Third is to deal not with amnesty but setting up a process where they would have to work their way and prove their way into legal status. It will never be automatic. It would not be unconditional.

The trouble we have is that many of those who say the Federal laws have broken down and we do not have a good immigration law are unwilling to stand up and join us in writing a new law.

I invite all of my friends on the other side of the aisle to join with the Democrats in writing a good immigration law. Doing nothing is not an option. It invites more laws such as those in Arizona which, unfortunately, are going to have results which I do not think are consistent with our values in this country.

I urge my colleagues to join me in supporting the framework. I hope they will also consider cosponsoring the DREAM Act, a bill which I introduced many years ago—and Senator DICK LUGAR is my cosponsor—which says those brought to America—undocumented, who finish school, no criminal record, who are willing to finish 2 years of college and serve in our military—will have a chance to become legal in the United States of America. It is a step in the right direction. It was not a step 99 years ago when my 2-year-old mother came to this country. Thank goodness she did. Thank goodness I am here today to tell the story.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, are we in morning business?

The ACTING PRESIDENT pro tempore. Yes.

FINANCIAL REGULATORY REFORM

Mr. ALEXANDER. Madam President, the business before the Senate this week is financial regulation reform. It is hard to pick what the business should be this week. There is so much going on that is of great concern to so many of us.

We have a briefing this afternoon on the dimensions of the oilspill in the Gulf of Mexico.

Those of us in Tennessee are deeply concerned about the 1,000-year rain—an event that only happens every 1,000 years or so, according to some of the engineers in the Army Corps—that has wreaked havoc on middle Tennessee and which is beginning now to hurt west Tennessee.

Also, we have the Arizona immigration debate, which the distinguished Senator from Illinois was discussing a little earlier.

We have a new START treaty the President has asked us to consider.

Just around the corner, we have a nomination coming for a vacancy on the Supreme Court of the United States which will dominate, as it should, the attention of this body for 2 or 3 months or so until it is thoroughly considered.

Of course, the American people would like for us to focus on jobs.

I have great respect for the Democratic Governor of Tennessee who was quoted in the Wall Street Journal yesterday saying the following:

> ''If I have 100 conversations with people, 95 of them will be about jobs and none of them will be about cap-and-trade and none of them will be about bank reform,'' said Tennessee Gov. Phil Bredesen, a conservative Democrat, in an interview.

That is according to the Wall Street Journal. Financial regulation reform is the current topic and financial regulation is important. The importance of it is that this is a country that produces, year in and year out, about 25 percent of all the money in the world. We sometimes forget how privileged we are in our standard of living. We are just about 5 percent of the people of the world, but 25 percent of the wealth of the world is created here. It is because entrepreneurs have an advantage. They can create new jobs one right after the other.

Our well-being is not measured by the number of jobs we lose. It is measured by the difference of jobs we create and the number of jobs we lose. The problem we have right now is we are not creating enough new jobs in the United States of America. We need to focus on doing that.

One aspect of that is the kind of system of financial regulation we have. All of us were appalled by some of the hi-jinks on Wall Street that helped lead us to the great recession in which we find ourselves and for which we had to take extraordinary action. The purpose of the financial regulation bill should be to minimize the possibility of those [Wall Street] hi-jinks occurring again, but at the same time, to leave an environment in the United States where we can create the largest number of good, new jobs. When I say ''we,'' I do not mean the government. We have had too much attention on creating government jobs.

The one place the stimulus has worked is Washington, DC. Salaries are up here. There are more jobs here. The place where the stimulus is not working is out across the country where, if we continued with the economy over the next year at the rate of growth it had in the first quarter, which was 3.2 percent, we are told the unemployment rate at the end of the year will still be about 9 or 10 percent. Why? Because we are not creating enough new jobs in the private sector.

As we deal with financial regulation, we must be careful to leave an environment in which we can continue to create jobs, which is why there are five major issues that have come toward us. I heard someone on television this morning say: There go the Republicans. They want to slow down the financial regulation bill. They cannot agree on it in the Senate.

What we want to do—especially after the health care debate—is provide some checks and balances to make sure we have a good bill.

These are the issues that are before the American people on this bill: Is there a Washington takeover of Main Street lending? Community banks, credit unions, plumbers, and dentists say there may be. We need to make sure there is not.

The last thing we need to do is make it harder to get a loan in Nashville or Manchester or Knoxville or San Antonio. Because if you cannot get a loan, you can't hire a person, you can't invest in something, and you can't create a new job, and the economy does not move. That is the first issue: Is there a Washington takeover of Main Street lending.

The second issue: What about this czarina or czar? What about this person the President would appoint to be in charge of millions of transactions in the consumer bureau? Unlike our other independent agencies, this person would barely be accountable to the President and would not be accountable to the Congress. Doesn't that lead to the possibility that this person could write some rules and regulations unaccountably and might make the same sort of mistake we made when we encouraged people to buy houses who could not afford to pay for them—which most agree is the principal event that led us into the great recession that we now have? And that nearly led us into another depression, which brings us to the third issue: Why are we not dealing with the big housing agencies? Fannie Mae and Freddie Mac have about as much debt outstanding as the United States does, and we taxpayers implicitly guarantee their debt.

In the health care debate, it was said: We do not add to the national debt with this bill. But we did not include doctors—we did not include paying doctors in the health care bill. That would be about like my going to the Congressional Budget Office and saying: Tell me how much it is going to cost to run the University of Tennessee for the next 10 years, and the Congressional Budget Office might say to me: With or without the professors? If I wanted a low-ball number, I would say: Oh, give me a number without paying the professors.

That is what we got in the health care bill. We left out $200 billion or $300 billion. The President's budget says it is $371 billion over the next 10 years because we assumed that we would not increase pay for doctors to serve Medicare patients, which would create for them a 21-percent cut in pay. And for those Medicare patients, it begins to create a health care bridge to nowhere because no doctors are going to see them if they are not properly reimbursed.

We are doing the same thing in financial regulation reform when we leave out Fannie Mae and Freddie Mac. Why are we leaving them out? It is not because they didn't make a contribution to the big recession we are in. Everyone agrees they did. The Democrats are leaving them out because if Democrats put them in, we would have to deal with the $200 billion, $300 billion or $400 billion cost in the current year. According to the Wall Street Journal today, the Congressional Budget Office says the deficit would be about $291 billion bigger in 2009. So, Congress is going to put them in the drawer or put them under the table or act like they aren't there, and say to the American people: Hooray, we fixed financial regulation, but we're not dealing with housing? When we fix financial regulation without addressing Fannie Mae and Freddie Mac it's like not paying doctors when we pass a comprehensive health care bill. That is a third issue.

There are a couple more issues. One is the so-called derivatives issue. The so-called derivatives issue is a complicated issue for many people, but the head of the Federal Deposit Insurance Corporation says the bill before us may actually create less regulation for these complicated transactions rather than more. This is an area in which we want to make sure we do not make a mistake.

Then there is the so-called big bank bailout provision. Most Americans don't want a provision in the law that allows or encourages big banks to take risks that cause them to fail and take the rest of us down with them. So, the point of our debate ought to be to make sure in our financial regulation reform that we don't provide incentives for big banks to take imprudent risks that will cause them to fail and hurt us because they are so big.

How are we making progress on this issue? As the Republican leader has said, we have Goldman Sachs and Citibank that have said they like the bill. I would say there are a number of people worried about the bill. I am hearing from community banks, credit unions, auto dealers, dentists, furniture retailers, plumbers, and candy companies with concerns.

A New York Times article says: ''Senate Financial Bill Misguided, Some Academics Say.'' That was yesterday. A Professor at MIT says, '' . . . we need to proceed about this in a much more deliberate and rational and thoughtful way.'' That is what we would like to do.

A professor at New York University says leaving out Fannie Mae and Freddie Mac from the discussion is ''outrageous.''

FDIC Chairman Sheila Bair warns against new curbs on bank trading that I just mentioned.

My point is that this is an opportunity for us on the Republican side and those on the Democratic side to take an important piece of legislation—not such a visible piece of legislation today because we have issues from immigration to the oilspill to the flooding in Tennessee—vastly important for our country and work together to make it better.

Some progress, I understand, is being made on one of the five provisions. That is the too-big-to-fail provision. We will see what Senator SHELBY has to say on that. But that still leaves the question of whether we ought to have an independent czarina or czar. That still leaves the question of whether we are dealing properly with derivatives. That still leaves the question of whether we ought to leave out of a financial reform bill the two great housing agencies that are just sticking there in front of us like a sore thumb, reminding us we have not done our job if we don't include them. And of great importance, why can't we simply have a provision in the bill that eliminates any possibility that we have a Washington takeover of Main Street? It is not the business of this bill to make it harder to extend and get credit up and down Main Street America.

Madam President, I ask unanimous consent to have printed in the RECORD a series of articles.

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

[From the New York Times, May 3, 2010]

SENATE FINANCIAL BILL MISGUIDED, SOME ACADEMICS SAY

(By Andrew Ross Sorkin)

As Democrats close in on their goal of overhauling the nation's financial regulations, several prominent experts say that the legislation does not even address the right problems, leaving the financial system vulnerable to another major crisis, Binyamin Appelbaum and Sewell Chan report in The New York Times.

Some point to specific issues left largely untouched, like the instability of capital markets that provide money for lenders, or the government's role in the housing market, including the future of the housing finance companies Fannie Mae and Freddie Mac.

Others simply argue that it is premature to pass sweeping legislation while so much about the crisis remains unclear and so many inquiries are in progress.

''Until we understand what the causes were, we may be implementing ineffective and even counterproductive reforms,'' said Andrew W. Lo, a finance professor at the Massachusetts Institute of Technology. ''I understand the need for action. I understand the need for something to be done. But what I expect from political leaders is for them to demonstrate leadership in telling the public that we need to proceed about this in a much more deliberate and rational and thoughtful way.''

Senate Republicans echoed some of these concerns as they delayed debate on the legislation last week. Democrats agree that significant issues remain to be addressed. But they say that the government must press forward in responding to the problems that already are clear.

The bill, which was introduced by Christopher J. Dodd, chairman of the Senate Banking Committee, would extend oversight to a wider range of financial institutions and activities. It would create a new agency to protect borrowers from abuse by lenders, including mortgage and credit card companies. And it seeks to ensure that troubled companies, however large, can be liquidated at no cost to taxpayers.

A diverse group of critics, however, say the legislation focuses on the precipitators of the recent crisis, like abusive mortgage lending, rather than the mechanisms by which the crisis spread.

Gary B. Gorton, a finance professor at Yale, said the financial system would remain vulnerable to panics because the legislation would not improve the reliability of the markets where lenders get money, by issuing short-term debt called commercial paper or loans called repurchase agreements or ''repos.''

The recent crisis began as investors nervous about mounting subprime mortgage losses started demanding higher returns, then withholding money altogether. The government is now moving to prevent abusive mortgage lending, but Mr. Gorton said investors could just as easily be spooked by something else.

The flight of investors is the modern version of a bank run, in which depositors line up to withdraw their money. The banking industry was plagued by runs until the government introduced deposit insurance during the Great Depression. Professor Gorton said the industry had now entered a new era of instability.

''It is unfortunate if we end up repeating history,'' Professor Gorton said. ''It's basically tragic that we can't understand the importance of this issue.''

Treasury Secretary Timothy F. Geithner agreed in April testimony before the House Financial Services Committee that ''more work remains to be done in this area,'' but he said that regulators could address the issue without legislation. The government plans to require lenders to hold larger reserves against unexpected losses and to require that they keep money on hand to meet short-term needs.

David A. Skeel Jr., a corporate law professor at the University of Pennsylvania, said it would be a mistake for Congress to leave the drafting of these standards to the discretion of regulators.

''Regulators working right now will be tough,'' Professor Skeel said. ''But we know from history that as soon as this legislative moment passes, the ball is going to shift back into Wall Street's court. As soon as the crisis passes, what inevitably happens is that the people that are paying the most attention are the banks.''

A second group of critics say the government helped to seed the crisis through its efforts to increase home ownership, including the role of Fannie Mae and Freddie Mac in buying mortgage loans to make more money available for lending. The companies are now owned by the government after incurring enormous losses on loans that borrowers could not afford to repay.

Lawrence J. White, a finance professor at New York University, said it made no sense to overhaul financial regulation without addressing the future of federal housing policy. He said he was trying to find the strongest possible words to describe the omission of Fannie Mae and Freddie Mac from the legislation.

''It's outrageous,'' he finally said.

Republicans have repeatedly criticized the administration for advancing legislation that does not address the companies' future. The Obama administration says drafting a new housing policy is on its agenda for next year.

Other critics warn that the proposed legislation would insert the government deeply into the financial markets, creating new distortions and seeding future crises. They say the focus of financial reform should instead be on increased transparency.

Andrew Redleaf and Richard Vigilante, hedge fund managers who started warning investors in 2006 that a housing crisis was inevitable, proposed a minimalist version of reform in their recent book ''Panic.'' They want to require all financial institutions, including investment banks and hedge funds like their own, to disclose, at least once a week, every position in tradable securities.

''The Dodd bill is almost entirely irrelevant,'' Mr. Vigilante said in a telephone interview. ''All it does is strengthen what we've had for years,'' a system that depends on judgments made by regulators behind closed doors.

Proponents of the legislation say that it significantly expands transparency, for example by requiring many derivatives contracts to trade in public view. But they say that the government also needs to expand the scope of its oversight because the worst excesses that led to the crisis began and flourished at nonbank financial institutions that were not subject to federal regulation.

The most basic critique comes from Professor Lo and others who say that Congress is moving too quickly. The origins of the crisis remain a subject of intense controversy. Investigations continue to unearth surprising information. The Financial Crisis Inquiry Commission, a bipartisan panel created by Congress, is not scheduled to report until December. Why not wait, they ask, until the targets are clearer?

Phil Angelides, the chairman of the inquiry commission and a Democrat, says that the problems raised by the crisis will not be solved in one stroke and that he supports the Democratic push to begin the process soon.

But the critics point to the words of Nicholas F. Brady, a former Treasury secretary who led the bipartisan investigation into the 1987 stock market crash: ''You can't fix what you can't explain.''

[From the Washington Post, May 4, 2010]

DERIVATIVES-SPINOFF PROPOSAL OPPOSED AS PART OF OVERHAUL BILL

(By Brady Dennis)

A dramatic proposal that could force banks to spin off their derivatives businesses, potentially costing them billions of dollars in revenue, has run into opposition on multiple fronts as the Senate prepares to take up legislation to remake financial regulations.

Obama administration officials, industry groups, banking regulators and lawmakers from both sides of the aisle have taken aim at the measure proposed by Sen. BLANCHE LINCOLN (D–AR), chairman of the Senate agriculture committee.

Their main objection: If a central goal of regulatory overhaul is to make financial markets more transparent and accountable, Lincoln's provision would have the opposite effect. Barring banks from trading in derivatives would force those lucrative business into corners of the market where there's even less oversight, critics warn.

''If all derivatives market-making activities were moved outside of bank holding companies, most of the activity would no doubt continue, but in less regulated and more highly leveraged venues,'' Federal Deposit Insurance Corp. Chairman Sheila C. Bair wrote in a recent letter to lawmakers.

She said that Lincoln's measure could push $294 trillion worth of derivatives deals beyond the reach of regulators. If some FDIC-insured banks simply transferred this type of business to affiliated firms, it could still pose a danger because the affiliates would not be required to set aside as much capital as banks to cover losses from derivatives trading, Bair said.

She added that a possible unintended consequence of the legislation ''would be weakened, not strengthened, protection of the insured bank and the Deposit Insurance Fund, which I know is not the result any of us want.'' She said this danger exists because financial troubles at an affiliate could in times of crisis threaten the bank. Some administration officials share Bair's worry that the provision could undermine the goal of making derivatives trading less opaque.

''You'd rather make sure that it's regulated,'' said one administration official, who spoke on the condition of anonymity because the matter has not been resolved. ''The whole principle of [regulatory] reform is not to push things into dark corners.''

Federal Reserve officials expressed their reservations to Lincoln's staff members when they were working with their counterparts from the Senate banking committee to combine legislation passed by each panel. The agriculture and banking committees both have had a traditional interest in derivatives, which originated decades ago with trading in farm products.

In a memo, Fed officials said that forcing banks to separate derivatives trading from banking operations would ''impair financial stability and strong prudential regulation of derivatives,'' ''have serious consequences for the competitiveness of U.S. financial institutions'' and ''be highly disruptive and costly, both for banks and their customers.''

Lincoln has stood by her proposal, which has garnered support from consumer advocates, saying she wants to protect bank depositors from risky trading activities. ''It ensures banks get back to the business of banking,'' said Courtney Rowe, Lincoln's spokeswoman.

But other lawmakers have raised concerns.

''As we try to put in place new rules around derivatives, we don't want to push the whole derivatives market offshore,'' Sen. Mark Warner (D–VA) said recently on the Senate floor.

Sen. Judd Gregg (R–NH) said Monday that Lincoln's measure would not only push derivatives transactions offshore but would constrict credit to Main Street businesses that benefit from the ability to hedge against changes in asset prices.

''This is a real job killer. It would cause contraction in the economy,'' Gregg said. ''It's really a poor idea, and it has no purpose, in my opinion, that's constructive. It's just a punitive exercise aimed at Wall Street.''

Amendments aimed at killing the Lincoln provision are likely to emerge as lawmakers begin this week to consider dozens of changes to the financial overhaul bill, according to congressional sources.

[From the Wall Street Journal, May 4, 2010]

WHAT ABOUT FAN AND FRED REFORM?

(By Robert G. Wilmers)

Congress may be making progress crafting new regulations for the financial-services industry, but it has yet to begin reforming two institutions that played a key role in the 2008 credit crisis—Fannie Mae and Freddie Mac.

We cannot reform these government-sponsored enterprises unless we fully confront the extent to which their outrageous behavior and reckless business practices have affected the entire commercial banking sector and the U.S. economy as a whole.

At the end of 2009, their total debt outstanding—either held directly on their balance sheets or as guarantees on mortgage securities they'd sold to investors—was $8.1 trillion. That compares to $7.8 trillion in total marketable debt outstanding for the entire U.S. government. The debt has the implicit guarantee of the federal government but is not reflected on the national balance sheet.

The public has focused more on taxpayer bailouts of banks, auto makers and insurance companies. But the scale of the rescue required in September 2008 when Fannie and Freddie were forced into conservatorship—their version of bankruptcy—was staggering. To date, the federal government has been forced to pump $126 billion into Fannie and Freddie. That's far more than AIG, which absorbed $70 billion of government largess, and General Motors and Chrysler, which shared $77 billion. Banks received $205 billion, of which $136 billion has been repaid.

Fannie and Freddie continue to operate deeply in the red, with no end in sight. The Congressional Budget Office estimated that if their operating costs and subsidies were included in our accounting of the overall federal deficit—as properly they should be—the 2009 deficit would be greater by $291 billion.

Worst of all are the tracts of foreclosed homes left behind by households lured into inappropriate mortgages by the lax credit standards made possible by Fannie Mae and Freddie Mac and their promise to purchase and securitize millions of subprime mortgages.

All this happened in the name of the ''American Dream'' of home ownership. But there's no evidence Fannie and Freddie helped much, if at all, to make this dream come true. Despite all their initiatives since the early 1970s, shortly after they were incorporated as private corporations protected by government charters, the percentage of American households owning homes has increased by merely four percentage points to 67%.

In contrast, between 1991 and 2008, home ownership in Italy and the Netherlands increased by 12 percentage points. It increased by nine points in Portugal and Greece. At least 14 other developed countries have home ownership rates higher than in the U.S. They include Hungary, Iceland, Ireland, Poland and Spain.

Canada doesn't have the equivalent of Fannie and Freddie. Nor does it permit the deduction of mortgage interest from an individual's taxes. Nevertheless, its home ownership rate is 68%. Canadian banks have weathered the financial crisis particularly well and required no government bailouts.

This mediocre U.S. home ownership record developed despite the fact that Fannie and Freddie were allowed to operate as a tax-advantaged duopoly, supposedly to allow them to lower the cost of mortgage finance. But a great deal of their taxpayer subsidy did not actually help make housing less expensive for home buyers.

According to a 2004 Congressional Budget Office study, the two GSEs enjoyed $23 billion in subsidies in 2003—primarily in the form of lower borrowing costs and exemption from state and local taxation. But they passed on only $13 billion to home buyers. Nevertheless, one former Fannie Mae CEO, Franklin Raines, received $91 million in compensation from 1998 through 2003. In 2006, the top five Fannie Mae executives shared $34 million in compensation, while their counterparts at Freddie Mac shared $35 million. In 2009, even after the financial crash and as these two GSEs fell deeper into the red, the top five executives at Fannie Mae received $19 million in compensation and the CEO earned $6 million.

This is not private enterprise—it's crony capitalism, in which public subsidies are turned into private riches. From 2001 through 2006, Fannie and Freddie spent $123 million to lobby Congress—the second-highest lobbying total (after the U.S. Chamber of Commerce) in the country. That lobbying was complemented by sizable direct political contributions to members of Congress.

Changing this terrible situation will not be easy. The mortgage market has come to be structured around Fannie and Freddie and powerful interests are allied with the status quo. I recall a personal conversation with a member of Congress who, despite saying he understood my concerns about the two GSEs, admitted he would never push for significant change because ''they've done so much for me, my colleagues and my staff.''

Nonetheless, Congress must get to work on the reform of Fannie Mae and Freddie Mac. A healthy housing market, a healthy financial system and even the bond rating of the federal government depend on it.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

GULF COAST OILSPILL

Mr. LEMIEUX. Madam President, I come to the floor of the Senate to talk about not only the environmental but economic disaster that has happened in the Gulf of Mexico.

Yesterday, I had the opportunity to fly over the scene of the spill from the Deepwater Horizon rig along with my colleagues Senator SESSIONS, Senator SHELBY, and Congressman JEFF MILLER who represents Florida's First Congressional District.

What we saw was pretty startling. As we flew out over the ocean, we saw the beginning of a spill. At first, it looked like a sheen, something one might see with gasoline laying on a concrete floor at a gas station. But as we got closer to where the Deepwater Horizon oil platform was located before, where it fell into the water, we began to see these great bands of orange, rust-colored oil that streaked across the Gulf of Mexico. We began to see small clumps of what looked like tar.

As we got closer to the scene of the incident, those small clumps turned into what I would describe as large pads of tar that floated to the surface.

We saw the new rigs that are being set up to start the drilling to do escape drilling to allow for the pressure to be taken off the spill where it is located now. We saw some of the cleanup vessels. There were about 10 vessels out there. We understand there are close to 100 involved in the total containment of this spill.

What is concerning to me—and I know is concerning to many Members of Congress—is what could happen, what might happen next. There are a lot of folks working very hard in the Coast Guard and the government. We met with Captain Pullen at the Mobile training facility for the Coast Guard, who briefed us on what is going on so far.

If we do not get this wellhead to stop leaking oil into the ocean, estimated at 5,000 barrels a day—we don't know how much is leaking. It could be less than that; it could be a lot more. If we do not stop the wellhead from leaking, we are going to have a lot bigger problem. This area has grown every day since April 21 when we had this disaster. It is measured by the size of States. First, it was Rhode Island, then it was Delaware. It is growing bigger and bigger.

When the storms subside, as they are doing now, that sheen is going to spread out even further. It certainly is going to likely impact my State of Florida and our beaches and our commercial fishermen and our recreational fishermen. There is cause for great concern.

The reason I come to the floor today is to make this point. There are those who are casting blame on British Petroleum. There are those who are casting blame on the government. There will be time for that. Whether the government has done a proper job of getting on this problem from day one, as we are hearing; whether British Petroleum properly worked along with the folks who ran this rig, the Transocean folks; whether they made mistakes—certainly, mistakes were made—there will be time for us to evaluate that. What we must do now is spend all of our energy and efforts stopping the leak from this well because if we don't, we may see an oilspill that is the entire expansion of the Gulf of Mexico. We may see oil that not only hurts the gulf coast of Florida, Mississippi, Alabama, Louisiana, and Texas, but we potentially could see this oil go around the southern part of Florida, into the Everglades, into Florida Bay, into the Thousand Islands area—not to mention the coast on the western side of Florida, come up on the Atlantic side and get in the Gulf of Mexico and come all the way up the coast.

I am here to urge that all my colleagues support the administration and BP and everyone else who is working on this to stop the leak we have now. To me, it is the most important thing.

There were obviously issues of negligence that caused this disaster to happen in the first place. The questions of whether the Federal Government did everything it should have done in the beginning days when this happened will have to be answered, and folks are going to have to come before our committees to answer those questions. But right now, we have to stop this leak and we have to have an increased sense of urgency of stopping that leak and containing the oil.

We are putting this dispersant in now at the site of the wellhead. That is apparently having some good effect. BP has also been able—as we learned yesterday from Captain Pullen at the Mobile station—to close one of the hydraulic fail-safe valves. We know it wasn't fail-safe, but at least some of that has been closed, which is stopping, we hope, in some way the amount of oil going into the Gulf of Mexico. There is a crisis now, but the crisis to come could be far worse if we do not stop the leak from the wellhead.

DANGEROUS TIES BETWEEN VENEZUELA AND IRAN

Mr. President, over the last 6 months, we have seen two more attempts that we know of against the United States from terrorist attacks—most recently at Times Square. Thanks to the vigilance of some New Yorkers and the fine work of the New York Police Department, a bombing was stopped. We also remember that on Christmas day, when Abdulmutallab tried to blow up a plane over the skies of America, thankfully, that bomb did not explode. These are very dangerous times.

I continue to come to the floor to say that we not only need to pay attention to the east, where this danger is stemming from, but we also have to pay attention to the south. We have to continue to pay attention to Venezuela and the dangerous ties between Venezuela and Iran. I have come to the floor to speak about the fact that Hezbollah and Hamas are now in Iran. We know a Spanish judge has accused Venezuelan authorities of conspiring with the ETA, a radical group in Spain, to assassinate the President of Colombia. We know Venezuela is collaborating with the FARC, the narcoterrorist group, which is bringing in drugs and destabilizing all of Central America all the way up into Mexico. We know of this dangerous situation. We know there are flights now between Venezuela and Iran through Syria that don't go through the normal customs procedures, where folks get off the plane in Venezuela and who knows where they go. We also know now that Iran has sent shock troops to Venezuela. We have also heard of a foiled attempt from a company called VenIran—presumably Venezuela-Iran—to ship alleged tractor parts to Venezuela that turned out to be explosive materials.

I come to the floor today to update this continuing story and to begin to bring, hopefully, the focus of this Congress and this administration on the gathering storm that is Venezuela and its contacts with Iran. It is not only that there are now shock troops from Iran in Venezuela, but we see the Chinese Government giving $20 billion to Venezuela for derivative—future—potential to purchase oil, apparently. So lots of questions need to be asked, and we need answers from this administration about a focus on Venezuela. Hugo Chavez is a dangerous man, and the continued attempts by the Venezuelan regime to work with Cuba to spread disharmony throughout the region, to try to bring other Latin American countries along with his strong-man tactics, are cause for concern.

I will conclude with this, Mr. President. Two weekends ago, I had the opportunity to go to the Joint Interagency Task Force in Key West, FL, where tremendous work is done by the Coast Guard, the Navy, the FBI, DEA, and all sorts of other agencies to interdict drug trafficking from South America, Central America, into the United States. We know Venezuela is allowing flights to go over its country from Colombia to bring those drugs into Central America. We know how violence comes from those drugs, and we are seeing the destabilization of Mexico because of it. We also know there are semisubmersible craft—minisubmarines, if you will—that ride just below the water that are being used by drug traffickers out of Colombia, with the