Drug Czar—Gil Kerlikowske.
Economic Czar—Paul Volcker.
Energy and Environment Czar—Carol Browner.
Faith-Based Czar—Joshua DuBois.
Great Lakes Czar—Cameron Davis.
Green Jobs Czar—Van Jones (resigned on Sept. 6).
Guantanamo Closure Czar—Daniel Fried.
Health Czar—Nancy-Ann DeParle.
Information Czar—*Vivek Kundra.*
International Climate Czar—Todd Stern.
Mideast Peace Czar—George Mitchell.
Pay Czar—Kenneth Feinberg.
Regulatory Czar—Cass Sunstein.*
Science Czar—John Holdren.
Stimulus Accountability Czar—Earl Devaney—statutory position.
Sudan Czar—J. Scott Gration.
TARP Czar—Herb Allison.
Terrorism Czar—John Brennan.
Technology Czar—Aneesh Chopra.
Urban Affairs Czar—Adolfo Carrion Jr.
Weapons Czar—Ashton Carter.
WMD Policy Czar—Gary Samore.

*Nomination was sent to Senate on April 20, no action yet taken.

Mr. ALEXANDER. Mr. President, I 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.

Mrs. MURRAY. I ask unanimous consent that the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 3288, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3288) making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2010, and for other purposes.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

Mrs. MURRAY. Mr. President, we are again here on Monday afternoon talking about a very important bill that came to the floor last Thursday. That is the investment in infrastructure, transportation, and housing across the country. We have many issues important to many Members who want to get this bill passed and to the President as quickly as possible so we can move forward. My colleague from Missouri and I have worked very hard to put the bill together. We are here this afternoon ready and waiting for our colleagues to offer amendments so we can get to final passage. I know the majority leader wishes us to finish this fairly quickly. We have a number of appropriations bills we want to complete before the end of September deadline. So we ask our colleagues to get their amendments up, and we will move through them as quickly as we can.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mr. BOND. Mr. President, I echo what the chairman of our subcommittee, the Senator from Washington, has said. We have had it out now. We have had this bill out. It has been on the floor since Thursday. We had Friday and the weekend to look at it. A number of my colleagues, many on this side of the aisle, have talked about offering amendments. I hope they will be ready to bring those amendments down. I think one or two are going to be offered this afternoon so we can have votes scheduled at 5:30, as the majority leader has suggested. It is not only the majority leader, it is the Senator from Washington and I who are urging people to come down. This is a very important bill. Everybody has transportation needs, concerns, and issues. Housing is such a significant challenge right now, given the situation in the financial markets and the situation with housing. We have many people who are dependent upon federally supported housing. We need to make sure we have the funds made available to take care of their needs.

We have special needs projects such as the VASH program for veterans with assisted housing that the Chair and I have entered into. That is very important for bringing our service men and women home and giving them the right kind of accommodation. All of these things are in the context of significant financial problems in the Federal Housing Administration. FHA, if you read the papers, is at a crisis point. I have described it as a ticking timebomb. Regrettably, I think that is still an accurate calculation. We have funds to provide to HUD and to the Secretary of HUD, to the IG and others, to deal with problems before they become more serious. So we need to get this bill passed.

I hope our colleagues would bring their amendments forward. We will only be able to vote until 3 o'clock tomorrow afternoon. We would appreciate them bringing as many amendments as they can forward before then, this afternoon and tomorrow, so we can go about the business of conferencing with the House, getting a measure that will get to the President so he can sign it and put these critically important funds to work.

I yield the floor.

Mrs. MURRAY. I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. JOHANNS. I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 2355

Mr. JOHANNS. Mr. President, I ask that amendment No. 2355 be called up.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. JOHANNS] proposes an amendment numbered 2355.

Mr. JOHANNS. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: Prohibiting direct or indirect use of funds to fund the Association of Community Organizations for Reform Now (ACORN))

After section 414, insert the following:

SEC. 4___. None of the funds made available under this Act may be directly or indirectly distributed to the Association of Community Organizations for Reform Now (ACORN).

Mr. JOHANNS. Mr. President, I rise today to discuss an amendment pertaining to ACORN, otherwise known as the Association of Community Organizations for Reform Now.

Records will indicate that ACORN has received $53 million in Federal funds—taxpayer money—since 1994. In the current transportation and housing appropriations bill, ACORN is eligible to add to that number, to receive millions more in taxpayer funds from several different accounts and purposes. It could receive money through mortgage counseling, it could receive money through CDBG, community development block grants, and it could receive money from the Neighborhood Stabilization Program.

The people of Nebraska sent me to Washington to protect them from waste and fraud and abuse, and they asked me to change the status quo. I take that responsibility very seriously. That is why my amendment would prohibit one more penny—one more penny—of taxpayer money from going to ACORN in the transportation and housing appropriations bill.

The recent news surrounding ACORN is alarming, at a minimum. In fact, it is outrageous. Last week, Miami-Dade prosecutors issued arrest warrants for 11 ACORN employees. The employees are charged with falsifying voter registration cards. A total of 1,400 voter registration cards were turned in, and 888 of those cards were found to be a fake. This means almost three-quarters of the voting cards were fraudulent. Then, damaging news surfaced regarding hidden videotapes at the Baltimore and Washington, DC, ACORN offices. You will not believe this: They feature ACORN employees offering advice on illegal activities, including tax evasion, prostitution, and fraud. Today we find out that a different ACORN office—this time in Brooklyn—also offered advice on the same topics. I would suggest, obviously, this is a pattern of very rotten behavior. Well, the alarm bells are rightly going off.

The Census Bureau notified ACORN on Friday that it is severing all ties with the group for all work having to do with the 2010 census. Notwithstanding the fact that is long overdue, I applaud them for that action.

The Census letter pulled no punches, and I am quoting:

. . . it is clear that ACORN's affiliation with the 2010 Census promotion has caused sufficient concern in the general public, has indeed become a distraction from our mission, and may even become a discouragement to public cooperation, negatively impacting 2010 Census efforts. Unfortunately, we no longer have confidence—

''We no longer have confidence''—

that our national partnership agreement is being effectively managed through your many local offices. For the reasons stated, we therefore have decided to terminate the partnership.

Some may even say today, as amazing as this would sound, that the recent events are isolated, that they are not a fair and accurate representation of ACORN. How you could say that I am not sure, but to these defenders, I urge them to read the 88-page incriminating report published in July by the minority staff of the House Committee on Oversight and Government Reform. It is entitled—and, again, I am quoting, and I have the report here—''Is ACORN Intentionally Structured as a Criminal Enterprise?''

Mr. President, I ask unanimous consent that the Executive Summary of that report be printed in the RECORD.

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

U.S. House of Representatives, Committee on Oversight and Government Reform, Darrell Issa (CA–49), Ranking Member

IS ACORN INTENTIONALLY STRUCTURED AS A CRIMINAL ENTERPRISE?

I. EXECUTIVE SUMMARY

''We should be unfaithful to ourselves if we should ever lose sight of the danger to our liberties if anything partial or extraneous should infect the purity of our free, fair, virtuous, and independent elections''—President John Adams, Inaugural Address, 1797.

The Association of Community Organizations for Reform Now (ACORN) has repeatedly and deliberately engaged in systemic fraud. Both structurally and operationally, ACORN hides behind a paper wall of nonprofit corporate protections to conceal a criminal conspiracy on the part of its directors, to launder federal money in order to pursue a partisan political agenda and to manipulate the American electorate.

Emerging accounts of widespread deceit and corruption raise the need for a criminal investigation of ACORN. By intentionally blurring the legal distinctions between 361 tax-exempt and non-exempt entities, ACORN diverts taxpayer and tax-exempt monies into partisan political activities. Since 1994, more than $53 million in federal funds have been pumped into ACORN, and under the Obama administration, ACORN stands to receive a whopping $8.5 billion in available stimulus funds.

Operationally, ACORN is a shell game played in 120 cities, 43 states and the District of Columbia through a complex structure designed to conceal illegal activities, to use taxpayer and tax-exempt dollars for partisan political purposes, and to distract investigators. Structurally, ACORN is a chess game in which senior management is shielded from accountability by multiple layers of volunteers and compensated employees who serve as pawns to take the fall for every bad act.

The report that follows presents evidence obtained from former ACORN insiders that completes the picture of a criminal enterprise.

First, ACORN has evaded taxes, obstructed justice, engaged in self dealing, and aided and abetted a cover-up of embezzlement by Dale Rathke, the brother of ACORN founder Wade Rathke.

Committee investigators have established that a violation of corporate duties led to gross abuses of tax laws and other federal regulations. According to documents obtained from insiders, ACORN was made aware of its lax management structure but chose to ignore the problems and continue a cover-up of criminal activity. By refusing to report Dale Rathke's embezzlement of $948,607.50 as an excess benefit transaction, ACORN appears to have violated the Internal Revenue Code. ACORN's cover-up of the embezzlement for more than eight years would also constitute obstruction of justice.

Second, ACORN has committed investment fraud, deprived the public of its right to honest services, and engaged in a racketeering enterprise affecting interstate commerce.

Committee investigators have documented ACORN's use of charitable contributions against donor intent, typified by ACORN's secret transfer of donor funds to recover losses due to embezzlement. Moreover, ACORN comingles the accounts of federally-funded affiliates with politically-active affiliates and lacks sufficient oversight to safeguard taxpayer and donor interests, even though it receives millions of federal dollars.

ACORN's purposeful lack of quality control translates into the employment of convicted felons and other suspect persons. Through a strategy of providing financial incentives to employees who meet voter registration quotas, ACORN conducts voter drives that routinely produce fraudulent registrations. In fact, ACORN's employment practices have the intentional effect of encouraging voter registration fraud while linking criminal culpability to the lowest-level employees rather than the directors who contrive the illegal schemes.

To date, nearly 70 ACORN employees have been convicted in 12 states for voter registration fraud, though no federal charges have been filed against ACORN's directors. In fact, Pennsylvania judge Richard Zoller—after holding a low-level ACORN employee liable for election law violations—noted that ''somebody has to go after ACORN.''

Third, ACORN has committed a conspiracy to defraud the United States by using taxpayer funds for partisan political activities.

Committee investigators have unearthed documentation that ACORN and its affiliates conducted meticulous research that fed aggressive campaign initiatives designed to elect Democratic candidates in targeted races. ACORN forged both formal and informal connections with former Illinois Governor Rod Blagojevich, Ohio Senator Sherrod Brown and President Barack Obama, among others. Each of these campaigns received financial and personnel resource contributions from ACORN and its affiliates as part of a scheme to use taxpayer monies to support a partisan political agenda. These actions are a clear violation of numerous tax and election laws.

Documents contained in this report reveal ACORN's political agenda. ACORN's 2005–2007 Strategic Plan states that ''just as important as . . . mobilizing existing progressive voters, ACORN and similar groups actually create new progressive voters.'' In the same document, ACORN acknowledges that its ''issue campaigns play the dual role . . . of attracting new members, and educating or politicizing existing members.'' One particular issue where ACORN claims success is ''fighting key elements of the national Republican program.''

In other documents, ACORN affiliates take credit for the election of former-Illinois Governor Rod Blagojevich. In the 2006 year-end report of ACORN affiliate Service Employees International Union (SEIU) Local 880, efforts to elect Blagojevich and advance partisan political agendas are called ''flawless.''

Labor organizations, unions, and other tax-exempt entities stretched Chicago-style political manipulation and back room schemes beyond Illinois to other state-wide and national campaign efforts. In the State of Ohio, where ACORN directors drafted a political plan contained in this report, overt partisan goals are enumerated. The ACORN Ohio Political Plan states: ''ACORN will target three competitive Ohio congressional districts as well as a half dozen state rep seats nested within the districts. Our electoral work will mobilize and educate voters [and] our paid professional canvass will execute tightly managed Voter ID and GOTV canvasses moving our core constituency of base and swing voters to the polls to vote for the candidates who most closely align with a progressive Working Families Agenda.''

Moreover, documents provided by former ACORN employees and contained in this report demonstrate the degree to which ACORN and ACORN affiliates organized to elect President Barack Obama in 2008.

Fourth, ACORN has submitted false filings to the Internal Revenue Service (IRS) and the Department of Labor, in addition to violating the Fair Labor Standards Act (FLSA).

Committee investigators have tracked ACORN's numerous failures to comply with federal laws that required the payment of excise taxes on excess benefits to Dale Rathke. SEIU Local 100—under the direction of ACORN founder Wade Rathke—filed bogus reports with the Labor Department in order to conceal embezzlement. ACORN violated the overtime and record-keeping provisions of FLSA. All of these fraudulent acts would constitute a violation of 18 U.S.C. §1001 by presenting false documents to the United States government.

Fifth, ACORN falsified and concealed facts concerning an illegal transaction between related parties in violation of the Employee Retirement Income Security Act of 1974 (ERISA).

Committee investigators have concluded that ACORN plundered employee benefits and violated fiduciary responsibilities under ERISA by relieving corporate debts through prohibited loans to a related party. Moreover, ACORN affiliates lack independent control of their own assets and maintain shoddy accounting practices that serve to hide ACORN's secret and illegal use of monies.

ACORN conspired to conceal information concerning prohibited transactions from its board in violation of its corporate charter. ACORN's termination of board members who sought to uncover its illegal activities perpetuates a cover-up at the expense of adherence to its own bylaws.

The evidence contained in this report proves that ACORN's stated purpose to promote grassroots civic participation has been perverted through fraudulent and illegal acts. The weight of evidence against ACORN and its affiliates is astounding. This syndicate of tax-exempt organizations has coordinated and implemented a nation-wide strategy of tax fraud, racketeering, money-laundering and manipulating the American electorate.

Scrutiny is essential to lift a dark cloud of suspicion from nonprofit community organizations; to bring to justice the responsible parties who have heretofore been shielded from prosecution by ACORN's obscure organizational structure; to protect the American system of democratic self-government from manipulation and disruption; and to free our political climate from the choke of corruption that threatens to strangle free and fair elections.

Mr. JOHANNS. According to the report:

Operationally, ACORN is a shell game played in 120 cities, 43 states and the District of Columbia through a complex structure designed to conceal illegal activities, to use taxpayer and tax exempt dollars for partisan political purposes, and to distract investigators. Structurally, ACORN is a chess game in which senior management is shielded from accountability by multiple layers of volunteers and compensated employees who serve as pawns to take the fall for every bad act.

There is a history here, and it is a sad history. In 1998, an ACORN employee was arrested for falsifying voter registration forms. In 1999, Philadelphia authorities found hundreds of fraudulent registration forms by ACORN. In October of 2008, the pattern continues. ACORN's Nevada offices were raided by Federal agents, and in 2009 their Las Vegas field director was charged with voter registration fraud. In May 2009, seven ACORN employees were charged in Pittsburgh for voter registration fraud.

I cite this sad, tragic history because the events of the last week were not isolated, and I do not believe it was accidental that this video caught ACORN employees delivering the same message in different cities. They magnify a troubling, systemic, and criminal pattern. In fact, they serve as a public window into an organization that is besieged by corruption, by fraud, and by illegal activities, all committed—all committed—on the taxpayers' dime. Mr. President, I would suggest to you, if we had the capability to ask every taxpayer in America: Is this how you want your money spent, we would have a nearly unanimous count saying: Absolutely not.

At a time when we are experiencing record deficits and the economy is struggling every day to get back on its feet, how in the world can anyone come to this floor of the Senate and say: I want to cast my vote to continue to fund this organization with taxpayer dollars, hard-earned dollars by American families, when so many questions of legitimacy reign? I think the answer to that is simple. I do not see how anybody could cast that vote. To do so, in my judgment, would ignore the proof, and it would also ignore our responsibility to protect taxpayers from waste and fraud and abuse. I would go so far as to say that I respect that some of my colleagues believe the work done by ACORN in some communities might be valuable. But I would respectfully suggest that the problems riddling this organization, in office after office, cannot and should not be trivialized. This is an opportunity for the Senate to stand up and say: Enough is enough, just as the Census Bureau did.

As Judge Richard Zoller said, after holding an ACORN employee liable for election law violations:

Somebody has to go after ACORN.

Well, I suggest today, on the floor of the Senate, that ''somebody'' is each and every U.S. Senator. That ''somebody'' is each Senator, who now has the ability to come to the floor and say to the taxpayers back home: We will not tolerate this any longer. Until a full investigation is launched into ACORN, no taxpayer money should be used to fund its activities. A vote in favor of my amendment is a vote in favor of the taxpayer and a vote against the status quo.

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. VOINOVICH. 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. VOINOVICH. Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for up to 25 minutes.

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

FISCAL UPDATE

Mr. VOINOVICH. Mr. President, building on a series of speeches I have given over the past few years and in the tradition of a former Member of this body, Senator Fritz Hollings of South Carolina, I hope to provide my colleagues and the American people with regular updates on our catastrophic national debt. Unfortunately, given the lack of action to address this coming tsunami, I believe President Obama and Congress need to be reminded of the fiscal realities in which we find ourselves. Senator Hollings came down to the Senate floor every few weeks with a poster updating the national debt, and today I renew his tradition, and I will continue it until we do something about this unsustainable financial crisis.

One of my grandchildren's favorite stories is ''The Emperor's New Clothes'' by Hans Christian Anderson. In the tale, an emperor goes about the land wearing a nonexistent suit sold to him by a new tailor who convinced the monarch the suit is made of the finest silks. The tailors—two swindlers—tell the emperor that the threads of his robes will be so fine that they will look invisible to those dimwitted or unfit for their position. The emperor and his ministers, themselves unable to see the clothing, lavish the tailor with praise for the suit because they do not want to appear dimwitted or incompetent.

Word spread across the kingdom of the emperor's beautiful new robes. To show off the extraordinary suit, a parade was formed. People lined the streets to see the emperor show off his new clothes. Again, afraid to appear stupid or unfit, everyone pretends to see the suit. It is only when a child cries out ''the emperor wears no clothes'' does the crowd acknowledge that the emperor is, in fact, naked.

Much like the emperor, America's elected leaders know we face a fiscal train wreck, but we are choosing to ignore our current economic reality. I am here to tell my colleagues and President Obama, the emperor has no clothes and we are naked in terms of dealing with our deficits and national debt.

As shown right here on this chart, get the book out. I am sure you have it. Read it. That is where we are right now. The irony is that the American people know we are naked, and they are coming to Washington to let us know we are naked, and so does the rest of the world, and our credibility and our credit today are at risk.

I have this chart, what I refer to as the ''Wheel of Misfortune.'' This lays out quite clearly what our national debt is today.

One of the reasons I ran for the Senate back in 1998 was I wanted to come to Washington and reduce the national debt and balance budgets, which is something I did as the mayor of the city of Cleveland and something I did as Governor of the State of Ohio.

When I came to the Senate in 1999, our gross national debt stood at $5.6 trillion or 61 percent of the GDP. Today, as you can see from the chart behind me, the gross national debt is nearly $11.8 trillion. I understand the President is going to ask us to increase our debt limit to $12 trillion and, quite frankly, I believe he is going to be asking us to raise the debt limit to more than $12 trillion.

This is an increase of more than 100 percent in 10 years. Much of this increase has come recently. In fact, from 2008 to 2009 alone, the Federal debt will increase 22 percent, boosting the country's debt-to-income ratio—our national debt as a percentage of GDP—from 70 percent last year to 86 percent this year. We haven't seen this kind of GDP debt since the Second World War. It was 65 years ago during the Second World War that we saw these kinds of numbers.

By the way, this does not include our unfunded Medicare and Social Security obligations which the Peterson Foundation recently tagged at $56.4 trillion. This is the equivalent of a $483,000 debt per American household or $184,000 for every man, woman, and child in America today. Those are unfunded liabilities.

It doesn't take an economist to realize our course is unsustainable. President Obama and this Congress are fully aware of this reckless fiscal path. Yet they continue to spend and borrow, spend and borrow. Our Federal Government is the worst credit card abuser in the world. We talk to our kids about not abusing their credit cards. What kind of example do we set? You know what. We are putting the tab on the credit of our children and grandchildren.

Like the boy who cried ''the emperor has no clothes,'' the American people see through this sham. There were a bunch of them here this weekend who saw through the sham. A recent poll conducted by the Peterson Foundation showed that after their personal job, the most pressing concern of Americans is the national debt. Americans are cutting back, folks, in their own family. They are making tough decisions. They know they haven't been living within their means.

Some people are saying: Why are they paying attention to this finally? Well, they are finally realizing in their own families they need to redo the way they are doing things, and they are asking themselves: Why isn't our Federal Government doing the same thing we are doing in our households? It is no wonder they are looking at government's reckless spending with disapproval and wondering why we are not doing the same thing they are doing. They are mad as hell, and they aren't going to take it anymore.

The media is also finally starting to pay attention to this issue. Recently, the Washington Post ran an article by Fred Hiatt, their chief editorial writer, acknowledging that our long-term fiscal path is unsustainable, as well as an editorial taking the administration to task for lacking a plan on how to start digging our economy out of this fiscal crisis.

Additionally, Newsweek published an article by Fareed Zakaria where he outlines what he describes as ''the disease of modern democracy: the system cannot impose any short-term pain for long-term gain.'' We are unwilling to pay for it or do without.

The first one, this Newsweek article, is called,

There is a Silver Lining.

The crisis has forced the United States to confront bad habits developed over the past few decades. If we can kick those habits, today's pain will translate into gains.

The other is a Washington Post article entitled ''No Laughing Matter. Why the U.S. Needs to Get Serious About Long-Term Budget Deficits.''

Mr. VOINOVICH. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the articles to which I previously referred.

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

[From Newsweek Magazine, Oct. 20, 2008]

THERE IS A SILVER LINING

(By Fareed Zakaria)

Some of us—especially those under 60—have always wondered what it would be like to live through the kind of epochal event one reads about in books. Well, this is it. We're now living history, suffering one of the greatest financial panics of all time. It compares with the big ones—1907, 1929—and we cannot yet know its full consequences for the financial system, the economy or society as a whole.

I'm betting that, in the end, the world's governments will win this battle against fear. They have potentially unlimited tools at their disposal, especially if they act in concert. They can nationalize firms, call bank holidays, suspend trading for weeks, buy up debt and equity, and renegotiate home mortgages. Most important, the American government can print money. All of these tools have long-term effects that are extremely troublesome, but they are nothing compared with the potential collapse of the financial system. And Washington seems to have recognized that it must do whatever is required to shore up that system. Big questions remain. What will it take to stop the fall? How costly will it be? How long before the rescue plan starts to have an effect? But at some point, the panic that gripped world markets last week will end. Of course, that will not mean a return to growth or a bull market. We're in for tough times. But it will mean a return to sanity.

Amid all the difficulties and hardship that we are about to undergo, I see one silver lining. This crisis has—dramatically, vengefully—forced the United States to confront the bad habits it has developed over the past few decades. If we can kick those habits, today's pain will translate into gains in the long run.

Since the 1980s, Americans have consumed more than they produced—and they have made up the difference by borrowing.

Two decades of easy money and innovative financial products meant that virtually anyone could borrow any amount of money for any purpose. If we wanted a bigger house, a better TV or a faster car, and we didn't actually have the money to pay for it, no problem. We put it on a credit card, took out a massive mortgage and financed our fantasies. As the fantasies grew, so did household debt, from $680 billion in 1974 to $14 trillion today. The total has doubled in just the past seven years. The average household owns 13 credit cards, and 40 percent of them carry a balance, up from 6 percent in 1970.

But the average American's behavior was virtue itself compared with the government's. Every city, every county and every state has wanted to preserve its many and proliferating operations and yet not raise taxes. How to square this circle? By borrowing, using ever more elaborate financial instruments. Revenue bonds were backed up by the prospect of future income from taxes or lotteries. ''A growing trend is to securitize future federal funding for highways, housing and other items,'' says Chris Edwards of the Cato Institute. The effect on the projects, he points out, is to make them more expensive, since they incur interest payments. Because they ''insulate the taxpayer from the cost''—all that needs to be paid now is the interest—they also tend to produce cost overruns.

Local pols aren't the only problem. Under Alan Greenspan, the Federal Reserve obstinately refused to inflict any pain. Russian default? Cut interest rates. Worried about Y2K? Cut rates. NASDAQ crash? Cut rates. The economy slows after 9/11? Cut rates. Whatever the problem, the solution was to keep the money flowing and goose the economy. Eventually, by putting the housing market on steroids, the strategy created problems too large to untangle.

The whole country has been complicit in a great fraud. As economist Jeffrey Sachs points out, ''We've wanted lots of government, but we haven't wanted to pay for it.'' So we've borrowed our way out of the problem. In 1990, the national debt stood at $3 trillion. (That sounds high, but keep reading.) By 2000, it had almost doubled, to $5.75 trillion. It is currently $10.2 trillion. The number moved into 11 digits last month, which meant that the National Debt Clock in New York City ran out of space to display the figures. Its owners plan to get a new clock next year.

''Leverage'' is the fancy Wall Street word for debt. It's at the heart of the current crisis. Warren Buffett explained the problem in his inimitable way on ''The Charlie Rose Show.'' ''Leverage,'' he said, ''is the only way a smart guy can go broke . . . You do smart things, you eventually get very rich. If you do smart things and use leverage and you do one wrong thing along the way, it could wipe you out, because anything times zero is zero. But it's reinforcing when the people around you are doing it successfully, you're doing it successfully, and it's a lot like Cinderella at the ball. The guys look better all the time, the music sounds better, it's more and more fun, you think, 'Why the hell should I leave at a quarter to 12? I'll leave at two minutes to 12.' But the trouble is, there are no clocks on the wall. And everybody thinks they're going to leave at two minutes to 12.''

If there is a lesson to be taken from this crisis, it's a simple and old rule of economics: there is no free lunch. If you want something, you have to pay for it. Debt is not a bad thing. Used responsibly, it is at the heart of modern capitalism. But hiding mountains of debt in complex instruments is a way to disguise costs, an invitation to irresponsible behavior.

At some point, the magical accounting had to stop. At some point, consumers had to stop using their homes as banks and spending money that they didn't have. At some point, the government had to confront its indebtedness. The United States—and other overleveraged societies—have now gotten the wake-up call from hell. If we can respond and change our behavior markedly, this might actually be a blessing in disguise. (Though, as Winston Churchill said when he lost the election of 1945, ''at the moment it appears rather effectively disguised.'')

In the short term, all the solutions to the current crisis require that governments take on more debts and larger obligations. This is inevitable and necessary. But that doesn't mean we should, as some noted economists advocate, stimulate the economy with more tax cuts. That would be only one more way to keep the party going artificially—like asking a drunk to go to AA next year, but in the meantime to have even more whisky. A far better stimulus would be to announce and expedite major infrastructure and energy projects, which are investments, not consumption, and therefore have a much different effect on the country's fiscal fortunes. (They are not listed separately in the federal budget, but that's just bad accounting.)

In the medium and long term, we have to get back to basics. Households, for instance, should save more. Governments should put incentives in place that make such savings more likely. The U.S. government offers enormous incentives to consume (the deduction of mortgage interest being the best example), and it works. We have the biggest houses in the world, the thinnest flat-screen TVs and the most cars. If we were to tax consumption and encourage savings, that would also work. Regulations on credit-card debt should be revised to ensure that people understand the risks and costs of these instruments. Moving in this direction would be good for families and for the government as well.

Wall Street will also need to change. Paul Volcker has long argued that the recent spate of financial innovation was nothing of the kind: it simply shuffled around existing resources while contributing few real benefits to the economy. Such activity will now be reduced significantly. Boykin Curry, managing director of Eagle Capital, says, ''For 20 years, the DNA of nearly every financial institution had morphed dangerously. Each time someone at the table pressed for more leverage and more risk, the next few years proved them 'right.' These people were emboldened, they were promoted and they gained control of ever more capital. Meanwhile, anyone in power who hesitated, who argued for caution, was proved 'wrong.' The cautious types were increasingly intimidated, passed over for promotion. They lost their hold on capital. This happened every day in almost every financial institution over and over, until we ended up with a very specific kind of person running things. This year, the capital that remains is finally being reallocated to more careful, thoughtful executives and investors—the Warren Buffetts . . . of the world.''

Volcker has also argued that the highly complex financial system was not nearly as stable as people believed and that far-reaching efforts were needed to regulate and stabilize it. Now these issues will get attention at the highest level. The fear on Wall Street is that a Democratic administration would overregulate. But look at who is advising Barack Obama—Buffett, Volcker, former Treasury secretaries Robert Rubin and Larry Summers. It is more likely that what will come from their efforts will be a better-regulated financial system that, while producing less-extravagant profits, will be more stable and secure.

The financial industry itself is likely to shrink, and that's not a bad thing, either. It has ballooned dramatically in size. Curry points out that ''30 percent of S&P 500 profits last year were earned by financial firms, and U.S. consumers were spending $800 billion more than they earned every year. As a result, most of our top math Ph.D.s were being pulled into nonproductive financial engineering instead of biotech research and fuel technology. Capital expenditures went into retail construction instead of critical infrastructure.'' The crisis will stop the misallocation of human and financial resources and redirect them in more-productive ways. If some of the smart people now on Wall Street end up building better models of energy usage and efficiency, that would be a net gain for the economy.

The American economy remains extremely dynamic and flexible. Even now, the most surprising data continue to be how resilient the economy has been through all these shocks. That will not last, especially if the panic persists. But even so, it highlights the fact that the U.S. economy has underlying virtues and, after a tough recession, will probably recover faster than many can now imagine. The rise in emerging-market economies, which have been powering global growth, will not vanish overnight, either.

A new discipline would benefit America in a more general sense, too. Ever since the collapse of the Soviet Union, the United States has operated in the world with no constraints or checks on its power. This has not been good for its foreign policy. It has made Washington arrogant, lazy and careless. Its decision making has resembled General Motors' business strategy in the 1970s and 1980s, a process driven largely by a vast array of internal factors but little sense of urgency or awareness of outside pressures. We didn't have to make strategic choices; we could have it all. We could make blunders, anger the world, rupture alliances, waste resources, wage war incompetently—it didn't matter. We had more than enough room for error—lots of error.

But it's a different world out there. If Iraq cast a shadow on U.S. political and military credibility, this financial crisis has eroded America's economic and financial power. In the short run, there has been a flight to safety—toward dollars and T-bills—but in the long run, countries are likely to seek greater independence from an unstable superpower. The United States will now have to work to attract capital to its shores, and manage its fiscal house better. We will have to persuade countries to join in our foreign endeavors. We will have to make strategic choices. We cannot deploy missile interceptors along Russia's borders, draw Georgia and Ukraine into NATO, and still expect Russian cooperation on Iran's nuclear program. We cannot noisily denounce Chinese and Arab foreign investments in America one day and then hope that they will keep buying $4 billion worth of T-bills another day. We cannot keep preaching to the world about democracy and capitalism while our own house is so wildly out of order.

It's a fundamental American belief that competition is good—in business, athletics and life. Checks and balances are James Madison's crucial mechanisms, exposing and countering abuse and arrogance and forcing discipline on people. This discipline will be painful for a country that has gotten used to having it all. But it will make us much stronger in the long run. If we can learn the right lessons from this crisis, the United States will once more be playing by its own rules. And that cannot be bad for us.

[From the Washington Post, June 5, 2009]

NO LAUGHING MATTER

The Obama administration inherited from its predecessor both a tanking economy and a huge federal budget deficit. Under the circumstances, it cannot be faulted for increasing the deficit in the short run, because a mammoth recession called for fiscal stimulus. Thus, it is neither surprising nor irreversibly dangerous that the total federal debt held by the public looks as if it will reach 57 percent of gross domestic product by the end of fiscal 2009 on Sept. 30—well above the previous four decades' average of about 40 percent. What is more alarming is that, barring major spending cuts or tax increases, President Obama's budget could drive that figure to 82 percent by 2019, according to the Congressional Budget Office.

We are already getting a taste of the problems that could develop if the president and Congress do not address this soon. Since the end of last year, the interest rate on 10-year Treasury notes has gone up from 2 percent to over 3.5 percent. That number is within historical norms; indeed, Treasury rates probably had been artificially depressed during the financial panic of the fall. But the spike, which will cost the government tens of billions of dollars, also reflects mounting investor concern—at home and, especially, abroad—about the U.S. fiscal situation. If government borrowing costs continue to accelerate, they could kill economic growth for years to come.

It was a sign of the times that Treasury Secretary Timothy F. Geithner had to travel to Beijing this week to reassure China, the world's largest holder of Treasury debt, that lending money to the U.S. government is still a wise thing to do. Mr. Geithner insisted that, ''in the United States, we are putting in place the foundations for restoring fiscal sustainability.'' To be sure, China doesn't have many good alternatives to parking its massive trade surpluses in dollars. But it does have some, including commodities and the debt of more fiscally prudent European governments. In a moment that all Americans should consider a wake-up call, Mr. Geithner was met with laughter when he told a group of Chinese students that their country's assets were ''very safe'' in Washington.

The chairman of the Federal Reserve, Ben S. Bernanke, was considerably more decorous than the Chinese students in testimony before Congress on Wednesday but, in essence, only slightly less skeptical. ''Even as we take steps to address the recession and threats to financial stability,'' he said, ''maintaining the confidence of the financial markets requires that we, as a nation, begin planning now for the restoration of fiscal balance.''

Mr. Bernanke did not say explicitly that there is no such plan in Mr. Obama's budget—at least not according to the CBO, whose estimates of the president's budget show annual deficits lingering indefinitely above 4 percent of GDP. Nor did he point out that Congress has yet to come up with credible financing for the president's desirable but expensive health-care proposal. He did not say that Mr. Obama and Congress have done nothing so far to deliver on the president's pledge of entitlement reform. But if the Fed chairman had said those things, he would have been absolutely right.

Mr. VOINOVICH. Mr. President, now is the time to take the first step toward fiscal responsibility and making good on our promises by enacting meaningful, comprehensive tax and entitlement reform. The recent pay-as-you-go legislation passed by the House isn't going to get the job done. We know that. This Band-Aid relies on smoke and mirrors and exempts the 2001 and 2003 tax cuts, patching the alternative minimum tax, updating physician payments in Medicare, and modifying the estate tax. It is intellectually dishonest. Even the Budget Committee chairman in the Senate, Senator CONRAD, calls this pay-go that came out of the House insincere. If Congress is going to reenact statutory pay-go, then it should apply to everything, not just to what is convenient.

We need real comprehensive reform. I am pleased to say it appears as though President Obama is finally starting to get it. In an interview with the Washington Post, President Obama endorsed the idea of creating a commission where—here is what he said:

> Everything is going to be on the table when it comes to examining our tax and entitlement systems and presenting long-term solutions to place the United States on a fiscally sustainable course.

He went on to say:

> What you end up having to do in terms of structural reforms realistically is you probably have to set up some sort of commission or mechanism that reports back with the prospect of maybe locking in a pledge for action, post election.

I know we have talked about this on occasion, about this commission and setting it up and trying to get the administration to commit to it so we can let the American people know we are sincere about doing something about this debt and balancing our budget.

For the past three Congresses, I have been calling for such a commission. This Congress, I am proud to say, Senator LIEBERMAN has joined me as an original cosponsor to create the commission now.

Similar to the BRAC process, the Save America's Future Economy Commission—we call it SAFE—would break the legislative logjam in Washington by creating a bipartisan, bicameral committee to draw up policy prescriptions for the government's long-term budget shortfalls that would then go before Congress on an up-or-down vote. The legislation is similar to legislation introduced by Congressmen JIM COOPER and FRANK WOLF in the House, and today they have 69 cosponsors. It is vital—it is vital—to ensuring the solvency of entitlement programs for future generations.

It is my understanding that Pete Peterson and David Walker of the Peterson Foundation have endorsed this legislation along with the Heritage Foundation, the Brookings Institute, the Business Roundtable, and a host of other former CBO Directors who said it is time for us to do something about the problem, and they understand we will not get it done with the regular order of business. We have to have a commission come back with a recommendation, put it on a fast track, send it to the House, send it to the Senate, and let us either vote up or down as we do with the commissions we have set up on closing bases.

I am sure many of my colleagues are familiar with this legislation. I know David Walker has met with both Republican and Democratic legislative leaders or directors regarding this legislation.

Continuing down our current path, folks, is unsustainable. It is unsustainable, and it is immoral. For too long we have clothed ourselves in economic falsehoods, pretending they would protect us from the harsh economic realities. Folks, time is running out. The world sees that the emperor, in fact, has no clothes. I am calling on President Obama to follow through on his comments about the need for a commission and support the SAFE Commission Act.

OMB Director Peter Orszag has understood our fiscal crisis in the past and called for the creation of an entitlement commission, but since joining the administration he has stopped pushing for a commission, instead focusing just on health care reform. The bottom line is health care reform is but one of the major issues that needs to be addressed to respond to our fiscal crisis. We must also reform the Tax Code to encourage personal savings, investment, job creation, and economic growth. A lot of Americans are not aware of this fact, that we spend $240 billion a year paying our taxes; that is, to pay for professional help and keeping track of all of the papers we need to have when we prepare to pay our Federal income tax.

I think the current health care debate in Congress is a perfect example of why a piecemeal approach doesn't work. If we dealt with the fiscal crisis, it would be a lot easier for us to deal with health care.

There is a new poll out just today, AP, that says half of Americans are more concerned about tackling our debt than our health care reform, education, and climate change. Did my colleagues hear that? Over half of them say deal with the fiscal crisis. The reason I believe we are having such a darn difficult time dealing with health care and why we are not going to pass any kind of climate change legislation is that the people of this country know we have a fiscal crisis and they want us to contend with that before we deal with these other issues.

I think the American people know we can't afford the health care system we now have, and we must find a way to be more responsible. Think of this: We spend $2.2 trillion on health care in this country. The Medicare trust fund will be insolvent in 2017, and we have to reform the way we pay physicians under the program, which experts say will cost us $280 billion over 10 years. Furthermore, the States are already overburdened by the cost of their Medicaid programs.

We gave the States $87 billion in the stimulus bill. I can tell you in ordinary circumstances, many States usually come to Washington with a tin cup. I can guarantee you that the Governors of this country are going to be down here with a large bathtub asking us to fill it because of the problems they confront.

In other words, they can't now take care—well, they can now because they got the $87 billion, but once that runs out, they are going to be down here saying: We can't handle the current system as it is. How can we expand Medicaid when we can't take care of the Medicaid Program we now have? With the financial crisis we have in this country, we have to be careful of taking on something we can't afford, particularly when we can't afford to pay for what we already have.

I am surprised that in the President's speech last week he didn't talk about the fact that by 2017—everybody needs to understand this—the money coming in for Medicare would not be adequate to take care of the people who are out there who are eligible for Medicare. It is part of what I call that unfunded liability I talked about earlier.

The Peterson Foundation recently commissioned an in-depth health care study conducted by the Lewin Group, and I urge my colleagues to take a close look at this analysis and see the principles the Peterson Foundation lays out to determine a fiscally responsible health care reform bill.

I am not the only one calling for Congress to be fiscally responsible when considering health care reform. In order for health care reform legislation to be fiscally responsible, it must, one, pay for itself over a 10-year period; two, not add to the deficit beyond a 10-year period; three, bend the cost curve down to reduce health care spending; and four, significantly reduce current unfunded obligations. That is what we should be talking about.

President Obama and Congress must act. We all came to Washington to serve, and we have a moral responsibility to leave this place better than what we found it. How will we look our children and grandchildren in the eye knowing we have mortgaged their future at a time when we know they are going to have to work harder than we have to maintain the standard of living we enjoy.

God has blessed me with three children and seven grandchildren. I am constantly worried about what kind of America they are going to be living in. I know darn well the competition we face today worldwide is a lot more fierce than anything I experienced during my life here. I know because of that competition they are going to have to work harder. They are going to have to work smarter. It would be very cruel for us, on top of that, to lay this terrible burden on their shoulders and say: We weren't willing to pay for it or do without, so you take care of it. It is your problem. You handle it.

I was pleased to hear President Obama echo this last Wednesday during his joint session of Congress, the same sentiment I have just made. He stated—and I quote the President of the United States:

> I understand that the politically safe move would be to kick the can further down the road—to defer reform one more year, one more election, one more term. But that is not what the moment calls for. That is not what we came here to do. We did not come here to fear the future. We came here to shape it. I still believe we can act, even when it is hard.

President Obama's words ring true in light of the fiscal challenges we face as a nation today. And they should get the first priority. Until we start on a commission, Congress, the administration, the American people, and the world will know the Emperor has no clothes. We are naked in terms of realizing and dealing with our fiscal crisis. Now is the time to act.

Mr. President, 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.

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

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

The Senator from Missouri.

AMENDMENT NO. 2355, AS MODIFIED

Mr. BOND. Madam President, I ask unanimous consent that the Johanns amendment be modified with the changes at the desk.

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

The amendment (No. 2355), as modified, is as follows:

(PURPOSE: PROHIBITING USE OF FUNDS TO FUND THE ASSOCIATION OF COMMUNITY ORGANIZATIONS FOR REFORM NOW (ACORN))

After section 414, insert the following:

SEC. 4___. None of the funds made available under this Act may be distributed to the

Association of Community Organizations for Reform Now (ACORN) or its subsidiaries.

Mr. BOND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BOND. Madam President, I rise today to support the amendment offered by my colleague from Nebraska, Senator JOHANNS. He has proposed an amendment to end taxpayer funding for the Association of Community Organizations for Reform Now.

We cannot allow taxpayer funds to support groups engaged in repeated voter registration fraud activities, and now their repeated assistance for housing, tax, and mortgage fraud.

I recognize—and let's be clear about it—that ACORN has helped counsel homeowners through the recent mortgage meltdown. Doubtless, they have helped good people find affordable housing solutions. But that cannot outweigh the numerous and repeated abuses of taxpayer dollars allowed to occur in their name.

In my home State of Missouri, several ACORN workers in Kansas City admitted to voter registration fraud. There have been other investigations throughout the State. Unfortunately, ACORN vote fraud in Missouri is not isolated. ACORN workers in Arkansas, Colorado, Florida, Michigan, North Carolina, New Mexico, Ohio, Minnesota, Pennsylvania, Texas, Virginia, Wisconsin, and Nevada have all been associated with fraudulent voter registration activities.

This long list shows this is not a problem of a handful of rogue employees but, regrettably, an endemic systemwide culture of fraud and abuse. Now we have disgusting and unacceptable video footage of ACORN housing workers counseling on how prostitutes might circumvent mortgage applications, tax law, and child endangerment laws. Again, this despicable behavior is not isolated to one rogue employee but has occurred repeatedly in Washington, Baltimore, and New York.

For those who say that minority and low-income advocates are being picked upon, I say the causes of expanding housing and voting opportunities and wise counseling and assistance to those who need help are too important to be allowed to be sullied by such a morally fraudulent organization. The tireless volunteers and underpaid staffers toiling to help the impoverished and disenfranchised do not deserve to have their reputation pulled down by the organization they work for which cannot put an end to these abuses. All taxpayers deserve to know their hard-earned tax dollars are not going toward voter, housing, mortgage, or tax fraud assistance.

Congress has the opportunity to end this relationship now. I am hoping we will be able to vote this afternoon, and I urge my colleagues to support the Johanns amendment.

I yield the floor.

Mr. HATCH. Madam President, I rise to speak in support of an amendment by my good friend, Senator MIKE JOHANNS, that would prevent our taxpayer dollars from being directed to the Association of Community Organizations for Reform Now, more commonly known as ACORN. I also want to commend the Census Bureau's recent decision to cut all ties with ACORN.

Simply put I am very pleased with this decision, which was announced late last week through a letter from Census Bureau Director Robert Groves to ACORN's National Headquarters. As I met with Dr. Groves in my office just last week, I raised this very issue and expressed my disappointment, along with the disappointment of many of the Utahns I represent, that ACORN would have any association with such an important and historic event such as the 2010 Census.

Anyone who knows me, knows that I am always supportive of reasonable efforts to ensure that taxpayer funds are not used for unlawful activities, particularly when those activities may be construed to be partisan in nature. That is why I have followed this particular issue so closely throughout the year and raised the issue directly with Director Groves.

In fact, as next year's census quickly approaches, I continue to work with Census officials at the Commerce Department on all levels. As all Utahns are keenly aware, the Decennial Census requires precision and uniformity—both of which I am closely monitoring as the Census moves forward.

To that end, I am hopeful that the Census Bureau will ensure that all Americans are counted fairly and accurately, with the privacy of the individual always in mind. I applaud Director Groves and his decision for the Census Bureau to cut all ties with ACORN. I am pleased that he listened not only to my concerns, but also to the concerns of thousands of Utahns and Americans from across country who have expressed severe disappointment with ACORN's involvement in the 2010 Census. Personally, I feel ACORN should not have been involved in the 2010 Census in the first place. However, I recognize Director Groves' decision as an important step toward an accurate and fair count and look forward to assisting in additional efforts toward that same end in the near future.

While I am encouraged by the recent actions by the Census Bureau, I believe it is critical to adopt Senator JOHANNS' amendment so we can know with certainty that partisan political organizations like ACORN will not be underwritten with taxpayer dollars.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, I ask unanimous consent that at 5:30 p.m. today, the Senate proceed to vote in relation to the Johanns amendment No. 2355, as modified; that no amendment be in order to the amendment prior to the vote; and that there be 2 minutes of debate prior to a vote in relation to the amendment, with the time equally divided and controlled in the usual form.

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

Mrs. MURRAY. Madam President, with that, there will be a vote at 5:30 this afternoon, and if any other Senators wish to come to the floor to speak to their amendments, we are here ready and waiting for them to do that.

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

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

Mr. KAUFMAN. Madam President, I ask unanimous consent to speak as in morning business for up to 25 minutes.

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

FINANCIAL ABUSES

Mr. KAUFMAN. Madam President, tomorrow is the first anniversary of the Lehman Brothers collapse, the largest bankruptcy in United States history. Lehman's failure sent shock waves throughout the entire country.

The resulting financial meltdown plunged the American economy into the most severe recession since the 1950s. Credit markets froze, investor confidence collapsed, stock prices crashed, and millions of Americans lost their jobs, their homes, and their savings.

Lehman brought about its own demise. Once the Nation's fourth-largest investment bank, Lehman allowed a culture of recklessness to engulf its firm.

But the blame for this downward spiral and for the consequences to millions of Americans does not end with Lehman. At a time when banks were taking on unprecedented risk, our regulatory agencies were taking their referees off the field.

The SEC, like other regulatory agencies, has made many mistakes in recent years: from failing to monitor the credit rating agencies and permitting the banks to increase their capital-leverage ratios to as much as 30- or 50-to-1 to buy up what turned out to be toxic assets, to removing the uptick rule without putting anything effective in its place and failing to put in place systems to monitor and adjust its regulations as the markets rapidly evolved.

Our Nation has paid dearly for these mistakes.

In response, we have vowed to shine a light on Wall Street, to enact financial regulatory reforms, to push for clearer and enforceable laws, to strengthen our oversight agencies—all in an effort to prevent history from repeating itself and to rebuild the credibility of and investor confidence in our markets.

But our actions have not yet followed our words.

President Obama has proposed a new financial regulation plan that would enforce stricter capital and liquidity requirements for investment banks, revamp the disjointed regulatory system, and impose higher standards for risky products like credit default swaps.

I applaud President Obama's efforts to address the regulatory problems that devastated our economy and I look forward to working with my colleagues to create a systemic risk regulator, to regulate derivatives effectively, and to ensure consumer financial protections.

But we cannot simply react to problems after they have occurred. We must also adopt a forward-looking approach to regulation that recognizes manipulation and wrongdoing while it is happening and stops it in its tracks.

Because of the damage that was done to our economy by the prior financial scandals, the regulatory agencies and Congress need to catch up and redress prior mistakes—while at the same time focus on current questionable market practices before new problems arise.

Since I became a Senator in January, I have been spending much of my time in Congress asking questions and promoting regulatory solutions to current questionable practices on Wall Street. And I have stressed repeatedly the need for the SEC to step forward as a strong and determined cop on the beat.

I believe that democracy and fair markets are the foundation of our American society.

They are both based on the notions of equality and fairness—the idea that all Americans have an equal opportunity to succeed.

For markets to have credibility and investors to have confidence, Congress and the SEC must act urgently to restore a level playing field for investors.

If investors don't believe the markets are fair, they won't invest in them. It is as simple as that.

Fairness may be an ever-changing and elusive concept when it comes to the financial markets, but it must be defined and then defended by the regulators. Where abuses continue in our financial markets, those abuses must be addressed through clear rules with teeth and through tough enforcement.

Otherwise, we will be left with two financial markets: One market for huge-volume, high-speed players, who can take advantage of every loophole for profit, and another market for retail investors, whose orders are seemingly filled as an afterthought without any special priority.

For example, since March, I have worked with a bipartisan group of Senators to push the SEC to do more about abusive or so-called ''naked'' short selling.

When Lehman Brothers began to go down, many believe naked short sellers drove it into its grave, profiting handsomely by manipulating the price of Lehman's stock down, down, down.

The SEC will be holding a roundtable on September 30th to discuss pre-borrow requirements and centralized ''hard locate'' system solutions that I and other Senators have proposed. I strongly urge the Commission to propose new rules addressing these issues and to begin to elicit serious comments about their effectiveness.

At the very least they should set up pilot programs to test how they might work.

Otherwise, if the SEC does nothing, I am concerned that when the conditions for profitable naked short selling reoccur, there will be no enforceable rules to stop it, and the SEC will be unable to punish those who undertake it, just as the SEC has yet to punish anyone for the naked short selling events of last year.

More recently, several questionable market structure issues have come to light, threatening market fairness in ways we are only beginning to understand.

Wall Street has undergone a radical transformation in only the last few years. Only a few years ago, powerful trading organizations, like the New York Stock Exchange, handled over 80 percent of all transactions. Today, the market is currently heavily fragmented and dominated by high-frequency traders.

According to research by the Tabb Group, there are now over 50 trading venues in the United States. Technologically advanced high-frequency trading firms now represent over 61 percent of the daily trading volume in stocks.

Institutional investors prefer to trade in dark liquidity pools, which arguably violate the spirit of rules that require fair and non-discriminatory access to quotations.

These innovations, from market fragmentation to high-speed electronic trading, have produced benefits, including increased liquidity, narrowed spreads, and lowered commissions for most investors.

But while competition and innovation have flourished, the fundamental fairness of our markets cannot be taken for granted.

Actions by the SEC over recent decades have had the unintended consequence of producing markets that now seem to favor the most technologically sophisticated traders, sometimes at the expense of ordinary retail investors. Moreover, competition for market trading volume among market centers now includes questionable practices such as liquidity rebates, flash order offerings, co-location of servers, and other inducement arrangements with broker-dealers and other market participants.

Congress, the SEC, and the public they serve need to stand back and better understand what has happened. Even for the skilled insiders, it is all very complicated and opaque, and the challenge we face is to understand the benefits, costs, and risks of these developments to long-term investors, in a market environment very different from just 5 years ago.

This is why I recently called on the SEC to undertake a comprehensive review of a broad range of market issues, analyzing the current market structure from the ground up before piecemeal changes built on the current structure add to the potential for execution unfairness.

I am concerned that questionable practices threaten to further erode investor confidence in our financial markets and that our understanding and regulatory capability have not kept pace with those changes.

To her credit, SEC Chairman Schapiro, for whom I have great respect as well as for the urgent tasks she confronts in this challenging era for the Commission, has begun such a review and has agreed to broaden it.

In her letter responding to my concerns, she too recognizes the trade-offs between liquidity and fairness, as well as the importance of standing up for the interests of long-term investors.

She wrote: ''If . . . the interests of long-term investors and professional short-term traders conflict, the Commission previously has emphasized that 'its clear responsibility is to uphold the interests of long-term investors.' I firmly agree that the Commission's focus must be on the protection of long-term investors.''

Alan Greenspan, the former Fed Chairman, in commenting on the fixed income markets, learned this lesson too late: technological developments without effective regulation do not always lead to the best interests of investors.

He wrote: ''All of the sophisticated mathematics and computer wizardry essentially rested on one central premise: that enlightened self interest of owners and managers of financial institutions would lead them to maintain a sufficient buffer against insolvency by actively monitoring and managing their firms' capital and risk positions.'' The premise failed in the summer of 2007, the former Fed Chairman said, leaving him ''deeply dismayed.''

We are all deeply dismayed, and we do not ever want to be so dismayed again.

So while recent developments in the equity and options markets are very different from what happened in the fixed income markets, Congress must exercise its oversight capacity to lay out the issues and ask the tough questions about high-frequency trading and recent market structure issues.

High-frequency traders have many tools at their disposal that give them significant advantages over regular investors.

The first is speed. In order to receive information as quickly as possible, high-speed firms place their computer servers right next to the exchanges. Co-locating allows them to receive information a few milliseconds before the rest of the world. Because every millisecond is critical in the world of high-frequency trading, firms are willing to pay millions of dollars annually for this advantage.

Information on price movement and market trends is routed directly to electronic algorithms, designed by top engineers to make trades automatically.

These programs rely on the rapid acquisition of information in order to read the markets and execute trades instantaneously, sometimes as many as 1,000 times in a single second.

To prevent abuse, the SEC must ensure ''fair access'' for co-located servers at the exchanges and a method of allocation that does not disadvantage retail orders.

Another advantage for insiders in this new system, arises from what are known as market latency disparities.

Market fragmentation appears to permit high-speed traders to use the disparities in time, place, speed, and price to advantage themselves over unsuspecting investors.

Let me read from a recent article in The Economist magazine entitled ''Rise of the Machines.'' ''High-frequency traders attempt to uncover how much an investor is willing to pay—or sell for—by sending out a stream of probing quotes that are swiftly cancelled until they elicit a response. The traders then buy or short the targeted stock ahead of the investor, offering it to them a fraction of a second later for a tidy profit.''

While the cost to each individual might be slight, the Tabb Group estimates that high-speed stock traders banked about $8 billion in profits last year. Let me repeat: $8 billion with a ''b.'' How much of this profit came from legitimate practices that benefited all investors, and how much of it was a toll paid by the average investor?

We all know the old adage, that it is easier to steal a penny or two from 100 million people than to steal a million dollars from one person.

We need to know if high-speed traders are proving this to be true in our markets every day.

Some market practices have also introduced potential conflicts of interest into the marketplace. For example, trading venues offer rebates to investors who post limit orders, which bring liquidity to their exchange, and charge for market orders, which take liquidity out of the exchange. Some broker-dealer firms direct a sizable majority of their order flow to the exchanges that offer the highest payments and lowest fees.

In theory, best execution is always the first priority, as regulations clearly state that even if the customer's order is routed to a market that does not have the best price, it must be rerouted to the market center that does.

I am concerned that regulators are outmatched by the rapid advances in high-speed trading. In a highly fragmented system where millions of trades take place in a microsecond, the ability to measure and enforce so-called ''best execution'' may be a vain hope.

The so-called Rule 605 forms, which purport to measure execution quality, are woefully outdated. The first column for time for execution reads ''0–9 seconds.'' In a gap of 9 seconds, prices can change significantly. In a world of 50 market venues, with structural latency issues being targeted by an entire industry of high-frequency traders, millions of trades reaping millions of dollars can take place before retail investors and the regulators who protect their interests can comprehend what happened.

We need to ask if regulators are looking through the wrong end of a telescope when they should be using a microscope.

Average investors must now wonder if their orders are being routed to a venue because it offers the best execution quality for them, or because it leads to the most revenue or lowest transaction fees for their brokers.

Liquidity rebates paid by the exchanges have increased trade volume and thereby provided added revenue for exchanges.

Most of the traders who capitalize on rebates are high-frequency traders who execute millions of low-risk trades a day. These market participants are not investors. Rather, they step in between buy and sell orders, trade on both sides of a security, and cash in on double the rebate.

Let me again read from The Economist: ''Another popular HFT [high-frequency trading] strategy is to collect rebates that exchanges offer to liquidity providers. High-frequency traders will quickly outbid investors before immediately selling the shares to the investor at the slightly higher purchase price, collecting a rebate of one-quarter of a cent on both trades.''

Some argue that such innovations add needed liquidity to the market. But high-speed traders mainly target the most frequently-traded stocks.

Liquidity is light and spreads are wide on many lower-volume stocks. We must rigorously examine the degree to which rebates actually bring liquidity to the marketplace where it is needed and help the market function properly.

I have discussed a variety of questionable practices that deserve and I hope will receive a searching examination by the SEC and by Congress.

While some of these innovations have produced benefits, they have also created wide disparities between high-speed traders and average investors. We do not have a clear accounting of all the costs and benefits of these recent market structure changes.

Under the current system, until empirical data shows up to dispel our concerns, we have little reason to believe average investors can compete with the high-speed traders they are up against.

We must question whether certain broker-dealers are acting in the best interests of their customers, under cover of flawed regulation and antiquated enforcement techniques. At the same time, we have dark trading platforms that are insufficiently monitored by regulators and which undermine public price discovery.

Moreover, unlike specialists and traditional market-makers that are regulated, some of these new high-frequency traders are unregulated, though they are acting in a market-maker capacity.

They have no requirements to ''maintain a fair and orderly'' market. They trade when it benefits them.

If we experience another shock to the financial system, will this new, and dominant, type of pseudo market maker act in the interest of the markets when we really need them? Will they step up and maintain a two-sided market, or will they simply shut off the machines and walk away? Even worse, will they seek even further profit and exacerbate the downside?

Because our rules and regulations are so inapt, most of the practices I've mentioned today are still legal, but they are not fair.

It used to be that steroids were not banned by Major League Baseball. In fact, they were great for business. The game's biggest sluggers hit home runs at an unprecedented rate, enthralling fans in the process. But the game was tainted, the competition was unfair, and the power was not genuine. Eventually, the game suffered a crisis of legitimacy.

High-frequency trading, while not illegal, may operate in ways that undermine the legitimacy of our financial markets. In order to restore investor confidence, we must effectively regulate unfair performance-enhancers. We must shine a light on dark pools, conduct a searching examination of high-frequency trading strategies to ensure they are not manipulative, ban flash orders, and give regulators the tools they need to ensure that broker-dealers are acting in the best interests of their clients.

I know as well as anyone the benefits of free markets. I know that technology, innovation, and competition are critical components of economic growth. But we must balance those interests, against the values of fairness and equal opportunity. We must bring back a level playing field, encourage long-term investment, and help our economy grow.

I am not here today, to stand in the way of progress. I do not wish to return to a horse-and-buggy system.

High frequency trading and the ''Rise of the Machines''—as The Economist called it—are here to stay.

I don't want to ban them. I don't want to slow them down.

Simply put, technological developments should not control our regulatory destiny; rather, our regulatory agencies should ensure that technological progress everywhere bring benefits to long-term investors. And where the interests of the two are in conflict, our regulators must stop the practices of professional short-term traders that harm the interests of long-term investors.

The market structure rules themselves should not enshrine or permit illicit advantages that a careful review, a surgeon's scalpel, electronically constructed solutions, and effective enforcement can end.

Neither should needed solutions that protect investor interests, like reinstatement of some form of the uptick or bid test—or the need for a ''hard locate'' requirement to end naked short selling once and for all—remain unused primarily in deference to the desires and convenience of high-frequency traders.

For our part, we in Congress need to undertake a fundamental review of the oversight responsibilities we give to regulators, examining whether they have adequate tools to carry out these responsibilities.

We have become complacent in thinking that continually updating our body of regulations is enough, when in reality we perhaps have failed to provide regulators with the necessary tools they need to observe these complex financial institutions.

So on this anniversary of the Lehman Brothers collapse, I conclude by saying I look forward to working with my colleagues, not only to address the financial crises of the past, but also to scrutinize and begin to correct the financial abuses of the present, so we can avoid the problems of the future.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHANNS. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JOHANNS. Madam President, at 5:30, in a few minutes, we are going to vote on the pending amendment, which is an amendment to bar ACORN from receiving any money from the appropriations bill we are considering. I spoke earlier today, so I will only speak a couple of minutes.

I wanted to come to the floor again to underscore the importance of this vote and to underscore the history that brings us here today to take this action. The history is a sad one.

On September 9, 2009, Miami-Dade prosecutors issued arrest warrants for 11 ACORN employees. The employees are charged with falsifying voter registration cards. A total of 1,400 voter registration cards were turned in, and 888 of those were found to be fake. That means that almost three-quarters of those cards were fraudulent.

Late last week, damaging news surfaced regarding hidden videotapes at the New York, Baltimore, and Washington, DC, ACORN offices. What is the feature on these videotapes? They feature ACORN employees offering advice on a number of illegal activities, including tax evasion, prostitution, and fraud—all with taxpayer dollars.

Finally, the Census Bureau notified ACORN on Friday in a letter that it was severing all ties. The Census Bureau has had a bellyful. They severed all ties with this group having to do with the 2010 census. Here is what they said in the letter:

> . . . it is clear that ACORN's affiliation with the 2010 Census promotion has caused sufficient concern in the general public, has indeed become a distraction from our mission, and may even become a discouragement to public cooperation, negatively impacting the 2010 Census efforts.

The letter goes on:

> Unfortunately, we no longer have confidence that our national partnership agreement is being effectively managed through your many local offices. For the reasons stated, we therefore have decided to terminate the partnership.

According to a report published in July by the minority staff of the House Committee on Oversight and Government Reform, again quoting:

> Operationally, ACORN is a shell game played in 120 cities, 43 states and the District of Columbia through a complex structure designed to conceal illegal activities, to use taxpayer and tax exempt dollars for partisan political purposes, and to distract investigators. Structurally, ACORN is a chess game in which senior management is shielded from accountability by multiple layers of volunteers and compensated employees who serve as pawns to take the fall for every bad act.

It doesn't stop there. In 1998, an ACORN employee was arrested for falsifying voter registration forms. In 1999, Philadelphia authorities found hundreds of fraudulent registration forms by ACORN. In October of 2008, ACORN's Nevada offices were raided by Federal agents and in 2009 their Las Vegas field director—their field director: unbelievable—was charged with voter registration fraud.

In May 2009, seven ACORN employees were charged in Pittsburgh for voter registration fraud.

To date, nearly 70 ACORN employees have been convicted in 12 States for voter registration fraud.

The events of the last week are not isolated. We have only caught them. As Judge Richard Zoller said, after holding an ACORN employee liable for election law violations:

> Somebody has to go after ACORN.

Madam President, I suggest this afternoon that ''somebody'' is each and every Member of the Senate. Until a full investigation is launched into ACORN, no taxpayer money should be used to fund their activities. A vote in favor of my amendment is a vote in favor of the taxpayer and against the status quo.

I will just wrap up by saying, if somehow we could bring the taxpayers of America to the Senate floor and ask them: Do you want your taxpayer dollars to continue to fund this organization, with this kind of history, with the videos that have been just released, overwhelmingly, taxpayers would say: Absolutely not.

This is our opportunity to stand up against an organization that does not deserve the trust of the American people.

Madam President, I yield the floor and 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. JOHANNS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JOHANNS. Madam President, I ask for the yeas and nays on the pending amendment and I yield back all time.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays are ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD) and the Senator from Maryland (Mrs. MIKULSKI) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from North Carolina (Mr. BURR), the Senator from Oklahoma (Mr. COBURN), the Senator from South Carolina (Mr. GRAHAM), the Senator from New Hampshire (Mr. GREGG), the Senator from Texas (Mrs. HUTCHISON), the Senator from Arizona (Mr. MCCAIN), and the Senator from Louisiana (Mr. VITTER).

Further, if present and voting, the Senator from South Carolina (Mr. GRAHAM) would have voted ''yea.''

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

The result was announced—yeas 83, nays 7, as follows:

[Rollcall Vote No. 275 Leg.]

YEAS—83

Akaka	Enzi	Merkley
Alexander	Feingold	Murkowski
Barrasso	Feinstein	Murray
Baucus	Franken	Nelson (NE)
Bayh	Grassley	Nelson (FL)
Begich	Hagan	Pryor
Bennet	Harkin	Reed
Bennett	Hatch	Reid
Bingaman	Inhofe	Risch
Bond	Inouye	Roberts
Boxer	Isakson	Rockefeller
Brown	Johanns	Schumer
Brownback	Johnson	Sessions
Bunning	Kaufman	Shaheen
Cantwell	Kerry	Shelby
Cardin	Klobuchar	Snowe
Carper	Kohl	Specter
Chambliss	Kyl	Stabenow
Cochran	Landrieu	Tester
Collins	Lautenberg	Thune
Conrad	LeMieux	Udall (CO)
Corker	Levin	Udall (NM)
Cornyn	Lieberman	Voinovich
Crapo	Lincoln	Warner
DeMint	Lugar	Webb
Dodd	McCaskill	Wicker
Dorgan	McConnell	Wyden
Ensign	Menendez	

NAYS—7

Burris	Gillibrand	Whitehouse
Casey	Leahy	
Durbin	Sanders	

NOT VOTING—9

Burr	Graham	McCain
Byrd	Gregg	Mikulski
Coburn	Hutchison	Vitter

The amendment (No. 2355), as modified, was agreed to.

Mrs. MURRAY. Madam President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE EXPLANATION

• Ms. MIKULSKI. Madam President, had I been present, I would have voted in favor of amendment No. 2355 offered by Senator JOHANNS.•

Mrs. MURRAY. Madam President, my counterpart, Senator BOND, and I have been on the Senate floor Thursday afternoon, Thursday evening, Friday, and this afternoon and into the evening today. We are waiting for Members to bring their amendments to the floor.

For the information of all Senators, there will not be votes after 3 o'clock tomorrow, as everybody knows. We intend to finish this bill by Wednesday. So there is not a lot of floor time tomorrow.

If anyone has an amendment, offer it tonight. We will set up the vote for tomorrow or Wednesday. Again, we intend to finish this bill by Wednesday. So do not expect that your amendments will have time after that.

Again, I ask Members who have amendments to bring them to the floor and offer them so we can get them considered and up for a vote.

Again, it is going to be a short week. We need to get the bill done by Wednesday. We ask everybody to please consider that and come and offer their amendments so we can get this bill moving.

Mr. CONRAD. Madam President, I rise to offer for the record the Budget Committee's official scoring of H.R. 3288, the Departments of Transportation, Housing and Urban Development, and Related Agencies Appropriations Act for fiscal year 2010.

The bill, as reported by the Senate Committee on Appropriations, provides $67.7 billion in discretionary budget authority for fiscal year 2010, which will result in new outlays of $51.8 billion. When outlays from prior-year budget authority are taken into account, discretionary outlays for the bill will total $134.5 billion.

The Senate-reported bill matches its section 302(b) allocation for budget authority and is $8 million below its allocation for outlays. No budget points of order lie against the committee-reported bill.

I ask unanimous consent that the table displaying the Budget Committee scoring of the bill be printed in the RECORD.

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

H.R. 3288, TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2010

[Spending comparisons—Senate-Reported Bill (in millions of dollars)]

	Defense	General Purpose	Total
Senate-Reported Bill:			
Budget Authority	174	67,526	67,700
Outlays	174	134,287	134,461
Senate 302(b) Allocation:			
Budget Authority	....	....	67,700
Outlays	....	....	134,469
House-Passed Bill:			
Budget Authority	174	68,647	68,821
Outlays	174	134,411	4,585
President's Request:[1]			
Budget Authority	174	68,696	68,870
Outlays	174	134,829	135,003
Senate-Reported Bill Compared To:			
Senate 302(b) allocation:			
Budget Authority	....	....	0
Outlays	....	....	−8
House-Passed Bill:			
Budget Authority	0	−1,121	−1,121
Outlays	0	−124	−124
President's Request:			
Budget Authority	0	−1,170	−1,170
Outlays	0	−542	−542

[1] For comparison purposes, Pesident's requested level is adjusted to remove $39.45 billion in proposed BA that continues to be classified as transportation obligation limitations.

Note: Table does not include 2010 outlays stemming from emergency budget authority provided in the 2009 Supplemental Appropriations Act (P.L. 111–32).

MORNING BUSINESS

Mrs. MURRAY. Madam President, I ask unanimous consent that the Senate proceed to a period for the transaction of morning business, with Senators allowed to speak for up to 10 minutes each.

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

The Senator from Connecticut.

DESIGNATING THE KENNEDY CAUCUS ROOM

Mr. DODD. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 264, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 264) designating the Caucus Room of the Russell Senate Office Building as the "Kennedy Caucus Room."

S. RES. 264

Whereas, during the last century, few rooms have borne witness to as much history as the Caucus Room of the Russell Senate Office Building;

Whereas, during the last century, few families have played as integral a role in the history of the United States as has the Kennedy family;

Whereas the Senate mourns the passing of Senator Edward Moore Kennedy, one of the most accomplished, effective, and beloved Senators of all time;

Whereas Senator Edward Moore Kennedy played a role in every major national debate during the last 50 years, serving as a constant champion of the disadvantaged and overlooked;

Whereas the legacy of Senator Edward Moore Kennedy includes not only his prolific achievements on behalf of the people of the United States, but the enduring friendships he formed with colleagues on both sides of the aisle;

Whereas the wit and passion of Senator Edward Moore Kennedy and his perseverance in the face of adversity will be remembered in equal measure to his impressive legislative and rhetorical skills;

Whereas Senator Edward Moore Kennedy was part of a proud family tradition of public service, which included 2 other distinguished Senators;

Whereas never before have 3 brothers served in the Senate, and rarely have any 3 brothers served the United States so well;

Whereas John Fitzgerald Kennedy served the people of Massachusetts with distinction in the Senate, before being elected the 35th President of the United States;

Whereas Robert Francis Kennedy served the people of New York with distinction in the Senate, after serving as the 64th Attorney General;

Whereas Edward Moore Kennedy served the people of Massachusetts with distinction in the Senate for nearly half a century, acting as a tireless advocate for those who might otherwise have been without an advocate;

Whereas the Senate has been greatly enriched by the dedication, compassion, and talent of the 3 Kennedy brothers who served as Senators;

Whereas, in the Caucus Room of the Russell Senate Office Building, the people of the United States have commemorated tragedy, celebrated triumph, and held hearings of great importance on the most important issues facing the Nation;

Whereas it was in the Caucus Room of the Russell Senate Office Building that both Senator John Fitzgerald Kennedy and Senator Robert Francis Kennedy announced their intention to run for the office of the President of the United States;

Whereas a spirit of passionate advocacy and deep respect for the institution of the Senate should govern the deliberations that take place in the Caucus Room of the Russell Senate Office Building; and

Whereas the Senate wishes to honor the life and work of Senator Edward Moore Kennedy, to recognize the contributions of the 3 Kennedy brothers who served as Senators, and to celebrate the spirit of public service exemplified by the Kennedy family: Now, therefore, be it

Resolved, That the Senate designates room 325 of the Russell Senate Office Building, commonly referred to as the "Caucus Room", as the "Kennedy Caucus Room", in recognition of the service to the Senate and the people of the United States of Senators Edward Moore Kennedy, Robert Francis Kennedy, and John Fitzgerald Kennedy.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DODD. Madam President, I wish to take a second and thank, first of all, the majority leader, Senator REID, for his support in this effort. I recognize as well our colleague from Massachusetts, Senator KERRY, who is my lead cosponsor in this effort and a very close and dear personal friend of Ted Kennedy for many years. And I thank our colleagues.

We are joined by the presence of our colleague from the other body, Senator Ted Kennedy's son PATRICK, who serves with great distinction in the other body. I am pleased he is here with us at this moment to watch this resolution be adopted.

I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, en bloc, and