I have had the privilege to work closely with Dr. Rosner during, over the last 7 years during his tenure at Argonne, first when he was chief scientist and later when he became laboratory director. So I speak with personal knowledge and affection when I say that Bob has left an indelible stamp on Argonne, the quality of life in my district, the Department of Energy complex and the Nation.

There is no doubt that he has created a positive and lasting legacy, both nationally and internationally, and I would like to take this moment to pay tribute to his many achievements and to wish him well on his return to full-time university life.

Dr. Rosner's first significant interaction with Argonne came in 1992 when he led the collaboration between Argonne and the University of Chicago scientists who created the Center for Astrophysical Thermonuclear Flashes, which he directed from its founding in 1997.

□ 1630

In 2002, he joined Argonne's directorate as chief scientist and associate laboratory director for physical, biological and computing science.

Since his appointment as director of Argonne in 2005, he has served as a valuable national leader and spokesman on science policy and the value of translational science, science that puts basic knowledge to practical use.

During his term as Argonne director, Bob has strengthened Argonne intellectually, organizationally and physically. He strengthened and organized the laboratory's core capacities to make them more responsive to the Department of Energy's needs and helped forge stronger links between Argonne, the University of Chicago and other universities, especially in the Midwest.

He was instrumental in founding the Energy Department's National Laboratory Directors Council and served as its first chair. He also has worked to launch a number of new research programs and facilities, including the Computation Institute, the Leadership Computing Facility, the Sub-Angstrom Microscopy and Microanalysis Facility, the Center for Nanoscale Materials, and the Theory and Computational Sciences Building.

He has also created an atmosphere of open communication. Notably, he established a two-way dialogue between employees and senior management by becoming the first Argonne director to answer all questions in regular, informal meetings with employees from across the lab.

Madam Speaker, Dr. Robert Rosner has contributed greatly to the Energy Department laboratory complex, my district, the State of Illinois and the Nation. His commitment and dedicated efforts as a public servant provide an inspiration to us all. I know his presence at Argonne will be greatly missed, but I am confident that his abundant energy and zeal for science will continue to do great things in the scientific and university communities for years to come.

Today, I congratulate Dr. Rosner on his accomplishments at Argonne and wish him success in his many future endeavors.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BROUN) is recognized for 5 minutes.

(Mr. BROUN of Georgia addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PROGRESSIVE MESSAGE FROM THE PROGRESSIVE CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Minnesota (Mr. ELLISON) is recognized for 60 minutes as the designee of the majority leader.

Mr. ELLISON. Madam Speaker, I am here tonight representing the Progressive Caucus with the progressive message. I am hoping I can get the assistance of some of our very able pages who are seated in the back to grab my boards and my setup materials to help me along the way tonight.

But the main idea is that the Progressive Caucus offers a progressive message, Madam Speaker, every single week, and this week, tonight, we are very, very pleased to be able to talk to the American people about the Credit Cardholders' Bill of Rights.

Everybody knows for the last several years that our economy has not had equal and open access to everybody. American people are struggling hard, with flat wages on average for the last number of several years, and we have seen people's pay remain flat as other costs increase, such as health care costs, higher premiums, higher copays. We have seen these kind of things the American worker has been suffering with, and it has been tough out there for everybody. And what happened with the collection of higher costs and higher expenditures and flat pay is that Americans began to rely more and more on debt to meet their basic expenses.

We are not talking about living extravagantly. We are talking about the basics. We are talking about a home that you can live in, raise your family in. We are talking about trying to move into a decent school district. We are talking about trying to have a house that is large enough for your family to live in, things like that.

So at this point we are here tonight to talk about a triumph that the American people have had tonight with the passage of the American Credit Cardholders' Bill of Rights. So let me just get started.

I want to thank our pages. We can't do anything without them. They are very sharp, able young people. I would recommend to any young person that they look into becoming a page. I want to thank them.

But I want to start off by talking about tonight, and this is our progressive message and this is what we do every week as we bring a progressive vision to the American people, the progressive message, that is what I am talking about tonight, and this is on behalf of the Progressive Caucus. For people who are interested, we urge you to check out our e-mail address. Send us some information. We want to hear from you, the Congressional Progressive Caucus.

So, again, tonight we want to talk about the importance of subprime lending, the Credit Cardholders' Bill of Rights, debt in the American economy. Americans are having flat wages, increasing costs of all kinds, and people needed somewhere to go. Where did they go? They went to debt. They went to credit card companies. They went into the equity in their homes, as they would take out home equity loans or refinances, things like that.

What did people do to make the ends meet as they needed to make purchases they simply couldn't afford because of the flat wages that they suffered through? They did other things, like sometimes go to payday lenders, and even sometimes had to resort to other sorts of means.

But what ended up happening is that, as Americans began to rely more on debt, they began to experience negative savings rates. Negative savings rates. What does this mean? This means that if you get paid every 2 weeks, on the second week, sometime around Wednesday or Thursday, you have more week left but you have no more paycheck left. That is what that meant. And that meant that you had to do something. Cutting back is what people did. Of course they cut back. But when you have food to pay for, mortgages to pay, things like that, you have got to do something, and people relied on debt.

In 2005 and 2006, we had a negative 1.5 percent savings rate, a negative 2 percent. I remember when I first got elected in 2006 asking one of our more conservative testifiers at a committee hearing what he thought about our negative savings rate in America. He said, ''Don't worry about negative savings rates. We have got to recalculate what we mean by savings. Equity in your home, for example, is savings.'' Well, we now know, looking back from 2009, what that meant.

But I want you to know that even though the American people have suffered through these financial difficulties, even though we had to rely on debt, the American people made a decision that was in their best interests and decided, you know, we don't have good policy for our country. We need better financial policy that is more responsive to the needs of consumers. We need better fiscal policy that really invests in our infrastructure, puts money into people's pockets, increases jobs and spurs demand. And this Congress and the 110th Congress, starting in the 110th Congress and in the 111th Congress, has done this.

Now, I don't like partisan politics, but I do believe in the truth, and I just want to point out that these difficulties that the American public has been going through, going into debt, taking on loan products that are difficult to afford, the American public really didn't want to get into this. But look how things changed, given the changing political reality.

This chart entitled ''Subprime Lending,'' Republicans controlled Congress during all this period, 1996 right up to 2005. All this area, Republicans are in control of Congress. But in the shaded area, they are in control of the White House, too. Also on this chart you see subprime mortgages starting at $100,000 up to $700,000, and you see time on the bottom axis. And what is this line doing? It is going up.

You see during Republican control, when we had no regulation, when we had a nonresponsive Congress, when we had a Congress not listening to the American people, you saw subprime mortgages go up. But we began to fix this. We began to work on this. We began to act quickly. And today is an example of what I am talking about, the Credit Cardholders' Bill of Rights, which I hope to talk about in a moment.

But during these years when the Republicans had both the White House and the Congress, this shaded portion, what happened to subprime loans? They just kept going through the roof. As a matter of fact, since the Democrats got in control, we have begun to see a lot of action. But during the Republican-controlled period that I mentioned, 1995 to 2006, the Republicans, when they had the White House and the Congress, put out zero, passed zero in the area of financial regulation. The Republican scorecard, GSE, that means government sponsored enterprise, and subprime legislation, nothing. They did nothing.

Now, people don't like this sometimes because it is like, well, you are being partisan. I am not trying to be partisan, I am just trying to be honest. But what has happened recently, starting in 2006? What took place then?

Well, Democrats have passed bill after bill addressing the financial difficulties Americans are facing. Democrats today passed a Credit Cardholders' Bill of Rights. But this bill was passed in 2007 once the Democrats got ahold of the Congress. This bill we passed today is the second time we passed it. We are hoping that the other body, the folks down the hall, will pass a bill that matches up with it so the President can sign it. The President has made it clear he wants to sign a bill to help consumers with credit cards. But today we passed a bill again.

I want to talk to folks about what some of the basic issues were and what some of the basic features of the Credit Cardholders' Bill of Rights we passed today are, keeping in mind the fact that the Republicans didn't pass anything when they had the White House and the Congress and during their tenure subprime loans were just going through the roof.

Here is what happened when you got Democrats in here. The Credit Cardholders' Bill of Rights ends unfair arbitrary interest rate increases. This legislation prevents credit card companies from unfairly increasing interest rates on existing card balances. Retroactive increases are permitted only if a cardholder is more than 30 days late, if a promotional rate expires, if the rate adjusts as part of a variable rate, or if the cardholder fails to comply with a workout agreement.

This legislation, which ends unfair and arbitrary rate increases, is good for the American consumer. This legislation lets consumers set hard credit limits and stops excessive over-the-limit fees. This bill does that by the following way: It requires companies to let consumers set their own fixed credit limit that cannot be exceeded.

So people think, well, look, you know, if I have a $500 limit on this card, I don't want to spend more than that. This is my way of controlling my spending. Well, what some credit card companies do is let you still spend that $501, but then they charge you $35 for the privilege, ''privilege'' in quotes, that is. You didn't want that. That is not what you paid for. Now you can say $500, that is it.

This bill lets consumers set hard limits and stop over-the-limit fees by preventing companies from charging over-the-limit fees when the cardholder has set a limit or when the preauthorized credit hold pushes the consumer over the limit.

What will happen? The credit charge is denied and you just can't buy that purchase. But maybe consumers want that so they can control their spending, or if they let their child use the card, they want to do that. So now consumers will be able to do this, if we can get this through the Senate and the President signs it.

This bill ends unfair penalties for cardholders who pay on time. It ends the unfair practice known as double-cycle billing. What is this? What is double-cycle billing? It is when card companies want to charge interest on a debt consumers have already paid on time. So let's say you paid your debt on time, but what they want to do is charge you interest on that debt that you paid on time. Is that fair? No. If a cardholder pays a bill on time in full, this bill that we passed today prevents card companies from piling additional fees on balances consisting only of leftover interest. And this bill prohibits card companies from charging a fee when customers pay their bill.

So there is this thing the credit card companies have called ''pay to pay.'' Not pay to play, but pay to pay, meaning if you want to pay, you got to pay in order to pay. That doesn't seem like it makes much sense. If you are paying your bill, they ought to take the money for the bill you paid.

This Credit Cardholders' Bill of Rights which we just passed, which addresses the credit card situation that people are facing, requires a fair allocation of consumer payments. This is an important thing, because it is through this clever little practice that a lot of Americans see their pockets get holes in them and their money run out.

What this means is many companies credit payments to a cardholder's lowest interest rate balances first.

□ 1645

Now, why does that matter? Because if you incur a debt, and part of that debt you're paying 10 percent on, and then you make another charge, and now the interest rate has increased and you're paying 20 percent on that other part of the debt, so now you've got two charges, one for 110 percent, another for 120 percent. They won't let you pay off the higher interest rate amount first. They pay off the lower interest amount first. Why? Because the higher interest rate for the longer period of time gets them more money, loses you more money.

So, companies credit payments to a cardholder's lowest interest rate balances first, regardless of when you incurred the debt, making it impossible for a consumer to pay off the higher rate debt. The bill bans this practice. This bill we passed today bans this and requiring payments made in excess of the minimum to be allocated proportionally to the balance with the highest interest rate. So now you can get out of debt.

Now, if you charge something on your credit card, you're not able to pay it off at the end of the month, you don't end up drowning in a sea of debt. You can get out of this muck, out of the mire.

The credit cardholders' bill of rights protects credit cardholders from due-date gimmicks. This bill requires credit card companies to mail billing statements 21 calendar days before the due date, and to credit as on time payments made before 5 p.m. on the day due. This makes a big difference because you might pay your bill on time, but they say, nope, you didn't pay on time. Why? Because we played some shenanigans with the due date.

This bill extends the due date to the next business day for mailed payments when the due date falls on a day the card company does not accept or receive mail; that's Sunday and holidays. Very good for consumers.

This bill prevents companies from using misleading terms and damaging consumer credit ratings. The bill establishes standard definitions for terms like ''fixed rate'' or ''prime rate'' so companies can't mislead or trick consumers by marketing and advertising. You know, the 9.9 fixed rate, until it's not fixed. And when is it not fixed? Well, when they say it's not fixed. It's fixed right up until it isn't fixed anymore. When is that? Whenever we say it is. This kind of practice is not fair and is going to be stopped by this bill.

This bill protects vulnerable consumers from high-fee subprime credit cards. It prohibits issuers of subprime cards where the total yearly fixed fee exceeds 25 percent from charging those fees to the card itself. These cards are generally targeted to low-income consumers. So just think about it, somebody says come get a credit card. You're low-income, and they say, there's going to be a fee for having this card. So you say, okay, well, whatever. I don't know because the fine print has me all confused and I don't really get it. I just think I'm going to get a credit card.

So then what happens is you get the card. You sign on the dotted line; and before you even use the card for the first time, you find that there's already $400 worth of charges on the card. How could that be? You've never really used it before. Well, the fee that they're charging you has been already put on the card before you ever used it. So if you cancel the card, you still owe them. And the interest rate just keeps on climbing. This bill stops that.

Now, I tell folks all the time that I knew that things were bad when my 19-year-old son, who wasn't working, kept getting credit card solicitations in the mail. And I thought that was a problem. But I knew we had a real problem when my 13-year-old son started getting credit card solicitations in the mail. Yes, if you're watching this broadcast, you may have seen a 13- or 12-year-old get a credit card solicitation. How does this happen?

Well, because you sign up for Sports Illustrated or some magazine, your name gets on the list, and then they start doing it to you.

Now, this bill says that it prohibits card companies from knowingly issuing cards to individuals under 18 who are not emancipated.

Now, the fact is, these are the basics of this credit card bill, this credit cardholders' bill of rights. It's responsive government in action. It's responsive government in action.

And I'm very proud to report that even though, when the Republicans were in charge of both the White House and Congress—I'm not happy to report this part—but even though they passed no legislation to protect consumers from subprime lending, and even though, during their tenure, which is from this period, 2001 and right up to the end of 2005, they controlled both the White House and Congress, they didn't pass anything. Subprime loans just went through the roof.

Even though those two things are true, there's a lot of Republicans who did the right thing today, and I want to commend them. I can tell you that in the Financial Services Committee, we had nine Republicans vote for the credit cardholders' bill of rights. And today you only had 70 Members of Congress who voted ''no.'' And therefore, you had over 130-some Republicans voted for this bill. They are to be commended. They put the interests of their constituents over that of certain credit card companies, and they deserve the applause and my personal thanks.

Let me say that it's time to rebuild our economy in a way that's consistent with our values, the economy that's built on a strong foundation, not financial schemes, overheated housing markets and maxed-out credit cards. We want to build an economy that offers prosperity in the long run, not just the short quarter.

American families face the reality of this financial crisis every day. We think the lending industry has continuously found new ways to make profits out of old regulations and has faced little oversight and needs a reality check.

As I say this, I want to commend that there are a number of good lenders out there, and credit cards are not bad in and of themselves. But there have been some bad practices. This credit cardholder's bill of rights allows for a basic floor, so that good credit card companies, watching bad credit card companies make a lot of money off those abusive practices, are not tempted to engage in those practices themselves. We're setting a floor. That's what it means to be a Member of Congress, to try to set a floor for our free market system to operate properly.

During the reign of the Bush administration, Republicans presided over a systematic weakening of financial regulations. And along with this deregulation, we saw the dramatic rise in subprime loans and consumer credit without increasing consumer protections.

I already mentioned this very troubling statistic, and I urge people to take a close look at it and examine it because it tells a very, very disturbing story. Some credit card companies, not all, have long engaged in deceptive practices that harm consumers, and real reform is long overdue, which is why we're so happy to have passed the credit cardholders' bill of rights today.

With credit card debt in the United States reaching record heights, nearly a trillion, that's trillion, with a T, and almost half of all American families carry an average balance of about $7,300 in 2007, this bill could not come soon enough. This bill came right on time.

In 2008, credit card issuers imposed $19 billion in penalty fees on families with credit cards. In fact, they weren't upset with you when you didn't pay off that balance every month. They were quite pleased because they could hit you with a big old fee and you would have to pay a lot of money, which, if you're relying on a credit card, you might not have readily available.

This year, credit card companies will break all previous records for late fees, over-the-limit charges and other penalties, resulting in more than $20.5 billion. That's a lot of money. And this is just—I'm not talking about their profits. I'm talking about their profits generated from over-the-limit charges and penalties and fees; not all profits, just penalty-based profits.

This legislation, which we passed today, the Credit Cardholders' Bill of Rights, would require companies to provided advanced notice of rate increases, while also placing restrictions on the ability of card companies to raise rates retroactively.

This legislation, the Credit Cardholders' Bill of Rights, is a comprehensive credit card reform package that also incorporates a bill I authored called the Universal Default Prohibition Act of 1990. I was proud to introduce a bill that was a stand-alone bill that had been woven into this larger bill, prohibiting universal default provisions.

Some people are lucky enough to not know what universal default is. But what universal default means is that if you have more than one credit card and if you default on one of them, you now get hit with late fees and increased penalties and interest rates on the ones you were on time for, because the credit card company can say you're now a higher risk because of the adverse action on the one card, and so they can hit you on the other cards.

Now, a deal ought to be a deal. If you say, I'm going to pay this rate and I'm going to pay on time and on this card, and you don't mess up on that one, they shouldn't be able to get you because of some other problem. I mean, your mortgage doesn't go up because you don't pay your car note on time. I mean, the fact is, your gym fees don't go up because you didn't pay a library book, get a library book back on time.

The reality is that this universal default practice is unfair to consumers, and there should not be any adverse action against you unless you default on the card that you defaulted on.

So we're now happy that this provision was in the legislation and encourage consumers to rejoice because this important practice is in the bill. This important provision is in the bill.

Currently, a credit card company can raise interest rates on a cardholder, even if he or she has never made a late payment to that particular company;

and that ain't right. This legislation bans most of the abusive practices, including universal default. I've worked hard to stop this harmful practice in part of my work on consumer justice. I'm proud to say that this landmark bill passed the House today. And even though last year the bill was not taken up by the Senate, we expect the Senate to take swift action, this Congress to enact crucial reforms to protect consumers.

We have a President in the White House who's actually concerned about the rights of consumers. And this is a golden opportunity to bring true reform to the credit card industry.

Again, this is not an anti-credit card bill. Credit cards help us. They help us rent cars, get hotel rooms, buy expenditures. This is not about being against credit cards. But it is about trying to stop some of the more abusive practices of some credit card companies that hurt American consumers when we can least afford to withstand some of these difficult practices.

I want to talk about what some of my colleagues who oppose the bill had to say. Some of them were quite critical of the bill and didn't vote for it. You can hardly believe it. Yes, it's true. Seventy people did not vote for the bill. I guess that's their prerogative. I'm sure that their voters will learn about this.

But my point is, I'd like to just talk a little bit about what some of their arguments were. One of the arguments was this: that if we stop these abusive practices, that it will dry up credit for everyone. This is not true. There are 10 big credit card companies, and over half of them don't do universal default. They're profitable. Other practices in the credit card industry are not done throughout the industry, but only certain companies do them.

The fact is, that some of these things that have been banned, many of these practices banned in this bill or restricted in this bill have been identified by the Federal Reserve, under a lengthy study, as abusive and deceptive practices. And so, therefore, if they're abusive and deceptive, are some of the critics of the bill saying that we must let the consumer exist at the tender mercies of what are abusive practices or there will be no credit? That simply makes no sense.

It's almost like saying that unless you allow a toaster that explodes every second or third time it's used, then nobody will be able to get a toaster because the price of making a safe toaster would make having a toaster for anyone too high. That's just silly, and we should never go for it.

□ 1700

We should always stand up against that.

I want to say that, as for this bill, the bill that we passed today, I'm proud of this bill. I was honored to vote for it, and I would vote for it again.

Let me just talk about a few folks from my district and what they said to me.

Kristen from south Minneapolis writes: ''Dear Representative Ellison, I'm writing to you to ask you to support a strong version of the Credit Cardholders' Bill of Rights. This bill improves important provisions for protecting consumers. The main problem is that H.R. 627—'' that's the Credit Cardholders' Bill of Rights ''—won't be implemented quickly enough. We need protection from predatory credit card practices now. Predatory credit card practices drain hard-earned money from people like me who cannot afford these tricks and traps any longer. The credit card companies have been targeting me for no reason in the last 2 months. I have a good job and a decent credit score. Recently, I saw my APR go up because the banks are under financial strain. These are the same banks that received billions of dollars in unregulated support from the U.S. taxpayers, and now they're taking it out on us.''

Annette, also from Minneapolis—my town—writes: ''I'm very concerned about rising interest rates by credit card companies. I worry that this will turn out to be the same as banking and the housing crisis.''

Mark from northeast Minneapolis writes: ''We are residents of northeast Minneapolis. Due to our self-discipline, we have a top-tier credit rating. We recently received notification from Capital One that our credit card annual percentage rate would increase from a 9.9 percent fixed rate to a variable rate, which was 17.9 percent as of January 28, 2009. We find this action reprehensible. It is contrary to the needs of taxpayers in this economic climate. We ask that you sponsor legislation which limits and regulates usury practices for all financial institutions.''

I just want to say to Mark from northeast Minneapolis: Did it today, Mark. Thank you. Thank you.

Eugene from south Minneapolis writes: ''Would like credit card reform passed immediately. There should be limits set on interest rates in order to help consumers.''

Mr. Stein writes that he has never been late on a payment, but Citibank just raised his rate by 5 percent while they were getting bailout money.

John from Minneapolis wonders why his rates on his Capital One card are increasing so much recently: ''They're almost doubling. Please support legislation to stop this type of lending.''

I'm just reading letters from my constituents. They're very concerned about this situation. They wanted somebody to do something about what they were going through in this tough economic climate.

So I'm just going to wrap up by saying that we have worked hard. We've gotten a lot of Republican votes on this legislation today. It was a bipartisan bill. I want to commend Democrats and Republicans for passing this bipartisan bill, which was passed with only 70 ''noes'' and 357 ''yeas.'' That means it was bipartisan. That means that both sides saw that this was an important bill to pass.

I want to say that I'm proud of groups like ACORN. Yes, I like ACORN. I'm proud of the AFL–CIO, Americans for Fairness in Lending, Capital Progress in Action, the Center for Responsibility, Consumer Action, Consumer Federation of America, Consumers Union, Demos, Leadership Conference on Civil Rights, NAACP, National Association of Consumer Advocates, National Community Reinvestment Coalition, National Consumer Law, National Council of La Raza, National Small Business Association—let me repeat that one—National Small Business Association, Opportunity Finance Network, Public Citizen, Sargent Shriver National Center on Poverty Law, Service Employees International, and U.S. Public Interest Research Group. They all wrote this really, really nice letter urging us to support this important legislation.

These are civil rights groups, small business groups, labor unions—people of all types—knowing full well that we've got to do something to rebalance the scales in this wonderful country of ours. That's why we have this Congress, so that Representatives can come here and say, We're going to set things right.

Now I'm going to take a few more minutes before I wrap up to say that this bill that passed today, the Credit Cardholders' Bill of Rights, is really, simply, a bill that signals greater change. In the near future, we will be taking up another important consumer justice piece of legislation.

This bill I'm referring to now is a bill that addresses this practice of predatory lending in the mortgage housing sector. This antipredatory lending bill, of which I am also a very proud author, is going to be up in a week from today, Madam Speaker. This bill, which we're going to get the chance to vote on in about a week, is a bill that is a long time in coming, and if we'd have passed a bill like this years ago, as advocates were urging us to do, we may not be in the situation we're in today.

I want to say that this important bill is going to be up next Thursday. If people, Madam Speaker, want to weigh in on this bill, they should start doing so now if they have not already done so, because it's coming up soon. We want folks to know that Democrats and some Republicans care about the consumer; we are not going to back down from fighting for the consumer, and we are proud to be able to represent the American consumer.

So, with that, Madam Speaker, I'm just going to say it's an honor to come before you and the folks watching.

I just want to say, as we begin to wrap up, that the American consumer has been experiencing mounting debt. As we see the average household income, this is a flat line going straight across. Do you see that flat line? It's just going flat. There are a few dips and a few dives and a few blips upwards, but it's a flat line.

What has not been flat? Nonrevolving credit card debt has been going down here all the way up here to the 110th. Revolving credit: also setting a trend upward. Home equity loans: going up. Mortgages: going up. The difference between this line and these up here explains why Americans have gotten in such difficult dire straits. Now is the time to start fixing it.

We see two things happening that are very important for the American consumer. On the one hand, we see financial regulation. On the other hand, we see the American Economic Recovery and Reinvestment Act put into our economy to reinvest in infrastructure, to invest in innovation, to invest in health care, to invest in a renewable economy so that we can actually increase demand, increase jobs, increase tax revenues, and get ourselves out of the deficit. We see ourselves plugging the holes that these credit card companies and other debt instruments have created for the American consumer.

Help is not only on the way; help has arrived. You see responsible legislation coming forward so that the American consumer and the American economy can fly high, once again, as it has in the past. Consumer justice is what we need. Consumer justice is what we're getting.

Madam Speaker, it has been an honor to come before you.

A PERFECT STORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes as the designee of the minority leader.

Mr. KING of Iowa. Thank you, Madam Speaker. I appreciate the privilege to address you here on the floor of the House of Representatives.

As often happens, if I come down to this floor for the purposes of addressing you in this Special Order hour, I find myself following the gentleman from Minnesota, who was here with his posters up, advocating the Web site of the Progressive Caucus and advocating for things that I just simply disagree with. I went over and looked at the charts because I was trying to understand what kind of insight was being conveyed, Madam Speaker. I know he was addressing you, but you couldn't see the charts, so I'll describe to you what I saw.

I saw the chart that showed the subprime loans that started in about 1995. It grew. Then the numbers of subprime loans diminished in about the year 2000, at about the time that George W. Bush was elected President. Then they increased again substantially throughout that period of time until such time as there was an abrupt end to the chart, which was the beginning of the Obama administration. So I guess we don't know the trend since President Obama has been elected, but here is what I also hear:

I hear criticism of the past administration, criticism of the past majority, in other words, criticism of Republicans because subprime loans went up during that period of time. I hear defense of the Community Reinvestment Act because the Community Reinvestment Act apparently, one could conclude, was properly crafted legislation that brought about a good result. There might have been an even better result, if I'm hearing the gentleman from Minnesota correctly, if it hadn't been for Republicans in the way of administering this in a fashion that would have been different and that would have been done if we would have had, say, President Gore rather than President Bush and now, of course, President Obama.

The Community Reinvestment Act was something that was put in place so that there could be more loans that went to minorities, especially in the inner city, and it recognized that there were lenders that would draw a red line around some of those districts in the inner cities because they saw that crime rates were going up and that property values were going down, which was in inverse proportion to the crime rates. As the inner cities began to devolve, the lenders understood that it wasn't a good place to put their money, so the Community Reinvestment Act was passed in 1978 to provide an incentive for lenders to loan into those inner cities because they wanted to get away from the redlining that was being done.

I think it was done with the right motivation, but what you saw were the results of the Community Reinvestment Act—those results on the chart, Madam Speaker.

In fact, what you didn't see was the result on the chart that showed an increased number of subprime loans, and the subprime loans that were increasing were in response, in significant part, to the Community Reinvestment Act, which compelled lenders to make bad loans in bad neighborhoods. So they devised this method of subprime loans that they could get so they could get more bad loans into these bad neighborhoods in order to comply with the Community Reinvestment Act so that they could take some of the profits from other places and invest and expand their operations. They couldn't expand. They couldn't meet the regulation requirements of the Federal Government unless they complied with the Community Reinvestment Act, and so they made bad loans in bad neighborhoods, and they created the subprime loan market, at least in part, to comply with the Community Reinvestment Act.

The President, President Bush, came to this floor, Madam Speaker, where you're sitting—in fact, in front of where you're seated right now. President Bush addressed this Nation in his State of the Union Address. This would have been January 28, 2003. He said that we had the highest percentage of homeownership in history, that we had 68 percent homeownership in the United States of America. Democrats cheered, stood and cheered. Republicans stood and cheered, because we wanted people to own their own homes. Everybody wanted that to happen. It was being led by Republicans, but it was in reaction to a Democrat law called the Community Reinvestment Act, which put bad loans into bad neighborhoods so lenders could expand in other neighborhoods and could expand their operations.

The Community Reinvestment Act was inspired, I think appropriately, but it was bad law because it didn't hold collateral underneath the loans that were being made. It encouraged bad loans.

We heard a Member of Congress on the floor last night say that she was part of ACORN when they went into bankers' offices to intimidate the lenders so that they would make more bad loans in more bad neighborhoods, driving up the subprime chart you saw from the gentleman of Minnesota, and building a rotten foundation underneath our financial structure in America. When it began to crumble and collapse, we saw the downward spiral in all of our markets, not just in America but in the world, because we didn't have our finances built on a sound foundation.

You can't make bad loans in bad neighborhoods with little or no down and with collateral that is diminishing in value and, by the way, without a fixed interest rate, with a floating interest rate that is going to go up over time.

We know that Alan Greenspan saw the bursting of the dot-com bubble, and he decided he would try to shore up that hole created by the bursting of the dot-com bubble by creating a housing boom, a housing market that would lift this economy. He did that with unnaturally low interest rates. That was built into the Community Reinvestment Act. Then there was the intimidation that was going on by ACORN that was, in significant part, funded by the American people's tax dollars. They would go into a bank or into a loan banker's office—let's just say the south side of Chicago. I don't know why I think of that, but I do. They would march in there with a group of people from the neighborhood, shove the banker's desk out of the way and begin getting in the face of the banker and intimidating him into making loans to people who don't have the means to pay them back. Then they have the audacity to come here to the floor of the House of Representatives and blame this all on Republicans. The Community Reinvestment Act was a Democrat bill.

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It was sought to be adhered to, not just to the letter of the law but the intent of the law, by the lenders who made some bad loans. And yes, there was greed involved and there was some mindset that existed there which was