United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 111th CONGRESS, SECOND SESSION

Vol. 156 WASHINGTON, MONDAY, MAY 3, 2010 *No. 64*

Senate

The Senate met at 2 p.m. and was called to order by the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, the source of our being, You have given the Members of this body the opportunity to do justice and mercy, to give aid to the oppressed, to lift the burdens of the weak, and to comfort those who live in sorrow. Today may their words and deeds reflect an earnest desire to build on a tradition of equity and truth. In the voicing of their convictions, save our lawmakers from harboring resentment, as You infuse them with the spirit of Your peace.

We pray in Your merciful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MARK R. WARNER led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 3, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WARNER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

Mr. McCONNELL. Mr. President, ordinarily the Democratic leader would go first. He will be here momentarily. I will go ahead with my opening statement.

GULF COAST, NEW YORK CITY, FINANCIAL REGULATION

Mr. McCONNELL. Mr. President, we are deeply concerned about what is going on in gulf coast right now as this massive oil slick spreads even further and makes its way toward the coast. The entire Nation is bracing itself for the full impact of this disaster, which, as we all know, could get far worse.

Our focus at the moment is on stopping the leak and mitigating the damage as quickly as possible, so we will be paying close attention to the administration and to local officials on the ground to assist them in those efforts as the oil comes ashore. We are all hoping that the coordinated efforts of local, State, and Federal officials, along with BP workers, will prevent a worst-case scenario.

No one is ignorant of the impact this spill has already had and could potentially have on the environment, the economy of the gulf, or on the thousands and thousands of individuals and families whose lives and livelihoods are rooted, in some cases for generations, in the fish and wildlife that live in these coastal waters. It is heartbreaking to think of those who live in this region enduring yet another tragedy, but we are inspired by their resilience and by the tireless efforts of those engaged in the repair and recovery efforts.

Tragedies like this are a reminder of the dangers so many Americans endure every day in the work of keeping America moving, and of the fragility of the environment. Our prayers remain with the families of those who were lost in the initial explosion. We will also be keeping the repair and recovery workers in our thoughts as we continue to monitor the situation. Once the flow has been stopped and help is on the way, there will be a full investigation into what went wrong and what can be done to prevent anything like this from ever happening again.

Meanwhile, a potential tragedy appears to have been averted over the weekend thanks to the vigilance of ordinary citizens and the quick response of law enforcement officials in New York City. We were all alarmed to learn of the attempted car bombing in Times Square but relieved that it failed to go off.

All of this was a vivid reminder of the continual threats to our security and of the need to remain vigilant and to never drop our guard. New Yorkers responded to this attempted attack just as we would expect them to. Within hours, Times Square was again full of tourists, and on Broadway every show went ahead as scheduled on Sunday. So we applaud the people of New York and the local and Federal law enforcement officials who snapped into gear to disarm the car bomb and who continue to investigate this situation.

Here in the Senate, debate continues on the financial regulatory bill. I will just note as we continue this debate that a consensus seems to be emerging among the experts and the public about two thing. First, it would be deeply irresponsible to rush a piece of legislation this far-reaching without fully understanding its potential impact on ordinary Americans who had nothing to do with the financial crisis.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Second, any bill that comes out of the Senate must actually address the core problems that led to the crisis. This should be obvious, but the fact is, a lot of people are increasingly concerned that this bill could actually miss the mark completely, not just as a result of what it does, but as a result of what it fails to do.

On example is Federal housing policy, as embodied by the government-sponsored enterprises Fannie Mae and Freddie Mac. In my view, it is simply not acceptable for some on the other side to suggest that we have to rush this particular bill through Congress, but that it is OK to wait another year to address the GSEs, which we all know played a central role in the financial crisis.

So Republicans will work to make sure this bill actually addresses the problems at hand, and that in an effort to rein in Wall Street, this bill doesn't actually end up hurting those who had nothing to do with this crisis.

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. 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.

SCHEDULE

Mr. DODD. Mr. President, as I understand it, the Senate is now going to resume consideration of S. 3217, the Wall Street reform bill, and I am told there will be no rollcall votes during today's session of the Senate.

The ACTING PRESIDENT pro tempore. That is correct.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RESTORING AMERICAN FINANCIAL STABILITY ACT OF 2010

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

The bill clerk read as follows:

A bill (S. 3217) 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.

Pending:

Reid (for Dodd/Lincoln) amendment No. 3739, in the nature of a substitute.

Reid (for Boxer) amendment No. 3737 (to amendment No. 3739), to prohibit taxpayers from ever having to bail out the financial sector.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

GULF COAST DISASTER

Mr. SANDERS. Mr. President, before I talk about financial reform, I did want to say a word about the disaster on the gulf coast now and the oil spillage there. Obviously, all of our hearts go out to the families of the 11 workers who lost their lives and to the thousands and thousands of employees in the region who are going to lose their jobs as this terrible contamination spreads all over the gulf coast.

But I hope very much we comprehend, in the midst of the disaster, that when we are dealing with technologies such as offshore drilling or, in fact, nuclear energy, we cannot be 99.99 percent successful. Unfortunately, as human beings, 100 percent success is a goal we often do not reach. That is why, in my view, as someone who has long opposed offshore drilling, I think it is absolutely imperative we understand as a nation if we move aggressively to energy efficiency, if we move aggressively to such clean, sustainable energies as wind, solar, biomass, and geothermal, we can, in fact, break our dependence on foreign oil and on fossil fuel in general, and we can create millions of jobs as we become energy independent without having to deal with the calamities we are experiencing today.

Mr. President, either tomorrow or shortly after—I hope tomorrow—I will be offering an amendment which deals with transparency at the Fed. I did want to say a few words about that.

At a time when many Americans are dispirited by the intensity of the partisanship which they see in Congress, this amendment, demanding transparency at the Federal Reserve, does something which is quite unusual. It brings together some of the most progressive Members of the U.S. Congress—and I consider myself in that fold—with some of the most conservative. It also brings together some of the strongest grassroots progressive organizations in the country with some of the most conservative. So what we are seeing in this amendment is a coming together of millions of Americans who have very different political ideologies but who agree it is absolutely imperative we bring transparency to the Fed.

This amendment is virtually identical to legislation I have offered on the subject that now has 33 cosponsors. In order to give an indication of the diversity of ideological position, let me read who they are. They are Senators BARRASSO, BENNETT, BOXER, BROWNBACK, BURR, CARDIN, CHAMBLISS, COBURN, COCHRAN, CORNYN, CRAPO, DEMINT, DORGAN, FEINGOLD, GRAHAM, GRASSLEY, HARKIN, HATCH, HUTCHISON, INHOFE, ISAKSON, LANDRIEU, LEAHY, LINCOLN, MCCAIN, MURKOWSKI, RISCH, SANDERS, THUNE, VITTER, WEBB, WICKER, and WYDEN. That is a very broad cross section of ideological opinion in the Senate.

In the House of Representatives, a similar process has taken place, and this concept has been cosponsored by 320 Members of Congress. That is a lot. That very rarely happens. That legislation was authored by Republican Congressman RON PAUL and Democratic Congressman ALAN GRAYSON.

The amendment I will be bringing to the floor of the Senate has 15 cosponsors—Republicans and Democrats alike—and I very much appreciate their support. This amendment is simple and it is straightforward. At a time when the Federal Reserve has provided over $2 trillion in zero or near zero interest loans to some of the largest financial institutions in this country, this amendment requires the Fed to tell the American people who got the money. I do not think that is a very radical concept.

This amendment would simply do two things: No. 1, require the nonpartisan GAO, the Government Accountability Office, to conduct an independent and comprehensive audit of the Fed within 1 year; and, secondly, require the Federal Reserve to disclose the names of the financial institutions that received over $2 trillion in virtually zero interest loans since the start of this recession.

In terms of progressive grassroots organizations, this amendment enjoys the strong support of Americans for Financial Reform, a coalition of over 250—250—consumer, employee, investor, community, and civil rights groups, including the AFL–CIO, which represents millions of American workers, and the AARP, which is the largest senior group in this country representing tens of millions of seniors. So what we are looking at are grassroots organizations representing a huge part of our population that say it is time for transparency at the Fed.

There are also many conservative grassroots organizations that are supporting this amendment, including the Campaign for Liberty, the Rutherford Institute, the Eagle Forum, and many other groups.

This amendment is not a radical idea. As part of the budget resolution debate in April of 2009, the Senate voted overwhelmingly in support of this concept by a vote of 59 to 39. That is a strong sign that this Senate wants transparency.

In the House of Representatives, this concept passed the House Financial Services Committee by a vote of 43 to 28 and was incorporated into the House version of the Wall Street reform bill that was approved by the House last December. So a provision very similar to what I am offering is already in the House bill. So we are not talking about some kind of fringy idea. It has widespread support in the Senate. It is already, to a significant degree, incorporated into the House bill.

This concept has the support of the Speaker of the House, NANCY PELOSI, who has said Congress should ask the Fed to put this information ''on the

Internet like they've done with the recovery package and the budget.'' In other words, what she is saying is, if we look at the TARP bailout, we have all the information we want—from who received that money, how it was paid back, et cetera, et cetera—it is out there on the Internet of the Treasury Department. That is where it should be. We want to bring that same type of transparency to the Fed.

This concept, interestingly enough, has already been supported by two Federal courts—two Federal courts—that have ordered the Fed to release all of the names and details of the recipients of more than $2 trillion in Federal Reserve loans since the financial crisis started as a result of the Freedom of Information Act lawsuit filed by Bloomberg News.

The Fed has argued in court that it should not have to release this information, citing, according to Reuters, ''an exemption that it said lets federal agencies keep secret various trade secrets and commercial or financial information.''

However—this is important; this is not BERNIE SANDERS speaking, but this is a Federal court—the U.S. Appeals Court in New York disagreed with the Fed's assertion. Here is what a unanimous—underline ''unanimous''—three-judge appeals court panel wrote in their opinion. I quote them:

[T]o give the [Fed] power to deny disclosure because it thinks it best to do so would undermine the basic policy that disclosure, not secrecy, is the dominant objective. If the Board—

The Fed—

believes such an exemption would better serve the national interest it should ask Congress to amend the statute.

That is what a three-judge U.S. appeals court panel unanimously said. This appeals court decision upheld an earlier ruling by the Southern Federal District Court of New York that also ordered the Fed to release this information.

In other words, we now have 59 Senators, 320 Members of the House of Representatives, and 2 U.S. courts who have all told the Fed, in no uncertain terms: Give us transparency. Tell us what happened when you put at risk trillions of dollars of taxpayer money.

Based on the kind of grassroots support that exists in support of my amendment, I think the overwhelming majority of the American people want that transparency, and it is our job to give it to them.

I do understand this amendment will not be supported by every Member of the Senate. Some of them may come up and say: Well, it is not accurate, so I want to deal with this right now. They may state that this amendment would take away the independence of the Fed and put monetary policy into the hands of Congress. Every other day, there could be a great debate here about whether we raise interest rates and that we get involved in every detail of monetary policy. That is absolutely not what this amendment does, and the language in the amendment is very, very clear.

This amendment does not take away the court-appointed independence of the Fed, and it does not put monetary policy into the hands of Congress. This amendment does not tell the Fed when to cut short-term interest rates or when to raise them. It does not tell the Fed what banks to lend money to and what banks not to lend money to. It does not tell the Fed which foreign central banks they can do business with and which ones they cannot do business with. It does not impose any new regulations on the Fed, nor does it take any regulatory authority away from the Fed. In fact, the amendment prohibits Congress and the GAO from interfering with or dictating the monetary policy decisionmaking at the Fed. We are very clear about this in the amendment. This amendment simply requires the GAO to conduct an independent audit of the Fed and requires the Fed to release the names of the recipients of more than $2 trillion in taxpayer-backed assistance.

There is a lot more to say, and I look forward to saying it when the amendment gets to the floor. Let me conclude by saying this: I don't remember the exact date—perhaps a year or so ago—when, as a member of the Budget Committee, we were addressed by Ben Bernanke, the Chairman of the Fed. When he came before the committee, I asked Mr. Bernanke if he would release the names of the financial institutions that received trillions of dollars on near zero interest loans. He said he would not do that. On that day, I introduced the legislation which now has 33 cosponsors.

So I look forward to hopefully tomorrow bringing this amendment to the floor. I am proud of the kind of tripartisan support we have gotten. I am proud of the fact that we have people from every conceivable ideology who are fighting for transparency, and I hope we can win this amendment and let the American people get an understanding of who received trillions of dollars of their money during the bailout period.

Mr. President, with that, I yield the floor and note 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. KYL. 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. KYL. Mr. President, let me address the amendment which we are going to be taking up first, I gather, on the so-called financial regulatory reform bill, the Boxer amendment.

The Boxer amendment, as I understand it, is a declarative statement that taxpayers will not be responsible for any Wall Street bailouts. My understanding is that it is not a provision that would enforce itself or would in any way be enforceable in the legislation, but it certainly expresses a sentiment I assume every Senator would share. The problem, however, is not just the fact that we are concerned that taxpayers will be responsible for bailouts but the fact that bailouts will exist in any event and how that might affect people who have invested in or lent to an institution, what authority it would give the U.S. Government, and whether such a provision would apply as well to perhaps the biggest miscreants here: Fannie and Freddie, the two government-sponsored enterprises that hold the vast majority of the mortgages that are unsound or on less than strong financial footing—I will put it that way. So the question is not so much whether taxpayers' dollars will be used—though this amendment, while expressing a good sentiment, doesn't operatively prevent that—but just as much whether Wall Street will still be bailed out but in a different way. Will the appropriate policies and institutions that should be in place to prevent this be amended into the legislation?

If all we want to do is ensure failing institutions are liquidated, then of course we can have a bankruptcy regime, and many people believe that is the appropriate regime because it is a tradition of law. Everyone knows exactly how it works, where you stand, and it ordinarily has been successful in liquidating firms that cannot pay their obligations.

After the Lehman bankruptcy and the contagion effects which surrounded that, some believe bankruptcy wasn't really well suited to these kinds of large financial institutions, and it may well be that traditional bankruptcy would have to be modified in some respects in order to easily apply to the liquidation of a financial institution that large.

One of the things, though, we need to do in figuring out exactly what the right process should be is to make sure creditors aren't receiving special treatment—for example, the way they did when the auto companies were bailed out and when other firms were bailed out. Otherwise, we will actually be increasing moral hazard rather than decreasing it, which is, of course, part of the exercise here.

A government-compelled fund that takes money from successful firms and transfers it to a failed firm, for example, regardless of how you seek to justify it—as an assessment or a recruitment or a tax or whatever you might call it—is still a bailout. Ultimately, the question is not only who will pay for it but also, how does it scramble the obligations and the prioritization of obligations compared to what bankruptcy would do?

The people who bear the cost of propping up a failed firm, for example, have nothing to do with the fact that firm failed or with the poor decisions of that firm. So if, instead of the American people, you are going to make other entities in its area—for example, a bank begins to fail, so you are going to make the other banks prop that bank back up. How is that fair to the shareholders or investors in the bank that has to do the propping up, or the groups of banks? They didn't have anything to do with the poor decisions made by the management of the failed firm, whereas you can argue that the lenders to the failed firm, the people who invested in the failed firm, and certainly the managers of the failed firm all had something to do with the direction the failed firm took. Because of that fact, the bankruptcy laws have set out priorities as to who ends up bearing the risk of the failure of that firm. The lenders and the investors in failing companies lose control of the money they invested, and whatever resources remain are channeled by the bankruptcy court into productive endeavors or to pay the people who have lent the money to the firm. That is exactly the opposite of what a government-sponsored fund does in transferring resources from a productive to unproductive purpose. Here, if it is not the taxpayers who fund it, then it is fellow banks, let's say, or fellow financial institutions—again, people who had nothing to do with the failure of the entity that is being acted upon.

Fortunately, there is a process that can address the problem of failing firms, that does move resources into more productive areas and at the same time holds those directly responsible for the mistakes accountable. There are different names for this and it can take different forms. One of them is called speed bankruptcy—in other words, a form of bankruptcy that recognizes that in certain institutions you are going to need to quickly take hold of them and, in order to prevent contagion in the market, shore up their financial situation so they cannot infect others and therefore cause a larger failure than just relates to that particular company.

We should describe bankruptcy, first of all, to appreciate what this does. A firm becomes insolvent when its liabilities—which could be payments to bondholders, it could be payments to suppliers, it could be repaying loans—are worth more than the assets the company has, assets such as land, capital, accounts, the value of intangibles, and even things like reputation.

Over the last couple of years, we have seen the collapse or near collapse of several well-known firms—for example, the GM and Chrysler auto companies, as I mentioned, Bear Stearns, AIG, the big insurance companies. We have also seen Fannie Mae and Freddie Mac, which are projected to be dependent on government assistance for the foreseeable future—and by government assistance, of course, ultimately we mean the taxpayers of this country. In the examples I cited above, the government response was in effect to prop up the failed firm with taxpayer funds.

This so-called speed bankruptcy and iterations of the idea would instead convert a portion of the existing longer term debt of the company into equity. There are a lot of benefits, as you can see, to such a proposal. For example, with a large, complex firm that is in financial trouble, a lengthy process could create the kind of uncertainty that would otherwise undermine the ability of the company to continue once it exits the resolution process and, as I said, could also infect others in these areas. A speed bankruptcy, on the other hand, would permit the firm to remain in operation, to keep running.

There is a paper that has been written on this that I think is very interesting. Garret Jones at the George Mason University Mercatus Center writes that this kind of proposal actually leaves bondholders with something of value so they are not entirely wiped out and retain the potential to make up for some of their losses if the equity shares they receive in lieu of their bonds once again gain value. Here is what he writes in this recent paper:

> Friday's bondholders become Monday's new shareholders, and the banking conglomerate can continue borrowing and lending much as before, with little possibility of a short-run crisis.

It is a little bit like debt or possession financing in a bankruptcy, but it matters where you get the financing, and in this case creditors of one kind become creditors of a different kind, trading, in this case, bond for equity in the firm.

Second, unlike government-sponsored bailouts, investors directly tied to the troubled firm bear the financial costs of the restructuring of the firm.

Third, since many of the bonds are publicly traded and are therefore liquid, the process would be entirely transparent, and the reason the process could occur so quickly is because of that conversion.

Fourth, a debt-to-equity conversion leaves deposits untouched, avoiding a potential run on the bank in the case of banks and financial institutions.

What steps and operations would be necessary to make this work?

First, an insolvent firm would be able to convert an amount of its long-term debt specified in advance into stock in order to recapitalize and strengthen the institution. Under such a proposal, regulators would first need to declare that the institution is the risk.

Second, the firm would need to breach a certain specified capital level to actually trigger the conversion. Once this process occurred, the restructured firm would emerge healthier, with less debt, with more equity, without any taxpayer money being used and without any money being used from other banks or other financial institutions.

For example, Pershing Square Capital Management released a proposal to convert $75 billion of Fannie Mae's $750 billion senior unsecured debt into equity. For every dollar of senior unsecured debt, the bondholder would receive 90 cents in new senior unsecured debt and 10 cents in value of new, common equity. As a result, the new Fannie could take advantage of its new capital. It has a dollar to expand its underwriting. It can utilize increased cash flow to absorb expected losses and, in the future, once conditions improve, to reduce its balance sheet by gradually selling some of the mortgage assets on its books.

John B. Taylor writes today in the Wall Street Journal how to avoid a bailout bill:

> You do not prevent bailouts by giving the government more power to intervene in a discretionary manner. You prevent bailouts by . . . making it possible for failing firms to go through bankruptcy without causing disruption to the financial system and the economy.

Here is the summary of what I am saying. Most of us here do not want to see taxpayer bailouts of these firms that have made poor management decisions, have invested poorly, and have made mistakes for which taxpayers should not be responsible.

That is the genesis of the Boxer amendment. But for the Boxer amendment to be effective, two things will have to be done, and perhaps we will have suggestions on how to change it. It would have to be operational and enforceable. As I said, the amendment is oratory language—taxpayer funds should not be used for bailouts. We know that a sense-of-the-Senate resolution is nothing more than that, a sense of the Senate. It needs to have operational and enforcement language to have meaning. It is my understanding that this language doesn't.

Second, the real question is whether instead of a bailout, where government—I don't want to use the word bureaucrats—officials representing the U.S. Government in one, two, or three different entities could, on their own, with little direction in congressional legislation, determine that a firm now needs to be taken over or bailed out, and without very much legislative criteria to direct them as to how to do it, or the circumstances under which it should be done, could begin to unwind that firm, using taxpayer money that is later recouped or perhaps funding from a tax or an assessment on other banks, for example, to infuse capital to keep it from going out of business. This is a way in which bankruptcy would ordinarily work, except that bankruptcy works according to a set of rules and traditions that have been developed over a couple hundred years that everybody is familiar with, and which people took into account before they made investments in or lent money to a company in the first place. If they became a bondholder, they knew where the bondholders would be in the order of priority in the case of a bankruptcy. If it is secured, they would have one level of security, and if it is unsecured, they are going to be at the bottom of the totem pole when it comes to distributing the assets of the bankruptcy. Lending is predicated upon their understanding of these well-known rules and principles.

Moreover, they understand that a judge will be in charge, and he will put people under oath and cause them to testify so that you know exactly what the assets are, and you can understand what it would take to keep the company running or, in the event it does have to be liquidated, how the funds would be disbursed. A trustee is appointed, who has a fiduciary responsibility, under the court rules, to manage how the company comes out of bankruptcy, or to ensure that the rules of bankruptcy and the judgment are carried out. That is the way a bankruptcy works. It is a proper way to unwind or liquidate most businesses in this country.

I think those who say these financial institutions are different, we need a different set of rules, first, have an obligation to tell us why. What is different about these entities that the bankruptcy laws simply don't work? What would cause them to have a different set of treatments? If there are some things—and I can think of a couple things that distinguish them—then how can we modify the bankruptcy rules in effect to take into account those differences? One deficit, one could posit, is the fact that a large financial firm could easily have an effect on others invested in or who they invest in and, therefore, in effect cause a domino effect in markets. That could happen very quickly. Therefore, when you see signs of a problem, you need to deal with that very quickly. That is where this idea of bankruptcy comes from. It doesn't take a government bureaucrat or a government entity set up for this purpose to figure out that is what needs to be done and how to do it. It can be done within the context of bankruptcy today or with relatively modest modifications in the Bankruptcy Code, we could make those changes.

The fear a lot of us have is that the people who are not elected or constrained by any particular power, except the limitations Congress imposes upon them—and in this bill those limitations are very general—those people could make decisions and put somebody into this process to decide who gets paid how much, without any reference necessarily, for example, to the Bankruptcy Code, who gets privileged and who isn't, and with whose money.

If you look at the example of the two auto companies, you find that labor unions were substantially privileged to the exclusion of other investors. A lot of people thought this was wrong. It was contrary to the way it would have evolved had they been in bankruptcy court. So what most folks would like to see is a process you can count on, that you have rules of law established over time in the bankruptcy law that enable you to rely upon them, and not some unspecified, unclear process that is run by some agency of the U.S. Government. While it is certainly a step forward to say that taxpayers should not be on the hook for this, it is not enough to say that, A, because that is not operational or enforced, but, B, because there are other ways to do it that represent a closer adherence to the rule of law that would be better at promoting investment or lending in the first instance, because of the clarity and predictability of the way the situation would be treated in the event of a bankruptcy; and finally, that people who are not responsible for the bad management decisions would not have any liability when that company is liquidated or comes out of bankruptcy operating again. Rather, the people who had been involved in the company in the first instance would bear that obligation.

This is just one idea—one of many—as an alternative to the specific provisions in the legislation. It is my hope that as we continue debate about this portion of the bill, we can come together on a set of principles that would adhere more closely to the rule of law established in the Bankruptcy Code to the concept that those responsible should be the ones who end up bearing the burden and that, in any event, as it appears most of us would agree, taxpayers should not be responsible for the decisions made by the management of a failing firm.

I wonder whether my colleagues want to speak. If not, I will suggest the absence of a quorum. The Senator from Illinois wishes to speak.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, let me basically set the stage on what we are doing in the Senate today and why it is so important.

This bill, which Senator DODD of Connecticut has worked on for months with his staff—1,407 pages—is basically a bill that has been designed to create financial stability in the United States. Even with this great economy we have and all of the financial institutions and businesses notwithstanding, this recession has brought us economic pain that many of us have never seen in our lifetimes and only remember vaguely from our parents and grandparents describing the Great Depression.

What Senator DODD and the Banking Committee set out to do was to basically change the law to establish more oversight of financial institutions to make sure we never get into this mess again. It took quite a few pages to do it. This week, we start considering amendments to the bill, efforts to improve it, change it, and delete sections. It is the Senate in its historic role as a deliberative body.

Today, there are no votes and that is why there are few Members on the floor. Amendments will be offered and the votes will start maybe as soon as tomorrow if Senator DODD and Senator SHELBY can reach an agreement. It is worth a moment's reflection to understand why we are here with a bill of this importance and magnitude, which may take a week or more—probably more—before it is completed. The Pew Financial Reform Project recently summarized what we have been through in this recession. It is a painful reminder, but it is worth noting as we start this debate. This is what they estimate to be the devastation caused by the recession we are in: $100,000, the cost to the typical American family in combined losses from declining stock and home values; $360 billion, the estimated loss in wages due to slow economic growth, in October 2008 through 2009, and that is a loss in wages of over $3,250 for the average U.S. family because of the recession; $3.4 trillion, the total loss in real estate wealth from July 2008 until March 2009, so roughly, on average, every household in America who owns a home lost $30,300 in value; 5.5 million, the number of additional jobs lost due to slow economic growth, and some 8 million Americans are unemployed, and another 6 million are discouraged and not looking for work; 500,000, additional number of homes foreclosed upon during the most acute phase of the crisis; $7.4 trillion, total loss in stock wealth from July 2008 through March 2009. That is more than $66,000 per household, and it was usually felt in retirement accounts and savings accounts of families all across America.

These are indications of what we have been through and, to some extent, are still going through. We are emerging from this recession, but it was a devastating loss to families and businesses across America, and a loss many are still trying to recover from. Senator DODD took on the unenviable task of looking at the laws we have on the books and asking: How can we strengthen them to avoid this from happening again?

Of course, there are several things that stand out. Why did the United States get in the business of stepping up and saying we are going to take taxpayer dollars to save private businesses? That is what we did. AIG, the largest insurance company in the world—initially, the Federal Reserve came in with some $85 billion when they were about to fail. If I am not mistaken, over the course of time, they added another $100 billion given to this one entity to keep it afloat. Why? Because they had basically guaranteed with insurance policies business contracts at every level in the American economy, and they were about to fail. They didn't keep an adequate reserve. So as these contracts started to fail, this insurance company couldn't pay off its promise. The feeling was that the whole economy would collapse on itself if we didn't prop up AIG to keep it in business.

The same was true for major financial institutions—institutions that dreamed up securities which had never existed before. They decided to start packaging mortgages. So the mortgage I entered into in Springfield, IL, with my local bank could have been sold off to another bank, and then to some other financial institution, and then chopped and diced into pieces, those pieces each going to a separate security; and people were investing in them, guessing whether my wife and I were going to make our mortgage payments.

As they went along, these rating agencies that are supposed to look at these securities and decide whether they are good or bad were giving them sky-high AAA ratings, as good as a government security. Why? Because there weren't many defaults in real estate mortgages and, historically, real estate values went up. So they said this is a safe investment. Meanwhile, there were people looking at derivatives, saying we think this may be too optimistic, and we think maybe people are being loaned money for mortgages who might not be able to pay.

As we got into it deeper, that is exactly what happened. Banks and financial institutions were offering mortgages to people under no-doc loans, no document loans, which basically meant if you said, I am making $100,000 and my wife is making $100,000 and we have maybe $50,000 in debt, they would say: That is all we need to know; let's go to closing.

But where were the income tax returns and the documents to prove it? They weren't worried about that because they would get the mortgage and quickly sell it off to somebody else. That created this house of cards that eventually tumbled.

What Senator DODD and the Banking Committee are trying to do is make sure we never get in the position where American taxpayers never have to be called on to prop up banks, financial institutions, and insurance companies which, if they failed, would bring down the economy.

The first amendment we have is from Senator BOXER of California. It has been referred to by the minority whip, Senator KYL, in his opening remarks. He referred to it and described it as kind of a sense-of-the-Senate offering. For those not familiar with how the Senate works, at the end of the day, we have a long list of resolutions that we offer for winning basketball teams and for national dairy ice cream dairy month, and fair play for Paraguay, and all sorts of things. These are sense-of-the-Senate resolutions, where we express our warm feelings for the good things happening in this country.

This offering by Senator BOXER is not a sense-of-the-Senate resolution. It is an amendment to the bill. It is so short and direct that I want to read it. It consists of three sentences. Listen to them in clear, plain English, and you will understand why Senator BOXER's amendment is the right one for us to start with:

First:

All financial companies put into receivership under this title shall be liquidated. No taxpayer funds shall be used to prevent the liquidation of any financial company under this title.

Second paragraph:

All funds expended in the liquidation of a financial company under this title shall be recovered from the disposition of assets of such financial company, or shall be the responsibility of the financial sector, through assessments.

Third:

Taxpayers shall bear no losses from the exercise of any authority under this title.

This is not a greeting card. This would be a law with teeth prohibiting the taxpayers of America from ever being left holding the bag again when a bank makes stupid decisions and faces liquidation. That is not a sense-of-the-Senate resolution. It would be a law and should be the first thing we pass.

Senator BOXER listened to the debate back and forth about taxpayer bailout. She said to me and others: I am going to make this clear. I am going to put it in as clear language as I can think of to make sure that at the end of the day, we never go through this again. Her leadership on this amendment—it is right to be the first subject to be brought up. Those on the other side who dismiss this as not being powerful enough need to take the 2 or 3 minutes it would take to read it. If they read it, they will understand it is powerful, direct, and understandable language that says we are never going to let the taxpayers face this kind of obligation.

It is not the only provision in this bill. There are many others that have been worked on for a long time. Senator DODD negotiated with the other side literally for months trying to reach a bipartisan agreement. I know he tried. He tried hard with Senator SHELBY, the ranking Republican, with Senator CORKER, a member of the committee, also a Republican. At a committee hearing he held, the Republicans offered 400 amendments, something of that nature. When the time came to call the amendments so there would be an open debate and the bill could be changed one way or the other, they made a decision not to call any amendments, not to offer any changes to the bill.

I say on behalf of Senator DODD, he has shown a good-faith effort to try to make this a strong bipartisan effort. It is not too late. As we start the debate this week, we have a chance to reach, I hope, some agreement and make this a strong bipartisan bill at the end.

But when I listen to Senator KYL of Arizona talking about the goals of this bill and what we want to achieve, I am worried. You see, the Republicans issued their summary of their substitute bill, the bill they want to offer to replace this bill. Within that summary, there is one thing that stands out: There is not a single provision in the Dodd bill which the Republican substitute would strengthen. There is no language we could find in their summary where they say: We are going to make sure we protect families and businesses and consumers more. Each and every section of their substitute weakens this bill, strengthens the banks, and removes the oversight and transparency requirements in so many different areas.

When we take a look at the powers that the Dodd bill provides to the Federal Reserve, unfortunately this Republican substitute does not even give those same powers so that the Federal Reserve which could require, for example, more leverage requirements so that a bank would have more money in the bank to back up investments they would make, liquidity requirements, those are all weakened by the Republican substitute. Time and again their approach to this bill to avoid an economic disaster is to water it down.

Last week, they had a different strategy. The strategy was a filibuster strategy to stop us from even coming to this bill. When they could not sink the bill, they decided they would let us move forward and try to water it down. I don't think that is a move in the right direction for the American economy. I hope we will stand against amendments which weaken this bill.

It is estimated that the financial industry is spending over $100,000 a day in Washington on lobbyists who are trying to get us to weaken or defeat this bill. One may not see them as one walks around Capitol Hill. Believe me, they are busy at work—on the telephones and visiting the offices—asking Members to weaken this bill.

I hope we have the fortitude to say no because this is something that needs to be done. This bill needs to be passed. If anything, we need to strengthen provisions of it.

There is one section that means a lot to me on consumer financial protection. I offered a separate bill on the subject before it came up. Historically, we gave consumer financial protection to a lot of different agencies. Sadly, none of them took it too seriously.

I can recall when the Chairman of the Federal Reserve, Ben Bernanke, was up for reconfirmation just a few months ago. I talked with him in my office. He said: Over the years, the Federal Reserve was given powers to protect consumers. He said: What happened was we never used them. Recently we have started to, but historically we did not use this authority.

We had a situation that when it came to the safety and soundness of banks, they were doing their job, trying to make sure the banks had enough in reserve, that their practices were meeting the law. But when it came to protecting the people, the customers of the banks, they did not really apply themselves to that situation. That was repeated in several other agencies.

What Senator DODD has done is to create the strongest consumer financial protection law in the history of the United States of America. He is not creating a massive bureaucracy as his critics say. Rather, he is saying we will have one agency with its own funding and its own authority which will be able to look at legal documents that Americans, families, and businesses deal with every day to protect us from the tricks and traps into which we can run.

There will be more complete disclosure when it comes to signing an important document—such as a mortgage, credit card agreement, a student loan, an automobile loan, a retirement plan—so that individuals will be empowered across America to look at the facts and make the choice that is best for them.

We are not going to create any kind of guardian angel society. People may still make a bad decision, but they will do it with their eyes wide open instead of being lured into a document which has a secret clause that ends up exploding and hurting them financially.

It happened not that long ago. My colleagues may remember if any of them have been to real estate closings, sitting down in that bank office at a table with your spouse, with two ballpoint pens in hand as they turned the corners of the documents and you signed away for about 20 or 25 minutes. About halfway through you say: What is this again? Oh, don't worry, it is standard boilerplate, just required by the government; been through it all; done it a thousand times. Off you go.

At the end, you put the ballpoint pen down, stand up, shake hands, hand a check, get the keys, go to the new house. But you never know until a later time whether there is a clause or provision in one of those agreements that can come back to haunt you. Let me give an illustration.

In the days of subprime mortgages, people used to be lured in to take a mortgage on a house because the payments were so low: In the first couple of years you mean my monthly payment is going to be half of what I was paying, and I can have this big house? It's a deal. In the third year, there is going to be a change, but the home is going to go up in value. And off you go and sign up.

Some people did not seriously take into consideration that things might go bad for them personally, such as losing a job or the value of the home may not go up as promised or the interest rate may go sky high and they cannot handle it.

In the early mortgages, they had a prepayment penalty. That one clause, that one sentence meant those people at that moment in time would face the worst economic situation of their lives because instead of being able to renegotiate a different mortgage with a different bank with affordable terms, there was a penalty built into their original mortgage that cost them tens of thousands of dollars they could not pay, and they ended up in foreclosure and ended up losing their homes and lost their downpayments. Many of them lost their life savings because of one sentence in that stack of closing documents.

The purpose of this consumer financial protection agency is to make sure we shine a light on those provisions so that people know when they make a decision what that decision means.

Now come the Republicans, and they have come up with a substitute, at least their leadership has. I don't know if it speaks to all the Republicans. They may not agree with it.

In their summary, it appears they start carving out different groups that will not be covered by consumer financial protection. We have them in my hometown of Springfield, IL, and you may have them in yours too. These pay-day loans, title loans, where you come in and hand the title of your car over and they give you a basic loan and say: We are not going to take your car away.

The next thing you know, interest rates are going up, you refinance the loan, and pretty soon you may lose your car. It appears in the Republican substitute those folks in their business ventures should not be covered by the Financial Consumer Protection Act. Go figure. Some of the shabbiest credit operations in America are going to be exempt under the Republican approach to this bill. I don't think it makes much sense.

They also, when it comes to check cashers, currency exchanges, debt collectors, some of the used car dealers, start cutting out exemptions, these lobbyist loopholes that are carving out different financial institutions which will not be subject to this kind of consumer protection.

That is a step in the wrong direction. We ought to make sure everybody is onboard. Groups have come to me from Illinois and said: Could you just acknowledge the fact that our operation has been clean, everybody loves us, we are good neighbors? No, everybody should play by the same basic rules of disclosure and honesty. Good businesses can live with that standard. Those that are not so good, maybe they should not be in business.

When it comes to the attorneys general in the States across America, the Republican substitute says they cannot enforce the provisions we are putting in here. That is a step in the wrong direction. That weakens this good bill. I hope we do not succumb to that proposal.

There are a number of other things in here. I will not go through it in detail. One of the staff refers to it as a ''term paper.'' It goes on page after page summarizing what the Republican substitute will do.

It basically weakens the credit rating agencies I mentioned earlier. Remember the ones that gave AAA ratings to bad securities? Senator DODD starts addressing these with review of their practices, and the Republican substitute weakens that. How can that be any good, to weaken that after the experience we have been through?

That is the debate we are going to face. I hope my colleagues, during the course of this week, will have the opportunity to take this good bill, this strong bill, and make it stronger. I will offer a few amendments along those lines. If those on the other side of the aisle want to join in that effort, I welcome them to see what they have to offer. But if those who come to the floor to offer amendments to weaken this bill, to weaken the oversight, to have less transparency and less security, they are virtually eliminating a cop on the beat that we need on Wall Street to make sure we never, ever experience the kind of economic crisis we are currently experiencing across America.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. DODD. Mr. President, first, I thank our colleague from Illinois for his predictable eloquence. He is not a member of the Banking Committee, but I began to think he was listening to him talk. He has a wonderful awareness and knowledge of the legislation, and I appreciate that very much. It is a complicated area of law. The fact that he has spent as much time analyzing what is in the bill and the important work that has been done over the many months we have been involved in this debate is something I appreciate very much. I thank him.

I know my friend from Kentucky is here as well. I will not take long, I say to Senator BUNNING.

I am one who is supportive of the Boxer amendment. It is straightforward. The Senator from Illinois read the amendment. What I think is important is in the very first line it says, ''At the end of title II, add the following.'' That is the resolution title.

As the Senator from Illinois said, this is not a sense-of-the-Senate resolution. Title II of the resolution title is a title the Presiding Officer, Senator WARNER of Virginia, and Senator CORKER of Tennessee were the principal authors of on a bipartisan basis in November or December. I asked a number of my colleagues if they were interested in working on various sections of the bill. Senator WARNER and Senator CORKER had a strong interest in the resolution sections of title I and title II of the proposed legislation, the too-big-to-fail concept, something which I believe every Member of this Chamber endorses.

None of us wants to ever again be put in the situation that unfolded in the fall of 2008 when we saw a check for $700 billion being written out to stabilize a number of large financial institutions in the country.

The good news is that at the end of all of that, we are getting money back. But, obviously, it was traumatic to go through all of that, to watch institutions that should have been far more cognizant of the difficulty they were getting into, and when they got into deep trouble, in order to stabilize the economy or have what the Chairman of the Federal Reserve and the Secretary of the Treasury warned that had we not stepped in could have caused the entire financial system of this country of ours to melt down, to use their words exactly, in the fall of the 2008. All of us here collectively started with how do we write a piece of legislation that would minimize the events that unfolded over the last several years.

Once again, the statistics get repeated frequently on this floor, but they are deserving of being repeated. Mr. President, 8.5 million jobs have been lost, 7 million homes went into foreclosure, a 20-percent decline in retirement incomes, a 30-percent decline in home values, the $11 trillion to $13 trillion—that is with a ''T,'' trillion dollars—in loss of household wealth. Senator DURBIN enumerated a number of those statistics more on an individual basis or a family basis.

So we are determined, as we begin this process, that we begin with titles I and II. The titles of the bill don't always reflect priorities, but in this case they do. There is nothing more important we do in this bill than to end the too-big-to-fail concept—the notion there is an implicit guarantee that if you get in trouble as a financial institution, whatever it may be, that the Federal Government will bail you out when that happens. So we have worked very hard, over many months, to craft the language that will actually bring us to that conclusion; in the rare case, resolution; in most cases, bankruptcy or receivership, where management gets fired under our legislation or where creditors lose, shareholders lose their market value or the value of their shares, there is a tremendous decline there. This is a very painful process to go through but a necessary one.

What Senator BOXER has crafted is merely, in a sense, restating what we have in the legislation, in title I and title II, but to make it more clear and more emphatic, using all the tools we have written—and that is a significant section of this bill—with a tremendous amount of input from people whose knowledge and background in this area was critically important.

I wish to thank my colleague from Vermont, Senator LEAHY, chairman of the Judiciary Committee, because our colleague from Arizona is correct, there were issues involving bankruptcy that we had to work on in this legislation. With the cooperation of the Judiciary Committee as well, we were able to fashion what we have in this bill to end too big to fail. Senator BOXER's amendment emphasizes that point.

When she says in her amendment, very clearly, that all financial companies put into receivership—which is what the language of titles I and II does—under this title shall be liquidated. Shall be liquidated. Not maybe or we hope you are or wouldn't it be a nice thing if you were but you shall be liquidated. What words do my friends not understand in that sentence?

No taxpayer funds. The second sentence. No taxpayer funds shall—again, for those who know the English language, that is not may—be used to prevent the liquidation of any financial company under this title. I don't know how much more clear you can be. Again, I commend her for the language because I think it is the kind of language that anyone ought to be able to understand.

All funds expended in the liquidation of a financial company under this title shall be recovered from the disposition of assets of such financial company or shall be the responsibility of the financial sector through assessments. In other words, they shall pay, not the taxpayers. Again, I don't know how much more clearly you could write the language.

What we did through page after page and chapter after chapter and title after title, if you will, was to legally tell you how we do this. But Senator BOXER has then put an exclamation point on it by telling you this is what all this means, in case anyone fails to understand it.

Then, in the third sentence, taxpayers shall—again—bear no losses from the exercise of any authority under this title of the bill.

So I applaud and thank my colleague from California for the language. Again, we think we have done it. But, look, anyone who tells you they have written the perfect bill, be careful of them. I have been around here long enough to know there is no such thing as the perfect bill. Senator SHELBY, my partner, the ranking Republican and the former chairman of the committee, and I are working on additional language that some have raised as a way to tighten this down even further, should there be any doubts. My hope is, shortly, maybe even as early as tomorrow, we will be able to present a united front on how we do that to further allay the fears some have that titles I and II don't quite complete what they were designed toward achieving in this legislation. So I look forward to that.

I am a supporter of the Boxer amendment when it comes up. The other parts of this bill, again, we have talked a lot about. Senator KYL talked about various other ways of dealing with bankruptcy. He is correct; it is complicated. It is not a straight, normal bankruptcy because there are counterparties; that is, other people, other institutions that may be in very good shape, not in danger at all of coming undone, that could be adversely affected by the financial collapse of another firm. So we want to be careful, as we begin that process of liquidation, that we don't put the country at greater risk than would be the case with the single company or the single institution going into receivership.

So there are aspects that have required a very thoughtful process and, again, the Presiding Officer—and I commend him for it—along with Senator CORKER and others, has been very involved and has been able to work on it over these many months. This is not a bill that was drafted over the weekend or in a few days. There has been a tremendous amount of work that has gone into it. Again, my hope is, as we gather in the coming days on this bill, that we will be talking about what is in this bill and how it works, rather than people listening to some talking points out of a political document about what they hope might be or might not be in the bill in order to arrive at some political judgment. This issue is far too serious. If we fail in this effort over the coming days, then we will leave this country of ours so exposed to the exact situation we saw in the fall of 2008.

We know in the world in which we live today, it isn't just a matter of what happens in our own country—all the headlines we have read about now over the last several weeks of a small country in the Mediterranean—Greece—going through great economic difficult has all of a sudden put Europe at risk financially. The Euro has declined in value, the debt instruments have lost their value. Now the IMF has jumped in, and the Europeans apparently may have jumped in, but let it be a warning to people that we are not living in a world any longer where an American institution, an American bank or some financial institution gets in trouble; we are now talking about a world where what happens in Shanghai, what happens in Europe, what happens in small countries can affect all of us.

We need to recognize that in this 21st century, the rules we are operating on basically were written 100 years ago or more and we need to update those rules and regulations to make it possible for us to manage the next crisis when it comes, and it will come, certainly. When it does occur, will we be able to deal with it effectively, early on, so as not to watch it explode across this country and cause as much devastation as the present events over the last 2 years have?

That is what this effort is all about. It is not more complicated than that, although the answers can be complicated as we try to fashion them in a way that makes sense. I pray this will not become an ideological or political debate. We bear far too great a responsibility to our fellow citizens not to give our best judgment on how to resolve these matters. It ought not to be a question of who wins and who loses 6 months from tomorrow when it will be election day—6 months tomorrow, on November 4. I know there is a great preoccupation with that. I don't deny that. But our efforts on this bill ought not to be wrapped around that conclusion. We ought to be trying to do our very best to fashion the steps, the rules that will allow us to minimize the effects of another economic crisis.

I can't imagine walking away from this session of Congress, after all the effort that has been made to bring us to this point, not to sit down and resolve these matters in a way that allows us to move forward. So I intend to be supportive of the Boxer amendment. I hope and believe Senator SHELBY and I can agree on a second set of ideas to present to our fellow colleagues tomorrow. I have listened over the weekend. We have worked very hard with all our colleagues, both Democrats and Republicans, who have come up With additional ideas they would like to incorporate as a part of this bill, and we are working with them. My hope is we can lay those out in the next 2 or 3 days to reach agreement on some of those matters.

There will be some matters which we probably can't resolve, despite our good efforts. If that is the case, then we should have a good, healthy debate for an hour or two, then vote in this Chamber and decide whether to accept or reject various ideas. That is the way this institution was designed to work. So in the coming days, I intend to be standing at this very spot, acting as the manager of this bill, along with Senator SHELBY, and again the members of the committee who spent so much time and effort over the last number of months will be a part of this discussion. They offered their intelligence, their background, and their information that I think will enlighten and inform not only the membership but the country as well to what we are trying to achieve.

I look forward to that debate, when we begin in the next 24 hours, and hope that over the next week or so we can conclude that debate; that we will have that good kind of civil conversation, partisan at various points, as I am sure it is apt to be, but remind each other that we bear a joint responsibility to get this right before we adjourn this Congress and to see to it that the American people have a good answer, at least the best answer we can give them under the circumstances, as to how to minimize the effects that have caused so much harm to our country over the last 2 years.

With that, I thank my colleague from Kentucky, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I come to the floor to speak about financial reform and the bill the Senate is considering right now. I have made no secret of my desire to pass a strong financial reform bill and rein in excesses of our largest financial companies. No Senator in the Banking Committee or in this Chamber has been a stronger voice against the financial industry enablers at the Fed than I have been. I have fought every bailout that has come through this Congress as well as the bailouts that the Federal Reserve and both the Bush and Obama administrations put in place without the approval of the Congress. I wish to pass a bill that ends bailouts and puts strong restrictions on reckless activities in our financial sector. Unfortunately, the bill before the Senate not only fails to end bailouts, it does the opposite and makes them permanent. This bill will also lead to future financial disasters because it ignores the root causes of the crisis and thus fails to put the necessary handcuffs on key parts of the financial system.

The primary goal of this bill should be to end bailouts and the idea of too big to fail. Instead, the bill makes too big to fail a permanent feature of our financial system. It concentrates regulations of the largest financial institutions at the Federal Reserve and removes only small banks from Fed supervision. The Feds failed as a regulator leading up to the crisis and should not be the regulator of any banks, but now Federal regulation will be a sign that a firm is too big to fail. On top of the new Fed seal of approval for our largest financial companies, this bill creates a new stability council that will designate other firms for the Fed to regulate and, thus, too big to fail.

Federal regulation of the largest financial firms is not the only way this bill makes too big to fail and bailouts permanent. The largest bank holding companies and other financial firms will now be subject to a new resolution process. Any resolution process is, by definition, a bailout because the whole point is to allow some creditors to get paid more than they would in bankruptcy. Even if the financial company is closed down at the end of the process, the fact that the creditors are protected against the losses they would normally take will undermine market discipline and encourage more risky behavior. That will lead to more Bear Stearns, Lehman Brothers, and AIGs, not less.

The bailouts in this bill come with a cost beyond the moral hazard created by protecting creditors. Despite claims that the financial industry will pay for the bailouts, payments into the bailout fund are tax deductible, which means taxpayers are directly subsidizing the bailouts.

The bailout fund is not the only way this bill keeps taxpayers on the hook for future bailouts. First, the bill does not shut off the Federal Reserve's bailout powers. While some limits are placed on the Fed, the bill still lets it create bailout programs to buy up assets and pump money into struggling firms through ''broad-based'' programs. Second, the bill creates an unlimited new debt guarantee program at the FDIC that can be used to prop up firms instead of closing them down. Both of these bailout powers put taxpayers directly at risk and make bailouts a permanent part of the financial system.

Instead of putting all these bailout powers into law, we should be putting failing companies into bankruptcy. Bankruptcy provides certainty and fairness, and protects taxpayers. Under bankruptcy, similar creditors are treated the same, which.prevents the government from picking winners and losers in bailouts. Shareholders and creditors also know up front what losses they are facing and will exercise caution when dealing with financial companies. Later this week I will join several other Senators in offering an amendment that will update our bankruptcy laws to deal with modern financial firms and permanently end bailouts.

If this bill is not going to take away government protection for financial companies and send those that fail through bankruptcy, then it should make them small enough to fail. Decades of combination have allowed a handful of banks to dominate the financial landscape. The four largest financial companies have assets totaling over 50 percent of our annual gross domestic product, and the six largest have assets of more than 60 percent. The four largest banks control approximately one-third of all deposits in the country. This concentration has come about because creditors would rather deal with firms seen as too big to fail, knowing that the government will protect them from losses. I would rather take away the taxpayer protection for creditors of large firms and let the market determine their size. But if that is not going to happen we should place hard limits on the size of financial companies and limit the activities of banks with insured deposits. Any financial companies that are over those size limits must be forced to shrink. This will lead to a more competitive banking sector, reduce the influence of the largest firms, and prevent a handful of them from holding our economy and government hostage ever again.

Along with not solving too big to fail, this bill does not address the housing finance problems that were at the center of the crisis. First, there is nothing in this bill that will stop unsafe mortgage underwriting practices such as zero downpayment and interest-only mortgages. There is a lot of talk of making financial companies have skin in the game, but when it comes to mortgages, the skin in the game that matters is the borrower's. Second, the bill ignores the role of government housing policy and Fannie Mae and Freddie Mac, which have received more bailout money than anyone else. The bill does not put an end to the GSE's taxpayer guarantees and subsidies or stop the taxpayers from having to foot the bill for their irresponsible actions over the past decade. On Friday the Wall Street Journal reported that over 96 percent of all mortgages written in the first quarter were backed by some type of government guarantee. Until we resolve the future of the GSEs, the private mortgage market will not return and the risk to the taxpayers will continue to increase.

This bill also does nothing to address the biggest single factor in the current financial crisis and most other crises in the past—flawed Federal Reserve monetary policy. Nothing in this bill will stop the next bubble or collapse if the

Fed continues with its easy money policies. Cheap money will always distort prices and lead to dangerous behavior; no amount of regulation can contain it.

As I mentioned earlier, the bill concentrates regulation of the largest financial firms at the Federal Reserve, despite the Fed's long history of failed regulation. Leading up to the crisis the Fed already favored the interests of the large banks, and by only removing its supervision of small banks the Fed will become even more of a cheerleader for Wall Street. In an earlier version of this bill, bank and consumer protection regulation were removed from the Fed and placed in a new bank regulator. Unfortunately, that was undone in the current version and the Fed gets more power for both jobs.

No one has criticized the Fed more than I have, for its failure to use its consumer protection powers to regulate mortgages. But I just cannot understand keeping consumer protection inside the same Fed that ignored that job for decades. This bill takes a dangerous approach to consumer protection by separating it from the safety and soundness of financial companies. It also goes even further by letting the Fed reach into businesses that had nothing to do with the financial crisis.

Finally, I want to mention the credit rating agency portion of the bill. Our goal should be to reduce investors' reliance on the agencies. Instead, the bill will give investors a false sense of security by setting new standards to get certified by the government. Also, allowing the rating agencies to be sued will discourage new agencies from entering the market and further concentrate power in the hands of the largest agencies that have performed the worst.

I have many other concerns about the bill that I will not mention on the floor today, but they are explained in detail in the minority views section of the committee report. As the bill stands today, it will not solve the problems in our financial system. It is regulation without reform. But I hope we can work together to get a bipartisan bill that will put an end to too big to fail forever.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. KAUFMAN. Mr. President, I rise to discuss Wall Street reform, because we must get this bill right if we are to prevent another financial crisis like the last one, which almost destroyed our country. The newspapers are filled with reasons why this is so important: In Europe, because a sovereign debt crisis is threatening to become a full-blown bank crisis, the governments of the EU are using taxpayer funds to bail out Greece.

The hearings before Chairman LEVIN's Permanent Subcommittee on Investigations have riveted the Nation on fraud at the heart of the financial crisis; the widespread use of fraudulent stated-income loans by Washington Mutual; the abject failures of the bank regulatory agencies; the willful neglect of the credit rating agencies; and, finally, the hopelessly conflicted practices of Goldman Sachs, which put its own trading activities above any sense of duty to its customers.

In particular, over the past few weeks, much has been spoken and written about solving the problem of banks that are ''too big to fail.'' As many of my colleagues know, Senator BROWN and I, along with Senators CASEY, MERKLEY, WHITEHOUSE, and HARKIN, introduced a bill to place strict limits on the size and leverage used by systemically significant banks and non-banks alike. We are now offering this legislation as an amendment to the financial reform bill, because we believe that Congress must reduce these megabanks to a manageable size and cap the leverage they may use in order to limit the risk they pose to our economy. We should never again have banks that are too big to fail.

As the recent investigations by Chairman LEVIN, the Financial Crisis Inquiry Commission and others have shown: Even the best-intentioned regulators are no match for gigantic financial institutions, which are structurally complex, functionally opaque, and global in scope. Just as importantly, these financial institutions purposely operate to evade regulatory oversight by means of regulatory arbitrage, accounting and reporting practices that frustrate transparency, and so-called financial innovation that regulators have no chance of fully grasping in real time.

To surrender our Nation's economic security to unelected and mostly unconfirmed regulators is both unwise and undemocratic. It is also a gamble. For those of my colleague who do trust the current set of regulators and have faith in them,—I am sure of those. I trust our regulators.—I would ask: Who will be the next president? Which regulators will he or she name to oversee the largest banks? What will be their regulatory philosophy? And how much determination and enthusiasm will they bring to the task of forecasting bank risk and risk to the U.S. economy? I submit, no can answer those questions.

And while resolution authority is necessary, why would we believe that it will work for a $2 trillion megabank with operations in more than 100 countries? And as we saw just months ago, such banks do not simply fail on their own. The very problems that affect one megabank, such as a fall in the value of widely held assets like mortgage-backed securities, will affect every other big bank at the same time. That is what is happening in Europe today. The EU has decided to bail out Greece, before the panic spreads to Portugal, Ireland and Spain.

That is why to me the choice is clear. We must do more to act preventively.

Making the largest banks smaller is a necessary, but not sufficient, proposal. It is a complementary idea to the regulatory solutions contained in the current bill, which is a good bill.

In the 1930s, this body had the courage and foresight to pass laws that maintained U.S. financial stability for generations. But a decade ago, too many forgot the wisdom of those laws. That is our challenge today in the Senate. We can either do nothing, which would be dangerous and irresponsible. Or we can direct the regulators to do a better job, which may work for a time. Or we can build a strong, clear safeguard to secure the American economy and to protect the American people from ever having to bail out megabanks again.

The current bill has many provisions that I support, but, as Moody's reports, ''the proposed regulatory framework doesn't appear to be significantly different from what exists today.'' We must go farther.

The Brown/Kaufman amendment is not as dramatic as it seems nor is it, I believe, fraught with unintended consequences. Very large banks will still exist under this bill. But they will not be so big that they are ''too big to manage and too big to regulate,'' as former FDIC Chairman Bill Isaac has said. And the leverage they use, the ratio of capital to assets, which is the very basis for how risky they become, will be statutorily capped.

In fact, the extra layer of protection provided by this legislation is the least we should do. Under Brown-Kaufman, big financial conglomerates like Bank of America and Citigroup will still have balance sheets that exceed $1 trillion, about half of their current size. In other words, Citigroup would be about the size that it was in 2002, when it was still very competitive in the U.S. and overseas. The balance sheet of an investment bank like Goldman Sachs would be scaled down from $850 billion to a more reasonable level of just above $300 billion, or around $450 billion if Goldman exits the bank holding company structure. Lest anyone think that this is punitive: Goldman Sachs's assets didn't exceed $100 billion until 2003. That means under the worst case of this bill, their assets will be three times as big as they were in 2003. The firm is currently well over 10 times the size it was when it went public just over 10 years ago.

A recent report by Andrew Haldane, the executive director of Financial Stability at the Bank of England, has two charts depicting the incredible growth and concentration that occurred within our financial system over the last 10 to 15 years.

The first chart shows how the averse size of a commercial bank relative to GDP has tripled over the 15 years. By the way, this looks very much like the chart we had on housing process right before the big crash. Look at that exponential growth. If you want to see what happened, 1999 was when we repealed Glass-Stegall. Of course, this increase was driven by the growth of the megabanks, not by the growth of community or regional banks.

The second chart shows how concentrated the U.S. banking system has become in just 10 years. The top three banks represented approximately 20 percent of overall bank assets in 1999, the time of the repeal of the Glass-Steagall Act. In fewer than 10 years, this percentage has doubled, with these top three banks now representing more than 41 percent of total bank assets.

And the government's response to the financial meltdown has only made the financial industry bigger? None of this includes what happened in the meltdown: JP Morgan swallowed Bear Stearns and Washington Mutual; Bank of America absorbed Merrill Lynch; and Wells Fargo bought Wachovia.

Why would we want financial institutions this gigantic? And people are telling me how do you unravel this? First thing we are going to do is now that the finance is set, undo these things we did during the financial crisis. That is not for me to decide. What we should do is put the limits up there and let people decide how they are going to reach the limits. The last 2 years proved beyond dispute that management and risk committees at America's most prestigious firms were unable to effectively track, measure, and mitigate their exposures.

As Andrew Haldane recently noted: ''risk and counterparty relationships outstripped banks' ability to manage them. . . . Large banks grew to comprise several thousand distinct legal entities. When Lehman Brothers failed, it had 1 million open derivatives contracts.''

Former Treasury Secretary Robert Rubin recently admitted: ''There isn't a way for an institution with hundreds of thousands of transactions a day involving something over a trillion dollar that you are going to know what's in those position books.'' That is Robert Rubin one of the smallest men I have ever met on finance and also on the Government's approach to finance. If leaders of these massive financial institutions have no idea regarding their systemic risk, what hope do regulators have?

The truth is that these financial institutions have become so large and complex that regulators rely upon the banks and the markets to self-regulate. Under the Basel II Capital Accord, determinations on capital adequacy became dependent on the judgments of rating agencies and, increasingly, the banks' own internal models. Modeling is fine, so lone aa the banks stay between bright lines which should be drawn by Congress. Otherwise, if regulators issue rules governing capital requirements that depend on the banks to use their own models to determine adequacy of their capital and liquidity, then as a practical matter such regulation becomes meaningless, and is no longer regulation.

Indeed, regulators have long had all the tools they need to increase capital and restrict banks from engaging in activities that pose a serious risk to the safety, soundness or stability of a bank holding company. But they failed to do it.

The regulators failed for many reasons, but they failed in part because so much of the risk is hidden and difficult to understand. Institutions like Lehman and Citigroup brazenly engaged in accounting gimmicks to evade regulations that were imposed on them. Lehman implemented ''Repo 105'' to hide the true extent of its liabilities at the end of each reporting quarter. At the end of each reporting quarter, they came up with something so that they could take liabilities off the balance sheets so regulators and even shareholders did not know what their true economic position was. In the second quarter of 2008 alone, it moved $50 billion temporarily off of its balance sheets without telling regulators, ratings agencies, or even its own board or shareholders. SEC and Federal Reserve regulators stationed at Lehman Brothers never caught on. And the Lehman CEO claimed he never knew about it. Is it not amazing, a CEO of a corporation, all of the money he is making, $50 billion each quarter off the balance sheet being hidden, and he never knew anything about it. At the same time, Citigroup and others held more than a trillion dollars in off-balance-sheet vehicles to avoid capital requirements for lending. When market conditions soured, tens of billions of dollars in liabilities suddenly appeared back on their balance sheets to the surprise of regulators and shareholders alike.

Some argue that it is the quality of those regulatory standards that must be improved, and that they must be finely tuned and calibrated if they are to affect the behavior of the large banks.

Assistant Treasury Secretary Michael Barr recently noted, markets will ''undoubtedly evolve'' beyond what any law says. But, he said, regulators are now pushing for new global capital standards that will be ''more robust, higher and better quality, less pro-cyclical, and include global agreement on a leverage ratio.''

That will be very helpful, but it is not a solution. The history of financial regulation has proven that strong and sweeping statutory standards are far tougher to evade than technical regulations that prescriptively set requirements. The Financial Times reported recently that banks are already developing new ways to arbitrage the global capital standards to which Secretary Barr refers. In other words, they are finding ways around the rules before they are even finalized.

That is why we need statutory standards on the leverage and size of these megabanks, as provided in the Brown-Kaufman SAFE Banking Act. While some technocrats may say that they are blunt tools, I say that that is precisely the point: the amendment provides a clear line that banks can not evade and regulators can not ignore, thereby making both accountable.

The Federal Government cannot continue to subsidize these mega-banks and permit them to grow by taking on ever greater risk and speculation. Dean Baker and Travis McArthur of the Center for Economic and Policy Research compared the borrowing costs of the 18 largest banks, all of which have over $100 billion in assets, to smaller ones. They estimated that the effective government subsidy because of the implicit guarantee that they are too big to fail results in a 70–80 basis point borrowing advantage over smaller banks, resulting in lower borrowing costs equal to approximately $34 billion. We are not saying they are too big to fail, what the market is saying, if you are a bank that is big enough so it looks like it is too big to fail, you can borrow for 70–80 basis points less than smaller banks. Fed Chairman Bernanke has noted that this is unfair competition to smaller banks. I agree. I wish I would hear more from smaller banks. As a result, less money flows to local communities, and small businesses have trouble getting affordable loans.

Nonetheless, there are still those who argue that we need megabanks, that there are economies of scale that allow $2 trillion banks to better service large U.S. global corporations and help us compete globally. They offer no evidence to support this claim, however, because there is none. At least I have not been able to find any.

There are no academic studies proving that in banking, bigger is better and more efficient beyond $100 billion in assets. While big corporations on some occasions need to access particularly large amounts of capital, Wall Street banks typically form syndicates to spread the risk. And while megabanks have large balance sheets that might allow them to take on a large amount of underwriting risk, it is not clear whether this is good for the customer or the financial system as a whole. By having lots of smaller institutions participate in an underwriting, the corporate customer is apt to get better pricing because it will be accessing a wider variety of retail and institutional distribution channels. The financial system is also safer by not having large concentrations of proprietary positions in loans and securities, or even worse, by having these institutions ''hedge'' those large exposures with esoteric products that no one understands and that are often hidden off balance sheet.

Nor is there research that demonstrates that the U.S. needs large banks in order to ''compete'' with massive foreign banks.

It is true that only 6 of the 50 largest banks in the world are based in the U.S. Many banks on that list have a history of government involvement, some were even owned by their governments. Virtually all of these batiks benefit from implicit or explicit government guarantees. Many, including the largest bank on the list, the Royal Bank of Scotland, have been recipients of massive bailouts.

Ireland is in the midst of a painful process of bailing out its largest banks. Switzerland put together an approximately $60 billion bailout package for one of its largest banks, UBS. The U.K.'s bailout support for its banks exceeds $1 trillion. The case of Iceland provides a cautionary tale for all nations on how a government can be completely overwhelmed by the collapse of its largest financial institutions.

And while French and German banks have enjoyed only modest, direct bailouts, through the EU and IMF debt relief provided to Greece, these banks have received a massive, indirect government bailout. The Wall Street Journal reports that German and French banks carry a combined $119 billion in exposure to Greek borrowers and more than $900 billion to Greece and other vulnerable Euro countries, including Ireland, Portugal and Spain. French banks have almost $80 billion in exposures to Greece, while German banks have $45 billion in exposures to the country.

Given these circumstances, other countries face just as urgent a need to break apart their megabanks.

What about Canada, many ask? Its large banks did well during the last crisis. But there are significant differences in our two countries. First, there was no wave of financial deregulation in Canada. Canadian banks are subjected to tight mortgage origination standards and tough leverage limits, something U.S. financial institutions and their regulators completely ignored for the last decade. Second, in Canada the government insures the most risky mortgages, and I don't think we want to go back to doing that. Finally, not one of Canada's largest banks is near the size of any of the five largest U.S. banks. In fact, the largest Canadian bank is not even a third of the size of the largest U.S. bank. What's more, under the limits of the Brown-Kaufman Act, our megabanks would continue to be much larger than the largest Canadian banks.

Some officials have argued that "most observers" think that breaking up the big banks would lead to more risk, not less; that bigger banks are more diversified and therefore less risky than smaller banks. That makes no sense to me. As the governor of the Bank of England, Mervyn King, recently observed, "Banks who think they can do everything for everyone all over the world are a recipe for concentrating risk." That is one of the reasons why he, too, favors breaking up the megabanks as the solution to "too big to fail."

I believe the view of most observers is best summarized in the review of the literature in "13 Bankers," the book by Simon Johnson and James Kwak. Breaking up the banks is not a populist idea in the pejorative sense of that word. It is supported by smart, informed people outside the Washington-Wall Street corridor who understand what is happening, including three presidents of the Federal Reserve Board and a host of economists and academics.

Even Alan Greenspan, in his recent speech at the Brookings Institute looking back on "The Crisis," stated clearly: "For years the Federal Reserve had been concerned about the ever larger size of our financial institutions. Federal Reserve research had been unable to find economies of scale in banking beyond a modest-sized institution. A decade ago, citing such evidence, I noted that 'megabanks being formed by growth and consolidation are increasingly complex entities that create the potential for unusually large systemic risks in the national and international economy should they fail.' Regrettably, we did little to address the problem."

Anyone can come up with reasons for maintaining the status quo, for allowing oversized megabanks to continue to be too big to fail. But given the recent economic disaster, the burden of proof should fall on those who want to retain our currently dangerous concentration of financial power. Repeating the mantra of U.S. competitiveness and the idea that "this is not about size but about risk and interconnectedness" are only excuses for an unjustified failure to act.

The question is what must we do to ensure that a financial crisis like the great recession, which continues to cause millions of people to be out of work and lose their homes, never happens again? The Brown-Kaufman amendment would add another layer of protection to our financial sector, and would make it much less likely that U.S. taxpayers will ever be asked to bail out Wall Street again.

Brown-Kaufman is a modest, even conservative, proposal to restore the size of banks to where they were a decade ago. It will also impose a statutory leverage limit to prevent megabanks from taking on too much risk—a fact about our amendment that is often overlooked.

Sometimes, the buck must stop with Congress. We can take strong steps to undo the harm of the last decade, or we can punt responsibility to the very regulators who failed us in the first place. Either way, the American people will hold us responsible. So let us act responsibly and protect them from further harm.

I yield the floor and suggest 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. WARNER. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. WARNER. Mr. President, I wasn't planning on speaking today, but I have had the opportunity to preside for the last couple of hours. I heard my friend from Arizona earlier today make some comments about the financial reform bill. I rise to address them.

Before doing so, I commend the Presiding Officer for his comments this afternoon, comments with which I may not fully agree, but he makes a very persuasive and interesting case about how we get this right. Clearly, we have to make sure our goal is setting rules and regulations that will stand the test of time. We have to make sure we end the notion of too big to fail.

I know the approach of the Presiding Officer is to look at size. I think the committee's approach, which I share, is to look at interconnectedness, to give regulators the ability to unwind organizations if they can't prove they have a rational way to be unwound through a bankruptcy process.

Reasonable people can disagree, but we absolutely agree on the goal: making sure the American taxpayer never has to hear "too big to fail," particularly too big to fail where the American taxpayer has to pay the bill.

I thank the Presiding Officer for his comments. I know the debate will continue.

Earlier today, my friend, the Senator from Arizona, spoke on the bill. As somebody who has been involved in portions of this bill for a number of months, the Senator from Arizona and I share common goals. We want to make sure that taxpayers are not exposed, that we end bailouts, and that we put rules of the road in place for the 21st century for the financial system. My hope is that in some of the workings between Chairman DODD and Senator SHELBY, they will find common agreement on titles Senator CORKER and I worked on, where they might improve the initial draft.

What I hear time and again from all of our colleagues is a commonality of goals. My hope is that at the end of the day we will have legislation that has broad bipartisan support.

Let me go back to my colleague from Arizona. He had a strong preference for bankruptcy. His concern was that bankruptcy in every case can take care of every financial institution's unwinding, that bankruptcy provided predictability. He mentioned in passing a new concept called speedy bankruptcy and cited certain scholarly articles on it, speedy bankruptcy that had some portion of a certain aspect of the capital structure that would convert certain debt into equity in the event of this process. He made the comment that even having resolution in the process would always lead to bailouts. I respectfully disagree and want to take a moment to further explicate what Chairman DODD's bill does in terms of how he approached these same issues in a bipartisan way.

First, we believe the default option should always be bankruptcy. Bankruptcy is a clear and established set of rules. It gives creditors, equity holders a predictability about what happens in the event of a firm getting into trouble, getting into potential insolvency, and gives a path toward going out of business. But what we have seen at least to date is that bankruptcy sometimes is neither speedy nor, at least in its current form, always able to take care of enormously large, complex financial institutions.

I believe it was at the end of last week that there was a story in either the New York Times or the Wall Street Journal that pointed out that the Lehmann bankruptcy process is still ongoing, with fees in excess of $400 or $500 million being charged to try to unwind this firm.

One of the things I have heard is, if a firm goes into bankruptcy, there are these dollars that will still be needed to unwind the firm in an orderly process. Those of us who drafted the bill said that this unwinding process, if we are going to use resolution instead of bankruptcy, should be prefunded by the financial industry itself, which would benefit. My colleagues believe that perhaps it would be better if the Treasury or some other institution borrows money that then is repaid from the financial industry itself. Again, reasonable people can disagree whether we prefund or postfund, but the facts remain. The unwinding of any firm takes time and resources. At the end of the day, we have to make sure the taxpayer is protected. That is Point No. 1.

Point No. 2. I agree with my colleague from Arizona when he says that a new tool we could use for these large, systemically important firms to make sure there was a price for them getting too large and there was an ability to make sure they could be unwound in a regular process would be the creation of a new form of debt in the capital structure, debt that, in the event of a crisis, would convert into equity, dilute existing shareholders—be, in effect, a check on management because they would also be diluted in this event.

I urge my colleague from Arizona to recognize that we have put that into the bill already. We have created a convertible debt component that all of the systemically important firms would have to build into their capital structure and, in effect, would allow this to be triggered even prior to a crisis point. So rather than being used only at the moment of crisis, it could actually be used as a speed bump in advance as one of the early signs of a crisis coming.

Again, it is one of the reasons why we have created a Systemic Risk Council that allows for higher capital requirements, focused on leverage, focused on better risk management plans, putting this new contingent debt structure within the overall capital structure of the institution. And there are the funeral plans, or the plans where we are asking, again, for these large institutions to outline how they will unwind themselves through a bankruptcy process.

That process has to be approved by the regulators. It is a process whereby if the regulators do not approve it, they could actually come to the conclusion that there is no way to unwind this firm during bankruptcy and, consequently, they could actually do what the Presiding Officer requires and say: This firm then, consequently, has to be downsized—or certainly their international operations have to be split off or spun off because there is no appropriate way to unwind this firm in the event of a bankruptcy process. So again, I think the goal of my colleague from Arizona of making sure there is an orderly, planned approach through bankruptcy to unwind these large firms is in place. So we agree there.

The fact that there is the creation of this new debt structure within these large firms—that would be debt that would convert to equity—that is in the bill, and actually it is even better than what my friend, the Senator from Arizona, has proposed because it could be triggered even before a crisis.

Where I guess I differ from my colleague, the Senator from Arizona, is that while he and I strongly believe in the bankruptcy process and the preference toward bankruptcy, we believe that in certain extraordinary cases—and if we have done our job, hopefully, extraordinary cases that rarely, if ever, may happen—you still have to have an ability to have a resolution authority.

Why is this the case? Well, as we saw in the crisis in 2008, there were times when perhaps the balance of the industry realized that the firm was rapidly falling into insolvency, but as the firm went down this path toward insolvency, the management of the firm refused to recognize that, consequently potentially putting not only the firm in jeopardy but because of the fact that if that firm, in effect, fell fully insolvent, it could actually threaten the whole safety of the system.

So after conversations with folks from across the political spectrum, we thought in these extraordinary times there needs to be this kind of trigger of last resort in terms of using a resolution process. It is a resolution process to put appropriate guardians in place, requiring the Treasury, the head of the FDIC, the head of the Fed, to all act in concert, to put a judicial check in place so, again, no future administration might overuse this power.

As Senator BOXER's amendment will further reaffirm, resolution will mean the firm will go out of business, that equity will be toast, management will be toast, the unsecured creditors will be toast. This will be an effective death panel for a financial institution.

As my colleague, the Senator from Arizona, has pointed out, at least if a firm chooses bankruptcy, they may emerge on the other side, out of the bankruptcy process, at least semiwhole. If you go into resolution, you are not coming out the other end. This will be like: Once you check in, you never check out. Your firm is going out of business. There may be parts of that firm, because they are systemically important—a clearing process, or some other systemically important part of this institution—that may have to be redeposited elsewhere. And it has to be done in an orderly process. But the firm, as it was priorly construed, will no longer exist. Never again will we do what we did in 2008, where the American taxpayer came in and shored up these firms in their current status. Resolution will never be chosen by any rational management team or any rational group of shareholders.

I hope my friends, who want to make sure we end bailouts, who want to make sure we have an orderly process, will, again, recognize—and there may be ways to improve upon it—we have put together a bill that has a strong preference toward bankruptcy, that puts in place the requirement that the regulators have to bless this bankruptcy plan, no matter how complex you are, and if you cannot get that blessing then maybe parts of your institution need to be spun off in advance. We have already adopted the component of contingent debt that would convert into equity. Again, that threat of converting even in advance of a crisis will be a check on a management team that wants to take undue risk.

There will be no existing shareholders who will want to be faced with what could be significant dilution even in advance of a crisis if the Systemic Risk Council said: Hold on here, you have now gone over that tripwire. You are going to get converted. You are going to get diluted. Again, it is another check on the management team.

I do believe we have created a strong framework. But to ignore the fact that, as we saw in 2008, there may be times when either a management team fails to read the handwriting on the wall and declare bankruptcy or the crisis comes perhaps because of not even management malfeasance but because of a coordinated cyberattack or some other kind of catastrophic event that puts in jeopardy the system—to say never, ever could there be a time when we need an orderly resolution process to maintain the safety and soundness of the overall financial system, I believe, would be shortsighted.

I look forward to continuing to work with colleagues on both sides of the aisle to try to get this right in the coming weeks. I commend the chairman and the ranking member, Senator SHELBY. I hope they are having those conversations even as we speak. I look forward to continuing the conversation with the Presiding Officer on how we, again, can prevent these kinds of actions from even taking place in the first place. How do we deal with his approach of actually downsizing these institutions with bright-line rules or our approach that tries to look, perhaps, more at the interconnectedness but still grants that ability to the Systemic Risk Council if there is no way for an institution to demonstrate how it will unwind itself through bankruptcy?

Again, reasonable folks can disagree. But none of us should disagree with the ultimate goal: ending too big to fail, making sure we no longer have even the potential of taxpayer exposure, trying to bring more transparency and fairness to this financial system, and, again, as the Presiding Officer and I have talked about before, making sure whatever comes out of this Chamber can stand the test of time so we can give the market the predictability it craves but also the security to the American people that we built ''financial rules of the road'' for the 21st century that will truly work.

With that, Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

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

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

THOUSAND-YEAR RAIN EVENT

Mr. ALEXANDER. Mr. President, Nashville and middle Tennessee have been hit with what the Corps of Engineers officials tell us is a thousand-year rain event—in a thousand years, we wouldn't expect to have this much rain—and it is providing enormous hardship to the people not just of Nashville and Davidson County but counties in and around Nashville. I wish to give a brief report on what we know about that, what Senator CORKER and I and Congressman COOPER and the other Members of Congress from that region are doing, working together, so the people of our area can know what to expect.

There is a telephone number to call, and I would like to give it. It is 615–862–8574. It is a telephone number for people in the Nashville-middle Tennessee area who are concerned about what to do, who have an emergency, and who want information about what help may be available to them—615–862–8574.

The Cumberland River and the Harpeth River are the two rivers that are causing most of the problem, and we have been waiting all day for the Cumberland River, which runs through Nashville on up to Clarksville, to crest. That crest hasn't happened yet, and the latest predictions are, it might happen around 7 o'clock. It may be later.

In the meantime, the Corps of Engineers, with whom we are working, is trying hard to minimize the damage from the lakes they are responsible for. There are three major lakes in the middle Tennessee region: Old Hickory, Percy Priest, and Center Hill. These lakes hold the water, of course. If the Corps of Engineers releases water from the overflow of these lakes, that puts more water into the Cumberland River and that floods Nashville more.

This is the latest report on those three lakes. The Corps is currently not releasing water from Percy Priest Lake, and they have told us they will not release water from Percy Priest Lake until the river crests. This is important information for people in downtown Nashville. First Avenue, Second Avenue both have a lot of water. Some of the big buildings, the Pinnacle Building, has a lot of water. The fact that the Corps is not releasing water from Percy Priest Lake until the river crests is an important piece of information.

The water level, on the other hand, at Old Hickory Lake is at historic levels, and the Corps is releasing water from Old Hickory Lake but only when absolutely necessary to maintain the stability of the Old Hickory Dam. Fortunately, the Corps is not having to release water from the third lake, the Center Hill Lake. It has some room to spare.

This is an example of Congress and the Federal Government doing something right because, over the last several years, we have added funds to the appropriations bills—I have and others as well—in order to improve the safety of Center Hill Dam. Because up until the last couple years, the water level had to be lowered because the dam was weak. If the dam was as weak as it was 2 or 3 years ago, the Corps of Engineers would have had to be releasing a lot more water from Center Hill Lake into the Cumberland River, causing more flooding in Nashville.

Over the weekend, we have been in touch with Governor Bredesen's office and Mayor Dean's office and they are doing a first-rate job. Part of my responsibility is to work with Governor Bredesen, and over the last several years, on disasters as they occur, such as the tornado in Macon County, near Nashville, the tornadoes in Jackson and Madison County. The Governor and the Tennessee Emergency Management Agency—I used to be in charge of that agency when I was Governor—have a first-rate operation there, and they have been working hard ever since the rains hit.

The Federal Emergency Management Agency has a liaison stationed at the TEMA—the Tennessee Emergency Management Agency—office, and they are working well together. What those people are doing is using every available resource in support of State and local efforts to try to rescue people, to make life easier, to get the water plant running again, and to begin to assess what the damage is, which is where the Federal Government generally can help.

As I mentioned, this is not just Nashville that is involved. Macon County, Williamson County, Montgomery County, Cheatham County—all the counties right around Nashville up to Clarksville are involved. My chief of staff from Washington has been onsite in Nashville since last night, my State field director has been onsite since last night as well, and they are busy dealing with the local officials. I am prepared to go whenever it would be helpful, but there is no need for me to go and get in the way if there is nothing for me to do. Right now, the best thing for me to do, along with Senator CORKER and Congressman COOPER, is to stay in touch with the Governor's office and the Mayor's office and be ready to help with a disaster request when it is made.

When the Governor makes a disaster request, the procedure is, we then go to work to help persuade the President—and I am sure he will act as promptly as he can—to approve that disaster. There are two or three kinds of help that may be forthcoming. One would be public assistance for debris removal, to repair public buildings that are damaged, water or sewer facilities or infrastructure. For example, one of the major water treatment plants is down, and the mayor has asked Nashvillians to conserve water. That may be an area where Federal support will be available to help.

Then there is the matter of private assistance. Temporary housing may be available. There may be loans available to businesses that are hurt and other forms of assistance to individuals and households.

This is a major event in our city. The Opryland Hotel—one of the biggest hotels anywhere in America—has had to empty itself, and it has 1,500 residents who are staying in a high school. We are told it may be several months before the Opryland Hotel is able to function again. We hope not because its tax revenues provide 25 percent of all the hotel-motel tax revenues for the city, and that would come at a difficult time.

So my purpose on the floor today is simply to express my concern to the residents of the city where we live—in Nashville, TN—and to all others who might be affected in the middle Tennessee area and to let them know I believe Governor Bredesen and the mayor are doing a first-rate job in responding to the immediate requests, that the Federal and State management agencies are hard at work, that there is a telephone number that individual Tennesseans who have questions can call—it is 615–862–8574—and that after getting themselves and their families in order, the best thing to do is to document your losses so when the Governor makes his request for emergency disaster assistance and the President approves it, those losses can be proven and that help can come more quickly.

The Governor will move as swiftly as he can on this. Our experience is, it is better to be complete than quick because we want to make sure, when the request comes in, that it involves everybody, that it involves all the claims, that they are properly documented. That has been our experience before. So that is my report to the people of middle Tennessee. I want them to know I care about it, that I am on the phone about it, we have staff members on site, and I believe the Governor and the mayor and the Federal and State emergency agencies are doing all they can and we can hope for the best as the Cumberland River crests, we hope sooner rather than later.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. SHAHEEN). Without objection, it is so ordered.

TRIBUTE TO GENERAL SCOTT THOELE

Mr. DURBIN. Madam President, I rise to congratulate Scott Thoele (''Taylee'') of the Illinois Army National Guard on his promotion to brigadier general.

General Thoele, as a colonel, led the Illinois Army National Guard during its deployment last year to Afghanistan.

He commanded the 33rd Infantry Brigade Combat Team, whose soldiers served in that country from August 2008 to September 2009. The mobilization of his soldiers was the Illinois Guard's largest since World War Two.

Most of these men and women are civilian-soldiers from cities and towns across Illinois. They have their own lives separate from service in our Armed Forces.

Most do not serve full time in the Guard. In the midst of living their lives—working at their jobs, spending time with their families, and participating in their communities—they have made a patriotic commitment to their country.

They have said, if my Nation needs me to serve and to fight abroad, I will answer the call.

And last year, 3,000 soldiers from Illinois left their jobs, their families, and their communities to serve at the call of their Nation.

General Thoele is one of those soldiers. He lives in Quincy, IL, with his wife and four children. In his civilian life, he works at First Bankers Trust Company in the bank's audit department.

This was a difficult deployment for the Illinois Army National Guard. They spent the year in Afghanistan in austere conditions. Their main task was to train and mentor the Afghan National Security Forces, in an effort to help the Afghans take responsibility for their own safety and security. They also provided security to the provincial reconstruction teams across Afghanistan. Eighteen Illinois soldiers lost their lives in service to their country. Dozens more were badly injured.

A long time ago, before he became President, there was a young captain from Illinois who answered the call when his State needed men to fight in the Black-Hawk war of 1832. He gathered 400 volunteers from the Sangamon County State militia and traveled north to Prophetstown, IL, marching through miles of what author Carl Sandburg described as ''swamp muck and wilderness brush . . . pushing and pulling when horses and wagons bogged.''

It was also a difficult war—as all wars are. Sandburg wrote that to the men under the young captain, ''it didn't seem the kind of war they had expected and they wrote home about it.'' But ultimately they did come home, while young Abraham Lincoln went on to reenlist—and to serve his Nation in many ways.

I offer my thanks to General Thoele, who also continues to serve his Nation, now as the Deputy Commanding General for the Army National Guard at the Army's Combined Arms Center in Kansas. Thank you for your work in Afghanistan and for bringing our soldiers home safely. And congratulations again on your promotion to brigadier general.

DISCLOSE ACT

Mr. SCHUMER. Madam President, last Friday, I introduced S. 3295, the DISCLOSE Act, because Democracy Is Strengthened by Casting Light on Spending in Elections. I am joined by 40 of my Senate colleagues as cosponsors.

Decades ago, Justice Louis Brandeis boldly said, ''Sunlight is said to be the best of disinfectants.'' That is exactly what this bill will do—shine a light on the flood of spending unleashed by the Citizens United decision.

The DISCLOSE Act will drill down and give the public the information they have a right to know. No longer will groups be able to live and spend in the shadows.

The Court spoke in the Citizens United decision. And while there is disagreement with its ruling, there is room to maneuver. This legislation does not circumvent the Court by reimposing a backdoor ban on corporate spending. Instead, the DISCLOSE Act closes certain loopholes and relies on enhanced disclosure, an idea endorsed by the Court. This legislation meets the test of constitutionality.

The aim of the DISCLOSE Act is simply to level the political playing field so that special interests do not drown out the voice of the average voter. It applies to corporations and advocacy organizations the same rules that candidates already have to abide by. And it applies these rules equally across the board. It covers corporations and labor unions alike, as well as 527s, social welfare organizations, and trade associations.

The DISCLOSE Act will do the following:

First, new disclaimers on all television advertisements funded by special interests will be required in order to uncover who is really behind the ad. If a corporation is running the ad, the CEO will have to appear to at the end to say that he or she approved the message, just like a candidate must do today. If an advocacy organization is running the ad, both the head of the organization running the ad, and the top outside funder of the ad, will have to appear on camera. Additionally, a list of the top five funders to that organization will be displayed on the screen. This will stop the funneling of big money through shadow groups in order to fund ads that are virtually anonymous. For the first time, the money can be followed back to its origin and the source of the money will be public.

Second, an unprecedented level of disclosure is mandated, not only of an organization's spending, but also of its donors. In disclosing their donors, organizations will have a choice—they can either disclose all of their donors that have given in excess $1,000, or they can disclose only those donors who contribute to the group's campaign-related activity account, if they solely use that account for their spending. All spending intended to influence an election—be it on television, radio, print, mailers, robocalls, and billboards—would flow through this account. And every donor who contributes more than $1,000 would have to be disclosed. Organizations must not only disclose these donors to the FEC, but also to the public on their Web sites and to their shareholders and members through their annual and quarterly reports.

Third, loopholes created by the Court's decision are closed. The first loophole is closed by preventing foreign-controlled entities from spending unlimited sums in our elections through their U.S.-based subsidiaries. This was a loophole specifically mentioned by Justice Stevens in his dissent. Foreign leaders who don't have American interests in mind shouldn't have the ability to influence our elections. The second loophole is closed by banning companies with government contracts in excess of $50,000 from making unlimited expenditures. The third loophole is closed by banning expenditures by companies that receive government assistance such as TARP. Taxpayer money should not be used to help corporations influence elections.

Finally, in an attempt to allow all candidates and parties to respond to ads funded by special interests, the current law granting lowest unit rate to candidates is expanded by giving those same rights to the parties on a limited geographic basis.

I ask my colleagues to join me in sponsoring and passing the DISCLOSE Act.

I ask unanimous consent that a section by section analysis of the DISCLOSE Act be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TITLE I—REGULATION OF CERTAIN POLITICAL SPENDING

SEC. 101. BAN PAY-TO-PLAY

Prevent Government Contractors from Spending Money on Elections. Government contractors would be barred from making campaign-related expenditures, defined to include independent expenditures and electioneering communications. This is an extension of an existing ban on contributions made by government contractors. Before Citizens United, corporations could not make such campaign-related expenditures. A $50,000 contract threshold will be included to exempt small government contractors.

Prevent Corporate Beneficiaries of TARP from Spending Money on Elections. Corporations that received bailout funding from the federal government should not be permitted to use taxpayer money to influence elections. This section would prohibit bailout beneficiaries from making campaign-related expenditures. Once that money is repaid, however, the restrictions would be lifted.

SEC. 102. PREVENT FOREIGN INFLUENCE IN U.S. ELECTIONS

While foreign nationals, including foreign corporations (those incorporated overseas), are banned from making contributions or expenditures to influence U.S. elections, the opinion in Citizens United created a loophole for spending by domestic corporations controlled by foreign nationals. To close the loophole, the legislation extends the existing prohibition on contributions and expenditures by foreign nationals to include domestic corporations under the following circumstances:

1. If a foreign national owns 20% or more of voting shares in the corporation, which is modeled after the control test in many states, including Delaware;

2. If a majority of the board of directors are foreign nationals;

3. If one or more foreign nationals have the power to direct, dictate, or control the decision-making of the U.S. subsidiary; or

4. If one or more foreign nationals have the power to direct, dictate, or control the activities with respect to federal, state or local elections.

SEC. 103. PREVENT ORGANIZATIONS FROM COORDINATING THEIR ACTIVITIES WITH CANDIDATES AND PARTIES

The legislation ensures that corporations and unions are not allowed to coordinate campaign-related expenditures with candidates and parties in violation of rules that require these expenditures to be independent.

Current FEC rules bar corporations and unions from coordinating with congressional candidates and parties about ads that refer to the candidate and are distributed within 90 days of a primary election or within 90 days of the general election. For Presidential contests, current FEC rules prohibit coordination on ads that reference a presidential candidate in the period beginning 120 days before a state's Presidential primary election and continuing in that state through the general election.

This legislation would do the following:

For House and Senate races, the legislation would ban coordination between a corporation or union and the candidate on ads referencing a Congressional candidate in the time period starting 90 days before the primary and continuing through the general election. For presidential campaigns, the legislation would ban coordination between a corporation or union and the candidate on ads referencing a Presidential or Vice Presidential candidate in the time period starting 120 days before the first presidential primary and continuing through the general election.

SEC. 104. POLITICAL PARTY COMMUNICATIONS

The legislation provides that any payment by a political party committee for the direct costs of an ad or other communication made on behalf of a candidate affiliated with the party is treated as a contribution to the candidate only if the communication is directed or controlled by the candidate.

Party-paid communications that are not directed or controlled by the candidate are not subject to limits on the party's contributions or expenditures.

TITLE II—PROMOTING EFFECTIVE DISCLOSURE OF CAMPAIGN-RELATED ACTIVITY

The legislation ensures that the public will have full and timely disclosure of campaign-related expenditures (both electioneering communications and public independent expenditures) made by covered organizations (corporations, unions, section 501(c)(4), (5), and (6) organizations and section 527 organizations).

The legislation imposes disclosure requirements that will mitigate the ability of spenders to mask their campaign-related activities through the use of intermediaries.

It also requires disclosure of both disbursements made by the covered organization and also the source of funds used for those disbursements.

SUBTITLE A—REPORTING IMPROVEMENTS TO THE FEC

SEC. 201. INDEPENDENT EXPENDITURES

The definition of an ''independent expenditure'' is expanded to include both express advocacy and the functional equivalent of express advocacy, consistent with Supreme Court precedent. Additionally, the section imposes a 24-hour reporting requirement for expenditures of $10,000 or more made more than 20 days before an election, and expenditures of $1,000 or more made within 20 days before an election.

SEC. 202. ELECTIONEERING COMMUNICATIONS

This section expands the definition of ''electioneering communications'' to include all broadcast ads that refer to a candidate within the period beginning 90 days before a primary election, until the date of the general election. Any such ''electioneering communication'' is subject to the disclosure requirements in the bill. The section also expands the reporting requirements for electioneering communications to include a statement as to whether the communication is intended to support or oppose a candidate, and if so, which candidate.

SUBTITLE B—EXPANDED REQUIREMENTS FOR DISCLOSURE

SEC. 211. IMPROVED DISBURSEMENT REPORTING REQUIREMENTS

The legislation would require corporations, labor unions, and section 501(c)(4), (5), or (6) organizations—as well as section 527 organizations—to report all donors who have given $1,000 or more to the organization during a 12-month period if the organization makes independent expenditures or electioneering communications in excess of $10,000.

If an organization makes a transfer of funds to another person for the purpose of making an independent expenditure or electioneering communication, the organization shall be treated as making an independent expenditure or electioneering communication. A person shall be deemed to have transferred funds for the purpose of making campaign-related expenditures if there have been substantial discussions about such expenditures between the person making the transfer and the person receiving the funds, if the person making the transfer or the person receiving the transfer knows (or should have known) of the intent to make campaign-related expenditures by the person making the transfer or if making the transfer or the person receiving the funds made a campaign-related expenditure in the last election cycle or the current cycle.

SEC. 212. DISCLOSURE OF GENERAL TREASURY FUNDS

If a donor to a covered organization specifies that his donation may not be used for campaign-related activity, the organization is restricted from using the donation for that purpose, and may not then disclose the identity of the donor. The organization's CEO must certify to the donor within 7 days that such funds will not be used for campaign-related activity.

If a covered organization makes a disbursement for campaign-related activity, the CEO must file a statement with the FEC certifying that the expenditure was not made in coordination with a candidate, that funds designated by the donor not to be used for campaign-related activity have not been used for any campaign-related activity, and that the spending has been fully disclosed and made in compliance with law.

SEC. 213. CREATION OF SEPARATE CAMPAIGN-RELATED ACTIVITY ACCOUNT

An organization can establish a separate ''Campaign-Related Activity'' account to receive and disburse political expenditures. If an organization makes campaign-related expenditures exclusively from its separate account, then it is only required to disclose only donors who have contributed $10,000 or more for unrestricted use or donors who have contributed $1,000 or more specifically for campaign-related activity.

SEC. 214. ENHANCE DISCLAIMERS TO IDENTIFY SPONSORS OF ADS

Require Leaders of Corporations, Unions, and Organizations to Identify that they are Behind Political Ads. If any covered organization (corporation, union, section 501(c)(4), (5), or (6) organization, or section 527 organization) spends on a political ad, the CEO or highest ranking official of that organization will be required to appear on camera to say that he or she ''approves this message,'' just like candidates have to do now.

In order to prevent ''Shadow Groups'', Require Top Donors To Appear in Political Ads They Funded. In order to prevent individuals and entities from funneling money through shell groups in order to mask their activities, the legislation will include the following requirements:

The top funder of the advertisement must also record a stand-by-your-ad disclaimer.

The top five donors of non-restricted funds to an organization that purchases campaign-related TV advertising will be listed on the screen at the end of the advertisement. This has been used very successfully in Washington State and is the model for this section in the legislation.

SUBTITLE C—REPORTING REQUIREMENTS FOR REGISTERED LOBBYISTS

SEC. 221. REQUIRING REGISTRANTS TO REPORT INFORMATION ON INDEPENDENT EXPENDITURES AND ELECTIONEERING COMMUNICATIONS

In an effort to add to the transparency of lobbying activities, all registrants under the Lobbying Disclosure Act must disclose the following information on their semiannual reports: the date and amount of each independent expenditure or electioneering communication of $1,000 or more, and the name of each candidate referred to or supported or opposed.

SUBTITLE D—FILING BY SENATE CANDIDATES WITH THE FEDERAL ELECTION COMMISSION

SEC. 231. FILING BY SENATE CANDIDATES WITH THE COMMISSION

In addition to the increased disclosure and transparency placed on outside organizations, the legislation will incorporate language from the bipartisan S. 1858, which requires Senators to electronically file their campaign finance reports directly to the FEC.

TITLE III—DISCLOSURE OF CAMPAIGN-RELATED ACTIVITY TO MEMBERS & SHAREHOLDERS

SEC. 301. ENHANCE REQUIREMENTS FOR DISCLOSURE OF POLITICAL EXPENDITURES TO SHAREHOLDERS AND MEMBERS OF COVERED ORGANIZATIONS

All campaign-related expenditures made by a corporation, union, section 501(c)(4), (5), or (6) organization, or section 527 organization must be disclosed on the organization's website with a clear link on the homepage within 24 hours of reporting such expenditures to the FEC. Additionally, all campaign-related expenditures made by a corporation, union, section 501(c)(4), (5), or (6) organization, or section 527 organization must be disclosed to shareholders and members of the organization in any financial reports provided on a periodic and/or annual basis to its shareholders or members.

TITLE IV—TELEVISION MEDIA RATES

SEC. 401. PROVIDE LOWEST UNIT RATE FOR CANDIDATES AND PARTIES

Current law allows for candidates to receive the lowest unit rate for airtime in order to get their message out over the airwaves.

If a covered organization (which includes corporations, unions, section 501(c)(4), (5), and (6) organizations, and section 527 organizations) spends $50,000 on airtime to run ads on broadcast, cable, or satellite television that support or oppose a candidate, then that candidate or political party committee is allowed to receive the lowest unit rate for that media market.

The broadcaster must also ensure that the candidate or political entity has ''reasonable access'' during nonpreemptible airtime.

TITLE V—OTHER PROVISIONS

This Title contains the judicial review, severability, and effective date sections.

Mrs. FEINSTEIN. Madam President, I rise to express my strong support for the Democracy Is Strengthened by Casting Light on Spending in Elections Act, also called the DISCLOSE Act.

I want to thank Senator SCHUMER for his work on this important bill and say that I plan to support it every step of the way.

Before I discuss the merits of this legislation, I think it is important to provide some context.

This bill is a legislative response to a Supreme Court decision. In 2002 we passed the Bipartisan Campaign Reform Act. The law was bipartisan, widely supported, and we firmly believed it to be constitutional based on prior decisions of the Court.

In 2003, the Supreme Court upheld portions of the law in the case of McConnell v. Federal Election Commission.

But on January 21 of this year, the Roberts Court handed down a 5–4 decision striking down parts of the Bipartisan Campaign Reform Act.

That decision—Citizens United v. Federal Election Commission—flew in the face of nearly a century of congressional law. It also overturned two prior rulings of the U.S. Supreme Court. The overturned cases were McConnell v. Federal Election Commission, 2003, and Austin v. Michigan Chamber of Commerce, 1990.

The case is not alone. It is part of a trend of decision after decision from the Roberts Court overturning prior precedents. I have real concern that this Court is going out of its way to rewrite and reinterpret prior law. Its decisions seem to favor corporate interests over the interests of the American people. We have heard talk of ''activist'' courts before and I fear that is exactly what we have today.

The Citizens United decision may be the most troubling one yet. This decision does not only impact one group of people or one area of the law—it affects the very way our elections and our democratic system are run.

The Court's decision in this case opened the door to unlimited corporate spending in federal elections. It held that the first amendment of the Constitution protects the rights of corporations, and protects their right to spend freely—in the millions or even the billions of dollars—on election ads to support or defeat their favored candidates.

This means that an oil company like ExxonMobil could spend any portion of its billions in profits to elect a candidate who will let them drill more, or to defeat a candidate who opposes their drilling plans.

It means that Xe Services, formerly known as Blackwater, and other defense contractors could spend unlimited sums toward the election of candidates who view their defense positions favorably.

And large banks like JPMorgan Chase would be free to use their corporate treasury funds to attack candidates who favor financial regulation.

This last example, of course, is a very real and present situation. The questions on the floor right now are of great importance—should the credit default swaps and derivative contracts that have wreaked havoc on our economy be regulated, and how? These are questions we need to answer with the interest of the American public and our economy in mind, not the possibility that JP Morgan could launch a multimillion dollar attack against us if we don't bow to their demands.

As Fred Wertheimer of Democracy 21 testified at a Rules Committee hearing, ''It would not take many examples of elections where multimillion corporate expenditures defeat a member of Congress before all members quickly learn the lesson, vote against the corporate interest at stake in a piece of legislation and you run the risk of being hit with a multimillion-dollar corporate ad campaign to defeat you.''

The Supreme Court's decision is based on constitutional law. They get the final word on the Constitution, and they have spoken. So our response unfortunately has to be made with one hand tied behind our back. The DISCLOSE Act is a powerful attempt to show the public the effect of this decision and to ensure that our election process will remain transparent.

Here is what the bill would do:

First, it would require new disclaimers so that the American public knows who is behind an ad they see on TV.

If a corporation runs an ad, the CEO must stand up and say that they approved the message. If an advocacy organization runs the ad, the head of the organization and the top outside funder must appear. The point is simple—if you are behind an ad, say so, and let the public know.

Second, the bill would impose new disclosure requirements.

Organizations will have to disclose all of their donors who have given over $1000 or who have contributed to their election spending accounts.

Let me give you an example from the National Law Journal of why these disclosure and disclaimer rules are important.

Last summer, an organization called America's Health Insurance Plans, or AHIP, collected between $10 and $20 million from major health insurance companies such as Aetna, Cigna, Kaiser Foundation, UnitedHealth Group, and Wellpoint. AHIP funneled these funds to the U.S. Chamber of Commerce, which set up two separate entities called the ''Campaign for Responsible Health Reform'' and ''Employers for a Healthy Economy.'' These two shell organizations then engaged in widespread advertising to oppose health reform. Although the health insurance companies were the primary funders of the ads, the American public had no way of knowing that by the time the ads appeared on TV.

The DISCLOSE Act will require disclaimers that name an ad's top funders and disclose where the money came from. I think this is important, and I believe it will be an important step forward in true voter education and transparency.

Third, the bill will prevent foreign-controlled entities from spending unlimited sums in American elections through their subsidiaries.

Under current law, foreign companies cannot directly contribute to candidates or air election ads, but their U.S.-based subsidiaries can and often do. According to the Washington Post, since 2007, U.S.-based subsidiaries of foreign corporations have contributed more than $20 million to Federal campaigns through political action committees.

The rules will prevent a corporation from making contributions or spending on election ads if a foreign national owns 20 percent or more of its voting shares; a majority of the board of directors are foreign nationals; foreign nationals have the power to control the decision making of the subsidiary; or foreign nationals control election-related expenditures.

Fourth, the bill will prohibit any company with government contracts in excess of $50,000 and any company that receives TARP or similar government assistance funds, from making unlimited election expenditures.

The point here is simple—if your business relies on government contracts or government assistance for its revenues, you should not be in the business of trying to buy seats for your friends or take them away from your enemies.

Finally, the bill will expand current law to allow political parties the same ability as candidates to get television ad time at the ''lowest unit rate'' in certain situations and in certain geographical areas.

The Roberts Court's decision in Citizens United was, I believe, the wrong one. It protected corporations at the expense of drowning out individuals' free speech. It threatened to put democratic elections in the United States up for sale. And it will, I believe, lead to voters having less reliable information about candidates—not more.

The DISCLOSE Act cannot solve all of the problems created by the decision, but it is a critical step forward. The bill will ensure that the American public knows who is funding an ad when they see it on television, and it will close loopholes that could have otherwise allowed unlimited spending in our elections by foreign nationals and corporations receiving government assistance.

I believe it is essential that we pass this bill quickly, and I look forward to working with Senator SCHUMER and others to do so.

ASIAN PACIFIC AMERICAN HERITAGE MONTH

Mrs. FEINSTEIN. Madam President, each May, since 1978, we have honored the rich heritage and countless accomplishments of the many Asian Pacific Americans in our country. I am delighted to recognize Asian Pacific American Heritage Month and to pay tribute to the struggles and enormous contributions of Asian Pacific Americans to our Nation's history and culture.

May was chosen for Asian Pacific American Heritage Month to commemorate both the arrival of the first Japanese immigrants in 1843, and also the completion of the Transcontinental Railroad in 1869, which was constructed in large part by Chinese laborers.

''Lighting the Past, Present, and Future'' is the theme for this year's celebration of Asian Pacific American Heritage Month. This phrase recognizes both the plight and extraordinary achievements of the Asian Pacific American community as they have forged ahead to become a successful and vital segment of American society.

Currently, Asian Pacific Americans constitute one of the fastest growing minority communities in the United States, and California is home to the greatest number of Asian Pacific Americans. There are over 15 million Asian Pacific Americans in the Nation, with more than 5 million living in California. In addition, there are thousands of Asian Pacific Americans currently serving in our Armed Forces, defending our country and securing freedom abroad.

With this wealth of diversity, our State is enriched by many famous ethnic enclaves such as San Francisco's Chinatown and Japantown, Westminster's Little Saigon, Los Angeles's Historic Filipinotown and Long Beach's Little Cambodia. As the Asian Pacific American community has grown, these historic neighborhoods have become vibrant centers of cultural exchange and learning.

The Asian Pacific American community has enthusiastically answered the call to public service, and as a result, we see more Asian Pacific Americans in government leadership. Throughout my career, I have worked with many extraordinary Asian Pacific American leaders, in particular Senators DANIEL INOUYE and DANIEL AKAKA of Hawaii, two longtime stalwarts of the Senate. Joining my colleagues this year in Congress was Representative JUDY CHU, the first Chinese American woman elected to the House of Representatives, becoming the 12th Asian Pacific American elected official currently serving in Congress. In addition, Dr. Steven Chu was appointed as Secretary of the U.S. Department of Energy, the first Asian Pacific American to hold the position. A new generation of leaders has emerged, who will no doubt continue to lead not only their community, but the Nation to new heights.

This past year has also meant many firsts for the Federal bench: two Asian Pacific American nominees, Ed Chen and Lucy Koh, for the U.S. District Court for the Northern District of California, where there has never been an Asian Pacific American district judge; the confirmation of the first Chinese American woman to be a district court judge, Dolly Gee; and the confirmation of the first Vietnamese American district court judge, Jacqueline Nguyen. I recommended Magistrate Judge Chen and Judge Nguyen to President Barack Obama, as well as Professor Goodwin Liu for appointment to the Ninth Circuit Court of Appeals, confident that their strong legal backgrounds and unique perspective will be valuable additions to the Federal courts.

As we celebrate the rich and diverse Asian and Pacific Islander cultures during this month, we are not only recognizing many notable achievements, but we are also reminded of the struggles and sacrifices endured to live and experience the American dream.

The Senate has worked on a number of major pieces of legislation this session, including the Patient Protection and Affordable Care Act, which I proudly voted for and the President signed into law in March. In addition to providing health care to 2.3 million uninsured Asian Pacific Americans nationwide, the bill will provide subsidies to Asian Pacific American small businesses, close the Medicare ''doughnut hole'' for all Asian Pacific American seniors, and provide more resources and strong data collection provisions that will help address racial and ethnic health disparities. In a community where 52 percent of Asian Pacific Americans delay or forgo routine and preventative treatment due to the high cost of medical care and where cancer is the leading cause of death, access to quality medical care is vital.

This is a great beginning to health care reform and I look forward to continuing the work with my Federal medical insurance rate authority bill. My legislation would create a rate authority that would oversee premiums charged by the health insurance industry and provide a safeguard for Americans against soaring premium increases. Access to affordable medical care is a necessity of life that I will work hard to protect for all Americans.

In the Asian Pacific American community where about 60 percent of the population is foreign-born, immigration reform is a central and important issue. For example, although Asians and Pacific Islanders make up about 39 percent of all family sponsored immigrants, they represent nearly half the backlogs in family reunification visas. I recently cosigned a letter with Senator BARBARA BOXER to President Obama, urging his continued support for fixing our broken immigration system. As we address immigration reform, it is imperative that we support effective solutions and a commonsense approach that would keep families together, while improving the state of our economy.

At such an unprecedented moment in the Nation's history, there is no doubt that these are only two of the many challenges that the Asian Pacific American community will be faced with in the upcoming year. However, Asian Pacific Americans are a resilient people and their accomplishments this year alone are a testament of their remarkable spirit and important role in the history and culture of the United States.

I am proud to honor the tremendous strength, character, and courage of Asian Pacific Americans during Asian Pacific American Heritage Month and am confident that they will only continue to surpass these challenges and further add to the vibrancy of the American landscape.

REMEMBERING DR. RUSSELL ROSS

Mr. GRASSLEY. Madam President, I would like to recognize the passing of a mentor to me and many other political science students over the years.

Russell Marion Ross was a professor of political science for more than 40 years at the University of Iowa. He died on Tuesday, April 27, at age 88.

Dr. Ross was an Iowan through and through. Born in Washington, IA, he received his bachelor and master degrees, and Ph.D. in political science from the University of Iowa. He served as chairman of the department for many years. In 1987, he wrote a book on the department's history for the Iowa State Historical Society. Following his retirement, he continued to teach long-distance education classes until the time of his death. Dr. Ross began his association with long-distance education while serving in the Navy on the aircraft carrier USS Manilla Bay.

He was an expert on local government and politics. He wrote several books in his field, served as executive assistant to Governor Norman Erbe in the 1960s, and was the mayor of University Heights for more than 10 years.

Dr. Ross influenced numerous students over the years. Online condolences included postings by two city managers who said Dr. Ross guided their vocations. Other postings came from those with fond memories of Dr. Ross' friendliness, approachability, and honesty.

As Joel and Sandy Barkan of Washington, DC, wrote: ''He was devoted to the University, a good steward, and a straight shooter in the Iowa tradition. He will be missed.''

That is exactly the sentiment I have about Dr. Ross.

In 1957 and 1958, Dr. Ross was my professor at the University of Iowa when I was pursuing course work toward a doctorate in political science. As an authority on state and local government, he would have been my adviser on my dissertation topic, which was the reorganization of state government to save money.

Professor Ross was an expert and very well-regarded in his field, sought after for decades by the news media for his sharp insight into Iowa politics. He combined his significant knowledge with a plain-spoken common sense that cut to the chase. For example, in assessing the Democratic Presidential caucus fight in 2000, Dr. Ross was quoted as saying of candidate Bill Bradley, who was slow to respond to attacks from Al Gore, ''He muffed it pretty badly.'' That was the bottom line in just five words.

So Professor Ross was generous with his insight. He also was generous with his time. To a 23-year-old graduate student, as I was, an accomplished scholar can be intimidating and hard to approach. Dr. Ross was the opposite. He always had time for his students, and all of these years later, that's the first impression that comes to mind when I think of him.

I didn't finish my doctoral program, but that had nothing to do with Dr. Ross. I ran for the State legislature instead. With his generosity of spirit and knowledge, Dr. Ross helped me to find my calling, as he excelled at his. Iowans are fortunate to have had such an outstanding person in our lives.

ADDITIONAL STATEMENTS

TRIBUTE TO COLONEL KEITH ZUEGEL

• Mr. CONRAD. Madam President, I want to take a moment to honor COL Keith W. Zuegel of the U.S. Air Force on the occasion of his retirement after 28 years of dedicated service to our country.

After graduating from the Air Force Academy in 1982, Colonel Zuegel logged nearly 2,000 flying hours across four aircraft and six airframes, including the F–111 ''Aardvark,'' achieving a master navigator rating. He skillfully served in numerous operational tours, including assignments and experience ranging from the United States to Europe and the Pacific. Of distinct importance, his skills were put to the test during the opening night of Operation Desert Storm. On January 17, 1991, young Captain Zuegel distinguished himself in an attack on a heavily fortified target near Ali Al Salem Airfield, Kuwait. In the face of heavy anti-aircraft fire and surface-to-air-missiles launched against them, Captain Zuegel, the F–111 weapons system officer, and his aircraft commander elected to continue their attack. Their destruction of a hardened aircraft shelter greatly diminished the Iraqi Air Force, clearing the way for the eventual ground campaign to liberate Kuwait. His heroic combat efforts that evening earned him a Silver Star.

Following his operational assignments, Colonel Zuegel served in a variety of staff assignments, working for the Secretary of the Air Force, the Commander of U.S. European Command, the Commander of Joint Forces Command, and the Chairman of the Joint Chiefs of Staff. His experiences in those posts served him well, preparing him for the ''big leagues''—Director of the Air Force's Congressional Budget and Appropriation Liaison Office. In this role, he directed all Air Force congressional appropriations work on the hill for the last 3 years, as well as routine engagements and testimony by the Air Force's senior leadership with Congress. Through those interactions, my fellow Members of Congress have come to view him as a trusted ambassador in blue. The Secretary of the Air Force said that ''Zeugs is a key guy in the Air Force,'' while the chairman of both defense appropriations subcommittees lauded his efforts. Speaking personally, I have benefitted from Colonel Zuegel's work arranging congressional travel more than once and have always found him to be not only a consummate professional and an astute representative of the Air Force but also a gracious host and a wonderful travelling companion.

I ask that my colleagues join me in expressing our deep appreciation to Colonel Zuegel for his outstanding service. His character and dedication demonstrate the best of our Armed Forces. Colonel Zuegel has been a friend to my office, my constituents in North Dakota, and me. On the occasion of his retirement, I wish Keith and his family all the very best in the years to come.•

TRIBUTE TO JANE KEATING

• Mr. WYDEN. Madam President, I wish to pay tribute to Taxpayer Advocate Jane Keating. Ms. Keating will be retiring in April 2010 after 38 years of service to this country.

Former Oregon Governor Tom McCall once said, ''Heroes are not giant statues framed against a red sky. They are people who say, ''This is my community, and it is my responsibility to make it better.'' Jane Keating truly is a hero, for she has devoted much of her life to making the United States and her community better.

Jane Keating began her career with the Internal Revenue Service, IRS, in 1972 as a tax auditor in Los Angeles. Jane held successively responsible managerial positions with the IRS before coming to my home State of Oregon in 1985 as chief of the Taxpayer Service Division.

Because of Jane's outstanding service to the taxpayers, she was selected as the Taxpayer Advocate in August 1996. Jane has led this office with professionalism, integrity, and a sense of dedication to the taxpayers she serves. Her colleagues, her employees, and the public respect Jane for the excellent service she provided for so many years.

It is an honor for me to recognize Ms. Jane Keating for her service to this country and to her community. She is indeed a true Oregon hero.•

REPORT ON THE CONTINUATION OF THE NATIONAL EMERGENCY THAT WAS ORIGINALLY DECLARED IN EXECUTIVE ORDER 13338 OF MAY 11, 2004, WITH RESPECT TO THE BLOCKING OF PROPERTY OF CERTAIN PERSONS AND PROHIBITION OF EXPORTATION AND RE-EXPORTATION OF CERTAIN GOODS TO SYRIA—PM 51

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act, 50 U.S.C. 1622(d), provides for the automatic termination of a national emergency, unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Register* for publication the enclosed notice stating that the national emergency with respect to the actions of the Government of Syria declared in Executive Order 13338 of May 11, 2004, and relied upon for additional steps taken in Executive Order 13399 of April 25, 2006, and Executive Order 13460 of February 13, 2008, is to continue in effect beyond May 11, 2010.

While the Syrian government has made some progress in suppressing foreign fighter networks infiltrating suicide bombers into Iraq, its actions and polices, including continuing support for terrorist organizations and pursuit of weapons of mass destruction and missile programs, pose a continuing unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. For these reasons, I have determined that it is necessary to continue in effect the national emergency declared with respect to this threat and to maintain in force the sanctions to address this national emergency. As we have communicated to the Syrian government directly, Syrian actions will determine whether this national emergency is renewed or terminated in the future.

BARACK OBAMA.

THE WHITE HOUSE, *May 3, 2010*.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–5688. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A330–243, –341, –342, and –343 Airplanes Equipped with Rolls-Royce Trent 700 Engines'' ((RIN2120–AA64)(Docket No. FAA–2010–0391)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5689. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bombardier, Inc. Model CL–600–2B19 (Regional Jet Series 100 and 440) Airplanes'' ((RIN2120–AA64)(Docket No. FAA–2009–1068)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5690. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A330–200, A330–300, and A340–300 Series Airplanes'' ((RIN2120–AA64)(Docket No. FAA–2009–1108)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5691. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model 340–500 and –600 Series Airplanes'' ((RIN2120–AA64)(Docket No. FAA–2010–0282)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5692. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Rolls-Royce plc RB211–Trent 700 Series Turbofan Engines'' ((RIN2120–AA64)(Docket No. FAA–2005–19559)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5693. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class D Airspace; Hollywood, FL'' ((RIN2120–AA66)(Docket No. FAA–2010–0300)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5694. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace, Oxnard, CA'' ((RIN2120–AA66)(Docket No. FAA–2009–1009)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5695. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; Dallas–Fort Worth, TX'' ((RIN2120–AA66)(Docket No. FAA–2009–0926)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5696. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; Altus, OK'' ((RIN2120–AA66)(Docket No. FAA–2009–0405)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5697. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace, Rifle, CO'' ((RIN2120–AA66)(Docket No. FAA–2009–1014)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5698. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; North Bend, OR'' ((RIN2120–AA66)(Docket No. FAA–2009–0831)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5699. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Low Altitude Area Navigation Route T–254; Houston, TX'' ((RIN2120–AA66)(Docket No. FAA–2010–0015)) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5700. A communication from the Senior Legal Advisor and Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of the Amateur Service Rules to Facilitate Use of Spread Spectrum Communications Technologies'' (FCC 10–38) received in the Office of the President of the Senate on April 21, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5701. A communication from the Program Analyst, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Federal Motor Vehicle Safety Standards; Roof Crush Resistance'' (RIN2127–AG51) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5702. A communication from the Senior Regulations Analyst, Office of the Secretary of Transportation, Department of Transportation, transmitting, pursuant to law, a rule entitled ''Short-Term Lending Program'' (RIN2105–AD50) received in the Office of the President of the Senate on April 23, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5703. A communication from the Attorney-Advisor, Federal Highway Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''National Standards for Traffic Control Devices; the Manual on Uniform Traffic Control Devices for Streets and Highways; Revision'' (RIN2125–AF22) received in the Office of the President of the Senate on March 26, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5704. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Television Broadcasting Services; Beaumont, TX'' (MB Docket No. 10–49) received in the Office of the President of the Senate on April 22, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5705. A communication from the Acting Associate Chief, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''High-Cost Universal Service Support, Jurisdictional Separations, and Coalition for Equity in Switching Support Petition for Reconsideration'' (FCC10–44) received in the Office of the President of the Senate on April 21, 2010; to the Committee on Commerce, Science, and Transportation.

EC–5706. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Tax Treatment of Health Care Benefits Provided with Respect to Children Under Age 27'' (Notice No. 2010–38) received in the Office of the President of the Senate on April 29, 2010; to the Committee on Finance.

EC–5707. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Tebuconazole; Pesticide Tolerances'' (FRL No. 8821–4) received in the Office of the President of the Senate on April 30, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5708. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Cyprodinil; Pesticide Tolerances'' (FRL No. 8818–8) received in the Office of the

President of the Senate on April 28, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5709. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Phosphate Ester, Tallowmine, Ethoxylated; Exemption from the Requirement of a Tolerance'' (FRL No. 8816–4) received in the Office of the President of the Senate on April 28, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5710. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Spirodiclofen; Pesticide Tolerances'' (FRL No. 8820–4) received in the Office of the President of the Senate on April 28, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5711. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Milk in the Northeast and Other Marketing Areas; Order Amending the Orders'' (Docket No. AMS–DA–09–0007; AO–14–A78, et al.; DA–09–02) received in the Office of the President of the Senate on April 29, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5712. A communication from the Regulatory Analyst, Grain Inspection, Packers and Stockyards Administration, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Swine Contract Library'' (RIN0580–AB06) received in the Office of the President of the Senate on May 3, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5713. A communication from the Acting Assistant Secretary of Defense (Health Affairs), Department of Defense, transmitting, pursuant to law, the Department of Defense Evaluation of the TRICARE Program Fiscal Year 2010 Report; to the Committee on Armed Services.

EC–5714. A communication from the General Counsel of the Federal Housing Finance Agency, transmitting, pursuant to law, the report of a rule entitled ''Board of Directors of Federal Home Loan Bank System Office of Finance'' (RIN2590–AA30) received in the Office of the President of the Senate on April 29, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC–5715. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District'' (FRL No. 9137–8) received in the Office of the President of the Senate on April 30, 2010; to the Committee on Environment and Public Works.

EC–5716. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Indiana; Volatile Organic Compound Automobile Refinishing Rules for Indiana'' (FRL No. 9136–7) received in the Office of the President of the Senate on April 30, 2010; to the Committee on Environment and Public Works.

EC–5717. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the California State Implementation Plan, Placer County Air Pollution Control District, Sacramento Metropolitan Air Quality Management District, San Joaquin Valley Unified Air Pollution Control District, and South Coast Air Quality Management District'' (FRL No. 9135–3) received in the Office of the President of the Senate on April 30, 2010; to the Committee on Environment and Public Works.

EC–5718. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Protection of Stratospheric Ozone: The 2010 Critical Use Exemption from the Phaseout of Methyl Bromide'' (FRL No. 9144–5) received in the Office of the President of the Senate on April 30, 2010; to the Committee on Environment and Public Works.

EC–5719. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; New Mexico; Interstate Transport of Pollution'' (FRL No. 9144–4) received in the Office of the President of the Senate on April 30, 2010; to the Committee on Environment and Public Works.

EC–5720. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Colorado; Revisions to Regulation Number 1'' (FRL No. 9114–3) received in the Office of the President of the Senate on April 28, 2010; to the Committee on Environment and Public Works.

EC–5721. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Lead; Amendment to the Opt-out and Recordkeeping Provisions in the Renovation, Repair, and Painting Program'' (FRL No. 8823–7) received in the Office of the President of the Senate on April 28, 2010; to the Committee on Environment and Public Works.

EC–5722. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Mandatory Reporting of Greenhouse Gases: Minor Harmonizing Changes to the General Provisions'' (FRL No. 9143–5) received in the Office of the President of the Senate on April 28, 2010; to the Committee on Environment and Public Works.

EC–5723. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Ocean Dumping; Designation of Ocean Dredged Material Disposal Sites offshore of the Siuslaw River, Oregon'' (FRL No. 9143–2) received in the Office of the President of the Senate on April 28, 2010; to the Committee on Environment and Public Works.

EC–5724. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report relative to West Onslow Beach and New River Inlet (Topsail Beach), North Carolina; to the Committee on Environment and Public Works.

EC–5725. A communication from the Deputy Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Center for Devices and Radiological Health; New Address Information'' (Docket No. FDA–2010–N–0010) received in the Office of the President of the Senate on May 3, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC–5726. A communication from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Changes in the Federal Employees Dental and Vision Insurance Program'' (RIN3206–AL78) received in the Office of the President of the Senate on April 29, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–5727. A communication from the Auditor of the District of Columbia, transmitting, pursuant to law, a report entitled ''Audit of the Fleet Management Administration of the Department of Public Works''; to the Committee on Homeland Security and Governmental Affairs.

EC–5728. A communication from the Chairman, Federal Maritime Commission, transmitting, pursuant to law, the Commission's 48th Annual Report of the activities of the Federal Maritime Commission for fiscal year 2009; to the Committee on Homeland Security and Governmental Affairs.

EC–5729. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, an annual report relative to Indian Health Service funding for contract support costs of self-determination awards; to the Committee on Indian Affairs.

EC–5730. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, an annual report on applications made by the Government for authority to conduct electronic surveillance and physical searches during calendar year 2009; to the Committee on the Judiciary.

EC–5731. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, a report on the Department's activities during Calendar Year 2009 relative to the Equal Credit Opportunity Act; to the Committee on the Judiciary.

EC–5732. A communication from the Director, Administrative Office of the United States Courts, transmitting, pursuant to law, a report relative to wiretaps; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petition or memorial was laid before the Senate and was referred or ordered to lie on the table as indicated:

POM–98. A concurrent resolution adopted by the Senate of the Legislature of the State of Missouri relative to urging the Untied States Congress to strongly support the continuation of horse processing in the United States and to offer incentives that help create horse processing plants throughout the United States; to the Committee on Agriculture, Nutrition, and Forestry.

SENATE CONCURRENT RESOLUTION NO. 8

Whereas, horse processing is the most tightly regulated of any animal harvest, and the horse is the only animal that has its transportation to processing regulated. If horse processing plants are forced to close and export options are eliminated, the Horse Welfare Coalition estimates that 90,000 to 100,000 unwanted horses annually would be exposed to potential abandonment and neglect; and

Whereas, the 90,000 to 100,000 additional unwanted horses each year would compete for adoption with the 32,000 wild horses that United States taxpayers are already paying $40 million to shelter and feed; and

Whereas, the nation's inadequate, overburdened, and unregulated horse rescue and adoption facilities cannot handle the influx of the approximately 60,000 or more additional horses each year that would result from a harvesting ban, according to the Congressional Research Service; and

Whereas, many zoo animal diets rely on equine protein because it mimics what the animal would receive in the wild. Veterinarians and animal nutritionists say it is the healthiest diet for big cats and rare birds. If legislation shuts down horse processing facilities, the only source for this meat that is inspected by the U.S. Department of Agriculture (USDA) will be eliminated: Now therefore be it

Resolved, That the members of the Missouri Senate, Ninety-fifth General Assembly, First Regular Session, the House of Representatives concurring therein, hereby urge the United States Congress to strongly support the continuation of horse processing in the United States and to offer incentives that help create horse processing plants throughout the United States, such as state-inspected horse harvest for export; and be it further

Resolved, That the members of the Missouri General Assembly strongly encourage Congress to support new horse processing facilities and the continuation of existing facilities on both the state and national level; and be it further

Resolved, That the members of the Missouri General Assembly urge Congress to oppose any legislation introduced in the 111th Congress that would restrict the transportation and processing of horses in the United States and internationally; and be it further

Resolved, That the members of the Missouri General Assembly support the location of USDA-approved horse processing facilities on state, tribal, or private lands under mutually-acceptable and market-driven land leases and, if necessary, a mutually-acceptable assignment of revenues that meet the needs of all parties involved with the facility; and be it further

Resolved, That the Secretary of the Missouri Senate be instructed to prepare properly inscribed copies of this resolution for the President of the United States Senate, the Speaker of the United States House of Representatives and the members of the Missouri Congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, with amendments:

S. 707. A bill to enhance the Federal Telework Program (Rept. No. 111—177).

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEAHY:

S. Res. 511. A resolution commemorating and acknowledging the dedication and sacrifices made by the Federal, State, and local law enforcement officers who have been killed or injured in the line of duty; to the Committee on the Judiciary.

By Mr. JOHNSON:

S. Res. 512. A resolution designating June 2010 as ''National Aphasia Awareness Month'' and supporting efforts to increase awareness of aphasia; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 132

At the request of Mrs. FEINSTEIN, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 132, a bill to increase and enhance law enforcement resources committed to investigation and prosecution of violent gangs, to deter and punish violent gang crime, to protect law-abiding citizens and communities from violent criminals, to revise and enhance criminal penalties for violent crimes, to expand and improve gang prevention programs, and for other purposes.

S. 632

At the request of Mr. BAUCUS, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 632, a bill to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly.

S. 678

At the request of Mr. LEAHY, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 678, a bill to reauthorize and improve the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes.

S. 686

At the request of Ms. MIKULSKI, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 686, a bill to establish the Social Work Reinvestment Commission to advise Congress and the Secretary of Health and Human Services on policy issues associated with the profession of social work, to authorize the Secretary to make grants to support recruitment for, and retention, research, and reinvestment in, the profession, and for other purposes.

S. 729

At the request of Mr. DURBIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 729, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine State residency for higher education purposes and to authorize the cancellation of removal and adjustment of status of certain alien students who are long-term United States residents and who entered the United States as children, and for other purposes.

S. 973

At the request of Mr. NELSON of Florida, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 973, a bill to amend title XVIII of the Social Security Act to provide for the distribution of additional residency positions, and for other purposes.

S. 1492

At the request of Ms. MIKULSKI, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1492, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

S. 1668

At the request of Mr. BENNET, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1668, a bill to amend title 38, United States Code, to provide for the inclusion of certain active duty service in the reserve components as qualifying service for purposes of Post-9/11 Educational Assistance Program, and for other purposes.

S. 1724

At the request of Mr. SCHUMER, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1724, a bill to establish a competitive grant program in the Department of Justice to be administered by the Bureau of Justice Assistance which shall assist local criminal prosecutor's offices in investigating and prosecuting crimes of real estate fraud.

S. 2801

At the request of Mr. FRANKEN, the names of the Senator from Illinois (Mr. BURRIS) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 2801, a bill to provide children in foster care with school stability and equal access to educational opportunities.

S. 2947

At the request of Mr. CARDIN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 2947, a bill to amend the Internal Revenue Code of 1986 to classify automatic fire sprinkler systems as 5-year property for purposes of depreciation.

S. 3102

At the request of Mr. MERKLEY, the names of the Senator from New Mexico (Mr. UDALL) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 3102, a bill to amend the miscellaneous rural development provisions of the Farm Security and Rural Investment Act of 2002 to authorize the Secretary of Agriculture to make loans to certain entities that will use the funds to make loans to consumers to implement energy efficiency measures involving structural improvements and investments in cost-effective, commercial off-the-shelf technologies to reduce home energy use.

S. 3202

At the request of Mr. LUGAR, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 3202, a bill to promote the strengthening of the Haitian private sector.

S. 3206

At the request of Mr. HARKIN, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. 3206, a bill to establish an Education Jobs Fund.

S. 3219

At the request of Mr. DURBIN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 3219, a bill to amend title 11, United States Code, with respect to certain exceptions to discharge in bankruptcy.

S. 3234

At the request of Mrs. MURRAY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3234, a bill to improve employment, training, and placement services furnished to veterans, especially those serving in Operation Iraqi Freedom and Operation Enduring Freedom, and for other purposes.

S. 3238

At the request of Mr. SCHUMER, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. 3238, a bill to provide for a medal of appropriate design to be awarded by the President to the next of kin or other representative of those individuals killed as a result of the terrorist attacks of September 11, 2001, and to the memorials established at the 3 sites that were attacked on that day.

S. 3266

At the request of Mr. BENNET, the names of the Senator from Georgia (Mr. ISAKSON), the Senator from Montana (Mr. TESTER), the Senator from Illinois (Mr. BURRIS), the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 3266, a bill to ensure the availability of loan guarantees for rural homeowners.

S. 3272

At the request of Mr. BENNET, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 3272, a bill to provide greater controls and restrictions on revolving door lobbying.

S. 3287

At the request of Mr. BROWNBACK, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 3287, a bill to award a Congressional Gold Medal in honor of the recipients of assistance under the Servicemen's Readjustment Act of 1944 (commonly referred to as the ''GI Bill of Rights'') in recognition of the great contributions such recipients made to the Nation in both their military and civilian service and the contributions of Harry W. Colmery in initiating actions which led to the enactment of that Act, and for other purposes.

S. 3295

At the request of Mr. SCHUMER, the names of the Senator from Virginia (Mr. WEBB), the Senator from New Mexico (Mr. UDALL) and the Senator from Maryland (Mr. CARDIN) were added as cosponsors of S. 3295, a bill to amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

S. RES. 411

At the request of Mrs. LINCOLN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. Res. 411, a resolution recognizing the importance and sustainability of the United States hardwoods industry and urging that United States hardwoods and the products derived from United States hardwoods be given full consideration in any program to promote construction of environmentally preferable commercial, public, or private buildings.

AMENDMENT NO. 3737

At the request of Mrs. BOXER, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of amendment No. 3737 proposed to S. 3217, an original 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.

AMENDMENT NO. 3738

At the request of Mr. SANDERS, the names of the Senator from Utah (Mr. BENNETT) and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of amendment No. 3738 intended to be proposed to S. 3217, an original 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.

AMENDMENT NO. 3746

At the request of Mr. WHITEHOUSE, the names of the Senator from Ohio (Mr. BROWN) and the Senator from New Jersey (Mr. MENENDEZ) were added as cosponsors of amendment No. 3746 intended to be proposed to S. 3217, an original 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.

AMENDMENT NO. 3759

At the request of Mrs. HUTCHISON, the names of the Senator from New Hampshire (Mr. GREGG) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of amendment No. 3759 intended to be proposed to S. 3217, an original 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.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 511—COMMEMORATING AND ACKNOWLEDGING THE DEDICATION AND SACRIFICES MADE BY THE FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT OFFICERS WHO HAVE BEEN KILLED OR INJURED IN THE LINE OF DUTY

Mr. LEAHY submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 511

Whereas the well-being of the people of the United States is preserved and enhanced as a direct result of the vigilance and dedication of law enforcement personnel;

Whereas more than 900,000 men and women, at great risk to their personal safety, serve the people of the United States as guardians of the peace;

Whereas peace officers are on the front lines in protecting the schools and schoolchildren of the United States;

Whereas, in 2009, 116 peace officers across the United States were killed in the line of duty;

Whereas Congress should strongly support initiatives to reduce violent crime and increase the factors that contribute to the safety of law enforcement officers, including—

(1) equipment of the highest quality and modernity;

(2) increased availability and use of bullet-resistant vests;

(3) improved training; and

(4) advanced emergency medical care;

Whereas the names of 18,983 Federal, State, and local law enforcement officers who lost their lives in the line of duty protecting the people of the United State are engraved on the National Law Enforcement Officers Memorial in Washington, District of Columbia;

Whereas, in 1962, President John F. Kennedy designated May 15 as National Peace Officers Memorial Day;

Whereas, on May 15, 2010, more than 20,000 peace officers are expected to gather in Washington, District of Columbia, to join with the families of recently fallen comrades to honor those comrades and all others who went before the peace officers: Now, therefore, be it

Resolved, That the Senate—

(1) commemorates and acknowledges the dedication and sacrifices made by the Federal, State, and local law enforcement officers who have been killed or injured in the line of duty;

(2) recognizes May 15, 2010, as ''National Peace Officers Memorial Day''; and

(3) calls on the people of the United States to observe that day with appropriate ceremony, solemnity, appreciation, and respect.

Mr. LEAHY. Mr. President, I am honored once again to submit this resolution to the Senate commemorating our Nation's law enforcement officers and National Peace Officers Memorial Day. The Senate's official recognition of National Peace Officers Memorial Day and Police Week is a tradition I am proud to carry out each year, and I look forward to the Senate taking up and passing this resolution.

In 2009, 116 law enforcement officers died while serving in the line of duty. We honor their memory. Though this is a decrease from 2008, it is no less tragic a loss to our Federal and State law enforcement community and to their families and friends. Each year we commemorate the bravery of so many in law enforcement, and our Nation's peace officers deserve our commitment to provide them with the tools they need to stay safe and to do their jobs as effectively as they can.

Currently, more than 900,000 men and women work tirelessly to protect our communities, our schools, and our children. They investigate and apprehend the most violent criminals and strive to keep our communities safe and secure. Since the first recorded police death in 1792, the names of 18,983 law enforcement officers who have made the ultimate sacrifice have been added to the National Law Enforcement Officers Memorial.

I also take this opportunity to recognize that the names of 324 fallen officers will be added to the National Law Enforcement Officers Memorial on May 13 during a candlelight vigil held in their honor. These are officers from the past and present whose memory will be preserved for all time at the memorial, ensuring that their bravery and sacrifice will not be forgotten. I especially want to recognize two brave Vermonters who gave their lives in the line of duty, and whose names will be added to the Memorial this year: John Henry Collette of the Addison County Sheriff's Office, died July 17, 1932, and Robert Daniel Rossier of the Vermont Highway Patrol, died September 9, 1935.

National Peace Officers Memorial Day provides the people of the United States, in their communities, in their State capitals, and in the Nation's Capital, with the opportunity to honor and reflect on the extraordinary service and sacrifice given year after year by those members of our police forces. More than 20,000 peace officers are expected to gather in Washington in the days leading up to May 15, to join with the families of their fallen comrades. It is right that the Senate show its respect on this occasion, and I am proud to honor their service and their memory. I urge all Senators to join me in approving this resolution.

SENATE RESOLUTION 512—DESIGNATING JUNE 2010 AS ''NATIONAL APHASIA AWARENESS MONTH'' AND SUPPORTING EFFORTS TO INCREASE AWARENESS OF APHASIA

Mr. JOHNSON submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 512

Whereas aphasia is a communication impairment caused by brain damage that typically results from a stroke;

Whereas aphasia can also occur with other neurological disorders, such as a brain tumor;

Whereas many people with aphasia also have weakness or paralysis in the right leg and right arm, usually due to damage to the left hemisphere of the brain, which controls language and movement on the right side of the body;

Whereas the effects of aphasia may include a loss of or reduction in the ability to speak, comprehend, read, and write, but the intelligence of a person with aphasia remains intact;

Whereas, according to the National Institute of Neurological Disorders and Stroke (referred to in this preamble as the ''NINDS''), stroke is the third-leading cause of death in the United States, ranking behind heart disease and cancer;

Whereas stroke is a leading cause of serious, long-term disability in the United States;

Whereas the NINDS estimates that there are about 5,000,000 stroke survivors in the United States;

Whereas the NINDS estimates that people in the United States suffer about 750,000 strokes per year, with approximately ⅓ of the strokes resulting in aphasia;

Whereas, according to the NINDS, aphasia affects at least 1,000,000 people in the United States;

Whereas the NINDS estimates that more than 200,000 people in the United States acquire the disorder each year;

Whereas the National Aphasia Association is a unique organization that provides communication strategies, support, and education for people with aphasia and their caregivers throughout the United States; and

Whereas, as an advocacy organization for people with aphasia and their caregivers, the National Aphasia Association envisions a world that recognizes the ''silent'' disability of aphasia and provides opportunity and fulfillment for people affected by aphasia: Now, therefore, be it

Resolved, That the Senate—

(1) designates June 2010 as ''National Aphasia Awareness Month'';

(2) supports efforts to increase awareness of aphasia;

(3) recognizes that strokes, a primary cause of aphasia, are the third-largest cause of death and disability in the United States;

(4) acknowledges that aphasia deserves more attention and study in order to find new solutions for individuals experiencing aphasia and their caregivers;

(5) supports efforts to make the voices of people with aphasia heard, because people with aphasia are often unable to communicate with others; and

(6) encourages all people in the United States to observe National Aphasia Awareness Month with appropriate events and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3762. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table.

SA 3763. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3764. Mr. VITTER submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3765. Mr. FRANKEN (for himself, Mr. DURBIN, and Mr. WHITEHOUSE) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3766. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3767. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3768. Mr. DURBIN (for himself and Mr. REED) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3769. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3770. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3771. Mr. DURBIN (for himself, Mr. LEAHY, and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3772. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3773. Mr. WHITEHOUSE submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3774. Mr. LEMIEUX submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3775. Mr. WYDEN (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3776. Mr. SPECTER (for himself, Mr. REED, Mr. KAUFMAN, Mr. DURBIN, Mr. HARKIN, Mr. LEAHY, Mr. LEVIN, Mr. MENENDEZ, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. FEINGOLD, and Mr. MERKLEY) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3777. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3778. Mr. UDALL, of Colorado (for himself, Mr. LUGAR, Mr. BOND, Mr. BROWN of Massachusetts, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. LEVIN, Mr. LIEBERMAN, Mrs. MCCASKILL, and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3779. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3780. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3781. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3782. Mr. CORKER (for himself, Mr. ENZI, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3783. Mr. CORKER (for himself, Mr. ENZI, Mr. ISAKSON, Mr. CHAMBLISS, and Mr. BARRASSO) submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

SA 3784. Mr. CORKER (for himself, Mr. CHAMBLISS, Mr. ISAKSON, and Mr. GREGG) submitted an amendment intended to be proposed by him to the bill S. 3217, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3762. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE XIII—COMMISSION ON FREEDOM OF INFORMATION ACT PROCESSING DELAYS

SEC. 1301. COMMISSION ON FREEDOM OF INFORMATION ACT PROCESSING DELAYS.

(a) SHORT TITLE.—This section may be cited as the ''Faster FOIA Act of 2010''.

(b) ESTABLISHMENT.—There is established the Commission on Freedom of Information Act Processing Delays (in this section referred to as the ''Commission'' for the purpose of conducting a study relating to methods to help reduce delays in processing requests submitted to Federal agencies under section 552 of title 5, United States Code (commonly referred to as the ''Freedom of Information Act'').

(c) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall be composed of 16 members of whom—

(A) 3 shall be appointed by the chairman of the Committee on the Judiciary of the Senate;

(B) 3 shall be appointed by the ranking member of the Committee on the Judiciary of the Senate;

(C) 3 shall be appointed by the chairman of the Committee on Government Reform of the House of Representatives;

(D) 3 shall be appointed by the ranking member of the Committee on Government Reform of the House of Representatives;

(E) 1 shall be appointed by the Attorney General of the United States;

(F) 1 shall be appointed by the Director of the Office of Management and Budget;

(G) 1 shall be appointed by the Archivist of the United States; and

(H) 1 shall be appointed by the Comptroller General of the United States.

(2) QUALIFICATIONS OF CONGRESSIONAL APPOINTEES.—Of the 3 appointees under each of subparagraphs (A), (B), (C), and (D) of paragraph (1) at least 2 shall have experience in academic research in the fields of library science, information management, or public access to Government information.

(3) TIMELINESS OF APPOINTMENTS.—Appointments to the Commission shall be made as expeditiously as possible, but not later than 60 days after the date of enactment of this Act.

(d) STUDY.—The Commission shall conduct a study to—

(1) identify methods that—

(A) will help reduce delays in the processing of requests submitted to Federal agencies under section 552 of title 5, United States Code; and

(B) ensure the efficient and equitable administration of that section throughout the Federal Government;

(2) examine whether the system for charging fees and granting waivers of fees under section 552 of title 5, United States Code, needs to be reformed in order to reduce delays in processing requests; and

(3) examine and determine—

(A) why the Federal Government's use of the exemptions under section 552(b) of title 5, United States Code, increased during fiscal year 2009;

(B) the reasons for any increase, including whether the increase was warranted and whether the increase contributed to FOIA processing delays;

(C) what efforts were made by Federal agencies to comply with President Obama's January 21, 2009 Presidential Memorandum on Freedom of Information Act Requests and whether those efforts were successful; and

(D) make recommendations on how the use of exemptions under section 552(b) of title 5, United States Code, may be limited.

(e) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit a report to Congress and the President containing the results of the study under this section, which shall include—

(1) a description of the methods identified by the study;

(2) the conclusions and recommendations of the Commission regarding—

(A) each method identified; and

(B) the charging of fees and granting of waivers of fees; and

(3) recommendations for legislative or administrative actions to implement the conclusions of the Commission.

(f) STAFF AND ADMINISTRATIVE SUPPORT SERVICES.—The Archivist of the United States shall provide to the Commission such staff and administrative support services, including research assistance at the request of the Commission, as necessary for the Commission to perform its functions efficiently and in accordance with this section.

(g) INFORMATION.—To the extent permitted by law, the heads of executive agencies, the Government Accountability Office, and the Congressional Research Service shall provide to the Commission such information as the Commission may require to carry out its functions.

(h) COMPENSATION OF MEMBERS.—Members of the Commission shall serve without compensation for services performed for the Commission.

(i) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(j) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Commission.

(k) TERMINATION.—The Commission shall terminate 30 days after the submission of the report under subsection (e).

SA 3763. Mr. PRYOR submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1013, line 18, strike ''and'' and all that follows through line 20 and insert the following:

''(ii) a description of any internal review of rating procedures and methodologies conducted by the nationally recognized statistical rating organization;

''(iii) an evaluation of how well the nationally recognized statistical rating organization adheres to the rating procedures and methodologies of the nationally recognized statistical rating organization;

''(iv) a narrative response agreeing or disagreeing with the results of the most recent annual examination of the nationally recognized statistical rating organization carried out by the Commission under subsection (p)(3); and

''(v) a certification that the report is accurate and complete.

On page 1016, line 18, strike ''and'' and all that follows through line 23 and insert the following:

''(viii) the policies of the nationally recognized statistical rating organization governing the post-employment activities of former staff of the nationally recognized statistical rating organization;

''(ix) whether the nationally recognized statistical rating organization sufficiently discloses the rating procedures and methodologies of the nationally recognized statistical rating organization; and

''(x) whether the rating procedures and methodologies of the nationally recognized statistical rating organization are sound.

SA 3764. Mr. VITTER submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1090, between lines 18 and 19, insert the following:

SEC. 974. EXEMPTION FOR NON-ACCELERATED FILERS.

(a) IN GENERAL.—Section 404 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7262) is amended by adding at the end the following:

''(c) EXEMPTION FOR SMALLER ISSUERS.—Subsection (b) shall not apply with respect to any audit report prepared for an issuer that is not an accelerated filer, with the meaning of Rule 12b–2 of the Commission, as in effect on the date of enactment of this subsection, or any successor thereto.''.

(b) STUDY.—The Commission and the Comptroller General of the United States shall jointly conduct a study to determine—

(1) how the Commission could reduce the burden of complying with section 404(b) of the Sarbanes-Oxley Act of 2002 for companies whose market capitalization is between $75,000,000 and $250,000,000 for the relevant reporting period, while maintaining investor protections for such companies; and

(2) whether any such methods of reducing the compliance burden or a complete exemption for such companies from compliance with such section 404(b) would encourage companies to list on exchanges in the United States in the initial public offerings of the companies.

(c) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Commission and the Comptroller General shall submit to Congress a report of the findings under the study required by subsection (b).

SA 3765. Mr. FRANKEN (for himself, Mr. DURBIN, and Mr. WHITEHOUSE) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of title II, add the following:

SEC. 212. EXCEPTIONS TO DISCHARGE IN BANKRUPTCY.

Section 523(a)(8) of title 11, United States Code, is amended by striking ''dependents, for'' and all that follows through the end of subparagraph (B) and inserting ''dependents, for an educational benefit overpayment or loan made, insured, or guaranteed by a governmental unit or made under any program funded in whole or in part by a governmental unit or an obligation to repay funds received from a governmental unit as an educational benefit, scholarship, or stipend;''.

SA 3766. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1258, line 8, strike ''or''.

On page 1258, line 11, strike the period and insert ''; or''.

On page 1258, between lines 11 and 12, insert the following:

(C) an insured depository institution or an insured credit union with total assets of more than $1,000,000,000 and less than $10,000,000,000, and any affiliate thereof—

(i) which depository institution, credit union, or affiliate, considered singly or collectively, extends, services, or acquires a substantial amount of credit that is extended to a consumer expressly, in whole or in part, for postsecondary educational expenses, regardless of whether such credit is provided by the educational institution that the student attends; and

(ii) only with respect to such activities relating to the credit described in clause (i).

SA 3767. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1289, strike lines 9 through 13.

On page 1289, line 14, strike ''(p)'' and insert ''(o)''.

On page 1289, line 18, strike ''(q)'' and insert ''(p)''.

On page 1289, line 24, strike ''(r)'' and insert ''(q)''.

SA 3768. Mr. DURBIN (for himself and Mr. REED) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1206, strike lines 14 through 21 and insert the following:

Subtitle A—Consumer Financial Protection Agency

SEC. 1011. ESTABLISHMENT OF THE CONSUMER FINANCIAL PROTECTION AGENCY.

(a) ESTABLISHMENT.—There is established the Consumer Financial Protection Agency, which shall be an independent establishment, as defined under section 104 of title 5, United States Code, and shall regulate the provision of consumer financial products or services under this title, the enumerated consumer laws, and the authorities transferred under subtitles F and H.

On page 1210, strike line 1 and all that follows through page 1211, line 19.

On page 1235, line 24, strike '', except that nothing'' and all that follows through page 1236, line 3, and insert a period.

On page 1243, strike line 15 and all that follows through page 1248, line 18.

On page 1456, strike line 6 and all that follows through page 1457, line 4, and insert the following:

Inspector General Act of 1978 (5 U.S.C. App.) is amended in section 8G(a)(2), by inserting ''the Consumer Financial Protection Agency,'' before ''and the United States Postal Service''.

Strike ''Bureau of Consumer Financial Protection'' each place that term appears and insert ''Consumer Financial Protection Agency''.

Strike ''Bureau'' each place that term appears and insert ''Agency''.

SA 3769. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of subtitle G of title X, add the following:

SEC. 1077. REASONABLE FEES FOR ELECTRONIC DEBIT TRANSACTIONS.

The Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.) is amended—

(1) by redesignating sections 920 and 921 as sections 921 and 922, respectively; and

(2) by inserting after section 919 the following:

''SEC. 920. REASONABLE INTERCHANGE TRANSACTION FEES FOR ELECTRONIC DEBIT TRANSACTIONS.

''(a) REGULATORY AUTHORITY.—The Board shall have authority to establish rules, pursuant to section 553 of title 5, United States Code, regarding any interchange transaction fee that is charged with respect to an electronic debit transaction.

''(b) REASONABLE FEES.—The amount of any interchange transaction fee that an issuer or payment card network may charge with respect to an electronic debit transaction shall be reasonable and proportional to the actual cost incurred by the issuer or payment card network with respect to the transaction.

''(c) RULEMAKING REQUIRED.—The Board shall issue final rules, not later than 9 months after the date of enactment of the Consumer Financial Protection Act of 2010, to establish standards for assessing whether the amount of any interchange transaction fee described in subsection (b) is reasonable and proportional to the actual cost incurred by the issuer or payment card network with respect to the transaction.

''(d) CONSIDERATIONS.—In issuing rules required by this section, the Board shall—

''(1) consider the functional similarity between—

''(A) electronic debit transactions; and

''(B) checking transactions that are required within the Federal Reserve bank system to clear at par;

''(2) distinguish between—

''(A) the actual incremental cost incurred by an issuer or payment card network for the role of the issuer or the payment card network in the authorization, clearance, or settlement of a particular electronic debit transaction, which cost shall be considered under subsection (b); and

''(B) other costs incurred by an issuer or payment card network which are not specific to a particular electronic debit transaction, which costs shall not be considered under subsection (b); and

''(3) consult with the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision, the National Credit Union Administration Board, the Administrator of the Small Business Administration, and the Director of the Bureau of Consumer Financial Protection.

''(e) EXEMPTION FOR SMALL ISSUERS.—This subsection shall not apply to issuers that, together with affiliates, have assets of less than $1,000,000,000, and the Board shall exempt such issuers from rules issued under subsection (c).

''(f) EFFECTIVE DATE.—Subsection (b) shall become effective 12 months after the date of enactment of the Consumer Financial Protection Act of 2010.

''(g) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) DEBIT CARD.—The term 'debit card' means any card or device issued or approved for use through a payment card network to debit an asset account for the purpose of transferring money between accounts or obtaining goods or services, whether authorization is based on signature, PIN, or other means.

''(2) ELECTRONIC DEBIT TRANSACTION.—The term 'electronic debit transaction' means a transaction in which a person uses a debit card or other similar device that has been approved for use in a payment card network to debit an asset account for the purpose of transferring money between accounts or obtaining goods or services.

''(3) INTERCHANGE TRANSACTION FEE.—The term 'interchange transaction fee' means any fee established by a payment card network that has been established for the purpose of compensating an issuer or payment card network for its involvement in an electronic debit transaction.

''(4) ISSUER.—The term 'issuer' means a financial institution that issues debit cards, stored-value cards, credit cards, or other similar devices that have been approved for use in a payment card network.

''(5) PAYMENT CARD NETWORK.—The term 'payment card network' means an entity that directly, or through licensed members, processors, or agents, provides the proprietary services, infrastructure, and software that route information and data to conduct transaction authorization, clearance, and settlement, and that a person is required to access in order to accept as a form of payment a specific brand of accepted card, or other means of access, including a debit card, stored-value card, credit card, or other device that may be used to carry out debit, prepaid, or credit transactions.

''(6) STORED-VALUE CARD.—The term 'stored-value card' means any card or device issued or approved for use through a payment card network that stores funds or monetary value in any electronic format, whether or not specially encrypted, that is capable of being retrieved and transferred electronically. A stored-value card includes a prepaid debit card or any other similar device, regardless of whether the amount of the funds or monetary value may be increased or reloaded.''.

SA 3770. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of title X, add the following:

Subtitle I—Fair Credit Card Fees

SEC. 1121. SHORT TITLE.

This subtitle may be cited as the ''Fair Credit Card Fees for Taxpayer Dollars Act of 2010''.

SEC. 1122. DEFINITIONS.

(a) PAYMENT CARD NETWORK.—For purposes of this subtitle, the term ''payment card network'' means an entity that directly, or through licensed members, processors, or agents, provides the proprietary services, infrastructure, and software that route information and data to conduct transaction authorization, clearance, and settlement, and that a person is required to access in order to accept as a form of payment a specific brand of accepted card, or other means of access, including a debit card, credit card, or other device that may be used to carry out debit or credit transactions.

(b) FEDERAL ENTITY.—For purposes of this subtitle, the term ''Federal entity'' means any Federal agency, department, bureau, government corporation, or designated Federal entity, as that term is defined in section 8G of the Inspector General Act (5 U.S.C. App.).

SEC. 1123. FAIR FEES FOR FEDERAL GOVERNMENT ACCEPTANCE OF PAYMENT CARDS.

In any transaction in which a Federal entity accepts, as payment for the sale of goods or services or for revenue collection, a particular credit card, debit card, or similar payment device bearing the logo of a payment card network, the payment card network shall not establish rates for interchange fees or other fees involved in the transaction that are higher than the lowest fee rates established by that payment card network for any other transaction involving that same credit card, debit card, or similar payment device.

SEC. 1124. REPORTING REQUIREMENT.

If a credit card, debit card, or similar payment device bearing the logo of a payment card network is accepted by any Federal entity as payment for the sale of goods or services or for revenue collection, the payment card network shall provide information on at least an annual basis to the Secretary demonstrating that the rates for the interchange fees and other fees established by the payment card network for transactions involving Federal entities are no higher than the lowest rates established by that payment card network for any other transaction involving that same credit card, debit card, or similar payment device.

SEC. 1125. ENFORCEMENT.

(a) UNFAIR OR DECEPTIVE ACT OR PRACTICE.—Any failure to comply with the provisions of this subtitle shall be treated as a violation of a rule defining an unfair or deceptive act or practice described under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) ACTIONS BY THE FEDERAL TRADE COMMISSION.—The Federal Trade Commission shall enforce the provisions of this subtitle in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made part of this subtitle.

SA 3771. Mr. DURBIN (for himself, Mr. LEAHY, and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of subtitle G of title X, add the following:

SEC. 1077. LIMITATION ON ANTI-COMPETITIVE PAYMENT CARD NETWORK RESTRICTIONS.

The Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.) is amended—

(1) by redesignating sections 920 and 921 as sections 921 and 922, respectively; and

(2) by inserting after section 919 the following:

''SEC. 120. LIMITATION ON ANTI-COMPETITIVE PAYMENT CARD NETWORK RESTRICTIONS.

''(a) NO RESTRICTIONS ON OFFERING DISCOUNTS FOR USE OF A COMPETING PAYMENT CARD NETWORK.—A payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability of any person to provide a discount or in-kind incentive for payment through the use of a card or device of another payment card network.

''(b) NO RESTRICTIONS ON OFFERING DISCOUNTS FOR USE OF A FORM OF PAYMENT.—A payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability of any person to provide a discount or in-kind incentive for payment by the use of cash, check, debit card, stored-value card or credit card.

''(c) NO RESTRICTIONS ON SETTING TRANSACTION MINIMUMS OR MAXIMUMS.—A payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability of any person to set a minimum or maximum dollar value for the acceptance by that person of any form of payment.

''(d) DEFINITIONS.—As used in this subsection, the following definitions shall apply:

''(1) DEBIT CARD.—The term 'debit card'—

''(A) means any card or device issued or approved for use through a payment card network to debit an asset account for the purpose of transferring money between accounts or obtaining goods or services, whether authorization is based on signature, PIN, or other means; and

''(B) includes a stored-value card linked to any asset account.

''(2) DISCOUNT.—The term 'discount'—

''(A) means a reduction made from the price that customers are informed is the regular price; and

''(B) does not include any means of increasing the price that customers are informed is the regular price.

"(3) PAYMENT CARD NETWORK.—The term 'payment card network' means an entity that directly, or through licensed members, processors, or agents, provides the proprietary services, infrastructure, and software that route information and data to conduct transaction authorization, clearance, and settlement, and that a person is required to access in order to accept as a form of payment a specific brand of accepted card, or other means of access, including a debit card, stored-value card, credit card, or other device that may be used to carry out debit, stored-value, or credit transactions.

"(4) STORED-VALUE CARD.—The term 'stored-value card' means any card or device issued or approved for use through a payment card network that stores funds or monetary value in any electronic format, whether or not specially encrypted, that is capable of being retrieved and transferred electronically. A stored-value card includes a prepaid debit card or any other similar device, regardless of whether the amount of the funds or monetary value may be increased or reloaded.".

SA 3772. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 3217, 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, which was ordered to lie on the table; as follows:

At the end of title X, add the following:

Subtitle I—Financial Consumers Association

SEC. 1121. SHORT TITLE.

This subtitle may be cited as the "Financial Consumers Association Act of 2010".

SEC. 1122. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) financial services consumers and depositors are an integral part of the financial system and are affected by the safety and soundness of the financial industry;

(2) deceptive, illegal, and speculative financial practices have harmed public confidence in the integrity and fairness of many United States financial institutions, and threaten the basic strengths of the United States economic system;

(3) contributing to the loss of public confidence are perceptions of inadequate oversight and insufficient independence between financial institutions and their regulators;

(4) major factors contributing to the recent financial crisis include regulatory failures to adequately police the financial services markets for crime, unfair or deceptive practices, fraud, lack of transparency, and mismanagement;

(5) the financial industry has enjoyed virtually unlimited access to represent its interest before Congress, the courts, and State and Federal regulators, while financial services consumers have had limited representation before Congress and financial regulatory entities;

(6) the resources available for organized representation of consumers in the financial industry need to be expanded so citizens can better monitor the performance of State and Federal agencies that regulate their financial institutions and participate in public policy debates regarding the oversight of these financial institutions;

(7) the creation of a public purpose, democratically controlled, self-funded, nationwide membership association of financial services consumers is an effective way to enhance the representation of consumers in the financial services industry and to meet the expanding information needs of consumers in the financial services market;

(8) the requirement that informational and statutory inserts be included in the paper mailings and email correspondence, digital or other electronic means, of covered persons is essential to the creation, maintenance, and funding of such an association;

(9) the Federal Government has a substantial interest in the creation of a public purpose, democratically controlled, self-funded, nationwide membership association of financial services consumers to enhance their representation and to effectively combat unsound financial practices;

(10) the creation of such an Association is not meant to substitute for, but augment, the activities of existing or future regulatory bodies whose sole or partial focus is the protection of financial services consumers; and

(11) consumers have more complex financial choices today than ever before, but not enough information with which to make those choices.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to establish a public purpose, nonprofit, democratically controlled, membership association of financial services consumers;

(2) to give the Association a mandate to inform and represent financial services consumers, and to further the effective and vigorous oversight of covered persons;

(3) to establish democratic rules of governance for the Association; and

(4) to require any covered person to periodically include inserts concerning the Association within their statements and billing statements to financial services consumers.

SEC. 1123. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) ASSOCIATION.—The term "Association" means the Financial Consumers Association established in accordance with this subtitle.

(2) ASSOCIATION DIRECTOR.—The terms "Association director" and "director" mean any person duly elected or appointed to the Association board of directors pursuant to this subtitle, except as the context otherwise requires.

(3) INSERT CARRIER.—The term "insert carrier" includes any email, digital, or other electronic notice or paper deposit account statement which—

(A) indicates the balance on a deposit account; or

(B) involves an outstanding deposit account contract or agreement between an insured depository institution and a customer of such institution.

(4) MEMBER.—The term "member" means any person who meets the requirements for membership in the Association, as set forth in this subtitle.

(5) REGULATORY AGENCY.—The term "regulatory agency" means any governmental office, agency, department, or commission of the Federal Government, that regulates, monitors, directs, or governs publicly traded corporations, financial services, or consumer transactions.

(6) REGULATORY PROCEEDING.—The term "regulatory proceeding" means any rulemaking, adjudication, or ancillary proceeding conducted by any governmental office, agency, department, or commission at the Federal, State, or local level, that affects any covered person.

(7) STATUTORY INSERT.—The term "statutory insert" means any digital or printed statement, card, or envelope and statement combination, or a statement, application, and pre-addressed business reply envelope used by the Association to solicit information and contributions or membership fees from consumers, financial services customers, and to explain the purpose, history, nature, activities, achievements, and membership criteria of the Association.

(8) APPROPRIATE COMMITTEES OF CONGRESS.—The term "appropriate committees of Congress" means the Committee on Banking, Housing, and Urban Affairs and the Subcommittee on Financial Services and General Government of the Committee on Appropriations of the Senate, and the Committee on Financial Services and the Subcommittee on Financial Services and General Government of the Committee on Appropriations of the House of Representatives, and any successor committees, as may be constituted.

(9) CAMPAIGN CONTRIBUTION.—The term "campaign contribution" means any money, good, service, credit, or other benefit provided or promised for the purpose of electing an Association Director.

(10) CAMPAIGN EXPENDITURE.—The term "campaign expenditure" means any payment, use, distribution, or gift of money or anything of value made or promised for the purpose of electing an Association Director.

(11) IMMEDIATE FAMILY.—The term "immediate family" means a person's spouse and legal dependents.

SEC. 1124. ESTABLISHMENT OF THE ASSOCIATION.

(a) CHARTER.—There is authorized to be established a nonprofit corporation by the interim board of directors to be known as the "Financial Consumers Association". The Association shall be subject to the provisions of this Act, and, to the extent consistent with this Act, to the District of Columbia Nonprofit Corporations Act. The main office of the Association shall be located in Washington, DC.

(b) NONGOVERNMENTAL STATUS.—The Association shall be a private corporation and shall not, for any purpose, be considered to be a department, agency, or instrumentality of the United States Government. An officer or employee of the corporation shall not, for any purpose, be considered to be an officer or employee of the Federal Government.

(c) REGIONAL AND LOCAL OFFICES.—The Association may establish regional offices as needed, in any of the several States.

(d) BYLAWS.—Except as provided in this Act and in the District of Columbia Nonprofit Corporations Act, the affairs of the Association shall be regulated as determined in the bylaws of the Association.

(e) NONPROFIT, NONSTOCK STATUS.—The Association chartered under this section—

(1) shall be a nonprofit corporation; and

(2) may not issue any shares of stock or other securities or pay any dividends.

(f) MEMBERSHIP.—The membership of the Association shall consist solely of individuals who—

(1) are 16 years of age or older; and

(2) have contributed the required annual membership fee to the Association.

(g) MEMBERSHIP FEE.—

(1) INITIAL FEE.—Until the end of the 180-day period beginning on the date of the first election of directors, the annual membership fee of the Association shall be $10.

(2) PERMANENT MEMBERSHIP FEES DETERMINED BY BOARD OF DIRECTORS.—After the end of the 180-day period referred to in this subsection, the Association may, by vote of the board of directors, alter the annual membership fee. The board of directors shall adopt a reduced fee structure, offering reduced-cost membership fees for low-income populations and senior citizens.

(h) POLITICAL CONTRIBUTIONS PROHIBITED.—The Association shall not make any contributions to any political candidate or party, or to any national or State political committee, as defined in the Federal Election Campaign Act of 1971, or participate in or intervene in any political campaign on behalf of, or in opposition to, any candidate for public office.

SEC. 1125. AUTHORIZATION OF APPROPRIATIONS AND ALLOTMENTS OF GRANTS.

There is authorized to be appropriated to the Bureau, for the purpose of establishing the Association, $5,000,000 for the fiscal year ending 1 year after the date of enactment of this Act.

SEC. 1126. MISSION, DUTIES, AND POWERS OF THE ASSOCIATION.

(a) MISSION.—The Association shall advance the rights and remedies available to consumers with respect to financial services, by developing initiatives to reduce the use of dangerous features in financial products and services, and to improve the flow of accurate information from covered persons to consumers.

(b) DUTIES.—The duties of the Association shall be—

(1) to inform, educate, and advise consumers about the actions of covered persons;

(2) to represent and promote the interests of consumers in financial services, collectively, and, when necessary, to negotiate on behalf of financial services consumers, individually, with respect to covered persons;

(3) to take affirmative measures to encourage membership by low- and moderate-income and minority consumers, and to disseminate information and advice to consumers;

(4) to inform, insofar as possible, consumers about the mission of the Association, including the procedures for obtaining membership in the Association;

(5) to provide consumers with information about how initiatives of covered person will affect consumers;

(6) to monitor the availability and quality of financial services to low- and moderate-income constituencies and the elderly; and

(7) to develop data to assist financial services consumers in making informed decisions in the marketplace.

(c) POWERS.—In addition to the rights and powers provided by other provisions of this Act, the Association shall—

(1) represent the interests of consumers in general before Federal regulatory agencies, legislative bodies, the courts, and in other public forums;

(2) initiate, intervene as a party, or otherwise participate on behalf of consumers in any regulatory proceeding that the Association reasonably determines may affect the interests of consumers;

(3) conduct, support, and assist research, surveys, and investigations in financial services consumer matters;

(4) maintain up-to-date membership rolls, and to keep them in confidence to the extent required by the provisions of this Act;

(5) contract for services which cannot reasonably be performed by its employees; and

(6) solicit and accept gifts, loans, grants, or other aid in order to support activities concerning the interests of financial services consumers, except that the Association may not accept gifts, loans, or other aid from any financial services providers or from any director, employee, agent, or member of the immediate family of a director, employee, or agent of any covered person.

SEC. 1127. INSERT AND NOTICE PROVISIONS.

(a) INCLUSION IN STATEMENTS OF COVERED PERSONS.—

(1) IN GENERAL.—Each covered person shall include, or cause its agent to prominently include, a statutory insert or an Association insert in quarterly mailings to its customers each year.

(2) STATUTORY INSERT.—The Association shall have the right to have statutory inserts prominently included in the paper mailings to the customers of each covered person once each calendar quarter. The Association shall also have the right to have covered persons send the information contained in the statutory insert to financial services consumers once each calendar quarter via email, digital or other electronic means. The Association shall only pay the reasonable incremental costs of the email, digital, or electronic distribution of such information.

(3) ASSOCIATION INSERTS.—

(A) IN GENERAL.—In addition, the Association shall have the right to include in the mailings and via email, digital or other electronic means, referred to in paragraph (2) once each calendar quarter, an insert that it prepares and furnishes to any institution required to carry a statutory insert.

(B) LIMITATION.—An insert furnished by the Association shall be limited to—

(i) soliciting information and contributions or membership fees from financial services consumers; and

(ii) explaining—

(I) the purpose, history, nature, activities, and achievements of the Association;

(II) that the Association membership is open to any resident of the United States who is 16 years of age or older;

(III) that the Association is not connected to any covered person;

(IV) that the Association is a nonprofit association directed by its financial services consumer members;

(V) the procedure for contributing to or becoming a member of the Association; and

(VI) the yearly membership fee.

(b) FEDERAL TRADE COMMISSION OVERSIGHT.—Any covered person may, if it believes that the contents of an insert are false or misleading, submit the insert to the Federal Trade Commission for review. The Federal Trade Commission shall review the insert and make a determination promptly, but in no event later than 21 calendar days after receipt of the insert. The Federal Trade Commission may disapprove the insert for mailing if it finds that the insert is false or misleading, or contains information not permitted by this section.

(c) CONTENT OF STATUTORY INSERTS.—Each statutory insert required by this Act shall contain—

(1) a written statement of the following information:

''(A) The Financial Consumers Association is a financial services consumer membership organization established under Federal law to inform and represent financial services consumers.

''(B) The Association will work on behalf of financial services consumers to prevent corporate fraud, deceptive and criminal business practices, and to ensure the protection of retirement funds and investments.

''(C) The Association provides financial services consumers with information and advice on a range of consumer issues.

''(D) The Association also represents financial services consumers before regulatory agencies and legislative bodies.

''(E) The Association is a democratically controlled consumer membership organization.

''(F) Although the Association has been established under Federal law, as a consumer membership organization, the Association is primarily supported by membership fees, not public funds. Thus the Financial Consumers Association depends on its membership base for funding to undertake its information and representation activities.

''(G) Anyone who is 16 years of age or older may become a member of the Association by paying the annual membership fee. The amount of the annual membership fee shall be determined annually by the Association.

''(H) You may become a member simply by filling out the attached application and mailing it and the membership fee to the Financial Consumers Association in the attached pre-addressed envelope;'';

(2) an application for Association membership, which requests the name and address of the applicant, and indicates the annual membership fee; and

(3) a pre-addressed business reply envelope for mailing the application and membership fee to the Association.

(d) OTHER REQUIREMENTS APPLICABLE TO STATUTORY INSERTS.—With respect to a statutory insert required by this Act—

(1) the statement, application, and pre-addressed business reply envelope specified in this Act shall be presented to the customer as a single document (except that the document may be separable into different parts by tearing along perforated lines);

(2) the statement and application shall be printed in at least 10-point type; and

(3) the Association shall pay the cost of printing and placement of the statutory insert in all appropriate mailings, but shall not pay any postage costs if the insert weighs less than 0.35 ounces.

SEC. 1128. INTERIM BOARD.

(a) ESTABLISHMENT OF INTERIM BOARD.—Members of the interim board of directors of the Association shall be appointed not later than 6 months after the date of enactment of this Act, as follows:

(1) 3 members shall be appointed by the President of the United States.

(2) 3 members shall be appointed by the Speaker of the House of Representatives.

(3) 3 members shall be appointed by the President Pro Tempore of the Senate.

(4) 1 member shall be appointed by the Minority Leader of the House of Representatives.

(5) 1 member shall be appointed by the Minority Leader of the Senate.

(b) MEMBER CRITERIA.—Individuals considered for appointment to the interim board shall, to the extent possible, represent different regions of the United States, and represent categories of citizens' organizations including—

(1) consumer groups;

(2) organizations representing low-income persons;

(3) labor unions;

(4) civil rights groups;

(5) neighborhood groups; and

(6) elderly groups.

(c) ELIGIBILITY.—To qualify for nomination or appointment as an interim director of the Association representing a designated category of citizens' organizations, an individual shall be an active officer, employee, or member of a citizens' organization within such category or previously have been an officer or employee of 1 or more such citizens' organizations within such category for a cumulative period of at least 2 years.

(d) DUTIES OF INTERIM BOARD.—The interim board of directors of the Association shall—

(1) not later than 60 days after the date of appointment of all members, incorporate the Association under the laws of the District of Columbia, subject to the provisions and limitations of this Act;

(2) manage the affairs of the Association until the first elected board of directors takes office;

(3) inform the public of the existence, nature, and purpose of the Association, and encourage such persons to join the Association, participate in its activities, and contribute to the Association;

(4) adopt procedures and standards, consistent with the requirements of this Act, for

the nomination and election of the first elected board of directors of the Association;

(5) make all necessary preparations for the first election of the board of directors of the Association, oversee the election campaign, and tally the votes;

(6) conduct meetings of the interim board of directors at least once every 3 months;

(7) keep minutes, financial books, and records which shall reflect the acts and transactions of the interim board of directors; and

(8) employ such interim staff as the interim board of directors deem necessary to carry out their responsibilities under this Act.

(e) APPLICABILITY OF CERTAIN OTHER PROVISIONS OF THIS ACT.—Members of the interim board of directors shall be subject to the requirements of the applicable provisions of this Act.

(f) LIMITATION ON AUTHORITY TO APPEAR BEFORE OTHER BODIES.—The interim board of directors shall not engage in representation or intervention on behalf of financial services consumers, except to the extent necessary to maintain or exercise the powers granted and the duties imposed upon interim directors by this Act.

(g) CONDUCT FIRST GENERAL ELECTION.—

(1) IN GENERAL.—Once the membership of the Association reaches 50,000, or within 18 months of the date of the appointment of the last interim director, whichever occurs first, the interim board of directors shall set a date for the first general election of the board of directors, and shall promptly notify each member of the Association.

(2) TIMELY ELECTION REQUIREMENT.—The date set for the election shall be not more than 90 days after notification as provided in this Act.

(3) EXCEPTION.—Notwithstanding the provisions of this Act, no election shall be held in an election district unless there are at least 500 residents of any such district who are Association members.

SEC. 1129. DELEGATES.

(a) IN GENERAL.—Members of the Association shall have duly elected representatives who shall be elected in accordance with the provisions of this Act.

(b) ONE DELEGATE TO BE ELECTED FROM EACH DISTRICT.—1 delegate shall be elected by the Association members from each Association election district, except that an election shall not take place in an election district if there is no candidate who has satisfied the qualification requirements of this Act.

(c) ELECTION DISTRICTS.—

(1) IN GENERAL.—Each State of the United States shall be considered an Association election district. The District of Columbia shall also be considered an Association election district.

SEC. 1130. ELECTIONS OF DELEGATES.

(a) VOTING STANDARD.—Each member of the Association shall be entitled to cast 1 vote for a candidate for a delegate to represent such member's district. Voting shall be by secret mail ballot.

(b) ELIGIBILITY STANDARDS FOR NOMINATION AS A DELEGATE.—To qualify for nomination as a candidate for election as a delegate of the Association, an individual shall—

(1) be a member of the Association and a resident of the election district that such individual seeks to represent;

(2) submit to the Association, not less than 60 days and not more than 120 days before the election, a nomination petition signed by at least 25 Association members from the election district that such individual seeks to represent;

(3) submit to the Association the statements required by this Act; and

(4) satisfy all other requirements of this Act and any applicable bylaws of the Association.

(c) DISTRIBUTION OF ELECTION MATERIAL.—

(1) IN GENERAL.—The Association shall mail to each member the following documents concerning duly nominated candidates for election as a delegate:

(A) An official ballot listing all such candidates from the member's election district.

(B) The candidate's statement required by this Act for each such candidate from the member's election district.

(2) SUMMARY AND COSTS.—The delegate summaries shall have a uniform format and shall provide information on the same characteristics for each candidate. The costs for all mailings described in this Act shall be borne by the Association.

(d) LIMITATION ON CAMPAIGN EXPENDITURES.—No candidate for election as a delegate or director shall incur campaign expenditures for any such election in an amount greater than the amount determined by multiplying the number of members in the candidate's election district by 150 percent of the cost of postage for a 1-ounce 1st class mailing.

(e) LIMITATION ON USE OF CAMPAIGN CONTRIBUTIONS.—No candidate for election as a delegate or to the board of directors may use any campaign contribution for any purpose other than campaign expenditures. Any unused contributions shall be donated to the Association not later than 60 days after the election.

(f) LIMITATION ON AMOUNT OF CAMPAIGN CONTRIBUTIONS.—No candidate for election as a delegate shall accept more than $250 in campaign contributions from any one contributor in any election.

(g) PROHIBITION ON ACCEPTANCE OF CERTAIN CONTRIBUTIONS.—A candidate for election as a delegate may not accept political action committee contributions or other campaign contributions the board of directors determines to be unacceptable.

(h) DUTIES AND POWERS OF DELEGATES.—Each delegate shall have the following duties and powers:

(1) ANNUAL SURVEY.—To survey Association members in the delegate's election district at least 1 time each year to ascertain members' concerns using written surveys provided by the Association up to 50 percent of the survey questions in which may be provided by the delegate.

(2) LIAISON.—To act as a liaison between the board of directors and the members in the delegate's election district, including transmitting any comments, writings, and suggestions concerning the Association from members in the delegate's election district to the board of directors and informing such members of the board's response to their statements.

(3) OFFICE PLANNING.—To develop plans for the organization of regional and local offices.

(4) VOTING ON CHANGES IN ARTICLES OF INCORPORATION, BYLAWS, AND MAJOR POLICIES.—To vote at the annual meeting of delegates and at special meetings of delegates called by the board of directors on amendments to the bylaws or the articles of incorporation or on matters involving changes in major policies or operations of the Association.

(5) APPROVAL OF RULES.—To approve rules proposed by the board of directors for the nomination and election of the directors.

(6) VOTING AT ANNUAL AND SPECIAL MEETINGS.—To vote on other items submitted to delegates by the board of directors at annual and special meetings.

(7) OTHER DUTIES AND POWERS.—To carry out all other duties and exercise all other powers accorded to delegates under this Act.

(i) ANNUAL MEETINGS.—

(1) TIME AND PLACE.—An annual meeting of delegates shall be held in the month of July on a date and in a manner determined by the board of directors at least 6 months in advance of the meeting.

(2) PROCEDURES.—

(A) VOTING.—All delegates shall be eligible to attend, participate in, and vote in the annual meeting of delegates.

(B) QUORUM.—A majority of the delegates shall constitute a quorum.

(C) ONE PERSON; ONE VOTE.—Each delegate shall have 1 vote at such meetings.

(D) MAJORITY VOTE.—A majority vote of the delegates shall indicate approval by the delegates of any items submitted for the consideration of the delegates.

(E) ABSENTEE VOTING.—The first elected board of directors shall establish procedures for absentee voting.

(3) AGENDA.—Items may be placed on the meeting's agenda by any of the following methods:

(A) By request of any director or delegate not less than 5 days and not more than 4 months in advance of the date of such meeting.

(B) By petition which—

(i) contains the valid signatures of at least 5 percent of the members in any delegate's election district or at least 1 percent of the total membership; and

(ii) was filed with the board of directors not less than 5 days and not more than 4 months in advance of the date of such meeting.

(4) FORM OF MEETING.—The form of the annual meeting of delegates shall be as provided in the laws of the District of Columbia regarding nonprofit corporations.

(5) OPEN MEETINGS.—

(A) MEETINGS OPEN TO PUBLIC.—The annual meeting of delegates shall be open to the public.

(B) MEMBERS OPPORTUNITY TO BE HEARD.—Members shall be given a reasonable opportunity at any annual meeting to present any comment, criticism, or suggestion concerning the Association, but members may not vote at such meetings.

(6) MINUTES.—Complete minutes of each annual meeting shall be kept and shall be distributed to 1 Federal depository library in each election district.

(j) TERMS AND CONDITIONS OF OFFICE.—

(1) IN GENERAL.—The term of office for any delegate shall be 3 years.

(2) MAXIMUM NUMBER OF TERMS.—No delegate shall serve more than 2 terms.

(3) SERVICE WITHOUT PAY OTHER THAN REIMBURSEMENT FOR EXPENSES.—Delegates of the Association shall serve without compensation, except that delegates may be reimbursed for actual expenses incurred by them in the performance of their duties.

(k) VACANCY.—

(1) IN GENERAL.—If a vacancy occurs in any position of delegate, the board of directors shall appoint, as the successor for the balance of the term, the person who—

(A) meets the requirements specified in this Act; and

(B) had the highest vote total in the most recent delegate election from the district in which such vacancy occurred of all candidates (who meet the requirements specified in this Act) other than the candidate whose failure to continue to serve as delegate created the vacancy.

(2) ALTERNATIVE METHOD OF APPOINTMENT.—If any vacancy referred to in paragraph (1) cannot be filled in the manner described in such paragraph, the board of directors, by vote of not less than ⅔ of all directors, shall appoint within 60 days of the occurrence of the vacancy a successor from the same election district for the remainder of the current term. The person appointed by

the board of directors shall meet the qualifications for delegate.

(l) RECALL.—Any delegate shall be removed from office by the board of directors if not less than 40 percent of the members from the delegate's election district who voted in the last election have signed a petition for recall.

SEC. 1131. BOARD OF DIRECTORS.

(a) MANAGEMENT OF ASSOCIATION.—The affairs of the Association shall be managed by a board of directors, which shall be elected by the delegates of the Association in accordance with the provisions of this Act. The board of directors shall consist of 17 members. Twelve directors shall constitute a quorum.

(b) ONE PERSON; ONE VOTE.—Each director shall have one vote on the board of directors.

(c) TERMS OF OFFICE.—The term of office for a director shall be 3 years, except as provided otherwise in this Act, and no director shall serve more than 2 consecutive terms.

(d) POWERS AND DUTIES OF BOARD.—The board of directors, shall, in addition to its other responsibilities under this Act—

(1) conduct meetings of the board of directors at least once every 6 months, which shall be open to the public, unless the board of directors by a majority votes to adjourn into executive session;

(2) conduct an annual delegate meeting;

(3) limit matters discussed in executive session only to personnel actions, potential or pending civil or criminal proceedings involving the Association, and material which would result in an unwarranted invasion of personal privacy if discussed in open sessions;

(4) keep minutes, financial records, and other records which shall reflect the acts and transactions of the board of directors;

(5) cause the financial books of the Association to be audited by a qualified certified public accountant at least once each fiscal year;

(6) prepare quarterly statements and an annual report indicating the substantive activities and financial operations of the Association;

(7) approve the bylaws of the Association, consistent with the requirements of this Act;

(8) make available to the public and include on the Association's web page, documents prepared by or filed with the Association within the preceding 5 years, including—

(A) minutes of the board of directors meeting;

(B) director's or executive director's financial statements;

(C) candidates' financial statements; and

(D) candidates' personal statements; and

(9) conduct 4 mailings each year to the membership of the Association, to inform the membership about the work of the Association and to conduct the business of the Association.

(e) ELECTION OF OFFICERS.—At the first regular meeting of the board of directors at which a majority of its members are present, subsequent to the installation of new directors following each annual election, the board shall elect by majority vote of directors present and voting, and from among the directors, a president, a vice president, a secretary, and a treasurer. The board may also elect a comptroller and such other officers as it deems necessary.

(f) EXECUTIVE DIRECTOR OF ASSOCIATION.—

(1) IN GENERAL.—The board of directors shall hire and supervise an executive director for the Association.

(2) DUTIES OF EXECUTIVE DIRECTOR.—The executive director shall implement the policies established by the board of directors, employ and discharge Association employees, and manage the offices, facilities, and employees of the Association.

(3) ELIGIBILITY STANDARDS.—Any applicant for the position of executive director, and each executive director, shall satisfy the requirements for director eligibility established by this Act.

(4) TERM LIMIT.—The executive director shall only be eligible to serve as an employee of the Association for 6 consecutive years. After such 6-year term, the executive director shall be prohibited from serving as an agent, consultant, attorney, accountant, or subcontractor for the Association, and shall be ineligible to receive any monetary compensation from the Association.

(g) NO COMPENSATION FOR ASSOCIATION DIRECTORS.—A member of the board of directors of the Association may not receive any compensation for his or her services as a director, but shall be reimbursed for wages actually lost in an amount not to exceed $160 per day, and for necessary expenses including travel expenses incurred in the discharge of Association duties.

(h) BONDING REQUIREMENT FOR STAFF.—Any director or staff of the Association eligible to receive, handle, or disburse funds on behalf of the Association shall be bonded. The cost of such bonds shall be paid for by the Association.

(i) ANNUAL FINANCIAL STATEMENTS OF DIRECTORS.—Each director and the executive director of the Association shall file annually with the board of directors a director's financial statement, which shall include the same information required by this Act for members seeking election as delegates or directors of the Association.

(j) ANNUAL MEETINGS.—

(1) IN GENERAL.—An annual meeting of members of the Association shall be held in the month of July, on a date and at a place within the United States to be determined by the board of directors at least 6 months in advance of the meeting.

(2) AGENDA.—Items may be placed on the annual meeting agenda—

(A) by request of any director, not less than 10 days and not more than 4 months in advance of the date of such meeting; and

(B) by petition containing the valid signatures of at least 500 members of the Association, which petition shall be filed with the board of directors not less than 10 days and not more than 4 months in advance of the date of such meeting.

(3) NOTICE OF AGENDA.—The executive director shall present proposed agenda items to the membership through its regular mailings.

(4) PUBLIC MEETINGS.—The annual meeting of Association members shall be open to the public, except that seating preference shall be given to Association members. Association members shall be given a reasonable opportunity at such meetings to present comments, criticisms, and suggestions concerning the Association.

(5) MINUTES.—Complete minutes of the annual meetings shall be kept and distributed to all depository libraries in the United States and placed on the Association's webpage.

(k) VACANCY.—In the event that a board member position becomes vacant, the board of directors shall install the person having the highest vote total in the last election who was not elected to the board. If this is impossible, the board of directors, by vote of not less than ⅔ of all directors, shall appoint a successor within 60 days for the remainder of the current term. The person appointed by the board of directors shall meet all qualifications for board members.

(l) RECALL.—

(1) IN GENERAL.—Any director shall be removed from the board of directors by the board of directors if not fewer than 40 percent of the delegates or members of a director's election district who voted in the last election have signed a petition for recall.

(2) LIMITATIONS.—No petition to recall a director under paragraph (1) may be filed within 6 months of his or her election. An election pursuant to the filing of a recall petition shall be conducted in accordance with the provisions of this Act. A director recalled may become a candidate in the election triggered by the filing of the recall petition. The director recalled shall continue to serve until the installment in office of his or her successor, or until his or her reelection. The election triggered by the filing of a recall petition shall be conducted via one of the Association's quarterly mailings.

SEC. 1132. ELECTION OF DIRECTORS.

(a) ELECTION OF THE BOARD OF DIRECTORS.—

(1) REGULAR ELECTION PROCEDURES.—

(A) ONE DELEGATE; ONE VOTE.—Each delegate shall cast 1 vote for 1 candidate for the board of directors.

(B) TOP 17 CANDIDATES BECOME DIRECTORS.—The 17 candidates receiving the largest number of votes shall become the directors.

(2) RUNOFF ELECTION.—

(A) IN GENERAL.—In the event of a tie involving the 17th position on the board of directors, a runoff election shall be conducted.

(B) VOTING AND CANDIDATE ELIGIBILITY.—Any delegate may vote for 1 candidate in the runoff election, and only those nominees involved in the tie that included the 17th position shall be eligible for the runoff election.

(3) APPLICABILITY TO ALL BOARD ELECTIONS.—The requirements of this section shall apply to the first election of directors conducted by the interim board of directors pursuant to this Act, as well as to all subsequent elections.

SEC. 1133. QUALIFICATIONS.

(a) CANDIDATE'S STATEMENT.—Any person seeking nomination as a candidate for election to the board of directors of the Association shall file a candidate statement with the Association, not less than 60 days and not more than 120 days prior to the election. The contents of a candidate statement may not contain false statements, and the Association may, by bylaw or interim board of directors' procedure, impose a uniform limitation on the length of all candidate statements.

(b) FINANCIAL STATEMENT.—Any person seeking nomination as a candidate for election to the board of directors shall file with the Association, not less than 60 days and not more than 120 days prior to the election. Each candidate's financial statement shall include the following information for the candidate and the immediate family of the candidate:

(1) PRECEDING 5 YEARS' BUSINESS AND FINANCIAL RELATIONSHIPS.—A detailed list of any business or financial relationships during the preceding 5 years with any covered person or organization of covered persons, including any attorney, legislative agent, officer, or director relationship.

(2) CURRENT AND PRECEDING 5 YEARS' CORPORATE POSITIONS.—A list of all corporate and organizational directorships or other offices and all fiduciary relationships currently held or held at any time during the preceding 5 years.

(3) INVESTMENTS OF $1,000 OR MORE IN ANY FINANCIAL SERVICES CORPORATION.—A list of all financial services corporations in which the candidate holds securities worth $1,000 or more at current market value and the dollar value of each such holding.

(4) OTHER INFORMATION.—Such other information as the board of directors may require by bylaw.

(c) AFFIRMATION OF TRUTH OF STATEMENTS.—Each candidate for election as a delegate or director shall affirm in writing, that the information in such candidate's financial statement is true and complete and that the candidate has complied with all the campaign contribution and campaign expenditure requirements of this Act and any such bylaws of the Association. Each candidate shall furnish the board of directors with such information regarding campaign contributions and expenditures as the board may request.

(d) INELIGIBILITY OF INTERIM DIRECTORS AND STAFF DURING FIRST ELECTION.—No interim director shall be eligible for election as a delegate or director during the first election. The executive director and other Association staff persons, including interim staff persons, shall not be eligible for election as a delegate or director while serving as executive director or staff person, or for 1 year after such service is terminated.

(e) INELIGIBILITY OF DELEGATES AND DIRECTORS TO HOLD OTHER PUBLIC OFFICE.—No delegate or director shall hold any elective Federal, State, or local office or be a candidate for such office, or be appointed to hold such office, unless such appointee receives no compensation other than reimbursement of expenses.

(f) INELIGIBILITY OF OFFICERS, DIRECTORS, EMPLOYEES, AND SHAREHOLDERS OF COVERED PERSONS.—Any director, officer, or employee of a covered person, any person who owns common stock or other securities of covered persons in an aggregate amount in excess of $10,000, any agent, consultant, attorney, or accountant for a covered person, and any member of the immediate family of any such person shall be ineligible to be a delegate or a director.

(g) INELIGIBILITY OF OFFICERS AND EMPLOYEES OF FEDERAL OR STATE DEPOSITORY INSTITUTION REGULATORY AGENCIES.—No officer or employee of any State or Federal agency that regulates depository institutions or any member of the immediate family of any such officer or employee shall be eligible to be a delegate or a director.

(h) INELIGIBILITY OF OFFICERS AND EMPLOYEES OF AGENCIES.—No officer or employee of any Federal, State, or local agency that regulates any covered person shall be eligible to be a director of the Association.

SEC. 1134. BALLOT ISSUES.

(a) PROCEDURE FOR OBTAINING MEMBERSHIP VOTE ON ISSUES.—Issues may be placed on a ballot for vote by the general membership if—

(1) a majority of the board of directors votes to place an issue before the membership for vote;

(2) a petition is received by the board of directors which—

(A) contains the valid signatures of at least 1,000 members in any district or at least 1 percent of the total membership; and

(B) requests that an issue be placed on a ballot is received by the board of directors; or

(3) a majority of the delegates vote to place an issue before the membership for a vote.

(b) PROCEDURES FOR CONDUCTING VOTE ON ISSUES.—

(1) TIME FOR ELECTION.—Upon certification of a vote of the directors or delegates which meets the requirements of paragraph (1) or (3) of subsection (a) or the receipt of a petition which meets the requirement of subsection (a)(2), the board of directors shall place the issue on a special ballot and schedule a date for a vote on the issue to be held within 2 months after receipt of the certification or petition.

(2) MAIL BALLOT.—The board of directors shall send or have sent by mail to each member, not later than 30 days after receipt of a petition or certification pursuant to this section, an official ballot containing the issue for membership vote.

(3) VOTE CAST BY RETURN MAIL.—Each member may cast a vote regarding the ballot issue by returning the ballot, properly marked, to the head office of the Association by the date and time fixed for the balloting pursuant to this subsection.

(4) SECRET BALLOT.—Voting shall be by secret ballot.

(5) VOTE TALLY.—The board of directors shall tally votes with all reasonable speed and inform the membership and delegates promptly of the outcome of the vote.

SEC. 1135. ACCESS TO MEMBER MAILINGS.

No person may use any list of members of the Association, or any part of such list, for purposes other than the conduct of the business of the Association, as prescribed in this Act. The board of directors shall, however, develop criteria for providing Association member access through Association mailings to the Association's membership for Association purposes only. No person shall disclose any such list or part thereof to another person, unless there is substantial reason to believe that such list or part thereof is intended to be used for the lawful purposes described in this Act.

SEC. 1136. PROHIBITED ACTS.

(a) COVERED PERSONS.—No covered person or officer, employee, or agent of any covered person may interfere or threaten to interfere with or cause any interference with the provision of financial services of, or penalize or threaten to penalize or cause to be penalized, any person who contributes to the Association or participates in any of its activities, in retribution for such contribution or participation.

(b) GENERAL PROHIBITION.—No person may act with intent to prevent, interfere with, or hinder the activities permitted under this subtitle.

SEC. 1137. PENALTIES.

A violation of any provision of this subtitle by a covered person or officer, employee, or agent thereof or of the Association shall be subject to a civil penalty of not more than $10,000 for each violation, to be levied by the Federal Trade Commission.

SEC. 1138. ADMINISTRATIVE ENFORCEMENT.

Compliance with the provisions of this subtitle shall be enforced by the Federal Trade Commission in the same manner and with the same power and authority as the Federal Trade Commission has under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

SEC. 1139. DISSOLUTION OF THE ASSOCIATION.

If, after the end of the 3-year period beginning on the date on which the Association is incorporated, the Association's membership remains below 25,000 members during any 1-year period, the board of directors of the Association shall dissolve the Association. Upon the termination, dissolution, or winding up of the Association in any manner or for any reason, voluntary or involuntary, its assets, if any, remaining after the payment or provision for payment of all liabilities of the Association shall be distributed to, and only to, 1 or more charitable organizations. No part of the income or assets of the Association shall inure to any of its members, directors, or officers, or be distributed to any such person during the life of the Association or upon its dissolution, except in payment of a legal obligation owed to such person. At the time of dissolution, any unexpended funds appropriated by Congress for the establishment of the Association shall be returned to the United States Treasury.

SEC. 1140. REPORTS.

(a) REPORT TO THE PRESIDENT AND CONGRESS.—

(1) IN GENERAL.—The Association shall prepare and submit to the President and the appropriate committees of Congress, at the beginning of each regular session of Congress, a report on the Association's activities for the preceding fiscal year.

(2) REPORT CONTENT.—The reports required by this subsection shall include—

(A) an appraisal of the performance of Federal financial regulatory agencies, including reports on the compliance of Federal financial regulatory agencies with their legal missions and mandates;

(B) the extent to which regulatory agencies should disseminate specified information to the research and consumer communities and consumer information to the public;

(C) an appraisal of significant actions of State and local governments relating to the protection of financial consumers;

(D) recommendations for financial consumer protection legislation; and

(E) an overview of covered persons' compliance with the law.

SEC. 1141. RELATIONSHIP TO EXISTING LAW.

Nothing in this Act shall be construed to limit the right of any individual or group of individuals to initiate, intervene in, or otherwise participate in any proceeding before a regulatory agency or court, nor to relieve any regulatory agency, court, or other public body of any obligation, or affect its discretion to permit intervention or participation by a consumer or group or class of consumers or citizens in any proceeding or activity.

SEC. 1142. CONSTRUCTION.

The provisions of this Act shall be construed in such a manner as best to enable the Association to effectively represent and protect the interests of financial services consumers.

SEC. 1143. SEVERABILITY.

If any provision of this Act shall be declared invalid, the other provisions of this Act shall remain in effect.

SA 3773. Mr. WHITEHOUSE submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1059, strike line 22 and all that follows through page 1061, line 7, and insert the following:

''(b) INDEPENDENCE STANDARDS FOR COMPENSATION CONSULTANTS AND OTHER COMPENSATION COMMITTEE ADVISERS.—

''(1) IN GENERAL.—Any compensation consultant, legal counsel, or other adviser to the compensation committee of an issuer shall be independent.

''(2) RULES.—The Commission shall, by rule, define the term 'independent' for purposes of this subsection.

SA 3774. Mr. LEMIEUX submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1036, strike line 14 and all that follows through page 1041, line 3, and insert the following:

SEC. 939. REMOVAL OF STATUTORY REFERENCES TO CREDIT RATINGS.

(a) FEDERAL DEPOSIT INSURANCE ACT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 7(b)(1)(E)(i), by striking ''credit rating entities, and other private economic'' and insert ''private economic, credit,'';

(2) in section 28(d)—

(A) in the subsection heading, by striking ''NOT OF INVESTMENT GRADE'';

(B) in paragraph (1), by striking ''not of investment grade'' and inserting ''that does not meet standards of credit-worthiness as established by the Corporation'';

(C) in paragraph (2), by striking ''not of investment grade'';

(D) by striking paragraph (3);

(E) by redesignating paragraph (4) as paragraph (3); and

(F) in paragraph (3), as so redesignated—

(i) by striking subparagraph (A);

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(iii) in subparagraph (B), as so redesignated, by striking ''not of investment grade'' and inserting ''that does not meet standards of credit-worthiness as established by the Corporation''; and

(3) in section 28(e)—

(A) in the subsection heading, by striking ''NOT OF INVESTMENT GRADE'';

(B) in paragraph (1), by striking ''not of investment grade'' and inserting ''that does not meet standards of credit-worthiness as established by the Corporation''; and

(C) in paragraphs (2) and (3), by striking ''not of investment grade'' each place that it appears and inserting ''that does not meet standards of credit-worthiness established by the Corporation''.

(b) FEDERAL HOUSING ENTERPRISES FINANCIAL SAFETY AND SOUNDNESS ACT OF 1992.—Section 1319 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4519) is amended by striking ''that is a nationally registered statistical rating organization, as such term is defined in section 3(a) of the Securities Exchange Act of 1934,''.

(c) INVESTMENT COMPANY ACT OF 1940.—Section 6(a)(5)(A)(iv)(I) Investment Company Act of 1940 (15 U.S.C. 80a-6(a)(5)(A)(iv)(I)) is amended by striking ''is rated investment grade by not less than 1 nationally registered statistical rating organization'' and inserting ''meets such standards of credit-worthiness as the Commission shall adopt''.

(d) REVISED STATUTES.—Section 5136A of title LXII of the Revised Statutes of the United States (12 U.S.C. 24a) is amended—

(1) in subsection (a)(2)(E), by striking ''any applicable rating'' and inserting ''standards of credit-worthiness established by the Comptroller of the Currency'';

(2) in the heading for subsection (a)(3) by striking ''RATING OR COMPARABLE REQUIREMENT'' and inserting ''REQUIREMENT'';

(3) subsection (a)(3), by amending subparagraph (A) to read as follows:

''(A) IN GENERAL.—A national bank meets the requirements of this paragraph if the bank is one of the 100 largest insured banks and has not fewer than 1 issue of outstanding debt that meets standards of credit-worthiness or other criteria as the Secretary of the Treasury and the Board of Governors of the Federal Reserve System may jointly establish.''.

(4) in the heading for subsection (f), by striking ''MAINTAIN PUBLIC RATING OR'' and inserting ''MEET STANDARDS OF CREDIT-WORTHINESS''; and

(5) in subsection (f)(1), by striking ''any applicable rating'' and inserting ''standards of credit-worthiness established by the Comptroller of the Currency''.

(e) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a) Securities Exchange Act of 1934 (15 U.S.C. 78a(3)(a)) is amended—

(1) in paragraph (41), by striking ''is rated in one of the two highest rating categories by at least one nationally registered statistical rating organization'' and inserting ''meets standards of credit-worthiness as established by the Commission''; and

(2) in paragraph (53)(A), by striking ''is rated in 1 of the 4 highest rating categories by at least 1 nationally registered statistical rating organization'' and inserting ''meets standards of credit-worthiness as established by the Commission''.

(f) WORLD BANK DISCUSSIONS.—Section 3(a)(6) of the amendment in the nature of a substitute to the text of H.R. 4645, as ordered reported from the Committee on Banking, Finance and Urban Affairs on September 22, 1988, as enacted into law by section 555 of Public Law 100-461, (22 U.S.C. 286hh(a)(6)), is amended by striking ''credit rating'' and inserting ''credit-worthiness''.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of enactment of this Act.

(1) IN GENERAL.—Commission shall undertake a study on the feasability and desirability of—

(A) standardizing credit ratings terminology, so that all credit rating agencies issue credit ratings using identical terms;

(B) standardizing the market stress conditions under which ratings are evaluated;

(C) requiring a quantitative correspondence between credit ratings and a range of default probabilities and loss expectations under standardized conditions of economic stress; and

(D) standardizing credit rating terminology across asset classes, so that named ratings correspond to a standard range of default probabilities and expected losses independent of asset class and issuing entity.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit to Congress a report containing the findings of the study under paragraph (1) and the recommendations, if any, of the Commission with respect to the study.

SA 3775. Mr. WYDEN (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

TITLE _____—ELIMINATING SECRET SENATE HOLDS

SEC. _____. ELIMINATING SECRET SENATE HOLDS.

Rule VII of the Standing Rules of the Senate is amended by adding at the end the following:

''7. (a) The majority and minority leaders of the Senate or their designees shall recognize a notice of intent of a Senator who is a member of their caucus to object to proceeding to a measure or matter only if the Senator—

''(1) submits the notice of intent in writing to the appropriate leader or their designee and grants in the notice permission for the leader or designee to object in the Senator's name; and

''(2) not later than 2 session days after the submission under clause (1), submits for inclusion in the Congressional Record and in the applicable calendar section described in subparagraph (b) the following notice:

' 'I, Senator _____, intend to object to proceeding to _____, dated _____.'

''(b) The Secretary of the Senate shall maintain for both the Senate Calendar of Business and the Senate Executive Calendar a separate section entitled 'Notices of Intent to Object to Proceeding'. Each section shall include the name of each Senator filing a notice under subparagraph (a)(2), the measure or matter covered by the calendar that the Senator objects to, and the date the objection was filed.

''(c) A Senator may have an item relating to that Senator removed from a calendar to which it was added under subparagraph (b) by submitting for inclusion in the Congressional Record the following notice:

' 'I, Senator _____, do not object to proceeding to _______, dated _______.'.''.

SA 3776. Mr. SPECTER (for himself, Mr. REED, Mr. KAUFMAN, Mr. DURBIN, Mr. HARKIN, Mr. LEAHY, Mr. LEVIN, Mr. MENENDEZ, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. FEINGOLD, and Mr. MERKLEY) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1004, between lines 11 and 12, insert the following:

SEC. 929D. PRIVATE CIVIL ACTION FOR AIDING AND ABETTING.

Section 20(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78t(e)) is amended—

(1) in the subsection heading, by striking ''PROSECUTION OF'' and inserting ''ACTIONS AGAINST'';

(2) by striking ''For purposes'' and inserting the following:

''(1) ACTIONS BROUGHT BY COMMISSION.—For purposes''; and

(3) by adding at the end the following:

''(2) PRIVATE CIVIL ACTIONS.—For purposes of any private civil action implied under this title, any person that knowingly provides substantial assistance to another person in violation of this title, or of any rule or regulation issued under this title, shall be deemed to be in violation of this title to the same extent as the person to whom such assistance is provided. For purposes of this paragraph, a person acts knowingly only if the person has actual knowledge of the conduct underlying the violation described in the preceding sentence.''.

SA 3777. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1187, between lines 9 and 10, insert the following:

Subtitle K—Multifamily Mortgage Resolution

SEC. 992. MULTIFAMILY MORTGAGE RESOLUTION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development shall establish a program to protect tenants and at-risk multifamily properties, which may include—

(1) creating sustainable financing of such properties, taking into consideration—

(A) the rental income generated by such properties; and

(B) the preservation of adequate operating reserves;

(2) maintaining the level of Federal, State, and local government subsidies for such properties that exists on the day before the date of enactment of this Act;

(3) providing funds for rehabilitation of such properties;

(4) facilitating the transfer of such properties to responsible persons, when appropriate and with the agreement of the owners of the property; and

(5) ensuring affordability of such properties.

(b) COORDINATION.—In carrying out the program established under this section, the Secretary of Housing and Urban Development may coordinate with the Secretary, the Corporation, the Board of Governors, the Federal Housing Finance Agency, and any other agency of the Federal Government that the Secretary of Housing and Urban Development considers appropriate.

(c) DEFINITION.—For purposes of this section, the term ''multifamily property'' means a residential structure that consists of 5 or more dwelling units.

SA 3778. Mr. UDALL of Colorado (for himself, Mr. LUGAR, Mr. BOND, Mr. BROWN of Massachusetts, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. LEVIN, Mr. LIEBERMAN, Mrs. MCCASKILL, and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of subtitle G of title X, add the following:

SEC. 1078. REPEAL OF CREDIT SCORE DISCLOSURE FEES.

(a) REPEAL OF CREDIT SCORE DISCLOSURE FEES.—Section 609(f)(8) of the Fair Credit Reporting Act (15 U.S.C. 1681g(f)(8)) is amended to read as follows:

''(8) FREE ANNUAL CREDIT SCORE.—

''(A) IN GENERAL.—Section 612(a) shall apply to each consumer reporting agency described in subsection (p) of section 603 in making disclosures pursuant to this subsection.

''(B) REASONABLE FEES.—Other than with respect to a free annual disclosure, as provided in subparagraph (A) and section 612(a), a consumer reporting agency may charge a fair and reasonable fee, as determined by the Commission, for providing the information required under this subsection.''.

(b) APPLICABILITY OF FCRA.—Section 612(a) of the Fair Credit Reporting Act (15 U.S.C. 1681j(a)) shall apply to each consumer reporting agency described in subsection (p) of section 603 in making disclosures pursuant to this section.

SA 3779. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1290, strike line 5 and all that follows through page 1291, line 9, and insert the following:

SEC. 1028. AUTHORITY TO RESTRICT MANDATORY PRE-DISPUTE ARBITRATION.

(a) STUDY AND REPORT.—Not later than 180 days after the date of enactment of this Act, the Bureau shall conduct a study and submit a report to Congress concerning the use of agreements providing for arbitration of any future dispute between covered persons and consumers in connection with the offering or providing of consumer financial products or services.

(b) FURTHER AUTHORITY.—The Bureau, by regulation, may prohibit or impose conditions or limitations on the use of an agreement between a covered person and a consumer for a consumer financial product or service providing for arbitration of any future dispute between the parties, if the Bureau determines that such a prohibition or imposition of conditions or limitations is in the public interest and for the protection of consumers. The determination of the Bureau under this subsection shall be consistent with the study conducted under subsection (a).

(c) LIMITATION.—The authority described in subsection (b) may not be construed to prohibit or restrict a consumer from entering into a voluntary arbitration agreement with a covered person after a dispute has arisen.

SA 3780. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3739 proposed by Mr. REID (for Mr. DODD (for himself and Mrs. LINCOLN)) to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1455, after line 25, insert the following:

SEC. 1077. MANDATORY PREDISPUTE ARBITRATION RULEMAKING.

(a) SECTION 921.—Section 921 of this Act is amended to read as follows:

''SEC. 921. AUTHORITY TO ISSUE RULES RELATED TO MANDATORY PREDISPUTE ARBITRATION.

''(a) AMENDMENT TO SECURITIES EXCHANGE ACT OF 1934.—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o), as amended by section 918, is amended by adding at the end the following:

'' '(i) AUTHORITY TO RESTRICT MANDATORY PREDISPUTE ARBITRATION.—The Commission shall—

'' '(1) conduct a rulemaking on the use of agreements that require customers or clients of any broker, dealer, or municipal securities dealer to arbitrate any dispute between such customers or clients and such broker, dealer, or municipal securities dealer that arises under the securities laws or the rules of a self-regulatory organization; and

'' '(2) if the Commission finds that prohibition of, or imposition of conditions or limitations on, the use of agreements described in paragraph (1) is in the public interest and for the protection of investors, promulgate rules or regulations to establish such prohibitions, conditions, or limitations.'.

''(b) AMENDMENT TO THE INVESTMENT ADVISERS ACT OF 1940.—Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b–5) is amended by adding at the end the following:

'' '(f) AUTHORITY TO ISSUE RULES RELATED TO MANDATORY PREDISPUTE ARBITRATION.—The Commission shall—

'' '(1) conduct a rulemaking on the use of agreements that require customers or clients of any investment adviser to arbitrate any dispute between such customers or clients and such investment adviser that arises under the securities laws, as defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), or the rules of a self-regulatory organization; and

'' '(2) if the Commission finds that prohibition of, or imposition of conditions or limitations on, the use of agreements described in paragraph (1) is in the public interest and for the protection of investors, promulgate rules or regulations to establish such prohibitions, conditions, or limitations.'.''

(b) SECTION 1028.—Section 1028 of this Act is amended to read as follows:

''SEC. 1028. AUTHORITY TO RESTRICT MANDATORY PREDISPUTE ARBITRATION.

''(a) AUTHORITY.—The Bureau, by regulation, shall prohibit or impose conditions or limitations on the use of an agreement between a covered person and a consumer for a consumer financial product or service providing for arbitration of any future dispute between the parties, if the Bureau finds that such prohibition or imposition of conditions or limitations is in the public interest and for the protection of consumers.

''(b) LIMITATION.—The authority described in subsection (a) may not be construed to prohibit or restrict a consumer from entering into a voluntary arbitration agreement with a covered person after a dispute has arisen.''.

SA 3781. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

TITLE XII—PROHIBITION ON TAXPAYER FUNDED BAILOUTS

SEC. 1301. PROHIBITION ON TAXPAYER FUNDED BAILOUTS.

No taxpayer funds shall be provided under this or any other Act to provide pecuniary or monetary assistance to any company for the purpose of minimizing losses or otherwise mitigating the financial distress of such company.

SA 3782. Mr. CORKER (for himself, Mr. ENZI and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 1045, strike line 12 and all that follows through page 1052, line 2 and insert the following:

''(b) STUDY ON RISK RETENTION.—

''(1) STUDY.—

''(A) IN GENERAL.—The Federal Reserve Board, in coordination and consultation with the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, and the Securities and Exchange Commission, shall conduct a study of the asset-backed securitization process.

''(B) ISSUES TO BE STUDIED.—In conducting the study under subparagraph (A), the Board shall evaluate—

''(i) the separate and combined impact of—

''(I) requiring loan originators or securitizers to retain an economic interest in a portion of the credit risk for any asset that the securitizer, through the issuance of an asset-backed security, transfers, sells, or conveys to a third party; including—

''(aa) whether existing risk retention requirements such as contractual representations and warranties, and statutory and regulatory underwriting and consumer protection requirements are sufficient to ensure the long-term accountability of originators for loans they originate; and

''(bb) methodologies for establishing additional statutory credit risk retention requirements;

''(II) the Financial Accounting Statements 166 and 167 issued by the Financial Accounting Standards Board, as well as any other statements issued before or after the date of enactment of this section the Federal banking agencies determine to be relevant;

''(ii) the impact of the factors described under subsection (i) of this section on—

''(I) different classes of assets, such as residential mortgages, commercial mortgages, commercial loans, auto loans, and other classes of assets;

''(II) loan originators;

''(III) securitizers;

''(IV) access of consumers and businesses to credit on reasonable terms.

''(2) REPORT.—Not later than 18 months after the date of enactment of this section, the Board shall submit to Congress a report on the study conducted under paragraph (1). Such report shall include statutory and regulatory recommendations for eliminating any negative impacts on the continued viability of the asset-backed securitization markets and on the availability of credit for new lending identified by the study conducted under paragraph (1).''.

SA 3783. Mr. CORKER (for himself, Mr. ENZI, Mr. ISAKSON, Mr. CHAMBLISS, and Mr. BARRASSO) submitted an amendment intended to be proposed by him to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 61, after line 24, insert the following:

SEC. 122. ASSET BUBBLE STUDY.

(a) FEASABILITY STUDY.—

(1) IN GENERAL.—The Board of Governors, the Office of the Comptroller Currency, the Corporation, and the Department of Housing and Urban Development, in consultation with the Council, shall conduct a study on the feasibility and advisability of establishing quantitative criteria for identifying housing bubbles.

(2) REQUIRED INCLUSIONS.—The study required under paragraph (1) shall examine whether or not the quantitative criteria that may be established should include following information:

(A) Consumer confidence.

(B) Inventory data.

(C) Housing appreciation.

(D) Housing supply.

(E) Foreclosure statistics.

(F) Any other factor or information deemed relevant by the Board of Governors, the Office of the Comptroller Currency, the Corporation, and the Department of Housing and Urban Development, in consultation with the Council.

(3) ADDITIONAL EXAMINATIONS.—In conducting the study required under this subsection, the Board of Governors, the Office of the Comptroller Currency, the Corporation, and the Department of Housing and Urban Development, in consultation with the Council, shall also examine the advisability of using such quantitative criteria as a trigger for increased down payment requirements on home mortgage loans for lending institutions.

(4) CONSIDERATIONS.—In conducting the study required under this subsection, the Board of Governors, the Office of the Comptroller Currency, the Corporation, and the Department of Housing and Urban Development, in consultation with the Council, shall consider the mortgage finance systems in other countries, including the legal and regulatory regimes present and in effect in such countries, the experience of such countries with housing bubbles and housing crises, and the relevance, if any, of the down payment requirements in effect in such countries to the occurrence or onset of such bubbles or crises.

(b) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Board of Governors, the Office of the Comptroller Currency, the Corporation, and the Department of Housing and Urban Development, in consultation with the Council, shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a joint report summarizing the results of the study required under subsection (a).

SA 3784. Mr. CORKER (for himself, Mr. CHAMBLISS, Mr. ISAKSON, and Mr. GREGG) submitted an amendment intended to be proposed by him to the bill S. 3217, 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; which was ordered to lie on the table; as follows:

On page 30, between lines 11 and 12, insert the following:

(N) review and submit comments to the Commission and any standards setting body with respect to an accounting principle, standard, or procedure in effect on the date of enactment of this Act or that is proposed; and

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NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Senate Committee on Energy and Natural Resources. The hearing will be held on Wednesday, May 19, 2010, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the proposed Constitution of the U.S. Virgin Islands; S. 2941, the Republic of the Marshall Islands Supplemental Nuclear Compensation Act of 2010; H.R. 3940, an act to amend Public Law 96–597 to clarify the authority of the Secretary of the Interior to extend grants and other assistance to facilitate political status public education programs for the peoples of the non-self-governing territories of the United States; and H.R. 2499, the Puerto Rico Democracy Act of 2010.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record may do so by sending it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150, or by e-mail to Rosemarie_Calabro @energy.senate.gov.

For further information, please contact Allen Stayman or Rosemarie Calabro.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. SCHUMER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, May 5, 2010, at 10 a.m., to hear testimony on ''Voting By Mail: An Examination of State and Local Experiences.''

For further information regarding this meeting, please contact Lynden

Armstrong at the Rules and Administration Committee.

ORDERS FOR TUESDAY, MAY 4, 2010

Mr. DURBIN. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m., Tuesday, May 4; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate proceed to a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half; that following morning business, the Senate resume consideration of S. 3217, Wall Street reform; and that the Senate recess from 12:30 until 2:15 p.m. to allow for the weekly caucus luncheons.

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

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. DURBIN. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 6:23 p.m., adjourned until Tuesday, May 4, 2010, at 10 a.m.