee.

The issue before us in the next few minutes is whether we can have this debate on these issues. Again, as my colleague from Alabama has pointed out on several occasions, we are 80 percent or 90 percent, whatever the number he wants to talk about, there in terms of agreeing to a major part of what our bill proposes. Obviously, we are not all there. You can't ever get ''all there'' in one of these debates, before you have the opportunity to do exactly that, where Members have a chance to be heard, to raise their ideas, a different point of view, and my friend from New Hampshire feels as passionately as do others about their point of view. That is the purpose of having a debate and an institution such as this for that debate to occur.

My hope would be, again, that when this motion to proceed occurs, though some may share the views of my friend from New Hampshire or some may have an alternative view, as is certainly the case in major parts of this bill as I have written it along with my committee members—that is the purpose for which this institution exists, to have that debate. No one Member, no one committee, no handful of Members should even suggest that they have the right to write the legislation without the consideration of others. So there is a difference of opinion on these matters.

I see my colleague from Vermont.

Mr. SANDERS. Mr. President, if my friend will yield for a few minutes, I understand my friend from New Hampshire had something to say.

Mr. DODD. What time is the vote to occur?

The PRESIDING OFFICER. At 5 p.m.

Mr. DODD. The Senator from Vermont better take the next 3 minutes.

Mr. SANDERS. Mr. President, I will do what I can in 3 minutes.

My good friend from New Hampshire, my colleague from across the Connecticut River, apparently does not have a problem with the fact that the largest financial institutions in this country that we bailed out because of their recklessness, greed, and illegal behavior have, since the bailout, become even larger. Three out of the four major financial institutions, all of which were bailed out, have become larger. No matter what anybody tells you, when one of these institutions is about to tip over and take a good part of the economy with them, despite the rhetoric today, people are going to be bailing them out, and they are going to lose millions of jobs if we don't.

The reality is, we have a situation now where the top six banks in this country, despite what the Senator from New Hampshire has suggested, now have total assets in excess of 63 percent of GDP. We are talking over $7 trillion. When you have six institutions with 63 percent of total assets compared to GDP, I think we have a problem, and we have a problem for two reasons. No. 1, we have a problem in terms of taxpayer liability and the fact that we will, once again, have to bail these behemoths out. Secondly, as Teddy Roosevelt told us 100-plus years ago, it is time to break up these guys because they have incredible concentration of ownership over our entire economy.

It is incomprehensible to me that the Senator from New Hampshire can be comfortable as a conservative—doesn't like big government but apparently doesn't mind huge financial institutions.

So I think that anyone who is not worried about the concentration of ownership within our financial institutions is missing an enormously important point, not just from too big to fail but economic concentration of ownership.

With that, I thank my friend from Connecticut and I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

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, hereby move to bring to a close debate on the motion to proceed to Calendar No. 349, S. 3217, the Restoring American Financial Stability Act of 2010.

Harry Reid, Christopher J. Dodd, Byron L. Dorgan, Mark Udall, Roland W. Burris, Daniel K. Inouye, Sherrod Brown, Robert P. Casey, Jr., Mark Begich, Patrick J. Leahy, Tom Udall, Patty Murray, Tom Harkin, Richard J. Durbin, Frank R. Lautenberg, Benjamin L. Cardin, Bill Nelson, Jack Reed.

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

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 3217, the Restoring America's Financial Stability Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Utah (Mr. BENNETT) and the Senator from Missouri (Mr. BOND).

The PRESIDING OFFICER (Mrs. SHAHEEN). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 57, nays 41, as follows:

[Rollcall Vote No. 124 Leg.]

YEAS—57

Akaka	Feinstein	Merkley
Baucus	Franken	Mikulski
Bayh	Gillibrand	Murray
Begich	Hagan	Nelson (FL)
Bennet	Harkin	Pryor
Bingaman	Inouye	Reed
Boxer	Johnson	Rockefeller
Brown (OH)	Kaufman	Sanders
Burris	Kerry	Schumer
Byrd	Klobuchar	Shaheen
Cantwell	Kohl	Specter
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Conrad	Levin	Udall (NM)
Dodd	Lieberman	Warner
Dorgan	Lincoln	Webb
Durbin	McCaskill	Whitehouse
Feingold	Menendez	Wyden

NAYS—41

Alexander	Ensign	McConnell
Barrasso	Enzi	Murkowski
Brown (MA)	Graham	Nelson (NE)
Brownback	Grassley	Reid
Bunning	Gregg	Risch
Burr	Hatch	Roberts
Chambliss	Hutchison	Sessions
Coburn	Inhofe	Shelby
Cochran	Isakson	Snowe
Collins	Johanns	Thune
Corker	Kyl	Vitter
Cornyn	LeMieux	Voinovich
Crapo	Lugar	Wicker
DeMint	McCain	

NOT VOTING—2

Bennett	Bond

The PRESIDING OFFICER. On this vote, the yeas are 57, the nays are 41. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. REID. Madam President, I enter a motion to reconsider the vote by which cloture was not invoked on the motion to proceed.

The PRESIDING OFFICER. The motion is entered.

The Senator from Alaska is recognized.

Mr. BEGICH. Madam President, I was not intending to speak because I was hopeful that tonight we would have a simple vote that would move us to debate on a bill that I think people have been waiting for, for a long time, and that is getting reform to our banking institutions and financial institutions.

I will say for those who are watching and listening, I am new here. I have been here a little over a year, and I am trying to understand all of the process. But one thing I have learned is this great motion called a motion to proceed—a lot of people watch and see us vote and think, oh, the bill has gone down.

This motion was a very simple motion. It allowed us to move to the bill so we can debate. What I have heard over the last several weeks and literally the last 48 hours is the desire for people to add amendments and talk about it and do all of the things we want to do and to have full debate on the floor. But because of this simple

motion that the Senate requires, which I think is kind of a foolish motion—that is my personal opinion—this motion to proceed, we are not even allowed now to debate this bill and offer amendments to this very important financial reform legislation.

So I am disappointed. I am disappointed for us as a body that we can't move forward. Second, I think my constituents in Alaska are disappointed that we don't have an opportunity to debate this issue and throw amendments on the floor to refine a good piece of legislation and move us forward to getting reform in our financial institutions, especially these megabanks.

Over the last year and a half since I have been here—almost a year and a half—all I have heard about is how bad this economy was a year or so ago and what caused it was the financial institutions just kind of crashing in because of the rules—or the lack of rules—under which they operated. The goal of the Senate is to try to create some rules, to make sure the public sees some transparency in these megabanks. Yet, for whatever reason, our friends on the other side are not willing to even move this forward.

But I also learned today, just reading some of the material we get every single minute around this place, that they have been working on a bill for months. I don't know where they have been working on this bill because I sure as heck haven't seen it. The public hasn't seen it. I do know they have been having a lot of meetings up on Wall Street, and maybe that is where they are writing the bill. But I haven't seen this bill for 2, 3, 4, 5 months, whatever the timetable they claim they have been working on some legislation. That is what I read today. But the public hasn't seen it. The American people haven't seen it. And we actually had a chance tonight to vote to allow us to see it and have a debate, and they wouldn't allow that.

So I am disappointed. I am disappointed that we don't have that opportunity. I am disappointed for the American people that we will not move forward on banking and financial reform, which is desperately needed. It is what crashed this economy, because of the lack of rules and the carelessness of so many with hard-earned dollars from working people across this country that they had put into banks and anticipated it would be put aside and protected and not put into some high-risk ventures that later on banks did and other megabanks did and caused this economy to be in the position it is in today.

In Alaska, we have some great institutions. Our credit unions and our community banks did a great job. They were not investing in risky ventures. They were not investing in risky financial instruments with hard-earned dollars people put into those banks as investors or people deposited in those banks. The credit unions and these small community banks did a great job.

This is our opportunity to not continue the status quo. It is clear to me that the other side is interested in the status quo, where billionaires became billionaires again by betting against the recovery of the economy, which is amazing, to me. They bet against the American people. They hoped they would be foreclosed on. Those are the rules the other side wants to continue. Now, maybe I am living in another world. I am betting on the American people. I am betting on Alaskans, that we want to move forward, not the status quo where this economy almost crashed and burned.

At the same time, we want to make sure that banks in the future cannot be coming to the taxpayers and asking us for a bailout because that ain't happening, at least while I am here, anymore. It is outrageous that the taxpayers got left behind in this process.

So, again, I am disappointed. It is amazing, as I said, that they are drafting some bill somewhere in some dark room somewhere. I don't know if it is in the Capitol or up on Wall Street. It is somewhat amazing to me, the people were complaining some time ago on some legislation they said we were drafting in the back room—which was not true—and now they are doing the exact same thing they complained about. The hypocrisy is unbelievable.

So I was not planning to come down here and speak. I was voting like the rest of us, thinking we were going to move forward, and here we are: No bill to offer amendments, no bill to strengthen our financial position. Same old business as usual, status quo. The rich get richer. The people who are working hard every single day suffer, lost their 401(k)s or their education retirement accounts they set aside for their kids or thought they put them in a bank that was supposed to be secure, ended up who knows where, except in a few people's pockets who were working on Wall Street.

So I am disappointed. I would hope our colleagues on the other side would allow us the opportunity to offer amendments to financial reform legislation that will, for once and for all, hold these financial institutions accountable for the actions they caused to this country that almost put us on the verge of bankruptcy.

Thank you for the opportunity to vent, I guess would be my view right now, in aggravation of what is going on. But, again, it is our job to hold these financial institutions accountable for what they did to the taxpayers of this country. I hope our colleagues on the other side will see the light of day and join us to offer a debate.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BENNET. Madam President, I am pleased to be here with my colleague from Alaska. I also was not planning to come to the floor to talk about this tonight because I thought the vote was going to pass. This is called a motion to proceed, and around here, I think that is Senate-speak for a motion to not get anything done. That is what happens when we do these motions.

It is particularly aggravating because I was back in Colorado this weekend, as I am every weekend, traveling the State and had the chance to see the TV from time to time. You couldn't turn on a television station without seeing some politician from this town on TV talking about the importance of getting this work done, Democrats and Republicans, people taking the time out of their weekend to say to the American people: We are actually working hard to try to correct the problems that led us into the worst recession since the Great Depression. Then we all get back to town on Monday and we don't get anything done. We take a vote, not on the bill but a vote that would just allow us to debate the bill, to amend the bill, to get Republican amendments and Democrat amendments, to improve the legislation, and we are told we can't do that. We can have the debate on the airwaves, we can have the debate all weekend long on television in front of the American people, but when we come back here, in theory, to do the people's business, somehow we cannot debate it anymore. This is the reason so many people across the country think Washington is completely out of touch.

There are people saying: Well, the recovery started. Everything is OK again. And I am glad to see there are some signs of improvement in our economy. But for the families in Colorado, there is still a lot of struggle going on, there are still of lot of people worried about losing their houses or how to replace the houses they have lost, worried about losing their jobs or how to pay for their kids' higher education.

The last period of economic growth in our country's history before we were pitched into the worst recession since the Great Depression was the first time in this Nation's history ever, ever, that our economy grew, our gross domestic product grew, but middle-class incomes fell in the United States. In Colorado, it fell by $800, while the cost of health insurance went up by 97 percent, the cost of higher education went up by 50 percent.

Our families are recovering not just from one recession but effectively from two recessions, and you would think the least we could do would be to put some commonsense regulations in place that, had they been in place before the last crisis, we wouldn't have had the crisis to begin with.

Our last period of economic growth in this country was based on debt, too much debt at every level of the economy.

The consumers have too much debt. Washington has too much debt. Some bankholding companies in New York that historically had 12 to 14 times debt to equity decided during that period to go to 28 and 30 times. By any standard, it is an incredibly risky strategy. To make matters worse, the way they leveraged themselves up was with derivatives that no regulator was looking at, that shareholders didn't even understand, that bondholders didn't even understand. The commonsense reforms that are in place in this bill—because of the work of the Banking Committee, the work of the Agriculture Committee, both committees on which I serve—would have cured that problem.

Ultimately, what we are trying to do is put ourselves in the position of never having to say some financial institution is too big to fail or that the taxpayers have to hold a gun to their head and clean up somebody else's greedy mistake; to make sure there is transparency in the marketplace so we know what securities are being traded.

I have spent half my life in the private sector, a lot of it in the capital markets. This is not an antibusiness piece of legislation. In fact, quite the contrary. There are a lot of businesses out there that have been harmed terribly by judgments that were not made because they were prudent business decisions but to make a fast buck.

Here we are on Monday night, after a weekend of people talking on television programs, and we can't get done the American people's business. Again, this is not an up-or-down vote on the bill. This is just a vote so we can have a debate on the floor of the Senate, so we have the opportunity to amend and improve the bill. I am sure the bill is not perfect. In fact, I know it is not perfect. It has room for improvement.

I see my colleague from the Banking Committee from the Commonwealth of Virginia is here.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Madam President, let me thank my colleague from Colorado, a member of the Banking Committee, who has been part of trying to get this bill right over the last 14, 15 months. He has spent a career in the private sector, as I did. I think we both can read a balance sheet. We both understand it is the capital markets that drive the American economy. I think we both agree we want to keep America the capital of capital formation for the whole world. We don't want this to migrate to London or Shanghai or elsewhere around the world.

We also know 18 months after we came to the precipice of a financial meltdown ought to be enough time to put rules of the road into place so we can give the market what it craves most, which is predictability.

I will not go on at length. I had the opportunity earlier when the chairman was here, and I think, unfortunately, I probably spoke for about 40 minutes going through how we got to this point and all the things in this bill to put these new rules of the road in place. I will only make two or three quick points.

One, in my 15 months here, as a new guy, I have never seen a bill that has had more bipartisan input than this piece of legislation. I had a great colleague in Senator CORKER from Tennessee. We worked on the too-big-to-fail and the resolution piece. There are places that can still be improved. I would love to work with Senator CORKER on some technical amendments to make this better. But this was a bipartisan piece of legislation.

Two, I actually think there is a great deal of agreement on both sides of the aisle about our policy goals. I am not talking about the role of government or who should get covered or not covered, the way it was with health care. We all agree, no more taxpayer bailouts, more transparency, that there ought to be some sense of fairness in the financial system, and that consumers ought to know the financial products they are using and buying, or mortgages they are making have some basic underlying protections. I have yet to hear any of my colleagues on the other side disagree with those basic premises. I think we are still working toward what I hope will be, as opposed to some of the disappointments that have come out of this Chamber, something we can all be proud of and something the American people can be proud of in that we found some common ground.

I have to acknowledge, I am not a very good political prognosticator. I assumed last week there was an 80-percent chance we would get a bipartisan bill. I still believe that. I am not sure anybody who is listening tonight understands procedurally why our colleagues who share the same goals, those of us who have been working in bipartisan teams, who have amendments that will help strengthen the bill, shouldn't be spending tonight talking about those amendments, offering those amendments, offering those improvements, having those who disagree debating, when there was a bipartisan product to date and will be a bipartisan end solution, I believe. The American people demand, 18 months after the fact, that we put these new financial rules of the road in place.

Unlike many of my colleagues, I get to go home to Virginia tonight. If I run into a Virginian who wants an explanation of why we are not on the bill, I would not know what to tell them. My friend from Colorado spent the weekend crisscrossing Colorado. He is asking folks to rehire him. I share he is head scratching on why we aren't here talking about something on which there is not major policy differences. There is common agreement that we need to have reform, and a lot of the reform parts there is agreement on. Where there is not agreement, there is actually more bipartisan consensus on the form of the amendments.

I would love to hear from the Senator from Colorado.

Mr. BENNET. Madam President, I thank my colleague from Virginia. As he was talking, I was thinking about my work in the real world, as he has had that experience. If you were in a position where everybody wanted to get it done, if there was general agreement that you were 80 or 90 percent of the way there, the way to get it done was not to not continue discussion. It wasn't to say: Well, I am going to pick up and fly back to Denver or fly back to Virginia until cooler heads prevail. It was to stay in the room and get it done.

I think, particularly when this isn't about a private sector transaction, this is about the American people's business, the people who have hired everybody here to do this job, it is a shame that we should not be out here tonight in a bipartisan way figuring out how to cross the t's and dot the i's and put a framework in place that would have prevented the catastrophe our families are now continuing to live through.

Sometimes that is one of the things people forget. There are parts of the economy that have recovered faster than others. There are parts of the economy where people are getting hired or paid, other parts where people are still struggling along. The people I saw this weekend were people who were struggling along. They are not interested in engaging in class warfare, as some people say. What they are interested in is making sure we create a set of conditions where the game is not rigged and where they have some predictability in their lives as business people and as working families.

Like my colleague, I am new. Maybe we don't know exactly the way this place works. I hope somewhere in this building there are people who are coming together to figure out how we can create the conditions where we could at least get a vote to have the conversation about how to get to that last 10 percent on this bill.

Mr. WARNER. Again, one final comment. I know the Presiding Officer is a new Member as well. This is one of those moments when there has been a year and a half of bipartisan work that has gone on, when there seems to be a commonality of interest in what the goals of financial reform are. I don't know about the Presiding Officer, I don't know about my friend from Colorado, but I never got the memo that

said our job wasn't actually to get stuff done. There were legitimate, major policy differences in the health care discussion. But in this discussion, there are things that need to be worked out, but the goals we have all agreed on. The bipartisan working groups have been at it for more than a year.

I implore my colleagues from the other side of the aisle, I don't know if maybe there was some procedural shenanigans, that kind of back and forth. But I hope my colleagues from the other side of the aisle—I see my colleague actually who has great expertise in the financial sector, the new Senator from North Carolina coming in—some of the newer folks, whatever the reason our colleagues on the other side didn't want to get to a real discussion of the bill, I hope they can come back later tonight, first thing tomorrow, and we can move to this bill, talk about it, put forward those amendments. I know I will have some bipartisan amendments to make the bill stronger.

I know my colleagues will. At the end of the day, let us get the people's business done. As my friend has said, the Dow may be back north of 11,000, but that doesn't mean much if you don't have a job. One of the ways we can guarantee the financial markets will continue to have the capital to make the loans, to make the investments, to create that next wave of jobs is to make sure we have in place financial rules of the road.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mrs. HAGAN. Madam President, I, too, am disappointed that my colleagues on the other side of the aisle have decided against even debating Wall Street reform legislation in the Senate. It has been almost 2 years since our financial system stood on the brink of absolute catastrophe. The meltdown on Wall Street has wreaked havoc on Main Street across America. Millions of Americans lost their homes, their jobs, their retirement savings. Taxpayers were asked to fund a massive bailout of Wall Street.

Here we are, a full 2 years later, trying to debate a bill that will establish new rules of the road, create a more stable financial system, and ensure the American taxpayer will not be asked to bail out Wall Street banks again. I am sorry to say my colleagues today voted to stand up for Wall Street instead of standing up for all the people on Main Street who lost their job and their entire life savings.

They voted against the seniors who saw their 401(k)s instantly eaten away by the reckless games Wall Street was playing with their hard-earned money.

In my State, this recession, the worst since the Great Depression, has meant that currently half a million North Carolinians are out of work. In many families, both the husband and wife are out of a job. They are worried how they will put food on the table for their families.

Democrats have been working in good faith for many months on a bill to hold Wall Street accountable for gambling with the money of North Carolinians and people across the country. I know Chairman DODD has been working with Republicans on the Banking Committee for the last year and a half. The time has come to have this debate on the floor of the Senate. Wall Street reform means ending taxpayer-funded bailouts. It also means establishing new standards for the complicated financial products that contributed to this economic downturn.

The purpose of this bill is to ensure the recent financial meltdown never happens again and that we protect seniors who lost retirement savings and small business owners who got caught up in the credit freeze and the countless Americans who lost their job. It means protection for consumers from irresponsible banking practices and greater certainty for bankers. Banks need to be able to understand what the ground rules will be so they can focus on the business of banking. North Carolina is a leader in the banking industry. Both our State's banks and banking customers will benefit from responsible financial reforms.

The proposed legislation also creates an office of financial literacy that will develop initiatives intended to educate and empower consumers to make informed financial decisions. Our students today need the tools to understand financial products and how to manage debt, including mortgages, student loans, and credit cards.

I hope my colleagues will listen to the American people on this issue. It is imperative we pass commonsense Wall Street reform so American taxpayers will never again have to shoulder the cost of a financial crisis.

Madam President, I yield my time.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Madam President, I am disappointed but not surprised that our Republican colleagues have chosen not to go forward in terms of financial reform because we should be very clear that when we do financial Wall Street reform, we are taking on not only the most powerful people in the United States of America but some of the most powerful people in the world—people of endless resources.

When Congress deregulated Wall Street, against my vote, Wall Street and their allies, over a 10-year period, spent $5 billion fighting for deregulation so they could be in a position to do anything they wanted, which was, of course, what brought us the terrible recession we are currently in. Last year alone, in 2009, the financial interests spent $300 million in lobbying, campaign contributions, in order to fight finance and Wall Street reform. So I am not surprised that at this point our Republican friends have not chosen to go forward. I hope they change their mind, and I hope they know back home the American people are profoundly disgusted at the behavior of Wall Street, and they want to make sure we never again will be placed in the position of having to bail out people who, through their greed and recklessness, have brought suffering to tens and tens of millions of Americans.

As we proceed—and I believe we will proceed—to Wall Street reform, it is also important we not just pass something for the sake of a press release but we do something substantive. There are a lot of issues out there. I know Senator DODD has brought forth a bill with 1,600 pages in it. There are dozens and dozens and dozens of important issues. I want to touch on simply three that I believe are essential if we are going to be serious—underline ''serious''—about Wall Street reform.

Issue No. 1. I receive calls every week from Vermonters—and I suspect the Presiding Officer does from people in New Hampshire—who are disgusted by having to pay 25-, 30-, 35-percent interest rates on their credit cards. In my view, usury is immoral. If you look at Christianity or Judaism or Islam or any of the major religions, they make the point that charging outrageous interest rates to desperate people is immoral.

We finally have to end usury in the United States. We have to put a cap on the interest rates that financial institutions can charge when they issue credit cards. The amendment I will be bringing before the floor is similar to what has existed for several decades now for credit unions. Credit unions today are doing just fine, but they cannot charge more than 15-percent interest rates, except under exceptional circumstances. If it is good for credit unions, it is good, in my view, for Wall Street and large financial institutions.

Second of all, I think there is great skepticism about the role of the Fed and the lack of transparency that exists in the Federal Reserve. About a year ago, Chairman Bernanke came before the Budget Committee on which I serve and I asked him a pretty simple question. I said: Mr. Chairman, you have lent out trillions—underline ''trillions''—of dollars in zero or near-zero interest loans to the largest financial institutions in America. Could you please tell me and the American people who received those trillions of dollars in loans?

I do not think that was a terribly unfair question to ask. Mr. Bernanke said: No, I am not going to tell you. He gave me his reasons why. I disagreed. The American people have a right to know who received those loans. The American people have a right to know

whether some of those large financial institutions took those zero-percent interest loans and then went out and bought government bonds, T bonds, at 3-percent interest, which, if true—as I suspect it is—is a huge scam, a huge scam. So we need transparency in the Fed, and I am going to bring an amendment to the floor to do that.

The third point I want to make is, in, I believe, November of 2009 I introduced legislation—three pages—very simple legislation, which called for breaking up large financial institutions. As this bill proceeds, my colleagues Senator BROWN and Senator KAUFMAN are going to be offering a bill along those lines, which basically says if an institution is so large that its collapse will bring systemic damage to the entire economy, we have to start breaking up those institutions—break them up. If a financial institution is too big to fail, in my view, it is too big to exist.

The issue here is not just the liability, the potential liability for the taxpayers of this country if a large financial institution collapses and we have to bail them out, it is also an economic issue. Are we comfortable when, according to Simon Johnson, the former chief economist of the IMF, ''as a result of the crisis and various government rescue efforts, the largest six banks in our economy now have total assets in excess of 63 percent of GDP. . . . This is a significant increase from even 2006. . . .''

I find it quite interesting the senior Senator from New Hampshire was on the floor a little while ago attacking me because in the Budget Committee I brought up a resolution which lost 12 to 10 to begin to break up these large financial institutions. I get a little bit tired of our conservative friends who say: Oh, the government cannot do anything. We hate big government. But apparently they do not hate large financial institutions, six of which have assets equivalent to over 60 percent of the GDP of this country.

Teddy Roosevelt, a good Republican, over 100 years ago started breaking up large financial institutions, large corporations. What we are talking about now is a handful of corporations, of financial institutions that play a very negative role in creating a stranglehold and a lack of competition in our entire economy. I intend to be strongly supporting the amendment brought forth by Senator BROWN and Senator KAUFMAN. I think it is moving exactly in the right direction.

So I am disappointed but not surprised that the Republicans have not chosen to go forward on Wall Street reform. I hope they will reconsider that. When we do go forward, I hope we listen to the American people, we take serious action, and we start the process of standing up to some of the most powerful people not only in this country but in the world.

With that, Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN of Ohio. Madam President, I appreciate the words from the Senator from Vermont and his support of the Brown-Kaufman amendment and his work on real Wall Street reform.

Two years ago, as we know, we were on the verge of another Great Depression. Wall Street had gorged itself on greed and junk debt. Markets panicked and chaos and hardship threatened Main Street. At the request of the Bush administration, we acted swiftly, we acted bipartisanly, to pull ourselves back from the brink of economic collapse. We saved the banks temporarily, as we should have, but Wall Street recklessness, aided and abetted by lax regulation and deregulation and appointments by the Bush administration of people far too friendly to Wall Street, had done its damage. Wall Street's greed led to more than 7 million Americans losing their jobs.

Go to Mansfield or Lima or Sandusky or Cleveland or Zanesville and see the damage it did to American manufacturing. Wall Street's excess and rampant speculation caused nearly 6 million home foreclosures. Go to neighborhoods in Over-the-Rhine in Cincinnati or go to neighborhoods on the west side of Cleveland or go to neighborhoods in north Columbus and see the damage Wall Street excess and rampant speculation caused to homes and families in my State.

Here we are 2 years later and Wall Street is continuing to risk Main Street jobs, Main Street pensions, and Main Street homes on get-rich-quick schemes. Here we are 2 years later in reach of legislation designed to put an end to the recklessness, and Wall Street and Senate Republicans—and sometimes it is hard to tell the difference—are delaying and hoping to kill any such reforms. We cannot afford to let this be delayed any further. Bear Stearns collapsed 2 years ago.

Senator DODD, after careful thought, put out a working draft of legislation the following November. There was a big hue and cry over that draft—many said it was too tough on Wall Street—but Chairman DODD continued working on the draft, talking to Republicans and Democrats on the Banking Committee and throughout the Senate. He put together bipartisan working groups, including Senators CORKER and WARNER, Senators GREGG and REED, Senators DODD and SHELBY, and Senators CRAPO and SCHUMER—a Republican and a Democrat in each negotiating team.

So we have been working on this since the start of the financial crisis. It has been months since Senator DODD first put his legislation out for the public's review. But here we are tonight—requesting a simple up-or-down vote so we can start debate—and the entire Senate Republican caucus said no.

They are filibustering. They are delaying. I think they are trying to destroy this bill. All we are trying to do tonight is—not pass legislation; we know we are not ready to do that yet—all we are trying to do is move the bill forward so any Senator, whether it is a Republican colleague or a Democratic colleague, can offer an amendment. There are good amendments out there that can make a strong bill even stronger.

There is an amendment going to be offered by Senator CORKER. He and I talked about this on our Sunday morning show this week—just yesterday—an amendment on clawing back executive compensation that he has been working on that seems to make sense.

There is an amendment Senator KAUFMAN and I have been working on to put size limits on banks and end the days of banks that are too big to fail. If banks are too big to fail, those banks simply are too big.

I would add, 15 years ago, the combined assets of the six largest banks in America were 17 percent of GDP. The combined assets of the six largest banks in America today are 63 percent of GDP.

There are other amendments that can finally hold Wall Street accountable for its own mistakes offered by some Republicans and some Democrats. We just want to move forward so those amendments can be considered.

So it is unfortunate when Senate Republican leadership—and I know there are Republicans who want to work with us, but when Senate Republican leadership pulls their colleagues back from doing the right thing. We saw the same tactic with the health insurance debate—delay and delay—only to find obstruction at the end. We know if they can delay and delay, as officials in the American bank associations have said, that is the best way to kill this legislation and to get their way—if they can delay this for months and months and months. We saw those same delaying tactics with essential programs such as unemployment insurance and COBRA.

This is not a time to play games with the financial well-being of hard-working Americans, of hard-working middle-class Ohioans. I wish Republican Senators could vote to do the right thing instead of simply following the political calculus that the minority leader and the rest of the Republican leadership wants. It certainly is not the will of the American people.

Just today, a Washington Post/ABC News poll release said 65 percent of Americans favor ''stricter federal regulations on the way banks and other financial institutions conduct their business.''

It certainly is not following the experiences of people in Ohio and across the

country who have lost jobs and lost much of their wealth because of Wall Street greed and excess. It is not following the experiences of small business owners across the Nation.

I have talked to small business owners in Dayton and Springfield and Zanesville and Cambridge and Steubenville and Findlay who simply cannot get credit. They cannot understand, with the money Wall Street has been rewarded with, if you will—or they were bailed out with—that they still cannot get the kind of credit they need to make their businesses a success.

This legislation would make financial institutions, not American taxpayers, pay for their mistakes. We can't predict the next economic disaster, but if we protect consumers and investors, we can probably prevent it. Wall Street reform could provide the strongest consumer protections for Ohioans. No more of the tricks and the traps in the mortgage market and elsewhere that led to the near collapse of our economy.

Wall Street banks wrecked our economy, got a taxpayer-funded bailout, and are profiting again, while working Americans continue to suffer. We can't sit by any longer and continue to do nothing. We need to move now. No more meltdowns. No more bailouts. No more cutting backroom deals to prevent reform.

In order for us to get there, we need to move this bill forward. We need our Republican colleagues to say yes—not vote for the bill but just say yes to move the bill forward so we can actually have debate on the bill. We need to bring this bill out into the public light so the American people know who is fighting on their side.

I yield the floor.

Mr. REID. Madam President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 2 Leg.]

Brown (OH)	Kaufman	Menendez
Burris	Klobuchar	Reid
Cardin	Lincoln	Schumer
Dorgan	McCain	Shaheen
Durbin	McCaskill	

The PRESIDING OFFICER. A quorum is not present.

Mr. REID. Madam President, I move to instruct the Sergeant at Arms to request the presence of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Indiana (Mr. BAYH), the Senator from West Virginia (Mr. BYRD), the Senator from Delaware (Mr. CARPER), the Senator from South Dakota (Mr. JOHNSON), the Senator from Wisconsin (Mr. KOHL), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Maryland (Ms. MIKULSKI), the Senator from West Virginia (Mr. ROCKEFELLER), and the Senator from Virginia (Mr. WEBB), are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from Utah (Mr. BENNETT), the Senator from Missouri (Mr. BOND), the Senator from Nevada (Mr. ENSIGN), the Senator from Nebraska (Mr. JOHANNS), the Senator from Arizona (Mr. KYL), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Kansas (Mr. ROBERTS), the Senator from Ohio (Mr. VOINOVICH), and the Senator from Mississippi (Mr. WICKER).

The PRESIDING OFFICER (Mr. MERKLEY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 31, as follows:

[Rollcall Vote No. 125 Leg.]

YEAS—50

Akaka	Feinstein	Nelson (NE)
Baucus	Franken	Nelson (FL)
Begich	Gillibrand	Pryor
Bennet	Hagan	Reed
Bingaman	Harkin	Reid
Boxer	Inouye	Sanders
Brown (MA)	Kaufman	Schumer
Brown (OH)	Kerry	Shaheen
Burris	Klobuchar	Specter
Cantwell	Lautenberg	Stabenow
Cardin	Leahy	Tester
Casey	Levin	Udall (CO)
Conrad	Lincoln	Udall (NM)
Dodd	McCaskill	Warner
Dorgan	Menendez	Whitehouse
Durbin	Merkley	Wyden
Feingold	Murray	

NAYS—31

Alexander	Crapo	Lugar
Barrasso	DeMint	McCain
Brownback	Enzi	McConnell
Bunning	Graham	Risch
Burr	Grassley	Sessions
Chambliss	Gregg	Shelby
Coburn	Hatch	Snowe
Cochran	Hutchison	Thune
Collins	Inhofe	Vitter
Corker	Isakson	
Cornyn	LeMieux	

NOT VOTING—19

Bayh	Johnson	Roberts
Bennett	Kohl	Rockefeller
Bond	Kyl	Voinovich
Byrd	Landrieu	Webb
Carper	Lieberman	Wicker
Ensign	Mikulski	
Johanns	Murkowski	

The motion was agreed to.

The PRESIDING OFFICER. A quorum is present.

The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, what is the status of the business before the Senate?

The PRESIDING OFFICER. The motion to proceed to S. 3217.

Mr. MENENDEZ. Mr. President, I wish to talk about the vote we had just a few minutes ago, a vote that was a victory for Wall Street but not a victory for the American taxpayer. We hear our Republican colleagues proclaim they are for Wall Street reform, that they are on the reform bandwagon, but then they seem to pull the emergency brake. They say they are on the reform bandwagon, and yet when they have a chance to move forward and simply to debate the process, they pull the emergency brake.

The approach our colleagues on the other side of the aisle have taken on Wall Street reform symbolizes America's worst fears about how the powerful operate. They held a closed-door strategy session with Wall Street executives that, from published reports, included solicitations for their campaign committee. Then they marched into this Chamber with a script, a Wall Street playbook written by the Nation's most significant Republican political consultant. Rather than debating what was in the bill, they went to the Wall Street playbook. They waved the flag. They proclaimed their patriotic intention to protect Americans from those who took us to the brink of economic disaster. But then they played the fear card and they talked about bailouts and told Americans they would pay.

Americans realize our Wall Street reform is actually what, in essence, has to be done to end taxpayer bailouts, that opponents are just playing fast and loose with the facts to protect the big banks instead of taxpayers. Our colleagues on the other side claim to embrace Wall Street reform in front of the cameras, while behind the scene, behind closed doors they continue to strategize with Wall Street about how to kill this legislation.

I am sure families in my State and across the country who are hurting, who lost their jobs, their health care, lost their homes because of the reckless excesses of Wall Street profiteers driven by profits at any cost, the value of their property has plummeted, their 401(k)s have been decimated, their hope for a decent retirement that they had worked for is largely gone at this point, American taxpayers want accountability, not trickery. They want all of us in this Chamber to stand up for them and mean it, not stand up for Wall Street and try to find a clever way to make it look like they are for Main Street.

We need only to look at the actions of those on the other side over the past 2 weeks to see the other story. They huddle with Wall Street. They strategize about how to protect Wall Street, but they make it sound like they are protecting Main Street. It is a game of mirrors: appear to stand for reform but do Wall Street's bidding. They hired a political consultant to tell them which words to use and came up with: The American people do not like taxpayer bailouts. All you have to say about this real effort for reform is

that it is a taxpayer bailout, and they will hate it.

The only problem is, the facts do not fit their rhetoric. The bill we would have gone on to debate, in fact, ends taxpayer bailouts by reining in the excesses of Wall Street, and that is exactly why Wall Street is working so hard with the other side to defeat it. They play the fear card, as they always have. Then they try to distance themselves from that consultant, but not before they march in lockstep to the microphones and tell Americans this is a bailout bill, it will cost taxpayers billions and lead to more and bigger bailouts, that it is another government intrusion into their lives.

Fear is a powerful force, and in the short term sometimes fear is far more powerful than the truth. But in the long term, it simply is not true. Maybe that is why truth has been the first casualty of every argument we have heard from the other side, whether on the Recovery Act, on putting people to work, on making health care more affordable, on extending unemployment insurance for those who are struggling, and now on reining in those who brought us to the edge of economic ruin after 8 years of lax regulatory policies that let Wall Street run wild.

Now that the fear card does not seem to be working, suddenly our friends stand in front of the microphones and claim to be in favor of reform. Yet at the end of it all they could have cast a vote to let us begin to work together on the process. But they continue to confer with Wall Street and tell their members once again, as they have on every major piece of reform legislation that has come before this Chamber, to stand in lockstep and vote no—a ''no'' vote against even starting the debate.

I say to my colleagues today, blindly following your consultant did not work out so well, and neither will blindly following an obstructionist strategy work out very well either. The American people have figured out the trick. You cannot talk like a gladiator and put on the show for the taxpayers and then be a mouthpiece for Wall Street.

Doing nothing and calling it leadership is not an answer. Saying no once again and keeping the status quo is not an option. Saying no to sensible Wall Street reform is a sure-fire way to wind up right back in the same mess we just got out of recently. Saying no is the surest recipe for more taxpayer bailouts.

The bottom line is, we as Democrats are here to say yes to commonsense reform so that Wall Street excesses will never take us to the brink of economic ruin again, yes to a free market. But there is a difference between a free market and a free-for-all market. What we have had is a free-for-all market.

Our Republican colleagues seem to want the free-for-all system to remain exactly as it is: same lack of rules, same lack of oversight, same megaprofits for the large Wall Street banks. I ask, at whose expense, at what cost to American families, at what risk to the very foundation of our economic system?

If our colleagues are serious about ending taxpayer bailouts, then they should favor making banks pay for their reckless behavior. Instead, they come to the floor one after another in an attempt to gut it. What they oppose, what they are once again saying no to is asking the Wall Street firms to pay to insure against their own failure.

We should also remember today, after this vote, as we look back at 8 years of an administration that nodded and winked and turned a blind eye to Wall Street's schemes, that history has a way of repeating itself. Let's not forget the reckless behavior of the big banks and other entities and lenders and Wall Street speculators that sent the economy into a near depression last year has a historic precedent, as do the muscular safeguards and regulations that we must implement this year to protect consumers so it never happens again. That precedent was the Great Depression. It came after a period of Republican Presidents—Harding, Coolidge, Hoover—who sided with free-wheeling companies to overcome commonsense regulations. We had no choice but to clean up the mess with a period of sustained, robust regulations implemented by another Democratic administration at that time.

Once again, the time has come after the economic damage has been done to put in place a series of robust reforms and safeguards so it never happens again. Once again, just as they did after the Great Depression, our Republican colleagues are saying, no, leave things as they are. There is no need for Wall Street reforms. Let the market take care of itself. They want to say no to the lessons of history. We need to say yes to commonsense reforms; yes to sensible oversight and regulations; yes to protecting the jobs, homes, and retirement savings of families who have been playing by the rules; yes to protecting them from more reckless financial gambling and creative derivative schemes; yes to guaranteeing taxpayers will never be on the hook the next time risky corporate decisions force a too-big-to-fail company into bankruptcy.

We cannot have a system where big Wall Street banks and others take huge gambles knowing they can keep the gains if they win but we as a country will pay the costs if they lose. That is playing Russian roulette with our economy. When that happens, the victims are hard-working families who did everything right. They played by the rules. Wall Street did not. And they expect us to make it right. They worked as hard as they could at every job they had and earned all their lives to buy a home and raise their families, send their kids to college, and maybe, just maybe, put something away for a decent, safe, comfortable retirement.

Now they sit at the kitchen table at night asking heartrending questions: Can we afford the mortgage this month? Can we keep our health insurance? How do we pay our credit card bills? Will we keep our jobs? Will we lose our home? Can we ever retire?

These are the families who needed a ''yes'' vote a little while ago. They need our protection. They did not deserve what happened to them. We have a chance to make things right so it will never happen again. The Senate needs to take up Wall Street reform.

The choice is simple: Do we stand for a banking system that is fair, transparent, and honest or do we stand for a banking system that takes advantage of consumers, one in which speculation runs wild and puts the entire economy at constant risk? Do we stand on the side of working families who played by the rules, or do we stand on the side of Wall Street and big banks? Not the community banks because they are not the ones who got us into this but those large institutions that have gotten far too comfortable writing their own rules.

In my view, the choice is clear. It is time for the Senate to step to the plate on behalf of working families. It is time for reform. It is time to end too big to fail. It is time to rein in the bulls. It is time to protect hard-working taxpayers. It is time to simply move forward and take up the debate.

I hope the majority leader will bring us to another vote so that we can, in fact, get to that moment in which we can move forward and have the debate and have the amendments and ultimately know who stands for the taxpayer and who stands for Wall Street. I hope there will be enough votes here to make sure this institution of the people, by the people, and for the people is going to put them first.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Ms. KLOBUCHAR. Mr. President, I rise to express my disappointment that we were unable to reach an agreement today to begin debate on reforming Wall Street. As my colleague from New Jersey, Senator MENENDEZ, so eloquently put it, this is not the time to say no. This is the time to move forward and get something done.

Someone referred to the Senate the other day as dysfunction junction. It was a nice little rhyme, and I can tell you it is incidents such as the one we saw tonight, where our friends on the other side of the aisle will not even allow debate to start, that leads to that sad name. We are ready to move away from the station. There are those of us who have been out talking to our constituents, and we know the train

has to leave the junction. The train has to move ahead, and we need to move ahead with this Wall Street reform.

Last week, I came to the floor with some of my colleagues to talk about another delay—a delay of nominations. These are nominees who have been voted out of committee, sometimes with unanimous support, but are now waiting months for a full vote on the Senate floor. During this same timeframe in the Bush administration, five nominees were outstanding. Yet the same time during the Obama administration over 100 nominees are outstanding. So if there is anyone who doesn't believe us about this delay and what is going on, look at those numbers and look at what is happening with this reform.

It is ironic we are talking about putting rules in place to prevent Wall Street from gaming the system, when we have plenty of Senators who are gaming the system right here. But there is a problem with that. The American people aren't a game of chance. They don't want the dice rolled over their futures. They don't want the dice rolled over their family homes. They want us to get this done.

Look at what has happened with this filibuster, again stopping us from going to debate. In the entire 19th century, including the struggle and the debate about slavery, fewer than two dozen filibusters were mounted. Between 1933 and the coming of the war, it was attempted only twice. Under Eisenhower and JFK, the pattern continued. In 8 years of the Eisenhower administration, only two filibusters were mounted. Under Kennedy, there were four. But now we see this tactic being employed over and over. This year alone, since January, we have had over 50 filibusters.

I can tell you I believe, in the end, we are going to get this done. I believe, in the end, we will have Republican votes for this bill because I know there are some colleagues on that side of the aisle who want to get this bill done and who have been working to get it done. But the reasons I heard raised today for holding up debate do not ring true.

First off, advancing the idea that this bill isn't already a bipartisan product would be a slight to all those who have worked on it. I see Senator DODD over here, who worked for months and months and months to craft a bipartisan bill. The bill we have before us is the product of countless hours of negotiation between Members on both sides of the aisle and incorporates many of the agreements that were reached.

If anyone thinks there is a more important issue to have before the Senate, that there is some reason we shouldn't be debating this, I don't think they have been talking to the people back home. The people understand that while Wall Street maybe got a cold and has bounced back and is doing well, Main Street has pneumonia. Small businesses today are still starved for credit. The small banks, which Senator MENENDEZ pointed out had nothing to do with starting this crisis, are also suffering. That is what is happening in this country today.

Nearly 3 years after our financial system began to melt down, America continues to suffer the effects of the worst economic crisis since the Great Depression. Millions of Americans have lost their jobs, homes, retirements, and savings. Although some key indicators are beginning to move in the right direction, I can tell you, having been home this last weekend, many families are still struggling, and the economic damage is slow to reverse itself on Main Street.

Meanwhile, on Wall Street, the largest firms handed out record bonuses totaling nearly $146 billion, an 18-percent increase from 2008. What do we have at home? U.S. per capita income declined 2.6 percent. Boiled down to its essentials, the financial crisis was about risk. Everyone thought they could manage but, instead, things got wildly out of control. Three years later—and I think it is hard for people to believe this—we can't seem to even get past a debate tonight about actually getting the bill on the floor. Three years later Wall Street is still operating by the same old rules. That is why it is so important we begin this debate.

There may be some of my colleagues who think all Wall Street needs is fixing a few potholes. Well, that has been tried before and it certainly didn't work. I think what we need are some stop signs at some intersections and some very good traffic cops. There is a lot more to the modern financial system, as we all learned, than meets the eye. We need transparency and accountability. That is in this bill. We need an early warning system for too big to fail. That is in the bill.

We need derivatives reform, and I am not talking about the good work businesses do to weather an economic storm when they hedge their bets within their businesses. I am talking about the wildly out-of-control, over-the-counter derivative trails when financial institutions were trading things they didn't even understand and creating the big mess we are in.

Reform legislation must include, and this legislation does include, provisions to look out for the best interests of consumers by educating them about their financial choices, ensuring that they have access to less risky products and protecting them from abusive sales practices, including from nonbank lenders. When we look back at what happened the last few years, it is like Wall Street was driving down the street in their Ferrari and the government was following behind in a Model T Ford. That has to stop.

When we look at the history of this country, when we have been confronted by major challenges, we always rose to those challenges. When Hitler was running across Europe and Pearl Harbor happened, our country didn't just say no. We rose to the challenge, and the greatest generation won that war. When the Russians were going to put a man on the Moon, we didn't just say: Oh, go ahead. We are not going to get involved.

CLOTURE MOTION

Mr. REID. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

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, hereby move to bring to a close debate on the motion to proceed to Calendar No. 349, S. 3217, the Restoring American Financial Stability Act of 2010.

Harry Reid, Christopher J. Dodd, Blanche L. Lincoln, Sheldon Whitehouse, Jeff Bingaman, Bernard Sanders, Russell D. Feingold, Kay R. Hagan, Tom Udall, Robert P. Casey, Jr., Jon Tester, Charles E. Schumer, Jeff Merkley, Byron L. Dorgan, Mark R. Warner, Jack Reed, Roland W. Burris.

Mr. REID. Mr. President, I express my appreciation to the Senator from Minnesota for allowing my interruption.

The PRESIDING OFFICER. The Senator from Minnesota retains the floor.

Ms. KLOBUCHAR. As I was saying, Mr. President, this country has done well not by saying no but by saying yes and by moving ahead and getting things done. We can't let this continue. We have to put these rules in place.

Some of our colleagues on the other side of the aisle are, in good faith, negotiating; others are not. The American people will not allow this gamesmanship to continue. The game is over. Let's debate. Let's get some amendments. There are changes we can make to the bill, changes I support. But the only way we are going to get this done is by getting this bill on the floor and allowing for debate. The American people deserve nothing less.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. KAUFMAN. Mr. President, I first came to this place in 1973, working for then-Senator BIDEN, and one of the things you learn around here, after you have been here a while, is the American people don't care about procedure. That is one of those things they don't care about—procedure. It is all too complicated. I don't blame them. Half the time, I don't know what the procedure is. Procedure doesn't work.

But during those 37-some years, every once in a while something comes along where procedure matters. Our friends on the other side of the aisle

have had a field day on procedure for the past 15 months I have been here, and they count on the fact that nobody in America cares about procedure. So what they have done is, time and again, they have filibustered motions to proceed. That is hard to explain to someone out in America.

What is a filibuster on a motion to proceed? That is hard to figure out. So you can get away with that. You can filibuster on a motion to proceed and then you can filibuster on the bill and then filibuster on cloture and all these words mean nothing to most Americans.

I am all for filibusters. I think it is important to maintain the rights of political minorities, and that is the way to do it. I say to my colleagues who are here and who want to change the filibuster rule, spend a year in the minority or 2 years in the minority and then come to me and tell me you want to change the filibuster rule. What people don't realize—those who want to change the filibuster rule—is that when one side or the other gets out too far, then the American people notice what goes on and they come in and they fix it.

I am convinced that is what is going to happen today. I think the American people have figured out what it is my friends on the other side are doing. They are my friends. We just have a different point of view. Everywhere I go in this country, people are concerned about what happened—everywhere. They are concerned because they have so many friends and relations who lost jobs and other friends and relations who have lost their houses and they say: What are you going to do about it? What are you in Washington going to do about it? Don't you get it? Don't you understand what is happening here? You are not going to do anything about this?

I have watched Senator DODD work for hours and days and months—and, frankly, years—to try to put together a bill so we can vote on what will be a bipartisan bill. I have been hanging out at this place or teaching about it for 37 years, and I have never seen anyone work any harder to try to get a bipartisan bill. Frankly, Mr. Chairman, I got a little frustrated because it took so long. But Chairman DODD did the right thing because I think he knew, at some point, if we didn't get agreement, we would be here and we would be faced with charges that this was a partisan bill. This is not a partisan bill.

As you know, Mr. President, you and I have differences with this bill. The Presiding Officer and Senator LEVIN have an amendment to offer, which I am a cosponsor of, to change the bill. I have an amendment with Senator SHERROD BROWN of Ohio to make some changes to the bill. Senator CANTWELL and Senator MCCAIN have an amendment that I am a cosponsor of. There are three amendments already that I am in favor of to change this bill. I have heard Chairman DODD say time and again, this is not the perfect bill. This is a bipartisan bill. We have put a lot of effort into it. But he has welcomed the opportunity for people to come forward and offer amendments.

I don't get it, how you can say you don't agree with a bill, but you will not let anything happen on it and on an issue such as this—an issue that is so important to the American people. It is so important that we get it right. It is time. Committees are great, and I support the committee system. I think they are wonderful. I think negotiations are great. I think the bipartisan negotiations that have been going on—and I know they are going on because I have seen them on the floor. I have seen there are about 10 or 12 members from the Banking Committee who are working.

Chairman DODD, in the beginning, set this up and he delegated it down so Senator WARNER and Senator CORKER were working together. He had a Republican and a Democrat working on each of these things. They are still working, as we talk now. But it is time for that to stop. It is time for us to get out in the open and be a Senate. It is time for us to debate these issues in the open. It is time for the Republican Party to decide if they want to do something about Wall Street reform. I hope they are listening. In my opinion, we should stay and discuss it until we are ready to go. We are going to disagree.

One of the big things I am in favor of is returning to Glass-Steagall. When we voted on that in 1999, Senator DORGAN voted against it and Senator SHELBY voted against it. These are not issues that are Republican or Democratic issues, in my opinion. I have talked to my colleagues on the other side about some of the amendments I am offering, and they say they are interested in them. I don't see this as being a partisan fight. I think it looks like a fight to get political advantage. I am very hesitant to bring that forward, but that is what it looks like to me. It looks like they do not want to vote, period. I know that is not true for certain Members on the other side. I know they wish to talk about these issues.

So I wish to say to the American people tonight, it is time to contact your Senator and say: Let's bring financial regulatory reform to the floor. Let's debate the issues on it. Let's get to the amendments and let's pass it so millions of Americans who have lost their jobs and their homes know we in the Senate have done everything we can to make sure this never happens again.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mrs. SHAHEEN. Mr. President, I am here tonight to join my colleagues because, like them, I am deeply disappointed that 41 Republican Senators tonight voted to stop us from even beginning to debate on legislation to rein in the reckless and risky Wall Street conduct that brought this economy to its knees. Rather than make the case out in the open on the floor of the Senate for the changes they want to the Wall Street reform bill, these 41 Senators who voted to block debate are, instead, saying they want changes worked out behind closed doors. They are actually saying they will prevent debate and hold this Wall Street reform bill hostage until they are accommodated behind closed doors.

We heard Senator KAUFMAN say there are amendments he wants to the bill. There are amendments I wish to see in the bill. For example, I think we need to strengthen the provisions in the bill to prevent financial institutions that are supposed to be helping American companies finance their growth plans—that are supposed to be helping families save for their retirement, that are supposed to be helping families save for their kids' college education—to prevent those institutions from making risky side bets for their own profit. But rather than block the Senate from taking up the Wall Street reform until I get what I want, I intend to cosponsor the amendment the Presiding Officer and Senator LEVIN are sponsoring and then debate that issue openly on the floor of the Senate.

Our amendment prohibits federally insured banks from engaging in proprietary trading and it imposes strict capital charges on large nonbank financial institutions to limit their proprietary trading.

We have all learned in recent days about the proprietary trading that Goldman Sachs was doing, betting their own money that mortgage-backed securities would fail, while getting their clients to invest in those same mortgage-backed securities. I am sure there are a lot of people who think, as I do, that a system that allows that kind of conflict does not make sense and we need to change it. So I think we need to get this bill on the floor so we can debate this issue and so many others that we need to address to change the practices on Wall Street.

We need to enact a strong Wall Street reform bill as soon as possible. While we delay, the big banks on Wall Street have returned to the same types of reckless and risky gambles that brought our economy to the brink of a complete financial meltdown. My grandmother used to say that while the cat's away, the mice will play. Today I think my grandmother would say while Wall Street reform is delayed, middle-class families are being played.

Let's be clear. A vote against opening debate on holding Wall Street accountable is a vote to protect Wall Street. We are still suffering the consequences

of unregulated Wall Street greed. Millions of hard-working Americans lost their jobs through no fault of their own and they still can't find work. Too many small businesses still can't get credit. We need to do everything we can to ensure that the recent financial crisis never happens again, that taxpayers never again have to bail out Wall Street bankers for their bad bets. I hope all those Senators who tonight voted to block us from taking up Wall Street reform will reconsider that vote and that they will come to the floor of the Senate and let us do the work of the people of this country.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. BURRIS. Mr. President, for years at big corporations such as Goldman Sachs, Wall Street bankers packaged bad mortgages and sold them to investors. They knew these investment vehicles would inevitably fail so they turned around and bet against them. They bet against the American people. That is what they did when they put these packages together. They sought to make a profit off the misfortunes of their own customers.

Tonight we stand at the brink of a real debate on this topic, but our Republican colleagues will not even agree to let us move forward. We have to debate whether we are going to debate. Main Street suffered the most challenging economic situation in a generation. It has been made clear tonight who the Republicans stand with—they stand with Wall Street—because we are debating to debate.

After the breathtaking scope of the economic crisis that America is only now coming to terms with, how can we simply refuse to move forward, refuse to debate this critical legislation? We are debating to debate—unbelievable. We have to debate to debate about fair, meaningful reform while Wall Street continues to pose a systemic threat to the American financial system.

I know a little bit about the financial system. I am probably the only one here who is a banker. I spent my early years in the biggest bank of the State of Illinois, selling money for a living. I know about banking and I knew what Glass-Steagall would do at the time. It prevented us from getting into the insurance business, the investment banking business, and banks were still able to grow and to make loans to the various entities that needed the loans. That is what we were there for, to assist businesses to grow and provide capital and make sure they would be successful and repay their loans.

As a matter of fact, I financed some of the most difficult businesses in the State of Illinois. We had a government-guaranteed loan section for startup businesses. I loaned $1 million to a church-owned hospital, the first Black church-owned hospital in America. I financed that in 1969 with a $1 million loan. Guess what. The hospital paid every penny of that money back to our bank, plus we made interest on it. It wasn't a giveaway; it was not any type of charity; it was a business transaction to help the community. That is what banks ought to be doing. That is why we need to pass strong financial reform, to prevent bad behavior on Wall Street from sinking ordinary folk on Main Street. I know a little bit about Main Street because that is where I financed those businesses.

I urge my colleagues to join me in supporting the reform legislation introduced by Senator DODD, the distinguished Senator who put his life into this business, trying to make sure we have some type of financial security for the people and not a bunch of people who are going around ripping off folk and getting rich off of the work of other people. This bill would have prevented Goldman Sachs and other companies from getting into this mess in the first place and it can help ensure that we will never end up in this position again.

I hope so, but we don't know what will come up. I heard Senator WARNER on the floor today. Senator WARNER was saying he might not know what will happen and probably won't. But I hope when we get this legislation to debate—the legislation we are debating to debate—it will never happen again. But first we need to agree to debate the bill on the floor.

I ask my colleagues on the right to simply talk and debate about the ideas on this bill. I want Glass-Steagall. I am cosponsor of the amendment for the Glass-Steagall Act to come back. This legislation will create a consumer protection bureau designed to shield ordinary Americans from unfair, deceptive, and abusive business practices. As a former attorney general, I know what it is, in so many of these financial situations, mistreating our consumers. I defended those consumers tremendously during my years as Attorney General of the State of Illinois. I want the bill to establish an oversight task force to keep an eye on emerging risks so we will not be taken by surprise again. It will end too big to fail, protect taxpayers from unnecessary risk, and eliminate the need for future bailouts.

This bill would also increase transparency and accountability for banks, hedge funds, and the derivative market. Some people don't even know what they are doing about it, so big companies such as Goldman Sachs won't be able to get away with fraud anymore. These basic reforms will establish clear rules of the road for the financial service industry so we can keep the market free and fair without risking another economic collapse.

But if we fail to take action, if we do not pass this reform legislation, if we even fail to move forward on this simple procedural motion on the debate to debate, then we will be right back where we started—no safeguards against this kind of deception and abuse in the future.

I call on my colleagues to join me in supporting moving on to Senator DODD's bill. Let's move on to it and get on with the business of debating the bill and not debating to debate. I ask my friends on both sides of the aisle to stand with me on the side of the American people. Let's move to debate this financial reform legislation without delay.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. WHITEHOUSE. Mr. President, we are now, for those who are tuning in, in a situation in which the Republicans who filibustered probably about 100 times in this session, are now filibustering not a piece of legislation, they are filibustering the ordinary procedural technical motion on the Senate floor to move to that piece of legislation. There will probably be a whole second filibuster when we actually get to the Wall Street reform bill. For now, what they are filibustering is moving to proceed under the Senate rules, to take up the bill and begin the debate.

In obstructing us from even debating the Wall Street reform bill, the Republican minority has once again shown the American people whose business it is they serve. Make no mistake about it, Wall Street bankers are chortling tonight about this, Champagne corks are flying across Wall Street, all in celebration of the Republican success in once again obstructing reform. Each day the Republicans delay us, high-powered investment banks make more money on highly leveraged gambles. Each day the Republicans delay us, mortgage brokers, unregulated by a consumer protection agency, push people into poor quality mortgages with confusing terms. Each day the Republicans delay us, CEOs continue to get rainy day bonuses, unchecked by proper corporate governance and oversight. Each day these Republicans delay us, credit card companies trick and trap American consumers with exorbitant rates and fees and no consequences. Each day the Republican minority delays us, Wall Street wins and Main Street loses.

The ties between the Republican party and Wall Street CEOs are pretty well documented. News outlets, for instance, reported earlier this month that the leaders of the Senate minority sat down with two dozen top Wall Street executives to discuss Wall Street's concerns with these proposed reforms. Nobody is talking about what was said, what deals were made, what winks and handshakes were exchanged. The meeting was behind closed doors. But the very people who brought about the housing bubble and the financial

meltdown and profited handsomely through both have been strategizing with the Republicans on how to prevent us from cleaning up their industry.

They have good reason to do so. By continuing to operate too-big-to-fail firms, these executives make millions in the good times and get taxpayer bailouts in the bad times. It is win-win for Wall Street and lose-lose for the American people. The American people have about had it with that deal. They want Wall Street cleaned up.

An ABC News/Washington Post poll conducted yesterday found that an overwhelming majority, 63 percent, of Americans support ''stricter Federal regulations on the way Wall Street firms conduct their business.'' Every one of us can vouch for that from what we are hearing from our constituents at home. The Republican minority can delay reform but they cannot defeat it. Remember Joshua; he walked around the city of Jericho blazing his horn. The first time the walls did not come down. The second time the walls did not come down. He had to go seven times around the city of Jericho before those walls came down, but the walls of obstruction of the Republican minority are going to come down on this issue because the American people will not have it any other way.

Let's look at the provisions of the bill as it passed Senator DODD's Banking Committee that they are so upset about, the bill that the Republicans are so upset about, they are obstructing us from even debating it and beginning the process of legislating.

The bill would end government bailouts by establishing an industry-financed wind-down mechanism to put banks that are failing out of their misery. That is how we would deal with future meltdowns—no more taxpayer bailouts, no more AIG.

The Republicans, amazingly, assert that this industry-financed resolution fund to put an orderly end to banks that have gotten in trouble will actually perpetuate government bailouts. That does not even make sense. So why are they saying it? Well, they are saying it because a Republican pollster named Frank Luntz determined that if you call a bill a bailout bill, the public will be alarmed and confused and upset and against it. So they are saying it because the polling shows that is what will concern Americans.

We have gotten to the point where it is no longer important in American debate for words to be true; it only matters that they have the requisite effect. Well, words that are used for their effect without regard for whether they are true have a name; it is called propaganda. Frankly, it is beneath proper debate in this forum.

The bill would also create a strong consumer products regulator to make sure Americans are never again fooled into subprime mortgages and other tricky, ''gotcha'' financial products with little hooks and tricks and traps in there to catch the unsuspecting consumer. We need a regulator in place who can monitor the market and act quickly when there is a consumer hazard. We need this new agency to do for credit cards and mortgages what the Consumer Product Safety Commission does for toasters and toys. A tough, independent consumer protection agency is a plain-old good idea to give consumers a fair shake.

The bill would also consolidate existing bank regulators so that banks cannot shop around for the most lenient regulator. Under the bill the Republicans won't even let us debate, regulations would be strengthened over all financial firms. No more changing your charter just to avoid the rules you don't like and picking your favorite regulator.

Again, these are commonsense protections against Wall Street trickery. But they are being blockaded.

Perhaps the provisions that have the CEOs most distressed are the ones that would crack down on runaway executive compensation. It is really remarkable that even in the worst of times, Wall Street bankers pay themselves multimillion-dollar bonuses. There really are no lean years, it appears, on Wall Street, just good times and really, really, really good times.

The bill the Republicans will not let us debate would give shareholders a stronger say on management compensation and would ensure that the compensation committees of boards of directors, the ones who are figuring out what the CEOs should be paid, are composed of directors who are independent, who are not tied to the management: No more having your pals and golfing buddies decide how much you should be paid. It would also require companies to develop policies that would permit them to rescind compensation—to take it back—if the executive is found to have engaged in fraud.

Again, these are commonsense provisions to prevent unfairness and to give the American people a chance. Yet the Republicans will not even let us debate them.

The American people have grown sick and tired of delay and obstruction, and they want their Congress to move forward with the people's business. This is something on which we should agree. The American people also overwhelmingly favor stronger regulation over Wall Street banks. So let's get to it.

I implore my Republican colleagues to cut the delay tactics and let us debate a bill that will help prevent future financial crises. If they have a better idea and they want to offer it on the Senate floor, that is what we are here for. But let's get to the bill. Let's begin the process of serving the American people. Let's end the endless filibuster and obstruction and delay.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. UDALL of Colorado. Mr. President, I rise today to speak about the critically important legislation before the Senate, the bill to reform Wall Street and end the excesses that sent our economy into a tailspin.

Having made the tough choice to fend off a collapse of our economic system, we must now look back and decide what actions are required to hold Wall Street accountable and put consumers back in control of their finances.

This Congress has taken decisive action to stem the bleeding, actions that were not always comfortable, but were necessary. And our economy is starting to heal. Yet we remain at a seminal moment in history.

One tenth of our population remains unemployed, the threat of home foreclosure haunts far too many families, and American seniors are scrambling to replenish what were once considered their retirement accounts.

The fault for this economic decline, however, does not lie at the feet of the working class nor reflect the steady strength of American ingenuity. Instead, the Wall Street bailout, and the threat of global economic depression that necessitated it, was thrust upon us by those who put short-term self-interest above the economic security of a nation.

It is an unpleasant fact to admit. But the current financial system all too often rewards greed and recklessness, fans speculative trading, and has fostered shady dealings that are so complicated that only those Wall Street firms that stand to benefit can comprehend them.

Compounding this, consumers have found themselves on the losing end of these deals. Wall Street executives have taken excessive risks, knowing a sweetheart contract, bonus or stock option will cover their losses while stockholders are left empty handed. Nearly one quarter of Americans have found themselves with home mortgages they struggle to afford, while the lender's commission has long been spent.

And, American consumers have to jump through hoop after hoop and ultimately pay to have access to their own credit score, while banks and lenders can easily obtain this information to hike their annual interest rate or monthly payment.

Don't get me wrong, I am the first to recognize that our financial sector historically has played a driving role in the growth of our economy. In many instances, Wall Street's ingenuity has spurred solid investment and helped U.S. businesses compete world-wide.

But we cannot ignore the plain fact that transparent investing and fair business dealings seem to be the exception, rather than the rule.

In one recent example, the U.S. Securities & Exchange Commission alleged that Goldman Sachs realized that the only way out of bad securities was to sell them to unwitting investors.

This investigation is rapidly expanding to other financial firms and products, and is symptomatic of how out of touch Wall Street has become with the American workers who are the real engine of our economy.

As the 2008 collapse washed away nearly half of Americans' savings and investments, these same taxpayers were on the hook to finance Wall Street's rescue. I understand the anger of Coloradans and Americans all around the country, many who felt that the big banks should have been left to fail.

So our constituents have asked us: Please reform the current laws so that this does not happen again. Please hold Wall Street to the same rules that hardworking families and small businesses are held to.

But now, as the economy recovers, slowly adding jobs and allowing families to rebuild their savings and retirement portfolios, Wall Street is reporting record profits and its executives are again pocketing record bonuses.

It is time to put American consumers back in control of their financial future. We must hold Wall Street accountable and create a financial system that works for all Americans, not just rich executives.

The legislation that we are trying to bring up for debate this week does just that. With Senator DODD's leadership, the Wall Street Accountability Act will:

Safely regulate the shadow markets and the hidden side-bet financing that escaped the regulatory radar and allowed financial firms to engage in the risky and irresponsible behavior that wiped out trillions in family savings.

The bill will hold big banks and financial institutions accountable for the bad decisions they make, and make them plan ahead to deal with their losses to ensure that taxpayers are never again responsible for bailing out a financial firm that is deemed too big to fail, like AIG.

The bill will also hold Wall Street accountable by giving consumer shareholders new power to prevent excessive bonuses that reward executive failures, while average Americans are left holding the bag.

Complementing the credit card bill I introduced in the House of Representatives several years ago and legislation Congress passed last year, this bill forces big banks and credit card companies to provide clear, understandable information to consumers. This bill will also hold the nonbank lending industry to the same sort of standards as the traditional banking industry.

Finally, this bill will start to change the culture of Wall Street by instilling new transparency and accountability rules to ensure that complicated financial derivative transactions take place in an open marketplace.

This legislation provides what our friends, neighbors, and family members for years have been demanding, a system that is designed for them, rewards hard work, and is grounded in the kind of business integrity that Americans every day certify with a handshake. In short, Americans back in control of their financial well-being.

That is why, in addition to the reforms we will be discussing this week, I introduced legislation last week with bipartisan support to put everyday Americans back in charge of their finances by giving consumers free access to their credit score.

I thank Senators LUGAR, MENENDEZ, LIEBERMAN, LEVIN, HAGAN, SHAHEEN, KLOBUCHAR, TOM UDALL, and SCOTT BROWN for joining me in putting consumers first by cosponsoring this commonsense legislation, which has the support of a wide range of consumer groups.

Today, in looking back on the mistakes of the past and the imbalances that still disadvantage consumers, Americans deserve a Congress on their side.

Yet some here appear to still support a risky system where Wall Street can act with impunity and get bailed out when things go bad. They want to protect speculators at the expense of consumer protections and shield financial institutions from rules that would avert taxpayer-financed bailouts.

I am here to say that those days are over. We must hold Wall Street accountable and we cannot let the status quo persist.

A few blocks from here outside the Federal Trade Commission stands a pair of statues, each depicting a heroic figure straining to control a powerful horse. They were erected under the Roosevelt administration as an emblem to Americans from all walks of life that fair business practices would serve to further the common good of all. Well, I have news: Under our current system, the reins have been released when it comes to Wall Street. And now some 70 years later here we are, at a similar point in history. We must stand together once again as a nation committed to sound investing, transparent business dealings and an economic system that puts consumers first.

This debate is about choices, and the American people have a clear choice. There are a lot of us here who want to get to work.

But the vote we just took tonight also showed that some in this institution are willing to filibuster and delay to prevent the Senate from even debating Wall Street reforms.

It is clear to me and clear to Coloradans that a vote against even having this debate is a vote to protect Wall Street at the expense of hard-working Americans. Too much is at stake to let this delay persist.

President Roosevelt said in 1932, ''Never in history have the interests of all the people been so united in a single economic problem.'' Once again, as we did 70 years ago let us get to together put in place protections against the Wall Street excesses that threaten our economic stability.

The PRESIDING OFFICER (Mr. WHITEHOUSE). The Senator from Oregon.

Mr. MERKLEY. Mr. President, tonight we had a vote in which 57 Members of this body said we should proceed to have a fully public debate and votes on issues related to Wall Street and Main Street; 57, far more than a majority, said it is time for us to come to this floor, now well more than a year after our bubbled economy burst, and wrestle with the right rules of the road and lane markers for our financial system. But, unfortunately, 57 votes are not enough. We need additional votes from our colleagues across the aisle in order to have that debate on this floor. We need additional votes from our colleagues across the aisle to consider what the lane markers should be and what the traffic signals should be in our financial regulatory system.

Tonight we did not get those votes. Instead, tonight my colleagues across the aisle said they do not want a debate in public on how to reform Wall Street. They want a conversation behind closed doors instead. Quite frankly, I don't think the American people agree with them.

There are many parts of this story, but it is a story that can be told in millions, billions, and trillions. The millions are the size of the Wall Street bonuses. A single bonus can equal what a working family can expect to earn in an entire career. Then we have the billions, the billions of dollars of quarterly profits of many Wall Street firms. Then we have the trillions. That is the trillions of dollars of damages to working families in America.

What happened when the bubble burst more than a year ago? We had a tremendous loss in the value of retirement savings. We had a tremendous loss in the family savings for children to go to college. We had an enormous drop in employment. We had a tremendous drop in families covered by health care because of the loss of employment. We had damage on every part of a family's finances, including the value of their home, so that millions of American families today owe more on their home than their home is worth.

Quite frankly, I don't believe a system of million-dollar bonuses and billion-dollar profits and trillions of dollars of damage to American working families is a system we need in America. Tonight's vote was about whether

to have a public debate on the rules of the road for Wall Street, but it was also about whose side are we on. Are we on the side of some Wall Street firms which don't believe that any additional rules of the road are necessary?

They are happy with the status quo. Bonuses have rebounded on Wall Street. Profits have rebounded on Wall Street. But if you are not paying attention, let me clue you in. The American working family has not rebounded. Ten percent of American working families are unemployed. Houses are still underwater, savings still decimated.

It is very important we have this debate on the floor of the Senate, that we ask ourselves about and we adopt the right rules of the road, the right traffic signals, the right lane markers to create a solid financial foundation for our economy to thrive.

That is what happened after the Great Depression. New rules were adopted that restored the integrity of the American financial system, that restored the integrity of the stock market. Why was that important? It meant that people throughout America and around the world said: We can trust to invest in the United States because their system has integrity, it has transparency. That solid foundation has served our Nation well for decades until deregulation dismantled it, allowed wild speculation. Wild speculation and wild risk led to a spectacular collapse of the economy, and working families are still paying the price.

So what is the way to be on the side of working families? It is to say: We will adopt those rules to provide that new foundation, that new muscular set of rules that will allow Wall Street to prosper but will also set the foundation for the American economy to prosper.

How should we measure the success of that economy? This economy should not be measured by the size of the bonuses on Wall Street. The success of our economy should not be measured by the billion-dollar quarterly profits of Wall Street firms. The success of this economy needs to be measured by how well we build the financial foundations for working families throughout the Nation.

Do we create the ability to have the next generation do better than we did? Do we create living-wage jobs that enable a family to have significant opportunities for their children? Do we proceed to strengthen, as we have been working at in this Chamber, the structure of health care? Do families in America have a share in the increased productivity of our Nation which has not been the case since 1974, the year I came out of high school? Yes, our Nation had a huge surge in productivity, a huge surge in national wealth. But that has not been shared with working families. That is a diversion from what happened in the earlier era.

How do we rebuild our economy so it builds working families? That is what we are about. We can proceed to look at the pieces of this bill. Senator DODD, who is here tonight, the chair of our Banking Committee, has put so many strong steps forward on the work that came out of his committee. A lot of folks don't realize the humble family mortgage and a new product that came out in 2003 is right at the center of the fiasco in our economy.

What happened? A new mortgage called a subprime came out. It was designed differently than subprimes in the past. It was designed with a 2-year teaser rate—that is a low interest rate—then with a prepayment penalty that prevented families, once the ink had dried on the mortgage, from ever escaping that mortgage without giving many pounds of flesh, and then an exploding interest rate that soared from perhaps 4.5 percent or 5 percent to 9 percent or maybe even 11 percent, interest rates that could never be sustained.

This diabolical device was worth a lot of money on Wall Street because it was going to make a lot of money pulling those exploding interest rates out of American families. So Wall Street paid bonuses back to brokers to say to them: I am your financial adviser. I recommend this subprime loan, instead of recommending a loan that was best for the family. So a vicious circle resulted in exploding subprime mortgages.

This bill that has come out of the Banking Committee says: No longer. Prepayment penalties will not be allowed on subprime mortgages. We will break the cycle that led us into this economic fiasco, this financial fiasco.

If my colleagues across the aisle have some ways to improve on that, then let's have a public debate. Let's have that amendment on the Senate floor. If my colleagues across the aisle think they don't want to protect a fair deal for consumers and they want to continue a diabolical subprime exploding interest rate trap that has destroyed millions of families, then go ahead and propose that amendment. I doubt the majority of people will support it. I certainly will oppose it vigorously. But if my colleagues want to do that, then have the debate on the Senate floor.

This bill is designed to end the taxpayer from ever being on the hook for bailing out financial firms again. It does it by assessing financial firms for the cost of unwinding or, to put it a little bit more directly, dismantling a financial firm when it fails. To make sure the taxpayer isn't on the hook, it creates a fee on the financial industry to pay to make sure those costs are covered by the financial industry itself. This is a buffer that protects the American taxpayer.

My colleagues across the aisle have said: No, here is a fund. It looks like a bailout fund.

Quite frankly, it is amazing what we hear on this floor. Here is a fund designed to ensure that taxpayers are protected, to ensure the financial industry pays their own cost of dismantling their firms. Yet it is spun 180 degrees until north is south and south is north, trying to confuse the American public.

I don't think the American public is going to be all that confused about this. They want to see the financial industry pay for the cost of dismantling their own failures. They don't want to be on the hook again. You can try to keep pulling the wool over the eyes of the American people, but it will not work. I say to my colleagues across the aisle, if you want to pull the wool over the eyes of the American people, come here and propose that amendment that puts the taxpayers back on the hook, when we are taking them off the hook. See how it fares. Make your case, make your fair debate on this floor. But come and face and present and debate and vote so that we can proceed to put the rules of the road back in place for Wall Street.

This bill takes a huge stride forward on proprietary trading. It says we should not put fireworks in our living rooms. That is pretty straightforward. Fireworks are wonderful. I love fireworks on the Fourth of July. This bill says they should not be stored in the living room. I have an amendment that I think will further strengthen that concept.

I applaud my colleague, CARL LEVIN from Michigan, my cosponsor, who has brought forward a part of that amendment and emphasized it, saying we need to address the conflict of interest in financial firms. What is that conflict of interest? You should not be in the position of designing and selling securities, telling your customers that they are the best thing since sliced bread over here, when at the same time you are betting against those securities because you think they are going to fail. That is a conflict of interest. It should not be allowed.

Under the Merkley-Levin amendment, we will address that as well as strengthen proprietary trading.

I am comfortable bringing that to the floor of the Senate and having that debate. It may have a majority; it may not. But that is the type of debate we need to have on this floor.

I could go on through the treatment of derivatives—and I applaud my colleague, BLANCHE LINCOLN—the discussion of a consumer financial protection agency that provides the same fairness in financial contracts that the Consumer Product Safety Commission provides on toasters, making sure that tricks and traps and scams are taken out of financial products so that a consumer can make a fair choice without being misled by something hidden in the fine print. That is the type of option citizens in this country want.

Wall Street plays a very important role in aggregating and allocating capital, but we need to make sure the rules are done such that that role is done well, that conflicts of interest are removed, that transparency is provided, that tricks and traps and scams are taken out of financial products. These are the sorts of things this bill does.

This is a bill that is all about fighting for fairness for Main Street which, in the long term, will be a very good business model for Wall Street as well.

Let's, as a Chamber, recognize our responsibility to build an economic system that strengthens the financial foundation of our families—that is what this bill is all about—and puts our country on a firm basis for decades to come. International investors will want to invest back here in America. They will trust the integrity of our system.

I encourage my colleagues to come together when we have the next cloture vote and decide it is time to fight for the people of this country and fight for the economic future of our country by proceeding to the debate on this bill and the passage of this bill and getting it to the President's desk.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. FRANKEN. Mr. President, I rise this evening to talk about how we can take a big step toward holding Wall Street accountable and stopping it from lining its own pockets at the expense of America's families.

Last month, as part of the health care reconciliation bill, the Senate also passed student loan reform that ended a longtime corporate welfare program. Our reforms halted the enormous subsidies the Federal Government paid to lenders in the student loan market, replacing it with a program called Direct Lending that slashes $61 billion—$61 billion—in cost to the taxpayers by cutting out the middleman and lending to students directly. The money saved will go toward Pell grants, helping kids from working families go to college.

Today, as we debate Wall Street reform, we continue that fight to end the stranglehold big banks have on our economy and, by extension, on the everyday life of the American people.

Over the past year and a half, we have seen, in stark reality, the devastating impact Wall Street can have on our economy when it is left to its own devices. Fueled by unbridled greed, a love of risk—well, the love of risking other people's money—and an obsession with profit at all costs, banks bought up toxic mortgages by the thousands, driving the subprime lending market in the process. Credit rating agencies, conveniently funded by the same institutions they were rating—that is a bad idea—gave the resulting securities their highest AAA rating, and the initial ingredients of the financial crisis were born. Incidentally, today Paul Krugman wrote in the New York Times that 93 percent of these AAA-rated subprime mortgage-backed securities have since been downgraded to junk status—93 percent. That is hard to do on anything.

Several bank failures and a $700 billion-plus bailout later, the American people were left paying the price. By October of 2009, unemployment had jumped to 10.1 percent and even today it remains at 9.7 percent. By contrast, just 10 years ago, in October of 2000, the unemployment rate was 3.9 percent. Americans have lost $11.7 trillion—$11.7 trillion—in personal wealth since the financial crisis, and housing values have fallen 15 percent in just the past year. We have seen our retirement accounts shrink and our plans for the future delayed, sometimes indefinitely—and all because of Wall Street's incessant need to rack up enormous profits.

Over the past few decades, Wall Street's profits have gone through the roof. In 1987, the financial industry represented only 19 percent of all domestic corporate profits. By 2009, that number was almost 32 percent. Thirty-two percent of all the Nation's corporate profits went to the financial industry.

The dramatic growth of the financial services industry would be fine if Wall Street was actually adding value—helping to invest in our economy in constructive ways and to create jobs. But, instead, they have been making bets on bets on bets on bets. It is one thing to have a commodities futures market that provides the resources for farmers to put crops in the ground, but it is another thing altogether when Wall Street is just gambling in areas where they have no real productive interest. Let's put Wall Street back to work investing in America, not gambling with its future.

The bill we are discussing tonight would ensure that Wall Street can never again bilk the American people in the same way. It would create a Consumer Financial Protection Bureau—a true cornerstone of this bill. The bureau would be an independent watchdog for consumers housed inside the Federal Reserve. The bureau would force big banks and credit card companies to offer clear terms to families on credit cards, student loans, on retirement financial products. Just as importantly, it would make sure mortgage companies cannot sell misleading loans and mortgages to consumers so we avoid the kinds of problems that led to this crisis in the first place.

For the first time, the bill would set up a council of regulators that would oversee the financial system as a whole. This council would monitor risk across the entire system and ensure that industries and companies do not fall through the cracks between regulatory agencies. This bill also includes a tough section on derivatives to ensure greater transparency and tighten their regulation.

It ends taxpayer bailouts by forcing banks to pony up $50 billion to pay for their own funeral if they fail. This is not a taxpayer-funded bailout, and let me tell you why. First, it is not a bailout. The bank would get liquidated. Secondly, it is not taxpayer funded because taxpayers do not fund it. The banks do. I do not know how to make this any clearer to my colleagues across the aisle. Yet tonight we find ourselves where we are.

Let me be clear: We cannot afford not to pass this bill. Americans are demanding we act to hold Wall Street accountable. Without further protections, it would be easy to have another crisis such as the one we have just been through. Yet tonight, despite the urgency and the importance of this bill, my colleagues across the aisle are filibustering our attempt to reform Wall Street and not just the bill itself. They have blocked us from even starting debate on the bill by filibustering the motion to proceed. They have done this despite the fact that many of them actually agree with substantial portions of the bill. They are doing this because they want to stop government from actually being able to accomplish anything.

I have said it before, and I will say it again. This is a perversion of the filibuster and a perversion of the Senate. Let's turn our attention back to legislating, which is the reason voters put us in this august body in the first place.

I urge my colleagues to support the Wall Street reform bill. We often talk on the Senate floor about wanting to make sure American families are protected. Now we have a chance to actually do something about it. America cannot afford another financial crisis. That is now in our hands in this body, and it is one of our greatest responsibilities.

I thank the Presiding Officer. I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mrs. McCASKILL. Mr. President, I have a favorite President and it is not President Obama. It is, in fact, President Harry Truman. I still cannot quite get over the fact that I am sitting at Harry Truman's desk on the Senate floor and that I hold the seat in the Senate that Harry Truman held.

Tomorrow, when I attend the Permanent Subcommittee on Investigations, and as we see a parade of Wall Street executives justifying their behavior, I will be asking questions at the committee that Harry Truman made famous when he took war profiteers to task many years ago.

Harry Truman said:

If you can't convince them, confuse them.

Well, I am confused. I read today that the ranking member, from the Republican Party, of the Banking Committee said the following at a meeting of community bankers. I am quoting exactly what he said:

I think we basically know what went wrong. We had a lot of hearings. We've been working on it 15, 16 months now.

That is not Chairman DODD who said: ''I think we basically know what went wrong.'' It is not Chairman DODD saying: ''We had a lot of hearings.'' It is not Chairman DODD saying: We've been working on it for 15 or 16 months. It is the Republican ranking member on the Banking Committee.

I am confused. Is it that they do not realize it is a huge problem?

Well, of course they realize it is a huge problem.

Is it that they are not prepared, that they do not have enough information? Well, of course not. Senator SHELBY said today: We basically know what went wrong. We have had a lot of hearings. We have been working on it for 15 or 16 months.

Senator DODD has sat here this evening as many Members of my class and the freshmen class have come to the floor to express regret and confusion about why we cannot debate this bill. It is admirable he has sat and listened to all these speeches tonight. He did not have to. He could have gone home. He is invested in this legislation for all the right reasons: Because he cares deeply about this country. He understands we have an obligation as Senators to address this problem. He sees it as his duty to see this through.

So why—why—did this happen today? Why did we not move forward to debate? It is just politics, raw, bare-knuckled politics—the kind of stuff Americans are so sick of they want to throw up. They are so sick of this game playing, they want to throw everybody out of this place. Frankly, right about now, I do not blame them. What in the Lord's Name are we doing delaying the debate on this bill?

I do believe the leader of the Republican Party thinks his success as a leader can only be defined by my party's failure. It is like it is a football game. I was confused when 41 people signed the letter saying they did not want to go forward. All 41 Republicans signed this letter.

Then I got confused because Senator MCCONNELL came to the floor and said black is white. He literally said that. He said: We cannot be for this bill because we want to stop bailouts. Well, of course this bill is about stopping bailouts. That is why we are doing the bill, to make sure we do not have any more taxpayer bailouts. He knows that. But he honestly, I don't think, believed the American people were paying close enough attention. Then we had the announcement that the SEC had come out of a coma and was going to do something about Goldman Sachs and what had happened. Then, as Senator DODD said so well on the floor the other day, it is like the rooster taking credit for the morning. They said, Well, we wrote that letter and now we are back at the negotiating table. What hogwash. What hogwash. The negotiating table has always been open. The door has always been open. Senator DODD has been out working the floor of this building and every building within a mile trying to find Republicans to sit down and negotiate and find what is the problem we need to solve to make sure we never have this kind of financial meltdown again in America.

Here is another thing that is very confusing. It is time for the markup in the Banking Committee. I believe the number is over 400 amendments were filed by the Republicans for the markup. The Friday before the markup, all of these amendments were on file. Many people worked all weekend long getting ready for the markup on Monday, for the markup of this bill. The chairman of the committee, assumed—as anybody would who has spent as many hours working in this august body as he has—that on Monday Republicans were going to offer amendments. In fact, the Democrats worked all the way through the weekend trying to figure out how many amendments filed by the Republicans they could easily accept without any debate or contention.

So what happens when the committee starts? The ranking member on the Republican side says they don't want to offer any amendments. What? Now I am really confused. They don't even want to try to change the bill in committee. They make no effort to offer any substantive changes, and then they all vote no.

If the American people don't realize that a game is being played here, they need to pause for a minute and think about that. Why on Earth would the members of the Banking Committee from the Republican Party fail to offer one amendment to this legislation, unless there was some kind of plan, political plan: Don't participate. Don't vote for it. Stop it. Obstructionism, saying the Democrats are doing something they are not trying to do: taxpayer bailout.

It would be so easy to stand here and say there are ulterior motives about helping big bankers or helping Wall Street and campaign finance issues. I don't know. I just know I am confused. I am confused as to why the Republicans would march lockstep away from the debate on an issue that is of paramount importance to this country. I am confused why the Republicans would fail to offer one amendment at the committee level. I am confused why debating this bill is a problem for them politically. I am confused.

Ronald Reagan is cited for this quote often, but it wasn't Ronald Reagan who first said it, it was Harry Truman: It is amazing what you can accomplish if you don't care who gets the credit. Man, oh, man, do some people need that advice in this body. We need to quit worrying about whether the Democrats are getting credit or the Republicans are getting credit and realize all the American people want us to do is get to work. Get this thing done. Quit fooling around with this game that is being played. Tomorrow I think the leader may have a motion to reconsider. I would implore my colleagues on the other side of the aisle: Reconsider what you are doing. Many of my colleagues are such fine, upstanding people who also care deeply about their country. They are just wrapped up. They have been convinced this is some political Tic-Tac-Toe match and if they hold on for a couple more turns they are going to be able to draw the line through the series of squares.

This is about whether we fix a serious problem. I am a big fan of how hard Senator DODD has worked. I think he is trying with every bit of intellect and passion he has to get this across the finish line, because he knows we need to do it for the American people. The games need to stop. The American people need to pay attention and realize they have a very good reason to be confused. Let's debate this bill. Let's debate it beginning tomorrow. Let's debate our differences. Let's try to amend it. Let's vote on amendments. Let's agree to disagree on some of it and decide who has the most votes to move forward a piece of legislation, the way our Founding Fathers intended. I guarantee they didn't intend this. They did not intend this, a refusal to even debate.

So let the debate begin. If the Republican Party wants to lockstep and say we don't even get to debate it, then the American people are going to have to draw their own conclusions, and I have a feeling it won't be a good one.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, let me first begin by saying if Harry Truman were here tonight, he would be very proud of his successor sitting in that chair in the back of this Chamber. I wish to thank my colleague from Missouri for her passion, her eloquence, and her common sense, something that Harry Truman was noted for. My father actually seconded the nomination of Harry Truman at the convention in Philadelphia in 1948, and I cherish the letter thanking my father for that nomination now hanging on the wall of my home—a wonderful personal letter thanking him for that seconded nomination. He didn't have many people in 1948. My father had not been elected at that time. He couldn't find elected officials to stand up for him in 1948. My father had a great relationship with

President Truman and was always proud of it. He had a wonderful, direct—some would call it blunt—relationship with him. Frankly, at moments such as this, I think that is what is needed, because as the Senator from Missouri articulated, this is not a complicated moment.

Maybe there are those who don't appreciate how an institution such as this is supposed to operate. It isn't always a pretty process when we engage in debate, with 100 people in this Chamber of different political persuasions, ideologies, and interests. We try to come together as a committee system chosen years ago in order to try and be efficient about our work, so we split up into various groups to consider various matters under certain headings. We sit as Democrats and Republicans, Independents, and try and work our way through a hearing process, listening to experts, gathering informally, talking with one another, reading and educating ourselves, whether it is agriculture or defense or the environment or energy or, in this case, banking, over a period of weeks and months—particularly after a moment in time in our history that nearly brought us to the brink of financial collapse—and then through our collective judgments try and frame to the best of our ability our answers to nagging questions: Why did we get into this mess? What was missing? What did we do wrong? What can we do right? How can we make this better so we don't go through this again, so we don't strangle the system, so we won't lack the creativity and imagination that have been the hallmark of our financial sector and not lose our financial leadership in the world as a nation? How can we harmonize those rules in a global economy today so we don't end up racing to the bottom the various nations who offer the least resistance to some of the practices that brought us to the brink in our own country?

That is basically what we have engaged in for the last 38 or 39 months since I have been chairman of this committee beginning in January of 2007. We didn't agree on everything, but we tried to fashion the best we could. I introduced a proposal back in November. My colleagues said that is a good beginning, but we ought to try some different ideas, so between November and this April, I divided up the committee labors. I asked Democrats and Republicans to take on subject matters because it was a highly complex area of the law dealing with derivatives, dealing with systemic risk, dealing with corporate governance, dealing with consumer protection and other matters; thinking that if we broke it up into groups, Democrats and Republicans would become invested and knowledgeable about the subject matter so we could then frame a proposal that would enjoy the kind of bipartisan support needed to advance the cause.

Well, I wish to compliment my colleagues. Many of them worked very hard. While we didn't achieve a complete understanding in all of these matters, I think the bill reflects a lot of that labor, to such a degree that the proposal we tried to move to today is so fundamentally different than the bill I introduced in November as a result of that labor.

I thank my colleague from Missouri for identifying what occurred a few weeks ago, and that is, of course, the committee markup. Again, my colleagues on the committee made a judgment. They thought that maybe it might be better—there were an awful lot of conflicting amendments, some of which didn't make a lot of sense, quite candidly, from the other side, and I say that respectfully. It was their determination that they would decide to go further in the process without engaging in the amendment process.

So here we are. We need to get to this. I have listened very patiently this evening to some wonderful remarks. I wish to begin with MARK WARNER, who spoke earlier this afternoon on the bill and has made a remarkable contribution to this body and to the Banking Committee. He spent about 20 years in the financial services area, so he speaks from a base of knowledge and personal experience. BOB MENENDEZ of New Jersey as well was eloquent in his comments. Senator KLOBUCHAR, and Senator KAUFMAN, who spoke on this before; JEANNE SHAHEEN of New Hampshire as well, and Senator BURRIS of Illinois, and the Presiding Officer, SHELDON WHITEHOUSE, a good friend who has been invaluable in these debates. We worked together on the health care matter for weeks and months over the last year and, again, his thoughts and ideas on this bill as well I am thankful for; MARK UDALL of Colorado, Senator MERKLEY of Oregon, AL FRANKEN and, of course, Senator MCCASKILL, who I spoke about as well. It is quite a group here, these new Members, their first or second terms in the Senate. I hope my other colleagues and their staffs were listening this evening. It wasn't just eloquence, it was common sense. They are people who have gone home and listened to their constituents. While we all may not agree—and I can't suggest that every amendment they have talked about is one I would necessarily even be supportive of when the debate begins—I firmly believe every Senator has equal status in this Chamber. Whether you are a chairman or a new Member, you are a Senator, and you deserve the courtesies of this institution. You deserve the history of this institution. You deserve to be heard and respected for your ideas and to be given the time to present them, to debate them, and to have an up-or-down vote on your proposals.

That is how this institution is supposed to operate. I have been here for three decades, and in all of my three decades here, I have never gone through a period such as we have over the last couple of months where we can't even get to debate some of these critical matters.

I am still optimistic. I guess that explains why I have been here for 30 years. I still want to believe this is going to work, that all we have been through is not for naught. As does my colleague from Missouri, I have great respect for my colleagues in this Chamber, Democrats and Republicans, and I have over the years, even with people I have had basic and fundamental disagreements with. I am convinced the majority of us here—an overwhelming majority—want to be associated with passing legislation that we believe will make a significant difference in the economic life of our Nation by at least limiting or prohibiting the kind of activities that led us to the problems and economic difficulties we are in.

I hope in the coming days we will have a chance to move to this bill. I hope sooner rather than later. It may be a matter not well known by many, but we only have by my count about 45 or 50 legislative days left in this session. We are working about 3½ days a week. We are here for about another 14 or 15 weeks, when you exclude the August break, the break for Memorial Day, the Fourth of July and, of course, our departure sometime I presume in early October for the elections. That does not give us a lot of time. Last week we spent the entire week on five nominations that, as I recall—and I may be corrected—passed I believe overwhelmingly when the votes finally occurred. So 5 days on 5 people who were filibustered and delayed. That is all we did last week. That was it: five nominations that were ultimately agreed to—not controversial nominations, just ones where votes were designed to slow the process. I don't think the American people want us to leave our work in this Congress without having addressed this issue.

I will end on this particular note. If, for some reason, Lord forbid, a major financial institution were to begin to fail this evening, we are in no better shape than we were in the fall of 2008. There is an implicit guarantee that such an institution would receive the backing of the them and our economy. Despite what I perceive to be overwhelming objections to that kind of a bailout occurring, that is one issue on which there seems to be unanimity. Yet, if tonight a problem began to emerge, we would be in a similar situation as we were 18 months ago. I don't know of a single Member here who would want that to occur. That issue alone ought to cause every one of us to move to get to this debate. That is a principal part of this legislation. There

are other features as well, but that alone ought to be motivation to begin this debate, listen to each other's thoughts and ideas, and to conclude that discussion and debate by passing this legislation—or at least an amended version of this legislation.

I thank these 12 or 13 colleagues for their patience, their eloquence, their determination, and their conviction. As I get ready to leave this Chamber in the coming months, I will leave with a high degree of confidence that this Chamber will be in good hands. After listening tonight to your words, advice, counsel, and determination, it is with a sense of optimism that we will get this bill done. I am confident of that as I stand before you this evening.

With that, I yield the floor.

MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

AMERICAN ASSOCIATION OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES

Mr. DURBIN. Mr. President, I am pleased today to join the Illinois chapter of the American Association of Intellectual & Developmental Disabilities, AAIDD, in recognizing the recipients of the Illinois Direct Support Professional Award 2010. These individuals are being honored for their outstanding efforts to enrich the lives of people with developmental disabilities in Illinois.

These recipients have displayed a strong sense of humanity and professionalism in their work with persons with disabilities. Their efforts have inspired the lives of those for whom they care, and they are an inspiration to me as well. They have set a fine example of community service for all Americans to follow.

These honorees spend more than 50 percent of their time at work in direct, personal involvement with their clients. They are not primarily managers or supervisors. They are direct service workers at the forefront of America's effort to care for people with special needs. They do their work every day with little public recognition, providing valued care and assistance that is unknown except to those with whom they work.

It is my honor and privilege to recognize the Illinois recipients of AAIDD's Illinois Direct Support Professional Award 2010: Gloria Corral, Stacy Howard, Renee Kaye, Mufutau Afolabi, Mary Halloran, Renae Donohoo, Pauline Curran, Denise Smith, Zeola Alston, and Jesse Kelinschmidt.

I know my fellow Senators will join me in congratulating the winners of the Illinois Direct Support Professional Award 2010. I applaud their dedication and thank them for their service.

TRIBUTE TO SPECIAL AGENT JAMES HAROLD SIZEMORE

Mr. MCCONNELL. Mr. President, I rise to thank Special Agent James Harold Sizemore for his many years of service to the people of Kentucky. For nearly three decades, he has worked in the dangerous field of law enforcement, risking his own well-being on behalf of his neighbors, and for that an entire State is grateful.

Harold was born and raised in Clay County, where his father was the sheriff. Harold followed in his father's footsteps and was elected sheriff of Clay County in 1982. He took a hard stand against illegal marijuana cultivation, a problem in that area, and conducted several successful eradication missions.

I first met Harold in 1989 when he was still serving as sheriff, and he described to me the devastating effect marijuana cultivation was having in Clay County. After that and right up to today I have given my full support to the Governor's Marijuana Strike Force, which coordinates local, State, and Federal law enforcement to combat the drug problem in Kentucky. This task force has been recognized by the President's Office of National Drug Control Policy for 5 consecutive years.

In 1990, Harold became a Federal law-enforcement officer with the U.S. Forest Service, a job he held for 20 years. In that capacity, he has conducted over 700 flight hours of surveillance and detection for marijuana eradication missions in Kentucky in support of State, local, and Federal task forces. His dedication and tireless efforts resulted in the eradication of over 100,000 marijuana plants, with a street value estimated at $600 million, many in small plots located in remote terrain to avoid detection.

In addition to these flight hours, Harold also participated in several missions in support of high-risk felony search and arrest warrants executed by State and Federal agencies. His professionalism and expertise, coupled with intimate knowledge of the local area, played a significant role in these missions being accomplished safely.

Harold provided key information in over 20 felony investigations, resulting in several Federal indictments and arrests. His personal knowledge of the Clay County area of the Daniel Boone National Forest played a decisive role in the identification of several suspects caught on surveillance, which was initiated as a result of Harold's aerial reconnaissance.

Throughout his career as a Federal law-enforcement officer, Harold's primary responsibility has been that of marijuana eradication officer for the Daniel Boone National Forest—and from that responsibility he has never wavered. In 2008, he was recognized by the U.S. Forest Service for a career of exceptionally meritorious service.

The U.S. Forest Service sometimes works with the Kentucky National Guard in their drug-control efforts, and Harold's dedication was clear to the soldiers he worked alongside. ''Harold is one of the driving forces behind the success of the Kentucky National Guard's efforts in support of these missions,'' says LTC Karlas Owens.

''When observing marijuana in a helicopter, Harold possessed the patience of Job while maneuvering his ground element over difficult terrain . . . he guided officers cross-country as they walked to distant marijuana plots in the Daniel Boone National Forest and ensured they made a safe return. . . . Harold not only gives 110 percent to the [U.S.] Forest Service, but always supports the Kentucky National Guard and ensures we are successful as well.''

Lieutenant Colonel Owens also has these words for Harold, after working alongside him for 20 years on these dangerous but vital missions: ''For your teachings and friendship, I thank you, Sir.''

A countless number of Kentuckians owe their thanks to Harold as well. Upon his retirement, I know my colleagues in the U.S. Senate join me in thanking Special Agent James Harold Sizemore for his decades of service. The work he has done for so many years has bequeathed to all of us a safer, stronger Kentucky.

ARMENIAN REMEMBRANCE DAY

Mr. LEVIN. Mr. President, at this time every year, we observe Armenian Remembrance Day, when we commemorate the horrific and tragic events that constitute the Armenian Genocide. We also honor those who suffered persecution and lost their lives, and recognize those who survived this dark period in human history.

On April 24, 1915, Turkish Ottoman authorities began rounding up and murdering more than 5,000 Armenians, including civic leaders, intellectuals, writers, priests, scientists, and doctors. This systematic campaign of deportation, expropriation, starvation, and other atrocities continued until 1923, resulting in the deaths of nearly 1.5 million Armenians. As U.S. Ambassador to the Ottoman Empire, Henry Morganthau, said at the time, ''When the Turkish authorities gave the orders for these deportations, they were merely giving the death warrant to a whole race; they understood this well, and, in their conversations with me, they made no particular attempt to conceal the fact. . . I am confident that the whole history of the human race contains no such horrible episode as this.''